

EMERGING CONSUMER ISSUES IN THE 1990'S

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This report is a national survey of consumer leaders to determine which issues will be of greatest concern to state and local consumer organizations during the next decade.

ABOUT THIS SURVEY

The American Council on Consumer Interests (ACCI) 1990 Annual Meeting featured a panel discussion, Emerging Consumer Issues in the 1990's to discuss issues which will be addressed by consumer leaders during the next decade.

In order to insure that issues of importance to state and local consumer groups were included in that discussion, a survey was sent to over 300 state and local consumer and public interest organizations, including local affiliates of the Consumer Federation of America, advocates for the elderly, Public Interest Research Groups, community action and low-income organizations from all 50 states.

We were interested in identifying national and state-level issues that these local organizations thought were critical as well as the issues the groups would be working on in their own communities during the next year. We also asked these consumer opinion leaders who they feel is doing a better job of serving and protecting U.S. consumers today as compared to 1985. Finally, we wanted to learn whether these organizations--who work directly with consumers every day--feel that consumers are better off or worse off now than they were five years ago.

In addition to our survey of consumer opinion leaders, we contacted a number of consumer and public affairs executives in business to ask them to identify the consumer issues of primary concern to their industries during the coming year. Interestingly, and perhaps not surprisingly, there was agreement on the two top issues: THE ENVIRONMENT AND HEALTH CARE. Both groups also agreed that we are experiencing a rise in ANTI-BUSINESS sentiment.

While it is instructive to look at percentages and rankings of issues, some of the most interesting insights come from additional comments offered by respondents in their own words. We were particularly struck by the resilient tone of Margaret Lueders, a Gray Panther member who is an officer of both the Seattle chapter and the national board, who said, "I feel as if the public trust has been misused and squandered as cover-ups and misdeeds come to light--especially during the 1980-88 Reagan administration--but I also see the cup as half full, not half empty! Therefore, I think consumers are a little better off now than they were five years ago." This comment seems to capture the very essence of the consumer movement: the ability to see what's wrong

coupled with a positive attitude about the possibility of making things better.

During the twenty-some years that we have been working together on consumer education and advocacy efforts, we have seen numerous shifts in consumer priorities. Changes in focus are based on changing needs. Regardless of specific issues or trends, the consumer movement IS what the consumer movement DOES. This is why we feel it is important to survey grassroots leaders who deal directly with consumers every day to identify the issues on which their organizations are working. A special thanks to those who took time from their advocacy work to share their thoughts and concerns with us.

Preliminary results of this survey were presented at the ACCI annual Meeting in New Orleans on March 30th and sparked a lively discussion. The release of the final survey report today is timed to stimulate interest in consumer issues during the ninth annual National Consumers Week coordinated by the U.S. Office of Consumer Affairs which has as its theme: "1990: New Consumer Horizons."

RESULTS

Survey Results: Questions And Responses

(Some totals do not add up to 100% due to rounding or multiple responses)

1. WHAT ARE THE THREE MOST IMPORTANT NATIONAL CONSUMER ISSUES THAT SHOULD BE ADDRESSED IN 1990?

- 19% Health care/health insurance
- 16% Environment (including:
 - Recycling
 - Packaging
 - Solid/nuclear waste
 - Air pollution
 - Energy conservation)
- 9% Product/food safety (including product and food labeling)
- 8% Housing
- 6% Auto insurance
- 4% Regulation (FTC, FCC, health clubs, utilities)
- 3% Banking costs
- 3% Credit laws/consumer protections
- 3% Federal budget/inflation/social security
- 3% Telecommunications/telephones
- 2% Disarmament/foreign aid
- 2% Education

Note: An additional 24 issues were named.

2. WHAT ARE THE THREE MOST IMPORTANT STATE/LOCAL CONSUMER ISSUES THAT SHOULD BE ADDRESSED IN 1990?

- 13% Health care/health insurance
- 12% Environment (including:
 - Water quality
 - Recycling)
- 10% Auto insurance
- 7% Housing/homeless
- 6% Food labeling and safety
- 6% Prices (item pricing, food, farm commodities, interest rates, etc.)
- 6% Utility costs and service
- 4% Fair taxes
- 4% Telecommunications
- 3% Banking/financial services
- 3% Education
- 3% Mass transit
- 3% Cars - used/repairs
- 2% "Basic needs"
- 2% Drug abuse
- 2% Health/environmental scams
- 2% Insurance - unspecified

Note: An additional 22 issues were named.

3. REGARDLESS OF YOUR ANSWERS TO THE ABOVE QUESTIONS, WILL YOUR ORGANIZATION BE WORKING ON THE FOLLOWING ISSUES IN THE NEXT YEAR?

	YES %	UNDECIDED %	NO %
Conserving the Environment	65	7	27
Health insurance	49	18	32
Product recycling	45	11	44
Food labeling	44	12	45
Auto insurance	38	20	42
Product liability	37	7	56
Indoor air pollution	34	14	52
Advertising claims	30	7	63
Telecommunications competition	20	18	63
Cable TV cost/service	13	23	65
Biotechnology	13	11	76
Air travel/safety	6	10	85

4. COMPARED TO FIVE YEARS AGO, ARE THE FOLLOWING DOING A BETTER OR WORSE JOB TO SERVE OR PROTECT U.S. CONSUMERS--OR ABOUT THE SAME?

	BETTER %	WORSE %	ABOUT THE SAME %
National Consumer Groups	57	6	37
State/Local Consumer Groups	57	9	34
Environmental Protection Agency	35	32	33
Media	33	27	41
Educators	33	11	57
Consumer Product Safety Commission	25	30	45
U.S. Congress	25	18	57
State/Local Consumer Agencies	23	15	62

President	21	24	55
State Legislature (own)	21	32	47
Food & Drug Administration	20	35	45
Foreign Corporations	19	34	47
Federal Trade Commission	18	26	56
U.S. Department of Agriculture	14	27	59
U.S. Corporations	13	47	40

5. OVERALL, DO YOU THINK CONSUMERS TODAY ARE BETTER OR WORSE OFF--OR ABOUT THE SAME--COMPARED TO FIVE YEARS AGO?

- 55% WORSE OFF
- 26% ABOUT THE SAME
- 19% BETTER OFF

6. ANY OTHER THOUGHTS OR IDEAS?

Leadership

More than half of all respondents took time to add comments, with nearly one-third of these expressing concern about leadership. A Pennsylvania advocate said simply, "We are not getting the leadership we need on the federal and state level." Another emphasized, "The consumer public is far ahead of the governmental agencies and units, whose politicized stands yield mostly foot-dragging on consumer protection; industry and the dollar always seem to take priority." And a third warned, "Without clear leadership and sufficient funding, our consumer problems will only worsen."

Consumer Apprehension

A Midwestern leader stated, "Consumers are more apprehensive and more confused; there is less effort being expended to make decision-making easier for consumers." And the criticism, "Business and industry are doing 'better' while consumers are 'losing ground,'" leveled by a national group's California affiliate was echoed by others.

Pollution...Childcare...Education...

Comments covered the "waterfront," such as, "The pollution of the nation's waterways are on the rise, same as with the air we breath; stricter standards must be enforced NOW" and "A GOOD health system...and GOOD affordable childcare must be available to all Americans," and "Education is the key factor: too many consumers are led by an 'image' of what is supposed to be better." Consumer education, especially in low income communities, was another priority expressed.

Diversity of Issues...

The number and range of issues being addressed can be viewed as both a strength and weakness of the consumer movement. The interests certainly

seem to be there, but the diversity may prevent more than just one or two issues from being widely pushed and supported. Said one group leader, "I would like to see better organization of consumer groups and advocates in order to make more of an impact on the national level."

Corporate Concerns...

A number of corporate, consumer and public affairs executives were also queried for their views. Their responses showed agreement with consumer leaders that the major issues facing their industries are health care and the environment. They also volunteered that anti-business sentiment is on the rise. Regarding the environment, one said, "Recycling is taking on a special place with consumers as a priority that equates it with education; the question is which environmental topic will occupy the public's attention."

Another addressed car insurance and stated pointedly, "the problem needs to be dealt with before cars become unaffordable; we need to look at true reasons rates are so high."

Finally, on a positive note, one executive wanted to tell consumer groups, "Business-consumer cooperation is gaining strength as a strategy, both inside and outside industry; it reduces cost and raises value."

SURVEY PROCESS

Objectives:

To determine what state and local consumer leaders feel are the most important issues that should be addressed in the coming decade, both at the national and state level.

To identify issues that state and local organizations will actually be working on during the next year.

To determine who is doing a better--or worse--job of serving and protecting U.S. consumers.

Participants:

Participants included state and local consumer and public interest organization leaders, advocates for the elderly, Public Interest Research Groups, community action and low-income organizations from all 50 states.

Methodology:

A mail survey was sent to 330 organizations in mid-March, 1990. Roughly one-quarter responded. Survey questions were both open-ended and "check-off" in nature and additional comments were encouraged.

Researchers:

The study was conducted by Camille Haney, President of The Haney Group, a consumer education and research organization in Madison, Wisconsin and Lee Richardson, D.B.A., University of Baltimore.

Camille Haney headed the Wisconsin Attorney General's Office of Consumer Protection, is a past President of the National Society of Consumer Affairs Professionals in Business, was a two-term member of the White House Consumer Advisory Council and serves on the executive committee of the National Council of Better Business Bureaus. She founded a consultancy on consumer affairs to assist business in understanding the interests of consumer constituencies, and in working with consumers to achieve mutually beneficial change in the public policy arena and in the marketplace. She has conducted consumer opinion leader research for two decades and is a member of a number of government advisory committees and consumer organizations.

Lee Richardson, D.B.A., is a member of the faculty of the University of Baltimore, served as Consumer Education Director in the U.S. Office of Consumer Affairs, was member of the White House Consumer Advisory Council, served as President of the Consumer Federation of America (CFA), and is currently the American Council on Consumer Interests representative to CFA. He is a member of the National Advertising Review Board and Executive Director of the Maryland Citizens Consumer Council, and served as Director of the Federal Energy Administration's Office of Consumer Affairs. Dr. Richardson has written and lectured extensively on consumer issues.