

IMPULSE BUYING

AGES 14-16

ACTIVITY

2

Financial Education Secondary Planning Framework links:

I understand that people who are selling goods and services, including financial ones, do so to make money and that I have a responsibility to become as well informed as I can before making choices, e.g. by analysing the small print in agreements, or by using comparison websites **14-16**

I can describe how I can exercise both my rights and responsibilities as a consumer of goods and services **14-16**

TIME:
30 Minutes



MATERIALS:

- Impulse Purchase cards (optional)

ACTIVITY



This activity will encourage students to explore the various methods companies use to persuade us to make impulse purchases.

Explain that during the activity, students will be considering the act of impulse buying. If we understand impulse buying better, we can make more informed spending decisions.

Begin the activity by sharing the following statistic from a study carried out by MyJar:

<https://www.independent.co.uk/news/business/news/consumer-spending-impulse-buys-lifetime-average-sweets-clothes-takeaways-coffee-lunch-a8159651.html>

Every month, we make an average of nine impulse buys equating to 6,512 poorly-planned purchases during a lifetime.

Ask the class what they think is meant by an 'impulse buy'? Responses may include: unplanned purchase, last minute purchase, not thought through, spur-of-the-moment, want not need, a treat, a feel good purchase. Discuss whether impulse buying can impact our ability to save?

Ask students to work in small groups. Give each group a set of **Impulse Purchase cards**. These cards include the top ten impulse buys in the UK. Challenge the students to rank these items in order of highest to lowest. Alternatively, you could display the cards on an electronic whiteboard for this activity.

Reveal the correct order which you can find at the bottom of this activity. Discuss the results – are they surprised by the top 3? Why do they think chocolate bars and sweets are top of the list?

Chocolates and sweets are inexpensive, easy to justify a small additional spend, they're easy to grab especially when queuing for the checkouts etc. Most impulse buys are relatively inexpensive.

Give the students 2 minutes to speak to their partner about why people might make impulse buys – encourage them to think about any impulse buys they may have made recently.

Ask students to share their ideas. Explain that the 'feel good factor' often plays an important role when making an impulse purchase. Companies use clever marketing to try to persuade us that if we consume or own a particular product, our lives will be improved and we will be happier.

Working in groups, ask the students to see if they can identify the different marketing methods that companies use to encourage us to make impulse purchases in-store.

You could provide these bullet points as guidance:

- How does the shop make the items stand out?
- Where does the shop place the items?
- What messages does the shop use to make the customer decide to buy the item?

Ask the students to feedback their ideas.

Methods include:

- Brightly coloured and well-lit shelves
- Leaving the small, inexpensive items like confectionary near the checkouts
- Using eye-catching signs to advertise sales items
- Making sure the items are easy to grab, and add to your basket easily
- Persuasive messaging – playing on ‘urgency’ – one day only, limited time offer, playing on ‘value’ – best value item, buy two for a £1

Then ask the students to think about online shopping. Explain that the majority of impulse buys are actually made online. Ask the students if they can think of ways that shops might encourage us to make impulse purchases online. Explain that this isn’t an easy task, as the methods companies use to persuade us to buy are not always immediately obvious.

Ask them to feedback their ideas.

Companies aim to make consumers’ experiences positive and fun – they use a variety of methods to make consumers feel that the shopping experience is specifically tailored for them. When consumers are enjoying the shopping experience, they’re more likely to make impulse buys.

- Companies aim to make their websites easy to navigate and attractive.

- Consumers can personalise their experience, selecting favourites and opting in for product recommendations, this way it’s easier and quicker to find specific items.
- Upselling or additional product suggestions – once you’ve added something to your basket and you’re checking out, a company may suggest other items, usually small ones, that you could buy that would complement your main purchase e.g. when buying trainers, the shop may suggest buying trainer cleaner.
- There may be a timer when you buy additional items – making you feel that you only have a limited chance to purchase that item/ suggesting the item is on offer specifically to you.
- Companies may offer free postage and packaging if you spend over a certain amount of money. Small impulse buys can help you reach this required spend.

Finish the activity by asking the students to reflect on their learning – will they be less likely to make impulse buys now that they understand the techniques companies use to persuade us to buy?

+ **EXTENSION**

- Ask the students to create a simple research questionnaire for their peers about impulse buying.
- They could use the results to raise awareness of impulse purchasing behaviours.

Answers: 1. Chocolate bars/sweets, 2. Clothes, 3. Takeaways/fast food, 4. Fizzy drinks/coffee or similar, 5. Lunch/dinner, 6. Books, 7. Beauty products such as hair care, make up etc., 8. Shoes, 9. Magazines/newspapers, 10. Underwear/socks

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RESOURCE



IMPULSE BUYING

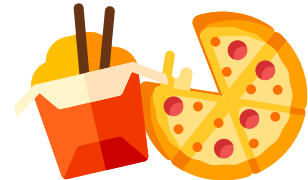
IMPULSE PURCHASE CARDS



**Chocolate bars/
sweets**



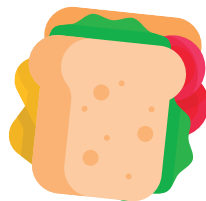
Clothes



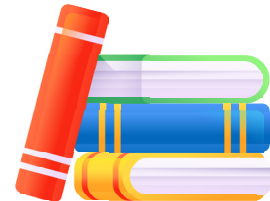
**Takeaways/
fast food**



**Fizzy drinks/
coffee or similar**



Lunch/dinner



Books



**Beauty products such as
hair care, make up etc.**



Shoes



**Magazines/
newspapers**



Underwear/socks