



## **‘Consumer Is The King’ - A Myth Or Reality?**

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### **Abstract:**

*Though the consumer is considered the ruler in the developed trade and global market of present era but still in the present scenario consumer is being exploited in various ways. Along with the commercial aspects of sale and purchase of goods, the consumers must be aware of the health and security aspects from each purchase they make. Aware consumers can effectively practice their duties and exercise their rights freely in any kind of economy. One of the most crucial and significant milestones in Consumer Movement in the country has been the enactment of the Consumer Protection Act, 1986 that solely focuses on safeguarding the interests of the customers. This Act brought around a revolution in the field of consumer rights to an extent that cannot be compared anywhere else in the World. This paper reports the significance of consumer awareness for the betterment of the consumers and deals with the various important elements of consumer protection.*

**Key words:** Awareness, consumers, Consumer Protection Act, 1986.

**1.Introduction**

A “consumer” is a person who buys any goods or hires any service for valuable consideration (including deferred payment). The term does not include a person who obtains goods or services for resale or for any commercial purpose. However, persons who avail goods or services exclusively for the purpose of earning their livelihood by means of self employment are considered as ‘consumers’. Today, consumer is called the king of the market. He is now at the centre stage of all market activities in the economy. Even though so many rules, regulations, policies and acts are made to protect the consumer, still the consumer is being exploited. Consumer is exploited when in any form he/she is cheated or not informed adequately about the product.

There are many ways by which consumers can be exploited.

They may be exploited by providing them with incomplete or wrong information.

Under weighing and under measurement of the commodities purchased by them.

Sometimes a consumer may be given low quality of good.

Consumers may be exploited when they purchase medicines and electronic devices by not revealing to them the harms, which these commodities can cause to them.

Unpleasant behaviour and uncomfortable conditions like the harassment in a consumer can face while taking a service.

Being over charged for a particular commodity.

Selling duplicate articles or fake items in the name of the original to a consumer lacking complete knowledge about that product.

Providing a customer unsatisfactory after sales services for high cost items like electronics and cars require constant and regular service.

One of the very common and a serious problem by which a consumer may be exploited and cheated by the shop-keeper is by providing impurity or adulteration with harmful substances.

Lack of safety devices and appliances or absence of in-built safety appliances

From the above cases we can see how a consumer who does not have complete knowledge regarding his purchase gets exploited, so it becomes very important to be aware of how we can be cheated as consumers. We must know our rights and duties as consumers. Even the law provides us protection as consumers, and it becomes our duty as well to be completely cautious and not get exploited.

## **2. Consumer Awareness And Consumerism**

Consumer awareness means making the consumer aware of rights that have been given to them. In marketing, consumer awareness is a term which means that consumers are aware of products or services they purchase, their characteristics and the other marketing P's (place to buy, price, and promotion). In India, the concept of consumer protection is not new. It was Kautilya's 'Arthashastra' that first made a reference to the protection of consumer's interest against exploitation by trade and industry, in the various ways like the under weighing and measurement. From the time of the Vedas, Dharma Shastras and Kingdoms in the ancient times there had been numerous norms, conditions and prescribed code of conduct for the merchants and sellers against the exploitation of consumers.

Consumerism is a movement by consumers to ensure that they must experience fair and honest practices by the traders, middlemen etc. It is an initiative by the consumers, associations; NGO's to bring about awareness regarding how consumers are being exploited and how steps need to be taken to safeguard their interests. The main motto of this initiative was to throw light on the significance of consumerism and various malpractices of the marketers. To make the consumerism movement a success, it is very essential to ensure that it will help in educating the people about their rights and responsibilities in buying and using the various products and how to safeguard themselves in case of any fraud.

## **3. Need For The Awareness In The Consumers**

High level of illiteracy in our country necessitates the consumers to be made aware.

High growth of unemployment also is a great factor that stress on the presence of an educated consumer.

Poverty and people living below the poverty line who do not have the basic knowledge and are most vulnerable must also be protected.

Unorganized structure of consumers also is a major reason as some consumers have the required knowledge and some remain unaware of the various happenings taking place around them.

Increase in the number of malpractices of the businessman also calls for the need for the consumers to become more cautious.

Deceptive advertising leads to misguiding the consumers and if they lack awareness they are bound to huge losses.

Supply of the duplicate and fake goods must also be taken care of by the consumers.

#### **4.Consumer Awareness Scheme In The XI Plan**

The Consumer Awareness Scheme for the XI Plan amounting to a total of Rs. 409 crores had been approved and passed by the Cabinet Committee on Economic Affairs on 24.01.08. This scheme was launched to provide an increased push to a multi media publicity campaign to make consumers more aware of their privileges and rights. The famous slogan 'Jago Grahak Jago' has now become a common thing in every household and this has been possible only due to the publicity campaign undertaken by the government in the last 3 years. The scheme has given top priority to the rural and remote areas where the level of illiteracy is very high and the consumers in such areas can only be made aware by such campaigns. India being a very hugely populated country and being underdeveloped the scenario of economic disparity and level of education and ignorance is very high particularly in the backward areas, so educating the consumers remains a tedious task. The government time and again has been making efforts and has taken up number of activities and schemes in creating consumer awareness in the country as part of this Consumer Awareness Scheme.

##### *4.1.Three Form Consumer Awareness Structure*

Before buying

At the time of buying

After buying

The consumer awareness structure involves three types of responsibilities of the consumers:

##### 4.1.1.Responsibility Before Buying

Planning in advance

Enquiring past performance of product / service

Enquiring about reputation and past performance of producer / seller / service provider.

##### 4.1.2.Responsibility While Buying

Asking for demonstration

Insisting for approved sale bill with serial number, address, phone number, etc.

Obtaining guarantee / warranty card and getting it signed/sealed by dealer

Reading and knowing the contents of guarantee / warranty card

#### 4.1.3. Responsibility After Buying

Using products as per instructions given in user manual

Keeping bills and guarantee card safely

In case of fault inform dealer and service center. Do not repair yourself

Keeping record for all correspondences

Seek immediate redressal of deficiency in product.

#### 4.2. *How To Create Consumer Awareness?*

Creating consumer awareness is a very essential and important element in order to safeguard the consumer's interests by enlightening them about his rights and privileges.

It can be done in the following ways:

Advertising medium and websites of the producers help in creating awareness among the consumers about the various features of the product.

Unique logo of the product creates its specific identity and helps the consumer to identify the product and differentiate it with other brands.

Producers can provide the customers a small booklet containing vital information about producer's product or information that the producers would want to distribute to their potential customers.

Schedule seminars at schools, office complexes or manufacturing plants to provide information that maybe vital to students or workers and discuss the particular topic and explain the steps people can take to resolve any particular issues and be aware of what to expect.

Frequent advertisement of the product or public service announcement on radio stations that reach the target audience can also be adopted as one of the biggest mediums. Making the advertisement reach the audience frequently in the early stages of product introduction to build brand awareness among consumers are some of the great ways to educate the consumers.

Promotion of the product through the television can also help in creating awareness among the consumer's giving full-page advertisements in the newspaper in the business section or in a section related to particular product can also be a very good source to reach to the customer's.

**5.Consumer Protection Act, 1986**

The consumer protection Act 1986 provides all the consumer's rights, which are internationally accepted. Rights 1 to 6 are directly guaranteed under the Consumer Protection Act 1986 while Rights 7&8 are implied under the Constitution of India. As per the Act, consumer protection councils have been established at Central, State and District levels to promote and protect the consumer rights. The important rights of consumer protection act 1986 are mentioned following:

*5.1.Right To Safety*

To be protected against the sale of goods and services which are spurious/ hazardous to life.

*5.2.Right To Information*

To know the quality, quantity, weight and the price of goods/services being paid for, so that one is not cheated by unfair trade practices.

*5.3.Right To Choose*

To be assured, wherever possible, access to a variety of goods and services at competitive prices.

*5.4.Right To Be Heard*

To be heard and to be assured that the interest would receive due consideration at appropriate level.

*5.5.Right To Seek Redressal*

To seek legal redressal against unfair or restrictive trade practices or exploitation.

*5.6.Right to Consumer Education*

To have access to consumer education. Right to acquire knowledge and skills needed for taking action to influence factors which affect consumer decisions.

*5.7.Right To Healthy Environment*

The right to physical environment that will enhance the quality of life. It includes protection against environmental dangers over which the individual has no control. It

acknowledges the need to protect and improve the environment for present and future generations.

#### *5.8. Right To Basic Needs*

Right to basic needs ensures basic goods and services which guarantee survival. It includes adequate food, clothing, shelter, healthcare, education and sanitation to lead a decent life.

### **6. Grievance Redressal**

The customers can send a detailed complaint to the dealer through registered post clearly mentioning out the defect / deficiency and giving the details regarding what they would expect as a remedy.

The customer must keep a copy of the complaint with postal acknowledgement card so that they have a proof for further follow up with the producer.

The customer's have the right that if in case the dealer has not responded to the complaint issued by in time, the consumer may approach District Consumer Protection Council who may then take actions against such dealers by issuing notices to the dealer on behalf of the aggrieved consumer's.

If the customer gets no relief or remedy even after complying all formalities through all the above agencies, then the customer has the right to approach the relevant Consumer Disputes Redressal Commission / Forum as the case may be to file a complaint against dealer against the losses and damages suffered by the customer.

### **7. Consumer Protection Measures**

Legislation concerning Consumer Rights: The Consumer Protection Act 1986 provides for consumer disputes redressal at the state and national level. With the help of this law the agencies can solve grievances in a speedy, simple and inexpensive manner. A separate department of consumer affairs was set up at the state and central government. A three tier system of consumer courts at the National, State and District levels were set up. These agencies have done good work by handling lakhs of cases.

Public Distribution System: To protect the poor from price rise and black marketing the government food security to the poor by supplying essentials through the ration or Fair price shops.

**Standardization of Products:** These are done to assure the quality of products. The ISI stamp on goods is placed by the Bureau of Indian standards. This caters to industrial and consumer goods. These goods can be trusted to conform to specific standards. Agmark is meant for Agricultural products. At the International level the International Organization for Standardization (ISO) located in Geneva sets common standards. The FAO and WHO provide food standards

**Establishment of Citizen Consumer Clubs :** These clubs in various parts of the countries and even in various educational institution can educate the consumers about the different consumer products, updated information of consumer protection schemes, campaigns, consumer rights, redressal and duties.

**Consumer education in different areas:** Providing consumer education to rural masses through Women Self Help Groups / Panchayat Level Federations and through Residents Welfare Associations / Apartment Owners Associations in Urban areas.

**Consumer Self-help:** Every consumer must be alert as self-help is the best help. He should educate himself and know his rights. He should not allow unscrupulous businessmen to cheat him.

**Seminars and Workshops:** Generating various workshops and seminars based on consumer education, awareness, consumer protection rights and redressal can protect the consumers from various misleading statements and activities of the producers or advertisements.

**Advertisement:** The authenticated advertisement enshrines the quality, features, use and prizes of the product and from these advertisements consumer can get fair and accurate information about the product and this thing prevent them from being cheated.

**Business Self-regulation:** The business community itself can help in achieving consumer protection and satisfaction through self -discipline. Businessmen can regulate their own behaviour and actions by adopting higher ethical standards. Trade associations and chambers of commerce can check unfair trade practices used by some businessmen.

**Formation of Guidelines for buying different commodities:** There are number of guidelines are framed for purchasing different commodities at physical distribution systems, purchase of cosmetics, purchase of medicines, purchase of clothes, purchase of food grains. These guidelines are framed by the CP Act 1986 and various societies or clubs incorporated in different areas of the country.



Consumers' Associations: Consumers should form voluntary associations. These associations can educate and awaken consumers. They can take organized action and put pressure on businessmen to adopt fair trade practices.

Government Regulations: The State can ensure consumer protection through legislative, executive and judicial actions. The laws enacted by the Government must be strictly enforced by the executive. Government of India has enacted several laws to protect the interests and rights of consumers.

### **8. Government Measures**

In India, the Government has taken a number of measures to protect and safeguard the consumer interests. The various Government measures may be classified into Statutory regulation of private business, and Development of the public sector.

#### *8.1. Statutory Regulation*

The government has enacted nearly 50 laws that can be used in favour of the consumer to protect them against all the malpractices. Government of India has equipped itself with a number of statutory weapons to control the production, supply, distribution, price and quality of a large number of goods and services. It is authorized to regulate the terms and conditions of sale, the nature of trade and commerce, etc. Some of such acts have been as follows:

- Indian Contract Act, 1872
- Sale of Goods Act, 1930
- Agricultural Produce (Grading and Marketing) Act, 1937
- Industries (Development and Regulation) Act, 1951
- Prevention of Food Adulteration Act, 1954
- Essential Commodities Act, 1955
- Essential Service Maintenance Act, 1968
- Monopolies and Restrictive Trade Practices Act, 1969
- Standard to Weights and Measures Act, 1976
- Bureau of Indian Standard Act, 1986
- Environmental Protection Act, 1986
- Consumer Protection Act, 1986

### *8.2. Growth Of Public Sector*

There has been a tremendous growth and expansion in the public sector in India. One of the most important characteristic of the public sector was the enrichment of consumer welfare by increasing the level of production, improving efficiency in production, improving efficiency in supply of goods and services, making available goods and services at fair and reasonable prices, restricting private monopolies, checking market imperfections, humanizing the distribution system, and so on. The public sector has come out to be a social marketing concept. Even then it is believed that the public sector in India has still a long way to go to realize and achieve these objectives.

### **9. Conclusion**

Consumer education is a very important and essential part of the consumer awareness initiative and is a basic consumer right that needs to be introduced at the every level and segment of the economy. The definition of Consumers includes all citizens who are, by and large the biggest group, who are affected by almost all government, public or private decisions. The most important step in consumer education is awareness of consumer rights and privileges. However, consumer education is incomplete if the consumer is left unaware of their responsibilities and duties because it persuades and influences the individual behaviour to a great extent. The Consumer Protection Act along with its amendment, not only provides relief to consumers from malpractices and black marketing but it also provides them with a prospect to choose a remedy of their interest to compensate then for the losses suffered. This also empowers the consumers to seek the discontinuance of such malpractices by traders and manufacturers. The need of the hour is for total commitment and obligation to the consumer protection cause and social responsiveness to consumer needs. It is a very essential requirement to enshrine the consumer awareness through consumer education and actions by the government, consumer activists, and associations. These efforts are needed the most to make consumer protection movement a success in the country and it is very essential that these steps move in a coordinated manner so that they have a positive impact on our society and the environment is improved to enable a protected living for the customers.

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