

# CONSUMER ECONOMICS: KNOWING AND MEETING NEEDS

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One of the first and most important steps in implementing consumer economics Extension programming is to know and understand the needs in your community. This publication will assist you in figuring out those needs by walking you through how to conduct an effective needs assessment for consumer economics programming.

Perhaps you have been conducting consumer economics programming for many years or maybe you have not implemented it in the past but now realize there is a demand for it. Regardless of your situation, this publication has been designed to help you. Take some time to familiarize yourself with its content, and be sure to keep a copy handy so you can refer to it as you move through the needs assessment process.

## What is a needs assessment and why is it important?

A needs assessment is a process to determine issues, challenges and potential solutions facing people and communities (Patton, 1982). A needs assessment can provide critical information that helps you determine program priorities, serves as a foundation for your Individual Annual Plan, and helps you focus programs to best help the people you serve.

For UT Extension, agents are expected to conduct needs assessments at the county level. Needs change over time, so it is important to regularly conduct needs assessments. It is especially important when: (1) major events have occurred and (2) you are a new agent or new to your county.

## Why do a needs assessment for consumer economics programs?

Households are touched by all issues addressed in consumer economics. Consumer economics programming topics include, but are not limited to, credit, insurance, affordable housing, saving, investing, budgeting, fraud and scams, bankruptcy, and advanced directives. The economic conditions at the local, state, national and global levels can all impact the financial stability of individuals and households, such as the COVID-19 pandemic of 2020. Conducting a needs assessment at the county level can determine the consumer economics issues of greatest importance to families and individuals at a given time.

Needs assessments seek to answer a series of questions about the people and communities you serve:

- *What needs do people have that can be addressed with education?*
- *How can those needs be met?*
- *What assets already exist?*
- *What can be built on to continue to help people and communities improve?*

Before getting started, determine the focus of your needs assessment:

1. *What issue(s) am I interested in learning more about?*
2. *Is there a specific audience that I want to focus on?*
  - a. *Everyone in the county?*
  - b. *Specific communities?*
  - c. *Adults or youth?*
  - d. *Specific audiences (seniors, older youth, underserved groups, etc.)?*

## Exactly how can I determine needs?

A needs assessment is like an investigation, so start by determining the issue you want to learn more about and the audience on which you want to focus. This will help you decide what information you need and what methods to use.

For in-depth information about needs assessment methods, refer to Extension publication, "PB 1839 Needs Assessment Guidebook for Extension Professionals."

## How can I collect data for my needs assessment?

Start by reviewing existing data related to your issue, which will help you determine what information you still need to collect and what methods would be most helpful. A list of secondary data sources can be found at the end of this section.

As you look for existing data, keep these tips in mind:

1. Use reliable sources of data (such as the U.S. government, Tennessee government or universities).
2. Focus on data specific to your county.
3. Make sure data is recent (within five years if possible).
4. Look at trends — Ask yourself, “How has this issue changed over the past five years?”

After you have completed the data review, it is time to identify the gaps. What information do you still need to know? To identify the gaps and answer this question, you might choose to conduct any of the following:

### Surveys

Surveys are a good option for community members. You can survey large groups of people using either paper or online surveys.



Tips for successful surveys:

1. Keep surveys short — 10 to 15 questions is ideal.
2. Keep questions short — 20 words or fewer if possible.
3. Only ask questions that are relevant to the topic.
4. Put the most important questions at the beginning.
5. Survey people who know about the issue.

### Key Informant Interviews

Key informant interviews are a good option for getting details about consumer economics topics from community and business leaders. Interviews provide important context to data and statistics. Interviewees could include advisory board members, financial industry professionals, government leaders and leaders of nonprofit organizations.



Steps for successful interviews:

1. Make a list of about 10 questions pertinent to the issue.
2. Practice before you start interviewing. Revise any questions that are awkward.
3. Schedule about 20 minutes for the interview.
4. Ask the most important questions near the beginning.
5. Take notes.

6. Ask for clarification if you do not understand something.
7. Shortly after the interview, review your notes and reflect on the interview. Identify the key findings.

### Focus Groups

Like interviews, focus groups help provide context and more in-depth understanding of an issue. The group format allows participants to hear other opinions about a topic and add either their support or the reason they feel differently. Focus groups are most helpful when you want feedback on a complex consumer economics topic.



Steps for successful focus groups:

1. Make a list of about five open-ended questions pertinent to the issue.
2. Invite five to seven people with knowledge about a topic. Make sure that the participants have knowledge about the issue.
3. Schedule an hour for the focus group. Start and stop on time.
4. Take notes.
5. Ask for clarification if you do not understand something.
6. Review your notes and reflect about the focus group. Identify the key findings.

## Secondary Data Analysis

Consulting secondary data sources can inform you of the overall economic indicators and issues that impact consumers and their finances. The table on this page lists some secondary data sources that you may find useful as you assess consumer economics needs.

	<i>SOURCE</i>	<i>DESCRIPTION</i>
<b>Bankruptcy</b>	United States Courts <i>uscourts.gov</i>	At this site, you will find information from and about the judicial branch of the U.S. government. In addition, you will also find bankruptcy filings statistics.
<b>Consumer Financial Marketplace</b>	CFPB <i>consumerfinance.gov</i>	The Consumer Financial Protection Bureau provides research and information collected about the consumer financial marketplace, such as credit and predatory lending.
<b>Consumer Research</b>	NEFE <i>nefe.org</i>	The National Endowment for Financial Education funds research projects on many financial topics impacting consumers. They also conduct national consumer polls on topics such as how the COVID-19 pandemic stressed family finances.
<b>Financial Capability</b>	FINRA <i>usfinancialcapability.org</i>	The FINRA Investor Education Foundation offers research on financial capability on a national and state basis.
<b>Housing</b>	Freddie Mac <i>freddiemac.com/research</i>	At this site, you will find original research and analysis on housing trends, the economy and the mortgage market.
	Tennessee Housing Development Agency <i>thda.org/research-planning/research-planning</i>	This site offers an overview of Tennessee's housing trends: sales price, foreclosure activity, delinquency rates, housing affordability, vacancy rates and mortgage rates.
<b>Retirement</b>	Employee Benefit Research Institute <i>ebri.org/retirement/retirement-confidence-survey</i>	The Retirement Confidence Survey (RCS), conducted annually by the Employee Benefit Research Institute, gauges the views and attitudes of working-age and retired Americans regarding retirement, their preparations for retirement, their confidence with regard to various aspects of retirement, and related issues.
<b>Unemployment</b>	US Bureau of Labor Statistics <i>bls.gov</i>	This site offers unemployment and employment rates nationally and by state and by county, consumer price index, wages and occupational outlook, among other economic indicators.
<b>U.S. Population and Economic Data</b>	US Census Bureau <i>census.gov</i>	The Census Bureau's mission is to serve as the nation's leading provider of quality data about its people and economy. Among the data provided by the census, the following surveys and reports by the bureau provide valuable information.
	QuickFacts (Tennessee) <i>census.gov/quickfacts/fact/table/TN,US/PST045219</i>	QuickFacts provides statistics for all states and counties and for cities and towns with a population of 5,000 or more.
	American Community Survey <i>census.gov/programs-surveys/acs</i>	The American Community Survey provides information about America's changing population, housing and workforce.
	Economic Census <i>census.gov/programs-surveys/economic-census.html</i>	The Economic Census provides detailed information on employer businesses, including detailed data by industry, geography and more.

## What questions should I ask?

This section has been designed to help you think about which questions you might want to ask as part of your needs assessment process. While there are numerous questions you could ask and a variety of ways you could ask them, you will want to focus on those questions that allow you to assess the consumer economics needs in your community that can be solved through education. Also, your needs assessment should focus on questions that will help you determine the best methods to market and deliver the education you will offer.

## Assessing Educational Needs

As previously mentioned, consumer economics encompasses a variety of educational topics. In fact, the number of topics that fall under the umbrella of consumer economics can be overwhelming. To quickly obtain feedback on the importance of a

variety of topics within the consumer economics subject matter, you may wish to use the following question format. This format, which can easily be created in a Word table, allows you to list a variety of consumer economics topics on the left side along with a response scale at the top. The response scale allows those completing your needs assessment to indicate the relative importance of each consumer economics topic.

The table below has a list of consumer economics topics. You can use these topics to help you as you develop a survey question similar to the one below.

Advanced Directives	Estate Planning	Investing	Responding to Creditors
Banking	Finances in Later Life	Managing SNAP Benefits	Retirement Planning
Consumer Economics Topics	Fraud	Medicare	Savings
Consumer Rights	Goal Setting	Money Management	Social Security
Credit	Health Insurance	On My Own	Taxes
Decision Making	Homeownership/Renting	Powers of Attorney	Youth Financial Education
Disaster Preparation/Recovery	Identity Theft	Predatory Lending	
Employment	Insurance	Record Keeping	

The table below contains a list of topics typically addressed through Consumer Economics programming. Think about your county and select the importance of each topic.

	Very Important	Important	Neither Important or Unimportant	Unimportant	Very Unimportant
Advanced Directives	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Banking	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Bankruptcy Education/Counseling	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Budgeting	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Decision Making	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Other questions you may want to include on your consumer needs assessment include:

### Assessing Marketing Needs

One of the first steps to developing a successful plan for marketing your consumer economics programming is to simply ask. Asking individuals their preferred means of communication and communication channels will allow you to communicate with them more effectively and efficiently. Marketing questions to consider as part of your needs assessment include:

What sources do you frequently use for financial information? (Check all that apply.)

- Banks
- Credit Unions
- Friends
- Family
- Faith-based Organizations
- Non-profit Organizations
- Work
- Other

How do you typically get information related to money and finances?

- Internet
- Magazines
- Newspaper
- Radio
- Social Media
- Television
- Other

### Assessing Educational Delivery

Individuals will differ in the ways that they prefer to learn about money and other consumer economics topics. Use your needs assessment process as a time to find out how individuals in your community prefer to learn. A sample question dealing with educational delivery follows.

How do you like to learn about money?

- Group Instruction
- Individual Instruction
- Reading Articles
- Hands-on Activities
- Other

### What do I do when the needs are beyond my scope?

Our role as Extension educators is to serve as a source of non-biased, research-based education. This includes providing individuals with the education they need to make informed decisions about their finances.

Sometimes, individuals may raise specific financial questions, ask you for specific investment advice, or need assistance beyond the bounds of financial education. When these cases arise, it is important to refer participants to outside agencies and financial industry professionals who can best address these types of questions. Knowing when to refer to professionals for personalized financial help is paramount in your role as an Extension educator.

Below you will find information for referral sources including the types of individuals who hold professional certifications.

**Accredited Financial Counselors (AFC)** can educate individuals on sound financial principles, assist with overcoming financial indebtedness, guide clients in reaching money goals, and help and support clients as they work through financial challenges and opportunities. AFCs must pass two examinations, one in personal finance and one in financial counseling, and subscribe to the AFC code of ethics.

**Certified Financial Planner (CFP)** is probably the best-known certification in the field of financial planning and financial education. CFP licensees have to complete study and pass examinations in risk management, investments, tax planning, retirement planning and estate planning. They must also have a minimum level of three years' work experience, continue to update their knowledge in the field, and adhere to a prescribed code of ethics. CFP licensees are certified by the Certified Financial Planner Board of Standards, Inc.

**Credit Counselors.** Credit counseling agencies can help individuals who are having challenges following a budget, working out a repayment plan with creditors or keeping track of mounting bills. Many credit counseling agencies are nonprofit and work with individuals to solve their unique financial problems. Reputable credit counseling agencies often offer free education materials and workshops.

**Personal Financial Specialist (PFS)** designations are obtained by some certified public accountants (CPAs). Additional specialized education is needed and other requirements established by the American Institute of CPAs must be met. CPAs with the PFS designation provide a broad range of personal financial services, which may include investment advice.

## References

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