

OFT and consumer education

Further roll out of 'Skilled to go'

Introduction

1. This paper outlines OFT activity in support of our consumer education work – the building of lifelong skills rather than general awareness - which is being delivered through our 'Skilled to go' resource package. The paper in part 1 outlines activity and take up so far, part 2 outlines our plans for further roll out in 2009-10. Part 3 details how we will keep in touch with stakeholders. We'd welcome reader feedback.

Part 1: Background to consumer education

2. There is no commonly-agreed, comprehensive definition of consumer education. OFT takes the pragmatic view that any planned activity that aims to improve skills and knowledge in a consumer context can be termed consumer education. The OFT's strategic aim for consumer education is to 'give consumers the skills and knowledge to function confidently, effectively and responsibly when buying goods and services.'¹
3. Consumer education has a variety of practical outcomes. It can improve the learner's ability to research information and find information sources. It can help learners to develop their analytical skills and their ability to assess risk. Consumer education can improve research, comparison and decision-making skills, improve communication skills and raise awareness of sources of help. In all cases, the gains in skills and knowledge will increase the learner's confidence to function in a wide range of consumer situations.
4. There are key features that distinguish consumer education from other marketing activities. The emphasis on building skills levels and embracing educational best practice goes beyond message delivery and passive information provision. Where skills and confidence are a

¹ OFT753 *Consumer education: A strategy and framework*, November 2004, is available at www.offt.gov.uk/oft_at_work/partnership_working/consumer_alliance/background/#named4.

prerequisite to achieve behaviour change, consumer education can develop these necessary conditions to influence behaviour. Consumer education need not be confined to schools, colleges or other formal education contexts. It can happen at work or in a wide range of social contexts.

Skilled to go – activity to date

5. The OFT launched Skilled to go in June 2008. It comprises a free online consumer education resource toolkit designed for use in further and adult education settings such as colleges, community centres, work places, employment training courses and prisons etc. Skilled to go aims to:
 - develop learners' consumer skills
 - develop learners' consumer knowledge
 - increase learners' confidence to make consumer choices and decisions, and
 - develop learners' literacy or numeracy skills in line with the relevant adult literacy or numeracy curriculum.

6. It uses everyday consumer situations, such as choosing a mobile phone, as contexts for learning numeracy and literacy. Currently, content is organised into three modules: Buying and selling, Technology and Utilities².

Target audience for Skilled to go

7. The target audience is people engaged in adult and further education learning on literacy, language and numeracy courses throughout the UK. This audience is largely comprised of three groups:
 - young people aged 16-25 on vocational learning courses such as IT, car mechanics, child care, social care, catering etc

 - adults aged from 16-80 on vocational courses, return-to-employment training or studying voluntarily to improve their

² See Skilled to go at www.of.gov.uk/skilledtogo.

literacy, numeracy or language skills – many of whom are in employment, and

- adults for whom English is not their first language who are resident, and often working, in the UK.

Current reach of Skilled to go

8. Teachers from around 50 per cent of further education institutions in the UK have registered on the OFT website to access Skilled to go learning resources. To put this in perspective, there are approximately 600 FE institutions in the UK and over 4000 teachers in FE have registered to use Skilled to go in the nine months since its launch. Educators within armed forces and offender learning – two large subgroups in adult education - have also registered. About 40 new people register each week.
9. Realistically, teachers are not going to use Skilled to go to deliver every session with every class. However, we calculate that a conservative estimate is an annual potential reach of 80,000 learners and a more optimistic – but by no means maximum – estimated reach of 300,000 learners at current teacher registration levels.
10. In addition, beyond our existing target audience over 200 secondary school and 50 primary school teachers have also registered to access the resources, even though they have to adapt the resources to be able to use them. This is extending our reach to new, younger audiences.
11. Three points are worth noting in relation to Skilled to go's current reach. Firstly, getting a foot in the door with teachers is not easy to do. Your product is competing in a crowded market for a discerning, time-poor audience. OFT research showed word of mouth is the main way teachers find out about new resources and our evidence with Skilled to go bears that out. To have created a product that has so quickly gained their endorsement and recommendation, especially as a government department, is a powerful position to be in. Secondly, in the Skilled to go registration database, we have a highly valuable asset in the contact details of every teacher who has looked at the resources. For example, a marketing company recently tried to sell us access to a database of 6000 teachers. In nine months we already

have over two thirds of that amount in our own database. There is considerable future scope to exploit these contacts and the reputation of Skilled to go resources in this market. Finally, we have an established access route to a young adult audience via Skilled to go which has potential to be further developed.

Evaluation of activity to date

12. Skilled to go was developed using insight of the target teacher audience, which shaped the format, organisation, design, branding and distribution of the toolkit³. In addition to the input of our development partners - the LLU + educational consultancy at London South Bank University whose expertise is in producing materials for our target audience - the appropriacy of the toolkit style, tone, methods and content was tested firstly in a mini-pilot mid-way during toolkit development (September 2007) and secondly in a full pilot exercise prior to launch (2008). The purpose of the full pilot was also to evaluate Skilled to go's effectiveness in achieving its aims. The learning materials were trialled for over 500 hours and learners' confidence and ability levels were benchmarked at the start and end of the six week period.

13. Developing skills and knowledge is a long term process, but the results after just six weeks were very positive. Learners' consumer knowledge improved by 13 per cent, and their ability to handle consumer scenarios increased by up to 14 per cent - particularly impressive given some learners used Skilled to go for only two hours per week. In addition, learners reported significant skills improvements: 24 per cent more learners would consider which features of a product or service are important to them before buying at the end of the pilot compared to the start, and there was a 20 per cent rise in learners who would always compare products' advantages and disadvantages before buying. Consumer confidence also grew. There was a 44 per cent increase in learners who felt very or quite confident in knowing their consumer rights. The proportion of learners who felt very or quite confident in being able to find out

³ The full research report, *OFT Consumer Education: The FE Toolkit Project: Stage 2: Findings from Interviews with Further Education Staff & Final Recommendations*, produced for OFT by COI Strategic Consultancy, June 2007, is available at www.offt.gov.uk/oft_at_work/partnership_working/consumer-alliance/research/#named1.

their rights, doubled. Skilled to go also appealed to groups of learners who are traditionally hard to reach in an educational setting, such as young males.

14. After both sets of pilots the materials were revised and improved in line with learner and teacher feedback⁴.
15. Take up of Skilled to go so far is very encouraging. In addition, all our qualitative feedback, gathered formally through our evaluation and informally from the consumer education team's direct contact with teachers and via the website, is almost universally very positive about the aims of Skilled to go, its appropriacy for purpose, its appeal to learners and the quality of the resources for teachers and learners.

Part 2: Roll out in 2009-10

16. Sustainability is an important aspect of our approach to consumer education and underpins two key aspects of our work in 2009-10: firstly, reviewing and updating our existing Skilled to go resources and secondly, extending the potential of the existing content by tailoring it to discrete audiences.

Reviewing and updating Skilled to go modules 1-3

Proposed timing for publication: November 2009

17. We have committed to reviewing Skilled to go content every 9-12 months. The accuracy and topicality of the learning materials is integral to them gaining teachers' support. Skilled to go launched 11 months ago and currently all the content in modules 1-3 is being re-verified for factual accuracy by experts including the OFT legal team, Consumer Direct (CD) and Alliance members: The Consumer Council and Queen Margaret University. This updated content will also form the core of tailored versions of Skilled to go outlined below.

Tailoring Skilled to go for financial literacy programmes

Proposed timing for publication: November 2009

⁴ More detail is available in the full research report: OFT1040 *Skilled to go evaluation: Researching the effectiveness of the Skilled to go further education toolkit*, Prepared for the Office of Fair Trading by LLU+, London South Bank University, January 2009. See www.of.gov.uk/of at work/partnership working/consumer-alliance/research/.

18. Although Skilled to go develops broad consumer skills, within that, it supports the development of a range of financial capability skills. The Skilled to go activities which develop these skills will be identified for financial literacy practitioners and will also be referenced to the Adult Financial Capability Framework.

**Tailoring Skilled to go for local authority Trading Standards Services (TSS)
Proposed timing for publication: January 2010**

19. Some TSS are involved in delivering talks or other sessions in secondary schools and parts of Skilled to go would make a useful addition to the resources TSS have available for this purpose. Rather than being resources for teachers to use, the resources are for TSS staff when they work directly with pupil groups. In late 2008-09 we invited TSS to take part in workshops to select an appropriate pool of Skilled to go resources. We will continue to work with TSS as we develop this project.

**Tailoring Skilled to go for use in Scottish secondary education
Proposed timing for publication: February 2010**

20. Skilled to go is being adapted for use on Scottish secondary standard grade courses in social and vocational skills and home economics and enterprise education. The new Scottish Curriculum for excellence, which overarches all subjects, places emphasis on developing pupils' life skills, confidence and ability to participate effectively in society, all of which makes Skilled to go a highly relevant tool for this audience.

**Expansion of Skilled to go
Proposed timing for publication: July 2010**

21. Work on modules 4 and 5 will start in May 2009. They will be launched in the fiscal year 2010-11 to fit with the appropriate stage of the academic year to gain teacher attention.
22. The choice of topics for Skilled to go modules 1-3 was based on research including market research lifestyle analysis of significant

events at key life stages, feedback from the consumer education alliance and CD annual complaints data. A topic needed to:

- have relevance to, or be easily adaptable to, adult and young adult audiences
 - be relevant in all parts of UK, even if the market operates differently in different parts of the UK
 - develop transferable generic consumer skills and knowledge that can be applied across transactions in a range of markets, and
 - offer tangible actions that people can take to rectify problems in the market, having developed the skills and knowledge to identify and act on problems.
23. In choosing further modules, the OFT's priority is to focus on areas of consumer detriment and the need for ongoing promotion of CD and its NI equivalent Consumer Line – which are the calls to action in existing Skilled to go modules.
24. The OFT plan is that module 4 should cover scams. Scams is a priority area for the OFT and our strategic objective, through enforcement, education and awareness, is to reduce the number of people falling victim to mass marketed scams. The OFT psychology of scams research 2009⁵ shows that scammers often model their scams on legitimate marketing equivalents, or by copying earlier scams. In effect, this means that the public can learn about particular kinds of scams and be advised on how to successfully avoid them. This is particularly relevant for consumer education and the Skilled to go programme because it suggests that the skills learned to protect against one scam would also be relevant to protect from other scams. Consequently, Skilled to go could offer a broad range of consumer skills set in the context of scams so that people can defend themselves against a range of scams. In addition, the consumer skills developed would have broad transferability to other consumer situations.
25. Scams are also relevant to the audience Skilled to go is aimed at. Anybody can be targeted by a scam. Almost half the UK adult

⁵ OFT1070 *The psychology of scams: Provoking and committing errors of judgement*, Prepared for the Office of Fair Trading by the University of Exeter School of Psychology, May 2009. See www.of.gov.uk/shared_of/reports/consumer_protection/oft1070.pdf.

population is likely to have been targeted by a scam and around eight per cent admit to being a victim of a scam at some time. OFT estimates 6.5 per cent of the UK adult population fall victim to scams per annum. Although older consumers are more likely to be targeted, there is no evidence to suggest that older people are more likely to be victims. Victims are most common in the 35-44 year age bracket, although the highest amounts lost per scam tends to be among older victims. All social classes are targeted by scammers, with specific scams focused on certain groups, for example investment scams.

26. The Skilled to go adult audience includes people in both the 35-44 age group and the older people bracket. For adult age ranges out with these groups the relevance of the scams topic and skills could be justified firstly as a way of spotting potential victims among family and friends and secondly as helping to develop a general level of scrutiny and care transferable to all potential consumer transactions as scammers essentially use the same skills as the marketers of goods and services.
27. Where a scams module seems less immediately appropriate for the Skilled to go audience is for the youth segment (see paragraph 10). Using scams such as SMS or email scams as contexts or other teen-friendly hook is likely to be necessary to get sufficient interest from a young adult audience. Potential hooks need further investigation.

Scams and the Skilled to go delivery method

28. It's vital to ensure that any potential module topic offers sufficient opportunities to develop literacy and numeracy skills in order to secure teachers' buy in and increase the likelihood that they will use it. Scams offers substantial options for building literacy, numeracy and IT skills and in this regard is a highly suitable topic.
29. Further detail of our rationale for suggesting scams is available if readers would like it. We would also welcome readers' ideas for content for module 5 (see contact point below).
30. Our approach, once module topics have been agreed, will be to use research to identify the main consumer problems in this area and the

desired consumer behaviour/s we would want to achieve to address these – in some cases this is already known - and from that, objectives for the skills, knowledge and confidence to be developed by the module can be set, key messages confirmed, and a project plan developed.

Part 3: Keeping in touch

31. OFT is keen to work with partners in extending the reach of Skilled to go. We recognise that we need to keep you in touch with our plans and we also welcome the opportunity for you to let us know about the projects that you're working on. Hence we have developed a quarterly e-newsletter for members of the Alliance of consumer education members.

32. For the benefit of all with an interest or involvement in consumer education, we have developed a consumer education project database – launched in conjunction with consumer education liaison group (which is a working group of TSI). The database allows organisations to upload details, in their own words, of consumer education projects they're working on, to share information, resources and good practice and to prevent duplication of existing material. The database has significant potential to grow, for example, to become an information source for teachers to identify resources for specific curriculum areas. As more projects are added, the database becomes more valuable, eventually forming a comprehensive central information point for consumer education.

To access the database see the consumer education pages of the OFT website: www.oft.gov.uk/oft_at_work/partnership_working/consumer-alliance/alliance/database.

To be added to the mailing list for the newsletter, please email oftconsumereducationteam@oft.gsi.gov.uk

To feedback on the content of this paper, please email sam.brew@oft.gsi.gov.uk

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