

How does consumer behaviour affect quality of life for individuals and groups in Canada and the U.S.?

Many factors can affect the behaviour of individual consumers, such as the shoppers in this mall. Individual consumer choices affect society as a whole — for example, the jobs people have and the quality of the environment. **Think critically:** How do factors such as jobs and the environment connect to citizenship, identity and quality of life?

WHAT'S IN THIS SECTION

In this section, you will read about how consumer behaviour affects quality of life for you and others. You will find:

- Articles and interviews that illustrate factors that affect consumer behaviour.
- A chart and examples of how consumer behaviour is linked with economic growth.
- Examples of how advertising affects consumer behaviour.

What are you looking for?

As you read this section, look for:

- Factors that link consumer behaviour to identity, health and the environment.
- Connections between economic growth and consumer behaviour.
- Techniques marketers use to influence consumer behaviour.
- How government decisions influence consumers by limiting or supporting certain consumer behaviours.



What guides your behaviour as a consumer?

Imagine it's Saturday. By some lucky chance, you have plenty of money to spend. You've decided to go shopping at Mall of the World.

The mall has many stores offering different products and services. Some products come from countries where human rights is an issue. Some products contain substances that you can recycle — or not. You can buy products that use a larger or smaller quantity of resources to manufacture and use — an electric toothbrush or an ordinary toothbrush, for example.

This section investigates some of the factors that might influence the decisions you make. It considers these questions:

- How will your identity — who you are, what you believe in and value, where you live, the groups you belong to, your way of seeing the world — come into play?
- How much will you consider your health? Safety? Security?
- How does choosing a product affect the jobs people have?
- How important to you are the environmental impacts of products and services?
- How will marketing affect what you buy?
- Do you really need to buy anything at all?

Buying things is serious business!
It's part of the economic decision making that determines how our society uses resources.



If we haven't got it, it doesn't exist.

Shopping
All the brand names and the bargains!
3 kilometres →

Food Court
Tasty snacks and meals from every corner of the globe!
← 1.2 kilometres

Entertainment
Movies! Petting Zoos! Bungee Jumping! More!
Right this way! ↑



FACTOR

Identity

The choices we make as consumers can reflect our identity. Think about the clothing you are wearing today. What do your clothes say about your beliefs and values, and what you consider important to your quality of life? Consider how these factors may have influenced you when you bought these clothes.

Take a look at the comments of the Grade 9 students on this page and the next. These students have different views on how clothing can express their identity. What do their views say about their behaviour as consumers? How do their views compare with your own ideas about expressing identity?



I think what influences me the most as a consumer is brand names. Everyone wears brand names, and you want to be accepted. Conformity is a huge factor in brand names.

Also, you can see how reliable brand-name clothes are. If everyone has had a good experience with them, then you know they're good quality.

– Jordan Stang



I'm mainly influenced by my friends' and family's opinions, because I see them every day. But even though my friends and family give me their opinions, I don't like to conform. Conformity gives you an image of unoriginality, because you follow what everybody else is doing.

Unless I know a product is good quality and a good price, though, I don't give a thought about buying it.

– Thao Duong



Which of these views about factors that affect consumer behaviour are most similar or dissimilar to your own views? Why?



CRITICAL THINKING CHALLENGE To what extent do the products we consume define who we are and what's important to our quality of life?

When I'm looking for food, I go for personal preference: 100 percent. Same goes for video games and movies. I don't care what the ads or other people say. If I like it, I'll buy it.

That's only somewhat true when I'm buying clothes, though. I usually try to buy the brand that's popular, unless I don't have enough money. Then, I usually save up until I do.

All in all, I try not to let advertising influence me too much, although it is kind of difficult.

– Mackenzie Kerman



I just started working, so one of the most important influences for me is price. Brand names are also a big influence. When I see stars with a particular product, I feel compelled to try it. I want to know why these big stars with lots of money are buying it.

– Meagan McIntosh



connect to the big ideas

1. Choose examples of five different products you have bought recently. Take some time to analyze why you bought each item. Create a breakdown of factors. To what extent did your identity play a role? Think about how your purchases reflect who you are, what you believe and value, the groups you belong to, and your way of seeing the world. Also consider what other factors played a role, such as price and quality.
Create a collage explaining your analysis. Include visuals of the items and visuals to illustrate the major points of your breakdown.
2. Describe how each item in question 1 affects your quality of life. Discuss your conclusions with a small group of classmates. How do your conclusions compare? How do you explain similarities and differences between your consumer behaviour and theirs?



Steps to Analyzing Media Messages

For your chapter task, you need to create a media message about the effects of marketing on consumer behaviour. Media messages and marketing are important in our economy — and the economy of the U.S. — because consumerism is important in our economy. Media messages and marketing aim to affect consumer behaviour.

For an experiment, count how many media messages you encounter as you get ready for school and travel there — for example, on TV, your computer, the newspaper, the radio or billboards. How do the messages get your attention? To what extent do they affect what you believe or what you do?

Media messages try to influence us. Analyzing media messages, and thinking critically about them, is an important skill because it helps us become informed and active citizens.



Media messages can affect your decision making and your position on issues. It's important to think critically about media messages, so you base your decisions on reliable information.

I look at who a media message targets. I think about why and how it targets a particular audience. This helps me step back from the message and think for myself about what it's saying.

Try this!

For your task, you need to create a media message that clearly communicates your research and conclusion on the question: **To what extent does marketing affect consumer behaviour?** What will make your message effective and persuasive?

To figure out techniques that make media messages effective, explore and analyze two or three examples, such as a bulletin board, flyer, radio announcement or TV commercial. Use an organizer like the one below.

What type of text is it?	<i>There are many kinds of media out there (television, radio, online texts, visual). Identify what kind of media it is first.</i>
Who is communicating and why?	<i>Examine who is producing the text and what their goal is. For example, a message might inform the public about a non-profit group. What ideas and values are the authors of the message trying to communicate?</i>
How has it been produced?	<i>The way a media message is produced affects how the message gets out. Look for the kind of technology it uses.</i>
Who is the intended audience?	<i>Look for clues about who the message is for – for example, in images and slogans. Who will respond to the text or listen most to the message?</i>
How is the message constructed?	<i>Look for symbols, slogans, use of colour and other designs. How do they convey underlying values or meaning? What does this tell you about the intent of the message?</i>
Is music or sound involved?	<i>If music is used, what emotions does it provoke? What do the lyrics relate to the content of the message?</i>
How does the content represent the subject?	<i>Think about how people and places are presented in the media. Do you detect bias or stereotyping? Are the events portrayed positively or negatively? What persuasive techniques are used? Is the message realistic or sensational? What needs is the message saying it will meet, such as safety, comfort, health or popularity?</i>



When a message gets my attention, I think about why. Sometimes, I just like the music or the pictures that go with a message. Once I figure that out, I can look at the message itself. I can think about what it really says.



In 2007, the Edmonton Public School Board decided to ban the sale of foods such as chips and chocolate bars from schools. As the article on this page shows, parents had different views about this decision.

FACTOR

Health and Safety

Federal law requires warnings on products such as cigarettes to discourage consumers from buying them. As the warnings tell you, smoking can lead to cancer and heart disease. Despite the warnings, however, adults can still buy cigarettes.

Some governments in Canada have gone further. They have banned some products and made them unavailable to consumers. **Why might Canadians have different views about decisions to ban some products?**

Schools ban junk food

EDMONTON — Edmonton's school board gave unanimous support Tuesday to a motion to eliminate the sale of junk food in all schools. Trustee Ken Gibson said it's important for the board to lead by example. "We need to have a strong statement about what our beliefs are and what is good for our students," he said.

Of eight community members who addressed the board, most called for a ban. Nancy Rempel, a parent at Rutherford School, said junk food sold in schools is often too tempting for children. She compared it to someone going grocery shopping while feeling hungry. "Why offer (junk food) in an institutional setting that is meant to provide role-modelling and an education?" Rempel said. "Schools teach health and gym, and then offer sugar-, salt- or fat-laden treats in vending machines. It's wrong and it needs to stop."

Of eight community members who addressed the board, most called for a ban. Randy Lee said children need encouragement to get away from junk foods that contribute to unhealthy lifestyles. "We've removed cigarettes from the environment and the equation, so now it's time to remove junk food," Lee said. Two people said they thought it was wrong to ban junk-food sales. One said a ban would prevent schools from raising funds by selling candy, or from having "pizza days."

— Adapted from an article by David Howell in the *Edmonton Journal*, November 28, 2007.



Examine the information on this page and page 249. How does legislation about consumer health and safety affect consumer behaviour? How does this legislation connect to values and economic systems in Canada and the U.S.?

Calgary eateries race to reduce trans fats

CALGARY — Calgary restaurants are scrambling to trim trans fats just days before the city becomes the first in the country to regulate use of the artery-clogging additive.

Controversial new health regulations take effect Tuesday.

"The research suggests there is no safe level of consumption of trans fat," said Dr. Brent Friesen of the Calgary Health Region (CHR).

Restaurants are the first to be targeted in the CHR's battle against trans fats, and grocery stores are next. Organizations such as the Canadian Council of Grocery Distributors expressed concern about the regulations because trans fats are a staple in many processed foods on grocery and bakery shelves.

— Adapted from an article by Sarah Chapman, CanWest News Service, December 30, 2007.



New health regulations mean customers at Calgary restaurants will no longer jeopardize their health with trans fats. Trans fats occur in some kinds of food more than others. Packaged and processed foods, for example, generally contain higher levels of trans fats. **Think critically:** How might a ban on trans fats affect demand for food products? How might it affect producers who supply food to restaurants?

DID YOU KNOW?

Legislation about Consumer Health and Safety

Consumer health and safety is the focus of legislation in both Canada and the U.S. — or the focus of debates about it. For example:

- Both Canada and the U.S. have product-labelling laws that require producers to list the ingredients in food and cosmetics.
- The U.S. has laws making airbags mandatory in cars, along with seat belts. In 2007, Canada's laws made only seat belts mandatory.
- In 2007, neither Canada nor the U.S. had legislation to limit trans fats in foods. Canada had considered it, however. In 2004, Canada's government established a task force to investigate the issue, but decided to ask food companies to reduce trans fats voluntarily.

SPOT THE ISSUE

How much control should consumers have over choices that affect their health and safety?



CRITICAL THINKING CHALLENGE To what extent do differences in the way the U.S. and Canada regulate products for health and safety reflect differences in their economic systems?

FACTOR

Jobs

When you buy a product, you connect to a chain of people and their jobs. Your choice is part of what keeps them employed.

Take, for example, a ballpoint pen. Here are some of the jobs connected to your pen purchases.

What is the link between consumer spending and jobs? What can you conclude from this flow chart?



DID YOU KNOW?

Consumer Spending and Economic Growth

Consumer spending plays an important role in both mixed and market economies. For example, in Canada in 2006, consumers spent more than \$400 billion on products and services. In the U.S., consumer spending accounts for 70 percent of economic activity. Consumer spending affects economic growth in Canada and the U.S. Economic growth is the degree to which a country's wealth increases over a period of time, usually a year. Measures of economic growth include:

- How much profit a country's economy makes from the goods and services it produces.
- How many people have jobs and are making an income.

If profits fall, or fewer people have jobs, this indicates that an economy is shrinking rather than growing. In both Canada and the U.S., governments watch consumer spending closely. Through tax breaks and other measures, they sometimes encourage consumer spending to keep their economies growing.



Consumerism is the theory that the more consumers spend, the better it is for the economy. In what way does the flow chart on page 250 support this theory?


connect to the big ideas

1. Take a close look at the production flow chart on the opposite page. List the participants in the production and sales process. How might consumer decisions to buy ballpoint pens affect the quality of life for each participant?
2. Explain how, in your opinion, consumer behaviour affects the production of goods and services and affects jobs. Support your ideas with examples and evidence.
3. Research a product or service that you like or that you frequently consume. Create a flow chart or other visual illustrating the relationship among the producer, other participants in the production and sale of the product or service, and the consumer. In your opinion, which participant contributes most to the economy? Explain your reasons.

FACTOR

Environment

Your choices as a consumer also affect the air, water and land that you share with everybody. Here are some of the environmental effects connected with the purchase of a pen.

 **The economic theory of consumerism says the more people buy, the better it is for the economy. Consider the information on this page and page 253. Why might Canadians have different views about the value of consumerism?**

WHAT IS YOUR PEN MADE OF?

Packaging

Packaging makes up one-third of the waste North American consumers generate. Many resources end up as packaging. For example, packaging accounts for about one-quarter of all plastic produced in the U.S.



Plastic

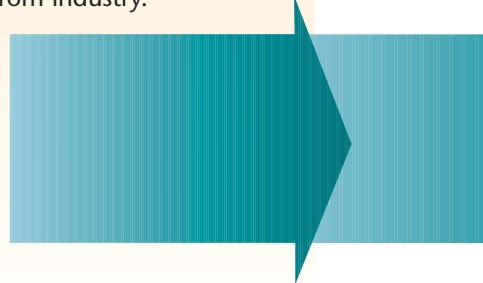
Plastic manufacturing emits toxins such as formaldehyde, phenol and xylene. In Canada and the U.S., governments regulate the amount of toxins industries can release into the atmosphere.

Ink

Ink is made from organic compounds. The manufacture of organic compounds emits pollutants such as sulphur oxides. Sulphur oxides make rainwater acidic, which can damage lake ecosystems and crops. To limit the damage, governments in Canada and the U.S. regulate and monitor acid-forming emissions from industry.

Metals

Pen tips use metals — typically copper, zinc and tungsten. Metals come from mines, which can have many environmental impacts. Copper, for example, typically comes from open-pit mines.



DID YOU KNOW?

Legislation about Consumerism and the Environment

Canada and the U.S. have laws and programs related to consumer behaviour and the environment. For example:

- Both governments have banned leaded gasoline, because of the harmful effects of lead on human health and the environment.
- Consumers shopping for new appliances in both Canada and the U.S. can identify energy-efficient options because of government programs that label these appliances.

In both Canada and the U.S., producers and consumers have also taken environmental action on their own. Many green products on the market today — such as organic foods and environmentally friendly household cleaners — don't come from legislation. They come from consumer demand.



CRITICAL THINKING CHALLENGE

Why might choosing to buy environmentally friendly products affect the quality of life for you and other people?



What are some choices you can make as a consumer that protect the environment? Why might this be important?

connect to the big ideas

1. Go online and research consumer protection organizations regarding their policies for making the public aware of products that have a positive or negative effect on the environment. Create a slide presentation or electronic animation that highlights the organization and their policies.
2. Develop three criteria to evaluate how consumer behaviour affects quality of life. Think about how quality of life, and consumer behaviour, connect to identity, health and the environment. Use your criteria to evaluate information you find in this chapter.



This is the Kennecott mine, an open-pit copper mine near Salt Lake City in the U.S. It's the largest human-made hole on Earth. Governments in Canada and the U.S. set standards for restoring open-pit mines, but the task is challenging.

In addition to pen tips, copper is used in the manufacture of coins and products such as plumbing pipes, cutlery and musical instruments. This mine represents decision making about how to use scarce resources — land, labour and capital (refer to pages 202 and 203). Consumer demand for products containing copper contributed to the decision to open this mine, and contributes to the decision to keep it operating.

CRITICAL THINKING CHALLENGE

To what extent do consumers choose the products they buy, and to what extent does marketing determine what they buy?

FACTOR

Marketing

Let's say you're in the Mall of the World food court. You are deciding whether to buy a drink. The food court offers many well-known brand-name beverages you have seen advertised in magazines and on TV. How might advertising affect what you do?

Identify ways the ads on this page promote informed decision making. Identify other ways they try to influence your decision making. How might the principles you find in these ads apply to advertising and marketing for all products — including clothes, electronics, entertainment and school supplies?

DID YOU KNOW?

Legislation and Marketing

Both Canada and the U.S. have legislation that affects what advertising can say and can't say. For example, advertising can't make false or misleading claims about products and services. In Canada, rules about advertising come under the Competition Act. The Competition Act aims to uphold competition among producers by ensuring fair business practices.

We drink NOW. You should too.

Your mother won't like this. But you will.

NOW® is the drink of the new generation. Your generation.

NOW® delivers a jolt of flavour you'll love.

Taste tests show that 60% of young people choose NOW® over other leading brands.

Join your generation. Drink NOW®

IT'S JUST COFFEE

When you buy brand-name coffee, only a few cents of every dollar goes to the farmers who grow the coffee.

We don't think that's just. So, when we buy coffee, we pay fair prices to farmers.

It costs a little more, and it tastes a little better.

"I feel good about buying this coffee. I know my choice is directly supporting a farmer in Central America. And the coffee is delicious!"

— Singer/songwriter Leslie Mellon

RENEW YOURSELF

When you go hard, your body needs replenishment.

Renew's patented formula of essential nutrients and electrolytes supplies what your body needs. Clinical trials show it hydrates you better than any other sports drink on the market.

GO HARD. RENEW®

"Years of scientific testing show that you need proper hydration to perform at your peak. If hydration levels fall even 2%, you start to feel the effects."

— Dr. G. Veselak, sports medicine specialist

HOW TO ANALYZE ADVERTISING

Have you ever thought about how much influence advertising has on the decisions you make as a consumer?

Advertising is not just seen on television commercials and on billboards — it's everywhere. Today, you will find advertising at sports events, on buses, in public washroom stalls, online and digitally, and even on park benches!

In mixed and market economies, marketers create demand: they encourage you to buy products even if you don't need them.

Using evidence in the chapter so far, and advertising from other sources, identify techniques that marketers use to get you to buy their products. Find examples of:

Bandwagon Effect

- Encourages you to buy a product or service because everyone else is.

Emotional Appeal

- Uses strong emotional language that connects with your fears and desires.

Glittering Generalities

- Relates the product or service to words or images that promise everything, but deliver little or nothing.

Plain Folks Appeal

- Relates a product or service to the experience of ordinary folks.

Testimonials

- Uses celebrities or experts to speak for a product.

Scientific Appeal

- Uses statistics or scientific data to persuade consumers to buy a product or service.

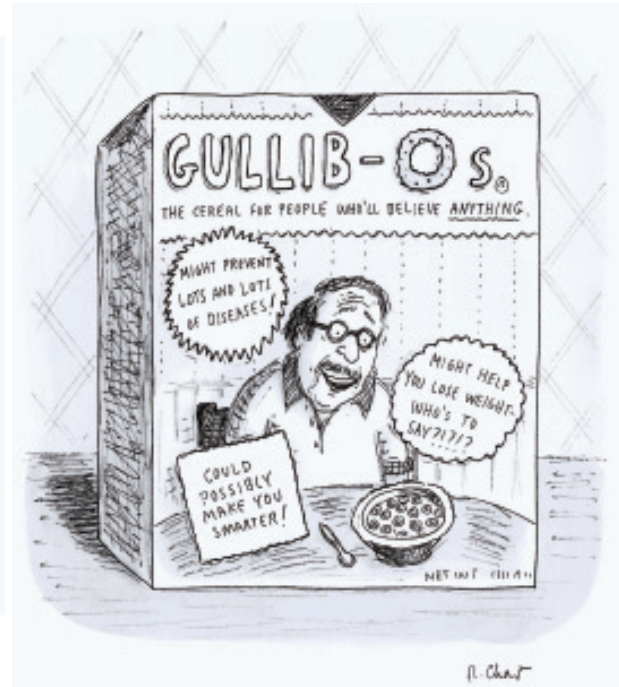


Scan online or print newspapers or magazines and choose three or four advertisements. Identify what advertising techniques are used in each advertisement. How do they put different techniques to work in the way they choose words and visuals?

To what extent do these techniques influence consumer behaviour? Share your results with a partner.

Cartoons about Consumerism

Political cartoons often comment on aspects of consumer behaviour. Why, in your opinion? Examine the cartoons presented here. What issues about consumer behaviour do they raise?



connect to the big ideas

1. Work with a partner to analyze and discuss the cartoons on this page. Refer to page 74 for tips on reading political cartoons. Analyze each cartoon for:
 - A factor that influences consumer behaviour.
 - How it evaluates the link between consumerism and quality of life. For example, does it see this link as basically positive or negative?
 Support your answers with evidence from the cartoons.
2. Draw your own cartoon representing your own ideas about factors that influence consumer behaviour. Consider how both the image and the caption can convey your meaning. *Check out tips on cartoons in the Skills Centre on page 373.*

