Chapter V

SUMMARY OF FINDINGS AND SUGGESTIONS

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5.1 INTRODUCTION

Every citizen of a nation is a consumer. A consumer is an individual who purchases goods and services for his final consumption and not for the purpose of resale. The modern concept of marketing is consumer sovereignty. But, in reality the consumers are subject to different kinds of unfair, deceptive, monopolistic and restrictive trade practices. Hence it has been long felt that consumer interests are to be protected. Accordingly, a large number of consumer protection laws have been enacted, consumer cooperatives formed to supply all the essential commodities at fair prices and voluntary consumer organizations have sprung up to play a significant role in creating awareness among the consumers. In spite of all these protective measures, the vast majority of consumers continue to suffer exploitation due to illiteracy, ignorance, poverty and lack of awareness about the consumer movement.

The present study is mainly focused on the consumer movement in Kanniyakumari District. The study attempts to assess the awareness of consumer rights, consumers’ co-operatives, voluntary consumer organizations and the consumer court functioning in the district. The study is descriptive and analytical in nature based on both primary and secondary data. Primary data were collected from the sample woman consumers. A convenient sampling technique has been applied to select the sample woman consumers. Statistical tools like average, percentage, ranking techniques and chi-square tests were used to analyse the data.
5.2 SUMMARY OF FINDINGS

The second chapter "Historical perspective of consumer movement" gives a picture of the growth of consumer movement in general, and in India in particular. Consumer's co-operatives were started in India following the success of consumer co-operatives in the rest of the world. The consumer co-operatives in England and in the U.S.A are responsive to the needs of the consumers and they serve as an effective guardian and spokesman of the consumers.

The origin of the consumer movement was made possible by the strenuous efforts of many individuals. It was further intensified from time to time. The establishment of the I.O.C.U. was the first step in the field of consumer movement, which helped in spreading the movement in different countries. In March 15, 1962 Consumer rights introduced by John F. Kennedy in American Parliament, so this day is celebrated as the 'International Consumer Day' every year.

In America, Ralph Nader played a significant role in giving proper direction to the consumer movement. The history of the consumer movement in India goes back to ancient times. In Kautilya's times necessary regulations were in force for protection of the consumer interest. The growth of the Consumer Co-operatives movement in India has been slow. When the movement was picking up, the Second World War broke out. Under such an emergency situation, the consumers' co-operatives were organized on a war footing to ensure proper distribution of consumer goods. Subsequently, the consumer co-operative movement in India faced many ups and downs.
The most important Centrally Sponsored Scheme of 1960 was implemented to promote the establishment of consumers’ cooperatives all over the country. The 20-Point Economic Programme introduced by the then Prime Minister Mrs. Indira Gandhi in 1980 laid special emphasis on consumers’ co-operatives. They took over the function of distribution of essential commodities to the weaker sections. Some elite groups have started voluntary consumer organizations and they try to mould the movement.

The Mahila Upbhokta Sangathan was the first consumer organization and it was established in Lucknow. The major consumer organizations which make an impact on the Indian consumer movement are the Madras Provincial Consumer Organization (1949), the Consumer Guidance Society in India (1966), the Consumer Education and Research Centre (1979), the Consumer Unity and Trust Society (1984), the VOICE (1983), the Common Cause (1981) and ABGP (1975). They are concerned with promoting consumer education and awareness, settling consumer complaints, conducting consumer research and working in liaison with other organizations to find solution to consumer problems. Besides this, they act as a mouth piece of the consumers. They get financial assistance and encouragement from the Government from time to time.

The steps taken in India to protect consumers include the enactment of various Acts in the interests of consumers (Vide Appendix A). All such laws have failed to create the desired results on consumer protection. Hence to protect the consumers’ interests, the Government of India passed the Consumer Protection Act, 1986. The passing of the COPRA is a milestone in the consumer protection movement in India. It provides a wide scope for giving relief to the unprotected consumers in the country. The
COPRA provides for setting up of quasi-judicial bodies for the redressal of consumer complaints at the district, state and national levels. It announces a cheap, speedy and easy remedy for the redressal of grievances of the consumers.

The contribution of the CAG and the FEDCOT in Tamilnadu are indeed commendable. The Kumari Jilla Consumer Protection Centre, the Indian Users’ Association, the Consumer Awareness and Research and Education (CARE) and the People’s Consumer Forum at Kanyakumari District have also contributed significantly to the growth of consumer movement through various programmes in the study area.

In the third chapter an attempt is made to ascertain the level of awareness of woman consumers. Four components were identified for this purpose. Eighty – four statements were established, which formed the basis of the measurement process. Data regarding the awareness of the consumer movement were collected from one hundred and fifty sample respondents. Likert’s five point scale was used for the purpose of evaluation.

On the basis of the responses given by the sample respondents, they are classified into three categories, namely consumers with a low level of awareness, medium level of awareness, and high level of awareness.

This classification was made as described below. The total scores of the respondents were summed up. The mean of the total scores of the 150 respondents was calculated. The level awareness was graded as ‘low’, ‘medium’ and ‘high’ on the basis of the scores obtained by the respondents in each component.

The respondents who scored below the ‘mean minus standard deviation’ are categorized under the ‘low level of awareness’ while respondents with scores in
between the ‘mean minus standard deviation and mean plus standard deviation’ are brought under the category of the ‘medium level’. The respondents with scores greater than the ‘mean plus standard deviation’ are recognized as possessing a ‘high level of awareness’.

It is observed from the analysis that out of the 150 respondents, 35 (23 per cent) 46 (31 per cent) and 69 (46 per cent) are found to posses low, medium and high levels of awareness respectively in respect of consumer rights.

Thirty three (22 per cent), 49 (33 per cent) and 68 (45 per cent) respondents have low, medium and high levels of awareness respectively in respect of the awareness of consumer co-operatives.

So far as the awareness of the voluntary consumer organizations is concerned 38 (25.33 per cent) 37 (24.67 per cent) and 75 (50 per cent) respondents have low, medium and high levels of awareness respectively.

With respect to the consumer court, out of 150 respondents 40 (27 per cent), 48 (32 per cent) 62 (41 per cent) belong to the low, medium and high levels of awareness respectively.

In the fourth chapter an attempt has been made to analyse the socio-economic factors which influence the level of awareness. Ten factors have been specifically identified in the process of the survey relating to this work. An effort is further made to find to what extent their influences are significant by using the chi-square test to proceed with the analytical aspects.
The following variables have been identified for analysis

i. Age group of the consumers
ii. Place of Residence
iii. Marital status
iv. Occupation
v. Experience of the consumers in home management
vi. Membership in association
vii. Encouragement from family members and friends
viii. Average monthly income of the consumers
ix. Average monthly expenses of the consumers and
x. Reading habit of the consumers

Of the ten socio-economic variables identified place of residence, marital status, experience in home management, membership in association and reading habit are the factors which have a close relationship with the level of awareness of consumer rights.

The level of awareness of consumer cooperatives has a close relationship with the factors such as marital status, experience in home management, membership in association and amount spent for purchasing essential commodities.

Age of the consumers, place of residence, membership in association and reading habit are the socio-economic factors which are closely related with the level of awareness of the voluntary consumer organisations.
The factors like the age of the consumers, the place of residence of the consumers, the marital status of the consumers, their membership in association, the encouragement from family members and friends, the average monthly expenses and their reading habit have significant relationship with the level of awareness of the consumer court.

From the study it was found that the consumers purchase all the essential goods mainly from private traders, margin free stores and from the markets and street traders. They purchase only rationed goods from the co-operative stores.

5.3 PROBLEMS FACED BY THE CONSUMERS

In their day-to-day life the consumers face many types of exploitations. The sample respondents were asked to rank the exploitations in order of preference. Table 5.1 shows the different types of exploitations from the point of view of the woman consumers.
### TABLE 5.1
Perception of Consumers on Types of Exploitations

<table>
<thead>
<tr>
<th>Types of Exploitations</th>
<th>Weightage given to rank</th>
<th>Weighted Score</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1 (5)</td>
<td>2 (4)</td>
<td>3 (3)</td>
</tr>
<tr>
<td>Short weights and measures</td>
<td>34</td>
<td>38</td>
<td>41</td>
</tr>
<tr>
<td>Adulteration</td>
<td>46</td>
<td>27</td>
<td>55</td>
</tr>
<tr>
<td>Overcharging</td>
<td>28</td>
<td>30</td>
<td>30</td>
</tr>
<tr>
<td>Deceptive Advertising</td>
<td>26</td>
<td>51</td>
<td>19</td>
</tr>
<tr>
<td>Lack of quality Standard</td>
<td>16</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

Source: Primary data

Scoring is done as per the following scale.

1\textsuperscript{st} rank : 5, 2\textsuperscript{nd} : 4, 3\textsuperscript{rd} : 3, 4\textsuperscript{th} : 2, and 5\textsuperscript{th} : 1

Table 5.1 shows the types of exploitations they faced in the order of preference of the respondents. They gave the first rank to adulteration and the second rank to short weights and measures. Deceptive advertising was given the third place, over-charging, and lack of quality standard came to the fourth and fifth ranks respectively.

Eventhough the sample respondents faced different types of defects in the products they purchased, only 30 (20 per cent) of the respondents complained of
dissatisfaction regarding defective goods. The remaining 120 (80 per cent) respondents did not make any complaint.

The reasons for such a sad state of affairs mentioned by the sample consumers are presented in Table 5.2.

**TABLE 5.2**

Reasons for Not Lodging Complaints About the Defective Goods

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Reasons for not Lodging Complaints</th>
<th>Number of Respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>No faith in remedy</td>
<td>42</td>
<td>35</td>
</tr>
<tr>
<td>2</td>
<td>Submissive nature of consumer</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>3</td>
<td>Have to spend money</td>
<td>8</td>
<td>7</td>
</tr>
<tr>
<td>4</td>
<td>Have to spend time</td>
<td>12</td>
<td>10</td>
</tr>
<tr>
<td>5</td>
<td>No knowledge as to whom complaint has to be made</td>
<td>6</td>
<td>5</td>
</tr>
<tr>
<td>6</td>
<td>Fear of ill-treatment by the traders</td>
<td>48</td>
<td>40</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>120</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

From Table 5.2 it is seen that out of the 120 respondents who did not make complaints about the defects in their purchases, state the reasons. Forty-Eight (40 per cent) said that due to fear of ill treatment by the traders they have not lodged any complaints. Forty-Two (35 per cent) respondents said that they have no faith in getting remedy. Twelve (10%) respondents felt that lodging of complaints involved unnecessary spending of time.
Out of the 150 respondents surveyed 30 (20 per cent) complained of the defective goods, of which 27 (90 per cent) complained to the seller only orally and got their complaints redressed by replacement of defective products, and returned the products and got the money back in some circumstances. The remaining three (10 per cent) respondents made complaints about the defective goods to the VCOs in written statement and their complaints were settled through the VCOs without any court proceeding. For this purpose the VCOs charged a fee from the respondents, which in their opinion is only moderate. They are satisfied with the services of the VCOs.

There was no consumer, who came forward to file their complaint with the Consumer Disputes Redressal Agencies, eventhough all the respondents have knowledge about the COPRA from different sources.

The respondents get information about the COPRA from various sources. The sample consumers were asked to rank the different sources in their order of priority. Table 5.3 shows the preference of the sample respondents.
TABLE 5.3
Sources of Information on the Consumer Protection Act, 1986

<table>
<thead>
<tr>
<th>Sources of Information</th>
<th>Weightage given to rank</th>
<th>Weighted Score</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1 (5)</td>
<td>2 (4)</td>
<td>3 (3)</td>
</tr>
<tr>
<td>Friends and Relatives</td>
<td>30</td>
<td>16</td>
<td>33</td>
</tr>
<tr>
<td>Press Media</td>
<td>42</td>
<td>52</td>
<td>25</td>
</tr>
<tr>
<td>Electronic Media</td>
<td>25</td>
<td>46</td>
<td>30</td>
</tr>
<tr>
<td>Voluntary Consumer Organisations</td>
<td>34</td>
<td>28</td>
<td>39</td>
</tr>
<tr>
<td>Others (Text book, meeting, Tamil Film)</td>
<td>19</td>
<td>8</td>
<td>23</td>
</tr>
</tbody>
</table>

Source : Primary data

Scoring is done as per the following scale.

1st rank : 5, 2nd : 4, 3rd : 3, 4th : 2, and 5th : 1

Table 5.3. conveys an idea about the source of information to the consumers under study regarding the Consumer Protection Act, 1986. They got information through different sources when they are asked to rank them according to their own priority, the press media had got the first rank, voluntary consumer organizations got the second rank, electronic media get third rank, friends and relatives were placed under the fourth rank and the others came under the fifth place. Thus it is clear that the press medium is the most important and effective sources of information among the public.
5.4 SUGGESTIONS

Even though there are so many protective measures to protect the consumers, they still face many types of exploitation by the traders, due to lack of awareness of these protective measures. So the following suggestions are made to improve the awareness of woman consumers. Concerted efforts from all angles will help to achieve the desired results.

There should be more awareness, education and understanding and realisation of the rights and the privileges on the part of the consumers. This will really help in building up a more effective consumer movement in Kanniyakumari District and in turn in the India as a whole. The following suggestions would be appropriate in order to develop a full-fledged consumer movement.

i. Consumers should be highly conscious of their rights and should assert them in the case of any act of cheating or exploitation.

ii. The Consumer Co-operative Movement should be strengthened by which consumers could represent their problems and grievances and obtain justice.

iii. More and more Consumer Organizations should be formed and they must be made to run effectively. At present many such organisations are functioning as ‘letter head associations’.

iv. Voluntary Consumer Associations should be set up in every village to create awareness of the consumers in rural areas about their rights, the existence of
consumer protection laws and the activities of voluntary consumer organisations.

v. Voluntary Consumer Organisations should come forward to establish independent laboratories with necessary facilities to check the quality, weights and measures and adulteration if any.

vi. Voluntary Consumer Organisations may run ‘margin free super markets’ so that economical buying can be made and the products can be sold to the consumers at nominal profits, which also provide funds to the organisations.

CONSUMER EDUCATION

Consumer education is a essential for creating awareness among the consumers. Consumers must be educated about their rights and duties so that they make wise purchases. They must be educated on the legal provisions of the various laws affecting them, and the method of their redressal of grievances available to them under the COPRA. This is only the beginning of the Consumer movement, because without education consumers do not feel like organizing themselves and fighting against exploitation.

The consumer education programme should be designed to bring changes in consumer behaviour in such a way that consumers

i get more information to help them make comparison of price, quality and service before making a purchase;

ii identify the products which are harmful to their health;
iii develop skills to make intelligent decisions on the purchase of goods and services;

iv become knowledgeable about the basic provisions of consumer protection laws and

v seek remedies more actively when dissatisfied with a product, service or marketing practice.

Consumer education campaign through various communication media such as posters, publications, radio, television, documentary and other films and through lectures, seminars, adult education programmes, and the like shall be intensified.

Important libraries all over India should have a separate section marked ‘Consumerism’ so that reference books and literature on consumer issues are readily available to readers.

‘Consumer Economics’, ‘Consumer Cooperatives’, ‘Consumer Legislations’ and ‘Consumer Movement’ should be included in the academic curricula from the primary to the post-graduate level in order to create awareness among the younger generation.

Civil Supply Corporations and Consumer Co-operatives can also play an important role and take up the job seriously and not remain a poor agency for distribution of rationed articles as at present.

Consumerism may be included in the syllabus for competitive examinations.
Service organisations like the Rotary and Lions Clubs and VCOs must conduct elocution and essay competitions at school and college levels on consumerism on the occasion of the World Consumer Rights Day (ie) 15th March every year.

In every Educational Institution, a ‘consumer wing’ should be set up by the local VCOs. Through these clubs they can educate the total students of these institutions to fight against illegal and unfair trade practices.

VCOs could publish journals and books in which descriptive information pertaining to consumer interest could be published. The copies of these publications may be issued to students wings in educational institutions and self-help groups and other woman associations.

The bar associations should have a consumer wing which in association with VCOs must take steps to popularize the Consumer Protection Act, 1986 among the urban and rural consumers through legal literacy programmes.

The rights of the consumer and important legal provisions may be displayed in local languages near markets, fair price shops and the notice boards of the woman organisations.

Social workers at the district, taluk and village levels may be entrusted with the work of educating consumers through direct interaction with people.

The newspapers and journals can set apart a separate column regularly to cover consumer related issues for educating/cautioning the consumers.

There should be at least a weekly programme on television and on radio, so that consumers are effectively educated on consumer issues.
The Government may produce documentary films on the various aspects of the consumer movement which could be shown to the consumers through cinema theatres and televisions.

The Government may establish a Censor Board to regulate the morality of advertisements.

The Government should grant funds liberally to the VCOs for conducting various educational programmes.

5.5 CONCLUSION

It is earnestly believed that the findings of the study will help the legislators, executives and judicial authorities to realise the need for reforms by way of restructuring of the enforcement machinery with a new thrust on consumer education. Such concerted, united and organized efforts on all sides alone can really ensure the success of the consumer movement by improving the awareness of the consumers. The present investigation conducted by the researcher has enabled her to identify the following issues for further research.

i A case study of different Voluntary Consumer Organizations working in Kanniyakumari District.

ii A study of the effectiveness of the Consumer Redressal Agencies set up under the COPRA.

iii A study of the Voluntary Consumer Organizations in Tamilnadu.

iv A comparative study of consumer cooperatives of Tamilnadu and Kerala.

The researcher has the satisfaction of presenting a comprehensive report on a subject of social relevance and commercial implication.