There are various attractive products available for purchase nowadays. What are the considerations when we are choosing?

As a consumer, what are our responsibilities apart from paying for the goods?

Do we have the rights to complain if we are unfairly treated when we shop? Who can protect our rights?
Do you know how many consumption activities do we have every day? Today’s breakfast, the snacks and the stationeries we bought etc., all of these are our daily consumption. What are the factors that affect our consumption decision?

1. **Let’s think of the reasons that drive you to go shopping?**

2. **What are the considerations when you are choosing goods?**

   For example, **Price**

As a consumer, what are our responsibilities? What principles should we follow when we shop?
1. Principles of choosing goods or services

We should consider from personal and social perspective when choosing goods or services. At personal level, we should consider if the consumption is really necessary. Will it be an excessive consumption that may bring us an unnecessary burden? In addition, we should consider social responsibilities. Consider the value of consumption from the perspective of environmental protection and justice, and understand the impacts that consumption may bring to the society. We should be cautious with our consumption, and think twice of its meaning and the value of goods so that we can have responsible consumer behaviour.

2. Responsibilities of consumers

2.1 Individual responsibilities

Consumers should be responsible for their consuming behaviour, avoiding excessive consumption which may leads to waste. Before consumption, we should understand our needs, grasp the information of the goods, and consume cautiously. We should also consider the consequences. For example, can we afford it? Do we need to take out a loan due to the consumption? Are the goods useful for us? After the consumption, we should check the goods carefully and keep the receipts, instruction manuals, warranty cards etc. for any possible use and reflect on our consuming behaviour.

2.2 Social responsibilities

Consumers should understand the social impacts of consumption in order to reduce unnecessary social cost arisen from individual consumption. For example, consumers should have the vision of sustainable development, such as bringing their own bags, choosing less packaging goods, and adopting green consumption (5R: Reduce, Reuse, Recycle, Re-evaluate, Rescue)
What is the importance of green consumption? Why should we adopt green consumption?

Consumers should review whether their consumption behaviour is fair and just, understand the impacts that consumption may bring to different regions of the world in terms of human rights and culture. For example, we should look for ethical production process as well as safe and proper working conditions. We should avoid buying goods that are produced by unethical firms in which the workers are not fairly treated. All these considerations help consumers to take up their social responsibilities and to establish a fairer and just consumption mode and environment.
As the “Smartest Eyes”, can you summarise some principles of choosing goods and share with your classmates? Try to fill in the “Dos and Don’ts” in the following table.

<table>
<thead>
<tr>
<th>Shopping “Dos”</th>
<th>Shopping “Don’ts”</th>
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Our school has participated in a competition called “Smartest Eyes”. Its aim is to help students understand the marketing practices of different products through a series of workshops, and promote the message of “smart consumer”. You have decided to team up with some other classmates to join the competition. Are you ready for the challenge of becoming the “Smartest Eyes” of the new generation?

**Role Play**

Each team draws a role card. Try to arrange a 15-second advertisement to introduce the following products to your classmates:

**Role Card 1**
(1) Sales Product: Sunscreen Cream
(2) Selling Points: A. Recommended by dermatologists.
    B. No harm to skin after use even exposed under the sun for 10 days.

**Role Card 2**
(1) Sales Product: “NXS” Game Console
(2) Selling Points: A. Nearly 10 million game consoles have been sold globally.
    Top selling products.
    B. Leading the trend, topics of conversation between friends.

**Role Card 3**
(1) Sales Product: “100 Marks” Supplementary workbook
(2) Selling Points: A. Experiments confirmed that IQ will rise by 5 points immediately after finishing the whole supplementary workbook.
    B. Over 80% students from elite schools are using it.
Analyse the above techniques used that enhance the persuasiveness of the advertisements. In addition, do you believe in the features claimed?

<table>
<thead>
<tr>
<th>Products</th>
<th>Techniques used to enhance persuasiveness of the advertisements</th>
<th>Do you believe? Why?</th>
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Role Card 4
(1) Sales Product: “BMW” Bicycle
(2) Selling Points: A. Pop star spokesperson: MC JIN
    B. Focus on the lightweight of the bicycle and its speed.
    (fact to hide : it is accident-prone due to its lightweight)

Role Card 5
(1) Sales Product: “Dong L” Shampoo
(2) Selling Points: A. Quote the record of “Shennong Ben Cao Jing” and “Bencao Gangmu”, and explain the effectiveness of the shampoo.
    B. 5 men who have hair loss problem were invited to try the shampoo, and nearly 60% of them said that it can improve their problem.
Every day when you read newspaper, magazines or watch television, you may notice that there are various marketing tactics. What techniques do they actually use to attract you to buy those products? Please read the following deconstruction of the marketing tactics.

<table>
<thead>
<tr>
<th>Marketing Technique</th>
<th>Description</th>
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<tbody>
<tr>
<td>Spokesperson Effect</td>
<td>Attract the public to buy the product through spokesperson, but not through rational analysis and survey of consumers.</td>
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<tr>
<td>Appeal to Authority</td>
<td>Use the opinions of experts or persons of authority of the industry as grounds. Apart from experts, one may also quote the ancient books and records of the industry. For example, dermatologists recommend sunscreen products; quoting the records of “Shennong Ben Cao Jing” and “Bencao Gangmu” to introduce shampoo with Chinese medicine extract.</td>
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<tr>
<td>Herd Instinct</td>
<td>Consumers are usually affected by the majority and their thought or behaviour follow the herd without having their own thought. This may be treated as a mindset of “owning what others own”. One would like to buy a product when the majority owns it.</td>
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<tr>
<td>Exaggeration</td>
<td>The product itself does not have the usage or functions mentioned in the advertisement. The aim of exaggerating its effectiveness is for impressing the consumers.</td>
</tr>
<tr>
<td>Biased Experimental Results</td>
<td>The bias of experimental staff affects the experiment results. Or only select to disclose statistics data that are beneficial for promoting the product, but conceal the unfavourable information.</td>
</tr>
<tr>
<td>Conceal the Facts</td>
<td>Hiding the unfavourable facts when promoting the product without showing the consumers the whole picture.</td>
</tr>
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</table>

There are various marketing tactics nowadays. Apart from the techniques mentioned in Extended Reading, please read the recent newspapers or magazines and clip a piece of advertisement/news that is related to marketing tactics. Briefly introduce it in at least 150 words. The contents may include:

1. Which product is this marketing tactics related to?
2. What method does the advertisement/news adopt to attract consumers to buy the product?
3. Do you think that can achieve promotional effect?
4. Do you think that is an appropriate marketing practice?

Paste your news here

Source:
Name of newspaper/magazine: .......................................................... Date: ..........................................................
Title: ........................................................................

Briefly introduce this marketing tactic and share your own perception of it in at least 150 words. Do you agree with this practice?

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3. Consumer Rights

3.1 How can individuals protect their rights

According to the “Guide to Consumer Rights and Responsibilities” formulated by the Consumer Council, consumers enjoy eight basic rights when they consume, which include:

1) the right to satisfaction of basic needs;
2) the right to safety;
3) the right to be informed;
4) the right to choose;
5) the right to be heard;
6) the right to redress;
7) the right to consumer education; and
8) the right to a healthy and sustainable environment.

Therefore, we should understand our rights when we shop, so that we can be satisfied in the consumption. For example, consumers should be able to gain the right information of different products so that they can evaluate and choose the product, and claim for a reasonable compensation when there are any problems.

3.2 How does the society protect consumer rights

The Consumer Council was officially established as a corporate body in 1977 to protect and promote consumer rights. The Consumer Council collects the market information of consumer goods regularly to ensure products’ quality and safety. In addition, the Council promotes consumer information in order to enhance consumers’ self-protection ability. If consumers encounter any unfair transaction, they can report the case to the Consumer Council or put forward a claim to the Small Claims Tribunal.

There are different laws and regulations to protect consumers against different transaction problems, such as consumer contract, product safety, health, business practices etc. The laws stated the appropriate behaviours of carrying out transaction and the punishments for any behaviours which are against the related laws. Therefore, consumers are protected by the laws and related organizations.

When I was travelling in Switzerland and Israel, I subscribed for a daily-rated service plan for the data roaming service at a local telecom company, which costs $120 per day. I had received a confirmation message from the company, but later on, they informed me that the two places stated above were not included in the plan and asked me to pay $16,000 for the data roaming service. This is totally unacceptable.

I always receive SMSs about downloading games. Although I didn’t download any games, I found that I was charged $2000 for the SMSs.
2. Have you ever come across the above situation? What are the complaint channels if Hong Kong people encounter the above problems?

3. Why would consumers fall into the above consumption traps?

How can consumers avoid falling into consumption traps? Try to consider it from the point of view of the Consumer Council and individuals.
Smart phones have become more and more popular nowadays, there has been a tendency of online shopping. According to the 2011 statistics by Paypal, the spending on online consumption around the world was more than HK$30 billion. Although online shopping has been acclaimed for the low price of the products and its convenience, and has attracted more and more people, complaints about it have largely increased. According to the analysis of the Police, the most common traps that used by the fraudsters in online shopping or auction platform are that they claim they are selling some goods and ask the victims to provide e-mail address and phone number etc. so as to trade outside the platform. Once the victims have followed the instructions and deposited the money into the fraudsters’ bank accounts, the fraudsters will then escape.

Chairperson of the Consumer Council, stated that as some of the websites are not established in Hong Kong, consumers might not enjoy the local legal protection if there are any problems. In addition, some websites are not be responsible for the transactions carried out within them. Therefore, during online shopping, consumers have to identify the sellers and choose the platforms which are reliable and of high reputation, and avoid trading privately. To increase the safety of the transaction, consumers can use third party payment service. In addition, consumers should pay attention to the protection of their personal information, and never disclose any personal accounts number and passwords etc to strangers. Online consumers must stay alert to avoid being cheated.

Source: Local news reports

Read the above news report and answer the following questions.

1. What are the advantages of online shopping for the consumers?
2. Although online shopping becomes more common nowadays, the complaints related to online shopping have also risen. According to the Police, what are the tricks that the fraudsters use?

3. How can we avoid being cheated? Please refer to the tips of the Consumer Council and based on your knowledge, write down five prevention tips.

4. As consumers do not have to make immediate payment for online shopping, they may not consider seriously before making the transaction. Sometimes, after satisfying their desire for shopping, most of them may find that the products are not fit for use, which finally causes wastes. Facing the above scenario, can you suggest some ways to encourage people to think twice before online shopping and to reduce consumption?
A. Websites

- A. Websites
  - 輕鬆理財「富」學士
    http://csrp.hku.hk/rich/index.htm
  - Guidelines on Consumer Rights and Responsibilities
  - 全港中小學生對金錢的看法問卷調查報告, RTHK ETV Division, 31 August 2000
  - T.W.G.Hs Healthy Budgeting Family Debt Counselling Centre
    http://fdcc.tungwahcsd.org/cat8.html

B. Books

- 李兆波(2008)《聰明借來創富錢》。香港：大窗出版。
- 裘琳・賈德菲著，周宜芳譯(2005)《我家小孩會理財：5-18 歲財務學習地圖》，天下遠見出版股份有限公司。
- 梁志援 (2006) 《和孩子一起學習金錢管理》，台北，台灣：稻田出版社。
  
Please visit this website to refer to the original text:
Concept Map of Sensible Consumption

Responsibilities of Consumers

Consumer

Rights of Consumers

Personal Responsibilities

Social Responsibilities

Responsible Consumption: Principle of Choosing Goods or Services

How Do We Protect Our Rights

How Does the Society Protect Consumer Rights: Laws and Organizations that Protect Consumer Rights