

Consumer Protection and Consumerism in India

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Abstract. As India maneuver's from a production adapted mixed economy towards a consumer dominated market; there isurgency to discern the driving factors behind this evolution. In this paper, I examine a number of cultural and social themes accompanying the consumerist trends in India. Although India I still considered in residual half of the world economies, there is every reason to believe that this is not likely to last long, for many structural changes are evident including the transformation of the middle class which is at the vanguard of the consumer revolution. This paper reviews the developing consumer scenario in India. Unlike other of its Asian counterparts like Malaysia, Thailand, Taiwan and Indonesia where the "consumer revolution" has already been simulated or is in process, India has been a slow starter in this push for change. However, recent trends suggest that a wave of consumerism is spreading to India also. This paper is based partly on my ethnographic field work conducted in Madras, a Southern Indian city of approximately five million people, and partly on a reading of secondary sources. This should be considered work in progress and, therefore, only some initial ideas are presented here. The general presentation in this paper will be thematic or topical rather than analytical, or theoretical. That is, the paper explores several themes instead of a unifying set of research questions or a single. Thus this is a thick description of Indian culture and India as a consumer society.

Keywords: Consumerism, Consumer Protection

1 Introduction

The domination of the general public being the final user of products, on the produce of the company can be seen. Consumers wield extensive power over the organization as it becomes more and more customer oriented. Demand for high quality products which are ethically produced and available at affordable prices, plus are safe for the use is on rise, and consumerism browbeat the firms to operate and make available goods and services in conformity with the consumer demands. A distinct form of consumer squeeze, driven by the environmental concerns, can be green consumerism that crusades for environmentally amicable goods and services and their various sources of productions.

Consumerism:

Consumerism is a coordinated evolution of inhabitants and government of the country to bolster the rights and influence of buyers in kin to sellers. This creed and approach has come to stay in business literature. Today consumer is exposed to many unsafe physical, environmental and exploitation due to unfair trade practices. He needs to be safeguarded against consumable unhealthy products which may become cause of bad injury for the user like electrical appliances causing harm to the customer. He needs to shield against mal-practices and deception of the sellers. He should have adequate rights for redressal of his grievances and recovery against the businessman causing such problems. He needs to be protected against air, water and noise pollution and compelling measures should be concocted to keep the surroundings free of pollution. The concept of consumerism has been adopted from the western part of world; it in fact is an international phenomenon. Purchase and consumption of material in excess of one's need has been old traditional human race which can be traced back in our history books (e.g. Ancient Egypt, Babylon and Ancient Rome). A twist in the tale of consumerism arrived just ahead of the Industrial Revolution. In the nineteenth century, capitalist development and the industrial revolution were principally focused on the capital goods sector and industrial infrastructure (i.e., mining, steel, oil, transportation networks, communications networks, industrial cities, financial centers, etc.). Before, the Industrial Revolution the usual norm of scarcity of resources vanished as it created an unusual situation for the economy. For the very first time products were available in abundance that too at affordable prices making them available to practically everyone. Thereby heading the path for era of mass consumption, the era where consumerism concept actually was applicable. Entrepreneurs have taken into account the importance of wealthy customers for their marketing strategies they want to undertake. The taste of upper classes of the society became standardized and easily available. The not so affluent consumers were able to make new purchases that spoke of their positions in the tradition of affluence". A consumer was able to achieve instant luxury feeling of making purchase of costly item giving boost to his social standing. Imitation is the core ingredient of 21st century's consumerism concept. As a normal tendency, regular consumers try emulating people above them in the society, trying to achieve that satisfaction of buying what they have. The poor aims to emulate the wealthy, wealthy persons emulate wealthier, wealthier emulate celebrities and other icons and so on. The endorsement of products by the celebrities is the evidence of the

longing of the today's consumer to purchase products to emulate people of greater standing than their own.

2. Objectives of the study

- i) The main aim of study is to analyze the concept of consumerism. How it is imbedding itself in Indian culture.
- ii) How consumerism is making consumer aware about its rights.
- iii) Steps taken up government in favor of consumer.
- iv) Changing trend of consumer in light of awareness.

3. Methodology

This paper is purely a conceptual paper, with an aim of spreading awareness consumers about their right and various enactment of government for its protection. This paper is purely a work or gathering data from secondary source for interpreting and analyzing the concept.

4. Consumerism in India

Indian customer has begun its journey of raising his voice against the quality of goods from back in 1969 from a group of Mumbai housewives. From there it took a revolutionary state and eventually Government of India passed Customer Protection Act, 1986. The act had further faced numerous challenges and opinions from various critics and even question on its validity in eyes of Indian Law, It all was put before honorable Supreme Court of India. After all the accusations and objections of various business houses were heard, supreme court held that this welfare act very much was valid, legal and fulfilling the provisions of the constitution of the country.

Since enactment of the act and three important amendments later, scenario has been changed drastically in the market and the concept of consumerism in India has been diverted to more of wants rather than just the needs. Indian customer is at a stage where he has drawn a very thin line and often crosses the line to mix them and confuses himself about what he needs and what he actually wants. True when we work hard we need things that make us feel nice. But padding ourselves with loads of things we don't really need makes sure that some people who really need things for their survival is not available to them. For instance keeping four cars in a family of four is wasteful and will ultimately go to affect others in the economy and also more

ensures consumption of nation's resources like petrol etc. Our sense of privilege muddies the waters when it comes to what you want and what you really need. The sizes of houses are increasing as the income increases; expenditure on unnecessary things rises more and more. In old days a family of ten could have settled in 2 or 3 bedrooms but today we want a room for every child, plus a living room, family room, media room, and kids' playroom and so on. And if we have to share certain appliance it tends to be a big compromise on our parts.

This sense of privilege is dwelling commercial pressure on our new generation. Rates of depression, anxiety and other mental illnesses have risen in the past two decades in the children. A report submitted to the inquiry by the National Consumer Council concluded that children from poor background are more prone to be obsessed with wealth and other material things as compared to their wealthy counterparts. Impoverished or destitute children desired for a job with a higher salary in comparison with children from affluent areas and they were the main victims of consumerism, as per the report conducted by the charity "The Children's Society"

Our present consumption patterns have become part of our life and personalities to such an extent that separating the two would be huge cultural setback for us. In today's society our present consumer replaces his goods with newer ones, at such a fast rate that even the value of goods can never be kept intact for even shorter period of times, and consumers use them and throw them away. The question of repair does not arise they have enough money to buy new instead. In case, they do not do so, it leads to recession massive unemployment. The success of a consumer society is measured with the rate of production, purchase and consumption. The society is considered to be progressing if all above elements are present there. The single most important measure of economic growth is the gross national product (GNP), the sum total of goods. But at the same time as per— Richard Robbins,

“ the production, processing, and consumption, of commodities requires the extraction and use of natural resources (wood, fuels, and water); it requires the creation of factories and factory complexes whose operation creates toxic byproducts, while the use of commodities themselves (e.g. automobiles) creates pollutants and waste. Yet of the three factors environmentalists often point to as responsible for environmental pollution — population, technology, and consumption — consumption seems to get the least attention. One reason, no doubt, is that it may be the most difficult to change;”

What are the effects of the consumerism?

Consumerism is appreciated in Western economies since a person's standard of living is valued by his or her material possessions. There are certain positive effects such as:

Positive Consumerism Effects: Primary positive consumerism effects are:

- More industrial production.
- A higher growth rate economy.
- More goods and services available.
- More advertising since goods manufactured have to be sold.
- Increased production will result in more employment opportunities.
- A variety of choice for goods and services
- More comforts for a better living style.

Negative Consumerism Effects: Top negative consumerism effects are:

The prime cause of the current environmental crisis is basic human nature more precisely, we are following our ancestors and doing all we have got to survive in the market expanding into whichever territory available to us using whatever resources that are left with us not even realizing the consequences of our actions on future of mankind and one day it may result into a death in their own waste. Since the human population has quadrupled in the past 100 years and at this rate will reach a size in 2025 that leads to global collapse.

- One is in a rat race to earn more and is forced to cope up with stress and other work related tensions.
- Material wealth is the deciding factor about whether a society is highly developed or not. Our ethical and spiritual values are left unimportant under the circumstances.
- Over-dependence on labor saving devices.
- A car for each individual would mean gradual erosion of public transport.
- Crime rate also increases as wants to possess expensive gadgets increase. Thefts become common and daylight robberies take place.
- Personal relationships also get affected as people are busy trying to earn more to maintain their standard of living.

- Cheaper goods are Today's consumption which also affect environmental resource
- Consumerism has also resulted in ecological imbalances. The natural habitat is being destroyed to create more goods and build more buildings affecting the weather. Global warming will eventually result in health problems. Industrial pollution is affecting people rather than focusing on simplicity.

The Enactment of Consumer Protection Act, 1986

The consumer Protection Act 1986 was enacted for the protection of the interests of the consumers by providing cheap, speedy and efficacious remedy. This enactment is a beneficial legislation enacted for the redressal of the grievances of the poor consumers –Forums generally take liberal view in favor of the consumers. In European countries the period of substantial development in the consumer protection laws began during 1960 and their main purpose was to prevent trading abuses caused due to imbalance of power between the ordinary persons and the producers of goods and service providers. In 1973 the consumer organizations supported the entry of Britain into the European Economic Community. In 1975 a specific programme for consumer protection was approved by the Council of Ministers of the Community. In this respect the President of the Commission of the European Communities observed that we must make the community a practical reality in terms of everyday life. In 1980, the UN Secretary General emphasized that international cooperation with regard to consumer protection is needed because the development of consumer protection policies no longer require that measures be taken only at the national level. Last quarter of the twentieth century witnessed the most vibrant consumer movement leading to the adoption of necessary guidelines by the UN General Assembly and special legislations by various countries in all parts of the world. Under the guidelines, consumer protection encompasses seven areas: Physical safety; protection and promotion of the consumer economic interest; standards for the safety and quality of consumer goods and services; distribution facilities for consumer goods and services; measures enabling consumers to obtain redress; measures relating to specific areas (food, water and pharmaceuticals) and consumer education and information programs. These guidelines were for the use by member countries to incorporate through policy changes or law. Soon after the adoption of the UN guidelines, India enacted this Act. After the enactment of the Consumer Protection Act 1986 the Consumer movement in India has received a boost, which is a milestone in the history of socio-economic

legislation in India. A number of changes have taken place in the Indian market and legal regime since the enactment of this law. The Act enshrines various rights to safeguard the consumer, which include: Protection against marketing of goods/services which are hazardous to life/property; information about quality, quantity, potency, purity, standard and price of goods/services to ensure protection against unfair trade practices; assurance, wherever possible of access to variety of goods and services at competitive prices; redressal against unfair trade practices, and so on. To bring practical effectiveness to the provisions of the Act and assist the consumer for safe-guarding their rights by extending all kinds of help and support to the consumers at the moments of their harassments, miseries and exploitations caused by the unscrupulous traders/businessmen, Government have established District Consumer Redressal Forums at each districts and a State Commission at the State level under the provisions of C.P. Act, 1986 which are giving relief to the consumers by hearing grievances. A number of changes have taken place in the Indian market and legal regime since the enactment of this law. Even the Act of 1986 has undergone number of amendments in the year 1991. This Act has been further amended exhaustively in the year 1993 vide Amendment Act No 50 of 1993. By this amendment the period of limitation has been prescribed by inserting Section 24-A, pecuniary jurisdiction of the redressal agencies under the Act has been enhanced by the latest the Amendment of 2002.

Consumer Rights

Consumer rights are now an integral part of our lives like a consumerist way of life. They have been well documented and much talked about. We have all made use of them at some point in our daily lives. Market resources and influences are growing by the day and so is the awareness of one's consumer rights. These rights are well-defined and there are agencies like the government, consumer courts and voluntary organizations that work towards safeguarding them. Under section-6 of Consumer Protection Act, consumer has the following rights:

1. Right to safety
2. Right to be informed
3. Right to choose
4. Right to fair hearing
5. Right to satisfaction of basis needs
6. Right to healthy environment

7. Right to redressal of grievances
8. Right to consumer education.

Need For Consumer Protection In Countries Like India (Developing Countries)

POVERTY AND UNEMPLOYMENT

ILLITERATE CONSUMERS

UNORGANISED CONSUMERS

Government measures:

In India, the Government taken several measures to ensure consumer interests. The various Government measures may be classified into

- (i) statutory regulation of private business, and
- (ii) Development of the public sector.

Statutory Regulation: The government has enacted nearly 50 laws which can be interpreted in favor of consumer. Government of India has armed 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 empowered to regulate the terms and conditions of sale, the nature of trade and commerce, etc

Some of such acts have been as follows.

- a) Indian Contract Act, 1872
- b) Sale of Goods Act, 1930
- c) Agricultural Produce (Grading and Marketing) Act, 1937
- d) Industries (Development and Regulation) Act, 1951
- e) Prevention of Food Adulteration Act, 1954
- f) Essential Commodities Act, 1955
- g) Essential Service Maintenance Act, 1968
- h) Monopolies and Restrictive Trade Practices Act, 1969
- i) Standard to Weights and Measures Act, 1976

- j) Bureau of Indian Standard Act, 1986
- k) Environmental Protection Act, 1986
- l) Consumer Protection Act, 1986

Ways And Means Of Consumer Protection In India

Consumer protection in India is ensured by the ways of below mentioned means:

Lok Adalats: In India, throughout the country Lok Adalats (or public courts) have been established in various districts for ensuring a brisk, adequate and cost effective redressal of consumers' objections. The consumer may approach a Lok Adalat directly with his problem. At the Lok Adalat, problems are discussed there and then and prompt decisions are taken adequately thereafter redressing the consumer problem. For instance, Mahanagar Telephone Nigam Ltd. (MTNL), Delhi Development Authority (DDA), Indian Railways, etc. hold Lok Adalats from time to time to sort out the grievances of the consumers.

Public Interest Litigation (PIL): It is a channel to provide legal representation to the issues and interests or groups which have been unrepresented such as poor, individual customers, society welfare workers, environmentalists etc. Any individual or any organization can file for suit in the court of law against exploitation of consumers, environmental deteriorations etc. in the interest of general public. Generally, weaker sections of society avoid going to courts for their grievances due to lack of funds but by the ways of public litigation such sections of society get a front to represent themselves. Any individual or organisation can directly write to the Supreme Court mentioning the urgency of redressing of such a complaint. No necessary documents are required for the filing of a public litigation. A complaint could be filed even through a Post Card. If the Supreme Court is satisfied, it would take up the matter as a writ petition, i.e., an application seeking Supreme intervention to check any malpractice in public interest.

Redressal Forums: Under the Consumer Protection Act 1986, District Forums, State Commissions and National Commission have been formed to provide for simple, cost effective and speedy rectification of consumer grievance.

Consumer Protection Councils: As per provisions of the Consumer Protection Act 1986, Consumer Protection Councils have been set up by the Central and the State Governments. The purpose was to protect and promote the interests of the customer and give him a solid backing

for his development. Such councils have are made available at district level too by the state governments for protection of the consumers against the malpractices of the manufacturers and dealers.

Eco-Mark Scheme: The concept of eco-friendly products have gained momentum in the past few years due to the threat posed to the ecological balance. The launch of ‘Eco- Mark’ scheme by the central government under which a producer can use eco-mark label with the symbol of an earthen pitcher only if their products fill the conditions laid down for the process of production and use of eco-friendly raw materials. The consumer goods which are included under this scheme are packaging materials, edible oils, toilet soaps, detergents etc. Eco-Mark is emblematic of the evidence that the product is not harmful for the environment neither in its use or its making and even its disposal of waste during the production process involved. The Eco-Mark scheme boost the customers to buy more eco-friendly products in future also.

National Youth Award on Consumer Protection: The Central Government has instituted two annual awards:

- i) National Award on Consumer Protection; and
- ii) National Youth Award on Consumer Protection.

The idea behind these awards was to spur the participation of among the youth of the nation in the field of consumer protection providing them with enough motivation to fight for themselves and others. Such an award has also been instituted for women even to recognize and accolade the work done by them in this area.

Publicity Measures: The Government of India provides for adequate means for the promotion and publicity of customer protection in print and electronic media. All India Radio and Doordarshan telecast several programs on customer education about their rights and precautions they must take e.g., advertisement of “Jaago Grahak Jaago” advising them for checking maximum retail price etc. A number of documentaries are telecasted while screening of movies in the theatres, a quarterly journal entitled Upabhokta Jagaran is printed and several other brochures are printed for interest of the consumers.

Consumer Welfare Fund: The Government of India has created a Consumer Welfare Fund to which amounts of excess excise and custom duties which are not refundable to importers are

deposited. The money from this fund is used for the welfare of consumers. The fund is mainly utilised to perform following activities:

- a) Centralised production and distribution of literature and audio-visual material for spreading consumer literacy.
- b) Setting up centres for training and research in consumer education.
- c) Funding of community based rural awareness projects.
- d) Setting up consumer guidance bureaus to handle the complaints of consumers.
- e) Setting up consumer testing laboratories.
- f) Building up of institutional facilities for organising consumer education at district level.

5. Conclusion

Consumer is aforesaid to be the ruler in the forum. But sadly, the Indian customer endures disparate deceptive practices of the marketers. Underdevelopment, illiteracy and lack of necessary information necessitate for customer protection. Need of the hour is a cogent, well-formulated and executed consumer movement followed by Government support and encouragement by the ways like special legislation. This movement in India is still in its new born stage. Three agencies are there for providing for consumer protection viz. Self- help by consumer organizations themselves, self-regulation by business and the Government. For the protection of the consumer interest, Indian Government has enacted upon a number of related legislations. All of these legislations administer standardization, packaging, grading and branding, and to regulate food adulteration, weights and measures, unfair trade practices, etc. The future calls greater efforts in increasing the flow of reverse communication, carrying out customer's demands as well as problems to the marketer. Two way contact is crucial in bridging the gap between customer and the marketer. Decisions of the management should be taken on the basis of consumer's wishes and demands which can be possible if two way communications is allowed in a balanced way.

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