

with some effort on the part of these customers it would seem possible for them to have made payments out of their low monthly welfare income. There are a number of examples of relatively large purchases, however, by the welfare recipients listed in table IV-14.

Six purchases by individuals on welfare involved television or stereo sets. The five televisions sold ranged between \$206 and \$402 (table IV-14). The \$402 set was purchased by a family of six with a reported monthly income of \$188. This family agreed to installment payments of \$24 a month. After such a payment the monthly income per person for this family was \$27.

TABLE IV-14.—WELFARE RECIPIENTS—ITEMS PURCHASED, MONTHLY INCOME, AND PAYMENTS

Customer ¹	Number of persons in household	Item purchased	Price	Monthly income	Payments
Female.....	5	Cookware.....	\$51.45	\$228	\$4 a month.
Do.....	4	do.....	51.45	300	\$1 a week.
Do.....	4	Linen.....	51.45	228	Do.
Do.....	6	Fan.....	51.45	141	\$4 a month.
Do.....	9	TV.....	308.95	194	\$40 a month.
Man and wife.....	2	Cookware.....	51.45	208	\$4 a month.
Do.....	4	Radio.....	51.45	150	\$1 a week.
Do.....	6	Fan and iron.....	97.90	187	\$10 a month.
Female.....	3	Cookware.....	51.45	103	\$4 a month.
Do.....	4	China.....	51.45	160	Do.
Do.....	7	Cookware.....	51.45	276	\$1 a week.
Do.....	4	Furniture.....	94.56	299	\$10 a month.
Do.....	5	Cookware.....	51.45	260	\$4 a month.
Do.....	7	do.....	51.45	279	Do.
Man and wife.....	6	TV.....	360.45	240	\$32 a month.
Female.....	3	Stereo.....	339.85	252	\$20 a month.
Do.....	3	Cookware.....	51.45	164	\$4 a month.
Do.....	3	Furniture.....	154.45	185	\$12 a month.
Man and wife.....	10	TV.....	205.95	183	\$11 a month.
Female.....	6	Appliance.....	25.70	275	\$4 a month.
Do.....	6	Furniture.....	41.15	312	Do.
Male.....	1	do.....	41.15	100	Do.
Female.....	3	Slipcovers.....	53.46	252	\$5 a week.
Do.....	1	Furniture.....	79.95	120	\$2 a week.
Do.....	6	China.....	51.45	175	\$4 a week.
Man and wife.....	8	Furniture.....	411.90	237	\$36 a month.
Female.....	1	Cookware.....	51.45	130	\$5 a week.
Do.....	3	do.....	51.45	168	\$1 a week.
Man and wife.....	6	TV.....	257.45	256	\$15 a month.
Do.....	6	TV.....	401.65	188	\$24 a month.
Do.....	5	Cookware.....	51.45	300	\$1 a week.

¹ Of the 21 female heads of household that were customers and welfare recipients, 14 indicated they were separated, 4 reported they were single, 2 were widowed, and 1 was divorced.

Source: Bureau of Economics, Federal Trade Commission.

The preceding analysis of the customers and of their purchases from one low-income market retailer has revealed some unique characteristics of consumers in the low-income market. The average customer of this retailer had a family of 5 which he was endeavoring to support on an income of \$348 per month. This average income is far below the estimate of \$730 per month which the Bureau of Labor Statistics recently estimated as the minimum needed to maintain a moderate standard of living for a family of only 4 in Washington, D.C. Yet, these customers made furniture and appliance purchases averaging over \$200 on installment credit contracts. They paid substantially higher prices than they would have paid general market retailers for comparable merchandise, placing an additional strain on their meager incomes. The examples of relatively large purchases (over \$300) made by customers in the lowest income group (under \$300 a month) indicate that consumers in the low-income market are influenced by very strong motivations to buy furniture and appliances and they are willing and able, in most instances, to make small payments over a period of time to satisfy their needs and desires.