Consumer Well-Being Index

Daniel L. Duersch (Robert N. Mayer)
Department of Family and Consumer Studies
University of Utah

The goal of my project was to create a cross-national index of Consumer Well-Being that would be useful to activists, businesses, and governments seeking to improve consumer well-being. There are currently several influential indexes that compare the performance of individual countries in areas such as economic freedom, business competitiveness, democracy, government corruption, human rights, and even quality of life. There is no country-by-country index, however, of consumer well-being, whether measured in terms of consumption or consumer protection.

In order to create such an index, international information was gathered, analyzed and integrated from a variety of governmental and non-profit sources. The biggest challenge was finding relevant and quantitative data measuring consumption and consumer protection for more developed countries, let alone less developed ones. The available data were organized in the form of a matrix. Along one axis are the various measures of consumer well-being and along the other are the individual countries. The measures of consumer well-being fall into four categories: (1) consumption in specific markets for goods and services (e.g., food, communications, transportation), (2) general market conditions (e.g., inflation and trade restrictions), (3) vibrancy of consumer movements, and (4) strength of consumer protection policies.

In addition to data availability, there was a second major challenge. One was deciding how to weight various components and subcomponents of the index. For example, how should one balance the price of food, on the one hand, and government policies to insure food safety. Moreover, within a category like transportation consumer protection, what relative weights should be given to laws governing driving under the influence of alcohol vs. restrictions on the use of cell phones while driving? A draft of the completed index will be distributed for comment to several consumer and governmental organizations.

After incorporating their comments, the index will be distributed to consumer organizations and government agencies around the world.