A STUDY OF PROPOSED EXPEDIENT UNIT PRICING
IN THE DALLAS-FORT WORTH AREA

APPROVED:

Graduate Committee:

[Signatures]

Major Professor

Minor Professor

Committee Member

Committee Member

Dean of the College of Business Administration

Dean of the Graduate School
The rise in the technological complexity of products, misrepresentations of some advertisers, and deceitful credit acts by some businessmen have all led to a rising trend of consumerism. Recently, consumer spokesmen have concluded that the 1966 Fair Packaging and Labeling Act has not aided consumers in comparison shopping. Legislation has been proposed which would require food retailers to state the price of a product by cost per measure, weight, or count. It is with this proposed piece of legislation that this study is concerned. The problem lies in ascertaining potential benefits and costs of the proposed legislation for grocery shoppers.

The purpose of this study is to gather data from businessmen and consumers concerning their attitudes about the proposed legislation. These data are necessary so that effective legislation is passed for consumers.

Primary data were gathered from three sources in the Dallas-Fort Worth area. Personal interviews were conducted with selected food industry executives. Grocery store managers and owners and consumers (households) were interviewed by mail. Secondary data were gathered from various books, periodicals, and journals.
The study is organized into six major chapters. Chapter I introduces the nature, purpose, scope, hypotheses, and methodology of the study. Chapter II reviews the consumer movement in the United States and examines the literature for studies concerning price and grocery purchases. Chapter III presents results of the personal interviews, while Chapters IV and V present analyses of the retail and consumer surveys, respectively. Chapter VI summarizes, concludes, and suggests further research.

The study concludes that consumerism is one part of broader social phenomena and that, historically, the consumer movement has been cyclical in its effectiveness. No evidence is found to support the contention that consumers need unit price information or that they will use it. Consumers are unwilling to pay for unit price information. The extent to which consumers might use unit price information differs with certain demographic variables. Consumers are brand-loyal. Large savings are necessary to induce them to switch brands. There is a strong price-quality relationship for grocery products. Consumers like the concept of unit pricing but do not make decisions based on unit prices.

Businessmen view unit price legislation as unnecessary and costly. Retailers are anticipating further legislation of pricing and packaging because of the ineffectiveness of the 1966 Act. Unit price cost data are lacking and the data available are very contradictory. Stores implementing
unit pricing require computer service. Cost is somewhat related to sales volume. Many firms are presently engaged in unit pricing experiments. Further study is needed in several specific areas before the proposed legislation should be enacted. These areas include a collection of more harmonious cost data from both small and large stores, information about agencies responsible for policing the law, more extensive analyses of product movement, more widespread geographical data, and more experimentation with the most efficient types of unit price systems.

Presently, the lack of adequate data, consumer need, and consumer willingness to pay higher food prices suggest that passage of a mandatory unit price law is unwarranted. Only when it is certain that passage of such a law would aid consumers in their shopping, should such Federal legislation be imposed on the market place.
A STUDY OF PROPOSED MANDATORY UNIT PRICING
IN THE DALLAS-FORT WORTH AREA

DISSERTATION

Presented to the Graduate Council of the
North Texas State University in Partial
Fulfillment of the Requirements

For the Degree of

DOCTOR OF PHILOSOPHY

By

Thomas E. Barry, B. S., M. S.
Denton, Texas
August, 1971
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1971
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CHAPTER I

INTRODUCTION

Rarely, during the last two years, has one been able to read a newspaper or magazine without being confronted with "consumerism." Consumerism has been described as the "bankruptcy of the modern marketing concept." This is interpreted to mean that consumers' wishes are not really being met by present marketing techniques. Records of unsafe foods, "deceptive" packaging, defective steering and brake systems, and vague warranties are pointed to by angry consumer spokesmen. Today, most astute politicians are for consumerism.

Technological complexities, lack of adequately trained service mechanics, inflation, high rates of interest, and other phenomena have added to the growth of the consumer protection movement. Today, such names as Furness, Nader, Knauer, Grant, Proxmire, Hart, Nelson, Magnuson, Ribicoff, Javits, Rosenthal, Patman, along with others, are synonymous with the consumer movement. These are the consumer advocates—

1Betty Furness, Consumer Advisor to Lyndon Johnson; Ralph Nader, self-appointed consumer spokesman; Virginia Knauer, Consumer Advisor to President Nixon; Bess Myerson Grant, New York City Commissioner of Consumer Affairs; Senator Wm. Proxmire (D-Wis); Senator Philip Hart (D-Mich); Senator Gaylord Nelson (D-Wis); Senator J. G. Magnuson (D-Wash); Senator Abraham Ribicoff (D-Conn); Senator Jacob Javits (D-NY); Representative E. S. Rosenthal (D-NY); and Representative Wright Patman (D-Tex).
the protectionists. Their tools are numerous. No less than 400 consumer protection bills were pending in Congressional committees at the close of 1969.\(^2\) Recently, bills concerning packaging and labeling, auto and tire safety, and deceptive financing have been passed to protect the consumer. Health warnings have been placed on cigarette packages by law. Cigarette advertising has been banned from the broadcast media. Soon, one may see gasoline games outlawed, trading stamp companies regulated, drugs prescribed by generic names, producers faced with mass restitution suits, and voluntary industrial standards approved by the Federal government.

Consumers today are not powerless. They have influential people in high places. The implication for business seems clear—pay heed to the demands or face more stringent and perhaps unnecessary Government regulation in the market.

Compulsory Unit Pricing

Of the more than 400 pieces of consumer legislation pending at the end of 1969, one of the bills dealt with mandatory unit pricing. Introduced in the Senate as S. 1424 by Senator Gaylord Nelson (D-Wis) and in the House of Representative by Benjamin Rosenthal (D-NY) as H. R. 11549 (See Appendix A), the legislation proposes that most supermarket items be unit priced. This means that, in addition to being told what the total item price of the product is, the consumer

must be told the cost per unit of weight, volume, or measure of the product. According to Commissioner Grant, "The purpose of unit pricing is to see that the consumers get as much information as they need in order to know how much they are getting for their money." The bill is to facilitate the food shopper in product and/or brand price comparisons.

Failure of the "Truth in Packaging" Bill

One of the objectives of the 1966 Fair Packaging and Labeling Act ("Truth in Packaging") was to aid the housewife in comparison shopping. There was a need for legislation, said the bill's advocates, because of the inability of the supermarket shopper to make the most economical purchase from the 8,000 to 10,000 items carried by the average size supermarket. In 1962, a shopping test was carried out in Sacramento, California, by Helen Ewing Nelson, of the California Consumer Counsel. In this test, five college-educated women were instructed to buy fourteen everyday grocery items. Their sole objective was to buy the best product, in their opinion, in terms of the lowest unit cost. Of the seventy selections, thirty-four were made incorrectly. That is, in thirty-four out of seventy selections, the lowest unit price available was not chosen. The results of the test are illustrated in more detail in Appendix B.

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3 Denton, Texas, Record-Chronicle, (Family Weekly Supplement), May 24, 1970.

Re-testing—1968.—To see if the "Truth in Packaging" Act had any positive effects on comparison shopping, the 1962 test mentioned above was again conducted in 1968. The same fourteen items were chosen and five more housewives with similar backgrounds to those in the previous study were the shoppers. The same supermarket in Sacramento was used and the same two-hour time limit was established. Differences between the studies, apart from the results, were that, in the later study, the fourteen items were represented by 286 brands, types, and sizes (as compared to 246 in the first study), and the average shopping time in 1968 was fifty minutes (as compared to forty-three minutes). The results were discouraging to the consumer protectionists. This time, wrong decisions were made thirty-eight times. The consumer advocates concluded that the 1966 Act in question did not aid in comparison shopping in the supermarket. The results of the second study are also in Appendix B. Consumer's Union reports that, at the pancake display in the 1968 study,

... most labels appeared to conform to regulations, and the rest at least made no secret of quantity. Yet nobody found the brand at lowest unit price. One can sympathize if the shoppers felt too discouraged to do the necessary mathematical computations for 32 selections in 13 different sizes of flour-exuding boxes and sacks.

Because of the evidence that the housewife can not make shopping comparisons without the aid of a computer, unit

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5Ibid.

6Ibid., p. 42.
price legislation now proposes to solve that problem for her by amending the "Truth in Packaging" Act. With the passage of a mandatory unit pricing bill, the consumer would merely have to check the package or shelf to determine the unit price of Brand A peaches, compare it with brands B, C, D, E, and so on, and make her purchase decision. Is, however, the process that simple?

**Questions and Controversies of Unit Pricing**

The fact that unit pricing as proposed legislation is controversial and has raised a myriad of questions is well-illustrated by the number of firms involved in researching and experimenting with unit pricing. Such giants as Kroger, Safeway, and Jewel have or are experimenting with unit or dual pricing systems. Smaller firms such as the Benner Tea Company, with fewer than twenty-five units, cooperatives in Illinois and California, and many other smaller chains are experimenting with unit pricing. According to Representative Rosenthal (D-NY), "... not nearly enough is known about the need for and the costs of unit pricing." He goes on to say that, theoretically, unit pricing "... will greatly assist consumers in the market place and will provide an effective tool against inflationary price." It is the implementation of unit pricing, however, that is causing some doubt and much concern.

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8 Ibid.
Two of the questions about the proposed legislation are whether or not consumers want unit pricing and whether or not they will use it. Commissioner Grant and other consumer advocates say that, judging by the letters they receive, the consumer definitely wants it. Others are not quite so sure. Rose West, boycott leader of supermarkets in Denver in 1966, opposes the legislation and says that whoever thought of it has never shopped; further, that consumers would not pay attention to unit prices. Virginia Knauer says that if unit pricing will drive food prices even higher than they are presently, the consumer will be strongly against the passage of unit price legislation. In some stores, conversion cards have been given to customers but have not been used. In early stages of the Jewel study, it was released that actual customer usage of unit price information was minimal, with only 14 per cent of those interviewed indicating use. Two other early results showed that ghetto dwellers care very little about the information and that higher income suburban shoppers have given it the most attention.


Part of the problem is inherent in not knowing exactly how the food buyer actually buys. Just what kinds of comparisons are made by the housewife between and among competing brands? Do consumers shop at Store X rather than Store Y because the former's unit prices are cheaper or because Store X displays unit price information? Would Brand A be purchased because its cost is .0042 cents per ounce less than Brand B? If so, the long-run implications for packaging and labeling, in addition to branding and advertising, are very important. Advertising today stresses non-economic motivations for the most part. Competition among food products tends to be "monopolistic competition" rather than "pure competition." If, now, the consumer is to make purchases based on lower or lowest unit costs, will not advertising strategies have to change?

There is the question of implementation costs. Business has charged that the consumer is demanding too much too fast and is unwilling to pay for what is demanded. Who will bear the burden of the added costs, if any, of a unit price arrangement? Some contend that, with a national election year close at hand, politicians will push consumer legislation for votes without considering either the positive or negative consequences to the consumer.

On November 20, 1969, New York City passed mandatory unit pricing. It was contested in the courts and a decision
made in July of 1970 ruled against the City's Commissioner of Consumer Affairs. However, in the decision, the judge said, "'Under the conditions faced by the consumer in today's market, there is a necessity to enact this type of legislation.'" Although Commissioner Grant and others have related that the consumer may save 10 per cent and even more of her shopping bill, others strongly disagree. Representatives of the New York State Merchants Association say that food prices will increase by $50 million for New York City shoppers. Clarence Adamy, president of the National Association of Food Chains, says unit pricing will cost the chains $300 million annually. Others have estimated the costs of implementing unit pricing at three per cent of sales and, with retailers of food operating on a one per cent (and less) margin, the costs of unit pricing must be passed on to the consumer.

Since this research has been undertaken, many firms, as mentioned above, have engaged in research investigations to discover more about the problems of unit pricing. This research has been of a continuing nature and goes on at the time of this writing. Appendix C illustrates many of the

16 "$1.20 Divided by 14 Ounces Is What?" Forbes, CV (April 1, 1970), 55.
results that have been made public in recent months. As the reader will note, the results vary diversely in many instances, while in other cases the results arrive at similar conclusions. Unit price legislation, as proposed, raises many questions. Thorough investigations, and many different investigations, are necessary if the questions are to be adequately answered.

Purpose

One of the criteria by which the efficacy of a marketing system is determined is economic efficiency. A marketing system is criticized as inefficient when the costs of distributing the products to the consumers when and where they want them are considered too high in relation to the value that the products give them. The production and marketing facets of an economic system must be beneficial to those who use that system. When competition is not the most beneficial for the consuming public and individual competitors, regulation usually results. Regulation has the intent of aiding competition, but unwise legislation can impede the competitive process.

The present mandatory unit price bill has been proposed with thoughts that the supermarket shopper is to benefit economically. Through the use of the unit price information supplied to the consumer, the best purchase in terms of the lowest price can be made. In referring to proposed unit price legislation, Representative Rosenthal comments that
"... it would give consumers the basic kind of economic information necessary to make cost-value comparisons."

The purpose of this research was to compile data from both the consumer and business sectors of the economy in an attempt to determine whether unit price information given to the consumer by a mandatory unit price bill would be justified. In other words, would the benefits to be accrued by the users of unit pricing systems outweigh the costs of implementing the system? Would shoppers, in fact, use unit price information in their decisions to buy grocery products. Mandatory unit pricing, if passed, could have an impact on marketing techniques. Such aspects as store sales promotions, new packaging and labeling amendments, and advertising and branding changes could occur. Each could affect present marketing and merchandising strategies and costs. This study was undertaken in an attempt to uncover consumer and business attitudes toward unit price information as an aid to grocery shopping. Only then could conclusions about the necessity of requiring retailers to adopt the system through legislation have been drawn.

Definitions

Unit or dual price.—Traditionally, marketers have referred to the unit price as meaning the total price of an item, that is, a can of soup, a loaf of bread, a gallon of

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milk, and so on. Unit or dual price, as used in this study, refers to the cost per unit of measure, volume, weight, or number. The unit price of a ten-ounce can of soup that costs twenty cents is, therefore, two cents per ounce.

Total or item price.--As used in this study, the total or item price refers to the total cost of the product item. Therefore, in the example used above, the total or item price of the can of soup would be twenty cents.

Costs.--This term is used in the broadest sense. In addition to referring to actual dollar-and-cents costs, the term is used to represent negative benefit. Therefore, if unit pricing systems raise the price of food products to consumers, this is a cost. Also, if the proposed unit pricing bill is passed and it is an unnecessary piece of legislation, all of the effort of government and business is considered a cost. This wasted effort could have been expended elsewhere where it would have resulted in more benefit.

Benefits.--As used in this study, the term benefits refers to the increased savings that could occur and would occur if consumers use unit price information and save time and/or money. If the information aids the consumer in the buying process, then the information is regarded as a benefit.

Grocery outlet.--As defined in the Census of Business, the term grocery refers to
Establishments primarily selling (1) a wide variety of canned goods or frozen foods such as vegetables, fruits, and soups; (2) dry groceries, either packaged or in bulk, such as tea, coffee, cocoa, dried fruits, spices, sugar, flour and crackers; (3) other processed food and nonedible grocery items. In addition, these establishments often sell smoked and prepared meats, fresh fish and poultry, fresh vegetables and fruits, and fresh or frozen meats.

Scope of Research

This study has been limited geographically. Replies to letters to national grocery and retail associations in the proposal stages of the research verified that several studies were being undertaken throughout the country. Several of the large supermarket chains were in the experimental stage with unit pricing systems. Some suggestions from the replies were that a smaller study be undertaken and that it be local or regional in scope. This study was conducted in the greater Dallas and Fort Worth, Texas area.

Unit pricing legislation, as proposed, could cover a variety of goods sold at the retail level. In addition, many kinds of retail outlets could ultimately be affected. This study is concerned only with grocery outlets as defined above in the Census of Business.

The purpose of this research was to draw conclusions regarding the necessity of the government’s imposing unit price information on retailers. This presumes a knowledge of

the costs of implementing such a system. This research study was not concerned with gathering primary data on costs of implementation. It was, however, within the scope of this study to follow the literature and document cost data as they became available when experiments were conducted.

Hypotheses

Hypothesis I.—There are many different factors which motivate consumers to purchase at various grocery outlets and to purchase certain products and brands in those outlets. The majority of these outlet, product, and brand decisions are not motivated because of per unit price comparisons. Consumers’ attitudes and behavior in buying grocery products are such that these comparisons would not be made, in the majority of cases, in the event that unit price information systems were imposed on retailers.

A. Motivation to compare prices on a per unit basis would differ with such consumer characteristics as sex, age, education, occupation, family size, number of children, and income levels.

B. Consumers are often very brand loyal and it takes large savings to motivate brand switching. Unit price differentials are generally small and would not be inducement enough to motivate consumers to switch brands for such little savings per unit.
C. Because consumer price interest lies in the total or item price and not in the price per unit, consumers would not utilize the unit price information that would result with passage of proposed mandatory unit pricing. This would result in unnecessary and inefficient legislation.

D. There are many patronage motives which attract shoppers to particular vendors. Among these motives are shopping atmosphere, games, stamps, quality of meat and produce sections of the store, dairy sections, and so on. Lowest unit prices would not be an important consideration to the shopper in choosing a given outlet.

Hypothesis II.—The majority of store managers and owners dealing in grocery products that would have to be unit priced if the legislation is passed are opposed to the legislation.

A. The strongest opposition comes from small, independent grocers. Their already high prices will climb even higher, jeopardizing their poor competitive position (pricewise) even more.

B. Retail grocers, already confronted with very low profit margins, will not absorb the costs of providing unit price information for consumers. They do not want to have to pass the costs on to consumers because of already high food prices.

C. Retailers will be confronted with administrative problems in implementing unit pricing systems.
D. Businessmen are generally wary of legislation, and they foresee further pricing legislation should the bill in question be made law.

**Hypothesis III.**—The implementation of unit pricing at the retail level will involve added costs that the marketing system will not absorb. These costs will be passed on to the consumer in higher food prices. This would tend to take the benefit out of the unit price information because the increased food prices will outweigh any aggregate consumer savings through the use of unit price information. Therefore, the legislation would not produce benefit to the consumer.

**Method of Research**

The research undertaken for this study was primary and secondary in nature. Secondary data were gathered from books and articles dealing in history, business, and government. The secondary data were strongly supportive of the acceptance and rejection of the hypotheses under study. Primary data were obtained from two mail questionnaires and several personal interviews. These are explained below.

**Surveys**

**Consumer questionnaire.**—A questionnaire was distributed by mail to 454 households in the greater Dallas-Fort Worth area. A systematic random sample was taken from the most
recent 1970 telephone directories. Systematic random sampling, as opposed to simple random sampling, was the method of sampling used. The first sample unit, the 1,081st, was generated from a table of random numbers. Thereafter, every 1,344th unit was selected to be in the sample. The sample size was determined by the formula

\[ n = \frac{N}{1 + Ne^2} \]

where \( n \) is the sample size (respondents necessary), and \( N \) is the population size estimated by the number of households in the Dallas-Fort Worth area. The precision factor, \( e \), was \( \pm 1.5 \) per cent at a confidence level of 95 per cent. The formula stated that forty-four sample units were needed for the desired precision and confidence levels. Well over that number (135) were obtained for the study’s analysis. The reader may refer to any basic or intermediate statistics textbook for a more thorough explanation of the sampling procedure used.

**Grocery store questionnaire.**—A questionnaire was sent to ninety grocery stores in the Dallas-Fort Worth area. Sample units were selected from the most recent 1970 yellow page index of retail grocers. The sample size was determined by judgment, the units being selected on the criterion of whether they were members of chain operations or independent operations.

**Personal interviews.**—Personal interviews were conducted with the headquarters of the following grocery-related firms: Buddies Supermarkets, Southland Corporation (7-11), Cullum.
Properties, Incorporated (Tom Thumb), Kimbell Grocery Company, and Affiliated Food Stores, Incorporated. The interviews were conducted in the summer of 1970 and provided information at the policy-making level of the food store operations.

Limitations of the Research

As in most research undertakings, this research is not completely void of limitations. These limitations are noted and commented upon below.

1. This research does not contend that the data presented herein are statistically significant for the nation as a whole. The study was local in nature and any comments made or conclusions drawn from the data obtained through primary research pertain only to the consumer and businessman in the Dallas-Fort Worth, Texas area. The intention of the study was to produce data from this area since no study had been previously undertaken in the Southwest to the knowledge of this researcher.

2. Time and financial constraints are always impediments to exhaustive studies. Every complex element that goes into a study of behavior cannot be accounted for in any one given study. This research has drawn conclusions about some elements of grocery store behavior but not all of them by any means.

3. Although a pilot questionnaire was sent to consumers and many hours went into the development of the consumer and
business questionnaires, there is the possibility of unintentional bias entering into the results of the study. An analysis of the data received indicates that some questions could have been worded differently to produce better analysis and less bias. However, it must be noted that any bias entering into the results was due to unintentional bias construction.

It is felt that none of the above limitations has detracted from the validity of this study. Given the purpose and conclusions of the study, it has met its objectives. Many data about consumers and businessmen relative to the topic of unit pricing were gathered and sound conclusions were produced.

Significance of the Study

The consumer movement is on the rise, and there are over 400 consumer protection bills now before the Congress. It is the wise politician who votes for the consumer today. It is in this kind of atmosphere that much legislation is rubber-stamped through the sessions of Congress. Much of the legislation is not studied thoroughly enough so that wise and accurate decisions about the proposals can be made. To push for consumer-protection bills in a rhetorical way simple because this process may provide votes is a very inefficient way of protecting the consumer.

Mandatory unit pricing had to be studied. Every angle must be approached and reasoned so that, if the legislation
is to be enacted, it will be meaningful and beneficial for the consumer. Consumer protection is beneficial and must exist in a complex society. The consumer must be protected with adequate legislation or he stands to suffer. That suffering could come in the form of higher prices.

To date, much research has been undertaken in the area of unit pricing. This, in itself, speaks for the significance and importance of the topic. Very little, if any, research has been concentrated in the southwest. None had been undertaken in the Dallas-Fort Worth area prior to this study. Now, Buddies Supermarket has instituted unit pricing on a test basis in the Dallas-Fort Worth area with plans for permanent adoption in all of its stores in the near future. This research, in addition to all the other research studies of unit pricing around the country, has aided in gaining a more complete national picture of the need for unit pricing at the Federal level. Only after all attitudes and potential consequences of unit pricing are studied can meaningful decisions about consumer protection by unit pricing be made.

Organization of the Study

Chapter I, "Introduction," has acquainted the reader with the purpose and method of the research. Chapter II, "Examination of the Literature," is presented in two parts. First,
there is a discussion of the historical development of the consumer movement, starting at the decade before the turn of the last century. Second, there is a discussion of the presentation of past findings which pertain directly to the importance of price in food buying. Chapter III presents the results of the personal interviews conducted during the summer of 1970 with selected Dallas and Fort Worth businessmen. Chapter IV is a presentation and analysis of the grocery store survey. Chapter V is a presentation and analysis of the consumer household survey. Chapter VI presents a summary and conclusions of the study. The text is followed by a complete bibliography of the study and several appendices for exemplification of certain points made in the text.
CHAPTER II

EXAMINATION OF THE LITERATURE

This chapter deals with an examination of the literature in two parts. First, a study of the history of the consumer protection movement, from the beginning of the first organized group in 1889, is presented. This section is divided into three parts: Part I deals with the early development of the consumer movement through 1925. Part II deals with the era of the New Deal through 1959. Part III deals with the present surge of consumerism. The second section of Chapter II deals with past studies and literature involving grocery store shopping behavior. Such questions as "Who does the grocery shopping?" "Where do they shop?" "How do they shop?" and "What is the role of price?" are explored and explained.

History of the Consumer Movement in the United States

Within the divisions of the consumer movement (as mentioned above), four basic topics will be discussed. First, the important organizations of each period will be highlighted. Second, the major issues which the organizations and their members backed will be discussed.
Third, the major pieces of legislation which occurred during each period will be presented. Fourth, an analysis of the strengths and weaknesses of the consumer movement within each time period will be discussed.

The Development of Consumer Power: 1889-1925

In all probability, there were some organizations and legal enactments concerning consumer protection prior to 1889. Common law brought over from England in Colonial days most likely had features which indirectly pertained to the protection of the consumer. Most market legislation, at least in theory, is directed at protecting the public from abuses and misuses of business power. Even when laws are passed to protect competitors from unjust business tactics, these laws indirectly are for the benefit of the public because they insist that good competition is favorable to the consumer. It was just before the turn of the twentieth century that fairly large, organized consumer movements were initiated in the United States.

Organizations.—This early period of the consumer protection movement was dominated by one national organization with several branches. This national organization was the Consumers' League. The League was actually the result of a group known as the Working Women's Society,¹ an organization

which took upon itself the burden of insuring the fair working conditions of working women. The National Consumers' League (at first called the National Federation of Consumers' Leagues) started in mid-1899 in New York City. It was an organization which was to coordinate the several east coast city Consumers' Leagues, many of which were not doing very well. One of the League's first and most prominent officers was Florence Kelley, the secretary. It was she who was to put the organization in print and popularize it in writing throughout the nation. Several periodic accounts of the League's activities can be directly related to Florence Kelley. This was the organization which was responsible for the beginnings of the momentum of the consumer movement at the turn of the twentieth century. It was the National Consumers' League which first brought to the attention of the consumer the power and potentials of consumer organization.

**Issues.**—The issues of the National Consumers' League differed from those of its successors. The League proposed to "... educate public opinion and to endeavor so to direct its force as to promote better conditions among the workers while securing to the consumers, exemption from the dangers attending unwholesome industrial surroundings." The major

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"Florence Kelley, "Thirty Years of the Consumers' League," The Survey, LXIII (November 15, 1929), 210-211.

"A Ten Years' Program" The Survey, XLIII (December 13, 1919), 227."
issue of the period was the unhealthy working conditions of the worker. It was the hope of the League to make consumers realize that they held the power of buying and, indirectly, the power of business survival. Thus, through organization and strong membership, the alleged "evil" practices of the business community could be curtailed. The organization developed what it referred to as a "white list." This was a list of those employers who dealt fairly with the women and children in their employ. These employers were given labels by the League showing that the conditions under which their products were made were acceptable to the organization.

There were basically four methods by which the League endeavored to gain its objectives of creating good working conditions and good products. The League would first undertake an investigation of an employer. Second, through conference with and cooperation from the employer, certain standards would be established for working conditions. These standards had to be met if the firm was to be placed on the "white list." Third, the League campaigned for legislation and judicial decisions which would affect all employers and all conditions of employment for labor. Finally, the League endeavored to educate the public that it held the power to

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4 Caroline L. Hunt, "More Conscience for the Consumer," Chautauqua, XXXVII (June, 1903), 274.
insure that adequate goods could be purchased and that industry was fair and just. 5

Through these methods, the organization attempted to create a "fair house" throughout each branch's community. A "fair house" employer gave equal pay for equal work, had certain minimum wages, had a fair working day (8 A. M. to 6 P. M.), had separate lunch rooms and sanitary facilities, and conducted his business under the philosophy of humane and considerate behavior toward all employees. 6 If the public could only unite, there would be no problem in inducing businesses of all kinds to keep "fair houses." It was the belief of the National Consumers' League from its inception that,

. . . the responsibility for bad conditions rests largely with the consumers; that ignorance is no excuse; that silence gives assent; that useful protest rests always upon carefully sifted facts; that trade unions and philanthropic organizations can only supplement social legislation, not take its place. 7

The League seemed to want to make it clear that the "... producing world is only the servant of the consuming world, and the final direction of industry lies with the consumers." 8

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6 Nathan, op. cit., p. 303.
7 Kelley, op. cit., p. 211.
8 Sanville, op. cit., p. 119.
With this aim, the League wanted to make sure that the consumer knew what she was buying. She had to be educated. The woman made most of the purchases for the household. She had to be informed. In order to be informed, she needed both the training of the schools and the aid of the various agencies of Government. The League relied heavily on the Government for the assurance of correct labeling of food and clothing materials. In one incident, President Taft had allowed the liquor industry to incorporate certain additives into neutral spirits for coloring effect without the necessity of relating this information on the labels of the products.

The following quotation exemplifies the feelings of the League concerning Taft’s actions:

Resolved, that we, the National Consumers' League, protest against the action of the president and urge upon state food officials, in all the states, the necessity of prompt and concerted action on their part, to avert the peril threatened by President Taft's decision, so that if consumers cannot have the protection of the federal law they may at least be safeguarded by state law from a return of the former evils of adulterating and misbranding the foods, drugs, liquors and medicines of this people.

This was the picture of the National Consumers' League. The organization believed that, since the buying public was so involved in the purchasing act, it should also be involved in those production acts which led to the buying decision.

9 Martha Bensley Bruère, "Educating the Consumer," The Outlook, CII (September 7, 1912), 30.

10 Florence Kelley, "Ten Years From Now," The Survey, XXIII (March 26, 1910), 980-981.
This would take away buying ignorance. As one author said, "At its very inception it (the organization) thus affirmed that there is an element of morality in the act of buying which is too often ignored; ..."[11] This ignorance was to be replaced with consumer education through the aid of Governmental guidance which would assure the public that business practices would be fair and just to all. By no means were the setting of standards and the establishing of "white lists" popular with businessmen. One consumer leaguer was confronted by a businessman at a meeting where he said,

'How would you like me to walk into your kitchen and ask how many hours your cook works, and whether she is allowed to sit down during the day?'

whereupon the answer came,

'If you should eat the food she cooks, and pay me for it, you would have every right to this or any other information as to how your food was prepared--nothing could be more your business . . . .'[12]

These were the issues of the National Consumers’ League in the period of 1899 to 1925. They were simple—fair working conditions so that good products would be made and just compensation would be rendered plus product information through labeling for consumer knowledge.

**Legislation.**—The early period of the consumer protection movement was not responsible for the passing of a great deal

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of legislation which directly related to and affected consumers. And even less important was the passing of legislation which was due, for the most part, to the backing of consumer organizations. In the latter part of the 1880's there were several states which had adopted state antimonopoly laws. Most of these, however, discredited monopoly power merely in principle.\(^{13}\) If consumer organizations did not account for early legislation, there was one organization which did—the Grange. Formed in 1867, the Grange had the objectives of information dissemination and unification so that power could be wrought against the monopolies and their middlemen who took "'... advantage of the farmer's necessity to offer ... a price below the actual value of his grain.'"\(^{14}\) Early Grange Laws, no doubt, influenced the passing of the Interstate Commerce Commission Act and the Sherman Antitrust Act. It was in the period during 1890 that the political influence of the Grange movement was rebuilding.\(^{15}\)

In 1890 the landmark Sherman Antitrust Act was made law. This piece of legislation made monopoly practices and attempts to monopolize illegal. Only indirectly did this law aid the ultimate buyer. It was in the next year, however, that


\(^{15}\)Ibid.
legislation pushed directly by consumer organizations was enacted. This was the Mercantile Inspection Act of 1891. This act was drawn up by the Working Women's Society (the predecessor of the National Consumers' League) and had as its purpose the creation of state inspection agencies and inspectors.16

Something of a monumental victory for consumer protection came in 1906 with the passage of the Food and Drug Act. Although most consumer protectionists were not happy with the final writing of the bill, most considered it better than nothing at all. Several other pieces of legislation were being backed by the Consumers' League in 1906. Included were bills for the regulation of child labor in the District of Columbia, compulsory education in the District of Columbia, a Children's Bureau, and a bill which would investigate the labor situation of women and children throughout the entire United States. It was, however, only the Hepburn Pure Food Bill which was passed.17

In 1908, an International Conference of Consumers' Leagues met in Switzerland. Out of that conference came a move on the part of the United States' Consumer League to draw up and support a bill for nation-wide uniform labor

16 Nathan, op. cit., p. 303.
17 "The Consumers' League," The Outlook, LXXXII (March 17, 1906), 586-587.
legislation.\textsuperscript{18} Also in the same year, the League supported the ten-hour working day,\textsuperscript{19} a large step in labor legislation. In 1911, a model law against abuse of advertising power appeared; it was known as the \textit{Printers' Ink Statute}. Although it would seem that consumers' organizations would have been behind the statute, there is no mention of this in the literature. In 1914, the Clayton Act and the Federal Trade Commission Act were passed. The former attempted to stop unfair business practices, while the latter set up a body of commissioners who were to \textit{judge} unfair business practices. It is the Federal Trade Commission that is today one of the most important consumer agencies in Government.

During this period, most of the legislation that was enacted was not the direct result of the consumer movement. The Grange, as mentioned above, was one of the social movements responsible for legislation. About the turn of the century, there was another movement afoot—the labor movement. Samuel Gompers, in 1897, put some light on the labor movement. As Perlman and Taft relate,

\begin{quote}
American labor, prior to the nineties, (1890's) had been prone to identify itself in outlook, interest, and action with the great lower middle class, the farmers, the small manufacturers and business men— in a word, with the 'producing classes' and their periodic 'anti-monopoly' campaigns.\textsuperscript{20}
\end{quote}

\textsuperscript{18}Kelley, "Ten Years From Now," p. 978.
\textsuperscript{19}Ibid., p. 979.
The labor movement had learned well from the Haymarket riot in 1886 and the Pullman Strike in 1894. No longer could the fears of the public be aroused against the labor movement, for unwanted movements could easily be crushed. While the period of 1898 to 1904 saw unprecedented expansion, by 1910 strikes and public fears had again caused the repulse of the unions. 21

Thus, even though the legislation during this period was rather sparse in terms of support by any consumer organizations, one can see a beginning of public power against business practices emerging.

Strength.--The simple fact that a national consumers' organization was founded during this period is evidence that there was some strength to the consumer protection movement. Through the distribution of literature, the National Consumers' League gained in membership strength. Certainly the membership of this organization was small when compared to some of its successors such as Consumers' Research and Consumers' Union. But, considering the time period, the literature indicates that the movement was strongly developing. Prior to the instituting of the National Consumers' League, the state leagues were not faring well. There was, however, the incentive for a strong movement. In the words of Florence Kelley,

21Ibid., pp. 5-9.
In all directions there were in those days stirrings of curiosity, and actual promise of sustained interest in the conditions of labor of women and children. Only organization on a national scale was lacking.  

The movement and the league built fairly rapidly in early years. By 1906 the National Consumers' League had sixty active branches in over 20 states and had successfully backed the passage of an important food bill. In 1908 the League won a big battle when the Supreme Court of the United States declared unanimously that the Constitution did not bar such legislation as was supported by the League, namely the ten-hour working day. It was Justice Louis D. Brandeis who prepared the writing of material for the ten-hour working day and the same Mr. Brandeis who took part in the oral defense of twelve other cases for the protection of women and consumers.

In 1914 the strength of the Consumers' League and the consumer protection movement was to be known nationwide. The League took the Triangle Waist Company to court because the latter had used the label of the League without proper authorization. In answer to the charge, the Company admitted that it had used the label but denied knowledge of the

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22Kelley, "Thirty Years," p. 211.
24Kelley, "Ten Years From Now," p. 979.
existence of the national organization. In addition it doubted the right of the League to sue the firm. An injunction was granted, and the consumer protection movement moved along steadily.

The New Deal and Growth: 1926-1959

The second period of the development of the consumer protection movement was much more active than the first. It was in this period that several books exposing abusive business practices were published. Among these books were Your Money's Worth, in 1927; 100,000,000 Guinea Pigs; 40,000,000 Guinea Pig Children; Guinea Pigs No More; Skin Deep; Counterfeit: Poisons, Potions and Profits; Partners in Plunder, in the 1930's; and The Hidden Persuaders, in 1957. These were the years of the New Deal, looked upon by consumer protectionists as anti-consumerism. Too, these were the years of Communism and Consumerism—the allegations that the Reds were behind the consumer protection movement. The importance of the consumer movement during these thirty-five years was cyclical. The trend basically depended on the state of the economy and the world. It was a period of vast proliferation of consumer protection organizations and Government expansion into consumer activities. It was truly a period of growth for consumer protection.

Organizations—As mentioned above, 1926 to 1959 was the period for books and organizations. The first exposé, *Your Money's Worth* written in 1927 by Stuart Chase and Frederick John Schlink, was a direct cause of the founding of the first "professional" consumer organization—Consumers' Research in 1929. The latter was a direct result of a club established in New York in 1927 by Schlink which attempted to answer consumer inquiries. The function of Consumers' Research was (and is) to rate products for consumers in categories of acceptability and non-acceptability. As one author put it, Consumers' Research was

...to provide a clearing house where information of importance to consumers may be assembled, edited, and promulgated; and to develop an art and science of consumption by use of which ultimate consumers may defend themselves against the invasions and aggressions of misleading advertising and high pressure salesmanship.

This is hardly an exaggeration for the time period. This was the mood of the consumer protectionists.

In 1932, two similar, but very minor, organizations were established. One was a direct offspring of Consumers' Research. E. J. Lever, a former executive with Consumers' Research, established Cooperative Distributors, a mail order house serving cooperative associations. In this same year

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the Intermountain Consumers' Service was founded with a function limited chiefly to testing of commodities and educating consumers about those commodities. 30

From the National Recovery Administration in 1933 came the Consumers' Advisory Board of the New Deal. Its life was short, ending with the declared unconstitutionality of the National Recovery Administration in 1935. The administrators of the Consumers' Advisory Board were producer minded as was the NRA in toto. 31 For this reason, as will be illustrated below, consumer protectionists were staunchly against the consumer board. Under the direction of the Consumers' Advisory Board, seven-member consumer councils in over 3,000 counties were established. 32 These councils were supposed to act as consumer information centers concerning complaints about prices and the lack of efficient distribution procedures during the time of recovery. 33

The Consumers' Advisory Board was thought, by very few, to have been a success in terms of consumer protection. Its being declared unconstitutional, along with the entire recovery administration, also eliminated the county consumer councils.

30 Sorenson, op. cit., p. 51.


33 Ibid.
The Consumers' Advisory Board itself became the Consumers Division and, after being passed to and from several administrative agencies, it finally expired in June of 1939. 34

Less talked about in the literature than the NRA's Consumer Advisory Board was the Consumers' Counsel. The Counsel was established in 1933 when the Agricultural Adjustment Administration became law. 35 Because of administrative problems in Washington, many said that the consumer movement was slipping and slipping badly. Not only were there organizational problems in the Capitol, but the private organizations were having their problems. There was a feud between Schlink and his secretary at Consumers' Research, Arthur Kallet. Kallet was co-author with Schlink on 100,000,000 Guinea Pigs. 36 The result of the feud was the formation of a new consumer organization in 1936, Consumers Union. Patterned after Consumers' Research, Consumers Union was "...in response to a widespread demand for a competent, honest and unbiased technical service for consumers which would be controlled by its members and responsive to their needs." 37 Although several writers have discussed the

37 Maynard and Beckman, op. cit., p. 93.
differences between Consumers' Research and Consumers Union, the two organizations have lasted and have steadily increased their memberships. Both organizations have their strengths and weaknesses.

In 1937, several groups were formed. First, after considerable trouble, the Consumers Foundation was established in New York. It was to incorporate membership to represent all consumer interests whether to the right, left, or in the middle of the road. This organization was very short-lived. Because of the activities of many "underhanded" consumer groups, the Consumers National Federation was also established in 1937. It was to protect the consumer by coordinating all of the activities of the bona-fide consumer organizations. Its basic function was educational in nature, and it published an informative paper, The Consumer.

Also in 1939, the Consumers’ Counsel to the Coal Commission, provided for by the Guffey Act, was established. It was to protect the consumer in matters of prices and the dissemination of information.

A unique organization formed in this period was the National Consumer-Retail Council, in 1937. This was an organization composed of consumer organizations and various

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39 Ibid., p. 52.
40 Maynard and Beckman, op. cit., p. 94.
retail merchants to "... stimulate interest on the part of consumers, distributors, manufacturers and the public in the value of adequate standards for consumer goods and promotion of the use of informative labels." The program of the Council was made up of projects concerning the improvement of the buying and selling relationship between firms and their customers, the distribution of unbiased educational material, and the provision of meeting places for objective talks concerning retailer-consumer topics. In 1939, Maynard and Beckman considered the Council one of the better plans for consumer relations to date. 

These were the major organizations established during the second period of the consumer movement. There were scores more but they were local and minor in comparison to the above. Many governmental agencies sprouted up in the fifties, but their impact on the consumer movement was not to be highly noticed until the next decade.

Issues.—Except for World War II and prosperity after the war, the issues of this period were more varied and vehement than those of the early period of development of the consumer movement. In 1776, Adam Smith said,

\[\text{Ibid., p. 95.}\]
\[\text{Roger Wolcott, "Which Way, Now, Consumer?" Journal of Home Economics, XXXIX (October, 1947), 502.}\]
\[\text{Maynard and Beckman, op. cit., p. 96.}\]
Consumption is the sole end and purpose of all production; and the interest of the producer ought to be attended to, only so far as it may be necessary for promoting that of the consumer. The maxim is so perfectly self-evident, that it would be absurd to attempt to prove it.44

Here Smith was talking about the Mercantile system, but several writers during the consumer movement period have used that quotation to illustrate that the sole purpose of production has not always been for the benefit of the consumer. This was the overall issue of much of the period from 1926 to 1959.

As mentioned previously, Your Money's Worth was one of the first and most explicit books relating the issues of the times. This work explored the dangers of cosmetics, uncomfortable but expensive mattresses, exhorbitant profit from typewriter ribbons, fancy packages, lack of information, and other problems of the day. The issue was that the consumer was not being told enough and was not getting his money's worth from the products that he bought. Advertising was exploiting radio simply for profits and not for the purpose of giving the public product information. The advertiser allegedly used advertising to fool the customer and to easily dupe children who were easily indoctrinated by radio messages.45 The Journal of the American Medical


45Stanley High, "Guinea Pigs, Left March!," The Reader's Digest, XXXV (October, 1939), 4.
Association said that "... $4.95 worth of Listerine had the
antiseptic value of one penny and that the best and safest
mouthwash was salt and water." The book 100,000,000 Guinea
Pigs revealed that "... poisoned and decayed foods and drugs
were coming from even the most reputable producers...".

The manufacturer did not make what the consumer wanted
but, instead, first made goods and then made the consumer
want them. The consumer, it was claimed, was the forgotten
man in the economic system. The consumer was forgotten because
public policy cared for him in his roles as farmer, wage earner,
entrepreneur, etc., but not as consumer. The fact that the
consumer was a forgotten man was exemplified by several writers.

Kallen stated that,

In a word, the new deal tends to sacrifice the con-
somer to the producer at every point in the National
economy... The new deal's economy of planned
scarcity in agriculture and its trend toward collusive
controls in industry leave the consumer holding the
bag.

Nye indicated that the NRA favored big business. This is
illustrated by the following quote:

NRA was to regulate big business. Instead big busi-
ness has taken over NRA and is, with the aid of its
'inside men,' about to exercise control over prices

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47 Ibid.
48 Ibid., p. 42.
49 Hazel Kyrk, "The Government and the Consumer," Journal

50 H. M. Kallen, "Consumers, Organize!" The Christian
Century, LI (June 27, 1934), 353-359.
on a scale never before known. The consumer will be the victim upon the altar of enlarged greed.\(^{51}\)

In addition, Nye stated that the NFA made consumers powerless in the face of monopolies.\(^{52}\) Carter believed that the depression in the NFA illustrated that the public was not consumer-minded.\(^{53}\)

Labeling was an important issue as were the price and quality of products. There should have been codes which defined quality standards, and the Bureau of Standards and Home Economic Association should have supplied the consumer with product information.\(^{54}\) After the NFA, consumer complaints did not lessen; rather they increased. Many felt the way Matthews did in Guinea Pigs No More. He said, "The failure of business society to achieve the highest quality possible and economically useful in consumers' goods is not merely occasional but is so prevalent as to constitute its norm."\(^{55}\) He went on to list and discuss, in his book, seventy-five consumer "gyps" which dealt with the misleading ways of business to get the consumer's dollar. These are listed in Appendix D. "Advertising has tried to set up a dictatorship.

\(^{51}\) Gerald P. Nye, "Squeezing the Consumer," Current History, XL (June, 1934), 293.

\(^{52}\) Ibid., p. 291.

\(^{53}\) Carter, op. cit., p. 40.

\(^{54}\) Douglas, op. cit., p. 104.

It has tried to impose regimentation upon consumers," said Babson and Stone.56 The consumer movement attacked pricing, advertising, brand confusion, standards, resale price maintenance, and installment practices before the Temporary National Economic Committee.57 The broad goals of the consumer movement during the New Deal era were well stated by Maynard and Beckman—adequate and reliable information, greater efficiency in distribution, reasonable prices, and reduction or elimination of consumer inefficiency.58

After World War II, surveys of women buyers were taken with the ultimate aim "... to insure postwar production of durable, well-designed goods at a price which reflects their true value."59 This was one of the first times the word "value" was mentioned in connection with consumer protection. Through the late forties and the fifties, the issues of the movement did not change. They only became louder—better information, better quality, more reasonable prices, good labeling and grading systems, more truth in advertising and so on. In the late fifties, New York State initiated a new consumer program which emphasized the illegality


57 "What Consumers Told TNEC," Business Week (May 20, 1939), p. 44.

58 Maynard and Beckman, op. cit., p. 90.

of installment buying practices. This issue was a relatively new one, but it did not take long for the consumerists to jump on the bandwagon. They did so in the sixties.

These were the issues of the second period of the consumer movement. They had not radically changed from the earlier period. Now, however, there were more organizations and more people involved in the movement. This was truly the growth period of the consumer movement.

Legislation—After the passage of the 1906 Food and Drug Act, there was little legislation passed which was of importance to the consumer until 1938. In the 1906 Act, there was definitely a demand for Government grades, but this demand was not a severe legislative threat until 1931. In 1931, there was an amendment to the early food and drug act through the McKary-Kapes amendment. This legislative act proposed the labeling of below-standard quality foods by the food industry. 60 The effectiveness of the amendment was reduced because of the NRA.

In the interim between 1931 and the passage of the Food, Drug, and Cosmetic Act in 1938, two legislative events occurred which directly affected the consumer movement. First was the passage of the Robinson-Patman Act in 1936 and second was the passage of the Miller-Tydings Act in 1937. Consumer protectionists were against these two acts.

These were basically bills of one sector of business against another, the mass distributors. The consumer crusaders claimed that the passage of these two acts had but one effect in store for the consumer—higher and higher prices.\footnote{Ibid., p. 46.} In particular, the big cities would be affected as this was where the majority of the mass distributors operated. Both bills dealt with pricing. The Robinson-Patman Act dealt in particular with predatory pricing and allowance discounts, while the Miller-Tydings Act worked with resale price maintenance.

A very important consumer bill was passed in 1938. The final drawing of the bill was not nearly what the consumer protectionists had in mind for industry when the first draft was drawn in 1933. Known previously as the Copeland Food Bill and the Tugwell Food Bill, the Food, Drug, and Cosmetic Act of 1938 was very much a victory for the consumerists. The enactment of the new food bill was not easy by any means. When first proposed in 1933, the bill was extremely rigid toward industry. Some contended that the final passage of the bill was barely "half a loaf" but the consumer protectionists were happy with half over nothing.\footnote{Ibid., p. 44.}

Originally, the bill would have declared advertising false and misleading by mere ambiguity. Advertising men in 1933, and today, realize that this would have been a
tremendous restraint in the marketing of goods and services. The 1938 food bill dealt with labeling and the precautions which manufacturers and distributors had to take in regard to the components of their products. The demand for information was high, and consumers were unwilling to take chances with false "cure" products and devices.

In addition to the Food, Drug, and Cosmetic Act of 1938, the Wheeler-Lea Act, which amended the Federal Trade Commission Act of 1914, became law. This bill also dealt with false advertising and misbranding concepts and gave the Federal Trade Commission jurisdiction in enforcing the law (along with the Food and Drug Administration).

Throughout the rest of this growth period of the consumer protection movement, several bills directly aiding the movement were passed. Among them was the Wool Products Labeling Act of 1939. This act required wool manufacturers to be informative in their labeling practices so that consumers would be absolutely sure about the characteristics of the products they were buying. In 1951, the Fur Products Labeling Act became law followed by the Textile Fiber Products Identification Act and the Automobile Information Disclosure Act of 1958. All of these acts had the same theme—more information for consumers.

Thus the labeling goals of the original consumer group, the National Consumers' League, were being met in this

63 Howard, op. cit., pp. 107, 119.
period of growth. The demand for descriptive labeling on most products was being met, and it was being met with the aid of Federal legislative activities. Much of the legislation was hard fought, and often the consumer protectionists received only half of that for which they had bargained. In any event, the legislative activities between 1926 and 1959 solidified the consumer movement and gave warning to the businessmen of the sixties that the movement was by no means fading.

Strength.—The second period of the consumer movement was the more cyclical by far. Many serious problems arose during these years and likewise many gains were made.

In the late thirties, the question was asked whether or not the "consumer consciousness" of the public had grown over the past four or five years. It was concluded that, with the passage of the Food, Drug, and Cosmetic Act in 1938, the consumer movement had made headway in reaching the public. The new act was giving consumers more information; there were bigger and better consumer conferences; consumers were in the news more; and, although organizations were having their problems, they were getting bigger and better.64

The organization problem during the thirties was a serious one. Consumer organizations in Washington were

64"Consumers in the News," Journal of Home Economics, XXXI (September, 1939), 476-479.
having problems getting and keeping consumer advisers. In just a brief span of years, Walton E. Hamilton of Yale, Clarence E. Ayres of Texas, and Thomas W. Holland, a labor lawyer, had all served as the president's advisers. It was argued that the only hope for a continuing and effective consumer program in Washington was a new Public Welfare Department.65 This was also the time period when Consumers' Research executives clashed and Consumers Union was founded. Each had its different philosophies and each vied for membership. The public was not quite sure who their spokesman was. This, in part, led to a period of disinterest in the movement.

One of the most serious shortcomings of the movement was the allegation, by many, that Communists had taken over and dominated the consumer movement. Although many writers agreed that the consumer movement would be a good target for the Communists, few thought very seriously that the movement would be dominated by them. In any event, the allegations that Communists were in the movement did nothing to aid the growth and strength of the movement. One statement was sent out by the National Advisory Council of Consumers and Producers. In part, it said

There has been a concerted movement afoot to organize consumers into 'pressure groups' in order to bring about certain objectives, either real or

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imaginary . . . . All such efforts as these, which would stir up strife and organize our American Citizens into opposing groups, are really fostering the cause of class distinction which is wholly un-American, and thoroughly out of tune with our entire concept of democracy in government and democracy in society.

In spite of its shortcomings, the movement made much headway by the sixties. Consumers' Research and Consumers Union had set the philosophies and course of action of the movement. The consumer had a spokesman, and government was listening more now that organizations grew. The movement was responsible for many and varied programs, for the promotion of much legislation, for getting the consumer information, and for putting negative business acts in the news.

Buyers strikes were not very forceful but they did indicate that consumers did mean business. As some said,

The consumer movement was at first regarded by businessmen as a passing fad of idle clubwomen who had temporarily taken to protesting about their purchases as a diversion from their bridge. Now they recognize it as one of the most important features of the world in which they operate, not to be lightly dismissed, not a thing to be easily discredited or controlled.

Potentially the Consumers' Front is the most powerful material force on earth. If education and organization can put that power into action, it can

67 Sorenson, op. cit., p. 179.
surpass any other social change. Organized consumers can develop a crusading zeal more ardent than that of communism.68

This was the picture of the consumer protection movement going into the decade of the sixties. It was a picture of ups and downs but, at the same time, a picture of seriousness for all concerned.

The Source of Modern Consumerism: 1960-1970

This most recent period of the consumer movement has been the most powerful. Presently in Congress, there are over 400 consumer bills proposed to protect the buying public. Not much has changed from the previous two periods. There are new organizations forming all of the time, but they are mostly new governmental agencies or old agencies taking on new consumer responsibilities. There has been some rather important legislation passed in the period between 1960 and 1970 and most indications are that there will be much more in the 1970's. The issues are basically the same. However, more consumers, congressmen, and businessmen are involved. From all indications, it looks as if the decade of the sixties has been the strongest period of consumerism.

Organization.---The two giant consumer organizations were still operating vigorously. During the sixties they

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68 Babson and Stone, op. cit., p. viii.
issued many important articles to their subscribers keeping them up to date on the most important and controversial issues of the day. Many conventions were held by Consumers Union to purposely uncover those business practices which were deemed unproductive for the consumer. In addition to the continuing activity of Consumers Union and Consumers' Research, Inc., many state legislatures formed consumer departments. In some states, the departments were fairly inactive while in others, such as New York and Massachusetts, strong state legislation was enacted to protect consumers.

At the Federal level, presidents Kennedy, Johnson, and Nixon all operated in their own way to appease the demands of some congressmen and many consumers for more national interest in consumer protection drives. Today, the office of Consumer Affairs is highly active in the promotion and study of necessary legislation for consumers. An illustration of the gaining of power of the protectionists is the speech given by President Lyndon B. Johnson to Congress in 1966:

In the average supermarket today, the housewife finds 8,000 items—more than five times the 1,500 items she found just 20 years ago . . . . But with more products to choose from and fewer sales people to answer her questions, the housewife relies heavily on the package itself as her source of information in making a choice . . . . There are instances of deception in labeling and packaging. Practices have arisen that cause confusion and conceal information even when there is no deliberate intention to deceive.69

This was the address President Johnson used to show his favorable attitude toward the "Truth in Packaging" Bill. Prior to President Johnson's remarks, however, President John F. Kennedy, in 1962, declared the consumer to have certain rights which business should not impose upon. These rights were known as the consumer's four-pronged Magna Charta and were:

The right to safety.
The right to be informed.
The right to choose.
The right to be heard.70

Out of these four rights came over 400 pieces of proposed legislation by the end of 1969.

There is still not, as the decade of the seventies gets under way, a national federation of consumers which can claim that it speaks for all consumers. That is to say, excluding the Federal government's office of Consumer Affairs, there is no private organization as was suggested by many consumer advocates in times past. For instance, Mario Pei, author of The Consumer's Manifesto, did not think that the consumer movement was very strong at the opening of the past decade. He even thought that letters to congressmen and senators were useless because of the lack of a national organization. The consumer was the unorganized class. Unlike

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producers and laborers, consumers had no power. Pei suggested the United Consumers of America. This would be a legal and professional organization dedicated to working with producers and laborers for consumers. Its underlying philosophy would be the condemnation of economic warfare since, in the long run, this only hurts and can never aid the consumer. Although its first function would be education of the public, the United Consumers of America would aim toward the privilege of sitting in with business and labor in the disputes which would inevitably affect the consumer.

Evidently, at this time, consumers were relatively happy. It was after the recession and business was booming. Incomes were up and unemployment was down. Whatever the reason or reasons, the United Consumers of America never became a reality. Except for the continuing efforts of previously established consumer organizations and the rapidly increasing involvement of government activity at all levels, the organizations of the consumer movement remained pretty much the same throughout the sixties.

**Issues.**—During the sixties and into the seventies, all of the same issues that had first appeared around 1890 were still present. It was during the sixties that many more issues came to the minds of consumers and their representatives. Many of these issues were due to such people as Vance Packard

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and Ralph Nader. These men and their books (The Hidden Persuaders and The Waste Makers, by Packard, and Unsafe at Any Speed, by Nader) brought many issues into the open which aroused congressmen and the public alike. An in-depth look at each issue is hardly warranted here; therefore, a list of many of the issues that emerged during the past decade follows below. Many of these have not been resolved and are part of the 400 or so consumer protection bills which were before Congress at the end of 1969. The most important of these issues will be highlighted in a discussion of legislation below. These were the issues of the 1960's:

--Price per unit information on all or most of the products one finds in the supermarket today.

--Standardized weighting systems for food products.
   (No mixing of pounds and liters for example)

--Listing of percentages of major ingredients for food items so that quality can better be determined.

--Perishable food dating to indicate loss of food quality.

--Public knowledge of testing standards for merchandise.

--Clearer and better warranties for durable products.

--Consumer grievance mechanisms.

--Demand for easier and more reliable repair of such durable items as automobiles and washers and dryers.

--Certification of industry-wide product standards.

--Product safety in all mechanical products and children's toys.

--Comprehensive labeling of such products as auto-
--More standardization of product sizes and the ending of such a vast number of product packages for an individual product. For example, less than 57 different sizes of toothpaste tubes.

--The ending of any claims which are even the least bit deceptive to the consumer.

--Demand for packages which would allow for smaller quantities of product to be purchased.

--More informative language used in advertising so that deception does not come as easily and image is not considered more important than product quality.

--More information to the public from the retail middleman during the purchasing process.

--Better and more accurate care instructions on all types of clothing and material.

--Outlawing of slack-filled packages.

--Lowering the prices of food to the consumers.

--Less shrinkage in clothing or specific information as how to avoid it.

--Better consumer grades that are labeled more conspicuously.

--Labeling which is not confusing to the consumer and is easy to read and understand.

--Better television shows.

--More effective and safer drugs.

--Use of less pesticides and preservatives which could be harmful to food products.

--Safer and better tires which last longer.

--Safer automobiles in all respects.

--Restriction of pictures on packages which do not adequately represent the product.

--Restriction of the use of words which do not honestly represent the quality of the product.
--Weighting of products by net contents.

--More information to the consumer in the financing of products.

--More standardization of sizes in women's and children's clothing.

--More ability to compare values of competing products.

--More consumer education on how to get the best value in the purchasing process.

--More honesty in labeling. When four slices are indicated on the package, there should not be only three in the can.

--Listing of "regular prices" on packages with "cents off" deals.

--Informing the consumer when package sizes are changed. Less packaging to price which deceives the consumer.

--Less pollution of the air and water from the manufacturing process.

--Mass restitution for consumers wronged by faulty products.

--Closing down of businesses which fail to meet demands of consumers which are reasonable.

--Give consumer chance to rescind agreement made in the home by a sales contract.

--Limit shipment and liability of credit cards sent to consumers but not at their request.

--Stop deceiving games played by consumers and offered by supermarkets and gasoline stations.

--Extend more comprehensive health warnings on cigarette packages.

--Requirement that drugs be called by generic rather than brand names.

--Regulation of trading stamp companies.

--More regulation of the safety of health and medical equipment and services.
The above list is not collectively exhaustive. These are the general issues that consumer spokesmen are putting before the Congress. These are a few of the items that consumers are demanding today. The issues, however, are not one-sided. By no means do businessmen admit to all of these accused wrongs. Business complains that the consumer is demanding too much too fast and is unwilling to pay for the improvements that are made. The consumer, says the business sector, is not paying heed to the time and costs that must be undertaken for the demanded improvements to be brought forth. In addition, business argues that consumers are demanding too many laws that are already in existence but which simply are not being carried out by government agencies. The agencies, on the other hand, complain that they are overburdened, understaffed, and under-budgeted. The inefficiency of government agencies is a fairly well-known phenomenon.

Businessmen answer the issues by saying that, because of the complex society in which products are made today, the consumer must expect some problems with products from time to time. The problems are complex in a complex time. One writer suggests that it would be easy for business and government to work together to solve their problems as they have done with Comsat. \(^7\) There are many problems to be

solved in the eyes of consumers and their spokesmen. How they are solved is not the point, but that the issues are solved is important.

Legislation.—All the legislation that was proposed from 1960 to 1970 could not feasibly be discussed here. As was mentioned above, at the end of 1969, there were over 400 consumer protection bills before the Congress. Many of these bills were (and are) of major consequence to the consumer movement. This section will discuss just a few pieces of legislation that occurred during the sixties.

Of the more important acts were the Hazardous Substances Labeling Act (1960), the Drug Amendments of 1962, the Cigarette Labeling Act (1965), the "Truth in Packaging" Act (1966), and the "Truth in Lending" Act (1968). Some of the more important consumer advocates responsible for these and other bills are well-known to consumers. Senator William Proxmire (D-Wis) was one of the prime forces behind the "Truth in Lending" Act and has concerned himself with bills regulating credit and credit cards. Senator Philip A. Hart (D-Mich) was the originator of the "Truth in Packaging" Act and has had the largest staff and budget for pushing consumer legislation. Senator Frank Moss (D-Utah) has been particularly severe on controls for toy safety and cigarette ads, while Senator Leonor K. Sullivan (D-Mo) was also a prime mover in the "Truth in Lending" Act. Representative Wright Patman
(D-Tex) is always crusading for the consumer in the style he did in 1936 as one of the fathers of the Robinson-Patman Act. These were a few of the crusaders of the sixties.

One of the major bills of the sixties, if not the major one, was the Fair Packaging and Labeling Act of 1966 ("Truth in Packaging"). The bill, originated by Senator Philip A. Hart (D-Mich), took five years to get passed. Most consumer protectionists felt, at the time of the final passage, that the bill had been so watered down from its original intentions that the consumer, in fact, had not gained any protection. Although enacted in 1966, all of the provisions of the bill were not immediately implemented and, in fact, some of the provisions of the bill have not become effective at the time of this writing.

According to Senator Hart, the bill aimed to curb the following business practices which tended to be harmful or could be harmful to consumers:

--- Inconspicuous or nonexistent quantity designations.

--- Deceptive illustrations.

--- Imprinting on the package by the manufacturer of price information implying a retail bargain where the manufacturer has no control over retail price—such as 'cents off' and 'economy size' designations.

--- Use of adjectives to describe the net quantity that attempt to give the impression of a greater amount than the same quantity of a competitor—such as 'giant half quart' in place of '16 ounces' or 'pint.'

--A proliferation of weights and measures expressed in odd amounts making price comparisons almost a mathematical impossibility.

--Use of containers of sizes, shapes, and dimensional proportions which give an exaggerated impression of the actual quantity within.

--The use of size designations that have no actual relation to the quantity in order to gain competitive advantage—another manufacturer's 'king size' is another manufacturer's 'large size' for an equivalent amount.

--Meaningless 'serving' designations.

--Lack of any useful method of price comparison where weight or count are meaningless.

--Lack of ingredient or composition information when this may be important, or presenting such information in an inconspicuous manner.

--Reduction in content while masking the weight loss from the consumer by manipulation of package size and content markings.

Thus, the originator of the bill had in mind the requirement that manufacturers not be the least bit misleading by either putting misleading labels on packages or by omitting information from packages which would be important to the ultimate consumer. The "Truth in Packaging" Act of 1966 can be seen as a parallel to the Food, Drug, and Cosmetic Act of 1938. Each took five years to get passed and each resulted in a weaker act than was intended by the originators. Prior to the 1966 bill's passage, businessmen did not think that the benefits to consumers would match the rise in price that

would be an inevitable result of the legislation. In addition to increased packaging costs and, therefore, increased prices to the consumer, businessmen projected that the "Truth in Packaging" bill would unduly control private industry, curtail the variety of products that would be marketed, restrict packaging innovation, reduce competition by driving out smaller companies which could not afford packaging changes, and eliminate product and package lines. Only a small minority thought that the legislation would aid the consumer in any way.

In 1967, the "Truth in Lending" Bill was passed. The passage of this act suggested that Congress overwhelmingly felt that consumers could make wiser credit decisions in the marketplace if they were provided with more information. It was thought that disclosure of true annual interest rates would make people more aware of the high prices they had to pay for the privilege of financing and that, through this awareness, consumers would take more time to shop around and compare finance charges before decisions were made. It was felt, however, that the 1967 bill was not strong enough

75 "Here's Package You Won't Buy," Nation's Business, L (December, 1962), 90.
78 Ibid., p. 57.
in its aid to consumers and, in 1968, a more comprehensive bill (Consumer Credit Cost Disclosure) was passed. The bill had the following provisions:

--All finance charges must be disclosed in writing.

--Information about cost of credit shall be itemized both in dollars and cents and in approximate annual interest rates.

--Annual interest charges shall be carried in advertisements.

--Statements of finance charges shall include such extras as credit insurance and other fees.79

In addition to the above two pieces of major legislation, the sixties saw the passage of a strong amendment to the Food, Drug, and Cosmetic Act of 1938. In 1962, new and more stringent advertising guidelines were issued by the Federal Government after an intensive investigation of the drug industry by the late Senator Estes Kefauver.80 In the area of safety, the sixties also saw the passage of legislation demanding that tire manufacturers produce and better test stronger and longer lasting automobile tires.

Strength.—Just the volume of consumerism literature itself suggests the importance of the movement over the last decade. The passage of the "truth" acts over the very strong protests of influential lobbyists suggests that the movement

gained power and prestige in addition to momentum. The increasing activity of the individual states suggests that legislation that is to come in the future will be, to a large extent, legislation to protect the American consumer. An article in *The National Underwriter* in January of 1970 carried the headline, "Consumerism Is Chosen As Top Issue of the Sixties."31

The supporters of the "Truth in Lending" Act stated that the final version was one of the strongest consumer measures passed in consumer protection history.32 Consumer conferences are being held all over the country all of the time. More and more consumers are taking active part in the movement. The memberships of the two major consumer groups have risen over the past ten years. Individual consumer protectionists are becoming powerful opinion leaders. When President Johnson appointed ex-actress and celebrity Betty Furness as the replacement to Esther Peterson in the Consumer Affair's Office, many felt the sentiments of Ralph Nader who stated that having Furness was worse than not having anyone. Since then, Nader and other critics have changed their minds.33 Present consumer representative in Washington, Virginia Knauer, is surprising more and more of her earlier critics everyday.

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32 "The Consuming Public," p. 36.
At first Knauer was branded as pro business but, more and more, her speeches ring with the rise that consumerists want to hear.

Besides the issues and the people adding momentum to the consumer movement, a more important phenomenon took place. In the latter sixties, serious inflation problems confronted the country. Food and other necessary consumer item prices skyrocketed. The value of the dollar began shrinking fast. Twenty-five dollars at the grocery store would not bring much home. This inflation was one of the major motivating forces behind the surge of the modern consumerism era.

Consumerism is a social phenomenon. Exactly what the movement holds in store for business and society in the future cannot be absolutely stated. Perhaps one of the safest statements about the future of consumerism was made in mid-1970 by two marketing scholars. They stated the following:

One of the main conclusions from past efforts to forecast social phenomena is that naive extrapolations are likely to be wrong. A better approach in this situation is to utilize the interpretation that consumerism is, at least partially, a reflection of many social problems that are certain to persist, and perhaps be magnified in the future. This diagnosis rules out the possibility that consumerism activity will decline significantly in the future; the unanswered questions concern the rate of increase in this activity and the areas of greatest sensitivity.84

Business is realizing, and has realized for some time, that the way around consumerism is not to fight it but to join it. It is the smart entrepreneur who is joining consumerism by providing products and product information that consumers both want and can find nothing to complain about. The tangible results of consumerism cost. The cost is borne by business and society. Dollar and cents cost is part of the total. The drain of manpower on the part of government agencies is another. If the legislation that results from the consumer movement benefits the consumer, then all of the costs are easily justified. If, however, no benefits accrue, then the consumer movement is indeed a very costly and unnecessary social phenomenon.

Insights Into Grocery Store Shopping Behavior

One of the elements with which proposed unit price legislation deals is the behavior and shopping patterns of consumers. During the past decade, without doubt, it was the subject of consumer behavior and consumer motivation that proliferated tremendously. Studies were conducted which added insight to marketing men's knowledge of consumer behavior. Consumer behavior deals with, and attempts to cope with, the human being as a whole, complex set of actions and reactions. An attempt to discover the "why's" of human behavior is truly a monumental task. The literature in marketing and the behavioral sciences which has dealt with consumer behavior
has concentrated on several subject matter areas. The psychological aspects of the consumer, society and social role, cultural influences, individual influences, economic influences, the firm, product attributes, and promotion are some of the subject areas that past (and present) literature has concentrated upon. Behavior norms, socialization, motivation, emotions, cognition, learning, traits, attitudes, perception, rational and nonrational thinking, personality, the self concept, imitation and suggestion, ethnic and religious influences, social class, role structure, innovators and opinion leaders, imagery and symbolism, brand loyalty, package and price cues, persuasion, and communication are a few of the complex concepts that determine where, how, what, and why a consumer will purchase.

**Some Research Findings About Food Buying**

Below are several studies which were undertaken between 1959 and the present. The studies dealt specifically with several aspects of food buying behavior. Among the topics and themes of these studies were impulse buying in the supermarket, the role of price in purchasing, city versus suburban supermarket shoppers, brand loyalty for food products, brand perception and sociological factors in food buying, and characteristics of supermarket shoppers. Presenting the findings of some of these studies will aid in establishing
some bases for drawing more concrete conclusions regarding mandatory unit price legislation and its utilization by ultimate consumers.

Dichter Study (1959).---One of the pioneers of motivation research was Ernest Dichter, president of the Institute for Motivational Research. Although many of his methods and conclusions about why consumers shopped as they did were considered "far out and wild," Dichter did contribute heavily to marketing thought in the area of consumer behavior. Some of the conclusions Dichter drew about the woman supermarket shopper follow:

---The average woman considers herself an informed expert.

---She is continually searching for more information and shops around for the best buys.

---There are deep, underlying emotional factors that exert a great deal of influence on her supermarket purchases.

---Supermarkets which slash prices to win consumer patronage must do more. "Price alone can't win."

---Consumers are definitely aware and mindful of prices and look for supermarkets which offer prices where the shopper can "relax" concerning them and where she will not be taken for a "ride." However this does not mean that she is looking for a "low price" or the "lowest price."

---A woman feels secure in a supermarket with completely stocked shelves and a large variety of items. 85

Dichter is saying that where a woman shops for food is not solely determined by price, especially a low or lowest price. There are emotional factors which, to a large extent, determine where the housewife will buy.

Trier, Smith, and Shaffer (1960).—In this study, the researchers considered the variables of size of family, type of family, age of wife, education of wife, number of working members in the family, occupation of husband, income of family, and percentage of income spent for food. They then tried to relate the variables to the “cost-consciousness” of the shopping wife. Some of the findings follow:

---The largest difference among wives was created by variations in “cost-consciousness.”

---None of the sociological variables (listed above) had any significant relationship to “cost-consciousness.”

---Wealthy wives were as likely to be as “cost-conscious” as poor wives.

---The more educated the wife, the more likely she was to be influenced by her friends in food purchasing.

---The higher the social status of the husband, the more influence he had on food buying.

---Older wives placed greater stress on food quality than younger wives.

---The wives differed more in their attitudes toward cost than toward quality.

---No food buying attitude had any significant relationship to family income.86

The researchers admitted that what the wives expressed as attitudes and how they behaved in the supermarket could be totally different. This, however, is one of the problems in drawing conclusions from consumer surveys. In any event, the study related very specifically that the cost-consciousness of supermarket shoppers is not significantly related to any sociological factor. A poor wife who is young may or may not be as cost conscious as a rich wife who is old.

Munn (1960).—Munn, in this study, attempted to relate brand perception to age, income, and education. The product groups studied were automobiles, televisions, coffee, and cigarettes. Some conclusions of the Munn study follow:

—Brand perception depends on physical qualities, container, packaging, price, advertising, promotion, and merchandising and therefore in a product class brand perception can differ markedly from consumer to consumer.

—Factors influencing brand perception can be so subtle that the consumer is unaware of them.

—In product classes, consumers definitely perceive product differences.

—Income, age and education were not significant in determining quality differences among brands.

—Income as well as product classes are significant in the consumer's perception of price differences.

—Brand perception within classes studied seem independent of consumer socio-economic classification.87

The Munn study throws further doubt into the ability of marketing people to predict how people will perceive brands based on those people's socio-economic characteristics.

du Pont de Nemours (1960).—The study, reported in Sales Management, revealed that impulse buying in supermarkets was on the rise between 1949 and 1960. Impulse buying means that, even though shopping lists are prepared at home, there is less thought of specific brands before going to the store. In 1949, 38.4 per cent of those surveyed had not thought of brands at home before shopping while, in 1960, the figure jumped to 50.9 per cent. Those items chosen mostly on impulse buying were cakes, magazines, wines, beer, frozen fruits, and cheese.

New York Supermarket Shoppers Study (1962).—The study, reported in Printers' Ink, had as its purpose the differentiation of supermarket shoppers who live in cities and those who live in suburban areas. Some of the conclusions follow:

--Suburban shoppers are more interested in one-stop shopping.

--Suburban shoppers are more likely to substitute brands when their preference is out of stock.

--City shoppers go shopping more often and are less concerned about waiting in crowds.

88 "Impulse Buying Takes Over," Sales Management, LXXXIV (March 18, 1960), 64.
--Suburban shoppers seem more interested in convenience, quality, variety and specific brands.

--City shoppers rely more heavily on specialty shops.

--Suburban shoppers do their heaviest shopping on Thursday and Friday; city shoppers on Friday and Saturday.

--City shoppers pay more attention to store circulars and window posters.

--Suburban shoppers are more mobile but have more area to cover therefore put more emphasis on convenience.

--Suburban shoppers with higher incomes put more emphasis on quality and special brands and less on price.

--Sixty per cent of shoppers in both categories know price specials before going shopping.

--Those shoppers who concentrate shopping in one store gave price as the first reason for so doing. (Presumably price refers to the overall prices of the outlet.)

--Twenty per cent of shoppers try to buy more at stores offering trading stamps.

The study illustrated that there are differences between city and suburban food shoppers both in the stores they shop at and the goods they buy. These differences can be justified, in part, in terms of life styles and incomes.

Peckham (1963).--Peckham carried out a general survey of consumers. The results follow:

--Eighteen out of 100 shoppers are male.

--Shoppers spend varying amounts of time shopping; 1/3 shop once a week; 1/3 twice a week and 1/3 three or more times a week.

When favorite brands are not available, 58 per cent substitute and 42 per cent do not buy.

Original brand preference for food products was 40 per cent while it was 45 per cent for household products.

Consumers wanted smaller package sizes; packages for easier storing; packages which were easier to open; price was mentioned by only 4 per cent of the respondents and only 4 per cent mentioned labeling.

When labeling was mentioned, it was in the areas of easier reading, placing ounce content in a standard place and putting number of servings on package.90

This study related that brand preference was important and gave the marketer insight into some characteristics of food shoppers.

Tucker et al. (1964).—The study was conducted to furnish marketers with some concrete information about brand loyalty. The strength of the loyalty was tested by raising the price of the product (bread) to see when brand loyalty would break down due to higher price. The price was "raised" in that premiums (in terms of pennies) were added to a particular brand of bread. Thus, pennies were offered with the bread previously not purchased. The average value of the accepted premiums was three and one-half cents, while some women refused premiums of one to seven cents by maintaining their present brands.91 The study revealed the strength of brand loyalty for a particular product. Other studies of brand


loyalty cited by McNeal indicate that "... when other variables ... are held constant within a product class, the relative amount of price activity in the product class is not associated with the level of brand loyalty."92

Progressive Grocer and Good Housekeeping (1966).—These studies revealed some characteristics of the supermarket shopper in terms of time spent shopping and label reading. The findings for the Progressive Grocer study follow:

---Twenty to twenty-four minutes are spent shopping.

---Fifty in-store locations are visited, twenty-four to forty items are purchased for an average bill of $11 to $16.

---Men shop faster than women and spend less time and on the average twenty-five percent of in-store time is spent in waiting or talking.

The Good Housekeeping survey conveyed insight concerning information and labeling. The study showed that women read labels, are informed by labels and packaging, would like more information on clothing labels, and have specific complaints about labeling in specific product categories.93

Schanker (1966).—This study attempted to identify some behavior patterns of supermarket shoppers in terms of food discount stores. The conclusions drawn from the study follow:

Discount food stores draw from a larger area than the conventional supermarket.

Discount food stores have strong appeal to the young shopper on a limited family food budget.

Discount food store shoppers buy a smaller quantity of meat and produce in the stores.

Discount food store shoppers use the discount store for "occasional" shopping purposes and buy only one-fourth of their total needs there. 94

The study shows that quality may indeed still be a very important factor in food buying even to the low-budgeted, young family that buys some food in the discount store.

Frank (1967).—This study conducted in Chicago related different socio-economic characteristics and the purchase of private and national brands. Some findings follow:

The most consistent variable showing purchasing patterns was the number of persons in the family followed by age of youngest child, number of adults in the family, and housewife status.

Customers who tend to shop in stores with well-developed private brand programs have a higher propensity to buy private brands than do other customers.

Large families have a higher expected "Private-Brand-Proneness" (PBP) than do small ones.

The greater the education of the head of the household the higher the PBP.

The more cars owned, the higher the PBP.

Appeared to be no association between household, socio-economic and purchase characteristics and brand loyalty.95


The study illustrated that demographic characteristics can be related to purchasing behavior.

**Thompson (1967).**—The study analyzed the supermarket shopping habits of different types of shoppers in Worcester, Massachusetts. The shoppers were categorized as single-store shoppers, split-purchase shoppers, and shop-around shoppers. Some conclusions follow:

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- The most frequently mentioned variable (47 per cent) which determined where single store shoppers shopped was price, followed by quality of goods (31 per cent), meat and convenience to home (28 per cent), friendliness and service (17 per cent) and convenience other than closeness (10 per cent).

- Split-purchase shoppers used the same variables only in different order. Meat was first in importance (70 per cent) followed by price (55 per cent), convenience to home (28 per cent), quality (24 per cent), habit (21 per cent), and friendliness and service (13 per cent).

Although the study is concerned mainly with store location theory, it elucidates some of the more important variables (in a given market and a given study) used by consumers in choosing stores where they shop for food.

**Fry and Siller (1970).**—An interesting study which attempted to relate the differences (if any) of decision making for the purchase of bread between members of two social classes was recently undertaken by Fry and Siller. The study dealt

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with brand loyalty and the influence of price discounts on that loyalty. The results are presented below:

--In terms of search scope (defined as the number of products a housewife tried at least once), there was very little difference between the two social classes. A majority of housewives in each class tried each brand at least once.

--In terms of search duration (defined as the number of purchases up to and including the initial sequence of three consecutive purchases of one brand), the working class women searched longer than the middle class although the difference was not significant.

--In terms of price of the preferred brand (defined as the first brand chosen three successive times), there was no significant difference in the prices chosen by the two social classes.

--In terms of price deal sensitivity (defined as the number of cents off at which the housewife would switch brands), there was no difference between social class as measured by the study.

The study showed that the housewives did basically the same things but for different reasons. These reasons were elucidated in the detail of the study.

Other studies.—The problem of consumer behavior is complex and challenging. The literature is filled with information. One study by the National Commission of Food Marketing suggests that over half of food purchases are made on the basis of price and not brand. Another study reveals


98Ibid., p. 337.

that the neighborhood has a very definite influence on what people buy. In this study, families with the same income, number of children, age of wife, and education, but from different neighborhoods, bought totally different food products. One family was a central city dweller while the other was suburban. A study by Cavallo and Temares suggests that past studies on the rise of impulse buying and in-store switching may be somewhat misleading and there is definite need for more research. Boone and Bono have studied the poor in relation to food buying and suggest that the poor do pay more but for many different reasons. Their study had an interesting note that even among the very, very low income classes (less than $1,000) price was not mentioned as a patronage motive.

There are many other studies. There was only room for a few here. Those presented above are merely eclectic of what is available in the literature concerning research into consumer motives. The above studies were chosen because of their specific reference to supermarket and food shopping.

Summary

This chapter has presented a review of the literature. This has occurred in two parts. In the first part of the
chapter, a review of the history of the consumer protection movement was presented. The movement was illustrated in three different eras—1839-1925, 1925-1959, and 1960-1970. From the presentation of this historical picture of the consumer protection movement, one can see how, through time, the momentum of the movement has changed. The historical presentation of the movement offers some insight into the changing moods of consumerism. The review of the consumer movement has also revealed that many of the complaints that consumers had even before the turn of the past century are present today. The major subject of this study, labeling, was one of the earliest issues of the consumer movement and due to the demand for more information by consumers, is likely to continue to be so in the future.

As mentioned earlier, the proposed amendment to the 1966 Packaging and Labeling Act deals, in part, with shopping habits of consumers. Part II offered some insights into grocery shopping behavior. One very notable fact became clear. The subject of shopping behavior is complex. What is concluded in one study might well be refuted in another. One can only perform a study with a given set of people and hypotheses and present the findings as they arise. Generalizations about shopping behavior are risky. The second part of the review of the literature suggests that there are many variables which determine what a consumer will buy. These
variables are the subject of the present surge of literature in the area of consumer behavior. Even when people are similar in terms of education, income, family size, and age, their shopping habits differ. Some studies reveal that differences in demography do make a difference in consumer behavior.

This chapter has attempted to present a clear understanding of two phenomena—first, that the consumer movement has been and will be around for a long time; and, second, that an analysis of consumer behavior and attitudes is very difficult to generalize upon. Chapter III will present an analysis of what the Dallas-Fort Worth businessmen interviewed thought and said about proposed mandatory unit price legislation.
CHAPTER III

PRESENTATION OF RESULTS OF INTERVIEWS WITH SELECTED DALLAS-FORT WORTH BUSINESSMEN REGARDING UNIT PRICING

Purpose of Personal Interviews

Prior to sending mail questionnaires to households and retail stores, a survey of selected business firms was conducted in the greater Dallas-Fort Worth area. The firms participating in the survey were Buddies Supermarket, Kimbell Grocery Company, The Southland Corporation, Cullum Properties, Inc., and Affiliated Food Stores, Inc. It is believed that these firms are representative of the types of firms that may be involved with mandatory unit pricing, if passed. The firms represented retail, wholesale, and cooperative grocers.

The primary purpose of the personal interviews was to elicit responses and opinions (most of the executives stressed the word "opinion" in the interviews) of mandatory unit price legislation. The unstructured questionnaire (See Appendix E) attempted to determine the importance of unit pricing to these particular firms. In addition, the survey tool sought to uncover problems the business community in the food industry foresaw with the enactment of unit price legislation. A
further purpose of the survey was to gather information which would be helpful to the study in construction of the house-
hold and retail store questionnaires.

The representatives of the firms surveyed were extremely cooperative and appeared to be quite objective in attempting to answer the questions put forth to them. Since some of the respondents requested that their names not be associated with responses, the approach taken here is not to reveal any specific names with specific answers. This, however, is not seen as a limitation. The representatives of the firms surveyed had the following titles:

--Senior Vice President
--Marketing Manager
--Assistant General Manager of Marketing
--Assistant General Manager of Operations
--Marketing Research Manager
--Grocery Merchandiser

Presentation of Survey Findings

Following are the results of the personal interviews made between June 2, 1970 and July 24, 1970 with the represen-
tatives of the above-mentioned firms. For readability purposes, the six respondents will be labeled with the letters A, B, C, D, E, and F. Unfortunately, the data can not be presented in tabular form categorizing the answers of the
six representatives. There are several reasons for this. First, due to the different interviewing situations, not all of the interviewees were asked the same questions. Prior interviews would show which questions should and should not be asked of subsequent respondents. Second, the time constraints were different in each situation. In some interviews, the discussions would be side-tracked and the time of the interview would be shortened. Therefore, only the most important questions could be asked. The responses obtained, however, did follow patterns and these are presented below.

Awareness and Objectives

Several of the questions asked dealt with generalities of unit pricing. An attempt was made to discover if the businessmen were aware of the unit price legislation and its objectives. All of the interviewees were aware of the legislation. Some, however, were more informed about it than others. Only Respondent 3 specifically stated an objective of the bill. He surmised that the legislation was supposed to supply information to the consumer that she was not presently getting.

The interviewees were asked if they thought that the “Truth in Packaging” Act of 1966 had aided the consumer in her shopping. The answers varied. Respondents A and B stated that the 1966 Act did not aid the consumer in any way.
Respondent B said, in addition, that the Act merely increased the price of food to the consumer due to the increased costs to the manufacturers and processors who had to make label changes. Respondent D replied that the bill neither helped nor hindered the consumer—it gave her information but did not save her any money. One early prediction, prior to the passage of the 1966 Act, stated that the labeling requirements would save the consumer $250 annually. When asked about these savings, the respondents replied that, if the consumer saved that much money, they (the respondents) did not know about it. Based on the responses of the interviewees, it can be said that they were aware of the legislation, its informative objective, and they felt that the Packaging Act, already enacted, has not aided the consumer very tangibly.

**Benefits of Unit Pricing**

When asked if they thought that unit price legislation would indeed benefit the consumer, the reactions were mixed. Respondent B related that he thought the unit price legislation would have greater benefits than the 1966 "Truth in Packaging" Act, since the latter, he replied, had no real tangible benefits. He thought that the housewife would be given useful information but was concerned as to whether or not she would use the information. He and Respondent A were of the opinion that a maximum of 25 per cent of all food shoppers would use unit price information.
Respondent E saw great benefit for the shopper. He related that the shopper needed the information that was to be provided by unit price legislation and that information would be good for her. He was of the opinion that marketers should make the housewife's shopping experience as pleasant as possible and that this information would do that. It is a convenience for her, he said, and in her food shopping, as in her automobile shopping, she is entitled to all of the information she can get. In the past, he continued, the shopper has been deceived and this must stop. If this information will stop deceit, it is beneficial.

Respondent D said that the housewife will definitely use the information, although he was not sure that she needed it or that she would be willing to pay the increased costs to get it. Respondent C doubted the benefit of the information until the consumer was educated as to how to use it. He mentioned that his firm had given away hand calculators in several of its stores so that, with ease, the shopper could calculate unit prices. Shoppers did not use them, either because they did not know how or did not want to, he said. He said he was skeptical in his evaluation of the benefits that the shopper would supposedly obtain from unit pricing.

Respondent A thought that the consumer could save money with the information that would be provided. When questioned about how much, and told that Commissioner Grant of New York
City's Consumer Department said that the consumer could save ten per cent of her shopping bill, the interviewee doubted very much that ten per cent could be saved. All of the respondents doubted that the shopper would save quite that much. Respondents B and F said that Mrs. Grant undoubtedly was going under the assumption that the consumer would always buy the least-cost product and that this was an invalid assumption. Respondent F said that Mrs. Grant's estimate was a "stab in the dark."

Two of the interviewees mentioned benefits for some businesses. Respondent F indicated that he was somewhat happy about consumerism and unit pricing because it was aiding his private labels which accounted for the majority of his business. Respondent E had mentioned the benefit for private labels also. These were not responses to questions but opinions that evolved from the interview discussions.

Two of the interviewees wanted to make it "perfectly clear" to the interviewer that they were not against unit pricing. If it was good for the consumer, they were for it. But they, as with two other respondents, very much doubted the necessity of providing the consumer with unit price information. Respondent F showed skepticism by suggesting that, if the unit price difference were minute, the consumer would see no benefit in switching brands. He added that, in his opinion, most price differentials between and among
competing products were not large enough to offer an attractive incentive for brand switching. Therefore, he did not see how the legislation could benefit the consumer economically, although there may be some other ways that the consumer could benefit.

In interviewing these selected businessmen, it was found that they were not anti-government in their attitudes. They were not against unit pricing simply because it was another act of the government coming into a business sphere of operations. Rather, they all seemed very concerned about the passage of unnecessary legislation but were willing to support and back legislation which would make consumers happier with businesses with which they dealt. These points are mentioned because the interviewer anticipated sharp negative reactions from the respondents before the interviews began. Surprisingly, and happily, the anticipations were wrong.

Projected Problems and Costs

The majority of the problems mentioned by the respondents were those problems previously mentioned in the literature by other concerned people. Only Respondent A was concerned with implementation costs. His concern was due to the small margin with which food retailers operate. The other interviewees did not express this concern, but expressed concern for the consumers. They felt that the total costs of implementing the
unit price system would be passed on to the ultimate consumer. They simply said there was no feasible way retailers would or could absorb the costs of implementing and maintaining a unit price system. Respondent C expressed the fear of negative consumer reaction due to already increasing food prices at a rapid rate. He said, however, that there was no alternative but to pass costs on if retailers were forced to unit price their products.

Respondents A and 3 thought that, if the consumer had her way, she would be against this legislation and most of consumerism because of the fear of rising prices. They added that consumers often did not realize they had to pay for what they received. The majority of those interviewed expressed the feeling that potential costs the consumer might have to pay would be in excess of the benefits she could receive from the legislation. Only Respondent C had seen or heard of any cost estimates, it was ten per cent which he and the other interviewees agreed was very much on the high side. Respondent F felt the costs of implementing and maintaining unit pricing systems would not be great.

The costs, all agreed, would very much depend on what kind of unit price information system was used. The alternatives would be placing the unit price (prestamping) on the product itself; using shelf tags or stickers as they are now used; or using some kind of hanging sheet at the end of aisles.
There was no disagreement at all on this point. All agreed that the necessity of placing the price on the physical product would be the most costly while the tag system would be the most feasible. They all objected to large, hanging sheets at the end of aisles. In addition, it would be almost impossible to implement unit pricing without a computer.
Respondent C estimated that it would cost the retailer from seven dollars to ten dollars per week for computer services. He added that this is not much to most retailers but could very well seriously hamper the small, independent retailer. Most likely, he continued, small retailers would have to be serviced by wholesalers if the latter expected to keep their small customers. This is one of the few ways that wholesalers can be affected by unit pricing—by providing computer price printouts for their small customers.

Respondents A and B expressed concern over the probable necessity of hiring additional staff to maintain a unit pricing system. They related that marking and stocking are two of the highest cost elements in food marketing at the retail level and that these costs would surely increase. All agreed that implementation and maintenance costs would play havoc with the "mom and pop" stores. Respondent D stated that the "mom and pop" operators have to "live out of their stores" and stand to be "killed competitively" if unit pricing is implemented. When asked if he thought that "mom and pop" stores could be exempt from legislation, Respondent F said the exemption would be an unfair move by Congress.
Respondent B was very concerned about the competitive position of the independent operator. He stated that figures from Chain Store Age had shown, for the first time, that chain food retailers outsold independents. He said unit pricing would aid the monopoly position of chains by making competition more difficult.

When questioned about shopping confusion both at the cash register and while the consumer was shopping, the executives responded differently. Respondents A and B could see no confusion in shopping while Respondents C, D, E, and F saw shopping confusion only with the poorly educated. Three of the four agreed that there could be some confusion at the cash register but only if the unit price system were one where the price was stamped on the product. Even if this were the case, however, they agreed that the confusion would be minor. Respondents C and D said the retailer would lose his promotional appeal if unit price tags were used and this was his biggest area of in-store promotion. Respondent D expressed concern that all of those shelf tags would look "awfully messy up and down the aisles."

Overall, the interviews established the fact that even the business community had no idea of how much the implementation of unit pricing would cost. Since the interviews, however, there have been several studies which have revealed some concrete cost estimates. These studies are presented in Appendix C.
Variables of Use

One of the overriding factors of the necessity of a mandatory unit price bill is the ability to predict whether or not the consumer will use the information. As mentioned above, the respondents were not all in agreement as to the extent of use by the consumer.

On the subject of the state of the economy as a determining factor, there was more agreement by the respondents. They all agreed that the present period of inflation would influence the extent of use of information by the consumer. Respondent C commented that "The housewife will use more information in tight money and less when the economy gets better." Respondent E commented that inflation will cause "... more application now probably than in the past or in future non-inflationary periods." Respondent F thought that there might be a "slight effect of inflation on consumer use," but he thought that the inflationary period would only aid in the passing of the bill and not really in whether or not the consumer would use the information. He suspected that the consumer just "does not care about that sort of thing" and that, even with inflation, the bill would have less of a chance of passing than more.

Respondent F stated that surveys of women shoppers in supermarkets show that women do not like to spend time in the supermarket. For this reason, he felt that the shopper
would not spend any more time in the store comparing prices in order to save "a few pennies." "People are not that concerned about a few cents." He cited an example in his particular store about waste as a variable which may be more important than immediate savings. The product was V-8 juice in the small can six-pack and the 46-ounce can. People can, and know, they will save money by buying the 46-ounce can but they are not doing so. They want the convenience of the six-pack plus they do not want to waste the product by buying the large size. The product will go to waste if the juice is not consumed rather quickly. Respondent D stated that, due to the inflationary trend in the economy, sales of 46-ounce can sizes are on the rise but the small can six-pack is also on the rise. There is a definite demand for convenience he said. In the long run, he related, if a small family tries to conserve by buying large sizes, the waste factor will probably have the opposite effect of dissavings.

Respondent B offered an example of the convenience variable often overriding the price variable by illustrating the situation with frozen foods. Frozen foods are the "highest cost products in the grocery store" he said. "The consumer, however, is willing to pay for the convenience that she gets with 'heat-em-up' dinners and so on." Respondent F said that, in cereals, for example, the kids determine what cereal brands will be purchased and "I don't think that those kids unit price."
When confronted with the question of the major variables that people use in shopping for food, all of the respondents quickly named price, fresh meats, and fresh produce. Surprisingly, they did not all mention convenience at the top of the list although all related that convenience definitely was a variable. The list of variables mentioned (not in order of importance) is as follows:

--Price
--Fresh and quality meats
--Fresh produce
--Good dairy section
--Convenience
--Friendliness of the store
--Cleanliness and atmosphere
--Games (including stamps)

Most of the respondents agreed that it would be difficult to generalize which variable or variables were the most important. It may vary in different cases with different shoppers shopping for different kinds of products. What the interviewees indicated was that the problem of determining the importance of price in food shopping is a complex problem.

Consumer Characteristics

Another important question in the matter of mandatory unit price legislation is, if consumers use the information, will
there be certain consumers who would have a high propensity
towards seeking unit price information than others? In other
words, what consumer characteristics would determine the
degree of usage? The respondents stated that they were
very much "in the dark" about this and were merely guessing.
The responses were mixed. Five of the six interviewees
responded as follows:

Respondent A—Young, newlywed couples;
   Middle-class incomes;
   Operating on food budget.

Respondent C—Large families (four, five, and more);
   High incomes;
   Not young.

Respondent D—Young married couples;
   High income.

Respondent E—Large families (four or more);
   High as opposed to "poor" incomes;
   More educated.

Respondent F—Younger people;
   Upper-middle income;
   More educated.

Some patterns show up here. Although income is the most
frequently mentioned variable, the range of income was not
agreed upon. One point of agreement was that low income
families would not use the information. On this point,
Respondent F related a study done by his firm which showed that, in low-income areas, the higher-priced brand names accounted for the largest volume of purchases. This, he contended, was due to the demand for prestige and safety by the consumer. Young, as opposed to "old" families, was the most agreed upon characteristic. Education was mentioned only twice. Although not conclusive, it seems as though younger families with higher incomes might be most prone to use unit price information. Respondent F said younger people were not yet "indoctrinated to name brand advertising" and were, therefore, good prospects for using the information and comparing prices. He also anticipated a trend by younger people for private brands because the "value is there."

The Future

"I'll be surprised if the bill is passed," said Respondent F, but he was alone. All other respondents felt sure unit price legislation would be enacted. Respondent E thought there would be substantial modifications from the present proposed legislation because there are "just too many complications." If the bill is passed, costs will be passed to ultimate consumers. There are no other alternatives, said the respondents. When asked how far they thought legislation in this area would continue, some felt quite sure that standardization of packages would be one of the end results of packaging
legislation. Respondent 3 stated that, maybe as "ecology becomes a big, important issue in the future, values will be legislated in the future also." Both Respondents A and B saw some possibility of price rigidity in the future. The others maintained that prices will change just as often and just as fast as they do today. They must in the retail food business, they agreed. In addition, all agreed that, if provisions were not made for the small independent retailer, his role in the food industry would diminish and ultimately disappear. Respondents A and B expressed concern that, if unit price legislation is passed and, in the future, standardization of packaging is also passed, the government "would be up to its neck in the food business."

The interviewees were all very emphatic in pointing out that their answers in the interviews were only opinions. They felt they did not know much more about unit pricing than others. All expressed a desire to see much more about the results of practical studies on the issue so that a more definite stand could be taken. They felt that presently they were "up in the air" about the proposed legislation.

This chapter has presented opinions expressed by executives in the retail and wholesale food industry. The next chapter presents data revealed by store managers/owners at the operating level of the retail food industry.
CHAPTER IV

PRESENTATION AND ANALYSIS OF
GROCERY STORE SURVEY

Sample Response

A questionnaire was sent to 90 retail grocers in the greater Dallas-Fort Worth, Texas area. See Appendix F for a sample of the questionnaire and cover letter used. Judgmental sampling was used. Sample units were selected depending upon whether they were independents or chain units. The latter were obvious due to the reputation of local, regional, and national chains. Generally, the name of the store and whether or not it was contained within a group of similar names determined whether the store was a chain unit or an independent operator. Only nineteen of the ninety questionnaires sent were returned. Of the 21.1 per cent return, all of the questionnaires were usable for analysis.

Respondent Demographics

Respondents were asked to indicate their position in the firm. Table I, page 96, shows the percentage of respondents in each category.
TABLE I

STORE POSITIONS OF RESPONDENTS

<table>
<thead>
<tr>
<th>Position</th>
<th>Per Cent of Respondents in Each Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Store Owner</td>
<td>52.6</td>
</tr>
<tr>
<td>Store Manager</td>
<td>36.8</td>
</tr>
<tr>
<td>Other</td>
<td>10.5</td>
</tr>
</tbody>
</table>

Over half of the respondents (n = 19) were store owners, indicating that they represented, in all likelihood, non-chain units.

Table II illustrates the response from various sized retail grocers.

TABLE II

SIZE OF RESPONDING STORES BY ANNUAL DOLLAR SALES VOLUME

<table>
<thead>
<tr>
<th>Dollar Volume Per Annum</th>
<th>Per Cent of Respondents at Each Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less Than $25,000</td>
<td>0.0</td>
</tr>
<tr>
<td>25,000 to 100,000</td>
<td>10.5</td>
</tr>
<tr>
<td>100,000 to 250,000</td>
<td>26.3</td>
</tr>
<tr>
<td>250,000 to 500,000</td>
<td>15.7</td>
</tr>
<tr>
<td>500,000 to 1 million</td>
<td>10.5</td>
</tr>
<tr>
<td>Over 1 million</td>
<td>36.8</td>
</tr>
</tbody>
</table>

The data in Table II indicate that the responding stores (n = 19) adequately represented different sized stores in terms of annual dollar sales volume.
When classified by type of operation, the respondents checked whether they were independent operators, members of voluntary or cooperative groups, or members of chain units. Table III shows the percentage breakdown by type of operation.

### TABLE III

**CLASSIFICATION OF RESPONDENTS BY TYPE OF OPERATION**

<table>
<thead>
<tr>
<th>Type of Operation</th>
<th>Per Cent of Respondents in Each Class</th>
</tr>
</thead>
<tbody>
<tr>
<td>Independent</td>
<td>36.8</td>
</tr>
<tr>
<td>Member of Voluntary or Cooperative</td>
<td>10.5</td>
</tr>
<tr>
<td>Chain Store Unit</td>
<td>47.3</td>
</tr>
<tr>
<td>Other</td>
<td>5.3</td>
</tr>
</tbody>
</table>

Respondents (n = 19) were classified in two more ways--by the number of store units in the entire operation and by the number of employees in the particular unit from where the questionnaire was completed. (In some cases, probably those of a few store owners, an average number of employees for the entire operation was given.) Table IV, page 98, shows the percentage of respondents by number of store units.
TABLE IV

CLASSIFICATION OF RESPONDENTS BY NUMBER OF STORE UNITS

<table>
<thead>
<tr>
<th>Number of Store Units in Entire Operation</th>
<th>Per Cent of Respondents in Each Classification</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 only</td>
<td>31.5</td>
</tr>
<tr>
<td>2 or 3</td>
<td>5.3</td>
</tr>
<tr>
<td>4 - 9</td>
<td>10.5</td>
</tr>
<tr>
<td>10 - 25</td>
<td>5.3</td>
</tr>
<tr>
<td>26 or more</td>
<td>47.3</td>
</tr>
</tbody>
</table>

Table V shows the percentage of respondents by number of employees.

TABLE V

CLASSIFICATION OF RESPONDENTS BY NUMBER OF EMPLOYEES

<table>
<thead>
<tr>
<th>Number of Employees in Your Store</th>
<th>Per Cent of Respondents in Each Classification</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 or less</td>
<td>31.5</td>
</tr>
<tr>
<td>6 - 10</td>
<td>5.3</td>
</tr>
<tr>
<td>11 - 20</td>
<td>10.5</td>
</tr>
<tr>
<td>21 - 30</td>
<td>21.0</td>
</tr>
<tr>
<td>31 or more</td>
<td>31.5</td>
</tr>
</tbody>
</table>

The demographic data relate that a fair representation of retail grocers in terms of size (measured in various ways) responded to the questionnaire. Because of the small
response in terms of absolute numbers, the data cannot be analyzed to be statistically significant. However, the cross-representation of responses in the retail grocery field allows for sound generalizations to be made.

Retail Grocers' Attitudes Toward Dual Pricing

Grocers were surveyed for their attitudes and knowledge of proposed mandatory unit price legislation. Because unit or dual pricing has been an issue for the past eighteen months or so, and one of the most pressing issues where retail grocers are concerned, it was surprising to see that such a large percentage of grocers had no knowledge of it. Table VI illustrates this lack of knowledge.

**TABLE VI**

**RESPONDENT FAMILIARITY WITH DUAL PRICING**

<table>
<thead>
<tr>
<th>Are You Familiar With Proposed Legislation Regarding Dual Pricing?</th>
<th>Per Cent of Respondents Answering Yes or No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>63.2</td>
</tr>
<tr>
<td>No</td>
<td>36.8</td>
</tr>
</tbody>
</table>

Those respondents (n = 7) that stated they were not familiar with proposed mandatory unit price legislation were asked to send the questionnaire back with only the demographic data completed. The remaining questions concerning the attitudes of unit pricing were answered by those grocers who claimed
knowledge of proposed dual pricing. The sample sizes for the following questions vary.

**Unit Price Information Essential?**

Respondents were asked to convey their attitudes as to whether or not they thought that unit price information would be essential information for the grocery shopper. Table VII indicates their attitudes concerning the question.

**TABLE VII**

**ATTITUDES CONCERNING THE NECESSITY OF UNIT PRICE INFORMATION**

<table>
<thead>
<tr>
<th>Response Concerning Necessity of Unit Price Information</th>
<th>Per Cent of Respondents in Each Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Absolutely Essential Information for the Consumer</td>
<td>25.0</td>
</tr>
<tr>
<td>May Be Essential Information for the Consumer</td>
<td>41.6</td>
</tr>
<tr>
<td>Neither Necessary Nor Unnecessary Information for the Consumer</td>
<td>8.3</td>
</tr>
<tr>
<td>Probably Not Essential Information for the Consumer</td>
<td>8.3</td>
</tr>
<tr>
<td>Absolutely Not Essential Information for the Consumer</td>
<td>16.6</td>
</tr>
</tbody>
</table>

The data (n = 12) above show that 41.6 per cent of the grocers are not committing themselves either way. They
stated that the information may be essential or necessary for the consumer. Presumably, these respondents would rather wait to see the results of present studies of unit pricing than make a commitment about the necessity of dual pricing. A surprising statistic, and one not anticipated, was that twenty-five per cent of the respondents thought the information to be absolutely essential for the consumer, while only 16.6 per cent thought the information to be absolutely unessential for the consumer. Overall, approximately sixty-seven per cent of the respondents admitted to the potential essentiality of the information for consumers.

**Increased Costs?**

The respondents were asked if they thought that the implementation of dual pricing systems would increase costs in the marketing of grocery products. As related in Table VIII, the majority of the retail grocers (n = 12) said that increased costs would be a definite result of implementing dual pricing systems.

<table>
<thead>
<tr>
<th>Table VIII</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DUAL PRICING AND INCREASED COSTS</strong></td>
</tr>
<tr>
<td><strong>Will the Implementation of Dual Pricing Increase Costs?</strong></td>
</tr>
<tr>
<td>Yes</td>
</tr>
<tr>
<td>No</td>
</tr>
<tr>
<td>Don't Know</td>
</tr>
</tbody>
</table>
A rather surprising statistic from the above data is that twenty-five per cent of the respondents did not think that the implementation of unit pricing would increase costs. This is contrary to most of the arguments that have been raised against mandatory unit pricing.

Those respondents who answered "Yes" to the question of whether dual pricing would increase costs or not were then asked to tell which types of costs would be affected. Following is a list of costs mentioned by the respondents.

1. Payroll
2. Fixtures for pricing
3. Supplies
4. Training
5. Computer
6. Manpower
7. Checking out
8. Shelf pricing
9. Time and labor to determine unit costs
10. Time and labor to make price changes to conform to special ads
11. Time and labor to make weekly price changes

It can be seen that the majority of items mentioned include manpower costs. The fact that many price changes are made per week by a grocery outlet suggests to several of the respondents that increased costs for manpower to make these price changes will have to result from dual pricing.
Who Will Pay the Costs?

Many opponents of mandatory unit pricing contend that the consumer will be faced with higher food prices since the small profit margin of the grocer cannot allow the latter to absorb the increased costs of unit pricing, should the costs result. Those grocers surveyed were asked to relate who they thought would have to bear the burden of increased food marketing costs. Table IX illustrates their opinions.

TABLE IX
DUAL PRICING COST BURDEN

<table>
<thead>
<tr>
<th>Assuming Increased Costs</th>
<th>Per Cent of Respondents Who Will Pay Them? in Each Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retailer Only</td>
<td>36.3</td>
</tr>
<tr>
<td>Consumer Only</td>
<td>9.0</td>
</tr>
<tr>
<td>Retailer and Consumer</td>
<td>54.5</td>
</tr>
</tbody>
</table>

These data \((n = 11)\) do not seem to be in accord with what most top executives of food operations have been saying for the past several months. It has been the overwhelming contention that the consumer would have to absorb the total cost of dual pricing systems once implemented. The executives interviewed for this study (see Chapter III) related that, almost without doubt, the consumer would be forced to absorb all costs due to the implementation of dual pricing. It should be remembered, however, that chain managers at the retail level do not see all of the administrative costs that go into the final retail
price of the product. This could account for the difference in opinions of the two groups.

Administrative Problems

Opponents of dual pricing have contended that there will be many administrative problems in implementing unit pricing. When asked about this, the majority of respondents stated that they did not think administrative problems would arise. Table X details their responses (n = 12).

TABLE X
DUAL PRICING ADMINISTRATIVE PROBLEMS

<table>
<thead>
<tr>
<th>Do You Anticipate Administrative Problems?</th>
<th>Per Cent of Respondents Answering Yes or No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>41.6</td>
</tr>
<tr>
<td>No</td>
<td>58.3</td>
</tr>
</tbody>
</table>

The respondents who answered in the affirmative were then asked to list some administrative problems that they foresaw with the implementation of dual pricing. A list of these problems follows:

1. Customer service
2. Time involved
3. Overtime pay for stockers
4. Weekly price changes more complex
5. Sale price changes quite confusing
6. Employee follow-through and mistakes
7. Customer confusion in shopping
8. Extra supervision for stocking
9. Customer education
10. Human errors from all levels
11. Federal supervision
12. Small store compliance with program
13. Exempting the small retailer
14. Extra burden of government involvement

The above list contains most of the arguments that have been set forth since the outset of proposed mandatory unit pricing. The major administrative problem, according to the respondents, seems to be one of control and maintenance once a unit pricing system is implemented.

Continuous Legislation?

One of the fears of businessmen is legislation. They contend that legislation is against free enterprise and that legislation is highly restrictive to the American way of business. Dual pricing is proposed legislation. Businessmen often contend that, once legislation is started in an area of business practice, it keeps snowballing until the market restrictions overshadow the free business practices in that area. Respondents were asked if they saw future legislation arising out of dual price legislation. Table XI shows their answers (n = 12).
TABLE XI

DUAL PRICING AND FUTURE LEGISLATION

If Unit Pricing Becomes Law Will There Be Further Restrictions for Grocers?

<table>
<thead>
<tr>
<th></th>
<th>Per Cent of Respondents Answering Yes or No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>50.0</td>
</tr>
<tr>
<td>No</td>
<td>16.6</td>
</tr>
<tr>
<td>Don't Know</td>
<td>33.2</td>
</tr>
</tbody>
</table>

When asked what kind of legislation those who answered "Yes" anticipated, they answered with the following:

1. Complete price control
2. Standardization of cans, boxes, and jars
3. Open coding
4. Future price legislation on all merchandise; gradual disappearance of free enterprise
5. Complete control of packaging
6. Complete control of advertising

The general attitudes were that there is simply too much legislation aimed at grocers and that it has all been a result of the Fair Packaging and Labeling Act of 1966.

Will Dual Pricing Be Used By Consumers?

Among the stronger arguments that have been raised against unit pricing is one which states that consumers simply will not use the pricing system in their shopping. Table XII conveys the rather surprising results of the respondents in this survey.
TABLE XII

CONSUMER USE OF DUAL PRICING

If implemented, will the Consumer Use a Dual Pricing System?

<table>
<thead>
<tr>
<th>Response</th>
<th>Per Cent of Respondents Answering Yes or No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>41.6</td>
</tr>
<tr>
<td>No</td>
<td>58.3</td>
</tr>
</tbody>
</table>

Contrary to anticipation, and some studies which have been released, a rather large forty-one per cent of the respondents thought that the grocery store shopper would use unit prices to comparison shop. However, when asked whether any of their customers had complained about the inability to comparison shop, 91.6 per cent of the respondents stated "No" while only 8.3 per cent of the respondents said "Yes."

**Overall Opinion**

The retailers were asked to give their overall opinion of dual pricing propositions by checking one of five attitude statements. Table XIII shows the results (n = 11).

TABLE XIII

OVERALL ATTITUDE OF DUAL PRICING

<table>
<thead>
<tr>
<th>Response</th>
<th>Per Cent of Respondents in Each Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Opposed</td>
<td>27.2</td>
</tr>
<tr>
<td>Mildly Opposed</td>
<td>27.2</td>
</tr>
<tr>
<td>No Opinion</td>
<td>9.0</td>
</tr>
<tr>
<td>Mildly in Favor</td>
<td>13.1</td>
</tr>
<tr>
<td>Strongly in Favor</td>
<td>18.1</td>
</tr>
</tbody>
</table>
The opponents outweigh the proponents but not nearly as strongly as anticipated. When using a simple formula to determine overall opposition, one sees that the opposition is not very strong. Table XIV exemplifies this when the following weights are used and multiplied by percentage response:

<table>
<thead>
<tr>
<th>Response</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Opposed</td>
<td>-2</td>
</tr>
<tr>
<td>Mildly Opposed</td>
<td>-1</td>
</tr>
<tr>
<td>Mildly in Favor</td>
<td>+1</td>
</tr>
<tr>
<td>Strongly in Favor</td>
<td>+2</td>
</tr>
</tbody>
</table>

TABLE XIV
OPPONENT-PROONENT SCORES

<table>
<thead>
<tr>
<th>Factor</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opposed</td>
<td>82</td>
</tr>
<tr>
<td>For</td>
<td>54</td>
</tr>
</tbody>
</table>

More important than the simple ranking and scoring of overall opinions are the reasons behind them. The following discussion relates the opinions expressed by the respondents as to why their attitudes were in the direction they were. Only a few of the respondents offered written reasons why they were of the attitude they expressed on the questionnaire. Following are direct quotations from the respondents:

Progress is slow—This is progress. We will have to wait and see the result.

The information should be available, but I doubt that it will be used extensively by shoppers.
The consumer shops by size of box, not by unit cost.

[Unit pricing is] a waste of time and money spent on an 'interest' that will 'die out'.

I am opposed to the retraction of dual pricing for the small amount of psychology involved. A consumer is more apt to purchase [the] amount shown on [the] product when in multiples rather than to purchase one even if individual units would break down to equal prices.

[I favor dual pricing] because we are in the business of helping our customers become the best informed in the area and helping her make the most of her time and budget.

[Too] confusing to the customers.

The buying public is amply qualified to judge cost of merchandise. The low net profit of the retail food industry is proof that the public is getting more true value in foods than in any other thing they spend money for. The enforcement of this program would be under a Federal Bureau and past experience proves this to be almost unworkable for the small merchant. They [the Federal Government] act as judge, jury, and enforcement agent. Human error is no excuse.

Those grocers who seem to be in favor of dual pricing contend that it is good information for the consumer (even though she may not use it) and that unit pricing will aid grocers in more fully satisfying consumer wants by giving them more value for their food dollar. Those opposed contend that it is unnecessary information which will waste time and money in terms of administration and that consumers will be dissatisfied in terms of higher prices and shopping confusion. In addition, opponents contend that the consumer is too habituated in her shopping process to utilize unit price information which may just save her a few pennies here and there.
Changing Strategies?

There is some contention that dual pricing would cause grocery retailers to change some of their marketing strategies because of the changing emphasis on price rather than non-price factors. The respondents were asked to comment on their anticipations of changing strategies that they or other retail grocers might use should the implementation of unit pricing be forced through regulation. Not many of the grocers surveyed responded. Of the several who did, most stated either that they did not know how pricing, advertising, and promotion strategies would be changed or that there would not be any strategy changes in these areas. One respondent stated that he thought he would have to change his strategy of advertising certain products because, with the necessity of showing unit prices in the ads, he would receive less space (in terms of the products he could advertise) for the same advertising budget. This is because the ads for each product would take up more space due to the fact that the unit prices would be included in the ads. Another respondent said that private labels will be used more since it would appear that there would be more value (in terms of cost per measure) for the consumer. Along with the heavier in-store promotion of private brands, grocers would also emphasize private brands in their advertisements. Another grocer said that he would feature the larger items with the lower
unit costs if he thought that his customers were beginning
to use unit price for comparison reasons.

The major change in strategy would seem to be the
more emphasizing of unit prices to relate greater value to
the consumers. Very few of the respondents thought that
strategies of pricing, advertising, or in-store promotions
would be changed in any significant way.

More Personnel?

One final question asked of the respondents related to
their anticipation of needing extra help with the implementa-
tion of unit pricing. Table XV shows their answers (n = 11).

TABLE XV

DUAL PRICING AND MORE PERSONNEL

<table>
<thead>
<tr>
<th>Will Additional Personnel Be Needed If You Implement Dual Pricing?</th>
<th>Per Cent of Respondents Answering Yes or No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>36.3</td>
</tr>
<tr>
<td>No</td>
<td>36.3</td>
</tr>
<tr>
<td>Don't Know</td>
<td>27.2</td>
</tr>
</tbody>
</table>

Of those respondents who thought they knew, the data show
that an equal number said "Yes" and "No." Those who said
"Yes," related that the two primary purposes of needing
additional personnel were more time and effort spent in
making price changes and more time and effort in the stocking
function.
Many of the answers given by the retail respondents were not anticipated. In Chapter III, where the policy makers of the food industry were surveyed, the responses, overall, were more in accord with anticipations. The following discussion relates the points of consensus and disagreement between the business executives surveyed and the operating level managers and/or owners.

Executive-Manager Differences

One striking area of difference was in the awareness of the proposed unit price legislation. Even though the store managers had the advantage of approximately six months in time over the store executives, the latter were far more aware of unit pricing than the store managers/owners. While one-hundred per cent of the top executives were aware of unit pricing as proposed, only sixty-three per cent of the operating managers were aware of unit pricing legislation, and the latter were interviewed six months later.

In the area of consumer benefit, the operating managers, who were aware of the legislation, thought more strongly than the executives, that the consumer would use and benefit from unit price information. When the top executives were interviewed, they were more mixed, as a group, in their opinions about the usefulness of unit price information. The store managers/owners, probably with the benefit of more
recent studies, more conclusively saw benefits and aids for the grocery shopper.

Both groups saw little change in merchandising strategies, although the operating managers were more convinced that there would be no changes for the most part. Just one member of each group mentioned an increasing use, and subsequently, popularity, of private brands as a potential result of unit price information. Both thought that the consumer would discover more "value" in the private labels over time.

One surprising area of disagreement was costs. While 83 per cent of the executives thought that costs would go up, only 50 per cent of the operating-level people were convinced that costs would go up with the institution of unit pricing systems. While 25 per cent did not know if costs would go up, 25 per cent were certain that they would not go up. An even wider gap existed between the two groups concerning who would pay the added costs of unit pricing. While 83 per cent of the executives were certain that all of the costs would be paid by the consumer, only 9 per cent of the store personnel thought that the consumer would pay for all of the costs. Again, these fairly wide disagreements concerning costs may be due to the difference in price perceptions mentioned previously. The retail store manager (of chain units) would not see all the specific costs involved in the final price.

An area of agreement regarding costs was the type of costs that could be increased. Both groups of personnel were
convinced that administrative and maintenance costs would be affected. More costs would go into price changes (either manually or by computer), stocking, and price sale changes. These costs were not the only costs that would be affected, however, and, as illustrated earlier in this chapter, the operating managers explicitly detailed the kinds of costs that they thought would go up due to unit pricing.

In their comments, both groups of interviewees were cautious about making absolute statements. The top executives, explicitly stated that they were merely giving opinions and wanted to wait to see what further studies showed in terms of the benefits and costs of unit pricing. The large percentage of “Don’t Know” answers by the store managers/owners implied that this group, too, was waiting for results of present studies before its members made absolute commitments to unit pricing questions.

While fifty per cent of the operating managers foresaw future grocery legislation in the area of pricing and packaging, only thirty-three per cent of the top executives initially saw more legislation. The top executives were not definitive about their attitudes toward unit pricing. They stated, as a group, that, if the consumer could benefit and was willing to pay the costs, if any, then they (the executives) were strongly in favor of unit pricing. The store managers/owners, even though they more definitively saw benefit for the
consumers, were more strongly opposed to the thought of unit price legislation. It could be that the fifty-four per cent of the latter group who were opposed to the legislation were so because they are the people who must implement and maintain the system.

This chapter has presented the attitudes of operating-level retailers in the food industry. It, too, has briefly compared the results (opinions) of top executives and operating personnel. Chapter V presents the findings and analysis of the food buyer—the most important person in this study.
CHAPTER V
PRESENTATION AND ANALYSIS OF
CONSUMER SURVEY

Sample Response

A questionnaire was sent to 454 households in the greater Dallas-Fort Worth, Texas area. See Appendix G for a sample of the questionnaire and cover letter used. Systematic random sampling (Method A) was used to select the sample units. Under Method A, the first sample unit is selected randomly from the first zone. The Kendall and Smith Table of Random Digits was used for the random selection of the first sample unit (1,081st). Thereafter, every 1,734th unit was chosen to be included in the sample. Due to the size of the sampling frame (the number of households in the greater Dallas-Fort Worth area) systematic random sampling was much more feasible than strict random sampling. Of the questionnaires sent, 174 responses were received (38.3 per cent). Of the 174 responses, 135 responses were considered usable while 39 responses were unusable for the analysis. Questionnaires were deemed unusable for any one or combination of the following reasons:

1. One or more bits of demographic data were left unanswered;

2. Certain "key" questions to the study (particularly in regards to unit pricing) were left unanswered;

3. Too much of the overall questionnaire was left unanswered;
h. Questions were answered improperly; or

5. Questionnaires were received beyond the cut-off date.

For the analysis below, the term "respondents" refers only to usable respondents. Unless otherwise noted, respondents in each set of data number 135. The total of the percentage statistics for each set of data may not always equal 100 per cent due to rounding or eliminating some of the factors.

Respondent Demography

Location of Respondents

The greater Dallas-Fort Worth area includes the city proper of Dallas and Fort Worth and surrounding suburbs. Respondents were asked to tell where they lived. Table XVI relates respondent location.

<table>
<thead>
<tr>
<th>Location</th>
<th>Per Cent of Respondents in Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dallas Proper</td>
<td>34.1</td>
</tr>
<tr>
<td>Dallas Suburb</td>
<td>27.4</td>
</tr>
<tr>
<td>Fort Worth Proper</td>
<td>18.5</td>
</tr>
<tr>
<td>Fort Worth Suburb</td>
<td>20.0</td>
</tr>
</tbody>
</table>

Dallas-area respondents accounted for 61.5 per cent of the responses, while Fort Worth-area respondents accounted for
38.5 per cent of the responses. These figures approximate the proportions of questionnaires sent to the two areas (Dallas and Fort Worth).

**Sex of Respondents**

It was anticipated that the large majority of respondents would be female. The questionnaire instructed the person in the household who did the majority (more than half) of the grocery shopping to complete the questionnaire. Table XVII shows the sex of the respondents.

<table>
<thead>
<tr>
<th>Sex</th>
<th>Per Cent of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>23.7</td>
</tr>
<tr>
<td>Female</td>
<td>76.3</td>
</tr>
</tbody>
</table>

As was anticipated, and as recent studies show, the majority of grocery store shoppers are female. The somewhat high percentage of returned questionnaires by males was probably due to a situation where several "one-person households" were reached in the sample.

**Age of Respondents**

There have been varying conclusions regarding the "young" and "old" and their use or surmised use of unit price information. The age ranges of the respondents are illustrated in
Table XVIII. It can be readily seen that the majority of the respondents (64.1 per cent) are in the age range of 25 through 49. The "50 and older" category accounts for 19.3 per cent of the respondents, while the "24 and younger" category accounts for 17.0 per cent of the respondents.

Table XVIII

AGE OF RESPONDENTS

<table>
<thead>
<tr>
<th>Age Range</th>
<th>Per Cent of Respondents in Each Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>24 and younger</td>
<td>17.0</td>
</tr>
<tr>
<td>25 - 34</td>
<td>34.1</td>
</tr>
<tr>
<td>35 - 49</td>
<td>30.0</td>
</tr>
<tr>
<td>50 - 64</td>
<td>14.1</td>
</tr>
<tr>
<td>65 and older</td>
<td>5.2</td>
</tr>
</tbody>
</table>

Education of Respondents

New products and services must always be promoted so that consumers can become educated about them. Many have hypothesized that intelligence (education) will be a factor in the event of unit price use by consumers. Table XIX conveys the educational level of the respondents. The respondents are highly educated. Although these data are in accord with the changing (increasing) level of education
### TABLE XIX

**EDUCATION OF RESPONDENTS**

<table>
<thead>
<tr>
<th>Educational Level</th>
<th>Per Cent of Respondents at Each Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grammar School or Less</td>
<td>0.7</td>
</tr>
<tr>
<td>Some High School But Not Graduated</td>
<td>8.1</td>
</tr>
<tr>
<td>High School Graduate</td>
<td>30.0</td>
</tr>
<tr>
<td>Some College But Not Graduated</td>
<td>30.0</td>
</tr>
<tr>
<td>College Graduate</td>
<td>32.0</td>
</tr>
</tbody>
</table>

In the country, it will be difficult to make conclusions regarding differences of educational levels and attitudes toward unit pricing.

### Occupation of Respondents

It was anticipated that the majority of respondents would be housewives. The occupations of the respondents are illustrated in Table XX.

### TABLE XX

**OCCUPATION OF RESPONDENTS**

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Per Cent of Respondents in Each Occupation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housewife</td>
<td>53.4</td>
</tr>
<tr>
<td>Professional and Technical</td>
<td>23.0</td>
</tr>
<tr>
<td>Manager, Proprietor</td>
<td>4.4</td>
</tr>
<tr>
<td>Clerical, Sales</td>
<td>10.4</td>
</tr>
<tr>
<td>Foreman, Craftsman</td>
<td>2.2</td>
</tr>
<tr>
<td>Farmer, Farm Work</td>
<td>2.2</td>
</tr>
<tr>
<td>Other</td>
<td>4.4</td>
</tr>
</tbody>
</table>
As anticipated, the majority of respondents are housewives. In the "Other" category, most of the respondents indicated that they are retired; a few are students.

**Family Size**

One of the most common hypotheses about unit pricing is that its use will be greatly determined by the number of people in the household for whom the shopper must purchase groceries. The question, regarding family size, was worded so that respondents would answer only for the number of members that were living in the household at the time the questionnaire was answered. Results are shown in Table XXI.

**TABLE XXI**

**FAMILY SIZE**

<table>
<thead>
<tr>
<th>Size of Family Presently Living in Household</th>
<th>Per. Cent of Respondents in Each Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 only</td>
<td>11.8</td>
</tr>
<tr>
<td>2 only</td>
<td>24.4</td>
</tr>
<tr>
<td>3 - 4</td>
<td>40.0</td>
</tr>
<tr>
<td>5 - 6</td>
<td>17.8</td>
</tr>
<tr>
<td>More than 6</td>
<td>6.0</td>
</tr>
</tbody>
</table>

The majority (forty per cent) of the respondents were living in a household with three to four occupants. One- and two-person families accounted for 36.2 per cent of the respondents,
while 23.3 per cent of the respondents were living in households with five or more persons.

**Number of Children**

Closely related to family size is the number of children presently living in the household. Results are illustrated in Table XXII.

**TABLE XXII**

**NUMBER OF CHILDREN**

<table>
<thead>
<tr>
<th>Number of Children Presently Living in Household</th>
<th>Per Cent of Respondents in Each Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>36.2</td>
</tr>
<tr>
<td>1</td>
<td>21.5</td>
</tr>
<tr>
<td>2</td>
<td>18.5</td>
</tr>
<tr>
<td>3</td>
<td>15.6</td>
</tr>
<tr>
<td>4</td>
<td>2.2</td>
</tr>
<tr>
<td>5 or more</td>
<td>6.0</td>
</tr>
</tbody>
</table>

It will be interesting to see if the shoppers accounting for the large number of households without children (36.2 per cent) have attitudes different than those with one or more children.

**Annual Household Income**

Income is a factor commonly used in research studies for segmenting purposes. Many contend that unit price
Information will aid the lower income families in receiving more "value" for their shopping dollar. "Value" is assumed here to mean the shopper will be able to see which product is the least costly, without regard to brand name, quality, or other aspects of products purchased. Income levels of respondents are shown in Table XXIII.

**TABLE XXIII**

**ANNUAL HOUSEHOLD INCOME**

<table>
<thead>
<tr>
<th>Income Level</th>
<th>Per Cent of Respondents at Given Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than $4,000</td>
<td>7.4</td>
</tr>
<tr>
<td>4,000 - 7,999</td>
<td>12.6</td>
</tr>
<tr>
<td>8,000 - 11,999</td>
<td>31.8</td>
</tr>
<tr>
<td>12,000 - 14,999</td>
<td>19.3</td>
</tr>
<tr>
<td>15,000 - 19,999</td>
<td>15.6</td>
</tr>
<tr>
<td>20,000 and over</td>
<td>13.3</td>
</tr>
</tbody>
</table>

Respondents were asked to check the income level which most closely approximated their total annual household income. This would include all income which supported the household for a period of one year.

**Some Shopping Characteristics and Behavior**

How grocery store shoppers purchase could, in part, determine whether or not they would use unit price information.
The following responses, by those surveyed, convey some insight into shopping behavior.

One question asked if the respondent had a favorite grocery store in which he or she did the majority of shopping (more than half of major purchases for groceries). Responses are illustrated below.

**TABLE XXIV**

THE USE OF A FAVORITE STORE FOR MAJOR GROCERY SHOPPING TRIPS

<table>
<thead>
<tr>
<th>Do You Shop at a Favorite Grocery Store When on a Major Grocery Shopping Trip?</th>
<th>Per Cent of Respondents Answering Yes or No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>93.0</td>
</tr>
<tr>
<td>No</td>
<td>7.0</td>
</tr>
</tbody>
</table>

The overwhelming number of respondents, who indicated they had a favorite grocery store for major purchases, suggests that particular stores are important to consumers. This does not mean that consumers do not shop from one store to another to compare prices for certain items, but the data suggest that consumers have favorite shopping outlets and these outlets may or may not have been selected for low price reasons.

Past surveys have indicated that grocery shopping is not the housewife's favorite activity. Shoppers have related that they like to get in the store, get their shopping done,
and leave as quickly as possible. Respondents were asked to tell how much time they generally spend shopping when on a major grocery shopping trip. The results are shown in Table XXV.

**TABLE XXV**

**SHOPPING TIME FOR GROCERY PURCHASES**  
(In Minutes)

<table>
<thead>
<tr>
<th>Time Spent Shopping When On a Major Shopping Trip</th>
<th>Per Cent of Respondents in Each Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 30</td>
<td>9.0</td>
</tr>
<tr>
<td>30 - 45</td>
<td>47.0</td>
</tr>
<tr>
<td>45 - 60</td>
<td>33.0</td>
</tr>
<tr>
<td>60 - 90</td>
<td>12.0</td>
</tr>
</tbody>
</table>

These data relate that the majority of the respondents (forty-seven per cent) spend one-half hour to forty-five minutes when on a major shopping trip for groceries. This information, when perceived in the light of the following information in Table XXVI, is more revealing.

Respondents were asked how much of their weekly food bill they would have to save (in percentage terms) to spend more time shopping in the grocery store. Their responses are illustrated in Table XXVI.
<table>
<thead>
<tr>
<th>Savings Required As Per Cent of Weekly Food Bill</th>
<th>Per Cent of Respondents at Each Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Just a Little (Less than 1%)</td>
<td>29.0</td>
</tr>
<tr>
<td>1 - 3</td>
<td>9.0</td>
</tr>
<tr>
<td>4 - 6</td>
<td>19.0</td>
</tr>
<tr>
<td>More than 6</td>
<td>19.0</td>
</tr>
<tr>
<td>Would Not Spend More</td>
<td></td>
</tr>
<tr>
<td>Time No Matter What</td>
<td></td>
</tr>
<tr>
<td>The Savings</td>
<td>24.0</td>
</tr>
</tbody>
</table>

These data (n = 133) show that people react differently towards saving money on their weekly food bill, especially when it comes to spending more shopping time to achieve savings. While 29 per cent of the respondents were willing to spend more time shopping to save even less than 1 per cent of their weekly food bill, 24 per cent related that they would not spend more time shopping for any amount of savings. The latter figure tends to support past surveys which indicate that many shoppers do not enjoy the experience of grocery store shopping. This is important because, if consumers use unit pricing systems, no matter how the information is conveyed to them, they will probably have to spend more time shopping in the store. Of the 76 per cent of the respondents who indicated they would spend more shopping time for savings, half would spend more
time to save 3 per cent or less of their weekly food bill, while the other half would have to save more than 3 per cent to exert more shopping time. Unit price advocates have stated that, with unit pricing information given to the consumer, she could save as much as 10 per cent of her weekly food bill. This, of course, assumes that the shopper will purchase the least expensive choice of every single product she selects in the store. This also assumes that she will pay heed to the unit price information.

Marketers have long discussed the price-quality relationship in products. It is widely held by consumers that higher-priced products often connote better quality products. Much marketing strategy is based on this conclusion. The following three tables are pertinent to the price-quality issue. In Table XXVII, respondents were asked if they thought that a 26 cents can of peaches was "better" than a 21 cents can of peaches. While only 17 per cent of the 132 respondents said "Yes," the majority of the respondents (83 per cent) said "No." One must bear in mind, however, that the relationship

| TABLE XXVII |
| PRICE-QUALITY RELATIONSHIP |

<table>
<thead>
<tr>
<th>Perceived Better Quality for Higher Priced Brand</th>
<th>Per Cent of Respondents Answering Yes and No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>17.4</td>
</tr>
<tr>
<td>No</td>
<td>83.0</td>
</tr>
</tbody>
</table>
was asked for without a brand name factor being attached to the peaches. This is very important. Tables XXVIII and XXIX illustrate why the brand name factor, in relation to the price-quality relationship, is very important.

Respondents were asked if they knowingly purchased brands of products that were higher in price than different brands of the same product. Their answers appear in Table XXVIII.

<table>
<thead>
<tr>
<th>TABLE XXVIII</th>
</tr>
</thead>
<tbody>
<tr>
<td>PURCHASES OF HIGHER PRICED BRANDS</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Do You Knowingly Purchase Higher Priced Brands?</th>
<th>Per Cent of Respondents Answering Yes or No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>81.0</td>
</tr>
<tr>
<td>No</td>
<td>19.4</td>
</tr>
</tbody>
</table>

By far, the majority of the respondents stated "Yes." The fact that the word "brand" is mentioned is important. However, more important than the data above are the data revealed in Table XXIX. When asked "why" the higher priced brands were purchased instead of the lower priced brands, 62.5 per cent of all respondents (n = 134) indicated that "quality" was the major reason. The data below strongly support the contention that a price-quality relationship exists. That is, higher priced brands are bought, in the majority of cases, because of a quality image associated with a higher price.
TABLE XXIX

REASONS WHY HIGHER PRICED BRANDS ARE PURCHASED

<table>
<thead>
<tr>
<th>Reason Given</th>
<th>Per Cent of Total Reasons*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality</td>
<td>62.5</td>
</tr>
<tr>
<td>Value</td>
<td>7.2</td>
</tr>
<tr>
<td>Habit</td>
<td>5.6</td>
</tr>
<tr>
<td>Packaging</td>
<td>2.9</td>
</tr>
<tr>
<td>Others</td>
<td>6.3</td>
</tr>
<tr>
<td>No response</td>
<td>15.0</td>
</tr>
</tbody>
</table>

*There was a total of 206 reasons given, including "No response" as a category.

There is much information on product labels today. However, some claim that there is not enough information; some claim that there is too much information; and others claim that there is not enough relevant information. The respondents were asked to relate whether or not they read label information on the products they purchase in the grocery store. Their answers appear in Table XXX.

TABLE XXX

IS LABEL INFORMATION READ?

<table>
<thead>
<tr>
<th>Actions of Respondents in Reading Labels</th>
<th>Per Cent of Respondents in Each Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, for most products</td>
<td>28.0</td>
</tr>
<tr>
<td>Yes, but only for some products</td>
<td>43.0</td>
</tr>
<tr>
<td>Very seldom for any products</td>
<td>28.3</td>
</tr>
<tr>
<td>Never for any products</td>
<td>0.7</td>
</tr>
</tbody>
</table>
These data relate that in forty-three per cent of the cases, respondents indicated that, although they did read information on the labels of products they buy, they only read the information for some products. The data do not relate what kind of label information is read by consumers. Later analysis will show that different information is rated differently in importance by consumers. The data in Table XXX also relate that there are as many consumers who very seldom read labels for any products as there are who read labels for most products. In both cases, the data show that approximately twenty-eight per cent of the respondents reacted each way.

Respondents were asked if they determine unit prices themselves if the grocer does not make the information available to them. Table XXXI relates some rather surprising results.

**TABLE XXXI**

DETERMINING UNIT PRICE

<table>
<thead>
<tr>
<th>Are Unit Prices Determined</th>
<th>Per Cent of Respondents in Each Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, most of the time</td>
<td>35.0</td>
</tr>
<tr>
<td>Yes, some of the time</td>
<td>29.0</td>
</tr>
<tr>
<td>Generally not</td>
<td>20.0</td>
</tr>
<tr>
<td>Never</td>
<td>4.0</td>
</tr>
<tr>
<td>Yes, but only for some products</td>
<td>13.0</td>
</tr>
</tbody>
</table>

Although the data above reveal that the majority of the respondents indicated that they do figure unit prices, the
data would be more meaningful if specific product classes were used as reference. This is the case later in the analysis where respondents do indicate that the importance of unit price information to them differs with product categories.

Inflation has been a serious problem in the United States for several years. Respondents were asked if inflation has had any effect on the way they have watched their food budget for the past year. Their responses are illustrated in Table XXXII.

**TABLE XXXII**

<table>
<thead>
<tr>
<th>Is Budget Watched More Closely Today Than One Year Ago Due To Inflation?</th>
<th>Per Cent of Respondents in Each Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>59.0</td>
</tr>
<tr>
<td>No</td>
<td>37.0</td>
</tr>
<tr>
<td>Don't Know</td>
<td>4.4</td>
</tr>
</tbody>
</table>

The data show that respondents have watched their food budgets more closely this last year. Table XXXIII shows responses of consumers regarding inflation and their food budgets for the past several years.
TABLE XXXIII

INFLATION AS A FOOD BUDGET FACTOR DURING PAST THREE OR FOUR YEARS

<table>
<thead>
<tr>
<th>Is Budget Watched More Closely Today Than Three or Four Years Ago Due to Inflation?</th>
<th>Per Cent of Respondents in Each Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>63.1</td>
</tr>
<tr>
<td>No</td>
<td>27.4</td>
</tr>
<tr>
<td>Don't Know</td>
<td>4.4</td>
</tr>
</tbody>
</table>

The data suggest that inflation has caused consumers to watch their food budgets more closely during the past three or four years. This could mean that more consumers are shopping with lowest prices in mind in order to protect themselves from inflation as much as possible.

Brand Strength for Certain Products

Marketers are very concerned with brand loyalty. The utilization of unit price information by consumers will depend, in part, on consumers' strength of loyalty toward various products. It was mentioned above that some consumers determine unit prices, but only for certain products. Table XXXIV illustrates that brand loyalty for different products differs markedly. The question posited to respondents was one which asked them how much money they would have to save before they would switch from their favorite brand (or last brand purchased).
### TABLE XXXIV

**BRAND STRENGTH FOR CERTAIN PRODUCTS**

<table>
<thead>
<tr>
<th>Product</th>
<th>N</th>
<th>% Who Would Switch for 3% or Less</th>
<th>% Who Would Switch for 4 - 8%</th>
<th>% Who Would Switch for 9 - 15%</th>
<th>% Who Would Switch for More Than 15%</th>
<th>% Who Would Not Switch for Any Savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Detergents</td>
<td>135</td>
<td>24.0</td>
<td>15.0</td>
<td>15.0</td>
<td>21.0</td>
<td>26.0</td>
</tr>
<tr>
<td>Coffee</td>
<td>127</td>
<td>13.0</td>
<td>17.0</td>
<td>12.0</td>
<td>18.1</td>
<td>41.0</td>
</tr>
<tr>
<td>Toothpaste</td>
<td>135</td>
<td>13.0</td>
<td>15.0</td>
<td>11.1</td>
<td>16.2</td>
<td>43.1</td>
</tr>
<tr>
<td>Floor Wax</td>
<td>123</td>
<td>23.0</td>
<td>17.0</td>
<td>16.2</td>
<td>21.1</td>
<td>23.0</td>
</tr>
<tr>
<td>Salad Dressing</td>
<td>123</td>
<td>19.0</td>
<td>18.0</td>
<td>12.1</td>
<td>11.3</td>
<td>50.0</td>
</tr>
<tr>
<td>Shampoo</td>
<td>134</td>
<td>13.4</td>
<td>12.0</td>
<td>14.1</td>
<td>25.0</td>
<td>36.0</td>
</tr>
<tr>
<td>Cigarettes</td>
<td>79</td>
<td>11.0</td>
<td>5.0</td>
<td>0.0</td>
<td>13.0</td>
<td>71.0</td>
</tr>
<tr>
<td>Deodorant</td>
<td>135</td>
<td>17.0</td>
<td>14.0</td>
<td>8.1</td>
<td>13.3</td>
<td>47.4</td>
</tr>
<tr>
<td>Aspirin</td>
<td>131</td>
<td>24.0</td>
<td>15.2</td>
<td>14.0</td>
<td>18.0</td>
<td>30.0</td>
</tr>
<tr>
<td>Bread</td>
<td>134</td>
<td>31.3</td>
<td>25.0</td>
<td>6.0</td>
<td>13.0</td>
<td>25.3</td>
</tr>
</tbody>
</table>

*N = sample size.*
to another brand of the same product. As Table XXXIV indicates, the responses were quite mixed. The data in Table XXXIV strongly support the contention that brand loyalty is important to certain consumers and that the strength of brand loyalty differs with product class. While 71 per cent of respondents who smoked related that they would not switch brands for any savings, only 23 per cent of respondents who used floor wax felt strongly about the brand of floor wax they were using. On the other hand, while only 11 per cent of those who smoked indicated that they would switch brands for three cents or less, approximately 32 per cent of bread users indicated that they would switch for a small savings, that is, three cents or less. One can conclude from the data in Table XXXIV that there are many consumers who would not switch brands for any savings. For those consumers who would switch brands, in more cases than not, the monetary savings offered as incentive would have to be rather large. Again, however, the degree of savings would depend upon the product in question.

In order to make it easier to compare one product group with another, a simple ranking system was devised in order to determine the degree of brand strength for each product group.

Weight was given to each category of savings necessary to induce consumers to switch brands. The more savings
required, the stronger the brand strength of the product and, therefore, the higher the weight. The following weights were assigned:

<table>
<thead>
<tr>
<th>Savings Required</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>3% or less</td>
<td>1</td>
</tr>
<tr>
<td>4 - 8%</td>
<td>2</td>
</tr>
<tr>
<td>9 - 15%</td>
<td>3</td>
</tr>
<tr>
<td>more than 15%</td>
<td>4</td>
</tr>
<tr>
<td>would not switch</td>
<td>5</td>
</tr>
</tbody>
</table>

The weight was multiplied times the percentage response for each product and savings category to result in a Brand Strength Score (BSS). Table XXXV shows the product, its BSS, and its rank. The higher the score, the greater the brand strength of the product. The data in Table XXXV support the contention that different product classes will have different brand strength.
loyalties. The higher ranked products, in terms of brand strength, would take larger savings inducements to motivate the consumer to switch brands. This means that small unit price differentials would not be motivating factors in the purchasing decisions made by grocery shoppers. The data in Table XXXIV and Table XXXV support this contention.

The Salience of Unit Pricing

Part of the intent of the consumer survey was to determine the importance that unit pricing has to the grocery store shopper. Table XXXVI shows the knowledge of the respondents in regard to the Fair Packaging and Labeling Act of 1966.

<table>
<thead>
<tr>
<th>Have You Ever Heard of the Fair Packaging and Labeling Act?</th>
<th>Per Cent of Respondents in Each Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes ....................................................................</td>
<td>73.3</td>
</tr>
<tr>
<td>No ......................................................................</td>
<td>21.4</td>
</tr>
<tr>
<td>Don't Know ................................................................</td>
<td>5.1</td>
</tr>
</tbody>
</table>

Table XXXVII shows the knowledge of respondents regarding the proposed legislation.
TABLE XXXVII

KNOWLEDGE OF UNIT PRICE LEGISLATION

<table>
<thead>
<tr>
<th>Have You Ever Heard of Mandatory Unit Price Legislation?</th>
<th>Per Cent of Respondents in Each Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>36.0</td>
</tr>
<tr>
<td>No</td>
<td>50.3</td>
</tr>
<tr>
<td>Don't Know</td>
<td>14.0</td>
</tr>
</tbody>
</table>

The above data do not necessarily relate the importance of unit pricing to the shopper. The data merely relate the awareness of unit pricing by the respondents as compared to the 1966 Act. The relatively short time that unit pricing has been in the news obviously makes the knowledge of the 1966 Act greater than the knowledge of unit pricing.

Consumers were asked if they would like to have unit pricing systems adopted by stores in which they do their shopping. Table XXXVIII shows their reactions.

TABLE XXXVIII

RESPONDENT DESIRE FOR UNIT PRICING SYSTEMS

<table>
<thead>
<tr>
<th>Desire</th>
<th>Per Cent of Respondents in Each Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, Even at Little Increased Cost</td>
<td>13.3</td>
</tr>
<tr>
<td>Yes, But Only at No Increased Cost</td>
<td>64.0</td>
</tr>
<tr>
<td>No</td>
<td>12.0</td>
</tr>
<tr>
<td>No Opinion</td>
<td>11.1</td>
</tr>
</tbody>
</table>
Only 13.3 per cent of the respondents indicated that they would be willing to pay added food costs to have the availability of unit price information in the grocery store. The majority of the respondents would like the information but only if it did not cost more in food prices. Whether or not this sixty-four per cent majority would be willing to pay a little more for the information in non-inflationary times is unknown. But, at present, the majority of respondents evidently cannot see enough benefit from unit price information to pay added food costs to obtain it. Twelve per cent of the respondents did not want the information, regardless of the cost factor. Approximately eleven per cent of the respondents had no opinion about whether or not they wanted unit pricing implemented. Although seventy-seven per cent of the respondents said they desired unit price information, only thirteen per cent of those respondents desiring the information said they were willing to pay added costs to obtain it.

The Importance of Unit Price When Related to Other Factors

It has been seen that, when asked about unit pricing, respondents have generally been favorable to the concept, excluding the cost of the information. The following data relate the importance of unit price information when compared
<table>
<thead>
<tr>
<th>Factor</th>
<th>Per Cent of Respondents Considering Each Factor</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Very Important</td>
<td>Somewhat Important</td>
<td>No Opinion</td>
<td>Somewhat Unimportant</td>
<td>Very Unimportant</td>
<td></td>
</tr>
<tr>
<td>Lower Prices Than Other Stores</td>
<td>70.0</td>
<td>22.2</td>
<td>0.0</td>
<td>7.4</td>
<td>0.7</td>
<td></td>
</tr>
<tr>
<td>Wide Variety of Products</td>
<td>61.4</td>
<td>32.0</td>
<td>1.4</td>
<td>4.4</td>
<td>0.7</td>
<td></td>
</tr>
<tr>
<td>Several Brands of Each Product</td>
<td>45.1</td>
<td>42.2</td>
<td>6.0</td>
<td>5.1</td>
<td>1.4</td>
<td></td>
</tr>
<tr>
<td>Good Produce</td>
<td>83.0</td>
<td>13.0</td>
<td>1.4</td>
<td>2.2</td>
<td>0.7</td>
<td></td>
</tr>
<tr>
<td>Shopping Atmosphere</td>
<td>47.0</td>
<td>39.2</td>
<td>5.1</td>
<td>7.0</td>
<td>2.2</td>
<td></td>
</tr>
<tr>
<td>Services</td>
<td>32.0</td>
<td>19.2</td>
<td>13.3</td>
<td>14.0</td>
<td>21.4</td>
<td></td>
</tr>
<tr>
<td>Convenient to Home</td>
<td>40.0</td>
<td>47.4</td>
<td>1.4</td>
<td>10.3</td>
<td>0.7</td>
<td></td>
</tr>
<tr>
<td>Quality Fresh Meats</td>
<td>84.0</td>
<td>11.1</td>
<td>1.4</td>
<td>5.0</td>
<td>0.7</td>
<td></td>
</tr>
<tr>
<td>Unit Pricing Displays</td>
<td>44.0</td>
<td>33.3</td>
<td>13.3</td>
<td>10.0</td>
<td>0.0</td>
<td></td>
</tr>
<tr>
<td>Friendly Personnel</td>
<td>47.4</td>
<td>41.0</td>
<td>4.0</td>
<td>7.4</td>
<td>0.7</td>
<td></td>
</tr>
<tr>
<td>Fast Checkout</td>
<td>55.0</td>
<td>41.4</td>
<td>2.2</td>
<td>1.4</td>
<td>0.0</td>
<td></td>
</tr>
<tr>
<td>Stamps</td>
<td>10.0</td>
<td>18.0</td>
<td>10.0</td>
<td>24.0</td>
<td>39.2</td>
<td></td>
</tr>
<tr>
<td>Clean Store</td>
<td>31.4</td>
<td>16.2</td>
<td>0.7</td>
<td>1.4</td>
<td>0.0</td>
<td></td>
</tr>
<tr>
<td>Parking Space</td>
<td>54.0</td>
<td>36.2</td>
<td>4.0</td>
<td>6.0</td>
<td>0.0</td>
<td></td>
</tr>
<tr>
<td>Store Reputation</td>
<td>42.2</td>
<td>33.3</td>
<td>16.2</td>
<td>4.4</td>
<td>4.0</td>
<td></td>
</tr>
<tr>
<td>Informative Weekly Ads</td>
<td>26.0</td>
<td>23.0</td>
<td>11.1</td>
<td>22.2</td>
<td>18.0</td>
<td></td>
</tr>
</tbody>
</table>
to other factors that enter into the decision-making process in grocery purchases.

*Store factors.*—There are many factors considered by the food shopper in deciding to buy at certain outlets. Some of these include low prices, fresh produce and meat sections, shopping atmosphere, store services, and stamps, among others. The respondents were asked to relate how important they viewed each of the factors that were listed in making decisions to shop at certain outlets. The factors were not compared to each other. That is, respondents did not rank one factor against another, but merely related how important or unimportant each factor was. Table XXXIX shows some very interesting results based on consumer responses. The data in Table XXXIX clearly indicate that there are many factors which are considered by consumers when deciding upon shopping for groceries at certain outlets. Of all factors listed, one of the most unimportant is the displaying of unit price information by the outlet. Such items as store cleanliness, quality meats and produce sections, fast checkout, parking space, friendly store personnel, and such were rated more important than unit price information. To facilitate comparing one factor against another, a simple rating system was used to rank the importance of each store factor. The results of the weighting gave a Store Salience Score (SSS). The factors were rated in the following manner:
The weight was multiplied by the percentage of respondents answering. The higher the total Store Salience Score for a given factor, the more important was that store factor and, therefore, the higher the rank given. Table XL illustrates the importance and rank of each store factor.

### TABLE XL

**STORE FACTOR SALIENCE SCORES AND RANKS**

<table>
<thead>
<tr>
<th>Store Factor</th>
<th>SSS</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clean Store</td>
<td>240</td>
<td>1</td>
</tr>
<tr>
<td>Good Produce</td>
<td>236</td>
<td>2</td>
</tr>
<tr>
<td>Fresh Meats</td>
<td>235</td>
<td>3</td>
</tr>
<tr>
<td>Lower Prices Than Other Stores</td>
<td>206</td>
<td>4</td>
</tr>
<tr>
<td>Fast Checkout</td>
<td>202</td>
<td>5</td>
</tr>
<tr>
<td>Wide Variety of Products</td>
<td>201</td>
<td>6</td>
</tr>
<tr>
<td>Parking Space</td>
<td>179</td>
<td>7</td>
</tr>
<tr>
<td>Friendly Personnel</td>
<td>171</td>
<td>8</td>
</tr>
<tr>
<td>Several Brands of Each Product</td>
<td>168</td>
<td>9</td>
</tr>
<tr>
<td>Shopping Atmosphere</td>
<td>164</td>
<td>10</td>
</tr>
<tr>
<td>Convenient to Home</td>
<td>156</td>
<td>11</td>
</tr>
<tr>
<td>UNIT PRICING DISPLAYS</td>
<td>150</td>
<td>12</td>
</tr>
<tr>
<td>Store Reputation</td>
<td>143</td>
<td>13</td>
</tr>
<tr>
<td>Services</td>
<td>39</td>
<td>14</td>
</tr>
<tr>
<td>Informative Weekly Ads</td>
<td>23</td>
<td>15</td>
</tr>
<tr>
<td>Stamps</td>
<td>-88</td>
<td>16</td>
</tr>
</tbody>
</table>
In surveying Table XL, some interesting results appear. Out of a total of sixteen factors that were rated, unit pricing was less important than eleven of them and more important than only four of them. This is not to say that unit pricing was rated unimportant. It was merely rated less important than eleven other store factors. Those factors that were rated more important than unit pricing by the respondents are not surprising. However, three of the four that were rated less important than unit pricing are somewhat of a surprise. It was anticipated that store services, weekly advertising, and stamps would all be considered more important than unit pricing. The data well illustrate that there are many factors important to the consumer and, although prices are important, there are factors more important. And again, although prices are important, prices per measure or count are not very important when compared with other shopping factors.

Labeling factors.—The above data relate the importance of factors which, in part, determine those outlets at which consumers prefer to shop. The outlet decision, however, is only one aspect of the overall decision-making process. Information on the labels of products (or on the shelf in the immediate proximity of the products), in part, determines which products and brands are purchased. Table XLI compares
the importance of unit price information and other label and shelf information as rated by the respondents. The data in Table XII relate that unit price information does not rank very high on the list of priorities of other information that the consumer would like to have or considers important in making product and/or brand decisions in the grocery store. Other information, such as the total or item price of the product and information which relates to safety, health, and spoilage, is considered more important than unit price information. Again, as related earlier, consumers spend just so much time in the store when shopping. The more information that the shopper must read, the longer time it takes to shop. This probably adds to the unpleasantness of the shopping experience. Therefore, the consumer uses only that information which is helpful to her in choosing the products and brands she wants. To clarify this point even more, the simple rating system used previously is again applied to the data in Table XIII. The result is a ranking, in importance, of the label information that consumers deem necessary in their shopping experiences.
### TABLE XLI

**SALIENCE OF UNIT PRICE AND OTHER LABEL INFORMATION**

<table>
<thead>
<tr>
<th>Information Factor</th>
<th>Very Important</th>
<th>Somewhat Important</th>
<th>No Opinion</th>
<th>Somewhat Unimportant</th>
<th>Very Unimportant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand Name</td>
<td>53.3</td>
<td>36.0</td>
<td>0.0</td>
<td>10.0</td>
<td>1.4</td>
</tr>
<tr>
<td>Address of Mfr. or Packer</td>
<td>10.0</td>
<td>31.1</td>
<td>9.0</td>
<td>30.3</td>
<td>20.0</td>
</tr>
<tr>
<td>No. of Servings of Contents</td>
<td>18.0</td>
<td>49.0</td>
<td>3.0</td>
<td>13.3</td>
<td>17.0</td>
</tr>
<tr>
<td>Total Price</td>
<td>91.1</td>
<td>7.0</td>
<td>0.7</td>
<td>0.7</td>
<td>0.7</td>
</tr>
<tr>
<td>Directions for Use of Product</td>
<td>56.2</td>
<td>39.0</td>
<td>1.4</td>
<td>2.2</td>
<td>1.4</td>
</tr>
<tr>
<td>Directions to Open Package</td>
<td>13.3</td>
<td>39.0</td>
<td>6.0</td>
<td>21.0</td>
<td>21.0</td>
</tr>
<tr>
<td>Alternative Uses of Product</td>
<td>14.0</td>
<td>50.3</td>
<td>7.4</td>
<td>22.2</td>
<td>6.0</td>
</tr>
<tr>
<td>UNIT PRICE INFORMATION</td>
<td>56.0</td>
<td>31.1</td>
<td>2.2</td>
<td>9.0</td>
<td>2.2</td>
</tr>
<tr>
<td>Regular Product Price</td>
<td>61.0</td>
<td>27.4</td>
<td>5.1</td>
<td>4.4</td>
<td>2.2</td>
</tr>
<tr>
<td>Calorie Content of Food</td>
<td>13.3</td>
<td>32.0</td>
<td>10.0</td>
<td>26.0</td>
<td>19.2</td>
</tr>
<tr>
<td>Nutritional Value of Food</td>
<td>48.1</td>
<td>26.0</td>
<td>7.0</td>
<td>13.0</td>
<td>7.0</td>
</tr>
<tr>
<td>Safety &amp; Health Warnings</td>
<td>76.2</td>
<td>17.0</td>
<td>2.2</td>
<td>3.0</td>
<td>3.0</td>
</tr>
<tr>
<td>Date Product Must Be Sold</td>
<td>80.0</td>
<td>16.2</td>
<td>0.7</td>
<td>2.2</td>
<td>0.7</td>
</tr>
<tr>
<td>List of All Ingredients</td>
<td>59.0</td>
<td>29.0</td>
<td>4.0</td>
<td>7.4</td>
<td>2.2</td>
</tr>
<tr>
<td>Net Weight of Product</td>
<td>56.2</td>
<td>33.3</td>
<td>4.0</td>
<td>4.0</td>
<td>3.0</td>
</tr>
<tr>
<td>Date Product Was Packaged</td>
<td>63.0</td>
<td>25.1</td>
<td>3.0</td>
<td>7.0</td>
<td>2.2</td>
</tr>
</tbody>
</table>
Label Salience Scores (LSS) were determined in the same manner as the Store Salience Scores above. Table XLII relates the LSS and rankings.

**TABLE XLII**

**LABEL INFORMATION SALIENCE SCORES AND RANKS**

<table>
<thead>
<tr>
<th>Information Factor</th>
<th>LSS</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Price</td>
<td>252</td>
<td>1</td>
</tr>
<tr>
<td>Date Product Must Be Sold</td>
<td>234</td>
<td>2</td>
</tr>
<tr>
<td>Safety &amp; Health Warnings</td>
<td>219</td>
<td>3</td>
</tr>
<tr>
<td>Directions for Use of Product</td>
<td>197</td>
<td>4</td>
</tr>
<tr>
<td>Regular Product Price</td>
<td>189</td>
<td>5</td>
</tr>
<tr>
<td>Date Product was Packaged</td>
<td>189</td>
<td>5</td>
</tr>
<tr>
<td>Net Weight of Product</td>
<td>184</td>
<td>7</td>
</tr>
<tr>
<td>List of All Ingredients</td>
<td>179</td>
<td>8</td>
</tr>
<tr>
<td>Brand Name</td>
<td>175</td>
<td>9</td>
</tr>
<tr>
<td>UNIT PRICE INFORMATION</td>
<td>174</td>
<td>10</td>
</tr>
<tr>
<td>Nutritional Value of Food</td>
<td>130</td>
<td>11</td>
</tr>
<tr>
<td>Alternative Uses of Product</td>
<td>60</td>
<td>12</td>
</tr>
<tr>
<td>No. of Servings of Contents</td>
<td>50</td>
<td>13</td>
</tr>
<tr>
<td>Calorie Content of Food</td>
<td>-3</td>
<td>14</td>
</tr>
<tr>
<td>Directions to Open Package</td>
<td>-3</td>
<td>14</td>
</tr>
<tr>
<td>Address of Mfr. or Packer</td>
<td>-27</td>
<td>16</td>
</tr>
</tbody>
</table>

The data from Table XLII relate that unit price information, as a factor in product choice, is somewhat more important than unit price displays by grocers as a factor in store choice as illustrated in Table XL. Out of sixteen factors of information, unit price information was considered more important than six and less important than nine. Again, this does not mean that unit price information is not important. It merely
means that it is not as important as other factors in making particular product and/or brand choices in the supermarket.

The same consumers buy different products in different ways. Reasons for this include the fact that some items are more important to a consumer than others and different products are promoted in different ways. That is, marketing promotional strategies vary with product characteristics. Because consumers do purchase differently, it was anticipated that unit price information would have varying importance for different product classes. Respondents were, therefore, asked to rank the importance of unit price information for five selected product categories—Dairy, Detergents & Soaps, Canned Vegetables, Fresh Meat, and Frozen Foods. However, in addition to rating the importance of unit price information for these five product categories, respondents were asked to rate brand name, quality, and total or item price as important purchase factors. The responses are illustrated in Table XLIII. One can readily see that the respondents, as anticipated, rated each of the four factors differently, depending upon the product class.

By assigning Salience Scores (SS) for each factor in each product category, one can more easily see a ranking of each product class and the importance of each factor for the product class. The Salience Scores and rankings appear in
<table>
<thead>
<tr>
<th>Product Category</th>
<th>% Who Rated Brand Name As VI SI NO SU VU</th>
<th>% Who Rated Quality As VI SI NO SU VU</th>
<th>% Who Rated Total Price As VI SI NO SU VU</th>
<th>% Who Rated Unit Price As VI SI NO SU VU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dairy</td>
<td>47.4</td>
<td>38.0</td>
<td>0.0</td>
<td>7.0</td>
</tr>
<tr>
<td>Detergents and Soaps</td>
<td>33.0</td>
<td>39.0</td>
<td>4.4</td>
<td>13.0</td>
</tr>
<tr>
<td>Canned Vegetables</td>
<td>46.0</td>
<td>38.0</td>
<td>0.0</td>
<td>7.0</td>
</tr>
<tr>
<td>Fresh Meat</td>
<td>50.0</td>
<td>27.0</td>
<td>2.2</td>
<td>13.0</td>
</tr>
<tr>
<td>Frozen Foods</td>
<td>40.0</td>
<td>30.0</td>
<td>3.0</td>
<td>15.0</td>
</tr>
</tbody>
</table>

*VI=very important; SI=somewhat important; NO=no opinion; SU=somewhat unimportant; VU=very unimportant.
Table XLIV. The data reveal that for the unit price information factor, the following product ranks were given by the respondents.

**Table XLIV**

**SALIENCE SCORES AND RANKS FOR BRAND NAME, QUALITY, TOTAL PRICE, AND UNIT PRICE IN FIVE PRODUCT CATEGORIES**

<table>
<thead>
<tr>
<th>Product Category</th>
<th>Brand Name</th>
<th>Quality</th>
<th>Total Price</th>
<th>Unit Price</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>SS</td>
<td>Rank</td>
<td>SS</td>
<td>Rank</td>
</tr>
<tr>
<td>Dairy</td>
<td>150</td>
<td>1</td>
<td>254</td>
<td>2</td>
</tr>
<tr>
<td>Detergents &amp; Soaps</td>
<td>95</td>
<td>5</td>
<td>201</td>
<td>5</td>
</tr>
<tr>
<td>Canned Vegetables</td>
<td>148</td>
<td>2</td>
<td>244</td>
<td>3</td>
</tr>
<tr>
<td>Fresh Meat</td>
<td>129</td>
<td>4</td>
<td>263</td>
<td>1</td>
</tr>
<tr>
<td>Frozen Foods</td>
<td>131</td>
<td>3</td>
<td>239</td>
<td>4</td>
</tr>
</tbody>
</table>

Unit price information was important for Fresh Meat followed, respectively, by Dairy, Frozen Foods, Canned Vegetables, and Detergents & Soaps. These rankings, in respect to unit price, raise a very interesting and important issue. If one notices that fresh meat and dairy products are ranked first and second, respectively, one might also quickly note that fresh meat and
dairy products are already sold on a per unit basis. This raises the question as to whether or not there is a difference between the perception of unit price and total price by the respondents in respect to meat and dairy products. Since shoppers have always purchased their fresh meat on the pound basis and, since they have always purchased the majority of their dairy products in terms of dozens, pounds, pints, quarts, and so on, it is not surprising that they consider unit price information to be the most important for these two categories. One might surmise that, had "Produce" been added as another category of food in the questionnaire, the importance of unit price information for produce would have rated high along with fresh meat and dairy products. This, again, is simply because produce is purchased by pound or count already. This is an important distinction to make as it will lend support to some patterns of purchasing by consumers when the demographics are broken down and analyzed later in this chapter.

Attitudes and Demography

The previous sections in this chapter have presented the demographic makeup of the consumer respondents and their attitudes and behavior about several aspects of food shopping. This section has the objective of breaking attitudes down by demographic variables in percentage terms. In this way, one can see if there are differences between and among demographic subclasses and if these differences appear to be major or minor
in nature. Five questions were chosen to be broken down by demographic data. These questions were considered to be those most pertinent to the major issue—consumer attitudes toward unit price information.

Following is a list of the five questions chosen:

1. When grocery shopping, do you generally read most of the information on labels?

2. When on a major shopping trip for groceries, do you take time to determine price per pound, per ounce, per square foot, per sheet, and so on if this information is not given to you?

3. Would you favor your grocer telling you how much products cost per pound, per ounce, per square foot, per sheet and so on for products which do not now have that information?

4. How important are the following store factors (or how important would they be) to you in shopping at grocery stores?

5. How important is or would the following information on labels be to you in your grocery shopping?

How the respondents answered each of these questions has already been noted earlier in this chapter. Now, each of the questions will be broken down in terms of demographic data—Sex, Age, Education Level, Occupation, Overall Family Size, Number of Children Presently Living in Household, and Annual Income Range.

Reading Labels and Demography

Question 1, "When grocery shopping, do you generally read most of the information on labels," is important in attempting to ascertain if consumers differ in the extent of
attention they give to labels when food shopping. Consumer responses, by demographic characteristics, are illustrated below.

**Sex.**—Although the female of the household is still the major grocery shopper in the family, recent surveys have indicated that the male does a considerable amount of food shopping, either alone or with a female companion. Table XLV illustrates the differences in responses of male and female shoppers and the attention each pays to labels in the grocery store.

### TABLE XLV

**LABEL READING DIFFERENCES BY SEX**

<table>
<thead>
<tr>
<th>Response*</th>
<th>Female-3</th>
<th>Male-3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, for most products</td>
<td>32.0</td>
<td>12.5</td>
</tr>
<tr>
<td>Yes, but only for some products</td>
<td>40.7</td>
<td>50.0</td>
</tr>
<tr>
<td>Very seldom for any products</td>
<td>26.1</td>
<td>34.4</td>
</tr>
<tr>
<td>Never for any products</td>
<td>0.9</td>
<td>0.0</td>
</tr>
<tr>
<td>Don't Know</td>
<td>0.0</td>
<td>3.1</td>
</tr>
</tbody>
</table>

*The responses on the remaining tables will be shortened for spacing purposes.

The data in Table XLV show that, while more women read most label information for most products, more men read most information but only for some products. A higher percentage of male
shoppers (34.4 per cent) indicated that they very seldom read information for any products as compared to the lower percentage of women (26.1 per cent) who indicated that they very seldom read the information for any products.

**Age.**—The data in Table XLVI related the difference in tendencies to read labels in terms of age. In looking at

<table>
<thead>
<tr>
<th>Response</th>
<th>24 or under</th>
<th>25-34</th>
<th>35-49</th>
<th>50-64</th>
<th>65 or over</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, for most</td>
<td>21.7</td>
<td>19.6</td>
<td>35.0</td>
<td>26.3</td>
<td>57.1</td>
</tr>
<tr>
<td>Yes, for some</td>
<td>34.8</td>
<td>54.3</td>
<td>40.0</td>
<td>36.8</td>
<td>28.6</td>
</tr>
<tr>
<td>Very seldom</td>
<td>39.1</td>
<td>26.1</td>
<td>22.5</td>
<td>36.8</td>
<td>14.3</td>
</tr>
<tr>
<td>Never</td>
<td>4.3</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Don't know</td>
<td>0.0</td>
<td>0.0</td>
<td>2.5</td>
<td>0.0</td>
<td>0.0</td>
</tr>
</tbody>
</table>

the data presented, it can be seen that there is a very definite pattern in the figures. As one moves from the youngest age group up, the percentage of respondents who relate that they read most information for either most or some products increases up to the age of fifty. Those respondents sixty-five and older indicated that they, as a group, did the most label reading.
Only those respondents in the age group from fifty to sixty-four break the increasing pattern. However, the latter group indicated that it is more concerned with label reading than those who are twenty-four and younger. Clearly, then, as one becomes older, he becomes more concerned with reading labels.

**Education.**—The data in Table XLVII show the relationship between educational attainment and the reading of labels. Note that the "Grammar School" category which was on the questionnaire is omitted from the analysis. This is simply because only one usable respondent was in this category. Percentage-wise, the results of this category would obviously be misleading. The data do show a relationship between educational levels and reading of labels. Those respondents without high school diplomas indicated that they read labels less than any of the

**TABLE XLVII**

**LABEL READING DIFFERENCES BY EDUCATION**

<table>
<thead>
<tr>
<th>Response</th>
<th>Education Level-¥</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, for most</td>
<td>27.3</td>
</tr>
<tr>
<td>Yes, for some</td>
<td>36.4</td>
</tr>
<tr>
<td>Very seldom</td>
<td>36.4</td>
</tr>
<tr>
<td>Never</td>
<td>0.0</td>
</tr>
<tr>
<td>Don't know</td>
<td>0.0</td>
</tr>
</tbody>
</table>
other categories. In other words, at lower levels of education there is a strong tendency for less label reading, according to the responses.

**Occupation.**—Occupation is a typical demographic variable that is used for segmentation purposes. In this study, the important occupation was that of the major grocery shopper, not the household head. Table XLVIII shows the differences in responses by occupation.

**TABLE XLVIII**

**LABEL READING DIFFERENCES BY OCCUPATION**

<table>
<thead>
<tr>
<th>Response</th>
<th>Occupation-%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Housewife</td>
</tr>
<tr>
<td>Yes, for most</td>
<td>37.5</td>
</tr>
<tr>
<td>Yes, for some</td>
<td>40.3</td>
</tr>
<tr>
<td>Very seldom</td>
<td>22.2</td>
</tr>
<tr>
<td>Never</td>
<td>0.0</td>
</tr>
<tr>
<td>Don't know</td>
<td>0.0</td>
</tr>
</tbody>
</table>
Those occupations indicating the most interest in label information are those categorized as "Foreman, Craftsman," followed by "Manager, Proprietor." The "Housewife" is the next with "Professional & Technical," "Clerical, Sales," "Farm, Farm Work," and "Other" (retired, student, service) all showing about the same disinterest in most label information. It would seem that those occupations of "Housewife" would have the most interest in the label information since they presumably have more time to shop. This, however, is not the case. The data regarding occupation do not show any relevant patterns which can clearly be analyzed.

Family size and number of children.—Table XLIX indicates how shoppers of varying family sizes differ in the reading of label information. These data relate that shoppers with family sizes from three to six members are the most concerned with label information. Those who are the least concerned have a family size of seven or more. There is a tendency for larger

<table>
<thead>
<tr>
<th>Response</th>
<th>Family Size-#</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Yes, for most</td>
<td>25.0</td>
</tr>
<tr>
<td>Yes, for some</td>
<td>45.8</td>
</tr>
<tr>
<td>Very seldom</td>
<td>31.2</td>
</tr>
<tr>
<td>Never</td>
<td>0.0</td>
</tr>
<tr>
<td>Don't know</td>
<td>0.0</td>
</tr>
</tbody>
</table>

TABLE XLIX
LABEL READING DIFFERENCES BY FAMILY SIZE
family size shoppers to pay more attention to label information, according to their responses. Those shoppers shopping for family sizes of three to six would most likely also be shopping for one to four children living in the household. Table L relates that there is a clear relationship between the number of children that are being shopped for and the

**TABLE L**

**LABEL READING DIFFERENCES BY NUMBER OF CHILDREN**

<table>
<thead>
<tr>
<th>Response</th>
<th>None</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5 or more</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, for most</td>
<td>22.9</td>
<td>16.7</td>
<td>36.0</td>
<td>30.0</td>
<td>75.0</td>
<td>37.5</td>
</tr>
<tr>
<td>Yes, for some</td>
<td>41.7</td>
<td>50.0</td>
<td>44.0</td>
<td>50.0</td>
<td>0.0</td>
<td>25.0</td>
</tr>
<tr>
<td>Very seldom</td>
<td>33.3</td>
<td>30.0</td>
<td>20.0</td>
<td>20.0</td>
<td>25.0</td>
<td>37.5</td>
</tr>
<tr>
<td>Never</td>
<td>0.0</td>
<td>3.3</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Don't know</td>
<td>2.1</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
</tbody>
</table>

extent of reading labels in the grocery store. Those shoppers shopping for families with two, three, or four children have the highest interest in reading label information. This pattern ceases for those shopping for five or more children. This, however, is in accord with Table XLIX which related that the very largest family size has the least interest in label reading. One explanation for the different reaction
by the largest family size shoppers may be that these are the lower income shoppers, and previous studies have illustrated that low income shoppers are very interested in reliability and, therefore, tend to purchase brand name products as a matter of preference. Nevertheless, the data above indicate that, as family size and number of children increase, to a point, the interest in label reading is more pronounced.

Annual income.--Table LI illustrates the differences in reading label information in terms of annual household incomes. The data reveal a tendency for higher income shoppers to pay more attention to label information than lower income shoppers. Those shoppers paying the most attention to label information have incomes of $15,000 and over. Those paying

<table>
<thead>
<tr>
<th>Response</th>
<th>Less than 4000</th>
<th>4000 to 7999</th>
<th>8000 to 11999</th>
<th>12000 to 14999</th>
<th>15000 to 19999</th>
<th>20000 or Over</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, for most</td>
<td>60.0%</td>
<td>41.2%</td>
<td>35.3%</td>
<td>26.9%</td>
<td>23.8%</td>
<td>33.3%</td>
</tr>
<tr>
<td>Yes, for some</td>
<td>10.0</td>
<td>51.2%</td>
<td>52.3%</td>
<td>52.3%</td>
<td>38.8%</td>
<td>52.3%</td>
</tr>
<tr>
<td>Very, seldom</td>
<td>30.0</td>
<td>35.3%</td>
<td>25.6%</td>
<td>34.6%</td>
<td>19.0</td>
<td>27.8%</td>
</tr>
<tr>
<td>Never</td>
<td>0.0</td>
<td>5.9%</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Don't know</td>
<td>0.0</td>
<td>0.0%</td>
<td>0.0</td>
<td>0.0</td>
<td>4.8</td>
<td>0.0</td>
</tr>
</tbody>
</table>
the least attention to label information have incomes of $4,000 to $8,000. Those with incomes ranging from $8,000 to $15,000 tend to do more label reading than those with higher incomes but less than the next lowest.

The data to this point reveal some strong relationships between reading labels and certain demographic variables. According to sex, women shoppers are more concerned with reading labels than men. There is a strong relationship between reading labels and age; as one becomes older, he becomes more interested in label information. The less educated one is, the less concern, on the average, there tends to be for label information. There are no discernible patterns between occupations and reading labels. Overall family size and number of children are related to label information; as family size and number of children increase, there is a strong tendency for more label reading. Higher income people (at the two highest income levels) tend to be more interested in labels than lower income shoppers. The next section deals with the determination of unit pricing and demographic characteristics.

**Determining Unit Price and Demography**

Question 2, "When on a major shopping trip for groceries, do you take time to determine price per pound, per ounce, per square foot, per sheet, and so on if this information is not given to you?," is very important. Respondents were asked if they determine the cost per measure or count when shopping
for groceries. The results of their answers are broken down by demographic characteristics in the following tables.

Sex.—Table LII relates the percentage responses of male and female grocery shoppers who determine unit prices of products they buy when not given that information.

**TABLE LII**

**SEX DIFFERENCES IN DETERMINING UNIT PRICE**

<table>
<thead>
<tr>
<th>Response*</th>
<th>Female</th>
<th>Sex-%</th>
<th>Male</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, most of the time</td>
<td>33.9</td>
<td>37.5</td>
<td></td>
</tr>
<tr>
<td>Yes, but only sometimes</td>
<td>28.1</td>
<td>34.4</td>
<td></td>
</tr>
<tr>
<td>Yes, for some products</td>
<td>13.5</td>
<td>6.2</td>
<td></td>
</tr>
<tr>
<td>No, generally not</td>
<td>20.3</td>
<td>18.8</td>
<td></td>
</tr>
<tr>
<td>No, never</td>
<td>3.8</td>
<td>3.1</td>
<td></td>
</tr>
</tbody>
</table>

*The responses on the remaining tables will be shortened for spacing purposes.

The data relate that there is a slight difference between male and female shoppers in determining unit prices for grocery products. Female consumers answered in the "No" categories 24.1 per cent of the time, while male consumers answered in the same categories 21.9 per cent of the time. Although there appears to be no major difference by sex in the determination of unit prices when shopping for food products, male shoppers
indicated a slightly greater tendency to unit price grocery items.

Age.--The data for age relate that there are some relatively large differences between the extreme age groups in determining unit prices. These are indicated in Table LIII. As in the case of age and reading label information previously, there is a tendency for greater unit pricing as age increases.

<table>
<thead>
<tr>
<th>TABLE LIII</th>
</tr>
</thead>
<tbody>
<tr>
<td>AGE DIFFERENCES IN DETERMINING UNIT PRICE</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Responses</th>
<th>24 or under</th>
<th>25-34</th>
<th>35-49</th>
<th>50-64</th>
<th>65 or older</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, mostly</td>
<td>13.0</td>
<td>39.1</td>
<td>35.0</td>
<td>36.8</td>
<td>71.4</td>
</tr>
<tr>
<td>Yes, sometimes</td>
<td>30.4</td>
<td>39.4</td>
<td>40.0</td>
<td>15.8</td>
<td>0.0</td>
</tr>
<tr>
<td>Yes, for some products</td>
<td>13.0</td>
<td>15.2</td>
<td>7.5</td>
<td>10.6</td>
<td>14.3</td>
</tr>
<tr>
<td>Generally not</td>
<td>39.1</td>
<td>13.0</td>
<td>12.5</td>
<td>31.6</td>
<td>14.3</td>
</tr>
<tr>
<td>No, never</td>
<td>4.3</td>
<td>2.2</td>
<td>5.0</td>
<td>5.3</td>
<td>0.0</td>
</tr>
</tbody>
</table>

Again, as with reading labels, the exception comes from those consumers between the ages of fifty and sixty-four. It can be said, however, that as age increases, there is more of a tendency to determine unit prices, with the greatest tendency being on the part of those sixty-five and older.
Education.—The data in Table LIV reveal that, as with label reading previously, there is a tendency for less determination of unit prices at the lower level of educational attainment. In observing the table, the data show that there

<table>
<thead>
<tr>
<th>Responses</th>
<th>Educational Level-%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Some High School</td>
</tr>
<tr>
<td>Yes, mostly</td>
<td>36.4</td>
</tr>
<tr>
<td>Yes, sometimes</td>
<td>18.2</td>
</tr>
<tr>
<td>Yes, for some products</td>
<td>0.0</td>
</tr>
<tr>
<td>Generally not</td>
<td>45.5</td>
</tr>
<tr>
<td>No, never</td>
<td>0.0</td>
</tr>
</tbody>
</table>

is a major difference between the low educated (some high school) and the remaining educational levels. Almost forty-six per cent of those with only some high school education answered that they do not generally determine unit prices. The highest education group (college graduates) was the next to relate that it does the least unit pricing. High school graduates and those with some college education indicated that they do the most unit pricing when shopping for grocery products. Therefore,
as education increases, the per cent of the respondents who unit price increases but only to the "Some College" level. College graduates indicated that they unit price less than those with only high school diplomas or some college education, but more than those without high school diplomas.

Occupation.—Table LV indicates that the "Housewife" occupation is not the one most concerned with determining unit prices. "Managers, Proprietors" and "Foremen, Craftsmen" are the occupations most concerned with determining unit prices when shopping.

TABLE LV
OCCUPATIONAL DIFFERENCES IN DETERMINING UNIT PRICE

<table>
<thead>
<tr>
<th>Response</th>
<th>Housewife</th>
<th>Professional &amp; Technical</th>
<th>Manager, Proprietor</th>
<th>Clerical, Sales</th>
<th>Foreman, Craftsman</th>
<th>Farmer, Farm Work</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, mostly</td>
<td>41.6</td>
<td>16.1</td>
<td>33.3</td>
<td>28.6</td>
<td>100.0</td>
<td>33.3</td>
<td>33.3</td>
</tr>
<tr>
<td>Yes, sometimes</td>
<td>23.6</td>
<td>45.2</td>
<td>50.0</td>
<td>28.6</td>
<td>0.0</td>
<td>33.3</td>
<td>16.7</td>
</tr>
<tr>
<td>Yes, for some products</td>
<td>15.3</td>
<td>6.5</td>
<td>16.7</td>
<td>0.0</td>
<td>0.0</td>
<td>33.3</td>
<td>16.7</td>
</tr>
<tr>
<td>Generally not</td>
<td>16.6</td>
<td>29.0</td>
<td>0.0</td>
<td>28.6</td>
<td>0.0</td>
<td>0.0</td>
<td>33.3</td>
</tr>
<tr>
<td>No, never</td>
<td>2.8</td>
<td>3.2</td>
<td>0.0</td>
<td>14.3</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
</tbody>
</table>
The data in Table LV reveal that three occupations responded the same in the determination of unit prices. "Foreman and Craftsman," "Manager and Proprietor," and "Farmer and Farm Work" are the occupational classes that indicated that they unit price either "mostly," "sometimes," or for "some products." The respondents indicating that they do the least unit pricing were those in the "Sales, Clerical" category. There appears to be no relationship between occupation and the determination of unit pricing.

**Family size and number of children.--**Table LVI illustrates how the respondents determine unit pricing in terms of family size.

**TABLE LVI**

**FAMILY SIZE DIFFERENCES IN DETERMINING UNIT PRICE**

<table>
<thead>
<tr>
<th>Response</th>
<th>1</th>
<th>2</th>
<th>3-4</th>
<th>5-6</th>
<th>7 or more</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, mostly</td>
<td>37.5</td>
<td>36.4</td>
<td>35.2</td>
<td>37.5</td>
<td>12.5</td>
</tr>
<tr>
<td>Yes, sometimes</td>
<td>25.0</td>
<td>15.2</td>
<td>33.3</td>
<td>33.3</td>
<td>25.0</td>
</tr>
<tr>
<td>Yes, for some products</td>
<td>6.3</td>
<td>18.2</td>
<td>5.6</td>
<td>20.8</td>
<td>12.5</td>
</tr>
<tr>
<td>Generally not</td>
<td>18.3</td>
<td>30.3</td>
<td>14.3</td>
<td>8.3</td>
<td>50.0</td>
</tr>
<tr>
<td>No, never</td>
<td>12.5</td>
<td>0.0</td>
<td>5.6</td>
<td>0.0</td>
<td>0.0</td>
</tr>
</tbody>
</table>
The greatest per cent of respondents indicating that they determine unit prices purchase for families with three to six members. There is a direct relationship between family size and the determination of unit prices. The relation is an increasing one up to the point of the family size with seven or more members. That is, the larger the family that the shopper is purchasing for, the greater the tendency to unit price up to a family size of six. Closely related to the family size is the number of children for whom the shopper is buying. Those families with three to six members most likely have one to four children. Therefore, the shopper buying for one to four children should determine unit price more than the one buying for more than five children, based on the data above. Table LVII illustrates that this is the case. As the number of children increases from zero to three, the percentage

**TABLE LVII**

NUMBER OF CHILDREN DIFFERENCES IN DETERMINING UNIT PRICE

<table>
<thead>
<tr>
<th>Response</th>
<th>None</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5 or more</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, mostly</td>
<td>35.4</td>
<td>30.0</td>
<td>44.0</td>
<td>35.0</td>
<td>50.0</td>
<td>12.5</td>
</tr>
<tr>
<td>Yes, sometimes</td>
<td>18.7</td>
<td>36.7</td>
<td>44.0</td>
<td>35.0</td>
<td>0.0</td>
<td>25.0</td>
</tr>
<tr>
<td>Yes, for some products</td>
<td>14.6</td>
<td>6.7</td>
<td>21</td>
<td>20.0</td>
<td>25.0</td>
<td>12.5</td>
</tr>
<tr>
<td>Generally not</td>
<td>27.1</td>
<td>20.0</td>
<td>5.0</td>
<td>5.0</td>
<td>25.0</td>
<td>50.0</td>
</tr>
<tr>
<td>No, never</td>
<td>4.2</td>
<td>6.7</td>
<td>5.0</td>
<td>5.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
</tbody>
</table>
of respondents indicating that they unit price increases. The shopper buying for four children unit prices more than either the shopper buying for no children or five or more. Again, only the largest family size with the most number of children breaks the pattern.

**Annual income.**—Table LVIII presents the data relating unit price determination by income categories. Other studies have indicated that there is a greater tendency for higher income families to determine unit prices. The data show that those families with the lowest annual incomes do the least amount of unit pricing.

**TABLE LVIII**

ANNUAL INCOME DIFFERENCES IN DETERMINING UNIT PRICE

<table>
<thead>
<tr>
<th>Response</th>
<th>Less than 4000</th>
<th>4000 to 7999</th>
<th>8000 to 11999</th>
<th>12000 to 14999</th>
<th>15000 to 19999</th>
<th>20000 or Over</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, mostly</td>
<td>40.0%</td>
<td>47.1%</td>
<td>32.6%</td>
<td>34.6%</td>
<td>42.8%</td>
<td>16.7%</td>
</tr>
<tr>
<td>Yes, sometimes</td>
<td>10.0</td>
<td>0.0</td>
<td>37.2</td>
<td>42.3</td>
<td>23.8</td>
<td>38.8</td>
</tr>
<tr>
<td>Yes, for some products</td>
<td>20.0</td>
<td>23.5</td>
<td>9.3</td>
<td>0.0</td>
<td>14.3</td>
<td>16.7</td>
</tr>
<tr>
<td>Generally not</td>
<td>20.0</td>
<td>23.5</td>
<td>18.6</td>
<td>19.2</td>
<td>14.3</td>
<td>27.8</td>
</tr>
<tr>
<td>No, never</td>
<td>10.0</td>
<td>5.9</td>
<td>2.3</td>
<td>3.8</td>
<td>4.8</td>
<td>0.0</td>
</tr>
</tbody>
</table>
As income increases, more unit pricing is done by the shopper. The data in Table LVIII are in accord with other findings which relate that the higher the income, the more important is unit price information.

Several important observations can be made from the data in the past several tables. Male shoppers show a slightly larger tendency to determine unit prices than do female shoppers. As age increases, the tendency to unit price grocery items also increases. There is a tendency for more unit pricing to be done by those with higher educational attainment. There is no discernible pattern between occupation and unit pricing. The larger the family and the greater the number of children purchased for, the greater the tendency to engage in unit pricing. The greater the income of the shopper, the more tendency there is for her to unit price.

Demographic Differences in Desire for Unit Pricing Relative to Cost

Question 3, "Would you favor your grocer telling you how much products cost per pound, per ounce, per square foot, per sheet and so on for products which do not now have that information?," asked respondents to relate if they wanted unit price information. Past studies have revealed that, to date, consumers, on the whole, think that unit pricing is beneficial. However, the question above also included a cost factor. This was to attempt to determine the strength of
desire on the part of the grocery shoppers surveyed. Would consumers view unit price information as being beneficial enough to pay added food costs for it?

Sex.—Table LIX shows the differences in the desire for unit price information between male and female grocery shoppers. The data relate that the male shopper is somewhat more willing to pay added costs for the benefit of unit price information. This is not surprising as Table LII indicates that the male shopper does somewhat more unit pricing than the female shopper. The vast majority, however, of all respondents who related that they do want unit price information, stated that they are not willing to pay to receive it. The strength of the desire for unit pricing is not, according to the

<table>
<thead>
<tr>
<th>Response*</th>
<th>Female</th>
<th>Sex-2</th>
<th>Male</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, at cost</td>
<td>11.6</td>
<td>18.8</td>
<td></td>
</tr>
<tr>
<td>Yes, at no cost</td>
<td>65.0</td>
<td>59.4</td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>11.6</td>
<td>12.5</td>
<td></td>
</tr>
<tr>
<td>No Opinion</td>
<td>11.6</td>
<td>9.4</td>
<td></td>
</tr>
</tbody>
</table>

*The responses on these tables have been shortened for spacing purposes.
respondents, strong enough to merit payment for the information.

Age.--The data shown in Table LX illustrate the desire for unit price information, relative to cost, in terms of shoppers' ages. Previously, it was related that the oldest age group indicated that it does more unit pricing while shopping. The data above relate that it is also this same oldest age group that is the most willing to pay added costs.

### TABLE LX

<table>
<thead>
<tr>
<th>Response</th>
<th>24 or under</th>
<th>25-34</th>
<th>35-49</th>
<th>50-64</th>
<th>65 or older</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, at cost</td>
<td>0.0</td>
<td>10.9</td>
<td>17.5</td>
<td>15.8</td>
<td>42.8</td>
</tr>
<tr>
<td>Yes, at no cost</td>
<td>60.9</td>
<td>65.2</td>
<td>60.0</td>
<td>73.5</td>
<td>57.1</td>
</tr>
<tr>
<td>No</td>
<td>17.4</td>
<td>13.0</td>
<td>10.0</td>
<td>10.6</td>
<td>0.0</td>
</tr>
<tr>
<td>No Opinion</td>
<td>21.7</td>
<td>10.0</td>
<td>12.5</td>
<td>0.0</td>
<td>0.0</td>
</tr>
</tbody>
</table>

to obtain unit price information. Again, in accord with previous data, it is those shoppers who are twenty-four and younger who are the least willing to pay added costs. In fact, no respondent twenty-four or younger indicated that he or she was willing to pay any cost for the information. Again, the age
group from fifty to sixty-four slightly breaks the increasing pattern of increased willingness to pay with increased age.

Education.—Table LXI shows the differences in desire for unit price information based on educational attainment.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, at cost</td>
<td>9.1</td>
<td>5.0</td>
<td>12.5</td>
<td>16.3</td>
</tr>
<tr>
<td>Yes, at no cost</td>
<td>72.7</td>
<td>60.0</td>
<td>67.5</td>
<td>60.5</td>
</tr>
<tr>
<td>No</td>
<td>18.2</td>
<td>17.5</td>
<td>2.5</td>
<td>13.9</td>
</tr>
<tr>
<td>No Opinion</td>
<td>0.0</td>
<td>10.0</td>
<td>7.5</td>
<td>9.3</td>
</tr>
</tbody>
</table>

The data reveal that the shopper with the least education is the one the least willing to pay added costs to obtain the information. It was also this shopper, with the lowest educational attainment, that previously indicated the least effort in determining unit prices while grocery shopping. The highest educated shopper indicated the most willingness to pay an added cost to receive the information. It appears that, as educational attainment increases, there is more of a tendency to accept the notion of added costs for the use of unit price information.
Occupation. Table LXII relates the differences in the desire for unit price information in terms of shoppers' occupational status. The figures show that the "Housewife" is the least willing to pay added costs for unit price information, while those in the "Foreman, Craftsman" category are the most willing to pay added costs for the information. The latter is not surprising since Table LV, page 162, relates that one-hundred per cent of those in the "Foreman, Craftsman" occupation determine unit pricing most of the time. Except for the "Foreman, Craftsman" occupation, there appears to be

<table>
<thead>
<tr>
<th>Response</th>
<th>Housewife</th>
<th>Professional &amp; Technical</th>
<th>Manager, Proprietor</th>
<th>Clerical, Sales</th>
<th>Foreman, Craftsman</th>
<th>Farmer, Farm Work</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, at cost</td>
<td>11.1</td>
<td>16.1</td>
<td>16.7</td>
<td>14.2</td>
<td>33.3</td>
<td>0.0</td>
<td>16.7</td>
</tr>
<tr>
<td>Yes, at no cost</td>
<td>70.8</td>
<td>58.0</td>
<td>50.0</td>
<td>50.0</td>
<td>66.6</td>
<td>66.6</td>
<td>50.0</td>
</tr>
<tr>
<td>No</td>
<td>9.7</td>
<td>9.7</td>
<td>33.3</td>
<td>21.4</td>
<td>0.0</td>
<td>33.3</td>
<td>0.0</td>
</tr>
<tr>
<td>No Opinion</td>
<td>8.3</td>
<td>16.1</td>
<td>0.0</td>
<td>14.3</td>
<td>0.0</td>
<td>0.0</td>
<td>33.0</td>
</tr>
</tbody>
</table>
no relationship between the desire for unit price information, relative to cost, and occupation of grocery shoppers.

Family size and number of children.--The data in Table LXIII show some differences in the desire for unit price information, relative to cost, by family size. One would expect that, if the shopper who is shopping for the larger families wants unit price information more than small family shoppers, the former would be more willing to pay added costs.

TABLE LXIII

DIFFERENCES IN DESIRE FOR UNIT PRICE INFORMATION BY FAMILY SIZE

<table>
<thead>
<tr>
<th>Response</th>
<th>Family Size -$</th>
<th>1</th>
<th>2</th>
<th>3-4</th>
<th>5-6</th>
<th>7 or more</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, at cost</td>
<td>12.5</td>
<td>15.2</td>
<td>14.8</td>
<td>4.2</td>
<td>12.5</td>
<td></td>
</tr>
<tr>
<td>Yes, at no cost</td>
<td>62.5</td>
<td>66.7</td>
<td>55.5</td>
<td>79.1</td>
<td>62.5</td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>12.5</td>
<td>12.1</td>
<td>14.8</td>
<td>4.2</td>
<td>12.5</td>
<td></td>
</tr>
<tr>
<td>No Opinion</td>
<td>12.5</td>
<td>6.1</td>
<td>14.8</td>
<td>12.5</td>
<td>12.5</td>
<td></td>
</tr>
</tbody>
</table>

The data above do not reveal this to be the case. The shopper shopping for a family of five to six members is the one least willing to pay added costs for unit price information. On the other hand, the shopper shopping for only two persons displayed the greatest willingness to pay added costs for the
benefit of obtaining unit price information. It is, however, the shopper shopping for a family of five to six persons who is most desirous of unit price information, excluding cost. It is clear that those shoppers who show the greatest desire for wanting the information are not always the ones most willing to pay for it. In fact, they are often the ones the least willing to pay for unit price information. This is also evidenced in terms of the number of children for whom the shopper must purchase. Table LXIV shows the shopper's desire for unit price information, and her willingness to pay for it, in terms of number of children. As illustrated, the shopper most

<table>
<thead>
<tr>
<th>Response</th>
<th>Number of Children-</th>
<th>None</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5 or more</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, at cost</td>
<td></td>
<td>14.6</td>
<td>13.3</td>
<td>10.0</td>
<td>10.0</td>
<td>0.0</td>
<td>12.5</td>
</tr>
<tr>
<td>Yes, at no cost</td>
<td></td>
<td>64.6</td>
<td>56.7</td>
<td>60.0</td>
<td>80.0</td>
<td>50.0</td>
<td>62.5</td>
</tr>
<tr>
<td>No</td>
<td></td>
<td>12.5</td>
<td>20.0</td>
<td>2.5</td>
<td>5.0</td>
<td>25.0</td>
<td>12.5</td>
</tr>
<tr>
<td>No Opinion</td>
<td></td>
<td>8.3</td>
<td>10.0</td>
<td>20.0</td>
<td>5.0</td>
<td>25.0</td>
<td>12.5</td>
</tr>
</tbody>
</table>

willing to pay for the information shopped for no children while the shopper shopping for three children was the least willing to pay for the information (although the most desirous
in having it). Again, strength of desire for the information does not mean the willingness to pay for it exists. Usually, according to the data, just the opposite is true.

**Annual income.**—Income breakdowns and the desire for unit price information, relative to cost, are illustrated in Table LXV. One can see that, although the lowest income group is the least desirous toward unit price information, it is this group that is the second most willing to pay added costs to receive it. Those shoppers supported by incomes of $4,000 to $8,000 and $12,000 to $15,000 are most desirous of the information. Shoppers making $20,000 or more are the most willing to pay added costs to obtain it. There is a strong relation-

**TABLE LXV**

DIFFERENCES IN DESIRE FOR UNIT PRICE INFORMATION BY ANNUAL INCOME

<table>
<thead>
<tr>
<th>Response</th>
<th>Less Than 4000</th>
<th>4000 to 7999</th>
<th>8000 to 11999</th>
<th>12000 to 14999</th>
<th>15000 to 19999</th>
<th>20000 or Over</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, at cost</td>
<td>20.0</td>
<td>17.6</td>
<td>9.3</td>
<td>11.5</td>
<td>9.6</td>
<td>22.2</td>
</tr>
<tr>
<td>Yes, at no cost</td>
<td>40.0</td>
<td>70.6</td>
<td>58.1</td>
<td>76.9</td>
<td>71.4</td>
<td>55.5</td>
</tr>
<tr>
<td>No</td>
<td>20.0</td>
<td>0.0</td>
<td>18.6</td>
<td>3.8</td>
<td>4.8</td>
<td>22.2</td>
</tr>
<tr>
<td>No Opinion</td>
<td>20.0</td>
<td>11.8</td>
<td>13.9</td>
<td>7.7</td>
<td>14.3</td>
<td>0.0</td>
</tr>
</tbody>
</table>
and over. Except for those shoppers with incomes of $4,000 to $8,000, there is a clear relationship between the level of income and the desire for the information—the higher the income, the stronger the desire for unit pricing.

These data from the previous several tables have illustrated several important points. First, the majority of respondents indicated that they do want unit price information. However, of those who do want the information, by far, the majority are not willing to pay for it. Second, those respondents who earlier related that they do actually do unit pricing are not necessarily the ones who either want the information the most or are most willing to pay for it. However, in some cases, there is a correlation between those who said they do unit price and those who most want it. Third, those respondents who stated that they most want the information, usually are not the ones who are most willing to pay for it.

Demographic Differences in the Importance of Unit Price Information As Store Label Factors

In breaking down certain selected questions of the study by demographic variables, some very interesting patterns of responses have been discovered. It has been seen that variables of sex, age, education, occupation, family size, number of children, and annual income of the respondents illustrate
similar patterns of responses for questions concerning label reading, unit price determination, and desire for unit price information, relative to cost. The final two questions deal with how important the respondents view unit price information. They were asked to view unit pricing as important to them in two ways—first, as a decision factor in choosing a store at which to shop, and second, as a decision factor in choosing a product and/or brand. The results of the final two questions selected for more detailed analysis closely parallel previous findings in this chapter. Therefore, the tables illustrating all of the pertinent data are shown in Appendix H—the reader may refer to Table LXVII through Table LXXIII in Appendix H for support of statements made below.

Because of the closeness in answers, demographically speaking, of the last two questions, they are treated together in their presentation here. Question four asked, "How important are the following store factors (or how important would they be) to you in shopping at grocery stores?" Then the answers concerning only the factor of unit pricing were analyzed demographically. Question five asked, "How important is or would the following information on labels be to you in your grocery shopping?" Again, only the answers concerning the unit price factor were analyzed demographically.

Using the sex variable, very little difference was found between the male and female shopper and the importance each
places on unit price information as a store factor and a label factor. There is, however, in both cases, a slight tendency for the male grocery shopper to place more importance on the unit price information. Although the female shopper showed that she is slightly more prone to read labels, the male grocery shopper indicated that he does slightly more unit price calculating and is also slightly more willing to pay added costs for the benefit of the information.

In regard to the age variable, previous analysis showed that, as age increases, the grocery shopper tends to read more label information, calculates more unit prices, and is more willing to pay higher food prices to get unit price information at his shopping outlet. Analysis of Table LXVIII in Appendix II illustrates that, as age increases, more importance is placed on unit price information by the grocery shopper both as a store factor and as a label factor.

As a consumer's educational level increases, he illustrates a tendency to place greater emphasis on the importance of unit price information both as a store factor and as a label factor. This pattern is in keeping with previous data relating that consumers tend to do more label reading and unit price calculating as their educational level increases from some high school to college graduates.

In earlier analysis, it was illustrated that the only variable which does not consistently show the same pattern of
results is occupation. The same is true for the fourth and fifth questions. There is no discernible relationship between one's occupation and how important or unimportant unit price information is perceived as being. One problem with using occupation as a demographic variable for analysis is that there is little or no consistency in the range of occupations. That is, unlike increasing age, education, family size, and such, there is no degree or ranking of occupational groups. And, as with sex, one cannot deal with a simple dichotomy.

As a consumer's family size increases, the shopper is more prone to read labels and determine unit prices, although larger families are not willing to pay added costs for unit price information. More importance is given to unit price information as a store factor by the consumer as family size increases. More importance is given to unit price information as a label factor by the consumer as the family size increases from two to six.

The next to last variable analyzed was the number of children for whom the consumer was purchasing groceries. It was previously found that, as consumers shop for more children, there is a greater tendency to read more labels and calculate unit prices. Here, too, greater importance is placed on unit price information both as store and label factors by consumers as the number of children they shop for increases.
Contrary to the philosophy of unit pricing, that is, the philosophy that it would aid the poorer families, it has been found that, as shoppers' annual incomes increase, there is a greater tendency to read labels and calculate unit prices. The final analysis of unit price information as a store and label factor, however, is not so clear concerning the income relationship. In fact, in part, the opposite is true. For consumers with incomes ranging from $12,000 and up, it was found that there is a decreasing importance attached to unit price information. Shoppers with very low incomes attach less importance to unit price information than those with incomes from $4,000 to $8,000. Therefore, the pattern showing increasing incomes and increasing importance still appears in the analysis of the last two questions. The relationship is just not as strong.

Summary

Chapter V has presented an analysis of the consumer survey. The data have revealed some very interesting points about consumers in the Dallas-Fort Worth area. Consumers have indicated that they have favorite grocery stores, do not spend much more than an hour when on a major grocery shopping trip, and have been somewhat bothered by inflation regarding their food budgets. The consumers have indicated that there is a strong relation between the price and brand of a product and its quality.
Consumers differ in how they read labels, calculate unit prices, and say they are willing to pay added food costs for the benefit of having their grocers supply them with unit price information. They illustrate that there are many strong brand loyalties, but that these loyalties differ among products. Although consumers do desire unit price information, most do not want to pay any added food costs to obtain it. They have indicated that they unit price differently according to the class of product. Those products which consumers attach the most importance to, in terms of unit pricing, are already sold on a unit price basis. Many factors are important to the consumer of grocery products and the factors extend far beyond price and economic aspects of shopping. Some label information is more important than others. Safety and health information is high on the list, as is total product price. Unit price information is not important relative to most other factors. The importance of unit price information and the willingness of consumers to pay for it differ greatly among certain demographic variables. Age, education, and family size seem to be variables which play the strongest role in why different consumers view unit pricing so diversely. The analysis has, once again, strongly illustrated that marketers cannot treat consumers as a unique group—they must be segmented. Chapter VI, following, presents a summary of the entire research undertaking, conveys conclusions from the analyses, and presents
suggested areas of further research of the issue of proposed mandatory unit price legislation.
CHAPTER VI

SUMMARY AND CONCLUSIONS

Summary

The move to require retail grocers to give consumers unit price information for grocery products is one small aspect of the overall growing presence of consumerism. The failure of the 1966 "Truth in Packaging" Act has been offered by consumer spokesmen as the rationale for the mandatory unit pricing proposals now before Congress. The concept of unit pricing brings forth many problems and controversies in the minds of marketing educators and practitioners. These controversies lie in the areas of the benefits and costs of such legislative activity. Precisely, will the benefits that are to be derived by the consuming public outweigh the costs of delivering those benefits? Do consumers need and want unit price information? The economy of the United States is modern and complex. There is a role for consumer organizations at all levels. There is often a need for consumer protection from intentional and unintentional business abuses. The degree of protection is the issue and has led to this study. Its purpose, scope, and significance have been identified.

The consumer today is becoming more and more powerful. This power has not always been so prevalent. However, the
consumer protection movement is by no means new. Only the present surge of its power is new. There have been three major periods of consumerism. For each of these periods, the major organizations, issues, legislation, strengths and weaknesses have been discussed.

The National Consumers' League was the first real consumer protection organization. It was founded during the first period of the consumer movement, 1889-1925. The major issue of this period was the conditions of the working man in the factory. The Consumers' League established the "white list" and the "fair house," two means of illustrating to the consumer what she should and should not buy. The early movement was basically one of educating the consumer about how she could use her vast power in protecting herself in the market place. Early legislation, as a direct result of the consumer protection movement, was slight. However, legislation did come about as part of broader social movements. The Sherman Act was probably influenced by the Grange and labor movements. The Food and Drug Act, in all likelihood, was influenced, in part, by the National Consumers' League.

This first period of the movement, although not strong by today's standards, had a very rapid and successful beginning.

The second period of the consumer movement had its share of problems. Among them were the Depression, the allegation of Communism in the movement, and World War II. All of these took
some of the bite out of the movement. All of them took away some of the importance of the movement as seen by the protection movement's advocates. Nevertheless, this was still the period of prolific growth. The two major consumer organizations were founded during this time period. Consumers' Research was a direct result of public reaction to one of the "muckraking" books. Several years later, a split in philosophies of the leaders of Consumers' Research caused the founding of Consumers Union. The growth period also saw the National Recovery Administration produce the Consumers' Advisory Board, while the Agricultural Adjustment Administration produced the Consumers' Counsel. Neither organization, however, had significant impact upon the movement relative to Consumers' Research and Consumers Union.

The major issues were false claims in advertising and labeling, poor quality products, and harmful products. The growth period saw the McNary-Hamas Amendment to the 1906 Food and Drug Act and the revamped 1938 Food, Drug, and Cosmetic Act. Along with several label identification acts, consumerism experienced two unsatisfactory acts toward the movement—the Robinson-Patman Act and the Miller-Tydings Act. These two acts, said the protectionists, held prices high to consumers, while the objective of the movement was, in part, to keep prices low for the consumer.
The modern surge of consumerism, 1960-1970, greatly strengthened the two largest and most prominent organizations of consumers. For the first time, several presidents became active in speaking out for consumers' rights. Presidents John F. Kennedy, Lyndon B. Johnson, and, now, Richard M. Nixon all spoke for the consumers. This was the period that the inalienable rights of the consumers (to be informed, to be able to choose, to be heard, and to be safe) were espoused. This was the period of Packard and Nader. Packard, the muckraker, gave Nader, the self-appointed consumer spokesman, ammunition with which to start his crusade.

There were many issues during this period. The basic ones, however, remained the same. Consumers wanted good products at fair prices. They wanted enough information to make good buying decisions. They were heard. In 1966, the "Truth in Packaging" Act intended to protect the consumer from misuses of packaging and labeling. In 1968, the same consumers were to be protected from unscrupulous financial tactics with the "Truth in Lending" Act. These two acts were among the strongest pieces of consumer legislation ever to be enacted. Historically, consumerism has revealed itself to be a smaller part of broader social phenomena.

A focal point of this study was shopping behavior. It has been illustrated, through many studies in the literature, that consumers behave differently in different situations.
Studies have illustrated that, although price is an important shopping variable, it by no means is the only important one. The decision-making process in the purchase of grocery items is highly complex. What occurs in the psyche of the consumer in the supermarket is not completely known. The reasons why people buy certain brands of products number many. There is more involved than the "best price." This is one of the controversies of the proposed legislation regarding mandatory unit pricing.

Interviews with top level executives of the food industry illustrated their awareness of, concern with, and anticipations of mandatory unit price proposals. On the whole, the business executives thought that the information would be beneficial for the consumer if she would use it and if it did not cost her very much in higher food prices. However, most of the interviewees stated their doubts on both concerns. They understood and knew that there is very much more than price involved in the mind of the consumer when she shops for groceries. The major purchase factors were identified. The interviewees related that the most feasible system, should unit pricing become mandatory, would be the tag system. It would involve the least cost of all other systems. The executives were concerned about the effect of inflation making unit pricing appear to be more advantageous than it might actually be under normal economic conditions. The
businessmen differed in their perceptions of who would be most likely to use unit pricing, but most were of the opinion that the legislation would eventually be passed.

Interviews with grocery store managers and small store owners indicated that there were some basic differences in their opinions and those of the higher level executives. Areas of difference included the extent of increased costs, payment of increased costs, and essentiality of the information in shopping for groceries. The latter group foresaw more legislation in the food industry, particularly in the areas of advertising, packaging, and pricing. Few of the operating managers and store owners saw any need to change their merchandising strategies in the future even if the proposed legislation were to be enacted. The perspectives of the high level and operating level businessmen differed greatly. Their jobs and responsibilities are different. Their scope of the business and its operation are different. It seems logical, then, that their opinions regarding unit pricing would be different.

Finally, the ultimate consumers were surveyed. Their attitudes and behavior were recorded. Consumers indicated how they shopped and why they purchased higher priced brands of products. Quality seems to be the most prevalent reason. They were asked questions about their behavior in reading labels and in determining unit prices when shopping.
The grocery shoppers illustrated that their brand strengths or loyalties change with product classes. The importance of unit price information depends, to a large extent, upon the type of good that the consumer is buying in the grocery store. The desire for unit price information and the willingness to pay to get the information are two different aspects to consumers. The desire is weakened when cost enters the picture. Consumers indicated that there are many criteria which go into the decision-making process in the supermarket. One of the least important factors to them is unit price information. This, however, differs with the consumer. Attitudes and behavior were broken down by demographic variables. Consumers of grocery products shop differently and view unit pricing differently on the basis of their sex, age, educational attainment, occupation, family size, number of children, and income levels.

Conclusions

This study was undertaken with a specific purpose in mind. That purpose was to collect, classify, and analyze data from the literature, business, and consumers regarding attitudes and opinions about unit price information. The conclusions made below are based on the data gathered from primary and secondary sources. After the conclusions, suggestions for further research in the area of unit pricing are set forth.
The consumer movement does not operate in a vacuum. Consumerism is one aspect of broader, more encompassing social phenomena. Historically, consumer protection movements have been cyclical. At one point in time they declined, while at another point they rose. The present consumer movement is on the rise, and rapidly. Recent and stringent legislation has "protected" the consumer more than at any other previous time. The consumer's health, welfare, and economic well being are the focal point of concern today. The consumer movement will continue to rise during the decade of the seventies. A concern of the movement should be that, if it becomes too radicalized, its effectiveness may rapidly diminish. History has revealed that the public does not accept radicalism even when its intention is public service. Given moderate goals and actions, however, consumer protection will not fade in the seventies.

Attitude surveys and actual test results to date relate that the majority of outlet and product or brand decisions made in the grocery store are not made on a per unit basis. Should retailers be forced through legislation to supply unit price information, there is no evidence which suggests that the majority of consumers would utilize such information.

Motivation to compare prices on a per unit basis differs with certain consumer demographic characteristics. The one characteristic which appears to have no relationship
to consumer attitudes and behavior toward unit pricing is that of occupation.

The male grocery shopper is slightly more prone to determine unit prices of grocery products than is the female shopper. The tendency, however, is only slight.

The tendency to determine unit prices increases with age, educational attainment, family size, number of children, and income. As the grocery shopper gets older, there is a stronger tendency to have concern for unit prices. Those consumers at the lower end of the education spectrum show less interest in unit price information than do the more educated shoppers. The larger the family size for which the consumer is purchasing groceries, the greater the interest in unit pricing. This, however, does not hold true at the very largest family size. There is a greater tendency to determine unit prices if there are two or more children presently living in the household. This is true up to the family size with five children, although shoppers shopping for five children are more concerned about unit pricing than those shopping for none or one. Contrary to unit pricing philosophy, the greater the income of the shopper, the greater the concern for unit prices.

Consumers are brand loyal. The degree of brand loyalty is, in part, determined by the product and brand in question. For many products, consumers illustrated that quite large
savings would have to be attached to other brands in order to cause brand switching from their favorite brands. Again, the degree of savings would depend upon the product in question. The price savings, which would be illustrated to consumers through a unit pricing mechanism, would not tend to sufficiently motivate the consumer to switch brands.

Consumers are more interested in the total or item price of a product and/or brand than the unit price. The importance of unit prices relative to total prices is slight. Consumers are more concerned that grocery outlets have lower total prices rather than lower unit prices.

In choosing a particular grocery outlet, unit price information ranks 12th in importance to consumers out of sixteen factors. Eleven other factors are more important to consumers than unit price information. Other than total price, these factors generally deal with shopping atmosphere, convenience, product selection, and quality.

The majority of consumers shop at a favorite grocery store for the majority of their purchases and do not comparison shop from store to store. The majority of consumers spend less than one hour shopping when on a major shopping trip for grocery products. Twenty-five per cent of the consumers indicated that they would not spend more time shopping no matter how much money they could save on their weekly food bill. Consumers do not enjoy shopping and look upon the task as a maintenance necessity.
Consumers buy higher priced brands because they perceive better quality in higher priced products. Lower priced brands suggest lower quality to the majority of consumers shopping for grocery items.

Only one-third of all consumers indicate that they determine unit prices most of the time when grocery shopping. Two-thirds have watched their food budgets more closely over the past three or four years because of inflation.

While seventy-five per cent of consumers indicated that unit price information was a desirable information mechanism, only thirteen per cent indicated a willingness to pay added food costs to obtain it. Most consumers do not see enough benefit from unit price information to warrant the payment of higher food prices. Unit price information is much less important to consumers than information dealing with total prices, health, safety, and quality. Those products which the consumer attaches the most importance to, in terms of unit pricing, are those which are already sold on a unit price basis. These include fresh meat and dairy products.

Actual tests of unit price systems have revealed that, of those consumers who are aware of the information, only a small minority use unit prices and change brands because of the information. Product analyses have illustrated very little brand and/or size switching due to the displaying of unit price information.
Excluding the cost factor, the primary and secondary data in this study lead to an acceptance of Hypothesis I. Based on consumer attitudes and use to date, unit price information is neither necessary to consumers nor used by the majority of the consumers when it is available. There are not likely to be any aggregate savings to consumers in the event that the proposed mandatory unit price bill is passed.

The majority of store managers and owners of small stores are opposed to mandatory unit price legislation. The main point of opposition comes from the smaller store operators who are concerned about increased costs and the payment of those costs.

The majority of retailers do not foresee extensive administrative problems in the establishment of unit pricing systems, even if the legislation is passed. Retailers are not opposed to unit pricing simply because it is another piece of proposed legislation. They oppose it because they doubt the benefit that consumers can derive from the information. Fifty per cent of the retailers are concerned about further legislation in pricing, advertising, and packaging. They fear a "snowballing" effect if the unit pricing amendment of the "Truth in Packaging" Act is passed.

Although retailers in the food industry do operate on very small profit margins, the majority of them indicated
that they would absorb part of the costs of implementing a unit pricing system if the system did cost money to implement. A very strong minority, however, related that they would pass all of the costs on to the consumers in the form of higher food prices. Because of high prices already, many retailers indicated that they do not want to pass all of the costs to consumers.

Hypothesis II is not accepted in its entirety. The retailers have indicated that the majority of them do oppose unit pricing and that the strong opposition comes from the smaller stores. They do foresee future legislation in the area of pricing and packaging. However, the retailers do not see any administrative problems in the implementation of unit pricing nor do the majority of them think that they will pass all costs on to consumers in the form of higher prices.

Retailers at the operating level of the food industry view the cost situation differently than do the higher level executives. The latter see increased costs resulting from unit pricing in the vast majority of cases. This is not the case with the operating level food retailers. The difference here could be due to the fact that many of the retailers at the operating level who were interviewed were managers of chain operations. The latter do not always see the administrative costs that go into final retail prices
at which they sell products. This fact may, in part, also explain why independent, small retailers are more opposed to the unit price idea than the other larger unit managers. The former tend to see all of the costs that go into the final retail price of a grocery item. Part of the cost comes from their salaries.

To date, studies regarding the costs of unit pricing are very diverse in their results. While some implementers claim that their costs are negligible, others say that costs run as high as $3,100 per store for a period of one year.

Costs are related directly to sales volume. The lower the sales volume, the higher the costs. The smaller stores will have to pay higher costs, as a percentage of sales, than the larger chain operators. Costs will rise rapidly for those firms without their own computers. Firms who do not have computers or are not serviced by wholesalers who have computers, cannot efficiently implement a unit price system.

Cost figures to date may not be truly reflective of what actual costs could be. Most experiments with unit pricing have dealt with only approximately one-third of the products in the average size supermarket. Therefore, the cost aspect of unit pricing has not been truly reflective of what could occur, since most items have not been unit priced. In addition, the studies have been undertaken by
large chain operations, not small, independent stores. This fact might also cloud the cost issue to some extent, because the larger operators could possibly operate more efficiently.

Consumers studied in this and other studies regarding the issue of unit pricing have illustrated that they have no great concern or need for the information. Further, they have illustrated that they would not be willing to pay higher food costs in order to have the information. If one assumes that the implementation of unit pricing would involve costs, then the enactment of a Federal unit pricing bill is not warranted. Consumers have not indicated it to be warranted. The little interest and use to date have illustrated this.

Presently, many firms are engaged in their own unit pricing research and experimentation. The unit price systems come under many names—"Tru-Value," "Compare 'N Save," "Valu-Check," "Cost Per Measure," "Valu Pricing," and so on. The food industry seems to be willing to undertake the task of providing the consumer with unit price information on an experimental basis. If the consumer responds favorably to unit pricing, the effective store manager or owner will use unit pricing as a promotional item to attract new traffic and satisfy existing traffic. Congress should pay heed to the studies now under way and scrutinize their results in toto. There are many cost differences. Somehow, some firms
are implementing the system better than others. A Federal law would impose standard restrictions on the food industry as a whole. This could lead to inefficiencies for some firms. The Dallas-Fort Worth consumer and her attitudes about shopping behavior certainly substantiate the necessity for more information before a decision at the Federal level is made. This study, along with others across the country, has illustrated that there are just too many divergent and dissimilar results upon which to base a law that would treat all retailers in all sections of the country the same. Further research is in order. This is indicated below.

Some Areas of Further Research

As with most research studies, there is need of some further research in the area of unit pricing. The complexities of the consumers involved, coupled with the scantiness of the data available, lead to areas of further research.

First, and most important, is the need for further cost data with particular emphasis on the costs for small, independent stores. In addition, data are needed concerning the feasibility of the "mom and pop" stores receiving computer service from their suppliers. If the small store cannot receive computer service to implement unit pricing, there is no alternative but to exempt the small store. This results in an administrative problem as to who should be exempted as a "small" store.
Second, if the Federal Government were to impose the unit pricing restrictions upon the food industry, there would inevitably be one or more government agencies responsible for administering it. This, inevitably, would lead to tax money being used to proctor the food industry, which would, in all likelihood, lead to higher taxes for the consumer. Government involvement would necessitate money and manpower. How efficiently could the law be monitored and implemented by the government? The alternatives—the government imposing the pricing restriction on the entire industry versus firms voluntarily promoting the system for consumer satisfaction—should be weighed from a cost-efficiency point of view.

Third, a more extensive analysis of product movement, as a result of unit pricing, must be researched. Product movement analysis, to date, has only covered a small proportion of products. Different product movements could occur when all products are analyzed. Not enough is yet known about how the consumers who are using unit price information are actually making decisions based on it.

Fourth, most of the research to date has concentrated in certain geographical areas. There is a need for more concentrated research outside of metropolitan areas and away from the east, west, and midwest. This is necessary to obtain a more complete picture of retailers and consumers throughout the nation as a whole.
Fifth, due to the diversity of cost data now available, further research is necessary to discover why there is such discrepancy in the cost data. Are different elements being considered differently in regard to cost or are some systems simply more efficient than others? If the latter is the case, then those systems which can be operated more efficiently should be made known to the public and Congress. If unit pricing is to be imposed by law, the most efficient way of implementing unit pricing should be the mandatory way.

Only when all of these questions are answered, will it be possible to make a decision which would adequately protect consumers and aid them in obtaining more "value" in their grocery shopping. Until these questions are answered, any action by Congress regarding a unit price bill that could substantially affect all food retailers and buyers in the country is premature, unwise, and could be very inefficient from the consumer's perspective.
APPENDIX A

ORIGINAL UNIT PRICING BILL INTRODUCED
IN THE HOUSE OF REPRESENTATIVES
BY BENJAMIN ROSENTHAL AND
IN THE SENATE BY
GAYLORD NELSON

91st CONGRESS
1st Session
H. R. 11549
S-1424
IN THE HOUSE OF REPRESENTATIVES
May 21, 1969

Mr. Rosenthal introduced the following bill; which was referred to the Committee on Interstate and Foreign Commerce

A BILL
To amend the Fair Packaging and Labeling Act to require the disclosure by retail distributors of unit retail prices of packaged consumer commodities, and for other purposes.

1 Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

2 That (a) section 4 of the Fair Packaging and Labeling Act

3 (15 U.S.C. 1453) is amended by adding at the end thereof

4 the following new subsection:

5 "(c) No person engaged in business in the sale at retail

6 of any packaged consumer commodity which has been distributed
In commerce, or the distribution of which affects commerce, shall sell, offer for sale, or display for sale any package containing any such commodity unless such person theretofore shall have placed upon such package a retail price mark. Such retail price mark shall be prepared and placed upon or affixed to the principal display panel of the label appearing upon such package in such manner and form as the promulgating authority named in section 5(a) shall prescribe by regulations, and shall contain information effective to disclose plainly to purchasers and prospective purchasers (1) the retail price of the entire contents of such package, and (2) the unit retail price of such contents determined in such manner as such promulgating authority shall prescribe by regulation."

(b) Section 10 of that Act (15 U.S.C. 1459) is amended by adding at the end thereof the following new subsection:

"(g) The term 'unit retail price', when used in relation to the contents of a package of any consumer commodity, means the retail price of the contents of that package expressed in terms of the retail price of such contents per single whole unit of weight, volume, or measure—

"(1) in which the net quantity of contents of such package is stated upon the label appearing on such package; or
"(2) if the net quantity of the contents of such package is so stated in terms of more than one such unit of weight, volume, or measure, the unit thereof prescribed by regulations which shall be promulgated by the authority named in section 5(a)."

SEC. 2 Section 7(a) of that Act (15 U.S.C. 1456(a)) is amended by striking out the words "or delivered for introduction in commerce", and inserting in lieu thereof a comma and the following: "delivered for introduction in commerce, or sold at retail, offered for sale at retail, or displayed for sale at retail;".

SEC. 3. The amendments made by this Act shall take effect on the first day of the seventh month beginning after the date of enactment of this Act.
APPENDIX B

RESULTS OF TWO SUPERMARKET PRICE COMPARISON STUDIES

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<th>PRODUCT</th>
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<td>Wrong Choice</td>
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<tr>
<td>RICE</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>CANNED TOMATOES</td>
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<td>2</td>
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<td>HOT CEREAL</td>
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<td>3</td>
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<td>CHUNK CHEDDAR CHEESE</td>
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<td>3</td>
</tr>
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<tr>
<td>IMITATION MAPLE SYRUP</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>PANCAKE MIX</td>
<td>0</td>
<td>5</td>
</tr>
<tr>
<td>PEANUT BUTTER</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>DISHWASHING DETERGENT</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>TOILET SOAP</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>TOILET TISSUE</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>LIQUID SHAMPOO</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>CANNED DOG FOOD</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>Totals</td>
<td>32</td>
<td>38</td>
</tr>
</tbody>
</table>

Since this research has been undertaken, no less than two dozen firms or organizations have endeavored to discover some "truth" about a system of unit pricing. Through continuous scrutinization of current literature, the following list of present and/or past experimenters in the area of unit pricing has been compiled. The list below contains the supermarket (or other organization) engaged in the research, the initial market areas where the research took (or is taking) place, and the approximate time when the research was initiated.

<table>
<thead>
<tr>
<th>Experimenter</th>
<th>Place or Places of Experimentation</th>
<th>Approximate Time When Experiment Started</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumers' Cooperative</td>
<td>Berkeley, Cal.</td>
<td>Early, 1960</td>
</tr>
<tr>
<td>Hyde Park Cooperative</td>
<td>Chicago, Ill.</td>
<td>1967</td>
</tr>
<tr>
<td>Safeway Food Stores</td>
<td>Washington, D. C.</td>
<td>January, 1970</td>
</tr>
<tr>
<td>Commerce Department</td>
<td>Hartford, Conn.</td>
<td>March, 1970</td>
</tr>
<tr>
<td>Kroger Food Stores</td>
<td>Toledo, Ohio</td>
<td>April, 1970</td>
</tr>
<tr>
<td>Jewel Food Stores and Star Markets Subsidiary</td>
<td>Chicago, Ill., Mass., N. E., Maine</td>
<td>April, 1970</td>
</tr>
<tr>
<td>First National</td>
<td>New York, N. Y.</td>
<td>June, 1970</td>
</tr>
<tr>
<td>Grand Union</td>
<td>New York, N. Y.</td>
<td>June, 1970</td>
</tr>
<tr>
<td>Stop &amp; Shop</td>
<td>Boston, Mass.</td>
<td>June, 1970</td>
</tr>
<tr>
<td>Experimenter</td>
<td>Place or Places of Experimentation</td>
<td>Approximate Time When Experiment Started</td>
</tr>
<tr>
<td>-----------------------------------</td>
<td>--------------------------------------------------------</td>
<td>------------------------------------------</td>
</tr>
<tr>
<td>National Tea</td>
<td>Chicago, Ill.</td>
<td>June, 1970</td>
</tr>
<tr>
<td>Benner Tea Company</td>
<td>Midwest Area</td>
<td>July, 1970</td>
</tr>
<tr>
<td>Ralphs</td>
<td>Los Angeles, Cal.</td>
<td>August, 1970</td>
</tr>
<tr>
<td>Alpha Beta Acme</td>
<td>LaHabra, Cal.</td>
<td>August, 1970</td>
</tr>
<tr>
<td>Chatham Food Centers</td>
<td>Detroit, Mich.</td>
<td>August, 1970</td>
</tr>
<tr>
<td>Allied Supermarkets</td>
<td>Detroit, Mich.</td>
<td>August, 1970</td>
</tr>
<tr>
<td>Hinky Dinky Stores</td>
<td>Omaha and Lincoln, Nebraska and Council Bluffs, Iowa</td>
<td>August, 1970</td>
</tr>
<tr>
<td>Red Owl Stores</td>
<td>Minneapolis and St. Paul, Minn.</td>
<td>August, 1970</td>
</tr>
<tr>
<td>King Soopers</td>
<td>Colorado</td>
<td>September, 1970</td>
</tr>
<tr>
<td>Supermarkets General Corporation</td>
<td>Woodridge, N. J.</td>
<td>January, 1971</td>
</tr>
<tr>
<td>Buddies Supermarkets</td>
<td>Dallas and Fort Worth, Texas</td>
<td>January, 1971</td>
</tr>
<tr>
<td>Bohack Corporation</td>
<td>New York, N. Y.</td>
<td>February, 1971</td>
</tr>
</tbody>
</table>

The experiments, as evidenced by the above list, seem to be concentrated in three primary areas: the East, Midwest, and...
West Coast. The following discussion relates some of the results of the experiments.

Some Discussions and Findings of Recent Unit Price Studies

The experimenters listed above are added to almost weekly. More and more, since mid 1970, business is experimenting with unit price systems. Findings appear in the grocery trade magazines frequently. The diversity of the findings is not surprising; it does, however, add to the complexities of the whole unit pricing issue. Some discussions and results of findings are presented below as they have appeared in recent literature.

Fair Packaging and Labeling Hearings

In January and March of 1970, the Consumer Subcommittee of the Committee on Commerce for the Senate held hearings centering around the 1966 Fair Packaging and Labeling Act. Much of the text of those published hearings directly pertained to the issue of unit pricing—will it benefit the consumer in shopping experiences. One of the participants in the hearings was Mary Gullberg, Home Economist for the Consumers Cooperative of Berkeley, California. Mrs. Gullberg told the Subcommittee that the Berkeley coop had been experimenting with unit pricing since early 1960. It was her

1Committee on Commerce, Hearings Before the Consumer Subcommittee on Fair Packaging and Labeling (Washington, 1970).
conclusion that unit pricing was not the answer to the problems of comparison shopping. Due to the long experimentation of the Berkeley study, it seems appropriate that some of Mrs. Gullberg's remarks be produced below. About the unit pricing experiments, she replied,

In our opinion it is too much of a burden to require the retailer to put this information on the package. We think that it would be simpler all around if we could standardize the package weights for a great many food products, this is possible. . . . We have tried to provide the shoppers in our stores with price per pound information since 1960. I won't go into the details at the moment of why this is difficult, but we do feel it is more of a burden and too hard to do, no matter what method you use in the store, be it the budget gadget calculator sort of thing or the tags on the shelves or a listing of the price per pound for a given group of items which is posted near the items in the store.

We have tried all three of these methods and we don't feel this is the answer. We prefer to have standardized packaging where possible. . . .

In 1960 when we began supplying shoppers with price per unit figures, once the correct net weights and prices were collected, the price per pound or pint had to be calculated by an employee or volunteer. Later, in 1967, when a computer was installed at our cooperative warehouse, the figures were fed into it and the machine printed product name, weight of package, price of package and price per pound on cards that fitted onto the shelf moldings in the stores. Unfortunately the computerized signs were rather faintly printed and the 'computer jargon' (names of products with too many letters got compressed by omitting some of the letters) was confusing. Finally, some employee or volunteer had to place the signs under the products. . . . We estimate that it took 200 hours of staff time to prepare these lists for mayonnaise and salad dressings, tuna fish, packaged lunch meats and sausages, cereals and detergents.

In 1967, the Hyde Park Cooperative Society (Chicago), . . . was placing price per unit tags on their shelves for staples. They told us at that time that it took an employee one full day per week just to keep the information up-to-date.
Because of these experiences, we believe it would place quite a burden upon the average retailer to require him to furnish price per unit information on the bulk of the grocery products in a modern supermarket.2

Mrs. Gullberg's comments reveal that, even with a computer, the complexities of unit pricing for the retailer can be overwhelming. Her recommendation is standardized packaging, not unit pricing.

The Hearings mentioned two other more recent experiments in unit pricing. One in January of 1970 in Washington D.C. was the work of Safeway, while the second was in March of 1970 and was initiated by the Department of Commerce. Early results of the Safeway study in two stores were:

--Pinching pennies in supermarkets appeals more to the affluent than the poor.
--Fewer than 10 per cent of the customers paid any attention to unit pricing.
--Only 1 per cent of the people in the store with hand calculators used them.
--Some customers felt that unit pricing was a store gimmick and would not do them any good.
--Although the reactions by customers to the philosophy of unit pricing were mixed, the overwhelming majority were apathetic to unit price labels and calculators.
--Store managers saw no good in the system and viewed it as a lot of work keeping the right tags in the right places.3

The study by the Department of Commerce was conducted in Hartford, Connecticut. Some of the early results were:

2Ibid., pp. 37, 41.  3Ibid., pp. 23-25.
- Housewives surveyed felt they were not only price shoppers but price/quality shoppers and will repeat purchases of products that have had acceptable quality standards.

- Previous store and brand experience is important in predicting purchase behavior. Shopping patterns will change but only for good reasons.

- Most housewives surveyed were not familiar with the term unit pricing and could not guess what it meant.

- After a description of what unit pricing was, most were favorably disposed to the concept.

- Most shoppers (2 to 1) indicated that unit pricing would not cause them to alter their shopping patterns either as to brands or store.4

This study showed that, although the consumer was favorably disposed to the concept, she did not think that the information would cause her to switch brands or stores. The study also noted the possible effect on smaller grocery stores, that is, those having annual sales of less than $100,000. Of approximately 240,000 grocery outlets, some 140,000 have less than $100,000 in annual sales, while close to 100,000 have no paid store employees.5

The Jewel and Kroger Studies

Two of the most extensive studies in unit pricing have been undertaken by Jewel Food Stores, a Chicago-based food chain and by Kroger Food Stores, a Cincinnati-based food chain. Throughout the experimentations, the results that have appeared in the literature regarding these two studies have been both revealing and interesting.

4Ibid., p. 77.  5Ibid., p. 81.
Jewel's experiences.—At the early stages of the study, one Jewel executive was quoted as saying that the research had been expensive. "It's been expensive to us," he said. "But how do we handle the expense? Do we pass it along in the overall price of the product or do we absorb it ourselves? I just don't know." 6 Some of the data and conclusions found and drawn by the Jewel study are presented below.

—Although after 7 months of testing, 62.9 per cent of the customers were aware of unit pricing, less than 6 per cent made buying decisions based on it. A July survey indicated that only 5.4 per cent of the customers who were aware of unit pricing made decisions by its use.

—A June survey stated that of the 45 per cent of the customers who used unit pricing one or more times, 40.8 per cent thought that such pricing was useful but only 29 per cent indicated that they used it regularly.

—The study did not show any product movement to larger sizes nor any movement to private brands because of the unit pricing system. Executives noted that the national and private brands were generally of the same size and that total price comparison would show greater price differences than the unit price differences since the latter are on a smaller unit.

—Of alternative methods of displaying the information, the best customer response was toward the shelf tag.

—Annual cost of the program would be about $251,000 or $1,000 per store. Of this cost, $165,000 would be for the shelf tags and spring clip sets, while $86,000 would be for labor. No cost estimates were made for computer time, management overhead, advertising, or other informational programs.

—Heavy advertising is essential and the newspaper seems to be the most effective of the media in informing consumers about unit pricing.

6 "Unit Pricing," Chain Store Age, LXVI (June, 1970), 25.
--There appears to be a slight correlation between higher income and/or education and increased awareness of unit pricing.

--Seemed to be a significant increase in use as income and education increased.

--Of those who used the system, 19 per cent felt it was worthwhile. However, if costs were increased, only 8 per cent of the users felt it was worthwhile.7 Jewel executives stated that, if one based conclusions on product movement and consumer response to unit pricing, then it "... would seem to indicate that it is not an essential service need, and that its cost could not be justified on that basis."8 Jewel executives noted that in studying purchase patterns, products with wide price ranges were intentionally noted and that "'If it (unit pricing) were a commercial consideration, we'd be out of it by now.'"9 The study indicates that, although consumers want unit pricing and think it is a good concept, they neither seem to use it nor be willing to pay for it.

Kroger's experiences.---Upon the completion of Kroger's experiments in unit pricing, one executive commented that "'There were no beefs when the system was taken out and no great clamor when it went it.'"10 In August of 1970, Kroger


8 Ibid.


10 Ibid.
came out with some early cost figures regarding unit pricing experiments in their chain units. As a percentage of annual sales, Kroger sees an anticipated cost of about 0.001 per cent. This was also the estimated cost given by the Hyde Park Cooperative in Chicago.\textsuperscript{11} Kroger saw the cost at $4 million to $5 million the first year, with that decreasing to $3 to $4 million the following years. This cost was based on 6,000 items being unit priced and the cost figure included installation and maintenance.\textsuperscript{12}

In February, 1971, the most recent survey results came out. The report for the Kroger study, done by Cornell University, was released. Some of the major findings appear below.

--Relative to narrow food margins, the cost of starting a unit pricing system is high.

--Relative to food prices, the cost of starting a unit pricing system is small.

--The cost for small volume stores seems to be excessive.

--It is unlikely that any aggregate consumer savings will occur as a result of unit pricing.

--Only about 50 per cent of the customers studied conceived and understood unit pricing.

--Those least likely to understand unit pricing are the old and minority races.

--Most of those who understood unit pricing had a favorable attitude toward it.

--Two-thirds of those who understood the system said that they used it.
There is more than merely a trivial burden involved in keeping unit price labels accurate.

Product group sales analysis showed little or no product movement from brand to brand or size to size. There was, however, slight product movement in cold cereals.

Those who saw and understood unit pricing tended to be highly educated, young, and white.

Of the consumers who used the information, 50 per cent said that they did not change brands.

Of the consumers who used the information, 20 per cent said that they may have switched brands but could not identify the brand.

Of the consumers who used the information, 28 per cent said that they switched and could identify the brand switch.

There may have been some deception with certain product comparisons such as comparing prices of corn packed in liquid with that which is vacuum packed.

Of the consumers who used the information, 15.3 per cent said they saved time and 13.6 per cent said they saved money.¹³

Daniel I. Padberg, Associate Professor of Marketing at Cornell, stated that,

The affluent consumer is intelligent and busy. She considers food shopping and preparation a maintenance activity. She is trying to deemphasize it while developing aesthetic and creative activities. She enjoys the variety of physical products and product images, but she finds the deceptive and tricky elements of selling strategy crass and abrasive. She still buys what she wants, being more insulted than deceived.¹⁴


¹⁴Ibid., p. 25.
This, in part, seems to be Padberg's rationalization of the disinterest on the part of the consumer to take advantage of unit pricing in supermarkets.

The Kroger study illustrated that costs of unit pricing are related to sales. Low sales means high costs and high sales means relatively low cost. Some cost figures from the study appear below.

--Direct cost for installation per store was $224.23.
Number of stores did not effect this cost.

--Cost of installation at distribution centers was from $224.14 for 20 stores to $49.36 for 90 stores.

--Cost of maintenance at distribution centers was from $539.96 for 20 stores to $131.93 for 90 stores.

--Cost of maintenance per year per store regardless of the number of stores was $2,073.24.

--Total installation and maintenance costs per store for the first year ranged from $3113.62 per store for 20 stores to $2479.11 per store for 90 stores.15

The data above indicate that those chains with more stores can install and maintain unit pricing systems for less money than the chains with fewer stores. The direct cost of unit pricing as a per cent of store sales is illustrated below in Table LXVI.

15Ibid.
TABLE LXVI
COST OF UNIT PRICING BY STORE SALES

<table>
<thead>
<tr>
<th>Store Sales Volume</th>
<th>Number of Stores in Chain</th>
</tr>
</thead>
<tbody>
<tr>
<td>$100,000</td>
<td>4.15 3.61 3.43 3.31</td>
</tr>
<tr>
<td>$100-150,000</td>
<td>2.49 2.16 2.06 1.98</td>
</tr>
<tr>
<td>$150-300,000</td>
<td>1.38 1.20 1.14 1.10</td>
</tr>
<tr>
<td>$300-500,000</td>
<td>1.78 1.68 1.64 1.62</td>
</tr>
<tr>
<td>$500-1,000,000</td>
<td>0.42 0.36 0.34 0.33</td>
</tr>
<tr>
<td>$1-2 Million</td>
<td>0.00 0.18 0.17 0.17</td>
</tr>
<tr>
<td>More than $2 Million</td>
<td>0.12 0.10 0.099 0.095</td>
</tr>
</tbody>
</table>


Other Studies

Some other studies that have released data and comments about costs and consumer reactions include those by Benner Tea Company, Stop & Shop, Ralph's, Alpha Beta Acme Markets, First National Stores, Chatham, and Giant Foods. These are discussed briefly below.

Benner Tea Company.—Recently, the president of Benner, Charles C. Fitzmorris, Jr., disagreed with the cost estimates released by the Kroger Company. The Benner spokesman said that for a cost of $300 to $400 per store, he could set Kroger up with a unit pricing system. In addition, Fitzmorris said, "It is absolutely wrong to say or to think that the cost of dual pricing is prohibitive or is to increase the retail
price." For $8 per week per store, Benner's will furnish dual price updates and give shelf tags if the company has between 200 and 250 weekly price changes. Thirty to seventy hours would be the time necessary to replace old shelf tags with the new, depending on store size and management.

Fitzmorris expressed disappointment to initial attempts to attract consumers to respond to their dual pricing system. He comments, however, that,

'Since then our sales have been strong. We're running well over a year ago. I can't say that it's due to dual pricing. We're featuring other things in our ads now—that we have low prices'.

Chapter I made reference to two tests that were carried out in supermarkets which concluded that women could not comparison shop without unit price information. Benner's engaged in a similar test in a store with unit pricing and in one of its stores without unit pricing. In the store without unit pricing, the women chosen made a 52 per cent error. That is, with the objective of buying the cheapest product, the women did not buy the cheapest product 52 per cent of the time. In the Benner store with unit pricing available, the error was still high--24 per cent. About this Fitzmorris said, "The astonishing thing to me was that unit pricing did not eliminate error. I thought the worst

16 "Benner's Dual Pricing Doesn't Reduce Profit," Super-

17 Ibid.
they would do is have an 8% to 10% error." The Benner study, like the Kroger study indicated that there was some confusion because of non-standard measures. Consumers were confusing concentrated and non-concentrated orange juices (the unit price of the former would be much higher), canned and dehydrated soups, and water softeners. The comment was made that maybe unit price of the concentrated products should be computed with the consideration of amount when liquid is added. It seems that there are several product categories in which this problem of non-comparable bases could occur. Benner related that the cost of unit pricing to them was $12,700 for 21 stores. In addition, interviews with Benner shoppers seemed to show that, "... it was clear that interest in, or even knowledge about, the unit pricing plan was directly proportionate to how many people a customer had to feed." 

Other companies.—Ralphs was the first West Coast chain to install unit pricing. The chain expected the cost to be negligible. A survey of 12,000 of its customers showed that 84 per cent of the customers liked the unit price system.

19 Ibid.
20 Fort Worth, Star-Telegram, January 14, 1971.
per cent did not understand it, and 4 per cent did not like it. Spokesmen for the chain related that, although the unit pricing system did add some to operating costs, it was only a slight cost increase.22 A Stop & Shop executive stated that, although the initial public reaction to their institution of unit pricing was favorable by a four to one margin, it has leveled off to somewhat less than three to one presently.23 A consumer representative for Stop & Shop said that costs for the 150-unit chain were about 0.1 per cent of sales.24 A spokesman for First National Stores related that dual pricing has had no noticeable effect on either store sales or consumer loyalty while a Chatham representative related that they instituted unit pricing to take advantage of reducing price errors and to more effectively control weekly price changes.25 Esther Peterson, one-time Assistant for Consumer Affairs to President Lyndon Johnson, and now consumer advisor for Giant Foods stated,

Unit pricing actually costs us nothing, because the small expense of putting unit prices through on the computers is more than made up by savings from easier inventories and fewer price marking errors.26

23 "Unit Pricing," p. 25.
26 "N. Y. City Meeting Produces Consensus," p. 2.
Mrs. Carol Goldberg of Stop & Shop also stated that the cost her firm was realizing from unit pricing was more than offset by more efficient inventory control.²⁷

The studies in this Appendix indicate the problems involved in attempting to ascertain the benefits of unit pricing. Although some of the conclusions reached are in agreement with each other, the statistics presented from one study to another certainly vary widely.

²⁷Ibid.
APPENDIX D

SOME CONSUMER GYPS AS NOTED IN 1936

1. Palpably Misleading Advertising
2. Salesmanship Under Thin Guises of Impartiality
3. Debasement of Culture on the Radio
4. 'Selling by Flank Attack'--Sales resistance to the frontal
   attacks of selling has developed to the point where
   businessmen have felt themselves called upon to conceal
   the very existence of a sales campaign. This method
   of selling has been called advertising by not
   advertising,
5. Selling Glamour
6. Buying Blind (need for specifications)
7. Artists' Exaggerations
8. Tricks of Words
9. Testimonials
10. Eye Appeal (package)
11. Sex Appeal
12. Youth Appeal
13. Fake Awards for the Kiddies
14. Phobias to Sell Goods
15. Luring Store Traffic
16. Loss Leaders
17. Gifts and Premiums
18. Samples
19. Money Back Guarantees
20. 'Home-made' Factory Goods
21. Packaged versus Bulk Goods
22. Optical Illusions in Containers
23. The One-dose Package
24. Reducing the Net Contents
25. Slack Fill
26. Trick Bottoms
27. Short Measure
28. Short Weights
29. Articles with 'Theoretical' Ingredients
30. Misleading Grades
31. Confusion of Brand Names
32. Substitution of Lower Grades
33. Tricks of Smell
34. Gadgets
35. Engineering Wastes and Hazards
36. Rated Goods
Odd Pricing (false impressions of reduced prices)
Price Tells Nothing of Quality
Excessive Price Spreads (marketing costs too high)
Resale Price Maintenance (burying competition)
Advertising Allowances
Unadvertised and Misleadingly Advertised Prices
Misuse of Sanitary Regulations (big business supporting excessive legislation to suppress competition)
Legal Delays and Inadequate Penalties
Government Suppression of Information
Suppression of Inventions (so not to destroy present investment value)
Monopoly Through Patents
The Patent Medicine Racket
Allergic Reactions
Perverse Science (academic scientists being the workers of businessmen)
Obsolescence
Intermediate Adulteration (putting coloring in egg yolks)
Adulteration of Foods by Chemical Preservatives
Distinctive Trade Names for Common Products
Skimming the Cream of the Market
Installment Selling (high pressure salesmanship beyond budget)
Monetary Inflation
Tariffs and Economic Nationalism
Debasement of Quality to Conceal Price Rises
Curtailment of Production
Destruction of Commodities (wasting milk, slaughtering pigs that would not be eaten, etc.)
The Sales Tax
Marketing of Spoiled Products
Synthetic Imitations
Selling Air at Bread and Ice Cream Prices (for bulk)
Water as a Commodity (increasing water content of cheese)
Weighting with Cheap or Hazardous Materials
Profitable Poisons
Professions for Profit (costs of services)
Newspaper and Merchandise Tie-Ups (dependent on advertising)
Magazines and Merchandise Tie-Ups (editorials calculated to sell)
Education and Merchandise Tie-Ups (agricultural schools and home economics departments)
Religion and Merchandise Tie-Ups (people treat religious publications next to the Bible in believability)
Pseudo-Consumer Agencies (Good Housekeeping Seal of Approval)
Lack of Consumer Purchasing Power

APPENDIX 3

QUESTIONNAIRE USED IN PERSONAL INTERVIEWS

1. Are you familiar with the proposed legislation before Congress regarding unit pricing?

2. What do you think the major objective of this proposed regulation is?

3. Do you think that the 1966 Truth in Packaging Act has aided consumers in shopping? Has it hindered them in any way? Have there been any cost studies by industry which have related the costs of implementing the 1966 Act?

4. How do you compare this mandatory unit pricing with the 1966 Packaging Act in terms of: a) aid to the consumers, b) costs of implementing, c) effects on wholesalers and retailers?

5. Will unit pricing affect wholesaling and retailing of food in different ways? If so, how in your opinion?

6. Will the costs of unit pricing, if passed, be assumed by food manufacturers, wholesalers, retailers, or ultimate consumers? Why?

7. Will consumers benefit at all from this legislation, if passed?

8. Do you think that consumers, on the whole, want more government protection from the business community in general?

9. What are the major objections by consumers to the food marketing system in the U. S.?

10. Assuming that unit pricing is implemented, how much time should the marketing system have to make the implementations? What would be involved, in your opinion, in the implementation?

11. Would you have a preferred method of implementing the system?
12. Which would be the most useful to the retailer? On the package; on the shelf; in sheets or booklets?

13. What would be the affect on advertising assuming that much advertising strategy now aims at non-economic motivations?


15. Would sales promotions be affected? How?

16. Would unit pricing cause confusion at the cash register? If so, why?

17. Would unit pricing cause customer confusion in shopping? If so, how?

18. Would consumers use unit prices to make their shopping decisions?

19. How does the food shopper decide what store to shop at? What brand to choose?

20. How important is price to the shopper? Total item price v. unit price?

21. Can you see price rigidity in the future with the adoption of unit pricing? How about resale price maintenance? Why would these events occur if they would?

22. What additional problems will the retail store manager face if any in the event of the passage of this legislation?

23. Would unit pricing cause the customer to shop any longer on a given supermarket shopping trip so that she might now compare prices where in the past she may not have?

24. Assuming that the grocery shopper would ignore this information, why do you think she would ignore it? If she would use it, would it change the emphasis by the retailer of carrying more of the lower priced brands?

25. Should manufacturers more closely standardize their packages? Would this help or hinder the consumer?

26. Should there be 71 quantities of potato chips under 3½ lbs?
27. Can unit pricing save the consumer 10% on the dollar as Bess Myerson Grant suggests? How do you think she arrived at that particular figure?

28. Do you think that the 1966 Packaging Act saves the consumer $250 annually?

29. Some have argued that even if the consumer is not concerned she should be in order for our free market system to work most efficiently and effectively. Do you agree?

30. What are some alternatives to unit pricing if you do not agree with it?

31. Bess Myerson Grant has said that retailers know this legislation will aid their customers. How do you react to that?

32. What will be the affect on competitors if unit pricing is imposed? Will product lines shrink? Will innovation be stifled? Will price competition become more severe?

33. What, in your opinion, has caused the wave of consumerism in this country today? Can business be held at fault to any degree?

34. Are any food marketers in favor of unit price legislation? Are any potential benefits recognized by the business community from this legislation?

35. Do you have any estimates of what it would cost the Dallas-Fort Worth Metropolitan area shoppers if the costs were totally passed on to them?

36. Will small, non-integrated food marketers be hit the hardest in the event of unit price implementation?

37. What do you think the chances of passage for unit pricing are?

38. Is your firm doing anything to prepare itself for the passage of this bill?

39. Would the poor benefit more from the legislation than those not categorized in the poverty area?

40. What other characteristics do you think would dictate the extent of utilization of unit price shopping by consumers?
APPENDIX F

COVER LETTER AND QUESTIONNAIRE USED

IN GROCERY STORE MAIL SURVEY
Dear Store Manager or Owner:

Most likely, over the last year, you have heard and read about proposals in Congress for a unit pricing (dual pricing) bill. If passed, the bill will directly affect you as a retailer in the Dallas-Fort Worth area.

I am completing requirements for the Doctor of Philosophy degree and you have been selected to take part in a survey of grocery outlets in the Dallas-Fort Worth area. Here is a chance for you to aid education without giving money.

Since your store will be directly responsible for the implementation of dual pricing, if passed, it is important that your professional opinions about the proposed legislation be made known. We are trying to discover the advantages and disadvantages of unit price information for the consumer.

You are the expert who supplies the shopper with goods and it is you who can most accurately relate the importance of this kind of information for the consumer.

In order to aid the food retailing industry will you please take just a few minutes to complete the enclosed questionnaire and return it to me in the self-addressed, self-stamped envelope within 10 days after receiving it.

Your answers will be absolutely anonymous so please do not identify yourself or your store. It is important that you fill in the questionnaire as completely as you can and return it since you have been carefully selected to represent food retailers in the Dallas-Fort Worth area.

Thank you very much.

Sincerely,

Thomas E. Barry
Marketing and Food Retailing
Dear Store Manager or Owner:

Please answer all of the following questions by placing an "X" in the appropriate space provided or by writing in the answers where requested. The information you supply will be absolutely anonymous. Thank you very much.

1. Your Position:
   ________ a) Store owner
   ________ b) Store manager
   ________ c) Other (Please specify):

2. Annual Dollar Sales Volume:
   ________ a) Less than $25,000
   ________ b) 25,000 to 100,000
   ________ c) 100,000 to 250,000
   ________ d) 250,000 to 500,000
   ________ e) 500,000 to 1 million
   ________ f) Over 1 million

3. Type of Operation:
   ________ a) Independent
   ________ b) Member of voluntary or cooperative
   ________ c) Chain store unit
   ________ d) Other (Please Specify):

4. Number of Store Units in Entire Operation:
   ________ a) 1 only
   ________ b) 2 or 3
   ________ c) 4 - 9
   ________ d) 10 - 25
   ________ e) 26 or more
11. If you answered “Yes” to Number 10 please list the types of costs which will be increased.

In-store Promotions:

12. If increased costs do occur who will pay for them?
   _____a) The retailer will absorb total cost
   _____b) The consumer will absorb total cost
   _____c) Retailer and consumer will share cost
   _____d) Other (Please Specify):

13. Do you foresee any administrative problems in implementing unit pricing at the retail level?
   a) Yes_________  b) No_________

14. If you answered “Yes” to Number 13, please list some problems you foresee.

Advertising:

15. If unit pricing legislation is passed do you foresee any further legislation for grocery outlets?
   a) Yes_______
   b) No_______
   c) Don’t know_______
If you answered "Yes" to Number 15, please list what kind of legislation you foresee.

Do you think shoppers would compare products more with unit pricing than they did without it?
   a) Yes_____  b) No_______  c) Don't know_______

Have any of your shoppers mentioned that they have difficulty comparison shopping?
   a) Yes_________  b) No_________

Which one of the following statements best describes your attitude toward unit or dual pricing?
   _____ a) Strongly opposed
   _____ b) Mildly opposed
   _____ c) No opinion
   _____ d) Mildly in favor
   _____ e) Strongly in favor

Please use the following space to give reasons why your attitude is as it is.

21. If you had to implement a unit or dual pricing system today, do you think it would affect your strategies in the following ways?
   a) Pricing
5. Number of Employees in Your Store:
   a) 5 or under
   b) 6 - 10
   c) 11 - 20
   d) 21 - 30
   e) 31 or more

6. Do you now have pricing work done by a computer?
   a) Yes______  b) No______

7. Do you have access to a computer?
   a) Yes______  b) No______

8. Are you familiar with proposed mandatory unit price (dual price) legislation?
   a) Yes______  b) No______

   If you answered Number 8 "No" please return the questionnaire without filling in the remaining questions. If your answer was "Yes" please continue. Thank you.

9. Which one of the following statements best describes your attitude about unit or dual pricing?
   a) Absolutely essential information for the consumer
   b) May be essential information for the consumer
   c) Neither necessary nor unnecessary information for the consumer
   d) Probably not essential information for the consumer
   e) Absolutely not essential information for the consumer

10. If implemented, do you think dual pricing will increase your costs?
    a) Yes______  b) No______  c) Don't know______

22. If you implemented a unit pricing system would you have to hire new or more personnel?
    a) Yes______  b) No______  c) Don't know______

23. If you answered "Yes" to Number 22, please tell why.

Please use the following space for any comments you might have. We welcome them.

Thank you very much.
APPENDIX G

COVER LETTER AND QUESTIONNAIRE USED
IN HOUSEHOLD MAIL SURVEY
December 1, 1970

Dear Grocery Shopper:

You have been selected along with several hundred other shoppers in the Dallas-Fort Worth area to participate in a very brief survey which is part of my doctoral dissertation. Here is a chance for you to aid education without giving money.

We need to know how Dallas-Fort Worth area grocers can better serve you. We have found that shoppers differ greatly from city to city and state to state. Some shoppers have favorite stores, some favorite brands and some both. Some shoppers comparison shop for prices and some do not. Some shop very differently depending on their different needs.

There is no one best way to shop for everyone. The way you shop is probably best for you. We need your true feelings about some of the ways you shop and what you think is important so that we can make your future grocery shopping experiences more pleasant. Food stores in the Dallas-Fort Worth area are anxious to please you. But to do so they need your aid. This is an opportunity for you to help us help you!

So that your analysis counts, please have the person in your household who does the majority of the shopping (over 50%) fill in the enclosed brief questionnaire. In case two members of the family do an equal amount of the shopping either one can fill in the questionnaire. It has been designed to take up only a very small portion of your time. You can relax over a cup of coffee and easily fill it in.

Please return the questionnaire in the enclosed self-stamped, self-addressed envelope within 10 days after receiving it. In addition to helping me very much you will be aiding yourself and thousands of Dallas-Fort Worth shoppers.

Please do not identify yourself in any way. Your answers will be absolutely anonymous. The Dallas-Fort Worth area grocers and I thank you very much for your assistance.

Sincerely,

Thomas E. Barry
Marketing and Consumer Relations
24. Number of children (presently living in the household):
   _____ a) None
   _____ b) 1
   _____ c) 2
   _____ d) 3
   _____ e) 4
   _____ f) 5 or more

25. Approximate Annual Income of the Household (Include all income which supports the family per year):
   _____ a) Less than $4,600
   _____ b) 4,600 to 7,999
   _____ c) 8,000 to 11,999
   _____ d) 12,000 to 14,999
   _____ e) 15,000 to 19,999
   _____ f) 20,000 and over

Please do not identify yourself either on the questionnaire or on the return envelope which is provided for you.

Thank you very much for your support of this study. It will give the Dallas-Fort Worth area grocers information about how to make your shopping experiences more pleasant.

If you have any comments we would gladly welcome them.

Dear Grocery Shopper:

Your personal opinions and actions as a major grocery shopper are very important. Please answer all of the following questions by placing an "X" in the appropriate space or writing in answers where requested. PLEASE DO NOT IDENTIFY YOURSELF IN ANY WAY. Thank you very much.

1. Do you have a favorite grocery store where you do more than 50% of your shopping?
   a) Yes________  b) No________

2. When you go to the grocery store to make a major purchase (for a week, two weeks, etc.) how much total time do you spend in the store?
   _____ a) Less than 30 minutes
   _____ b) 30 to 45 minutes
   _____ c) 45 to 60 minutes
   _____ d) 1 to 1½ hours
   _____ e) More than 1½ hours

3. In which one case below would you spend more time shopping?
   _____ a) To save even a little money on my weekly food bill
   _____ b) To save 1% to 3% on my weekly bill
   _____ c) To save 4% to 6% on my weekly bill
   _____ d) I would have to save more than 6% of my weekly food bill
   _____ e) I would probably not spend more time shopping to save money

4. If Brand A peaches cost 21 cents and Brand B peaches cost 26 cents for the same type and size do you think Brand B peaches are better?
   a) Yes________  b) No________
5. Do you buy any brands of products that you know are higher priced than other brands of the same product?
   a) Yes__________  b) No__________

6. If you answered number 5 “Yes” please list some reasons why you buy the higher priced brand or brands.

7. When grocery shopping, do you generally read most of the information on labels?
   _____a) Yes, for most products
   _____b) Yes, but only for some products
   _____c) Very seldom for any products
   _____d) Never for any products
   _____e) Don’t know

8. When on a major shopping trip for groceries do you take time to determine price per pound, per ounce, per square foot, per sheet, and so on if this information is not given to you?
   _____a) Yes, most of the time
   _____b) Yes, some of the time
   _____c) No, generally not
   _____d) No, never
   _____e) Yes, but only for some products

9. Do you watch your food budget more today than you did one year ago?
   a) Yes__________  b) No__________  c) Don’t know__________

19. Your Sex:
   _____a) Female
   _____b) Male

20. Your Age Range:
   _____a) 24 and younger
   _____b) 25 to 34
   _____c) 35 to 49
   _____d) 50 to 64
   _____e) 65 and Older

21. Your Education:
   _____a) 0 to 8 years (grammar school)
   _____b) Some high school but not graduated
   _____c) High school graduate
   _____d) Some college but not graduated
   _____e) College graduate

22. Your Occupation:
   _____a) Housewife
   _____b) Professional & Technical
   _____c) Manager, Proprietor
   _____d) Clerical, Sales
   _____e) Foreman, Craftsman
   _____f) Farmer, Farm Work
   _____g) Other (Please specify)

23. Size of family (presently living in the household):
   _____a) 1
   _____b) 2
   _____c) 3 – 4
   _____d) 5 – 6
   _____e) More than 6
5. The five letters below possibly represent your attitude toward price savings. For the products listed below place the letter which best represents your feeling on switching from your favorite brand or the last brand that you purchased to another brand to save money.

- I would switch brands to save 3 cents or less
- I would switch brands to save 4 cents to 8 cents
- I would switch brands to save 9 cents to 15 cents
- I would switch brands to save more than 15 cents
- I would not switch brands for any savings

| Detergents | Shampoo |
| Coffee | Cigarettes |
| Toothpaste | Deodorant |
| Floor Wax | Aspirin |
| Salad Dressing | Bread |

10. Do you think that inflation has caused you to watch your food budget more closely today and shop for better price deals than you did in the past three or four years?
   a) Yes  b) No  c) Don't know

11. How important are the following store factors (or how important would they be) to you in shopping at grocery stores? Place the one number which shows how important you think the factor is in the space provided next to the factor.
   1- Very Important
   2- Somewhat Important
   3- No Opinion
   4- Somewhat Unimportant
   5- Very Unimportant

| a) Lower product prices than other stores |
| b) Lot of products (wide variety) |
| c) Several brands of each product |
| d) Good produce (fresh vegetables) |
| e) Nice Shopping atmosphere |
| f) Good services (credit, delivery) |
| g) Convenient location to home |
| h) High quality meat section |
| i) Store displays prices per pound, per ounce, per sheet, per roll, etc. |
| j) Friendly store personnel |
| k) Fast checkout service |
| l) Gives stamps |
| m) Clean store |
| n) Parking space |
| o) Good reputation of the store |
| p) Informative weekly advertising |

What areas do you live in?

- Inside Dallas city limits
- Inside Fort Worth city limits
- Dallas suburb (outside Dallas)
- Fort Worth suburb (outside Fort Worth)
1. How important is or would the following information on labels be to you in your grocery shopping? Place the one number which shows the importance to you in the space provided next to the information factor:
   1 - Very important
   2 - Somewhat important
   3 - No Opinion
   4 - Somewhat Unimportant
   5 - Very Unimportant

   a) Brand name of the product
   b) Address of maker or packer of product
   c) Number of servings of contents
   d) Total price of product
   e) Directions for using the product
   f) Directions to open the package
   g) Alternative uses of the product
   h) Price per pound, per ounce, per sheet, per square foot, etc.
   i) Regular price of the product
   j) Calorie content
   k) Nutritional value of food products
   l) Safety and health warnings
   m) Date product should be sold
   n) List of all ingredients
   o) Net weight of contents
   p) Date product was packaged

2. Have you ever heard of the Fair Packaging and Labeling Act?
   a) Yes    b) No    c) Don't know

3. Have you ever heard of mandatory unit price legislation?
   a) Yes    b) No    c) Don't know

4. The left column (down) is a listing of some product classes. The row (across) is a listing of buying factors. Tell how important you think each buying factor is for each product class by placing the proper number in the blank space.
   1 - Very important
   2 - Somewhat important
   3 - No Opinion
   4 - Somewhat Unimportant
   5 - Very Unimportant

<table>
<thead>
<tr>
<th>Brand Name</th>
<th>Quality</th>
<th>Unit Price</th>
<th>Price Per Unit</th>
<th>Quantity Per Unit</th>
<th>Unit Price</th>
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<td>Dairy</td>
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<td>Products</td>
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<td></td>
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<td>Detergents</td>
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<td>And</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
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<td>Soaps</td>
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<tr>
<td>Foods</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

25
APPENDIX H

TABLES SUPPORTING DISCUSSION OF DEMOGRAPHIC DIFFERENCES IN THE IMPORTANCE OF UNIT PRICE INFORMATION AS STORE AND LABEL FACTORS

The data below illustrate responses in terms of demographic variables. Those respondents who were of "No Opinion" are excluded from the data presented; therefore, totals will not equal 100 per cent. The left-hand column items are abbreviated as follows:

VISF—Very Important as a Store Factor
SISF—Somewhat Important as a Store Factor
VILF—Very Important as a Label Factor
SILF—Somewhat Important as a Label Factor
VUSF—Very Unimportant as a Store Factor
SUSP—Somewhat Unimportant as a Store Factor
VULF—Very Unimportant as a Label Factor
SULF—Somewhat Unimportant as a Label Factor

TABLE LXVII

SEX DIFFERENCES IN THE IMPORTANCE OF UNIT PRICE INFORMATION AS STORE AND LABEL FACTORS

<table>
<thead>
<tr>
<th>Importance as</th>
<th>Female</th>
<th>Male</th>
</tr>
</thead>
<tbody>
<tr>
<td>Store or Label Factor</td>
<td></td>
<td></td>
</tr>
<tr>
<td>VISF</td>
<td>43.6</td>
<td>40.6</td>
</tr>
<tr>
<td>SISF</td>
<td>37.0</td>
<td>37.5</td>
</tr>
<tr>
<td>VILF</td>
<td>53.3</td>
<td>56.3</td>
</tr>
<tr>
<td>SILF</td>
<td>31.0</td>
<td>32.0</td>
</tr>
<tr>
<td>VUSF</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>SUSP</td>
<td>10.3</td>
<td>9.4</td>
</tr>
<tr>
<td>VULF</td>
<td>2.9</td>
<td>0.0</td>
</tr>
<tr>
<td>SULF</td>
<td>8.7</td>
<td>9.4</td>
</tr>
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</table>
### Table LXVIII

**Age Differences in the Importance of Unit Price Information as Store and Label Factors**

<table>
<thead>
<tr>
<th>Importance as Store or Label Factor</th>
<th>Age-§</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>24 or Under</td>
</tr>
<tr>
<td>VISF</td>
<td>17.4</td>
</tr>
<tr>
<td>SISF</td>
<td>30.4</td>
</tr>
<tr>
<td>VILF</td>
<td>30.4</td>
</tr>
<tr>
<td>SILF</td>
<td>23.0</td>
</tr>
<tr>
<td>VUSF</td>
<td>0.0</td>
</tr>
<tr>
<td>SUSF</td>
<td>26.1</td>
</tr>
<tr>
<td>VULF</td>
<td>4.3</td>
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<tr>
<td>SULF</td>
<td>21.7</td>
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</table>

### Table LXIX

**Education Differences in the Importance of Unit Price Information as Store and Label Factors**

<table>
<thead>
<tr>
<th>Importance as Store or Label Factor</th>
<th>Educational Level-§</th>
</tr>
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<tr>
<td></td>
<td>Some High School Grad</td>
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<tr>
<td>VISF</td>
<td>45.5 55.0 45.0</td>
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<tr>
<td>SISF</td>
<td>27.3 20.0 37.5</td>
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<tr>
<td>VILF</td>
<td>63.6 52.5 62.5</td>
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<tr>
<td>SILF</td>
<td>18.2 55.0 27.5</td>
</tr>
<tr>
<td>VUSF</td>
<td>0.0   0.0 0.0</td>
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<tr>
<td>SUSF</td>
<td>9.1   7.5 7.5</td>
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<tr>
<td>VULF</td>
<td>9.1   2.5 0.0</td>
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<tr>
<td>SULF</td>
<td>9.1   10.0 7.5</td>
</tr>
</tbody>
</table>
### Table LXI

**Occupation Differences in the Importance of Unit Price Information as Store and Label Factors**

<table>
<thead>
<tr>
<th>Importance as Store or Label Factor</th>
<th>Occupation %</th>
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<tbody>
<tr>
<td></td>
<td>Housewife</td>
</tr>
<tr>
<td>VISF</td>
<td>48.6</td>
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<tr>
<td>SISF</td>
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<td>VILF</td>
<td>56.9</td>
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<tr>
<td>SILF</td>
<td>31.9</td>
</tr>
<tr>
<td>VISF</td>
<td>0.0</td>
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<td>SUSF</td>
<td>8.3</td>
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<tr>
<td>VULF</td>
<td>2.8</td>
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<td>SULF</td>
<td>6.9</td>
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### Table LXII

**Family Size Differences in the Importance of Unit Price Information as Store and Label Factors**

<table>
<thead>
<tr>
<th>Importance as Store or Label Factor</th>
<th>Family Size %</th>
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<tr>
<td></td>
<td>1</td>
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<td>VILF</td>
<td>62.5</td>
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<tr>
<td>SILF</td>
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</tr>
<tr>
<td>VISF</td>
<td>0.0</td>
</tr>
<tr>
<td>SUSF</td>
<td>18.8</td>
</tr>
<tr>
<td>VULF</td>
<td>0.0</td>
</tr>
<tr>
<td>SULF</td>
<td>6.3</td>
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</tbody>
</table>
### TABLE LXXII

**NUMBER OF CHILDREN DIFFERENCES IN THE IMPORTANCE OF UNIT PRICE INFORMATION AS STORE AND LABEL FACTORS**

<table>
<thead>
<tr>
<th>Importance as Store or Label Factor</th>
<th>Number of Children-%</th>
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<tbody>
<tr>
<td></td>
<td>None</td>
</tr>
<tr>
<td>VISF</td>
<td>29.2</td>
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<tr>
<td>SISF</td>
<td>41.7</td>
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<td>VILF</td>
<td>50.0</td>
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<td>SILF</td>
<td>35.4</td>
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<tr>
<td>VUSF</td>
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<tr>
<td>SUSF</td>
<td>12.5</td>
</tr>
<tr>
<td>VULF</td>
<td>2.1</td>
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<tr>
<td>SULF</td>
<td>8.3</td>
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### TABLE LXXIII

**ANNUAL INCOME DIFFERENCES IN THE IMPORTANCE OF UNIT PRICE INFORMATION AS STORE AND LABEL FACTORS**

<table>
<thead>
<tr>
<th>Importance as Store or Label Factor</th>
<th>Annual Household Income (£)</th>
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<td>SISF</td>
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<tr>
<td>VILF</td>
<td>60.0%</td>
</tr>
<tr>
<td>SILF</td>
<td>30.0%</td>
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<tr>
<td>VUSF</td>
<td>0.0%</td>
</tr>
<tr>
<td>SUSF</td>
<td>20.0%</td>
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<tr>
<td>VULF</td>
<td>10.0%</td>
</tr>
<tr>
<td>SULF</td>
<td>0.0%</td>
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