

## **Consumer Education in China**

Consumer education is needed for improving consumers' position and protecting consumers' rights and interests. It is also needed for promoting social civilization and social progress. In China, consumer education appeared quite late but become more popular in recent years. This paper presents the importance, current situation and experiences of consumer education in China. It also presents the roles of government and the possibility of international cooperation on consumer education.

**Shijie Yin, Hunan Normal University<sup>1</sup>**  
**Qingfei Yin, Hunan Economic Management College<sup>2</sup>**

### **Emerging Market Economy Needs Consumer Education**

With the development of a market economy, more brands and varieties of goods and services are available to consumers. The consumer markets have greatly changed. Especially today, rapidly developed science and technology penetrate into consumer's daily lives through numerous new products and services. This situation requires consumers be intelligent and understand modern consumption knowledge. Otherwise, they cannot enjoy the benefits brought by modern science and technology and may be ripped off or hurt in the market. Thus, it is necessary to educate consumers to improve their consumption knowledge bases and to raise their self-protection consciousness so that they can become more competent and smart consumers. In sum, consumer education reflects the need that results from the changing consumption levels to improve consumption quality.

The market economy is about equal competition. Both the producer and consumer are competing in the same market environment. But the consumer is often the weaker party, especially in China, since the market system, mechanism, and laws are just starting to be developed. The markets are flooded with fake and poor quality goods. Consumers' rights and interests are often infringed upon. In order to strengthen consumer's position in the market for fair competition, consumer education should be widely offered to allow consumers to acquire knowledge of modern consumer goods and changing markets. Consumer education also helps increase consumers' ability of self-protection and civilization in consumption.

Furthermore, the integration of economical and cultural factors is a current trend in social development, while consumption is an important aspect that reflects the integration. The civilized, scientific, and socially desirable consumption activities and lifestyle are the inevitable trend in modern society. The integration of economical and cultural considerations must be practiced by consumers, be reflected in people's consumption behavior, which can be achieved through consumer education to improve consumer's knowledge base and persuade consumers' willingness to do so. Thus, consumer education is not only needed for promoting consumption civilization but also for promoting social civilization and social progress (Yin, 1992; 1997).

### **Recent Development of Consumer Education in China**

In 1984, the China Consumers' Association was established. After that, staff members of consumer associations became aware of importance of consumer education and began to conduct consumer education consciously (Yin & Xiao, 1997). In recent years, with the development of a market economy, consumer education has been developed fast and great progress has been made. For example, in Dafeng, Jiangshu province, systematic consumer education courses have been offered and consumption knowledge was taught in primary and middle schools since 1990. In state-run working units, many consumer education activities in various forms were conducted. They incorporate consumer education into their business work, "human resource quality education", and legal education programs. They also incorporate consumer education into the educational programs that updating country's economic and political conditions (Education Bureau of Dafeng County of Jiangshu Province, 1992). These programs are both for children and adults. The consumer education is considered as an important part of

human resource quality education.(Consumer Association of Jiangshu Province, 1995). The students also conducted social investigations about consumer education. Through these activities, they got better understanding of production processes and the society.

The methods for consumer education are flexible. For example, for the children of preschool and lower primary school, consumer education activities are conducted in the forms of children's songs, nursery rhyme, and dancing performance. For older children in primary school, some elementary knowledge on consumption and laws are taught. Several textbooks on consumer education are published for the primary and middle school students.

In Jiangshu province, many department stores have conducted consumer education among their workers. They learn commodity knowledge, market information, consumer psychology, and economic laws and regulations. In this way they have learned the knowledge of consumption and laws and improved their service quality. The textbooks on consumer education were compiled and published based on examples from many companies in the province, which promoted the work of consumer education. In Donghai county of Jiangshu province, consumer education for rural households has been conducted in the form of evening school. In such schools, the laws and regulations on consumer protection and the knowledge of scientific consumption are taught and over 400,000 people have been educated. In regions such as Changzhou and Dongtai, consumer education is conducted among households. After such education, the consumers have gained consumption knowledge and methods how to protect their own rights and interests.

In Shujiatun district of Shenyang City, consumer education is conducted in all the schools and kindergartens. Consumer education has been combined with the education of moral, intellectual, physical, and aesthetic development. They put consumer education into the whole education reform. The district established a leadership group for consumer education work so as to promote the district's consumer education. The district has incorporated consumer education into patriotism education and nation's traditional virtue education programs. The district has set "the Consumer Education Program" and published textbook on consumer education for middle schools. Over 1200 children's songs or stories are compiled for consumer education. In Liaoyang, Liaoning province, consumer education started in 1989. The work for consumer education was first undertaken among children, then spread to adults. The focus for consumer education is consumer laws and regulations. A completed system of consumer education from children to adults is gradually established.

In Heilongjiang province, the Consumers' Associations at various levels conducted consumer education including knowledge of consumer protection laws, commodity, market, consumption, consumer movement. Many textbooks, audio or video tapes on consumer education are published and distributed among consumers. In this way, consumers improved their awareness of their own rights and interests, enriched their knowledge of consumption, and understood consumption activities in appropriate ways. More than 80% of the consumers in the province have been educated. In Leting, Hebei province, consumer education is conducted among most consumers in the county. Several textbooks on consumer education are published. The courses on consumer education are offered in all schools and kindergartens of the county. More than 100 schools in Hebei province offer consumer education courses. In Leting, consumer education is in the forms of evening school and consumption consultation. The Educational Committee of Hebei Province and the Consumers' Association of Hebei Province are planning to offer consumer education in all the primary and middle schools in that province (Chinese Consumers, 1996).

In Zhuhai, Guangdong province, Golden Coast Middle School began to offer a two-semester course since 1992. Consumer education has been taught in many ways such as social investigation, organizing a discussion titled "Consumption and I", displaying the false and poor quality goods in the class, and so forth. In these ways, consumer education becomes vivid and very popular. After such activities, the students see that consumption means not only spending their money but also a special knowledge. The students' awareness and ability of self-protection have also been enhanced. The students get to know how to protect their own rights and interests by law.

The examples like those above are numerous, which indicates that consumer education can not only enhance consumer awareness and increase their consumption power, but also greatly improve their ability of self-protection. In 1996, the total number of consumer complaints was over 500,000, which is 75 times more than that in 1986. The sharp rise of consumer complaints means a fast increase of goods and services and related problems. It also means, in the other hand, the improvement of consumer's awareness of self-protection and consumer's awakening, which may be the results of consumer education.

## Experiences of Consumer Education in China

China started consumer education less than 10 years ago. The main experience can be summarized as follows.

1) The purpose of consumer education is not only to enhance consumer's knowledge of commodities and market, to improve their ability of self-protection to be an intelligent consumer, but also to make consumers to conduct healthy and socially desirable consumption activities, to incorporate consumer education into human resource quality education to improve people's quality as a whole and to become a smart and responsible modern consumer.

2) The contents of consumer education include not only modern knowledge of commodities, market, and consumption, but also consumption value and social ethics; it include not only knowledge of laws, but also that of environment protection to improve their awareness of environment protection so that they can preserve the beautiful consumption environment consciously.

3) The forms for consumer education are various and flexible. The choice of the forms are decided according to the places and the consumers. Besides the formal consumer education in school, we use the mass media or social education for consumer education, and also conduct consumer education for adult in the society .

4) Consumer education for children. We take the education in primary and middle schools as the basis, the education for adults is the focus.

5) A comprehensive consumer education network. We are trying to conduct consumer education in a systematic way and to set up a consumer education network, which needs attention from the whole nation. We tried to use all factors including governments at various levels; the social organizations and the media. It can be predicted that with the development of market economy, the consumer education in China will continuously expand and deepen, from city to countryside, from educational institutions to society, from school to university. A complete network and a comprehensive educational system will be established, which can serve the development of market economy.

6) At present, the consumer education in China is mainly advocated by China Consumers' Association and its local branches, who cooperate with education institutions to conduct consumer education in schools as a test. This is a relatively comprehensive and systematic form for consumer education. The consumers' associations co-organize lessons on consumption knowledge and consumption laws with media (such as television and broadcast). Under the advocate of consumers association, some enterprises also conduct consumer education.

We are to emphasize that the consumer education in China is only at its beginning. But the mass education on consumption laws and consumption knowledge has achieved a lot — the consumers' awareness of laws and self-protection have been greatly improved. But there are still some problems on consumer education in China. It is difficult at present to put consumer education into the courses of schools and universities all round. The reasons are: first, the education sector, the society and the consumer itself haven't reached the same view that consumer education must be put into the formal educational programs, which mainly because many people think that consumer education is a social education instead of school education and they haven't seen the results after a long time's formal consumer education in school (our consumer education has been taken only a few years ago). Second, we lack such textbooks and teachers with high quality that fit China's condition for the school formal courses at present. Third, we lack enough financial support for consumer education. China has no much money to put into consumer education. And thus we need: 1) the government, the educational department and the whole society pay more attention to consumer education and support consumer education; 2) establish a support center supported by the enterprises for consumer education and its research; 3) increase the international cooperation on consumer education and take in the experiences from developed countries on consumer education.

## How to Improve Consumer Education in China

1) Encourage government to take actions. The services of consumer education should be considered as one of consumers' rights. We should consider it as an important component of people's quality education. Consumer education plays an important role in human development and social progress. We should treat consumer education in a strategic perspective and consider it would benefit the economic and cultural development of the country. Consumer education should be conducted by organizations and institutions at various levels, especially by government sector. We should, like some developed countries, establish special institutions in charge of consumer

education (many states in the U. S. have policies to let schools offer consumer education curricula). Our government should also establish such institutions to lead and promote consumer education.

2) Introduce consumer education into school systems. Bring it into the basic national education system so that it becomes a component of basic courses of our educational system like some other Asian countries. For example, Malaysia and Hong Kong offer consumer education courses in most primary and middle schools. Japan required consumer education in all primary and middle schools (Qi, 1997). Our educational department should consider a comprehensive program. For example, to offer consumer education courses in primary and middle schools and set the special hours for the courses. The contents of the courses should include consumption value, consumption ethics, reasonable consumption behavior, aesthetic education besides consumption knowledge, consumer laws and regulations, and consumer protection. In universities and colleges, there should be such field on consumer education so as to train professional persons in this field. We should use the social and government network for the work of consumer education and establish a "pyramid consumer education system."

3) Combine consumer education with consumer protection. In China, there are numerous cases on consumers' being hurt. But many people have less awareness of self-protection, especially in the countryside. One of the focuses in consumer education is to improve consumers' awareness and ability of self-protection. Using real cases to conduct consumer education will make it more vivid and effective. After being aware of their own rights, consumers can not only improve their ability to protect themselves, but also improve their own quality. We should make great efforts to conduct consumer education so as to enhance consumer's awareness of market economy and consumer's rights and interests, especially in the countryside and less developed regions.

4) Mobilize the whole society to undertake consumer education. Consumer education is not only the work of government or consumers' associations, but also that of the whole society. We should take effective measures to mobilize the whole society, including individuals, companies, non-profit organizations, mass media, and other organizations, to support consumer education in different ways so that our consumer education becomes the activities of the whole nation and the impetus to push the market economy forward.

5) Increase the international cooperation. China started consumer education very late compared to developed countries. We should learn from other countries' experiences and improve our work. We should also increase the international cooperation in this field, such as participating in international activities on consumer education, holding international conferences, undertaking international cooperative research projects on consumption economics and consumer education, and conducting experiments on consumer education in China with the help of experts from other countries. Thus, we can do better in consumer education and contribute more to the development of consumer education in the world and to the social prosperity and progress of human beings.

### References

- Consumer Association of Jiangshu Province (1995) How we conduct consumer education? Consumption Economics 2, 48-50
- Education Bureau of Dafeng County of Jiangshu Province (1992). A textbook for adolescence's education. Beijing: Beijing Normal University Press.
- Qi, X. (1997). Japan's Consumer Education. Foreign Social Sciences, 3, pp. 66-68.
- Yin, S. (1992). Culture and education is a major consumption power, Consumption Economics 5-6, 13-19.
- Yin, S. (1997). A market economy is an economy of consumer sovereign. Chinese Business Administration Studies 3, 25-27.
- Yin, S., & Xiao, J. J. (1997). Consumer education in China: Challenges and Opportunities for Consumer Economists. In M. Abdel-Ghany (ed.). Proceedings of Asian Consumer and Family Economics Association (pp. 1-7). Guangzhou, China.

### Endnotes

1. Professor, Department of Economics.
2. Associate Professor, Department of Business Administration.