

Researchers Study Couponing By A Random Sampling Of Habits

By Bob Cairns

Armed with her trusty scissors, Karen Steudel spends Thursday mornings attacking the food sections of the Raleigh area newspapers. Karen is in search of coupons—the American housewife's hedge against inflation.

"Virtually every nationally advertised food product in America offers cost reduction coupons," said Dr. J.W. Levedahl, assistant professor of economics at North Carolina State University.

But according to Levedahl, coupons, which can offer anywhere from three cents to more than a dollar reduction on the price of a product, aren't necessarily a manufacturer's gift to the consumer.

A research project on couponing conducted by Levedahl at NCSU asked an important question about Mrs. Steudel's favorite indoor sport: When a shopper with a

coupon saves, who pays?

When a product is couponed the difference in cost is reflected in the retail price paid by both users and non-users of coupons," Levedahl said.

By offering a coupon deal (say 10 cents off) on the product, the company is able to segment its market.

"Instead of one group of customers buying the brand and paying a single price, you now have two groups paying two different prices," Levedahl said.

Group one, people who are loyal to their favorite (higher priced) brand will continue to buy it even when they don't have a coupon. These people pay a higher price, he explained.

"But the second group, those cost-conscious shoppers who may not ordinarily purchase the item, now have a coupon. So instead of purchasing a cheaper private label or generic brand, they'll use the

coupon to buy the brand name at a lower price," he said.

With the coupon the company introduces its product to a new group of buyers, increases its profits and is clearly one of couponing's winners.

Now for the losers.

"When coupons are available, the consumers who continue to purchase the brand-name products without taking advantage of the offer, come out on the short end of things," he said.

"The full price of the pro-

duct may be as much as 17 per cent higher because of the coupon."

In recent years there has been a steady increase in the use of coupons, and the informed consumer should know about how they're priced and who pays for them, Levedahl said.

Levedahl looks at couponing as a flag.

"When I see products or stores consistently couponing I get a bit suspicious and won't shop there or buy that brand unless I have coupons,"

he said.

The data for Levedahl's research was supplied by a firm which surveys a large random sampling of householders regarding their purchasing habits. Support for this work came from NCSU faculty research and professional development funds.

Levedahl said housewives like Karen Steudel, who is spokeswoman of the American Couponing Club of Cary, represent another of couponing's winners.

"Shoppers who are willing to invest their time in clipping, organizing and using coupons wisely can realize some very substantial rewards," Levedahl said.

Mrs. Steudel says that for the Cary women, couponing offers a variety of benefits.

"It's a nice way to stay at home and earn a little bit of extra money, she said. "The money is tax-free, and I'm able to be here when my children come home from school."

Mrs. Steudel estimates that

through couponing, refunds and buy-back offers, she saves more than \$2,000 annually.

Mrs. Steudel, whose indexed coupon inventory exceeds 2,000, says that for many housewives, refunding has become even more attractive than couponing.

"I save proofs-of-purchase such as boxtops and labels from practically every grocery item I buy," she said. "I know which companies offer the better refunding deals and buy their products. Then

when a deal hits, I'm ready to cash in."

Several weeks ago she shopped a Raleigh grocery store that was doubling values on coupons.

"My bill was \$110.39. When the coupons had been counted and doubled, I paid \$52.55," she said.

When consumers like Karen Steudel drive away from the grocery store, they not only go out winners, says Levedahl, they leave the less cost-conscious shoppers behind to help foot the bill.

Tree Planting Is Increased

ATLANTA—Suffering the pangs of recession more than most industries, southern forest based companies showed a firm faith in the future during the 1981-82 tree planting season.

Almost a billion trees—967,847,219—were re-planted by forest industry firms in the Southern Forest Institute's annual survey. The figures represent an increase of 14% more than the planting rate ten years ago.

SFI began the survey of trees planted by industry on its own and on other private lands in 1948, when 26 million trees were put in the ground. Over the years many millions of these seedlings have gone to nonindustrial tree farmers who practice forest management on their own lands.

"People in the forest business are used to looking ahead," said Jim Montgomery, SFI's executive vice president. "It takes years to grow a tree for paper and lumber or plywood. Even in these tough times they know people a generation from now are going to need more homes and papers and all the other things that come from trees."

"You can't wait until you need it to plant a tree," he added.

The figures do not include acres planted by direct seeding or those which were prepared for natural regeneration without planting. They also do not account for seedlings grown on state-owned nurseries planted on

other than industry lands. More than half the seedlings planted were grown on company nurseries.

A majority of the pine seedlings reported grew from seeds of superior trees as part of southern forestry's continuing genetic improvement program. They can be expected to grow faster, straighter and be more resistant to fire and disease than run-of-the-woods trees, Montgomery said.

While industry forests and those of tree farmers are being well managed for repeated crops of trees, he said, they represent only a small fraction of the forest acreage in the South. Private, nonindustrial owners hold almost three-quarters of the southern forest.

"The South," said Montgomery, "can grow the increased wood the nation is going to need; and it can be a major factor in meeting world wood and paper needs. But industry can't do it on its lands alone. If the South is to meet its potential, good forest management must make sense to these landowners who aren't now practicing forestry."

Southern Forest Institute, with offices in Atlanta, is a division of the America Forest Institute, headquartered in Washington, D.C. The information and education arm of the forest products industry, the Institute sponsors the American Tree Farm System to encourage management of private timberlands.

Mail Fraud Figure Gets 100-Year Jail Term

Three Ohio residents who swindled individuals and companies out of thousands of dollars have learned that taking part in a mail fraud scheme has a high price for those convicted, especially if they've done it before.

Henry Daniel Stull, Sr., 61, has been sentenced to 100 years in jail and ordered to pay a \$20,000 fine. His son, Henry Daniel Stull, Jr., 40, was sentenced to 50 years in prison and Patricia L. Mooradian, 34, got a 20 year sentence.

The three, all from Cleveland, were found guilty last Fall of selling phoney work-at-home courses they claimed would lead graduates to become mortgage of financial brokers, and of fraudulently obtaining expensive office equipment, supplies, advertising services and other merchandise from companies in several states and Canada. None of the equipment was ever paid for.

The Stulls claimed those enrolled in their course for brokers would be associated with a company with 100 years of financial experience, capable of funding loans up to \$15 million, and that they operated 1,000 offices worldwide—one of them located on Wall Street in New York City, the other in Geneva, Switzerland. Postal Inspectors found the Wall Street and Geneva "offices" were only part of a telephone service, and there was no money available for loans.

Until an investigation by Postal Inspectors shut down

their operation, the Stulls took in nearly \$300,000 in advance fees for loans and course fees, but no arrangements for loan applications were ever completed. The Stulls also promised an "iron-clad, full refund guarantee" for those who paid \$95 to enroll in the course and weren't satisfied, but inspectors say no money was ever refunded.

Under the name Skipper's Discount Company, the Stulls' mail fraud scheme also involved ordering business machines, safes, typewriters, paperback books, photocopy paper, envelopes, filet mignon steaks and the lease of an automobile. The car was repossessed, but none of the other merchandise or supplies were recovered.

In 1974 the Stulls were convicted and sentenced to five years in prison and five years probation for using the name of a legitimate Cleveland company, Independent Sales, to obtain expensive equipment, supplies and other merchandise. Subsequently, the elder Stull served 18 months of the sentence. The younger Stull spent eight years in the state penitentiary at Marion, Illinois, and during that time, Postal Inspectors say he began placing ads in several newspapers for the Skipper Discount Company and the course for financial brokers.



TG&Y® family centers

EDENTON VILLAGE SHOPPING CENTER

TG&Y's policy is: always have advertised merchandise in adequate supply in our stores. In the event the advertised merchandise is not available due to unforeseen reasons, TG&Y will provide a Rain Check, upon request, in order that the merchandise may be purchased at the sale price when it becomes available, or you may purchase similar quality merchandise at a similar price reduction. It is the policy of TG&Y to see that you are happy with your purchases. It is TG&Y's policy to be priced competitively in the market. Regular Sale Prices may vary market by market, but the sale price will always be as advertised. We will be happy to refund your money if you are not satisfied with your purchase. VISA® and MasterCard® accepted.

Dollar Days

 <p>Northern Vaporizer 1 gal. size \$5.97</p>	<p>Huffy Pro Lightning Bicycle</p>  <p>\$127.88</p>	<p>Irregulars Wash Cloths</p>  <p>67¢</p> <p>Bath Towels 2/\$5.00</p>	<p>Styro Cups</p>  <p>68¢</p> <p><small>White Foam Cups Perfect for serving hot or cold drinks. 8.5 oz., 51 count.</small></p>	<p>Drapes</p>  <p>\$10.88</p> <p><small>Heavyweight Foam Back Drapes Change the drapes and you change the whole room! Variety of fabrics and colors. 50x63" or 50x84".</small></p>	<p>Huge Assortment of Paper Back Books</p>  <p>3/\$1.00</p>
 <p>100% Nylon Bath Rug Set \$8.88</p>	 <p>12 oz. Maalox \$1.78</p>	 <p>4 oz. Oil of Olay \$3.88</p>	<p>TG&Y Brand Sewing Thread</p>  <p>5/\$1.00 Reg. 29¢</p>		<p>DMC Embroidery Thread</p>  <p>23¢</p>
<p>Assorted Foam Chair Pads</p>  <p>\$1.97</p>	<p>TREES FRUIT TREES</p> <p>\$7.88</p> <p>Peach Cherry Dogwood Apple Plum</p> 		<p>Aunt Lydia's Rug Yarn</p>  <p>2/\$1.00 Reg. 56¢</p>		
 <p>Hot Wheels Cars 99¢</p>	 <p>PECAN TREES \$9.88</p>		<p>Ladies Winter Handbags</p>  <p>25% off</p>	 <p>Clairol 20 Hairsetter \$20.88</p>	<p>13 oz. Whoppers Malted Milk Balls</p>  <p>97¢</p>
<p>Ladies Pull On Sweaters</p>  <p>\$10.00 Values to 17.97</p>	<p>Jrs. Gabadreme Dress Slacks</p>  <p>\$7.00 Reg. 9.97</p>		<p>Ladies Corduroy Blazers</p>  <p>\$25.00 Reg. 49.97</p>		
 <p>14K Gold Jewelry 1/2 off manuf. retail price</p>	<p>Ladies Casual Shoes</p>  <p>25% off</p>		<p>Ladies Leg Warmers</p>  <p>\$2.97</p>		
<p>Mens Vinyl Gloves</p>  <p>\$1.97</p>	<p>All Winter Coats & Jackets</p>  <p>25% off</p>		<p>Mens Thermal Underwear</p>  <p>\$3.88 <small>tops or bottoms</small></p>		

TG&Y WILL MEET ANY LOCAL COMPETITORS CURRENT ADVERTISED PRICES — BRING THEIR AD!