

**Information Use and Demographic Characteristics:
Differences Among Consumers With and Without
Purchase Problems**

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The relationship between various demographic characteristics of consumers with and without purchase problems and use of information sources in the search process were examined. Responses of 358 consumers who had not encountered a problem with a product purchase and 520 consumers who had encountered a problem with a product purchase were analyzed using t-test procedures. Differences among consumers who had a product purchase problem and than those who did not were found.

Consumer researchers, consumer educators, and government agencies are concerned with consumers' ability to make better purchase decisions. This concern is warranted given the fact that there is a growing number of complicated consumer products and innovations in the marketplace. In addition, acquiring and processing consumer information about products are complex (Fast, Vosburgh & Frisbee, 1989). If consumers are better educated and informed, they may be able to deal with problems encountered in the marketplace more effectively, and third party regulation may be reduced (Udell, 1974; Uhl, 1970). However, few studies have systematically examined the benefits of investing in consumer information and education.

This paper examined the relationship between age, education, income, employment status, marital status, sex, confidence in ability to make a purchase, degree of social involvement, consumer knowledge, the use of a sales person's advice and articles or books about a product or service before making a purchase, and product purchase problems of consumers. More specifically, it determined whether or not those who had encountered a purchase problem differ from those who had not.

The sample was taken from a 1989 nationwide telephone survey of consumer behavior conducted by Market Facts for the American Association of Retired Persons (AARP) (Market Facts, 1990). Questions asked in the survey included information about knowledge of consumer rights, perceptions of the marketplace, bad buying experiences, purchasing behavior, social integration, and demographic

characteristics. A total of 1,305 respondents age 25 and older were included in the study, with a disproportionately large number of older persons. Because of missing data, responses of 868 consumers were utilized in this study; 348 who had not encountered a problem with a product purchase and 520 who had.

T-tests were used to analyze the data. A p-value of .05 was used to determine significance. There were significant differences in respondents who had encountered a problem with a product purchase and those who had not.

Sixty seven percent of those who had encountered a problem were under 65 compared to 32.8 percent of those who had not. The mean level of education and income of those who had encountered a problem was 13.4 years and \$30,415 compared to 12.8 years and \$22,851 for those who had not. Among those who had encountered a problem, 67.9 percent were married, 52.3 percent were employed, and 52.3 percent were male. These percentages were 54 percent, 27.3 percent, and 44.0 percent, respectively for those who had not. Well over half of those who had encountered a problem (56.5 percent) had confidence in their ability to make a purchase decision compared to 64.1 percent of those who had not.

A consumer knowledge score was obtained by summing responses to 12 questions that dealt with legal and illegal business practices and consumer laws. A high score indicated a high degree of consumer knowledge; the highest score was 12. Surprisingly, the consumer knowledge score was slightly higher for those who had encountered a problem than those who had not (5.6 and 5, respectively).

A degree of social contact variable was examined because a high degree of social involvement may increase a consumer's knowledge. The variable was obtained by summing responses to five questions that dealt with attendance at meetings and religious services, volunteer work, classes taken, and how often a newspaper was read. A high number indicated a high degree of social

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involvement; the highest number was 5. The number of social contacts was slightly higher for those who had encountered a problem than those who had not (2.6 and 2.2, respectively).

Among those who had encountered a problem, 99.6 percent used a sales person's advice when making a major purchase decision compared to 97.7 percent who had not. Approximately 95 percent of those who had encountered a problem used articles or books before making a major purchase decision compared to 97.4 percent of those had not.

This research serves as a base for researchers interested in further exploring this population and helps consumer educators determine where educational efforts should be focused. Understanding the relationship between demographic characteristics, the use of consumer information and education, and product purchase problems of consumers is important in developing effective consumer information and education programs.

References

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