Consumerism and Consumer Protection: Implication for National Development

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Abstract
This paper gave an overview of the purchasing value of a consumer after paying for goods. It discussed the rights of a consumer, his satisfaction, behaviour and protection from dubious producers of substandard goods. The paper suggested ways through which the consumer can seek redress for satisfaction not enjoyed from goods purchased even after use. One of the findings of the paper is that producers uses various means of adverts to mislead the general public to purchase goods they do not need as well as other substandard or expired goods. It is therefore recommended that the Standard organisation of Nigeria (SON) in collaboration with other sister agencies like the National Agency for Food and Drugs Control (NAFDAC) and the National Drugs and Laws Enforcement Agency (NDLEA) should ensure that they publish a monthly or quarterly bulletin on the recommended foods, drugs or other consumables as well as the ones that are banned from public consumption. Also, necessary actions should be taken by the Consumers Protection Council to prosecute offending producers who publicise misleading information that lay claims to unfounded truth thereby misleading members of the public to purchase and consume such goods.

Keywords: Consumerism, Consumer, Purchasing Value, Consumer Protection Council.

Introduction
All of us are consumers. We consume things of daily use; we also consume and buy these products according to our needs, preferences and buying power. These can be consumable goods, durable goods, speciality goods, or industrial goods. What we buy, how we buy, where and when we buy, in how much quantity we buy depends on our perception, self concept, social and cultural background and our age and family cycle, our attitudes, beliefs values, motivation, personality, social class and many other factors that are both internal and external to us. While buying, we also consider whether to buy or not to buy and from which source or seller to buy.

In some societies there is a lot of affluence and these societies can afford to buy in greater quantities and at shorter intervals. In poor societies, the consumers can barely meet their basic needs. The marketers therefore try to understand the needs of different consumers and having understood different behaviours which require an in-depth study of their internal and external environment, they formulate their plans for marketing.
The Eight Basic Rights of Consumer

**The Right to Satisfaction of Basic Needs:** This means the right to basic goods and services which guarantee survival. It includes adequate food, clothing, shelter, health-care, education, clean water and sanitation.

**The Right to Safety:** This means the right to be protected against products, production processes and services which are hazardous to health or life. It includes concerns for consumers’ long-time interests as well as their immediate requirements.

**The right to be Informed:** This means the right to be given the facts needed to make an informed choice or decision. Consumers must be provided with adequate information enabling them to act wisely and responsibly. They must also be protected from misleading or inaccurate publicity materials, whether included in advertising, labeling, and packaging or by other means.

**The right to Choose:** This means the right to have access to a variety of products and services at competitive prices and, in the case of monopolies, to have an assurance of satisfactory quality and service at a fair price.

**The right to Representation/Be Heard:** This means the right to advocate Consumers’ interests with a view to their receiving full and sympathetic consideration in the formulation and execution of economic and other policies. It includes the right to representation in governmental and other policy-making bodies as well as in the development of products and services before they are produced or set-up.

**The right to Redress:** This means the right to fair settlement of just claims. It includes the right to receive compensation for misrepresentation of shoddy goods or unsatisfactory services and the availability of acceptable forms of legal aid or redress for small claims where necessary.

**The right to Consumer Education:** This means the right to acquire the knowledge and skills to be an informed consumer throughout life. The right to consumer education incorporates the right to the knowledge and skill needed for taking action to influence factors which affect consumer decision.

**The right to a Healthy Environment:** This means the right to a clean 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 generation (Howard & Sheth, 2000).

**Consumer Behaviour and Satisfaction**
A process of buying starts in the minds of the consumer, which leads to the finding of alternatives between products that can be acquired with their relative advantages and disadvantages. This leads to internal and external research. Then follows a process of decision-making for purchase and using the goods, and then the post purchase behaviour which is also very important, because it gives a clue to the marketers whether his product has been a success or not.

**Consumer Behaviour** is the study of individuals, groups, or organizations and the processes they use to select, secure, and dispose of products, services, experiences, or ideas to satisfy needs and the impacts that these processes have on the consumer and society (Kardes and Cronley, 2011). It blends elements from psychology, sociology, social anthropology, marketing and economics. It attempts to understand the decision-making processes of buyers, both individually and in groups such as how emotions affect buying behaviour. It studies characteristics of individual consumers such as demographics and behavioural variables in an
attempt to understand people's wants. It also tries to assess influences on the consumer from groups such as family, friends, reference groups, and society in general (Solomon, 1994).

Consumer behaviour study is based on consumer buying behaviour, with the customer playing the three distinct roles of user, payer and buyer. Research has shown that consumer behaviour is difficult to predict, even for experts in the field. Relationship marketing is an influential asset for customer behaviour analysis as it has a keen interest in the re-discovery of the true meaning of marketing through the re-affirmation of the importance of the customer or buyer. A greater importance is also placed on consumer retention, customer relationship management, personalisation, customisation and one-to-one marketing. Social functions can be categorized into social choice and welfare functions. Marketing provides services in order to satisfy customers. With that in mind the productive system is considered from its beginning at the production level, to the end of the cycle, the consumer (Drucker, 2000).

**Consumer satisfaction** is a term frequently used in marketing. It is a measure of how products and services supplied by a company meet or surpass customer expectation. Customer satisfaction is defined as "the number of customers, or percentage of total customers, whose reported experience with a firm, its products, or its services (ratings) exceeds specified satisfaction goals. It is seen as a key performance indicator within business and is often part of a Balanced Scorecard. In a competitive marketplace where businesses compete for customers, customer satisfaction is seen as a key differentiator and increasingly has become a key element of business strategy. Within organizations, customer satisfaction ratings can have powerful effects. They focus employees on the importance of fulfilling customers' expectations. Furthermore, when these ratings dip, they warn of problems that can affect sales and profitability. . . . These metrics quantify an important dynamic. When a brand has loyal customers, it gains positive word-of-mouth marketing, which is both free and highly effective." Therefore, it is essential for businesses to effectively manage customer satisfaction. To be able do this, firms need reliable and representative measures of satisfaction. In researching satisfaction, firms generally ask customers whether their product or service has met or exceeded expectations. Thus, expectations are a key factor behind satisfaction. When customers have high expectations and the reality falls short, they will be disappointed and will likely rate their experience as less than satisfying. For this reason, a luxury resort, for example, might receive a lower satisfaction rating than a budget motel—even though its facilities and service would be deemed superior in 'absolute' terms.

The importance of customer satisfaction diminishes when a firm has increased bargaining power. For example, cell phone plan providers, such as Verizon, participate in an industry that is an oligopoly, where only a few suppliers of a certain product or service exist. As such, many cell phone plan contracts have a lot of fine print with provisions that they would never get away if there were, say, a hundred cell phone plan providers, because customer satisfaction would be far too low, and customers would easily have the option of leaving for a better contract offer (Loudon, 1988).

Consumption is a major concept in economics and is also studied by many other social sciences. Economists are particularly interested in the relationship between consumption and income, and therefore in economics the consumption function plays a major role. Consumerism is a social and economic order and ideology that encourages the acquisition of goods and services in ever-greater amounts. Early criticisms of consumerism are present in
the works of Veblen (1994). Veblen's subject of examination, the newly emergent middle class arising at the turn of the twentieth century, comes to fruition by the end of the twentieth century through the process of globalization. In this sense, consumerism is usually considered a part of media culture (Veblen, 1994). In economics, consumerism refers to economic policies placing emphasis on consumption (Deaton & Muellbauer, 2001). In an abstract sense, it is the consideration that the free choice of consumers should strongly orient the choice of what is produced and how and therefore orient the economic organization of a society (Blackwell & Engel, 2006).

Consumer and Purchasing Power
A consumer is defined as someone who acquires goods or services for direct use or ownership rather than for resale or use in production and manufacturing. Purchasing power (sometimes retroactively called adjusted for inflation) is the number of goods or services that can be purchased with a unit of currency. For example, if one had taken one unit of currency to a store in the 1950s, it is probable that it would have been possible to buy a greater number of items than would today, indicating that one would have had a greater purchasing power in the 1950s. Currency can be either commodity money, like gold or silver, or fiat currency, or free-floating market-valued currency like US dollars. Smith (1887) noted that having money gives one the ability to "command" others' labour, so purchasing power to some extent is power over other people, to the extent that they are willing to trade their labour or goods for money or currency.

If one's monetary income remains the same, but the price level increases, the purchasing power of that income falls. Inflation does not always imply falling purchasing power of one's money income since it may rise faster than the price level. A higher real income means a higher purchasing power since real income refers to the income adjusted for inflation.

Consumer Protection Laws
Consumer protection laws is a group of laws and organizations designed to ensure the rights of consumers as well as fair trade competition and the free flow of truthful information in the marketplace. The laws are designed to prevent businesses that engage in fraud or specified unfair practices from gaining an advantage over competitors; they may also provide additional protection for the weak and those unable to take care of themselves. Consumer protection laws are a form of government regulation, which aim to protect the rights of consumers. For example, a government may require businesses to disclose detailed information about products- particularly in areas where safety or public health is an issue, such as food. Consumer protection is linked to the idea of consumer rights, and to the formation of consumer organizations, which help consumers make better choices in the marketplace and get help with consumer complaints (Pandey, 2014). Other organizations that promote consumer protection include government organizations and self-regulating business organizations such as consumer protection agencies and organizations, the Federal Trade Commission, Ombudsmen, Better Business Bureaus, etc.

The Consumer Protection Council of Nigeria
The Consumer Protection Council of Nigeria (CPC) established by Act of Parliament in 23rd November, 1992 was created amongst others to perform the following functions:
(a) Provide speedy redress to consumers' complaints through negotiation, mediation and conciliation;
(b) Seek ways and means of removing or eliminating from the market hazardous products and causing offenders to replace such products with safer and more appropriate alternatives;
(c) Publish, from time to time, the list of products the consumption and sale of which have been banned, withdrawn, severely restricted or not approved by the Federal Government or foreign governments;
(d) Cause an offending company, firm, trade, association or individual to protect, compensate, and provide relief and safeguards to injured consumers or communities from adverse effects of technologies that are inherently harmful, injurious, violent or highly hazardous;
(e) Organise and undertake campaigns and other forms of activities as will lead to increased public consumer awareness;
(f) Encourage trade, industry and professional associations to develop and enforce in their various fields quality standards designed to safeguard the interest of consumers;
(g) Issue guidelines to manufacturers, importers, dealers and wholesalers in relation to their obligation under this Act;
(h) Encourage the formation of voluntary consumer groups or associations for consumers, well being;
(i) Ensure that consumers' interests receive due consideration at appropriate forums and provide redress for obnoxious practices or the unscrupulous exploitation of consumers by companies, firms, trade associations or individuals;
(j) Encourage the adoption of appropriate measures to ensure that products are safe for either intended or normally safe use; and
(k) Perform such other functions as may be imposed on the Council pursuant to this Act (Federal Republic of Nigeria, 2005).

Consumer interests can also be protected by promoting competition in the markets which directly and indirectly serve consumers, consistent with economic efficiency, but this topic is treated in competition law. Consumer protection can also be asserted via non-government organizations and individuals as consumer activism. Consumer protection law or consumer law is considered an area of law that regulates private law relationships between individual consumers and the businesses that sell those goods and services. Consumer protection covers a wide range of topics, including but not necessarily limited to product liability, privacy rights, unfair business practices, fraud, misrepresentation, and other consumer/business interactions (Schiffman, 1993).

Conclusion
The importance of this study on the purchasing value of a consumer after payment is important at a time like this when producers and manufacturers of goods and services are out to exploit consumers with various exorbitant claims or benefits. This study will help to protect as well as strengthen the powers of a consumer to seek for redress for satisfaction not enjoyed for money paid or spent.
Recommendations

It is recommended that in order to make the consumer a ‘king’ in the market place, the following should be ensured:

A. The Standard Organization of Nigeria should release a quarterly bulletin of standardized goods and services that have passed production test.

B. Manufacturers should produced goods within the best International known practices.

C. Consumers should be sensitized on their rights and a vibrant Consumer Protection Council be established to look into consumers’ complaints.

References


