

Consumer Rights Awareness and its Effect on Consumerism in Meerut

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ABSTRACT

Consumerism has been defined as a social movement seeking to augment the rights and powers of consumers in relation to sellers (Kotler, 2000). It has spread to developing countries including India but majority of Indian consumers have been observed to be relatively passive in utilizing their rights and the established consumer protection mechanisms. Consumer exploitation has therefore continued unabated in the market place. The present study is aimed at investigating the level of consumer rights awareness and the effect of consumer rights awareness on consumerism in the Meerut region through a survey of household consumers in the area. It covers the aspect of general awareness among consumers in the area under study regarding consumer protection and specific awareness of provision of consumer protection act 1986. A pre-designed self-administered questionnaire was used for data collection. The research observed that a lot of consumers are being exploited even with the awareness about their rights under legal framework of consumer protection act 1986. Despite so many legal provisions made by Government of India for the well being of consumers, but the complete protection is still awaited. The study recommends for a policy on consumer education and activation in the region. It also recommends that manufacturers should establish a division for consumer affairs to listen to consumer complaints addresses their issues.

Keywords-- Consumerism, Consumer Protection, Consumer Exploitation, Consumer Rights Awareness

rights; Right to basic needs, to information, to safety, to choice, to be heard, to redress, to education and to a healthy environment. These Rights were further re-enforced by adoption of UN Guidelines on Consumer Protection in 1985 and 1999. These rights vary from country to country due to the diversity of consumers. Consumer rights in India are entrenched in the Consumer Protection Act 1986. Although the momentum towards stricter consumers' protection via establishment of specific laws has emerged, the journey is still at its infancy. In order to ensure effectiveness it requires participations, collaborations and co-ordinations from all stakeholders (Sakina et al. 2012; and Ong & Sakina 2011), including the consumer (who is the most important of all the stakeholders). Consumers play an important role as they must communicate or express their dissatisfaction or complaints before remedies can be taken (Donoghue & de Klerk 2009). This requires consumer to have knowledge on their rights, for example, regarding complaints' procedures and to take appropriate actions in line with the stipulated regulations. Furthermore, sometimes the law also does not in the position to best champion the consumers' rights (Sakina et al. 2012). Therefore, consumers must actively participate in advocating the process of upholding their rights against market exploitations.

However, unawareness and lack of knowledge on consumers' rights and claim procedures potentially distort consumers' capacity and ability to defend themselves against cunning traders. Therefore, a thorough investigation is needed to validate the extent of relationship between awareness and effective consumer behavior, as well as consumers' knowledge and effective consumer behaviors. Such deliberation will highlight the most required ability in order to create resilience consumers' protection environment, especially for developing countries like India.

I. INTRODUCTION

Kotler (2000) defines the consumerist movement "as an organized movement of citizens and government to strengthen the powers of buyers in relation to sellers". In a third-world perspective, consumerism has been defined as "the efforts made either by the consumer himself, the government, and/or independent organizations to protect the consumer from the unscrupulous practices of businesses in their quest for profit" (Onah, 1979). Consumer right is an entitlement that a consumer enjoys at the market place. In 1982, Consumer International's Charter of Consumer Rights came up with 8 consumer

II. LITERATURE REVIEW

Azrina et al. (2011) defines consumer "as any individuals or households utilizing good and services

generated within the economy.” Over the years, the word “rights” has always found shelter under the banner “human rights”. Human rights are rights and freedoms protected under the constitution of a country, and are enshrined in the laws of India. According to Be Ilo, Aduke and Danjuma (2012) when awareness is low among consumers, consumerism is in near absence. The study conducted among Nigerian consumers indicated that the near absence of consumerism or action against unwholesome business practices in the country was closely associated with low level of consumer awareness. Vijayakumar and Venugopal (2012) postulated that consumer education enhances consumer rights awareness. The study on consumer rights awareness conducted in India found out that educational institutions played a significant role in raising consumer rights awareness. Further, the study also established that consumers can still be exploited even when aware of their rights. The study focused on universities that offer studies on consumer affairs as part of their syllabus. Majority of students interviewed agreed that consumer awareness can assist in reducing consumer exploitation in the market place indicating a link between consumer rights awareness and reduction in consumer exploitation in the marketplace. Khurana and Khurana (2012) examined the general awareness among consumers regarding consumer protection measures and the Consumer protection Act (1986) in India. The study was conducted in the District of Yamuna Nagar of Haryana State. One of the objectives of the study was to provide recommendations that for strengthening consumer awareness programme in India. The study found out that all respondents had general awareness of consumer protection and that all consumers had faced the situation of consumer exploitation in one way or other. The results also found out that only 10% of the respondents had approached the consumer forum for justice while none of them had used the National Consumer Helpline as a means of seeking redress for the problems faced as consumers. This indicated a low level of utilization of consumer protection mechanisms in the country despite the existence of general consumer rights awareness in the country.

Jayasubramanian and Vaideke (2012) concluded that general public awareness of consumer rights and consumer protection measures is affected by lack of proper communication. The study looked at consumer rights awareness and attitudes towards Consumer protection measures in India. It revealed that despite government measures to protect the consumer, consumers may end up not using the measures properly. The study recommended for co-operative efforts on the part of consumers, business and the government as necessary for protecting consumers. The study suggested that in order for the Indian consumer movement to succeed government actions and consumer

activation through consumer education was necessary. The study recommended that consumer education should be done in colleges and schools in India.

Ahlawat and Shekar (2009) observed a close relationship between level of awareness and utilization of consumer rights through a study of 200 Indian women consumers. The study conducted in Palanpur city of Gujarat State found out that consumers are mostly aware of the rights that are simple and easy to access such as, right to information, choose and safety. The other rights that required a deep understanding of complicated rules and procedures are less utilized by women. These finding were supported by Kulkarni and Mehta (2013) who investigated buying practices and level of consumer rights awareness among management scholars. The study which was conducted in Ahmednagar city found out that 62% of management students were aware of their rights but only 5% had lodged complaints against sellers in a district consumer forum. The studies suggest that consumers need to be educated more about the procedure of filing complaint and seeking redress.

Many studies show that consumers’ awareness and knowledge impose significant impact on various types of effective consumers’ behaviors (McEachern & Warnaby 2008; Hartlieb & Jones 2009; Donoghue & de Klerk, 2009; Thomas & Mills 2006; Chartrand 2005; Coulter et al. 2005; and Dommeyer & Gross 2003). For example, Hartlieb and Jones (2009) emphasizes the importance of ethical labeling for humanizing business images. The function of ethical labeling is to saliently develop the ethical qualities into product features so that customers become aware and have knowledge on the critical aspect which are expected to influence consumers’ decisions or behaviors.

Meanwhile, Dommeyer and Gross (2003) examines the role of customers’ awareness and knowledge in the area of consumers’ private information invasion by direct-marketers. Their findings indicate that male and younger people have more awareness on privacy-related laws and practices. As a result, these groups have adopted specific strategies to protect themselves from the invasion syndicate. Another study by Donoghue and de Klerk (2009) had emphasized on the consumers’ traits and psychological characteristic for explaining consumers complaining behaviors.

Knowledge can influence human decisions or actions (McEarchern & Warnaby 2008). The relationship between knowledge and consumer's behavior can best be explained by Ajzen's theory of Planned Behavior (TPB). Based on TPB, individual attitudes and beliefs are shaped by knowledge. Therefore, a study that investigates the impact of knowledge on human behavior is implicitly be underlies by the Planned Behavior Theory. According to McEarchern and Warnaby (2008), knowledge can be

divided into system knowledge, action-related knowledge and effective knowledge. Each form of knowledge leads to a definite amount of influence on human decision-making. "System knowledge" refers to the knowledge of how systems or process operates; "action-related knowledge" relates to the behavioral options and/or possible courses of actions; and "effective knowledge" refers to knowledge of potential benefits or certain behaviors. As far as consumers' rights are concerned, all form of knowledge (system, action-related or effective knowledge) can affect consumers' defensive behaviors. Ignorant in any form of knowledge can deteriorate consumers' capacity to exercise their rights as well as unable to force traders to act in compliance with requirement of consumer protection act and vice versa. For example, according to Thomas and Mills (2006), current legislation of the Truth-in-Menu Laws has been established to protect American consumers from fraudulent restaurant practices in terms of nutritional content, health claims, serving size, geographic origin of foods, quantity and quality of food product, methods of preparation, representation of merchandising items and misbranding. However, the law provides flexibilities to the restaurant operators to provide nutrition information upon request from customers. Due to American consumers' knowledge on the provision of Truth-in-Menu Laws, they have requested the restaurateurs to provide more nutrition information on the menu. Such action reiterates the role of consumer knowledge and awareness in advocating effective consumerist behaviors as well as disciplining the traders.

III. OBJECTIVE OF THE STUDY

The objective of the study covers the aspect of general awareness among consumers of the area under study (i.e. Meerut) regarding consumer protection and specific awareness of provision of consumer protection act 1986. It is specifically studied the level of awareness among consumers of two generations of the area under study with regards to procedural formalities to be completed while filling a complaint in consumers forum.

IV. RESEARCH METHODOLOGY

The study is largely descriptive and analytical. The research included the consumers of the two generations of all three income groups of rural and urban Meerut. Total 400 respondents are covered which comprises 100 male and 100 female consumers of the younger generation with the age group ranging from 15 to 25 years, similarly 100 males and 100 female consumers with the age group 25 years and above are covered as mature consumers. Thus, a total 200 youngsters and 200 mature consumers are included as respondents from all

income classes of rural and urban parts of the area under study. The level of consumer awareness is assessed on the basis of following parameters:-

1. Consumer awareness regarding consumer protection.
2. Consumer exploitation situations i.e. Defects and deficiencies in Products and services.
3. Procedural awareness of Consumer regarding appeal in consumer Court.

V. RESULTS

The responses of the respondents of different consumer segments as stated above are noted in term of "yes and no" as shown in the table 1, 2 and 3 below.

There is a mix response of the consumers of young and mature segments regarding the general awareness as shown in the **Table 1** below; only 56% male and 43% females young consumers heard about the "Jago Grahak Jago" campaign of Govt. of India. The response of the mature segment of consumers for the same question is highly disappointing as only 49% male and 38% female consumers claimed to be aware about "Jago Grahak Jago" campaign, while 51 and 62% of the mature male and female consumers denying the awareness about the campaign. Regarding exposure and viewer ship percentage to the advertisements of consumer awareness, the percentage of younger male consumers with positive response is 57% as against the 42% positive response of younger female consumer, the negative response of the young male and female consumers are 43% and 58% respectively. The awareness level of mature male and female consumers regarding the exposure to the advertisements of consumer awareness is comparatively low with 43% and 31% of positive response of male and female consumers respectively, the majority of 57% and 69% of male and female consumers denied the exposure towards the advertisements of consumer awareness.

Regarding hearing or awareness about the consumer rights the younger generation of consumer responses are high on positive side as compare to its counterpart with 62% and 55% positive as against the 51% and 28% positive response of mature male and female consumers of the area under study. The general awareness pertaining to popular terms like ISI, ISO, Agmark and Hall Mark among the tow segments is also very disappointing with 67% and 56% positive response from male and female young consumers while only 56% and 41% of mature male and female consumers extend their positive responses. Regarding the knowledge and awareness about the consumer protection act 1986 the percentage of negative responses dominate over positive one and is noted as 58%, 63% negative from younger male and female

consumers and 55% & 58% from male and female mature consumers.

The incidents of consumer exploitation situations related to defective products or deficiencies in services are very common practices of sellers and manufacturers. **Table 2** below shows the responses of two generations of consumers regarding the exploitation incidents of the area under study. Most of the respondents of both the segments expressed their views positively i.e. being exploited during last 5 years. The opinions of the younger generation male and female consumers exploited during last 5 years are very high with 76% and 78% respectively, the opinion of the mature consumers in this regards is almost at par with

the younger consumers i.e. 78% and 71% of male and female consumers respectively. Having encountered with the incidents of defective or inferior quality of products purchased during last five years the percentage of positive responses from all the consumer class of the area under study is above 70% as shown in the table 2 below. Regarding deficiencies or poor workability of services purchased by the two generations of consumer during last 5 years the positive responses are again at very higher side i.e. 68%, 67% from younger generation male and female consumers and 69%, 68% of male and female mature consumers of the area.

Table 1: Awareness regarding consumer protection

Sr. No.	Age Group/ Gender	15-25 Years				25 Years and above			
		Male Respondents		Female Respondents		Male Respondents		Female Respondents	
		Yes	No	Yes	No	Yes	No	Yes	No
1.	Have You heard about "Jago Grahak Jago"?	56	44	43	57	49	51	38	62
2.	Have you seen any advertisements of consumer awareness?	57	43	42	58	43	57	31	69
3.	Have you heard about consumer rights?	62	38	55	45	51	49	28	72
4.	Have you heard the terms like ISI, ISO, Agmark, Hall Mark, etc?	67	33	56	44	56	44	41	59
5.	Have you heard about consumer protection Act 1986?	42	58	37	63	45	55	42	58

Source: Primary Data

Table 3 shows the awareness of consumers of the area regarding technical and practical aspects like levels of consumer's forum, time limit of filing complaint in competent consumer court etc. The results of consumer awareness on different parameters as (shown in Table 3) are highly disappointing in term of consumer's awareness pertaining to technical and basic knowledge and concerns about the location, jurisdiction, levels of consumer forum and filing complaint in competent consumer court. Only 20 and 15% of younger male and female consumers respectively are aware about the location of district consumer court while the percentage of mature male and female consumers of the area stands 25 and 16% only. When asked about the jurisdiction of consumer forum only 18 and 15 % and 22 and 17% of male and female consumers of young and mature consumers extend positive response.

Regarding levels of consumer forum the answers of male and female consumers of younger generation stand 15 and 10 % while the answers of mature male and female

consumers are at better side with 23 and 19%. When asked about the procedure of filing complaint and relief to be given by consumer court the answers of male and female young consumers are 09, 11% and 06 and 09 % respectively. Whereas, the answer from mature male and female consumers are at better side with 13 and 14% and 11 and 10% respectively. The consumer awareness about hiring a formal lawyer for filing a case in consumer court the level of awareness among the young generation is comparatively below as against the mature consumers of the area under study. Only 18 and 13% of male and female consumers of younger generations are aware about the same as against the 20 and 15% of male and female consumers of mature segment.

The researcher surprised to note the overall alarming situations of consumer awareness in the area under study when interacts with the consumers of the two generations. The male and female respondents of two generations asked about the most practical aspects and active involvements of consumer awareness related

activities like filing complaint, use of toll free consumer helpline of Govt. of India (1800-11-4000) , their active involvement in consumer related seminars etc. as shown in the **Table 4**. The practical aspects of consumer awareness are assessed on the basis of few parameters as depicted in Table 4, the respondent’s data is quite alarming as only 12% younger male, 4% and 01 % of mature male and female consumers filed their case in consumer court.

Despite of being a victim of exploitation at a very high rate in daily lives the consumers seems to avoid the practical involvement in consumer protection activities. Only 1% of younger male and 3% and 1% of elder male

and female consumers used toll free consumer help line (Toll free no. 1800-11-4000) of Govt. of India. Similarly, only 09 and 04% younger male and female consumers attended and participated in seminars related to consumer protection and consumer rights. The level of encounter with consumer education/protection programme carried by TV and new papers is also quite low, despite of regular programme and news paper advertisements released by Ministry of consumer affairs, Govt. of India the percentage of interactions with such programme and advertisements among the tow segments is poor.

Table 2: Consumer exploitation situations- Defects & Deficiencies in products/ Services

Sr. No.	Age Group /Gender	15-25 Years				25 Years and above			
		Male Respondents		Female Respondents		Male Respondents		Female Respondents	
		Yes	No	Yes	No	Yes	No	Yes	No
1.	Have you faced any incident of consumer exploitation during last 5 years?	76	24	78	22	78	22	71	29
2.	Have you ever found the defects or inferior quality of Products you Purchased during last 5 years?	71	29	73	27	73	27	75	25
3.	Have year ever found the deficiencies or poor workability of services you purchased during last 5 years?	68	32	67	33	69	31	68	32

Source: Primary Data

Table 3: Procedural awareness of consumers

Sr. No.	Age Group/ Gender	15-25 Years				25 Years and above			
		Male Respondents		Female Respondents		Male Respondents		Female Respondents	
		Yes	No	Yes	No	Yes	No	Yes	No
1.	Are you aware about the location of district consumer forum?	20	80	15	85	25	75	16	84
2.	Are you aware about you the jurisdiction of consumer forums?	18	82	15	85	22	78	17	83
3.	Are you aware about the levels of consumers forums ?	15	85	10	90	23	77	19	81
4.	Do you know the procedure of filing complaint ?	09	91	06	94	13	87	11	89

5.	Are you aware about the services of lawyer required or not in consumer court?	11	89	09	91	14	86	10	90
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Table 4: Alarming situations regarding consumer awareness in Meerut

Sr. No.	Age Group/ Gender	15-25 Years				25 Years and above			
		Male Respondents		Female Respondents		Male Respondents		Female Respondents	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Have you ever file a complaint in consumer forum?	12	88	00	00	04	96	01	99
2	Do you ever use the national consumer helpline (Toll free no. 1800-11-4000)?	01	99	00	00	03	97	01	99
3	Have you ever attended any seminar on consumer protection/rights?	09	91	04	96	04	96	05	95
4	Do your TV programme/ local news paper present any special coverage on consumer awareness?	02	98	01	99	06	94	03	97

Source: Primary Data

VI. CONCLUSION

The research observed that a lot of consumers are being exploited even with the awareness about their rights under legal framework of consumer protection act 1986. Starting from manufacturer to the retailers every one try to maximizes their profits in all possible manners. Despite of so many legal provisions made by Govt. of India for the well being of consumers but the complete protection is still awaited. Although, the general awareness in India is growing day by day, but the level of awareness among the tow generations of consumers of area under study seems to be very poor. Consumer associations and Govt. legislations are working to protect and safeguard the interests of consumers but the consumers of the area under study general are not proactive towards their rights. The consumer protection act 1986 is benevolent social legislation intended to protect the large body of consumer exploitation. It clearly specifies the concept of goods, services, defects and deficiencies etc. Despite of well defined procedure for filing complaint, relief available and provision of appeal etc the consumers of the area seems to indifferent towards their rights and hence lack of awareness is observed. All respondents of the area are having general awareness in relation to consumer protection and are well-versed with the term “Jago Grahak Jago” but still they need to be educated and motivated to avail the full values of consumer protection act. As shown in the table 2 above most of the consumers face the incident of exploitation in one way or other but only a few have approached to the consumer forum for justice.

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