



# Managing Money & Love

## Issue 11: Consumer Skills

Today's marketplace is full of choices. Whether you're buying an aspirin or an automobile, many makes, models and brands are available. How is a wise consumer to decide?

Consumers have certain rights and responsibilities in our American marketplace. To exercise these informal rights, consumers must take action to protect themselves and others.

### Consumer Rights

The right to be informed.

The right to safety.

The right to choose.

The right to be heard.

### Consumer Responsibilities

To seek information before buying.

To read and understand product or service information.

To use products correctly and report unsafe products.

To shop at several places to see that you are getting the best price and product for your needs.

To report unfair business practices and deception.

To let a seller know when you are dissatisfied with a product. (You can also let sellers or manufacturers know when you are pleased.)



## Investigate Before Investing

You wouldn't let someone do major surgery on your body without a second opinion, would you? Don't let anyone do major surgery on your wallet without a second opinion, either. When you need to make a major purchase or have a service done, shop around. Get three or more estimates until you are sure exactly what you need and how much it will cost.

To avoid unpleasant surprises on service and repairs, get all agreements in writing before work is begun, with details about what will be done, how much it will cost and when the work should be finished. Contact the Better Business Bureau or local authorities, including the Office of the Attorney General and Secretary of State, to check on the reputation of anyone you are thinking of doing business with, including giving to charities.



**DIVISION OF AGRICULTURE  
RESEARCH & EXTENSION**

University of Arkansas System

University of Arkansas,  
United States Department of Agriculture,  
and County Governments Cooperating

## Calendar of Sales

### January

After Christmas clearances on toys, decorations, cards, white goods, shirts.

### February

Washington's Birthday sales. Furniture and housewares.

### March

Pre-season sales on spring clothes. Post-season clearances on winter clothes and sports equipment.

### April

Post-Easter sales. Spring cleaning and gardening specials.

### May

A slow month for sales. But you may find some preseason discounts on summer clothes.

### June

Furniture. Semiannual sales of clothing.

### July

Mid-year warehouse clearance sales of regular and "as is" merchandise. White goods.

### August

Back-to-school sales. End of summer clearances. Clearance of current model cars.

### September

TV and appliance sales before model changes. Back-to-school clothing.

### October

Summer sports equipment. Columbus Day sales.

### November

Fall merchandise. Pre-Christmas sales on some items before Thanksgiving.

### December

Bad month for sales until after Christmas. May be a good time to shop for a car.

## Inquire about:

**Business complaint histories** at the Better Business Bureau (BBB). BBB reports provide information on over 2.5 million businesses and charities. Call (800) 987-8280 or visit their web site [www.bbb.org](http://www.bbb.org) to get a reliability report on a particular business or to get a wise giving report on a charity. The BBB also mediates consumer complaints with businesses, but it has no authority to prosecute.

**Charities** at the Arkansas Attorney General's Office. Under Arkansas law, most charities that solicit donations in the state of Arkansas must be registered with the Consumer Protection Division. All registered charities can be found on the Charitables Database Search at <http://www.ag.arkansas.gov/charity/search.php>. The Consumer Protection Division also provides information about the purpose of a charity, the amount of money raised in the past, the percentage of money collected that is used for program services, the percentage used for administrative costs, and whether or not the charity employs the services of a professional fundraiser.

**Investments** or **securities** at the Arkansas Securities Department. The securities unit regulates the sale of securities as well as the professionals who sell them. Contact the Arkansas Securities Department at (501) 324-9260 (phone); (800) 981-4429 (hotline); (501) 324-9268 (fax) or <http://www.securities.arkansas.gov>.

**Consumer issues** at the Attorney General's Consumer Protection Division. This agency acts as an advocate and mediator in resolving consumer complaints as well as investigates violations of consumer protection laws. For consumer information or to file a complaint, contact the Arkansas Attorney General's Office at Consumer Protection Division 501-682-2341; 800-482-8982 (statewide); 501-682-8118 (fax) or [consumer@ag.state.ar.us](mailto:consumer@ag.state.ar.us).

If you don't want to get telemarketing calls at your home, add your name to the Do Not Call List by calling (866) 662-5567. If you do not want to receive marketing mail, write the Mail Preference Service, Direct Marketing Association, P.O. Box 643, Carmel, NY 10512, to ask that your name be removed from mail marketing lists.

## Before You Buy

- ✓ Take advantage of sales, but compare prices. Do not assume an item is a bargain just because it is advertised as one.
- ✓ Don't rush into a large purchase because the "price is only good today."
- ✓ Ask about the seller's refund or exchange policy. Sellers do not have to take things back because you decide you do not want or need them.
- ✓ Use unit pricing in supermarkets to compare what items cost. Unit pricing lets you compare the price ounce-for-ounce, pound-for-pound, and so forth. Bigger packages are not always cheaper than smaller ones.



- ✓ Don't rely on a salesperson's promises. Get everything in writing. Deal only with reliable companies.
- ✓ Don't sign a contract without reading it first. Don't sign a contract if there are any blank spaces or parts you don't understand.

## After You Buy

- ✓ Read and follow product and service instructions.
- ✓ Keep all sales receipts, warranties, service contracts and instructions.
- ✓ If you have a problem, contact the company as soon as possible. Keep a written record of all contacts.

## Red Flags of Fraud

Consumer protection offices urge consumers to be aware of the red flags of fraud. Walk away from bogus offers. Toss out the mail or hang up when you hear any of these:

- ✓ "Sign now or the price will increase"
- ✓ "You have been specially selected..."
- ✓ "You have won..."
- ✓ "All we need is your credit card (or bank account) number – for identification only"
- ✓ "I just happen to have some leftover paving"
- ✓ "Be your own boss! Never work for anyone else again. Just send in \$50 for your supplies and..."

### Stay away from telemarketers who do any of these:

- ✓ Send a courier service to pick up money
- ✓ Have you send money by wire

- ✓ Automatically withdraw money from your checking account
- ✓ Offer you a free prize but charge handling and shipping fees
- ✓ Ask for your credit card number, checking or savings account number, Social Security number or other personal information
- ✓ Demand payment in advance, especially for employment referrals, credit repair or providing a loan or credit card

## Consumer Skills Activity

Practice writing or calling businesses to let them know when you have a problem. Use the letter on page 4 as a guide to compose your letter. Be sure to apply these basic steps in the consumer action process:

1. Define the problem clearly.
2. Provide details and copies of evidence.
3. Outline exactly what you want done to resolve the problem.
4. Decide on a reasonable deadline.
5. Identify actions you will take if you do not get a response.

Remember that you catch more flies with honey than with vinegar. The person who receives your letter or call probably had little to do with your problem. Don't take your frustration out on him. Try to inform him and get him to want to help you. Get the correct spelling of the name of anyone you speak to by phone. Be persistent! If you have a serious problem, don't give up easily.

# Complain Effectively

If you have a problem with a company, make your complaint known. If you think the product doesn't live up to its sales claims, then complain. First, make the problem known to the seller. Calmly and accurately describe the problem and what action you want taken. Keep a record of your efforts to resolve the problem. Allow time for the person you contacted to resolve the problem. Don't give up if you are not satisfied. Use the following sample complaint letter as a guide to assist you in addressing your problems.

## Sample Complaint Letter

(Your Address)  
 (Your City, State, ZIP Code)  
 (Date)

(Name of Contact Person, if available)  
 (Title, if available)  
 (Company Name)  
 (Consumer Complaint Division, if you have no contact person)  
 (Street Address)  
 (City, State, ZIP Code)

Dear (Contact Person):

Re: (account number, if applicable)

On (date), I (bought, leased, rented, or had repaired) a (name of the product with serial or model number or service performed) at (location, date and other important details of the transaction).

Unfortunately, your product (or service) has not performed well (or the service was inadequate) because (state the problem). I am disappointed because (explain the problem: for example, the product does not work properly, the service was not performed correctly, I was billed the wrong amount, something was not disclosed clearly or was misrepresented, and such).

To resolve the problem, I would appreciate your (state the specific action you want — money back, charge card credit, repair, exchange). Enclosed are copies (do not send originals) of my records (include receipts, guarantees, warranties, canceled checks, contracts, model and serial numbers, and any other documents).

I look forward to your reply and a resolution to my problem and will wait until (set a time limit) before seeking help from a consumer protection agency or the Better Business Bureau. Please contact me at the above address or by phone at (home and/or office numbers with area codes).

Sincerely,  
 (your name)

Enclosure(s)  
 cc: (reference to whom you are sending a copy of this letter, if anyone)

- describe purchase
- name of product, serial numbers
- include date and place of purchase

- ask for specific action
- enclose copies of documents

- state problem
- give history

- allow time for action
- state how you can be reached

### in the next issue: Recordkeeping

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