THE INFLUENCE OF A CONSUMERS UNION: THE ASSOCIATION DES CONSOMMATEURS OF BELGIUM

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ABSTRACT

This paper seeks to document the influence of the Association des Consommateurs (the Belgian Consumers Union) and its magazine, Test-Achats, on consumers and, to a lesser extent on retailers and manufacturers. Specifically, the paper reports on surveys of these three groups. Results show that Test-Achats has a strong influence on its readers. They rely heavily on it for general product information and also for help in brand-model choices. The paper also reports on the nature and extent of cooperation among the European consumer product testing organizations.

INTRODUCTION

Ladies and gentlemen I am going to cheat a little bit. Though the title assigned me was, "The Influence of the Consumer Unions, An International Perspective," I am mainly going to talk about a survey just carried out in Belgium on the impact and the use of our magazine by our readers.

Belgium is a small country with a population of 9,800,000. Our "Consumer Reports," Test-Achat, by name, has 300,000 subscribers. Since each copy is read by at least 2 families, we reach about 20 percent of Belgian families. Given this, it would be natural to assume that we influence the market. But is it really so? And how big is our influence? From earlier research we know that consumers do not become subscribers simply because they want to support a consumer organization. Instead, they buy to obtain the information we give them. The more valuable the information, the bigger the incentive to subscribe and to renew. What makes any consumer magazine unique is its comparative test information. It is this that accounts for the success of the consumers unions of the world. People are willing to pay for several reasons: they want unbiased information; they believe that the use of our product test information will save them money; our magazine will keep them from buying unreliable appliances and unsafe products (health, safety aspects); our magazine will enable them to choose the best products or those products with the highest ratio of quality to price. They can make these decisions for themselves, using their own preferences with regard to test criteria.

Over time consumer organizations have carried out a lot of market research to help them decide on what products and services to test and how to optimize the content of their magazines.

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Surprisingly little has been done to find out how consumers use product test information, whether and how it changes their buying behavior, and consequently, how all this affects the market.

What we know from our annual Reader Surveys is that their expectations are ever changing. Our readers have become more demanding: they want better brand coverage, more products tested, more general information about what type of appliance to buy, etc. In other words, they want us to become more problem solving on their behalf. For example, if we want to test freezers, we must start with a brief description of the different types of freezers (chest, upright, refrigerator-freezers), the advantages-disadvantages of each type, double insulated versus ordinary, which size for which family, etc.). Then we present the results for one set of appliances. Where possible, we try to say something about the effect of the product on the environment. If available, data on reliability and durability will be added and also something regarding financing. We pay great attention to the presentation of test results. Our goals: easily readable, clear, short, well illustrated articles.

In 1983 we carried out a survey among readers and ex-readers. Since then, much has changed. Now there is more emphasis on the quality of life, sensitivity to environmental effects, better products, better eating habits, enjoying life more. All this is possible because the today's consumer is more affluent.

THE INFLUENCE OF TEST ACHATS (TA): REPORT OF A SURVEY IN 1990

Turning back to today's topic--the influence of the consumer unions, I present the results of a survey recently carried out in Belgium on how our magazine influences the decision-making of our readers and how this affects consumer markets.

A mail survey was carried out with a representative sample of readers of TA to find out how they use our magazine in purchasing four kinds of products: (1) household appliances, (2) TV-Video-Stereo, (3) food and (4) detergents.

A similar survey of non-readers was carried out by personal interviews in the same geographic areas.

Manufacturers, importers and distributors were also interviewed as to our impact on them.

In analyzing the survey, we made adjustments to assure that results from mail interviews were comparable with those based on personal interviews.

Table 1 reveals that both readers and non-readers of TA rely heavily on product comparisons. But readers of TA are much less likely to buy on impulse.

Table 2 provides qualitative data on the sources of information on which Belgian consumers rely. For readers, TA is the dominant source while non-readers rely chiefly on "specialists." Patterns of information use are similar for household appliances and TV-Video.

Apart from comparative test information that we provide in tabular form, we identify brand-models that are superior in overall quality as well as "Best Buys." Best Buys are brand-models providing the highest quality per dollar spent. In the past Best Buys were our "trade mark," our most sought after single piece of information.

Table 3 presents data on how our readers use the information we provide. As the table shows, our readers no longer regard "Best Buys" as the most influential information we provide. Instead, they're interested in quality per se, regardless of price. In addition, a large percent of readers (roughly one-third) are looking for general information, not specific recommendation. It is comforting to find that only 10 to 16 percent found the information TA provided "insufficient." In addition, purchasers of large vs. small appliances did not differ in their use of information from TA.

Besides these users of our information, 9.7% of readers did not consult TA at all in making purchases.

What information do our readers want? Table 4 tells the story. First and foremost, they look for information that comes from our product testing: overall quality ratings, Best Buys, and ratings on characteristics they are least

TABLE 1. Sources of Information Used in Purchases

	Household Appliances		TV-Video	
	Readers	Non-Readers	Readers	Non-Readers
I have used little information and bought quickly	12.7%	26.6%	14.6	22.4
I compared several appliances before buying	70.7%	55.3%	68.5	66.4
I consulted friends or acquaintances	16.6%	18.1%	16.9	11.2
TOTAL	100.0%	100.0%	100.0%	100.0%

TABLE 2: Importance of Various Sources of Information

	Household Appliances		TV-Video	
	Readers	Non-Readers	Readers	Non-Readers
Test-Achat	++	--	++	--
Advertisement	-	0	0	0
Publicity	0	+	+	+
Specialists	0	++	+	++
Sellers	--	0	--	0
Friends	0	+	+	+
Window	--	0	-	0

\+ important
++ very important
0 average importance
\- not very important
-- not important at all

interested in information on service and guarantees.

IMPACT ON MANUFACTURES, IMPORTERS AND SELLERS

To measure this impact, we asked a sample of importers, manufacturers and distributors whether our recent tests on washing machines influenced their activities. While it is not possible to quantify the impact exactly, they all reported that a favorable test result increases their sales from a few percent to as much as 100%. We also discovered that if the TA-recommended model is not available, consumers tend to buy the model which replaces the recommended or appears most similar to the model we tested. Thus, although we tell our readers over and over again that our recommendations are only valid for the particular model we have tested, they tend to extrapolate our quality judgments from the tested model to the brand as a whole. Understandably importers of brands that earned least favorable ratings

TABLE 3: The Use of Information from Test-Achats by Readers

	Household Appliances	TV-Video
I bought the Best Buy	13.0%	5.7%
I bought a different model of the Best Buy Brand	6.2%	6.7%
I bought a TA "High Quality" model, Not the Best Buy	7.5%	33.0%
I consulted TA but bought Brand-Model not recommended by TA	3.8%	6.1%
I consulted TA for general information	29.3%	32.2%
I did not find sufficient, up-to-date information in TA	10.2%	16.3%
TOTAL	100.0%	100.0%

TABLE 4: Type of Information Sought in Test-Achats by Readers

	Household Appliances		TV-Video	
1. Quality	71.6%	++	65.5%	++
2. Comparative test information	61.2%	++	58.0%	++
3. Best Buy designation	67.3%	++	61.3%	++
4. Price	53.2%	+	46.8%	+
5. Technical information	41.9%	0	38.1%	0
6. Cheapest selling points	35.1%	-	33.6%	0
7. Information on service	19.6%	--	14.7%	--
8. Information on guarantees	21.2%	--	15.9%	--
9. Security	39.4%	-	18.3%	++

were less inclined to answer our questions. One of them (Friac) told us that the sales of the tested model had dropped. As a result, they stopped the sales of this model and replaced it with another. Similar results were obtained from distributors and retailers. These groups contribute to the reaction process because often they stop ordering products that receive bad ratings.

In the case of TV-Video-Stereo we face quite different problems. Our test results are short-lived because models change very frequently. Sometimes a model tested is no longer available by the time Test-Achats comes out. One distributer told us that our publication sometimes boosts an entire type of product. According to him, T-A's article on shortwave radios increased the sales of many brands. It was as if consumers were waiting for some sign before making up their minds as to whether buying a short wave radio was worthwhile.

With respect to Video-Stereo it looks as though consumers are more inclined to use our test results to define their own Best Buys. The more a consumer is personally involved, the more frequently the consumers make up their own minds.

FOOD AND DETERGENTS

I will not repeat the same exercise for foods and detergents. What consumers of these products really want is quality. They also want to find out whether and how such products might be dangerous to their health (additives, pesticides, residues, hormones, etc.) and, in the case of detergents, whether they are not harmful to the environment. The effect of TA on their buying decisions is similar to the effect TA has on purchases of household appliances and TV-Video. Distributors and especially large supermarkets react immediately to an unfavorable rating. Very often the downrated brand is taken off the shelf immediately and replaced by a modified product. Both distributors and retailers realize that consumers are becoming more and more quality conscious.

The impact of TA in the food area is illustrated by a story told by a major distributor (GB). When TA labeled one of their wines a Best Buy, sales in the period increased from 4,000 to 48,000 bottles!

It is also clear that, in using our publication for food shopping, consumers are unwilling to visit a second supermarket even if there are gains to be had. Finally, the impact of our test results are strictly limited in time.

To summarize:

- For most products Test-Achats has an impact on consumers and on the market.
- People attach more importance to quality per se than in the past.
- The more complex a product is and the more involved is the consumer in the buying process, the more personalized his Best Buy must be. We consumer product testing organizations have to adapt to this situation and to carry out more research to identify various segments of the population and to match our Best Buys to the needs of each segment.
- In general, the effect of our product tests is short-lived.
- When a recommended model of a product is not available, people tend to switch to the closest model of the same brand.

INTERNATIONAL COOPERATION BETWEEN CONSUMER ORGANIZATIONS

There is a rather good cooperation between the Consumers Unions of Europe in the field of testing. For some time 18 CU's have been working together in what has been known as the European Testing Group, just renamed "The International Consumer Research and Testing Group." Such cooperation is a must. Why? Because all across Europe, in preparation for 1992, manufactures are merging into larger and larger organizations. The only response for us, if we want to be heard and respected, is to do the same thing. How can a consumer organization in one country influence a Europe-wide manufacturer? Only by having a structure that enables us to present our product test results all over Europe at the same time.

Some important manufacturers, Philips to name one, have staff members whose sole responsibility is to keep track of our activities. From time to time they point out discrepancies between test results for identical product sets published by different organizations. Not only is this highly embarrassing for our organizations, but it discredits comparative testing as an appropriate methodology for assessing quality. Joint testing by consumer product testing organizations has several advantages: smaller costs per partner, harmonization of test procedures, a larger impact due to simultaneous publications in different countries.

One of the other goals of the European Testing Group to help younger consumer organizations get off the ground and to become self-supporting. This is very important because in countries like Spain and Italy, consumer organizations are less developed as compared to the North of Europe.

We live in interesting times with many changes taking place everywhere. Consider Eastern Europe. If we want to remain important in Europe and to defend efficiently the interest of the consumers, then the CU's will have to pool their efforts and work together closely. Worldwide, consumers will be better served by closer cooperation between CU's across the world.