"Consumerism: A Need from Cradle to Grave"

An Intervention Manual for Consumer Education

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Introduction to concepts of consumerism

What is Consumer Education (CE) all about? Before attempting to answer this question, we need to define what we mean by consumer education. For this purpose a broad definition is needed that encompasses both consumer rights and responsibilities.

To begin with we can say that consumer education aims to change behavior. It is the process by which people are taught how to buy, use and dispose of, sometimes scarce, goods and services to fulfill their needs. Other definitions include objectives as well, such as the definition formulated in the Classification of Concepts in Consumer Education (1984):

"Consumer Education is the process of gaining the knowledge and skills in managing consumer resources and taking actions to influence the factors which affect consumer decisions."

The goals of CE can be stated as follows:

- Develop skills to make informed decisions in the purchase of goods and services in the light of personal values, maximum utilization of resources, available alternatives, ecological considerations and changing economic conditions.
- Become knowledgeable about the law, their rights and methods of resource, in order to participate effectively and self-confidently in the marketplace and take appropriate action to seek consumer redress.
- Develop an understanding of the citizen’s role in the economic, social and government systems and how to influence those systems to make them responsive to consumers needs.

The objectives of consumer education at school are to educate independent, discriminating and informed consumers. It is to equip the pupil with knowledge and insight into the conditions of being a consumer in a complex, multi-faceted society by providing basic knowledge in such areas as consumer legislation, personal finances, economics, advertising and persuasion, consumption and the environment, global resources, housing, clothing, price and quality, diet and health. Schools should contribute to making pupils aware of the influences they are exposed to with respect to life styles, consumer habits, values and attitudes.

Consumer Education involves giving students “cognitive skills” to help them make informed decisions. But it should also mean “understanding” the impact of individual, business and government decisions on the lives of others. In addition to this, pupils need to develop a certain attitude towards consuming. We want them to feel it is important and we want them to act and behave conscientiously. We can call these latter goals “affective objectives”.

A summary of basic objectives of consumer education would then be to:

1. Give pupils *knowledge* to act as informed consumers. For example, knowledge of consumer rights, law and basic nutrition.

2. Give pupils *understanding* of the functioning of society and the economy as a whole and the specific role of consumers. (*For example, the understanding of the role of companies in the economic system, the role of governments in society and the role of consumer organizations.*)

3. Develop *skills* to act as informed and responsible consumers. For example, writing a letter of complaint, the ability to spot sales gimmicks and to use products and services knowledgeably.

4. Help students *feel it is important* to be an informed consumer. If pupils have been given the knowledge, understanding and skills necessary but think it is of no importance, we have failed.

5. Teach students *to act* as informed, educated and responsible consumers.

This philosophy means that Consumer Education is concerned directly with people and that is often the main difference between Consumer Education and many other school subjects.

What these responsibilities mean when one buys a product can be illustrated like take for instance a simple product like a chocolate bar or an ice cream cone. Beside the question whether it tastes good or not, there are several other angles to consider when making a real study of the consumer aspects. Going beyond the "needs and wants" aspects, a consumer can take the health, environmental, safety, and economic, legal and social angles of a product into account. The consumer will usually look first from his or her own point of view as an individual consumer, and can also keep the interest of the community at large in mind.

The illustration shows six different angles which an informed consumer may consider when he or she looks at any product analytically and critically. Here are some examples of questions connected to each angle:

1. Health point of view: Is it nutritious (individual), is it hygienically prepared (community)?

2. Environmental point of view: Does it cause litter problems (individual), does it waste resources for the packaging (community)?

3. Safety point of view: Are the ingredients safe (individual), is safety in production guaranteed (workers)?

4. Economic point of view: Can I afford it (individual), how and where is the product distributed (community)?

5. Legal point of view: Is it labeled (individual), is it being dumped in other countries (community)?

6. Social point of view: Is its advertising true and real (individual), does it involve child labor (community)?
Why is consumer education important in school?

- Consumer Education provides students with practical and useful information that blends schoolwork into the fabric of everyday life.

- Consumer Education offers the chance to help children explore their roles within society as citizens, consumers and workers, to be active and responsible members of society.

- CE also helps people to understand the relationship between those who supply and produce and those who buy and use.

- Compared with the past, youngsters have a lot of money to spend. Children have quite a large influence on family purchases marketers have recognized that the young client usually remains a client for the rest of his life.

- CE can be one tool that helps young people stand up to marketing pressure as it becomes more important.

- Over the past few years, the technological changes have been unprecedented. New ways of buying ("electronic commerce") are developing fast and the Internet has taken an important place in many consumers' lives. Also the possibilities to pay electronically have to a large extent replaced paying in cash. This means that financial management has to be learned at an earlier age because the "plastic" also works when funds run out, making it much easier to get into debt. Unemployment, marketing bombardment and new technology are only three important reasons why the individual consumer needs training and information.

The Interest of Society as a Whole

Informed consumers are essential to economic development. By exercising a free choice based on knowledge of the facts, the consumer will be able to make the best use of his resources, money, time, knowledge and ability. He will thereby contribute to the proper functioning of the economy and stimulating effective and fair competition, and he will thereby contribute to social and economic development. The educated consumers can make the work of governments easier. Consumer Education can help consumers act in a more enlightened and critical manner which might make it possible in certain cases to avoid having to resort to legislative and regulatory measures. The legislation and regulations that do exist will be strengthened as consumers become more educated and learn to demand their rights.

The above-mentioned responsibilities of the consumer such as social responsibility, ecological responsibility and solidarity imply an interest of society as a whole in Consumer Education. Modern concepts go beyond individual needs and resource management. Collective needs between the micro- and macro-systems should be reflected in individual decision making.

Consumer Education with the focus on society and environment has preferences, which are: social and environmental responsibilities versus wasteful consumption, sustainable consumption versus exploitation of resources.
Unit One: Consumer Basics

Aim: To Give Knowledge Regarding Basic Consumer And Market Environment.

Learning outcomes:

- Students will understand the difference between needs, wants, demand and supply.
- Students will understand regarding concept of producer, whole seller, retailer and consumer.
- Students will understand how consumer can influence the consumer.
- Students will understand the relationship of consumer and producer.
- Students will get knowledge of different types of market outlet.
- Students will understand how goods are brought in demand.
- Students will understand how price of goods are established.
- Students will understand methods of sales stimulation and gimmicks.

A. Who is consumer?

The ancient man moved from place to place to hunt for food. He ate whatever he could find such as fruit, nuts, berries, sweet root and flesh of animals. He made use of wood and dry leaves from forest to make fire to keep him warm and also to tenderize meet he hunted. Today man has evolved into seasoned producer and consumer of a large variety of goods and services. At present some people produce the goods and provide services required by others in exchange for money in a well developed market system, thus the concept of consumer, who may be described as a person buying a product or obtaining services from the market for his own use or consumption has come into existence.

A consumer is defined as a person who buys goods and services and makes use of public utilities as well as natural resources like air and water. In its most basic since it refers to those who use goods and services for the satisfaction of their personal wants.

According to the consumer protection Act, 1986, a “consumer” means any person who buys goods or services for a consideration that has been paid or, promised, or partly paid and partly promised or under any system of different payment, and includes any user of such goods other than the person who buys such goods for consideration.

According to the new amendment made in the Act in 1993, it does not include buyers who purchase goods for manufacturing purpose or for resale. But, if a widow who buys a sewing machine or small cottage industrialist who buys equipments for the purpose of earning a living are consumers.
B. Different market outlet.

1. **Wholesale outlet**: Goods are sold in large quantities. The minimum buying quantities from such outlets are dozens, hundreds, 50-100 kilograms, and quintals. Wholesaler usually buys direct from farms or manufacturer.

2. **Retail stores**: Retailers usually purchase a variety of goods from wholesalers and get their margin of profit after selling them to the consumers. The price paid per unit of the goods is higher than at wholesale outlet. The advantage to the consumer is that he can buy in small quantity as per their requirement.

3. **Cooperative**: It is a retail outlet owned and run by consumers for consumer. A group of consumer from a registered society is runs the store often known as a consumer cooperative.

4. **State Emporia**: Other than the cooperative are state emporia which offer the product ranges from state varying from furnishing, household items, cloths, Jewellery, craft and decorative items. The product sold here is of high quality and reasonably priced. There is no possibility of duplicate goods being sold here since the state takes the responsibility of procuring and selling genuine goods.

5. **Specialty store**: A store usually stocks a particular line of product such as health foods-drugs, readymade garment, crockery, gardening equipments, sports, footwear.

6. **Convenience store**: This store open for long hours the products being limited to essential daily use items, such stores are found in practically all-residential areas for the convenience of the locality customers.

7. **Variety store**: Variety store offers range of products reasonably priced; practically everything a person needs for day to day living. E.g. items from stationary, gifts toiletry, confectionery and some provisions. One may also find small household books.

8. **Departmental store**: It is large retailing store running across practically everything needle onwards. E.g. mall, supermarket, big bazaar.

9. **Buys**: Product is purchased on Internet through credit card payments e.g. books.

**Black marketing**: Black marketing is a situation and not a form of selling, which visibly exists, but it is done due to the deliberate creation of shortages of products in the markets, through hoardings. Once the shortage has been created sellers offers the goods in small quantities cinema tickets, food calamities.

C. Difference between Needs Wants and Demand.

**Needs**: Need is the state of felt deprivation of some basic satisfaction. People require food, clothing, and shelter, other than these belonging needs, self-esteem needs and a few other things for survival. These needs exist in the very texture of human biology and the human condition.
Example: (roti kapda aur makan) one will feel satisfied only when he/she gets desired type of need fulfillment.

**Wants:** wants are desires for specific satisfaction of deeper needs. Human wants are continually shaped and reshaped by social force and institution such as religion, school, families and Business Corporation.

**Demand:** Demands are wants for specific products that are backed up by an ability and willingness to buy it.

*Companies must therefore measure not only how many people want their product but, more important, how many would actually be willing and able to buy it.*

E. Different market channels
In channel 1, the product moves directly from producer to consumer. Customers who purchase fruit and vegetables from a framer’s “track stand” or pick their own fruit or vegetables are utilizing a direct marking channel.

In channel 2, the product flows from the producer to retailers to consumers. This channel is often used for automobiles; most consumers do not wish to go to a factory where the products are being produced, in such cases consumer use this channel for purchasing. Example: fast food outlet, clothing.

In channel 3, a product flows from the producer to wholesalers to retailers to consumers. This channel is used frequently for consumer products that are sold to large numbers of consumers through many retailers. For example: Samsung consumer durables / white goods.

In channel 4, the product flows from producer to agent or brokers to wholesalers to retailers to consumers. It is generally used for products with mass-market distribution. For example: vegetable ghee Dalda
E. How goods sell and brought into demand?

Human being is bundle of desires and therefore there is no limit to his wants. Some of his wants are natural and some are created by environment, fashion, and customs and these are the stimuli to create demand of products in market.

Types of wants:

- **Psychological wants**: These wants are food shelter clothing family and social and community activities.
- **Custom-made wants**: the custom of the society or community to which one belongs influences your wants. Customs are the most important force that influences your wants e.g. smoking after dinner. Giving sweets in festival of Diwali. Wearing of chaniya choli in navratri.
- **Conspicuous consumption**: It is consumption of goods and services on grand scale for the purpose of showing off rather than for provide utility. Dowry, different types of food counter in wedding (Chinese, panipuri, Punjabi, jain,)
- **Fashion made wants**: fashion is defined as prevailing style in consumption. The people who do not follow fashion are also considered outcast. Producer and advertiser spread few fashions but it is up to customers to accept or reject. (Baggy pants, bellbottom pants)
- **Imitative consumption**: The imitative consumption is common to all age group. The tendency is that people want to equal or excel others in consumption.( house wives buys any product to equal or excel her neighbor)
- **Producer made wants**: This wants are develop through advertisements. It provides information about availability of goods, price, new product and new uses for old product. (Shampooos, tooth brush, soap, washing powders, etc)

F. How prices of goods are established?

Price is determined by a numbers of factors such as government policy, shortages, ignorance, delivery system, quality, market location, overhead expense of the seller and quality of service provided.

**Government policy**: Government decides a particular rate in the market to sell or buy the products from farmers so that farmers can earn margin for their upliftment.

**Illustration**: Assume that sugarcane is purchased from farmer by broker at @ of Rs 2/- per kg and broker sells it to manufacturer @ of Rs 4/-per kg. Manufacturer process the sugar cane and make a fine processed sugar and sells it to a broker/company /exporter @ Rs 8/-per kg. The exporter sells it in foreign market with heavy margin and earns foreign exchanges. Company makes and attractive packing and sells on a heavy margin to the consumer on MRP. whole seller sells it to retailer with heavy margin and retailer sells to consumers @ 18/- to 20 /- per Kg. This shows that everybody earns the margin except farmer and this reduces the quality growth of farmer and the crops. To overcome this exploitation of farmer
The government introduces regulatory rates so that farmers can earn more profit so that they can improve the quality of farming and can produce better quality crops which can increase the prosperity of farmers, state and nation.

**Shortage:** Sometimes a crop fails due to unprecedented weather conditions, creating a natural shortage. Changes in environmental conditions such as a transport workers strike, or a landslide blocking roads can also create local shortage of commodities. Other examples are riots, war and so on.

*Illustration: price of milk, vegetables fruit shoots up*

**Ignorance:** The ignorance of the consumer regarding what he should be paying for a certain product, leads to his exploitation. The reason may be illiteracy that he is unable to read the maximum retail price on the product or a monopoly situation exists, whereby a seller can charge at will. Even in the same market there are few stores where goods are sold at fixed price.

**Quality:** More often than not, adulterated substandard products are priced lower than quality items but this may not always be the case. For packaged goods, labels indicate details by which quality can be judged.

**Delivery systems:** Prices of goods vary according to the manner in which foods and other products are sold. If the item is sold through mobile carts or vans, the prices are lower than if the same item is sold in an air-conditioned store where their overhead costs are greater.

**Market location:** If shops or stores are located in posh locality the prices are likely to be higher than location where middle-income group resides.

**Availability of goods:** Sometimes prices for goods are set high when they are not available easily.

**MRP** is **Maximum Retail Price** is a price decided by the manufacturer on which person wishes to sell the product to consumer/user. This MRP includes manufacturer margin, excise duties, central sales tax, and local sales tax, value added tax (V.A.T), octroi, freight, insurance of products, margin of channel of distribution and if imported then other levies. **Note: you can ask for discount on MRP also.**

G. **Sales stimulation and gimmicks.**

**Sales stimulation**

Every businessman wants to increase the sale of goods that he deals in. He can adopt several ways for that purpose. You might have heard about “lakhpati bano”, “win a tour to Singapore”, “30% extra in a pack of one kg”, “scratch the card and win a prize” etc. You might also have seen gifts like lunch box, pencil box, pen, shampoo pouch etc. offered free with some products.

There are also exchange offers; like in exchange of existing model of television you can get a new model at a reduced price. You may have also observed in your neighboring markets notices of “winter sale”, “summer sale”, “trade fairs”, “discount up to 50%” and
many other schemes to attract customers to buy certain products. All these are incentives offered by manufacturers or dealers to increase the sale of their goods. These incentives may be in the form of free samples, gifts, discount coupons, demonstrations, shows, contests etc. All these measures normally motivate the customers to buy more and thus, it increases sales of the product. This approach of selling goods is known as “Sales stimulation”. Sales stimulation adopts short term, non-recurring methods to boost up sales in different ways. These offers are not available to the customers throughout the year. During festivals, end of the seasons, year ending and some other occasions these schemes are generally found in the market.

Thus, sales stimulation consists of all activities other than advertising and personal selling that help to increase sales of a particular commodity.

Tools of Sales stimulation

To increase the sale of any product manufactures or producers adopt different measures like sample, gift, bonus, and many more. These are known as tools or techniques or methods of sales stimulation. Let us know more about some of the commonly used tools of sales stimulation.

Free samples: You might have received free samples of shampoo, washing powder, coffee powder, etc. while purchasing various items from the market. Sometimes the shopkeeper even without purchasing any item from his shop also distributes these free samples. These are distributed to attract consumers to try out a new product and thereby create new customers. Some businessmen distribute samples among selected persons in order to popularize the product. Example, in the case of medicine free samples is distributed among physicians, in the case of textbooks; specimen copies are distributed among teachers.

Premium or Bonus offer: A milk shaker along with Nescafe, mug with Bourn vita, toothbrush with 500 grams of toothpaste, 30% extra in a pack of one kg are the examples of premium or bonus given free with the purchase of a product. They are effective in inducing consumers to buy a particular product. This is also useful for encouraging and rewarding existing customers.

Exchange schemes: It refers to offering exchange of old product for a new product at price less than the original price of the product. This is useful for drawing attention to product improvement. ‘Bring your old mixer-cum-juicer and exchange it for a new one just by paying Rs.500’ or ‘exchange your black and white television with a colour television’ are various popular examples of exchange scheme.

Price-off offer: Under this offer, products are sold at a price lower than the original price. ‘Rs. 2 off on purchase of lifeboy soap, Rs. 15 off on a pack of 250 grams of Taj Mahal tea, Rs. 1000 off on cooler’ etc. is some of the common schemes. This type of scheme is designed to boost up sales in off-season and sometimes while introducing a new product in the market.
**Coupons:** sometimes, manufacturers issue coupons either in the packet of a product or through an advertisement printed in the newspaper or magazine or through mail. These coupons can be presented to the retailer while buying the product. The holder of the coupon gets the product at a discount. For example, you might have come across coupons like, 'show this and get Rs. 15 off on purchase of 5 kg. of Annapurna Atta’. The reduced price under this scheme attracts the attention of the prospective customers towards new or improved products.

**Fairs and Exhibitions:** Fairs and exhibitions may be organized at local, regional, national or international level to introduce new products, demonstrate the products and to explain special features and usefulness of the products. Goods are displayed and demonstrated and their sale is also conducted at a reasonable discount. ‘International Trade Fair’ in New Delhi at Pragati Maidan, which is held from 14th to 27th November every year, is a well-known example of Fairs and Exhibitions as a tool of *sales stimulation*.

**Trading stamps:** In case of some specific products trading stamps are distributed among the customers according to the value of their purchase. The customers are required to collect these stamps of sufficient value within a particular period in order to avail of some benefits. This tool induces customers to buy that product more frequently to collect the stamps of required value.

**Scratch and win offer:** To induce the customer to buy a particular product ‘scratch and win’ scheme is also offered. Under this scheme a customer scratch a specific marked area on the package of the product and gets the benefit according to the message written there. In this way customers may get some item free as mentioned on the marked area or may avail of price-off, or sometimes visit different places on special tour arranged by the manufacturers.

**Money Back offer:** Under this scheme customers are given assurance that full value of the product will be returned to them if they are not satisfied after using the product. This creates confidence among the customers with regard to the quality of the product. This technique is particularly useful while introducing new products in the market. *For example advertise of products on sky shop.*

**Free trials:** It invites the consumer to purchase and try the product at free of cost in the hope that they will buy the product. Example: *Trial of cosmetics*

Here are a few that you, the consumer, should watch out for when remodeling your purchase.

> Inflate the price, and then offer huge discounts/Offer a free product that is grossly over valued
> Offer a very low unit price, on an extremely limited or undesirable selection
> Offer no interest for various links of time, 30-60-90 days or one year same as cash...however, often, the interest expense is added in to the cost of the product. Watch out for language within the terms, because often, if the extended payment plan is not met, the full interest will revert back to the first day of the sale and normally at a very high credit card type interest rate.
Unit Two: Advertising

Aim: To give knowledge regarding advertising

Learning outcomes:

- Students will understand what is advertisement?
- Students will understand Objective of advertisement
- Students will know Types of advertisement.
- Students will understand How advertising can be socially damaging
- Students will understand Benefits and drawbacks of advertising.
- Students will understand how marketers target kids
- Students will know Rules and regulations for advertising.

A. What is advertisement?

Advertisements are everywhere. Never a day passes without some kind of advertised message imposed on human activity. It is a part of our daily life as sleeping, eating, working and leisure. The word “Advertisement” is derived from the Latin word “ad verter” which means to turn the mind towards. Advertising is generally viewed as a process, which encourage consumers to go through a series of steps that may ultimately result in sale. According to Kotler “Advertisement is any paid form of non-personal presentation and promotion of ideas, goods or services by an identified sponsor.

B. Objective of advertisement

1. To Capture attention
2. To Secure interest
3. To Create desire
4. To Encourage action
5. To create awareness at the industry, corporate and brand level.
6. To inform, education and entertain.
7. To reinforce, maintain, remind and alter options and attitudes.
8. To creates favorable images.
9. To manipulate and convince
10. To induce the trial of product and services.
11. To encourage repurchase on a continuous basis
12. To motivate inquiries
13. To help sell products and services.
C. Types of advertisement

1. Ethical advertising: It should highlight the positive points of its own products and be good standard. It should not be untruthful, deceptive and should not misguide the consumers.

   *E.g.* some companies advertise about their two-wheeler and 4 wheeler vehicles that they will cover amount of kms per liter when in practice the kms covered are much less.

2. Informative advertising: It is useful in very basic stage of product category, where the objective is to build primary demand of the product. It educates the consumer of its nutritional values.

   *E.g.* Yogurt has low cholesterol, saffola refined oil has less fat and more nutritional value

3. Convincing advertisement: It becomes important in the competitive demand for a particular brand for example, complan attempts to persuade consumers that it delivers better nutrition and test than other brand of health drinks. Some persuasive advertisements use comparative advertising, which makes an explicit comparison of the attributes of two or more brands. *E.g.* Aril, tide and surf excel washing powder’s advertisements.

4. Reminder advertising: It is more useful with mature products Colgate toothpaste advertisement in magazine is the reminder of purchase Colgate.

5. Reinforcement advertising: It seeks to assure current purchaser that they have made the right choice. *Example: Commercial of Arial washing powders is often shown on TV ads expressing satisfaction from the performance of the Arial.*

6. Consumer advertising: The campaign is directed at the end user i.e. consumer it is usually found in newspaper and magazine it uses headlines, illustration etc, and is a major source of revenue to newspapers and magazines.

7. Trade advertising: This is directed at wholesaler, distributor and retailer. The goal is to encourage channel, members to stock promotes and resell the manufacture’s products to customer. Channels members are also given incentives for the same.

8. Advertising for image building: sometimes advertising is done for building the image of the company. This is done by high light their social responsibility. To build an image the company keeps in mind the factors of pollution and safety. *Example: Tanisha pure jewelry.*

9. Direct response advertising: The consumer is encouraged to make response either by phone or letter or on E-mail by just watching the advertisement. The advertiser provides with toll free number, address and request direct response and place order on phone.

10. Classified advertising: They are small adds in about 20 to 30 words in newspaper
D. Stimulus used in advertisement

1. Advertisements exploit the emotions of people without giving much information.


2. Ads appear through different media to influence the consumers through varying appeals.

   *Example* The advertiser use different media such as newspaper, T.V. video, radio, and other types of media, through varying appeal like

3. Humor appeal: it puts consumer in positive mood, it generates feelings of amusement and pleasure and is effective in certain situation

   *Example* Elope with Venus (water cooler); even your wife would love it.

4. Emotional appeals:
   
   Anger- feeling of Hostile and hatred
   Fear: it can be for safe future e.g. L.I.C Policy
   Heroism: Health related Prod.
   Fantasy: Skypak currier built fantasy around the product service. “We will do delivery wherever on earth”
   Mood: a woman expresses herself in many ways and vimal is one of them.
   Mediate: exam ka bhut HORLIKS
   Miracles: Rup amrit gora banaye

5. Ads. Delivers messages that focus on children in order to stimulate mothers, such as the role of a product to promote health of children.

   *Illustration:* “Life boy- Bath before going play ground”.
   “Pepsodent 10 magic”
   Kapil dev- “Boost is the secret of my energy”
   Amir Khan –“thanda matlab coca cola”

6. Ads. Use negative comments in the messages frequently in the form of rumors that are untrue, though that become detrimental to the products negated because of the word of mouth communication that spreads so fast.

   *Illustration:* Asian Sky Shop Sauna belt.

7. Ads may stimulate opinion leadership through informal discussion between two or more people as often seen on the TV for a number of products.

8. Through catchy slogan:

*Illustration*
*Close-up* “Close up a past and a mouth wash”
*Cock* “Things go better with cock”
*Complan* “I am complan boy, I am complan girl”
*HDFC* “Na sir juka hai kabhi na sir juke ga kabhi “
*Cadbury* “Har snacks namkin nahi hota “
*Cadbury* “papu pass ho gaya”
*Horlicks* “exam ka bhut”
*Good morning* “khul gaye band darwaje”
*Indian oils* “on ice on sand on any land, avoid your car coming to a stand. No matter the soil, do not recoil, always use Indian oil”
*LIC* “apke sath bhi apke baad bhi “
*Hutch* “you and me in this beautiful world “
*Magi tomato ketchup* “it’s Different “

9. **Non-Rational argumentation:** Ads may have non-rational argumentation provocative pictures are often used to exploit consumers.

10. **Propagandas:** this is an open, organized, goal directed method of influencing the opinion of people in a particular direction. The messages assert the “good” and “right”. A classic example is that of *soap made of gangajal.*

11. **Imperative influence:** This make people react to order given by advertiser, such as write a sentence or fill in the blanks to invoke a sense of competition for an award, in order to win the awards consumers go and buy the product in the hope of giving the correct answer even though they may not need the products.

12. **Hidden influence:** this adv are conceals itself as the product with an efforts to evade the natural skepticism faced by advertising this is done by publishing brochures which are mistaken for journal or periodicals.

13. **Rhetoric:** this is most effective method of persuasion in which an effort is made to creates an aura of the senders prestige to enhance the credibility of the message the various methods used to obtain such an effect are based on prestige social involvements sincerity entertainment and familiarity.

**E. The Rules and regulations for Advertising in India.**

Advertising Standards Council of India is a self-regulatory voluntary organization of the advertising industry has set laws to ensure the Truthfulness and Honesty of Representations and Claims made by Advertisements and to safeguard against misleading Advertisements

1. Advertisements must be truthful. All descriptions, claims and comparisons, which relate to matters of objectively ascertainable fact, should be capable of substantiation. Advertisers and advertising agencies
are required to produce such substantiation as and when called upon to do so by The Advertising Standards Council of India.

2. Where advertising claims are expressly stated to be based on or supported by independent research or assessment, the source and date of this should be indicated in the advertisement.

3. Advertisements shall not, without permission from the person, firm or institution under reference, contain any reference to such person, firm or institution, which confers an unjustified advantage on the product, advertised or tends to bring the person, firm or institution into ridicule or disrepute. If and when required to do so by the Advertising Standards Council of India, the advertiser and the advertising agency shall produce explicit permission from the person, firm or institution to which reference is made in the advertisement.

4. Advertisements shall neither distort facts nor mislead the consumer by means of implications or omissions. Advertisements shall not contain statements or visual presentation, which directly or by implication or by omission or by ambiguity or by exaggeration are likely to mislead the consumer about the product advertised or the advertiser or about any other product or advertiser.

5. Advertisements shall not be so framed as to abuse the trust of consumers or exploit their lack of experience or knowledge. No advertisement shall be permitted to contain any claim so exaggerated as to lead to grave or widespread disappointment in the minds of consumers.

Illustration:

1. Products shall not be described as `free' where there is any direct cost to the consumer other than the actual cost of any delivery, freight, or postage. Where such costs are payable by the consumer, a clear statement that this is the case shall be made in the advertisement.

2. Where a claim is made that if one product is purchased another product will be provided `free', the advertiser is required to show, as and when called upon by The Advertising Standards Council of India, that the price paid by the consumer for the product which is offered for purchase with the advertised incentive is no more than the prevalent price of the product without the advertised incentive.

3. Claims that use expressions such as “Up to five years’ guarantee” or “Prices from as low as Rs. Y” are not acceptable if there is a likelihood of the consumer being misled either as to the extent of the availability or as to the applicability of the benefits offered.

4. Special care and restraint has to be exercised in advertisements addressed to those suffering from weakness, any real or perceived inadequacy of any physical attributes such as height or bust development, obesity, illness, impotence, infertility, baldness and the like, to ensure that claims or representations directly or by implication, do not exceed what is
considered prudent by generally accepted standards of medical practice and the actual efficacy of the product.

5. Advertisements inviting the public to invest money shall not contain statements which may mislead the consumer in respect of the security offered, rates of return or terms of amortizations; where any of the foregoing elements are contingent upon the continuance of or change in existing conditions, or any other assumptions, such conditions or assumptions must be clearly indicated in the advertisement.

6. Advertisements inviting the public to take part in lotteries or prize competitions permitted under law or which hold out the prospect of gifts shall state clearly all material conditions as to enable the consumer to obtain a true and fair view of their prospects in such activities. Further, such advertisers shall make adequate provisions for the judging of such competitions, announcement of the results and the fair distribution of prizes or gifts according to the advertised terms and conditions within a reasonable period of time. With regard to the announcement of results, it is clarified that the advertiser’s responsibility under this section of the Code is discharged adequately if the advertiser publicizes the main results in the media used to announce the competition as far as is practicable, and advises the individual winners by post.

7. Obvious untruths or exaggerations intended to amuse or to catch the eye of the consumer are permissible provided that they are clearly to be seen as humorous or hyperbolic and not likely to be understood as making literal or misleading claims for the advertised product.

8. In mass manufacturing and distribution of goods and services it is possible that there may be an occasional, unintentional lapse in the fulfillment of an advertised promise or claim. Such occasional, unintentional lapses may not invalidate the advertisement in terms of this Code.

To safeguard against the indiscriminate use of Advertising in situations or of the Promotion of Products which are regarded as Hazardous or Harmful to society or to individuals, particularly minors, to a degree or of a type which is Unacceptable to Society at Large

1. No advertisement shall be permitted which:

- Tends to incite people to crime or to promote disorder and violence or intolerance
- Derides any race, caste, colour, creed or nationality.
- Presents criminality as desirable or directly or indirectly encourages people - particularly minors - to emulate it or conveys the modus operandi of any crime.
- Adversely affects friendly relations with a foreign State.
2. Advertisements addressed to minors shall not contain anything, whether in illustration or otherwise, which might result in their physical, mental or moral harm or which exploits their vulnerability. For example, Advertisements:

3. Should not encourage minors to enter strange places or to converse with strangers in an effort to collect coupons, wrappers, labels or the like.

4. Should not feature dangerous or hazardous acts, which are likely to encourage minors to emulate such acts in a manner, which could cause harm or injury.

5. Should not show minors using or playing with matches or any inflammable or explosive substance; or playing with or using sharp knives, guns or mechanical or electrical appliances, the careless use of which could lead to their suffering cuts, burns, shocks or other injury.

6. Should not feature minors for tobacco or alcohol-based products.

7. Should not feature personalities from the field of sports, music and cinema for products, which, by law, either require a health warning in their advertising or cannot be purchased by minors.

   - Advertisements shall not, without justifiable reason, show or refer to dangerous practices or manifest a disregard for safety or encourage negligence.
   - Advertisements should contain nothing, which is in breach of the law, nor omit anything, which the law requires.
   - Advertisements shall not propagate products, the use of which is banned under the law.
   - Advertisements for products whose advertising is prohibited or restricted by law or by this Code must not circumvent such restrictions by purporting to be advertisements for other products the advertising of which is not prohibited or restricted by law or by this Code.

In judging whether or not any particular advertisement is an indirect advertisement for a product whose advertising is restricted or prohibited, due attention shall be paid to the following:

▶ Whether the unrestricted product which is purportedly sought to be promoted through the advertisement under complaint is produced and distributed in reasonable quantities having regard to the scale of the advertising in question, the media used and the markets targeted.
There have been several court cases to stop broadcast of the programme, but as litigation in India often takes place over several years, most of the cases are still pending. However, the legal process has resulted in a caution notice being displayed at the beginning of the programme, aimed at children and parents, highlighting that Shaktiman is a fictional character and his actions should not be imitated. Unfortunately the law does not seem to have solved the problem.

Advertisements

There are no specific guidelines about acceptable advertisements aimed at children in India.

However, if there is a complaint about an ad it may be withdrawn after consideration by the Advertising Standards Council. For example, an advertisement for a child’s drink was withdrawn as it featured six children at the top of their class at school, implying the drink had given them exam success.

There is also no law in India, which lays down guidelines for the use of child models in advertisements. Whether children should work in this way is a matter of current debate, but there has been no legislation passed as yet. However, there are some strict laws relating to advertising and children. Selling, hiring, distributing, exhibiting or circulating an obscene object to a person under the age of 20 years punishable with imprisonment for a term of up to three years or fine of up to 2000 rupees (£26) or both. Subsequent offences are punishable with an imprisonment of up to four years and a fine of up to 5000 rupees (£60).

Internet

Regulation on the Internet in India is strict. The IT Act penalizes publication and transmission of material, which is obscene, lascivious or appeals to prurient interest. The Act can be invoked for such material on the ground that it has the propensity to corrupt the minds of children.

Film

The Board of Film Certification grants appropriate viewing ratings for films. If a film is suitable for all and subject to no restrictions it will be given a U certificate. A UA certificate is granted for films where an adult in the cinema must accompany children under 12. A film that is not suitable for under-18s is given an A certificate. The granting or refusal of film certificates is published in the Gazette of India (an official government publication that discloses changes in the law or the introduction of new regulations). The certification once granted is valid for a period of 10 years.

Cigarettes and alcohol

In India there are central government guidelines for the sale of cigarettes and alcohol, but each state has a different age limit for the consumption of alcohol and tobacco – for example, you must be over 25 years of age to buy alcohol in New Delhi. Most shops that sell cigarettes and alcohol display a sign showing the age restrictions in that state.
There are no bars on advertising in schools in India. In fact, Coca-Cola and Pepsi offer several sponsorships to schools, particularly for sporting activities.

F. How marketers target children

Here are some of the strategies marketers employ to target children and teens:

Pester Power

"We're relying on the kid to pester the mom to buy the product, rather than going straight to the mom."

Barbara A. Martino, Advertising Executive

Today's children have more independence and decision-making power within the family than in previous generations, so it follows that children are vocal about what they want their parents to buy. "Pester power" refers to children's ability to nag (harass) their parents into purchasing items they may not otherwise buy. Marketing to children is all about creating pester power, because advertisers know what a powerful force it can be.

According to the 2001 marketing industry book *Kidfluence*, pestering or nagging can be divided into two categories—"persistence" and "importance." Persistence nagging (a plea, that is repeated over and over again) is not as effective as the more sophisticated "importance nagging." This latter method appeals to parents' desire to provide the best for their children, and plays on any guilt they may have about not having enough time for their kids.

The psychology and marketing

To effectively market to children, advertisers need to know what makes kids tick. With the help of well-paid researchers and psychologists, advertisers now have access to in-depth knowledge about children's developmental, emotional and social needs at different ages. Using research that analyzes children's behavior, fantasy lives, artwork, even their dreams, companies are able to craft sophisticated marketing strategies to reach young people.

*Example:* Marketers target students on telly shopping by offers a crystal pendent to perform well in exam specially children appearing for 10th AND 12th BORD Exam.

Building brand name loyalty

"Brand marketing must begin with children. Even if a child does not buy the product and will not for many years... the marketing must begin in childhood."

James McNeal, The Kids Market, 1999

Marketers plant the seeds of brand recognition in very young children, in the hopes that the seeds will grow into lifetime relationships. Brand loyalties can be established as early as age two, and by the time children head off to school most can recognize hundreds of brand logos.
While fast food, toy and clothing companies have been cultivating brand recognition in children for years, adult-oriented businesses such as banks and automakers are now getting in on the act.

**Buzz or street marketing**

The challenge for marketers is to cut through the intense advertising clutter in young people's lives. Many companies are using "buzz marketing"—a new twist on the tried-and-true "word of mouth" method. The idea is to find the coolest kids in a community and have them use or wear your product in order to create a buzz around it. Buzz, or "street marketing," as it's also called, can help a company to successfully connect with the savvy and elusive teen market by using trendsetters to give their products "cool" status.

**Example:** *marketers use strategies like sunsilk gang of girls. Here they arrange live dance party in big mall were dancers are arranged to lure consumers with free cup of coffee and dance, the consumers are called to counter asked few questions and given a gift hamper.*

**Commercialization in education**

School used to be a place where children were protected from the advertising and consumer messages that permeated their world—but not anymore. Budget shortfalls are forcing school boards to allow corporation's access to students in exchange for badly needed cash, computers and educational materials.

Corporations realize the power of the school environment for promoting their name and products. A school setting delivers a captive youth audience and implies the endorsement of teachers and the educational system. Marketers are eagerly exploiting this medium in a number of ways, including:

- **Sponsored educational materials:**
  
  **Example:** Camel has been conducting drawing competitions in schools for decades where they advertise their product.

- **Supplying schools with technology in exchange for high company visibility.**
  
  **Example:** *Compaq supplies computers to schools to increase sales.*

- **Exclusive deals with fast food or soft drink companies to offer their products in a school or district.**
  
  **Example:** *Pay the price you have achieved the% of marks in exam*

- **Advertising posted in classrooms, school buses, on computers, etc. in exchange for funds.**

- **Contests and incentive programs:** for example, the Pizza Hut reading incentives program in which children receive certificates for free pizza if they achieve a monthly reading goal; or Campbell's Labels for Education
project, in which Campbell provides educational resources for schools in exchange for soup labels collected by students.

- Sponsoring school events:

  For example The Canadian Company Showbiz brings moveable video dance parties into schools to showcase various sponsors' products.

  Example Calming organizes the drawing completions in school. Bourn vita organises Quiz.

The Internet

The Internet is an extremely desirable medium for marketers wanting to target children:

- It's part of youth culture. This generation of young people is growing up with the Internet as a daily and routine part of their lives.
- Parents generally do not understand the extent to which kids are being marketed to online.
- Kids are often online alone, without parental supervision.
- Unlike broadcasting media, which have codes regarding advertising to kids, the Internet is unregulated.
- Sophisticated technologies make it easy to collect information from young people for marketing research, and to target individual children with personalized advertising.
- By creating engaging, interactive environments based on products and brand names, companies can build brand loyalties from an early age.

G. How advertising can be socially damaging

1. It reinforces unhelpful and harmful stereotypes such as that a women’s place is in the home cooking and cleaning, a man’s place in the work place bring in the money.
2. It uses images, especially sexual, that have the potential to dehumanize women and objectify the female body. The same accusation is beginning to be made about the sexual portrayal of men.
3. It manipulates people into buying products that they do not really need and do not really want.
4. It encourage consumers especially children to want products and brand that they cannot afford causing feelings of inadequacy when these are not obtain.
5. It uses images that encourage consumers to buy products and brand that they have the potential to be unhealthy, such as cigarettes, alcohol and gutkha etc.
Advantages and drawbacks of advertising

Advantages:

1. It communicates benefit message to target audience.
2. It is used by profit and non-profit organization in both private and public sector.
3. Most advertisement are paid and take place through TV, print outdoors, radio, cinema and direct mail channels owned by companies other than the advertisers.
4. Most advertising is used for corporate and product brand advertising.
5. It is an intricate part of an organization’s promotional mix and complements sales promotion, PR, publicity and personal selling.

Disadvantage

Advertising may be useful to consumers but it may be wasteful also there is no guarantee that the claims made by producers in their advertisement are genuine and correct.

1. Misdirected: Advertising in several cases are misdirected consumers neither having time nor inclination to read advertisements. They skip many ads in newspapers and magazines and change channels when advertisement come on television or radio. Thus advertisements do not serve the purpose both from producers and consumers point of view. But still people advertise in order to reach consumers. A lot money is thus wasted and unlimited the consumer has to reliable.

2. Useless: advertising is useless at times because it does not supply consumers with useful and reliable information. It works on emotional appeal rather than genuine information.

3. Competitive: it very competitive. It tries to switch consumers from one brand to other e.g. ads on cold drinks such as thumbs up, Pepsi, coca-cola etc.

4. Deceptive and misleading: some of the advertisements are deceptive and misleading especially ads of soap, detergents, cosmetics such as fairness cream, shampoos etc.

5. Harmful products: The advertisements of cigarettes, alcohol, gutkha, etc is promoting products, which are harmful to human health.

6. Creating dissatisfaction: Advertisement creates dissatisfaction among consumers. It stimulates and encourages artificial and competitive consuming habits. It makes you buy things you may not need but still you purchase just for shows.

7. Exhort consumers to buy: It encourages or persuades the consumers to spend for sake of spending.
8. **Misuse of art and science**: The ads has commercialized art science artist are lured towards commercials art.

9. **Buying testimonials**: Using film stars and prominent people to endorse their product is also misleading consumers. People do not realize that these personalities are paid to sell the products.
Unit Three: Consumer Protections

Aim: To develop understanding about consumer protection

Learning outcomes:

- Students will understand types of consumer problems faced by Consumer problems in market
- Students will understand Necessity of consumer protection.
- Students will be aware Consumer rights and responsibility.
- Students will be aware Consumer Responsibility as Young Consumers.

A. Types of consumer problems faced by Consumers

Consumers face numbers of serious problems in the market.

Lack of safety and absence of quality control regulations: Numbers of household equipment, electrical and mechanical devices are sold in the market any defective function of such equipment can affect the consumer safety of the consumers. As such, there is no check on their production and sales in the market. Many people including women and children sustain injuries or die due to shock, fire, and other accidents either while using such defectives appliance or due to inadequate information.

Food adulteration: Adulteration implies that some substance are either added or removed from a product as a result of which its composition, nature or quality gets adulterated. There are numbers of products in the market that are subject to adulteration, such as food, building material, textiles, stationary etc. Adulteration is a very serious problem because it is not exploitative but injurious to the health of consumers.

Short weight and measures: Receiving less than what a consumer pays for, has been an age-old problem whether it is a gas cylinder weighing less or food items or other consumer products like detergents, which are sold, unpacked, in loose form. Measures too are sometimes found deceptive in the case of oils, milk and other liquids Vended to consumer in limited quantities.

Imitation of manufacturing (misbranding): Indian markets are flooded with all kinds of spurious and substandard goods, some of them often carrying popular brand names or similar sounding brand names of popular manufacturers. Imitating these names is a deliberate malpractice and amounts to cheating of the consumers. Such practices are found commonly prevalent with the consumer goods such as shoes, sops, toothpastes, medicines, cosmetics, etc.

Misleading advertisements and advertising tactics: Advertising is perhaps the most widespread medium of communication between the producer and the consumer. Advertising should, therefore, be a most helpful tool to the consumer-buyer, but it
does not generally happen to be so. Advertisements are mainly focused on the goods and services that are made available in the market. They only tell about the manufacturer of the products, its availability in the market, time of sale, etc. some of them include statement about quality and in many cases they inform the consumers about the extra benefits of a new products or the new use of an old products.

The facts that it may not its limitations, if any complicate the consumers’ problem. Even the statutory warnings like for example, “cigarette smoking injurious to health” are put in small letters in an inconspicuous manner in the advertisement, which generally goes unnoticed.

**Unfair warranty:** Consumers are neither familiar with nor understand the full implications of terms like guarantee and warranty. Even some of the terms of warranty are confusing, ambiguous and are favorable to the manufacturers. There is no regulation to govern these warranties.

Some warranties covers:

Only first buyer/Buyer and absolve the manufacturer of any liability towards the second or subsequent user/Guarantee for fixed period e.g. one year

Repair of defective goods or change the defective parts free of cost, whereas the term ‘warranty’ is used to provide free spare parts but service charge are collected from the customer.

**Sales gimmicks:** Here are a few that you, the consumer, should watch out for when remodelling your purchase.

- Inflate the price, and then offer huge discounts.
- Offer free products that are grossly overvalued.
- Offer a very low unit price, on an extremely limited or undesirable selection.
- Offer no interest for various links of time, 30-60-90 days or one year same as cash...however, often, the interest expense is added in to the cost of the product. Watch out for language within the terms, because often, if the extended payment plan is not met, the full interest will revert back to the first day of the sale and normally at a very high credit card type interest rate.

**Evil practices of powerful multinational:** Some multinational companies use powerful media such as TV, door-to-door personal selling, magazines, and free gifts etc. to attract innocent consumer. They spend vast sums of money to market their products. Sometimes products, which have been banned in developed countries, are brought to the developing countries and sold in attractive packages. Since they carry an international label, of brand name, consumers believe that these products are of high quality and buy them even though; they have to pay extra money for that.

**Massive profiteering:** Manufacture and sellers, thereby forcing the consumers to pay more when these are in short supply, create at times artificial shortages. During inflationary conditions in the economy, huge sums of money are used to corner foodstuff and other essential commodities for sole purpose of making speculative
profits. Massive profiteering by hoardings and black marketing in sale of onions was witnessed in the recent past in Delhi and other areas.

**Incorrect and incomplete labels:** Labels are generally attached to products for informing the consumers about the product. The manufacturers more often use colorful and attractive labels to attract attention. In such cases the label is not a reliable guide about its quality or an evidence of an assurance of quality. Terms such as ‘medium sweet’ ‘thin consistency’ ‘fast colour’ ‘freshly packed’ etc. are ineffective since they mean different things to different people.

**Deceptive packaging:** Packaging is a means to protect the content of a package or a product from any kind of damage such as contamination, breakage, and evaporation. From the seller points of view, packaging is a sales tool. Packaging sometimes identifies the maker as well as his products, his brand and trade mark. In this way he forces a consumer to make impulsive buying with his attractive packaging.

In most cases when the package is not transparent, the consumer is unable to examine the product. He is unable to judge the product in terms of its size, shape, and content etc. The problem of consumer increase when the weight of the packaging material or the container is also added to the weight of the product or content, as in the cases of sweets sold by the sweets merchants. This means that the consumer pays more for less content.

**B. Necessity of consumer protection.**

Consumer protection means prevention of things is wrong for the consumer or the provision of financial redress for the consumer when things have gone wrong.

The word protection raised four quarries:

- Whose protection is required?
- Protection against whom?
- What to be protected?
- How to be protected?

The word “who” refers to user that is the consumer, the word “whom” represent the producers and their channels, the word “what” refers to the consumer’s interest and how refers to the laws for consumer protection.

**The needs of consumer protect is …**

1. To effectively organize consumers in a country as vast as India.
2. A majority of population is illiterate.
3. Poverty, lack of education, lack of information and traditional outlook of Indians to suffer silence-all these have enable the businessman to exploit consumer in India.
4. Because of increasing technical complexity of consumer goods, it becomes difficult for an amateur consumer to select the best.
5. Physical protection against product those are unsafe and dangerous to health.
6. Protection against unfair trade practices.
7. Protection against all types of pollution for better quality of life
8. Protection against monopoly and restrictive trade practices.

We all know who are consumer, relation of consumer and producers and their gimmicks. Now let’s discuss what are the consumer’s interest.

The consumer interests are converted into the basic rights of the consumer under C.P.Act 1986.

C. Consumers Rights and Responsibility

1. **Right to safety:** Consumers have a right to be protected against marketing of goods, which are injurious to health and life. As a consumer if you are conscious of this right, you can take precautions to prevent the injury or if injury is caused in spite of precaution, you have a right to complain against the dealer and even claim compensation. For example, if you buy any medicine, the pharmacy selling it can be held responsible if the medicine proves harmful. Again if gas cylinder is used for cooking, you have to check that it does not leak when it is supplied to you. If it starts leaking afterwards, the supplier will be liable to pay compensation if the leakage of gas leads to fire and causes injury or death to anyone.

In the context of the new market economy and rapid technological advances affecting the market, the right to safety has become a pre-requisite quality in all products and services.

*For e.g. some Indian products carry the ISI mark, which is a symbol of satisfactory quality of a product? Similarly, the FPO and AGMARK symbolise standard quality of food products. The market has for long made consumers believe that by consuming packaged food or mineral water, consumers can safeguard their health. This notion has been proved wrong time and again due to rampant food adulteration in market products. Right to food safety is an important consumer right since it directly affects the health and quality of life of consumers.*

*For e.g. GM food can be Food safety should ensure that consumer has no short-term or long-term adverse health effects due to consumption of GM food. Genetically Modified organisms can be defined as ‘organisms produced as a result of Biotechnological changes or genetic engineering’. GM technology is suspect because making changes in the genetic code alters the entire sequence of the material and that might lead to unintended development of many undesirable traits. For e.g. a virus while in contact with a gene resistant plant may acquire the genetic material (disease resistant quality) and may become even more dangerous. If any such virus becomes virulent, it may destroy desirable plant species and create serious imbalance in the given eco-system. Also, if a consumer eats GM food products, s/he may develop resistance to anti-biotic or allergies in certain cases.*

2. **Right to be informed:** Right to information means the right to be given the facts needed to make an informed choice or decision about factors like quality, quantity, potency, purity standards and price of product or service. The right to
information now goes beyond avoiding deception and protection against misleading advertising, improper labeling and other practices.

For e.g. when you buy a product or utilize a service, you should be informed about a) how to consume a product b) the adverse health effects of its consumption c) Whether the ingredients used are environment-friendly or not etc.

The right to information means much more than simple disclosure of the product's weight or price. A consumer has the right to know how the product has been prepared, whether it has been tested or animals or not, if environmentally-sound techniques and resources have been used in its production processes, what kinds of chemicals are used into its manufacturing and what could be their impact on consumer health. Clearly, a consumer has to consider a lot of factors before s/he buys a product.

Ideally, a consumer should have knowledge of the entire ‘cradle to grave’ journey of the product to determine whether it’s safe and beneficial for use or no. The ‘cradle to grave journey’ refers to the processes a product goes through from the time of it being made out of raw material, the processes of its molding into its final shape, transportation, labor, ingredients used, to the form in which it ends up on market shelves. It is only when a consumer is aware of the history of the product that he can make informed choices.

Recently, it has come to light that most cosmetics like lipsticks, kajal and mascara are tested on animals in laboratories to see whether they have any adverse effects on them or no. There was also a controversy about how Nike shoe company was using sweat labor in South Asian countries, paying its workers abysmally low wages for manufacturing shoes. Similarly, there was a ‘McLibel’ case against McDonald’s alleging that McDonald’s generated a lot of unwanted waste due to its excessive packaging and harmed the environment.

3. **Right to choose:** Every consumer has the right to choose the goods needed from a wide variety of similar goods. Very often dealers and traders try to use pressure tactics to sell goods of poor quality. Sometimes, consumers are also carried away by advertisements on the TV. These possibilities can be avoided if consumers are conscious of this right.

The focus needs to be on choice of good practices like organic farming and conservation of natural heritage. In cities, people should be able to choose cleaner and safer ways of transportation over polluting ones. Similarly, healthy and fresh food should be chosen over junk food. The right to choose must essentially be a consumer’s right to choose a safe and healthy product of good quality over an unsafe or defective product. This can give a consumer immense leverage not just to choose products that are safe but also to influence the practices adopted my market.

4. **Right to be heard:** This right has three interpretations. Broadly speaking, this right means that consumers have a right to be consulted by Government and public bodies when decisions and policies are made affecting consumer interests. Also, consumers have a right to be heard by manufactures, dealers and advertisers about their opinion on production and marketing decisions. Thirdly, consumers have the right to be heard in legal proceedings in law courts dealing with consumer complaints.
For e.g. if you have been cheated in the market place or deprived of the right quality of service, your complaint should be heard and given due attention by the authorities. Consumers should also have a right to voice their opinion when rules and regulations pertaining to them are being formulated, like the recent amendments in the Consumer Protection Act.

5. **Right to seek Redressal:** If and when any consumer has a complaint or grievance due to unfair trade practices like charging higher price, selling of poor quality or unsafe products, lack of regularity in supply of services etc. or if he has suffered loss or injury due to defective or adulterated products, he has the right to seek remedies. He has a right to get the defective goods replaced or money refunded by the seller or dealer. He also has the right to seek legal remedies in the appropriate courts of law. Through this right the consumers are assured that their complaints will receive due attention. This right also provides for due compensation to consumers if they have suffered a loss or are put to inconvenience due to the fault of the supplier or manufacturer.

6. **Right to consumer education:** To prevent market malpractices and exploitation of consumers, consumer awareness and education are essentially required. For this purpose, consumer associations, educational institutions and Government policy makers are expected to enable consumers to be informed and educated about

- The relevant laws, which are aimed at preventing unfair trade practice;
- The ways in which dishonest traders and producers may try to manipulate market practices to deceive consumers;
- How consumers can protect their own interest; and
- The procedure to be adopted by consumers while making complaints.

Market influences have grown so much that along with wholesale and retail sellers but even medical practitioners are falling prey to their pressures.

*Example:* The pharmaceutical industry is one such example. India, with its 1 billion population and largely uneducated consumers, is a very lucrative market for this industry. The pharmaceutical industry, to boost its sales, offers free samples of medicines, freebies, and even free luxury holidays to physicians to influence them to use their brands and give them preference over other brand names. There have been many instances when drugs banned in countries like US, have been prescribed to Indian consumers and are readily available as over-the-counter drugs. It is a sad example of gross violation of consumer trust by medical practitioners.

This situation is rampant not just in rural areas but also among educated urban consumers. The reason why the market, in connivance with physicians, is able to exploit consumers is that Indian consumers are not aware of the prevailing situation and do not keep themselves abreast with latest developments taking place around them. Consumer education can play a crucial role in protecting consumers against such dangers.
The Right to Basic Needs: Access to food, water and shelter are the basis of any consumer's life. Without these fundamental amenities, life cannot exist. In September 2001, India's stock of food grains were around 60 million tones, yet one third of the Indian population lives below the poverty line and consumers often go hungry or remain severely malnourished, leading to poor health. The recent starvation deaths in Orissa are a case in point. A very crucial objective of the conceptualization and existence of consumer rights is to ensure that consumers have an assured food supply, safe and permanent dwellings, and basic amenities of life like sanitation and potable water, and power supply.

Urbanization is seen as a mark of development but for rural migrant population, living conditions in cities is very poor. The population of cities is growing rapidly in India and after 1988; the percentage of urban poor has been more than that of the rural poor. Around 20 to 25 per cent of the urban households live in slums, makeshift colonies or refugee settlements due to non-availability of affordable and decent habitat in urban areas. According to some estimates, in urban areas alone, there is a housing shortage of 17 million units. This has led to a habitat crisis in Indian cities. In rural India, the situation is equally bad, with a large part of the population still living in make shift dwellings and hutment. With non-permanent housing come lack of sanitation facilities and other amenities like running water and electricity supply. Due to burgeoning population, most people do not have access to dry toilets in rural and urban areas.

Food Security for Consumers

The recent deaths of poor people in Orissa due to starvation in August 2001 have indicated that food security is still a myth of a section of the Indian consumers. To solve this food scarcity problem, the Government of India mooted the PDS (Public Distribution System) to help reach food grain to the masses at subsidized rates through government-run 'Fair Price Shops'. There are about 4.5 lakhs Fair Price Shops all over India of which 3.05 are in rural areas and 0.94 in urban areas. On an average there is 1 PDS shop for every 2000 consumers. Yet, many parts of India still suffer from food shortages. Poor distribution and under-utilization of food grains has led to artificially created food scarcities in the country. Presently, there are 60 million tons of food grains in terms of buffer stock in Indian godowns. This food grain is rotting due to un-utilization and improper storage facilities. The need of the hour is to canalize this stock towards needy consumers and offer them 'food for work' programmes, which will not only give them employment but also money. Besides making sure that there is enough food accessible to consumers at all times, nutrition is another area, which the health of children and the vulnerable sections of population is at stake. This is an area where consumers can take responsibility for ensuring that quality is added to their basic food supply.

For urban consumers, environment means parks, gardens, and deteriorating air and water quality. Most urban areas are bereft of any wildlife and people are unaware of the biodiversity around them. On the other hand, rural consumers rely on their environment for fulfillment of their basic needs.
8. **The right to a healthy and sustained environment**: The need for environmental conservation is seen as a necessary defense against deteriorating quality of life worldwide. We are all victims of contaminated food and water supply, pesticide-ridden food, adulterated milk and choking exhaust fumes emitting from vehicles. According to a World Bank report, India is being pushed back due to its high environmental costs. We lose around Rs 24,500 crores every year in terms of air and water pollution alone. If you live in a city, you must have experienced air and water pollution at some point of time. Children often fall ill due to polluted environments, it leads to increased health costs and discomfort for consumers. Valuable resources and man-days are lost due to polluted environment and living conditions. Consumers need to understand that only a safe environment can ensure the fulfillment of their consumer rights.

If we look closely at our immediate surroundings and our consumption patterns, we would find that we, ourselves, are responsible for causing environmental pollution to a certain extent.

*For instance, our monthly purchases include various kinds of washing detergents, toilet cleaning acids and chemicals like Harpic or Sanifresh, and a lot of non-biodegradable packaging for pre-packed food products. This leads to environmental problems like water and soil pollution, and waste disposal problems. It also shows that our consumption patterns are closely linked with the state of the environment and that environmental damage is mostly a result of irresponsible consumer behavior.*

**International Standards for Safeguarding Right to Safe Environment**

Consumers International (a nodal agency of consumer organizations from all over the world) has made certain guidelines for ensuring consumers' right to safe environment.

Consumers should be protected from environmental pollution by:

- Promoting the use of products, which are environmentally sustainable?
- Encouraging recycling
- Requiring environmentally dangerous products to carry appropriate warnings and instructions for safe use and disposal.

*Promote the use of non-toxic products by:*

- Raising consumer awareness of alternatives to toxic products
- Establishing procedures to ensure that products banned overseas do not enter national markets.
- Ensure that the social impacts of pollution are minimized.
- Promote ethical, socially and environmentally responsible practices by producers and suppliers of goods and services.

Rural consumers are invariably closer to their environment than urban consumers. Their livelihoods and way of life depend on the environment around them. Their firewood and sources of energy come from trees, manure for fields comes from livestock, water is procured either from underground water supply or from rivers, the crops heavily depend on annual rainfall, even pesticides for safeguarding of crops
and storage also come from trees like neem. In short, the rural life revolves around natural resources. For them, this dependence on the environment is complete and they have a stake in its preservation, whether it is for building their houses, fodder for their cattle etc.

**Consumer Responsibility**

While we all like to know about our rights and exercise them, we hardly ever accord the same importance and urgency to our consumer responsibilities. Consumer rights and responsibilities are intertwined together and without sharing consumer responsibility, consumers will find it very difficult to enjoy their rights on a long-term basis.

1. **Solidarity:** The responsibility to organize together as consumers to develop the strength and influence to promote and protect common interest.
2. **Critical awareness:** The responsibility to be more alert and questioning about the price and quality of goods and services
3. **Action:** the responsibility to assert him and act to ensure that he gets a fair deal. As long as he remains passive consumer, he shall continue to be exploited.
4. **Social concern:** The responsibility to be aware of the impact of his consumption on other citizen, especially disadvantaged or powerless group/community.
5. **Environmental awareness:** The responsibility to understand the environmental consequence of our consumption e.g. save natural resources

Consumers need to tread cautiously in the market place. While buying a product, ask yourself these questions:

- Do you really need this product?
- For how long would you like to use it?
- Will it last as long as you would like it to?
- What is the health fallout of that product?
- If it is a food product, does it give you any health benefits?
- Check the labeling of the product to see the nutritional chart of the product.

- You can also empower yourself by knowing the law.

*For e.g., did you know that ISI mark on bottled mineral water has been made mandatory by the government and now labeling of non-vegetarian ingredient in food products will also mandatory for the industry?*

- Consumer responsibility can play a very important role in not only checking the market but also in restricting unnecessary consumption. It is not the sole responsibility of the market or of the government to provide consumers with detailed information. A consumer, on his part, must make every effort to inform himself of the product or service.

*For example, if a consumer consumes a health product, he must make efforts to inform himself beforehand about its possible side effects, and must also exercise*
caution regarding his eating habits, diet and physical exercise, to take full advantage of the product.

- Consumer responsibility is based on ethics and rationale. There are no definitive sets of consumer responsibilities and a consumer must exercise restraint in consumption to consume responsibly.

  For example, conservation of the environment cannot be forced upon consumers but a consumer must make a conscious effort to reduce consumption, choose environment-friendly alternatives and conserve energy.

- Consumer responsibility needs to be shouldered by different consumer segments. Every segment has its own special consumer profile and consumption patterns. These patterns define the kind of consumer responsibility that a segment must discharge.

- Responsibility towards safe waste disposal: Most often we consume without sparing any thought for what's going to be left behind as waste. More and more percentage of waste generated in urban areas today consists of non-biodegradable waste. Urban consumers are making use of plastic, paper and cardboard packaging, disposables batteries, plastic throw-away pens, use and throw nappies, empty cans etc are becoming a common feature of an urban dustbin. India's urban population is around 300 million. By 2011, the total quantity of solid waste generated in urban areas is expected to cross 56 million tones, creating a waste management crisis for urban India.

- Responsibility to endorse safer products

  ➢ **Ecolabelling:** Eco-friendliness is an important criterion in judging a product's feasibility. It is a way of assessing how much damage a product has caused to the environment. 'Eco-mark' is one way of knowing which products conform to environmental standards and are more environment-friendly than others. Ecolabelling is a methodology practised by many countries in the world, including India. The Indian government has formulated a scheme whereby some categories of products are awarded the 'Ecomark' if they conform to certain standards set by the Ministry of Environment and Forests. Unfortunately, in India, the scheme has not taken off due to consumer apathy and lack of response. The market has manipulated this situation to lobby with the government to make Ecolabelling a voluntary scheme, which will allow manufacturers to disclose and cover information at will.

  ➢ **Consumer Bonding:** The consumer movement needs active participation of consumers to lobby with the government, pressure the market to deliver better quality, and to support consumer rights campaigns. Empowerment of consumers by NGOs and public campaigns is a two-way process and without continuing consumer support, no campaign can flourish.
Young Consumers and Consumer Responsibility

Children, teenagers and youth constitute a very important consumer segment for the market. Their consumption habits are unique and their purchase decisions are based on popular trends, brand image, use of new technology, flavor of food products, and style.

The market also realizes that young consumers have a propensity to consumer junk food and prefer them to traditional forms of food. The market exploits this characteristic by associating convenience and a brand image with junk food like colas, pizzas, and fast-food joints.

There are three major brands of toothpaste in India, viz. Colgate, Pepsodent and close up. All three of them compete with each other to capture maximum market share. In order to achieve this, they not only target children as consumers but also feature them in their advertisements to attract other young consumers. Colgate, for e.g., targets young children in the age group of 5 to 12 and offers free cartoon booklets along with toothpastes. Pepsodent vies for the same consumer segment and depicts some children relishing snacks; confectionery and sweets, while their mothers for having done the same thing scold others. This advertisement makes children believe that consumers who use Pepsodent are immune to any tooth decay because of the superior quality of the product. This claim is unauthenticated and attempts to mislead children.

Close up; on the other hand, does not perceive children as its target audience. Instead, it targets teenagers and the youth. It creates a brand image of confidence and popularity for young consumers between the age group of 16-30. Its advertisements constantly feature successful friendships and romances between Close-Up users.

Millions of rupees are spent on advertising a product which costs as little as Rs 30 and is considered ordinary by most consumers. From pushing toothpaste on neem sticks to advertising in the Kumbh mela, the market can go to any extent to boost its sales. After a point, the sales tend to stagnate. Constantly repackaging the present product and introducing new products offset this negative development. For instance, Colgate has a number of brands in the market, like Colgate Total, Colgate Dental Cream, Cibaca, Colgate Gel and Colgate Herbal.

- Junk Food and Young Consumers

Young consumers are special targets of the junk-food industry. The market knows that fast food is addictive and once young people get used to having their fat, salts and sugar rich food, they will become their consumers for life. Also, young consumers have the indirect purchasing power of their parents, which makes them a very lucrative consumer segment. Thus it does not come as a surprise that the market spends huge sums of money at advertising campaigns alone. Some of their marketing figures are as follows:

- 2 billion is roughly spent on advertising to young consumers every year.
The children's direct influence in parental purchases was estimated to be around $188 billion dollars in 1997, up from $132 billion in 1990, $50 billion in 1984 and $20 billion in the mid-70s.

The market for children aged 4 to 12 years alone rakes in some $30 billion annually.

The junk food sector attaches images and perception of fun, enjoyment and prestige with their products and eating outlets. They also use popular film stars and sports personalities to strike an instant rapport with young consumers.

Young consumers should consume in moderation and buy a product on the basis of its quality and merit and not because of the brand image. Students also need to see beyond the veil of advertising, brand pushing and market influences, to identify their real needs.

The environmental impact of consumption must be considered before buying a product. A young consumer must consider what kind of waste is going to be left behind after s/he has consumed goods or services. For example, in school and college canteens, drinking cold-drinks in plastic cups, using disposable plates and mineral water bottles, has become very common and also a fashion statement. Students no longer bring home-cooked food or lunch boxes to schools. This has not only created a shift towards unhealthy food but also added to the waste management problem.

Environment conservation and safe waste management is a prime consumer responsibility. We should be responsible for the garbage we create as a result of our consumption habits. Young consumers can actively contribute to safe disposal of waste by minimized generation of non-biodegradable waste and by participating and initiating activities like vermin composting and segregation of waste.

Paper is a very important consumable in every student's life. Students, teachers and office workers use everyday tones of paper in schools and colleges alike. Students can initiate a paper-recycling campaign and also learn how to make recycled paper themselves.

Students must also acquaint themselves with energy consumption patterns like water usage and electricity consumption. They should sensitize themselves to the transportation sources they use in everyday life, recycling of second-hand books in the library and the air-pollution causing use of firecrackers during festivals like Diwali. In the state of Delhi, young consumer participation in anti-cracker programme is a perfect example of community participation and student initiative, when students shunned firecrackers and were able to bring down pollution levels dramatically in the city during Diwali.

Schools are learning grounds, not just for education but also for practical life skills. Students can be introduced to the concept of 'polluters pay' by teaching them paper recycling, conservation of electricity, and recycling of water. Also, leadership qualities can be instilled in students by allowing them to monitor activities like garbage disposal, paper recycling, and rainwater harvesting.

**How to be protected? Consumer protection Laws.**

Government has armed itself with several legislative measures in term of acts, statuary orders and notices issued for ensuring fair prices, equitable supplies and
quality control of different products and services these acts protect consumers from various abuses prevailing in the market.

1. **Indian penal code, 1860** – it is most relevant Act, for the prevention of food adulterations. The IPC seek to restrict malnutrition caused by circulation of harmful food articles among the people. It deals with the fraudulent and misleading description of articles of trade and fake packages. It covers offences pertaining to counterfeit trademark.

2. **The sale of goods Act, 1930** – This Act provides for the settlement of consumer seller disputes. This Act casts a responsibility on seller to offer mercantile goods. The ordinary rule in this Act is that conditions and warranty are not implied. Beside return of price or free repair or replacement, damages can also be claimed for any loss or injury of suffered buyer.

3. **Agricultural products (Grading and marketing) Act, 1973.** – This act provides for quality certification popularly known as ‘AGMARK’ for agricultural commodities. The certification scheme is voluntary for export purpose.

4. **Drugs and cosmetics Act, 1940** - The purpose of this law is to regulate the production, trade distribution import and export of drugs and cosmetics, which are up to the required standards but also being sold under misbranding.

5. **Emblems and names (prevention of improper use) Act, 1950** - The Act prohibits the use of specified names, emblems or official seal for public and especially for advertising purpose.

6. **Indian standard institution (certification Mark) Act 1952 BIS** – this Act controls the standards of various goods and simplification of some to encourage standardization. This law guarantees the replacement of substandard goods, which are not according to the prescribed standard where carrying the ISI mark.

7. **Drug and magic remedies (objectionable advertisement) Act 1954.** This act tends to prevent advertisement, which claims miracle or magical cure of diabetes, cancer, and arthritis, asthma that are difficult to cure.

8. **Prevention of food adulteration Act, 1954** - it is prohibits manufacturing and sales of cheaper substance injurious to health contaminated, filthy, rotten, decomposed or diseased etc and includes cold drinks, for human consumption.

9. **Essential commodities Act 1955.** This law provides for the regulation of production and distribution of essential commodities by the government so that scares commodities are available for consumption.

10. **Monopolies and restrictive trade practices Act 1969.** – This Act gives provision for the protection of consumer from unfair trade practices such as deceptive and misleading advertising hording of goods and supply of unsafe and hazardous products.
11. The household electrical appliance (quality control order 1976) - it prohibits the manufacturers from sale of household electrical appliance, which do not confirm to relevant ISI standard and requires the manufacturer to take certificates from appropriate authority.


13. Standards of weights and measures Act 1956 and 1976. – This Act prohibits the use of non-standards measures. Packaged commodities rules framed under the Act provide printing necessary details on packed items.

Unit four: Principles of good Buymanship.

Aim: To develop understanding about principles of Good Buymanship

Learning outcomes:

- Students will learn the art of good buy-manship and Develop sound purchase habits.
  - What to buy
  - When to buy
  - Where to buy
  - How much to buy
  - What price to pay
- Students will understand Necessity of keeping records.
- Students will be aware certifications marks that should be checked while purchasing products.

A. Planning expenditure

*Time, energy and money are spent in buying, hence it is important to know*

1. What to buy
2. When to buy
3. Where to buy
4. How much to buy
5. What price to pay

1. What to buy.

Planning what to buy requires consideration of the resources, knowing your requirements and preparing a shopping list.

- Consumer must determine what he needs, such as fruits, vegetables, cereals, medicines, toys, sports, goods, footwear etc.

- Decide on the quantity that suffice and prepare the order priority.

- Go to relevant store and ask for what you need.

- Evaluate the product suggested by the seller by looking for brand name, price and quality, content etc. Compare with what you had in mind.
- Buy perishable foods like fruits and vegetables only if they are seasonal, because they are best in flavor, nutrition, colour and test.

- Buying stationary like copies or notebooks made of recycled paper serves the purpose. When rough work has to be done specially.

- Non-perishable items should be bought in quantities required for a certain period, a week, two week or a month.

- Buyer should make sure that certification marks are genuine and learn to recognize them while buying.

- Buyer should always wrong price sticker to hide the MRP printed on the package or label.

- Consumer should not pay more than MRP.

- Imitation product in the market help to cash on the weakness of consumer for foreign goods “made in Germany” to “made and Germany” be care full for such kind of practices.

2. When to buy

Time is valuable for everyone. It requires time to get money’s worth. Lack of money costs more money.

- It is wise to plan your purchase and refuse to rushed or hurried into buying.

- Put off buying until you have saved enough money to pay in cash.

- Go for purchasing when there is a special discount/sale purchase.

- You can stretch your money by shopping on special offers like

  - Festival sale: Diwali, rakshabandhan, Navratri, Janmashtami, idde
  - Clearance sale: when season is over and the retailer want to clear the stock
  - Promotional sale: these sales are offered on regular items by making a temporary reduction on certain items.

- Try to decide whether to buy when it is most convenient to you or when you can save money.

- If price are rising, buy before budget so that you can save money due to expected price rise.

3. Where to buy:

There are different types of consumer outlet from where you can purchase the commodities the only thing you need to do is compare the money and quality of products in these stores in order to get good bargain.
There are different types of stores such as:

- Departmental stores
- Specialty store
- Variety stores discount stores
- Consumer co-operative

There are other options for purchase like:

- Door to door selling
- Mail order retailing
- Tele shopping
- On line shopping
- Vending machines

Other than this market outlet can be differentiate

- **According to goods**
  1. *Those offering convenience goods*
     - Usually the neighborhood one
     - Things used daily
  2. *Those offering shopping goods*
     - Which are purchased with a lot of comparison in styles, qualities and price?
     - Purchased from departmental store.
  3. *Specialty goods*
     - For expensive articles purchased once in a while

- **According to services: The store can be classified according**

  1. Full service
     
     Ordering through telephone
     - Delivery
     - Credit
     - Well-trained people
     - Variety of goods
  2. Middle class
     - Credit
     - Exchange service
     - Less people
     - Less verity
3. **Low services**
   - Cash basis
   - Less experienced people.
   - Sell goods with minimum expense.
   - Price low.

4. **How much to buy**
   1. Generally purchasing goods in large quantity are beneficial when the storage cost is involved, pay a fair return on capital invested in the goods, and cover possible losses from spoilage e.g. store grain if you have proper storage space and time to take care.
   2. When prices are raising its wise to buy as much as the family needs its income permits if you have place to store or stock the goods for future use.
   3. On falling market it is wise to buy small quantities as needed do not stock goods because they will become cheaper in future.
   4. Buying on sales seasonal and fashion goods pose special problem. Sometimes price are marked up before sale, or poor quality and outdated items are kept on sale. So care should be taken to check quality before purchasing on sale.

5. **What price to pay**
   1. Inherent satisfaction derived from the use of article, e.g., owning a T.V gives you great satisfaction. Then you are ready to pay for it.
   2. Cost of acceptable substitutes e.g. the cost of substitutes for entertainment is more.
   3. Satisfaction, which could be secured by others use of same amount of money. This means the opportunity cost i.e. cost of buying TV when seen against cost of tuition for children.
   4. Cost of desirability of buying material and equipment in making article at home e.g. instead of buying readymade wall piece if one makes at home it would be cheaper.

   **B. Developing good purchasing habits**

   **Necessity of Keeping Records**
   
   ➢ Record keeping of actual expenditure serves money functions such as the money spent and the corresponding date, the total monthly expenditure, which can be compared with the spending plan throughout its implementation.
> Continuously checking the actual expenditure clearly indicates as and when the adjustment must be made to avoid excessive expenditure prior to the close of the spending period.

> Records of actual money spent can assist in identifying the areas where the anticipated spending was too high or too low.

> Records keeping provide the data as well as through analysis of actual expenditure you can also identify your buying weakness.

> Records can help in reduction of expenditure in necessary area

> Records can help you your money management.

Some general rules for good gunmanship

1. Always insist to take bill for things you purchase and keep them safe at least for six months. This can be helpful at the time of complaining in case or fraudulent.

2. Always count the money that you get back in form of change from the shopkeeper.

3. Tally your bill with the items you purchased. With price and particulars.

4. While purchasing any product by any hawkers ensure that weights and measures contain the seal of the weights and measures department.

5. Ensure that the weights and measures contain the seal of the weight and measures department.

Certifications Marks

There are numbers of certification marks in use for different products and processes, by which consumer can identify goods which have been tested and passed according to minimum quality standard of acceptance.

Guarantee: A promise by one party to pay a debt or perform an obligation contracted by another if the original party fails to pay or perform according to a contract.

Warranty: A promise, either written or implied that the material and workmanship of a product are without defect or will meet a specified level of performance over a specified period of time. Written warranties on new homes are either backed by insurance companies or by the builders.
GREEN MARK and RED MARK

Every package of Vegetarian Food shall bear the symbol in green colour on the principal display just close in proximity to name or brand name of the Food. Every package of Non-Vegetarian Food shall bear the following symbol on the principal display panel just close in proximity to the name of brand name of food.

BIS The Bureau of Indian Standards, empowered through a legislative Act of the Indian Parliament, known as the Bureau of Indian Standards Act, 1986, operates a product certification scheme, and has till date granted more than 30 000 licences to manufacturers covering practically every industrial discipline from Agriculture to Textiles to Electronics. The certification allows the licensees to use the popular ISI Mark, which has become synonymous with Quality products for the Indian and neighbouring markets over the past more than 40 years. The Bureau's predecessor, the Indian Standards Institution began operating the product certification Scheme in 1955. Presently more than 17000 licences are in operation covering about 1100 products.

HALLMARKING

Hallmarking is the accurate determination and official recording of the proportionate content of precious metal in gold. Hallmarks are thus official marks used in many countries as a guarantee of purity or fineness of gold jewellery.

FPO: FPO- Fruit Products Order - 1955, promulgated under section 3 of the Essential Commodities Act - 1955, aims at regulating sanitary and hygienic conditions in manufacture of fruit, vegetable products. It is mandatory for all manufacturers of fruit and vegetable products to obtain license under this Order to ensure good quality products, manufactured under hygienic conditions. The Fruit Product Order lays down the minimum requirements for:

- Sanitary and hygienic conditions of premises, surroundings and personnel.
- Water to be used for processing.
- Machinery and equipment
- Product standards.

Besides this, maximum limits of preservatives, additives and contaminants have also been specified for various products like- Jam, jelly, pickles, fruit juices, sauce, soft drinks, etc

AGMARK-Quality standards for agricultural commodities are framed based on their intrinsic quality. Food safety factors are being incorporated in the standards to complete in World trade. Standards are being harmonized with international standards keeping in view the WTO requirements. Certification of agricultural commodities is carried out for
the benefit of producer/manufacturer and consumer. Certification of adulteration prone commodities viz. Butter, Ghee, Vegetable Oils, Ground-Spices, Honey, Wheat Atta etc, is very popular. Blended Edible Vegetable Oils and Fat Spread are compulsorily required to be certified under Agmark. Facilities for testing and grading of Cotton for the benefit of cotton growers is provided through six cotton classing centers set up in cotton growing belt in the country. During the year 1999-2000, agricultural commodities worth Rs.429767 lakhs were graded and marked under AGMARK. Check is kept on the quality of certified products through 23 laboratories and 43 offices spread all over the country.

ISO - International Organization for Standardization - When the large majority of products or services in a particular business or industry sector conform to International Standards, a state of industry-wide standardization can be said to exist. This is achieved through consensus agreements between national delegations representing all the economic stakeholders concerned - suppliers, users, government regulators and other interest groups, such as consumers.

They agree on specifications and criteria to be applied consistently in the classification of materials, in the manufacture and supply of products, in testing and analysis, in terminology and in the provision of services. In this way, International Standards provide a reference framework, or a common technological language, between suppliers and their customers - which facilitates trade and the transfer of technology.

WOOL MARK

The WOOL MARK is the world's best-known textile fibre brand. It's your customer's reassurance of quality; it's your guarantee of fibre content and quality specification. Through ownership and licensing of the Wool mark, Wool mark Blend and Wool Blend you can enjoy the commercial benefits of a unique worldwide quality endorsement. The value of the Wool mark is well established the world over in clothing, interior textile and home laundry sectors. The range of products independently endorsed is constantly expanding.

SILK MARK

SILK MARK would be a symbol of silk purity. It would be a hallmark for products made from pure and new silk. Silk Mark logo will be prominently displayed and affixed to products qualifying certain standards.

Authorized users of Silk Mark would be allowed to use the Silk Mark Logo in the products containing 100% natural silk. Silk Mark covers all silk products - Primary, intermediate and finished silk products viz. Raw silk, Silk yarns, Silk fabrics, Silk sarees, Silk made-ups, Silk garments, Silk carpets.

Silk Mark ensures '100% natural silk' in all products under a Silk Mark label. This means that a Silk Mark product contains pure silk in warp and weft in its base fabric but
allowing ornamental zari/thread work in pallu, body or border as extra warp or weft at loom stage or after loom. Products with zari used along with warp and/or weft will also qualify for Silk Marking.

**ECOMARK**

An earthen pot has been chosen as the logo for the Ecomark scheme in India. The familiar earthen pot uses a renewable resource like earth, does not produce hazardous waste and consumes little energy in making. Its solid and graceful form represents both strength and fragility, which also characterizes the eco-system. As a symbol, it puts across its environmental message. Its image has the ability to reach people and can help to promote a greater awareness of the need to be kind to the environment. The logo for the Ecomark Scheme signifies that the product, which carries it, does the least damage to the environment. The criteria are based on the cradle-to-grave approach, i.e. from raw material extraction to manufacturing and to disposal. A product is examined in terms of the following main environmental impacts:

1. That the products have substantially less potential for pollution than other comparable products in production, usage and disposal.
2. That the product are recycled, recyclable, made from recycled products or biodegradable, where comparable products are not;
3. That the product make significant contribution to saving non-renewable resources including non-renewable energy sources and natural resources compared with comparable products;
4. That the product must contribute to a reduction of the adverse primary criteria that has the highest environmental impact associated with the use of the product, and which will be specifically set for each of the product categories. Government of India has notified the final criteria for the following 16 product categories:

- Soaps and Detergents
- Paper
- Food Items
- Lubricating Oils
- Packaging Materials
- Architectural Paints and Powder Coatings
- Batteries
- Electrical/Electronic Goods
- Food Additives
- Wood Substitutes
- Cosmetics
- Aerosol Propellants
- Plastic Products
- Textiles
- Fire extinguisher
- Leather
Unit Five: Essentials for Confident Consumers

Aim: To impart Knowledge of relevant laws for consumer protection, Redressal mechanism and Consumer courts/Consumer forums/Consumer NGO

Learning outcomes: respondents will gain knowledge regarding filling aspects

- Who can complain
- How to complain
- When to complain
- Where to complain

If and when any consumer has a complaint or grievance due to unfair trade practices like charging higher price, selling of poor quality or unsafe products, lack of regularity in supply of services etc. or if he has suffered loss or injury due to defective or adulterated products, he has the right to seek remedies. He has a right to get the defective goods replaced or money refunded by the seller or dealer. He also has the right to seek legal remedies in the appropriate courts of law. Through this right the consumers are assured that their complaints will receive due attention. This right also provides for due compensation to consumers if they have suffered a loss or are put to inconvenience due to the fault of the supplier or manufacturer.

As a consumer he is responsible to the responsibility to assert him and act to ensure that he gets a fair deal. As long as he remains passive consumer, he shall continue to be exploited.

PROCEDURE OF FILLING COMPLAINT

WHO CAN FILE A COMPLAINT?

1. A Consumer.
2. Any registered Voluntary Consumer Organization.
3. The Central or State Government.
4. One or more consumers on behalf of numerous consumers who are having the same interest.

WHO IS A CONSUMER?

"Any person who buys any goods hires any service for a consideration which has been paid or promised or partly paid and partly promised or under any system of deferred payment, comes within the definition of consumer. A person will not be within the definition of consumer if he purchases goods for commercial purpose or for resale. However if he purchases goods for the
purpose of earning his livelihood by means of self employment; he will be a consumer."

WHEN A COMPLAINT CAN BE FILED?

*Complaint can be filed in writing if:* -

- a. Consumer has suffered loss or damage as a result of any unfair Trade Practice.
- b. The goods purchased suffer from any defect;
- c. The trader has charged a price in excess of the price displayed or fixed by any law for the time being in force;
- d. The goods hazardous to life and safety are being offered for sale to public.
- e. The services hired or availed of, suffer from any deficiency.

WHERE A COMPLAINT CAN BE FILED?
If the cost of goods or service and compensation asked for is:

<table>
<thead>
<tr>
<th>1</th>
<th>Up to Rs. 20.00 lakhs</th>
<th>District Forum</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>More than Rs. 20.00 lakhs and up to Rs. 1 crore</td>
<td>State Commission</td>
</tr>
<tr>
<td>3</td>
<td>More than Rs. 1 crore</td>
<td>National Commission</td>
</tr>
</tbody>
</table>

The complaint may contain information as per model form shown below. The complaint/reply should be supported with affidavit of party and witnesses, if any.

LIMITATION FOR FILLING COMPLAINT

The complaint may be filed within two years from the date on which cause of action arises.

APPEAL/REVISION

Any party aggrieved form the final order of District Forum may appeal to State Commission within 30 days. Similarly, any party aggrieved from the final order passed in original complaint decided by the State Commission may appeal to National Commission within 30 days. Order passed by National Commission in complaint filed before it is appeal able in Supreme Court within 30 days. Appeal may contain information as per model form shown below with certified copy of order. Any order, which is not final order, may be challenged in revision before higher respective Commission.
MODEL FORMS OF COMPLAINT

UNDER THE CONSUMER PROTECTION ACT, 1986
Before the Hon’ble District Consumer Disputes Redressal Forum at
OR
Before the Hon’ble State Consumer Disputes Redressal Commission at-----

1. Particulars of complainant:
(a) Full Name:
(b) Complete Address:
(c) Village, Tehsil, City and State:

2. Particulars of the Opposite party:
Opposite party No. 1
(a) Full Name of dealer/shop/Firm/manufacture:
(b) Complete Address:
(c) Village, Tehsil, City and State:

3. Particulars relating to goods/services complained of:
(a) Details of goods/service:
   (i) Item of goods with quantum/nature of service:
   (ii) Date when goods purchased/service obtained:
   (iii) Amount paid as consideration (Attach photocopies of bill/voucher/receipt etc.)
   (b) Whether the complaint relates to:
      (i) Loss or damage as a result of unfair trade practice adopted by the trader:
      (ii) One or more defects in goods:
      (iii) Deficiency in services:
      (iv) Excess price charged by trader (above the price fixed by or under any law for the time being in force of displayed on goods or package containing such goods):

(C) If the complaint relates to (b)(1) above.

Please indicate the nature of unfair trade practice adopted by the trader, such as
- Statement as to the quality etc. of foods sold/service made:
- Sponsorship of goods/dealers:
- Warranty/guarantee with period promised (attach photocopy of warranty/guarantee card, if any):
- Disparaging of goods of other traders:

(d) If the complaint relates to (b) (ii), nature and extent of defects in goods:
(e) If the complaint relates to (b) (ii), nature and extent of deficiencies in service:
(f) If the complaint relates to (b) (IV), details of price fixed and price charged:
(g) Any other details connect with the complaint (Such as, when defect in goods or deficiency in-service was first noticed):
4. Details of attempts made to get the matter complained of settled and result thereof:

(i) Personal negotiations:
(ii) Written communication with trader/opposite party: (attach copies of correspondence)
(iii) Application made to other authorities such as M.R.T.P. Commission.

5. Whether any other law/rules/regulations/procedure applicable:

6. Details of documents/witnesses relied upon to substantiate the complaint.

7. Relief claimed:

(i) To get defects in the goods removed and/or
(ii) To replace the goods with new goods and/or
(iii) To return the price/charges paid
(iv) Compensation claimed for financial loss/injury/in:erest suffered due to the negligence of the opposite party/parties. (Justify with reasons the extent of compensation claimed for the loss or injury)

8. The Forum/State Commission has jurisdiction to entertain the complaint in view of-

a) Section 11(i)/Sec 17 of the Consumer Protection Act
(b) The extent of amount involved being Rs:
(d) The cause of action having accrued at:

PRAYER

It is, therefore most respectfully prayed that (here give details of prayer)
Through -------------------------------------------------- Authorized.
Representative/Advocate/Voluntary Consumer Association (give here names and addresses)
Place --------------
Date -------------- COMPLAINANT.

VERIFICATION

I, --------------------------------------------- S/o ---------------------------------- resident of ------------------
--------------------------------------------- do solemnly declare and state that the particulars stated above
are true to the best of my knowledge and belief and no part thereof is false and nothing material has
been concealed there from. The annexure are exact copies/translation of their originals. I undertake to pay any sum required for the conducting of test in the laboratory as per the provisions of Sec. 13(1)(d) of the Consumer Protection Act, 1986.
Verified at --------- this ---------- day of ---------- two thousand and --------------

DEPONENT.

Enclosure (Mark enclosures as Annexure I, II, III etc.)
1. ---------------------------------------------
2. ---------------------------------------------
3. ---------------------------------------------
MODEL FORM OF APPEAL
Before the Hon'ble Consumer Disputes Redressal Commission (State Commission)
At ---------------------------------
(Appellate Jurisdiction)
Memorandum of Appeal No. ------------------------------- of -----------------
IN THE MATTER OF
Name: ------------------------------------------------------
Full Address: ---------------------------------------------
Village/Tehsil/District: -------------------------------------
Versus
Name: ------------------------------------------------------
Full Address: ---------------------------------------------
Village/Tehsil/District: -------------------------------------
The humble appeal of Appellant(s) above named most respectfully showed:
1. This appeal is directed under Section 15 of the Consumer Protection Act, 1986
against the order of the District forum ---------------------- In application No. ---
---------------------- of ---------------------- Passed on ----------------------
received by the appellant on ----------------------.
2. This appeal is filed within the time limit provided under Section 15 of the
Consumer Protection Act, 1986/ this appeal being, barred by limitation, is
accompanied by an application for condonation of delay for consideration by the
Commission, as per rules ---------------------- of the Consumer Protection Rules of------
---------------------- State (delete whichever is not applicable).
3. Brief facts of the case are stated hereunder (Please furnish herein the details of
the case and the decision of the District Forum):

4. The grounds on which appeal is preferred are stated here under (the grounds
should be numbered consecutively without any arguments of narrative):
5. The appellant has not preferred any other appeal against the order impugned
herein.
6. PRAYER: It is, therefore, respectfully prayed that your Lordship may be
graciously pleased to allow the appeal and set aside/modify the order of the District
Forum appealed against.
7. List of enclosures:
1. Certified copy of the order of the District Forum appealed against.
2. Affidavit.
3. ---------------------------------------------
4. ---------------------------------------------

PLACE: ----------------------
DATE: ----------------------
SIGNATURE
(To be signed by the Appellant and Authorized Representative/Associate).
CONSUMER COURTS IN GUJARAT

Gujarat State Consumer Disputes Redressal Commission
The President
4, Vijay Park Society, Opp. Municipal Market, Navrangpura
Ahmedabad, Gujarat - 380 009

Ahmedabad District District Consumer Dispute Redressal Forum
The President
0/o The Distt. & Session Judge Nayaya Sankul, Mirzapur Road
Ahmedabad, Gujarat

Bharuch District Consumer Dispute Redressal Forum
The President
Distt. & Session’s Court, Court’s Road
Bharuch, Gujarat - 392001

Janagadh District Consumer Dispute Redressal Forum
The President
0/o The Distt. & Session Judge Mahatma Gandhi Road
Janagadh, Gujarat

Banaskantha District Consumer Dispute Redressal Forum
The President
0/o The Distt. & Session Judge Joravar Palace, Palanpur
Banaskantha, Gujarat

Rajkot District Consumer Dispute Redressal Forum
The President
0/o The Distt. & Session Judge
Rajkot, Gujarat

Panchmahal District Consumer Dispute Redressal Forum
The President
0/o The Distt. & Session Judge Civil Lines Road, Godhara
Panchmahal, Gujarat

Vadodara District Consumer Dispute Redressal Forum
The President
0/o The Distt. & Session Judge Nyaya Mandir Distt. Vadodara
Vadodara, Gujarat - 390001
CONSUMER ORGANISATIONS IN GUJARAT

Bhavnagar Grahak Suraksha Mandal (BGSM)
Mr. H. D. Desai (Secretary)
Sardar Smruti, Bhavnagar, Gujarat- 364001
Tel: - 0278-2432304

Consumer Education & Research Centre (CERC)
Mr. A.K.Tandon (I.P.S. (Retd), Managing Trustee)
Suraksha Sankool, Thaltej, Gandhi Nagar Highway
Ahmedabad, Gujarat- 380054
Tel: - 079 - 27489945-46, 27450528, 27451097
Email: - cerc@wilnetonline.net.
Web: - www.cercindia.org

Consumer Protection Association (CPA)
Dr. Niranjan Nath (President)
Jay Somnath, "P.N. Institute of Medical Sciences Campus"
Himmatnagar, Gujarat- 383001
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Email: - vigyan@ad1.vsnl.net.in, vigyan_ad1@sancharnet.in.
niranjannath2002@yahoo.com.

Consumer Protection Council (CPC)
Mr. Kanishka H. Kaji (Chairman)
501/B, 5th Floor, Shaily, Opp. Loha Bhavan, B/h Old Gujarat High Court, Navrangpura,
Ahmedabad

Bhavnagar Grahak Suraksha Mandal (BGSM)
Mr. H. D. Desai (Secretary)
Sardar Smruti
Bhavnagar,Gujarat-- 364001
Tel: - 0278-2432304

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Tel: - 079 - 27489945-46, 27450528, 27451097
Email: - cerc@wilnetonline.net.
Web: - www.cercindia.org
Ahmedabad
**Consumer Protection Association (CPA)**

Dr. Niranjan Nath (President)  
Jay Somnath, "P.N. Institute of Medical Sciences Campus"  
Himmatnagar, Gujarat- 383001Tel: (O) 02772 - 241636, (R) 240636  
Email: vigyan@ad1.vsnl.net.in, vigyan_ad1@sancharnet.in, niranjan2002@yahoo.com.

**Consumer Protection Council (CPC)**

Mr. Kanishka H. Kaji (Chairman)  
501/B, 5th Floor, Shaily, Opp. Loha Bhavan, B/h Old Gujarat High Court, Navrangpura, Ahmedabad

**Consumer Protection Education Research Centre (CPERC)**

Mr. Kirit Bhatt (President)  
208, Shreeji Complex, Near Ellis Bridge Post Office  
Ahmedabad, Gujarat- 380006Tel: 2657 5292, 0982 5000 591, Fax: 2658 1874  
Email: bprofile@icenet.net.

**Rajkot Saher/Jilla Grahak Suraksha Mandal**

Mrs. Ramaben Mavani (President)  
329, Popatbhai Sorathia Bhavan, Sadar Bazar  
Rajkot, Gujarat- 360 001Tel: (O) 0281-2471122, 2691325 (R) 2574400, 2574300, Fax: 0281-2224366  
Email: mavaniramb@sancharnet.in.

**CONSUMER COURTS IN DELHI**

**Delhi State Consumer Disputes Redressal Commission**

The President  
VikasBhawan, Near C.R. Building, I.P. Estate  
New Delhi, Delhi - 110 002

**National Consumer Disputes Redressal Commission**

The President  
A Wing, 5th Floor, Janpath Bhawan Cannaught Place  
New Delhi, Delhi – 110001, Fax: (011) 23712456

**Delhi District consumer dispute Redressal commissions**

The President  
District Forum no. 1 Room no 158 Western Wing 1st Floor, Tis Hazari  
New Delhi, Delhi - 110 054
ACTIVITIES
UNIT ONE: CONSUMER BASICS

Who Is Consumer?

5 min energizer

Objectives
- To establish the concept of who is consumer
- To create the definition of consumer

Learning outcomes:
- Be able to define the term consumer
- Identify the range of goods and services used by consumer

Procedure:

Work sheet 1 & 2
- Ask the student to fill the worksheet.
- After the worksheet is filled ask them to exchange their idea in pairs.
- Ask them to develop definition of consumer in pair and present it in front of the class.
- Select the best define.

Material required:
- paper, pen and work sheet

Time: 20 min.
Worksheet 1

In order to arrive at a definition of the word “consumer”, consider the following:

- Count the number of articles you are wearing ____________________________
- Count the material resources you are using for this lesson __________________________
- List all the things you have consumed during the last three hours:
  ____________________________________________________  ____________________________________________________
  ____________________________________________________  ____________________________________________________
  ____________________________________________________  ____________________________________________________

What do you require for the sports you play at school, or the hobbies you enjoy?

  ____________________________________________________  ____________________________________________________
  ____________________________________________________  ____________________________________________________
  ____________________________________________________  ____________________________________________________

Create your definition of the word “consumer”

  Services, use, person, buys, public utility, personal wants, consumer, is, Goods, and, who, a, make, as well as, their, natural resources

  ____________________________________________________

Best define

A consumer is a person who buys goods and services and makes use of public utilities as well as natural resource like air and water for their personal wants.

Investigator will discuss Legal definition of consumer

Black board

According to consumer protection Act, 1986. A “consumer” means any person who buys goods or services for a consideration that has been paid or, promised, or partly paid and partly promised or under any system of different payment, and includes any user of such goods other than the person who buys such goods for consideration. It does not include person who purchases goods for resealing.
We are all consumers and have to make decisions as to how we will spend our money e.g. pocket money, birthday money, pay etc.

A “consumer” is really a “user”

We use goods and services every day.
We travel on buses and trains or in cars.
We occasionally visit a doctor, dentist.
We go to the cinema
We have our hair cut.
We buy clothing and food.
We use coal or oil etc., to keep warm
We expect clean water from the tap
We attend school

Work sheet 2

In the space below list 7 goods (articles/merchandise) and the services which you and your family use.

<table>
<thead>
<tr>
<th>Goods</th>
<th>E.g. Food, clothes</th>
<th>Services</th>
<th>Hairdressers, dry cleaners</th>
</tr>
</thead>
<tbody>
<tr>
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</tbody>
</table>
Homework:

There are a vast variety of retail outlets (shops) to choose from. In the table below, try to give an example from your local area, any advantage or disadvantage of shopping in each.

<table>
<thead>
<tr>
<th>Type Of Outlet</th>
<th>Types Of Goods Sold</th>
<th>Advantages</th>
<th>Disadvantages</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tbody>
</table>
Needs and Wants

5 min energizer

Objectives

- To examine the concept of needs and wants
- Increasing pupils understanding of how needs and wants may or may not be met.
- Enable pupils to be able to see how needs and wants differ in different circumstances.

Learning outcomes:

- Identify basic human needs and how they differ from wants
- Explain their own needs and wants

Procedure:

Activity 1  Work sheet

- Ask the students to fill the worksheet (10 min)
- Exercise pair discussion 10 min

Activity 2  Mind Mapping

- Divide the class into group of six
- Give some situation to each group
- Ask them to write a list of things they required (10min)
- Letter on everyone will discuss on every situations and their experience (15 min)

Activity 3  Mind Mapping

Material required: paper, pen

Activity time 30 min
Activity 1 (give to each students) 10 min

Make the list of three things that you need the most

<table>
<thead>
<tr>
<th>Time</th>
<th>Things you want most</th>
</tr>
</thead>
<tbody>
<tr>
<td>This evening</td>
<td>1)</td>
</tr>
<tr>
<td></td>
<td>2)</td>
</tr>
<tr>
<td></td>
<td>3)</td>
</tr>
<tr>
<td>Tomorrow</td>
<td>1)</td>
</tr>
<tr>
<td></td>
<td>2)</td>
</tr>
<tr>
<td></td>
<td>3)</td>
</tr>
<tr>
<td>This week</td>
<td>1)</td>
</tr>
<tr>
<td></td>
<td>2)</td>
</tr>
<tr>
<td></td>
<td>3)</td>
</tr>
<tr>
<td>This month</td>
<td>1)</td>
</tr>
<tr>
<td></td>
<td>2)</td>
</tr>
<tr>
<td></td>
<td>3)</td>
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<tr>
<td>This year</td>
<td>1)</td>
</tr>
<tr>
<td></td>
<td>2)</td>
</tr>
<tr>
<td></td>
<td>3)</td>
</tr>
</tbody>
</table>

Exercise

1. Compare you wants with each other.
2. Discuss in pair how you set the priorities?
3. Why you need the particular things only in given time?
4. What will you do to get it?
5. Discuss what will happen if you have to wait for it?
### Activity 2 (Make A Group Creating the situation)

<table>
<thead>
<tr>
<th>Group 1</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>• There is a flood problem due to heavy rain in your city. It is going to rain continuously for four days; you will not go out of your house. Make a list that you need the most at that time</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Group 2</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>• Make a list that you need the most, as you want to celebrate uttrayn festival.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Group 3</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>• Make a list that you want the most as you are inviting your guest for party</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Group 4</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>• Make a list as you want to celebrate chocolate and rosé day, your college/school</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Group 5</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>• Make a list that you need the most as you are appearing for your board exam</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Group 6</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>• Make a list that you will need most as you are going for picnic for two days and one night.</td>
<td></td>
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</tbody>
</table>

### Exercise

1. Think what will happen if you don’t have these things.
2. List the problems that will create without these things.
Activity 3

What are the differences between the two photographs?

In what way would the lifestyles of these two people differ? – Food, clothes, entertainment etc.

In what way are the circumstances of the two people similar? – Both may have health implications caused by diet.
Students should be given a list of goods and services to classify into necessities and luxuries. Moving back to the two photos students should carry out this task for the child in photo A and then for the child in B.

The list might include items such as:

- Mobile phone
- Soap
- Vegetables
- Doctor
- Television
- Refrigerator
- Dishwasher
- Shoes

This discussion should illustrate the differences between wants and needs in different countries. It might also illustrate that there is no clear-cut dimension between necessities and luxuries.

<table>
<thead>
<tr>
<th>Black board</th>
</tr>
</thead>
<tbody>
<tr>
<td>I can't do without these items, so it is must</td>
</tr>
<tr>
<td>These are my --------------------------</td>
</tr>
<tr>
<td>I can afford it so I want to buy it</td>
</tr>
<tr>
<td>These are my --------------------------</td>
</tr>
<tr>
<td>I can't afford it but I wish I could buy it</td>
</tr>
<tr>
<td>These are my --------------------------</td>
</tr>
</tbody>
</table>
Relation of Consumer and Producer

5 min energizer

Objectives

➢ To establish the understanding of relationship of consumer and the producer.

   Learning out comes:

➢ Be able to identify the different channels between consumer and producers

Procedure: Story making

• Divide the class into group of six

• Ask them to write a story on the basis of channel given to them (15min)

• Ask them to present their story in front of class. (10 min)

• Letter on everyone will discuss on every channel with other examples (15 min)

Material required: paper, pen

Activity time 40 min
Group 1

Producer
Pizza hut

Consumer

Write your story
Activity
How many characters in the story?
How many consumers?
Who is the producer?
How many people in the channel?

Group 2

Producer
Farmer,
Manufacturer

Florist
Retailer

Consumer

Write your story
Activity
How many characters in the story?
How many consumers?
Who is the producer?
How many people in the channel?

Group 3

Producer
Samsung
/manufacturer

Wholesaler
/distributor

Consumer

Write your story
Activity
How many characters in the story?
How many consumers?
Who is the producer?
How many people in the channel?
Group 4

Vegetable ghee
/dalda/ Manufacturer

Broker/agent

Wholessers

Retailer

Consumer

Write your story
Activity
How many characters in the story? _______________________
How many consumers? _______________________
Who is the producer? _______________________
How many people in the channel? _______________________

How goods are brought in into demand

5 min energizer

Objectives

• To establish the understanding of how goods are brought into demand

Learning out comes:

• Be able to identify the different kinds of wants that work behind the demand of any commodity

Procedure: Activity known to unknown

• Divide the class into group of six
• Give some newspaper cuttings to each group.
• Ask to discuss on the cuttings given to them (15 min)
• Ask to fill work sheet by each one of them (15 min)
• Ask them to present their outcome in front of class (10 min)

Material required: paper, pen

Activity time 30 min
Worksheet

What inspires to buy these products? 15 min

<table>
<thead>
<tr>
<th>Paper cutting</th>
<th>Psychological Wants (Basic needs)</th>
<th>Custom</th>
<th>Conspicuous (Show off)</th>
<th>Fashion</th>
<th>Imitative (To equal others)</th>
<th>Producer</th>
</tr>
</thead>
<tbody>
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</tbody>
</table>

Looking to the pictures define

- Psychological wants (Basic needs)

- Custom made wants (purchasing of cracker at Diwali, rakhi at raksh bandhan)

- Conspicuous consumption (making useless expenses on marriages just for show off)

- Fashion made wants (buying things to be in fashion)

- Imitative consumption (buying things to imitate others)

Producer made wants (purchasing things that are not required but because of new advertisement)
How Price of Goods Are Established

5 min energizer

Objectives
• To establish the understanding of how M R P is set

Learning out comes:
• Be able to understand what is M R P
• How MRP is set

Procedure: Activity: Business tycoon

<table>
<thead>
<tr>
<th>GUJARAT</th>
<th>RAJASTHAN</th>
<th>HIMACHAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gujarat Company -4</td>
<td>Rajasthan Company -4</td>
<td>Himachal Company -4</td>
</tr>
<tr>
<td>Manager sales -1</td>
<td>Manager sales -1</td>
<td>Manager sales -1</td>
</tr>
<tr>
<td>Bank manager-1</td>
<td>Bank manager-1</td>
<td>Bank manager-1</td>
</tr>
<tr>
<td>Distributor -1</td>
<td>Distributor -1</td>
<td>Distributor -1</td>
</tr>
<tr>
<td>Retailer -1</td>
<td>Retailer -1</td>
<td>Retailer -1</td>
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<tr>
<td>Transporter -1</td>
<td>Transporter</td>
<td>Transporter</td>
</tr>
<tr>
<td>Shopkeeper for ingredients-1</td>
<td>Shopkeeper for ingredients-1</td>
<td>Shopkeeper for ingredients-1</td>
</tr>
</tbody>
</table>

• Divide the class into group according to three state
• Give recipe and price list of item to be made to each company
• Students will purchase the material as per the requirement
• Make a lemon squash
• Add the extra expenses worksheet no 2
• Sellout in the market through proper channel
• Ask them to present their invention in front of class.

Material required: Ingredients for making squash, Chart papers for advertisement, colors, Table for stall, artificial money for bank

Activity time 60 min
**Work sheet 1**

Fix the cost of lemon squash for **30 glasses**

**For Gujarat**

<table>
<thead>
<tr>
<th>Sr</th>
<th>Ingredients 1 glass</th>
<th>Price of raw material</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Lemon 1</td>
<td>Lemon Rs 1/-</td>
</tr>
<tr>
<td>2</td>
<td>Sugar 40 gm</td>
<td>Sugar Rs 20/kg</td>
</tr>
<tr>
<td>3</td>
<td>Water 200 ml</td>
<td>Water -nil</td>
</tr>
<tr>
<td>4</td>
<td>Preservatives 0.15 gm</td>
<td>Preservative Rs 5/- 15 gm</td>
</tr>
<tr>
<td>5</td>
<td></td>
<td>Packaging Rs 2/- 1 pack</td>
</tr>
<tr>
<td>6</td>
<td></td>
<td>Depreciation of machine Rs 5/-</td>
</tr>
<tr>
<td>7</td>
<td></td>
<td>Interest on invested capital Rs 10 Invested 1000 @10%100</td>
</tr>
<tr>
<td>8</td>
<td></td>
<td>Factory rent 200/-/glass</td>
</tr>
</tbody>
</table>

Calculate the cost of lemon squash

**Do your calculations here**

One pack ____________________________

1000 pack ____________________________

---

**Work sheet 1**

Fix the cost of lemon squash for **30 glasses**

**For Rajasthan**

<table>
<thead>
<tr>
<th>Sr</th>
<th>Ingredients 1 glass</th>
<th>Price of raw material</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Lemon 1</td>
<td>Lemon Rs 2/- per 1 lemon</td>
</tr>
<tr>
<td>2</td>
<td>Sugar 40 gm</td>
<td>Sugar Rs 20/kg</td>
</tr>
<tr>
<td>3</td>
<td>Water 200 ml</td>
<td>Water -1/-/lit</td>
</tr>
<tr>
<td>4</td>
<td>Preservatives 0.15 gm</td>
<td>Preservative Rs 5/- 15 gm</td>
</tr>
<tr>
<td>5</td>
<td></td>
<td>Packaging Rs 2/- 1 pack</td>
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<tr>
<td>6</td>
<td></td>
<td>Depreciation of machine Rs 5/-</td>
</tr>
<tr>
<td>7</td>
<td></td>
<td>Interest on invested capital Rs 10 Invested 1000 @10%100</td>
</tr>
<tr>
<td>8</td>
<td></td>
<td>Factory rent 200/-/glass</td>
</tr>
</tbody>
</table>

Calculate the cost of lemon squash **Do your calculations here**

One pack ____________________________

1000 pack ____________________________
Work sheet 1

Fix the cost of lemon squash for 30 glasses

For Himachal

<table>
<thead>
<tr>
<th>Sr</th>
<th>Ingredients 1 glass</th>
<th>Price of raw material</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Lemon 1</td>
<td>Lemon Rs 2/-</td>
</tr>
<tr>
<td>2</td>
<td>Sugar 40 gm</td>
<td>Sugar Rs 18/-</td>
</tr>
<tr>
<td>3</td>
<td>Water 200 ml</td>
<td>Water –0.50 paisa/lit</td>
</tr>
<tr>
<td>4</td>
<td>Preservatives 0.15 gm</td>
<td>Preservative Rs 5/- 15 gm</td>
</tr>
<tr>
<td>5</td>
<td></td>
<td>Packaging Rs 2/- 1 pack</td>
</tr>
<tr>
<td>6</td>
<td></td>
<td>Depreciation of machine Rs 5/-</td>
</tr>
<tr>
<td>7</td>
<td></td>
<td>Interest on invested capital Rs 10 Invested 1000 @10% 100</td>
</tr>
<tr>
<td>8</td>
<td></td>
<td>Factory rent 200/glass</td>
</tr>
</tbody>
</table>

Calculate the cost of lemon squash

Do your calculations here

One pack _________________

30 pack _________________

Work sheet 2

Add to the real cost following heads

<table>
<thead>
<tr>
<th>Heads of expense</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transportation</td>
<td>Rs 4/- km</td>
</tr>
<tr>
<td>Advertiser</td>
<td>200/-/glass</td>
</tr>
<tr>
<td>Profit of company</td>
<td>----@20%</td>
</tr>
<tr>
<td>Profit of dealer</td>
<td>----@20%</td>
</tr>
<tr>
<td>Distributor</td>
<td>----@20%</td>
</tr>
<tr>
<td>Profit of shopkeeper</td>
<td>----@20%</td>
</tr>
<tr>
<td>Sales taxes</td>
<td>----@12%</td>
</tr>
</tbody>
</table>

Set maximum retail price ______________________

Discussion points
• What is M.R.P?
• Who decides the percentage of channels?
• Who pays for it?
• Should we bargain it?
Sales Stimulation and Gimmicks

5 min energizer

Objectives

• To make students aware of sales stimulation methods and sales gimmicks

Learning outcomes:

• Students will be aware of sales stimulation methods
• Students will be conscious about sales stimulation techniques while purchasing

Procedure: Activity: jigsaw Teach your home

• Divide the class into groups of six groups of five
• Prepare some advertisements with various sales techniques
• Call one student from each group to the expert group.
• Ask them to discuss various techniques used in the advertisement. 10 min
• Ask them to return to their home group and teach their home 15 min
• Afterwards, any one will present the concept in front of the class 10 min

Material required: Paper cuttings of advertisements

Activity group 30 min

JIGSAW

GROUP 1

GROUP 2

GROUP 3

GROUP 4

GROUP 5

GROUP 6

MOTHER GROUP
### Resource material for jigsaw

**Free samples:** You might have received free samples of shampoo, washing powder, coffee powder, etc. while purchasing various items from the market. Sometimes the shopkeeper even without purchasing any item from his shop also distributes these free samples.

These are distributed to attract consumers to try out a new product and thereby create new customers. Some businessmen distribute samples among selected persons in order to popularize the product.

Example, in the case of medicine free samples is distributed among physicians, in the case of textbooks; specimen copies are distributed among teachers.

**Premium or Bonus offer:** A milk shaker along with Nescafe, mug with Boumvita, toothbrush with 500 grams of toothpaste, 30% extra in a pack of one kg are the examples of premium or bonus given free with the purchase of a product. They are effective in inducing consumers to buy a particular product. This is also useful for encouraging and rewarding existing customers.

**Exchange schemes:** It refers to offering exchange of old product for a new product at price less than the original price of the product. This is useful for drawing attention to product improvement. ‘Bring your old mixer-cum-juicer and exchange it for a new one just by paying Rs. 500’ or ‘exchange your black and white television with a colour television’ are various popular examples of exchange scheme.

**Price-off offer:** Under this offer, products are sold at a price lower than the original price. ‘Rs. 2 off on purchase of a Lifeboy soap, Rs. 15 off on a pack of 250 grams of Taj Mahal tea, Rs. 1000 off on cooler’ etc. are some of the common schemes. This type of scheme is designed to boost up sales in off-season and sometimes while introducing a new product in the market.

**Fairs and Exhibitions:** Fairs and exhibitions may be organized at local, regional, national or international level to introduce new products, demonstrate the products and to explain special features and usefulness of the products. Goods are displayed and demonstrated and their sale is also conducted at a reasonable discount. ‘International Trade Fair’ in New Delhi at Pragati Maidan, which is held from 14th to 27th November every year, is a well-known example of Fairs and Exhibitions as a tool of sales stimulation.

**Trading stamps:** In case of some specific products trading stamps are distributed among the customers according to the value of their purchase. The customers are required to collect these stamps of sufficient value within a particular period in order to avail of some benefits. This tool induces customers to buy that product more frequently to collect the stamps of required value.

**Money Back offer:** Under this scheme customers are given assurance that full value of the product will be returned to them if they are not satisfied after using the product. This creates confidence among the customers with regard to the quality of the product. This technique is particularly useful while introducing new products in the market. For example advertise of products on sky shop.

**Price-off offer:** Under this offer, products are sold at a price lower than the original price. ‘Rs. 2 off on purchase of a Lifeboy soap, Rs. 15 off on a pack of 250 grams of Taj Mahal tea, Rs. 1000 off on cooler’ etc. are some of the common schemes. This type of scheme is designed to boost up sales in off-season and sometimes while introducing a new product in the market.

**Free trials:** It invites the consumer to purchase and try the product at free of cost in the hope that they will buy the product. Example: Trial of cosmetics
Enlist the worksheet with your own examples

<table>
<thead>
<tr>
<th>Sr</th>
<th>Types of stimulus used</th>
<th>TV</th>
<th>Radio</th>
<th>Shop</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Free samples</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Exchange scheme</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Premium or bonus offer</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Price off offer</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Coupons</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Fair and exhibition</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Scratch and win offer</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Money back offer</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Installment method</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Free trials</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Say true or falls:

1. Price is inflated and then high discounts are offered.
2. Seller offers free products that are grossly overvalued.
3. Free offers are extremely free of cost to consumer.
Unit two: Advertising

What is Advertisement?

5 min energizer

Objectives

• To make students understand the basic elements of good advertisement

Learning outcomes:

• Students understand the basic elements of good advertisement

Activity 1: walking circle

Procedure:

• Exhibit the printed advertisement in the classroom at in circle
• Ask students to take a walk around it and write the three ads they liked the most?
• Ask the students to share their findings with their friends.
• The investigator then groups the findings under the following headings.
  Color/Space/Size/Oddity/Novelty

Material used: paper cuttings / paper/ pen.

Ask the students to discuss the following
Colour: Specific Colour attracts specific groups. Notice what Colour are used and why?
Space: The more space used more the striking the ads will be. Cost of big add in newspaper is high why?
Size: The bigger the better (full page add)
Novelty: The newer the technique used in advt. the more effective the ads will be.
Activity time .30 min
Activity 2: These activities invite the pupils to explore advertising its power and how as consumers we can limit the impact of advertising if we are able to understand it purpose and intent.

Aims:
- To identify the wide range of consumer information available
- To appreciate how this information can help us to make informed decisions
- To explore the power of advertising and its ability to influence our consumer decisions.

Learning outcomes:
As a result of engaging in these activities respondents will be able to:
- Explore the purpose of advertising
- Make use of a variety of consumer information
- Use consumer information to make informed consumer choices
- Identify a range of product information and explain how it affects the consumer.
- Discuss the differences between advertising and independent consumer information
- Identify some of the information required by law on specific products/services
- Explain the types and range of advertising
- Discuss the purpose of advertising
- Evaluate the impact of advertising and discuss how it influences the consumer

<table>
<thead>
<tr>
<th>Investigator starting points</th>
<th>Respondents Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discussion: Identifying the types of consumer information available.</td>
<td>Respondent's discussion: Consumer Information independent, manufacturers’ information, customer information - how do we make use of this information? What is advertising? What does it do? Who does it benefit? Types of advertising.</td>
</tr>
<tr>
<td>The purpose and power of advertising</td>
<td>Respondent's discussion: Evaluate a range of consumer information and discuss how it might influence our choice.</td>
</tr>
<tr>
<td>Investigation: The different types of consumer information available.</td>
<td>Respondent's discussion: The different styles of advertising. Stereotypes in advertising - advertising styles e.g. glamour, happy families, &quot;infomercial&quot;.</td>
</tr>
<tr>
<td>Types of advertising</td>
<td>Respondent's discussion: Which adverts are most liked/disliked? Which are recognized most easily?</td>
</tr>
<tr>
<td>Consumer Research: Which adverts have the most impact?</td>
<td>Respondent's discussion: What are the legal requirements for products/service information? Who enforces this? How does it protect the consumer? What are the legal requirements for different types of advertising - TV, radio, magazines? Who regulates this?</td>
</tr>
<tr>
<td>The legal requirements for consumer information and advertising.</td>
<td>Investigator's Reflection: This activity allows respondents to explore the issues surrounding advertising; appreciate how product information can be used as a tool for making comparisons and effective consumer decisions.</td>
</tr>
</tbody>
</table>
Activity 3: playing cards

5 min energizer

Aim:

- To impart knowledge about objectives of advertisement, types of advertisement, the rules of advertisement and stimulus used in advertisement.

Learning out comes:

- **Respondents will gain knowledge regarding following aspects of advertisement.**
  - objectives of advertisement
  - Types of advertisement
  - The rules of advertisement
  - stimulus used in advertisement

Procedure: Activity: playing with cards

- Divide the class into 7 group of 4 students
- Give the playing cards kit to each group
- There are four main cards in each kit according to which students will collect cards.
- There are total five cards for each main card.
- The student who will collect the cards first will win the game
- Ask all to write on paper what they remember in one minute.
- Repeat the same procedure four three times
- Interchange the cards between the groups itself.
- Check the performance
- Make the group discussion.

Material used: playing cards/ black board /chalk etc.

**Activity time 50 min**
To Encourage Repurchase On A Continuous Basis

To Create Desire

To Encourage Action

To Create Awareness Corporate And Brand Level

To Reinforce, Maintain, Remind And After Options And Attitudes.

To Inform Educate And Entertain.

To Motivate Inquiries

To Manipulate And Convince

To Induce The Trial Of Product And Services.

To Capture Attention.
<table>
<thead>
<tr>
<th>Ethical Advertising</th>
<th>Informative Ads</th>
</tr>
</thead>
<tbody>
<tr>
<td>They are truthful and has significance facts. They are non-comparative. They avoid false claim. They are away from untrue and offensive publicity. They give true and real guarantees.</td>
<td>They are used at very basic stage of product. It educates consumer about their nutritive value. E.g. &quot;Yogurt has low cholesterol.&quot; &quot;Saffola refined oil has low fat and more nutritive value.&quot;</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Convincing Ads</th>
<th>Consumer Ads</th>
</tr>
</thead>
<tbody>
<tr>
<td>It tries to convince the consumers for the product. It tries to persuade that they are the best. They make comparison with other product to prove their product. E.g. Harpic, surf excel.</td>
<td>The campaign is directed to the end users i.e. consumer. It is usually found in newspaper.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reinforcement Ads</th>
<th>Trade Ads</th>
</tr>
</thead>
<tbody>
<tr>
<td>It seek to assure current purchaser that they have done the right choice. E.g. commercial of Arial washing powders are often shown on TV ads expressing satisfaction from the performance of Arial.</td>
<td>This is directed at wholesaler, distributor and retailer. The goal is to encourage channel, distributor, etc. Channel members are also given incentives.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Image building Ads</th>
<th>Direct response Ads</th>
</tr>
</thead>
<tbody>
<tr>
<td>This advertisement is done to build the image of the company. Highlighting their social responsibility does this. To build an image the company keeps in mind the factors of pollution and safety. E.g. Tanishq pure jewelry.</td>
<td>The consumer is encouraged to make response either by phone or by letter or on E-Mail by just watching the advertisements. The advertiser provides with toll free numbers, address and request direct response and place order on phone. E.g. Asian sky shop.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Classifieds ads</th>
<th>Informal discussion</th>
</tr>
</thead>
<tbody>
<tr>
<td>They are small ads in about 20 to 30 words regarding job or matrimonial. E.g. Job classifieds in newspaper.</td>
<td>This is done to prove that the product is really effective. Many advertisement are shown on channels like Asian sky shop, Product like Sauna belt, Roop amrit.</td>
</tr>
</tbody>
</table>
Non-rational argumentation

They give non-rational argumentation with provocative pictures often used to exploit consumers.
E.g. "ROOPAMRIT" Gora Banaye sirf char hafte mai

Propagandas

This is an open goal directed method of influencing the opinion of people in a particular direction.
The message assert the "good and right"
Eg Gangajal” soap made of Gagajal

Hidden influence

These ads are concealing itself as the product with an effort to escape the natural doubt faced by advertising.
Publishing brochures for journals or periodicals do this
E.g. Any brochures like

Imperative influence

This make people react to order given by advertiser, such as write a sentence of fill in the blanks to invoke a sense of competition for an award, in the hope of giving the correct answer even though they may not need the products

Rhetoric

This is the most effective influencing method of persuasion in which an effort is made to create an impression of the senders’ prestige.
• E.g. You are CEO of company than why keep a pen that is not PARKER

Through catchy slogan

• "Close up a past and a mouth wash"
• Cock “Things go better with cock”
• Complan “I am complan boy, I am complan girl”
• HDFC “Na sir juka hai kabhi na sir juka ga kabhi”
• Cadbury “papu pass ho 6gaya”
• Horliks “exam ka bhut”
• Good morning “khul gaye band daiwaje”
• Hutch “you and me in this beautiful world”

Focus on children

• Advertisement delivers message that focus on children to stimulate mother.
• Life boy – bath before going to play ground
• Pepsodent- 10 magic

Emotional appeals

• Anger- feeling of Hostile and hatred
• Fear it can be for safe future e.g. L.I.C Policy
• Heroism: Health related Prod.
• Fantasy: skypak currier built fantasy around the product service. “We will do delivery wherever on earth”
• Mediate: exam ka bhut HORLIKS

Negative comments

Advertisement use negative comments in the message frequently in the form of rumors that is untrue, though that becomes injurious. The products negated because of the word of mouth communication that spreads so fast.
Advertisement should not feature minors for tobacco or alcohol-based products.

Advertisement shall not propagate the product that is injurious to health or banned under law.

Where advertising claims are expressly stated to be based on or supported by independent research or assessment, the source and date of this should be indicated in the advertisement.

Advertisements shall neither distort facts nor mislead the consumer by means of implications or omissions. Advertisements shall not contain statements or visual presentation, which directly or by implication or by omission or by ambiguity or by exaggeration are likely to mislead the consumer about the product advertised or the advertiser or about any other product or advertiser.

Advertisements shall not be so framed as to abuse the trust of consumers or exploit their lack of experience or knowledge. No advertisement shall be permitted to contain any claim so exaggerated as to lead to grave or widespread disappointment in the minds of consumers.

Advertisement should not encourage minors to enter strange places or to converse with strangers in an effort to collect coupons, wrappers, labels or the like.

Advertisement should not feature personalities from the field of sports, music and cinema for products, which, by law, either require a health warning in their advertising or cannot be purchased by minors.

All descriptions, claims and comparisons, which relate to matters of objectively ascertainable fact, should be capable of substantiation.

Advertisements shall not, without permission from the person, firm or institution under reference, contain any reference to such person, firm or institution, which confers an unjustified advantage on the product.

Advertisements shall not feature dangerous or hazardous acts, which are likely to encourage minors to emulate such acts in a manner, which could cause harm or injury.
Activity 4 talking circle

5 min energizer

Objectives

- To make students aware of drawback of advertising

Learning outcomes:

- To make students aware of drawback of advertising

Procedure: Activity: Talking circle

- Student will sit in a circle of 15 rest will be the audience
- There will be a talking flower stick, student having the talking stick only has a right to speak on the given topic
- Everyone will get opportunity to speak.
- If the person is not ready to speak the object can be passed saying the word “I Pass”
- Everyone will get 4 min to speak.
- After the discussion is finished the group may be changed with the audience

Material used: talking object

Activity time 50 min
Points to be discussed for groups

Group 1 30 min

How advertising can be socially damaging

1. It reinforces unhelpful and harmful stereotypes such as that a women’s place is in the home cooking and cleaning, a man’s place in the work place bring in the money.

2. It uses images, especially sexual, that have the potential to dehumanize women and objectify the female body. The same accusation is beginning to be made about the sexual portrayal of men.

3. It manipulates people into buying products that they do not really need and do not really want.

4. It encourage consumers especially children to want products and brand that they cannot afford causing feelings of inadequacy when these are not obtain.

5. It uses images that encourage consumers to buy products and brand that they have the potential to be unhealthy, such as cigarettes, alcohol and gutkha etc.

Group 2 30 min

Advantages and drawback of advertising

Advantages:

- It communicates benefit message to target audience.

- It is used by profit and non-profit organization in both private and public sector

- Most advertisement are paid and take place through TV, print outdoors radio cinema and direct mail channels owned by companies other than the advertisers.

- Most advertising is used for corporate and product brand advertising.

- In is an intricate part of an organization’s promotional mix and complements sales promotion, PR, publicity and personal selling.

Drawbacks of advertising

Advertising may be useful to consumers but it may be wasteful also there is no guarantee that the claims made by producers in their advertisement are genuine and correct.

Misdirected: Advertising in several cases are misdirected consumers neither having time nor inclination to read advertisements. They skip many ads in newspapers and magazines and change channels when advertisement come on television or radio. Thus advertisements do not serve the purpose both from producers and consumers point of view. But still people advertise in order to reach consumers. A lot money is thus wasted and unlimited the consumer has to reliable.
1. **Useless:** Advertising is useless at times because it does not supply consumers with useful and reliable information. It works on emotional appeal rather than genuine information.

2. **Competitive:** It is very competitive. It tries to switch consumers from one brand to another e.g. ads on cold drinks such as thumbs up, Pepsi, Coca-Cola etc.

3. **Deceptive and misleading:** Some of the advertisements are deceptive and misleading especially ads of soap, detergents, cosmetics such as fairness cream, shampoos etc.

4. **Harmful products:** The advertisements of cigarettes, alcohol, gutkha, etc. is promoting products, which are harmful to human health.

5. **Creating dissatisfaction:** Advertisement creates dissatisfaction among consumers. It stimulates and encourages artificial and competitive consuming habits. It makes you buy things you may not need but still you purchase just for shows.

6. **Exhort consumers to buy:** It encourages or persuade the consumers to spend for sake of spending.

7. **Misuse of art and science:** The ads have commercialized art science artist are lured towards commercials art.

8. **Buying testimonials:** Using film stars and prominent people to endorse their product is also misleading consumers. People do not realize that these personalities are paid to sell the products.
How Marketers Target Children

5 min energizer

Objectives
• To make students aware of various strategies of marketing children

Learning out comes:
• To make students aware of strategies of marketers to target children
• Like street marketing
• Sponsoring school events
• Sponsoring school educational material
• Brand recognition etc
• Pester power

Activity: sell your product

Procedure:
• Student will sit in a group of five.
• They will be given a product that is never advertised.
• They are asked to build a strategy that can be helpful to their sales promotion.
• After the product is advertised the students will go for purchasing each other’s product and act like that.

Product to be sold
Soil, u pins, boat, fish, flowers, brown paper.

Material used: chart paper, sketch pens, paper bags for packing

Activity time 60 min
UNIT THREE: CONSUMER’S PROBLEMS IN THE MARKET

5 min

Objectives

• To make students aware of various problems in market faced by consumer.

Learning outcomes:

• Students will come to aware of drawback of advertising.

Procedure: Activity: Talking circle

• Student will sit in group of 5
• Each group will be given the card having some problems
• Ten boxes will be placed on table having same problem.
• Students have to drop the card in the related box placed on table.
• Maximum right voting group will be the winner.

Activity two: debates on same topic

Material used: boxes and card

Activity time 60 min

Collect the problems from consumer magazine

Imitation of manufacturing
Dairy milk & Daily milk
Food adulteration

Short weights and measures

Imitation of manufacturing

Unfair warranty

Sales gimmicks

Massive profiteering

Misleading advertisement

Incorrect and incomplete labels

Deceptive packing

Lack of safety & absence of quality
Activity: 2 Consumer Protections

Aims:

To introduce and develop a knowledge and understanding of the concept of consumer protection in relation to the product element of the marketing mix and the organisations involved in supporting and enforcing consumer protection legislation.

Learning outcomes:

By the end of this series of lessons students should be able to:

- Identify and describe the main laws relating to the product element of the marketing mix
- Apply the theory of these laws to practical examples
- Identify and describe the main organisations involved in consumer protection

Time 30

<table>
<thead>
<tr>
<th>Teaching Strategy</th>
<th>Resource</th>
<th>Explanation</th>
<th>Skill</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whole class teaching</td>
<td>Flash cards 1 – 6</td>
<td>Discussion – based on the various issues which may arise when students are shopping. This can take the form of group work or paired work.</td>
<td>Literacy – Talking/Listening (T/L) Working with others</td>
</tr>
<tr>
<td>Group work or paired work</td>
<td>White/ chalkboard</td>
<td>Findings from group or paired work should be presented to the whole class.</td>
<td>Literacy – T/L</td>
</tr>
<tr>
<td>Group work</td>
<td>Worksheets 2 &amp; 3 Consumer information leaflets,</td>
<td>In groups students should investigate the laws highlighted on the relevant worksheets, using the suggested resources. Group work can be divided into one group investigating one of the four laws and presenting their findings to the whole class.</td>
<td>Working with others Literacy – T/L</td>
</tr>
<tr>
<td>Group work</td>
<td>Answer sheets 2, 3 Flash cards 1 – 6 Answer sheet 1</td>
<td>Summary of the laws with supporting teacher notes. Review answers to flash cards from first lesson based on information collected on the laws.</td>
<td>Literacy – Reading/Writing (R/W) Literacy – T/L</td>
</tr>
</tbody>
</table>

Resources: Flash cards 1 – 6 or worksheet 1, Worksheets 2 & 3
CONSIDER THE FOLLOWING CONSUMER ISSUES.

DISCUSS AND RECOMMEND WHAT CHINTOO’S CONSUMER RIGHTS ARE IN EACH SITUATION.
I bought a shirt but when I arrived home I changed my mind. I took it back to the shop the next day but the staff would not give me a refund.

Can they do this?

I bought new shoes recently but the heel of one shoe broke the second time I wore them. The shop is offering to repair them.

Do I have to accept this?

I bought a CD player after seeing a private ad in my local newspaper. When I got it home I discovered that it wasn’t working.

What are my rights?
I got a television set for my birthday but it doesn’t work properly. The shop manager told me to send it back to the manufacturer, as the fault had nothing to do with the shop.

Is this correct?

I bought a pair of jeans for Rs.1500/- but discovered that a shop down the street was selling them for Rs. 950/-

What can I do?

My Mummy washed a pair of trousers that were labeled hand wash only in the washing machine, and they shrunk.

What can I do?
WORK SHEET 1

Legal constraint on Products

The government has written a number of pieces of legislation (laws) to protect consumers when buying products.

Chintoo has been shopping and needs your advice on the following problems. In pairs discuss the following consumer issues saying what you think Chintoo’s consumer rights would be in each situation.

1. I bought a shirt but when I arrived home I changed my mind. I took it back to the shop the next day but the staff would not give me a refund. Can they do this?

2. I bought new shoes recently but the heel of one shoe broke the second time I wore them. The shop is offering to repair them. Do I have to accept this?

3. I bought a CD player after seeing a private ad in my local newspaper. When I got it home I discovered that it wasn’t working. What are my rights?

4. I got a television set for my birthday but it doesn’t work properly. The shop manager told me to send it back to the manufacturer, as the fault had nothing to do with the shop. Is this correct?

5. I got a television set for my birthday but it doesn’t work properly. The shop manager told me to send it back to the manufacturer, as the fault had nothing to do with the shop. Is this correct?
There are four main laws; these are known as Acts or Orders, which offer consumers protection when buying products in India.

In groups, using the suggested resources, investigate the four main pieces of legislation relating to products. The four laws are named below, use the spaces provided to make notes of your findings about each law. You will be required to present your findings to the whole class.

<table>
<thead>
<tr>
<th>ACT</th>
<th>What it says</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sale and Supply of Goods and Services Act, 1930</td>
<td></td>
</tr>
<tr>
<td>Consumer Protection Act 1986</td>
<td></td>
</tr>
<tr>
<td>Prevention Of Food Adulteration Act, 1954</td>
<td></td>
</tr>
<tr>
<td>Standards of Weights and Measures Act, 1976</td>
<td></td>
</tr>
</tbody>
</table>

**WORK SHEET 3 OTHER CONSTRAINTS ON PRODUCTS**

In addition to legislation, there are a number of organizations which have been set up to protect the interests of consumers.

<table>
<thead>
<tr>
<th>Organization</th>
<th>What they do</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bureau of Indian Standards (BIS)</td>
<td></td>
</tr>
<tr>
<td>ISO-International Organization for Standardization</td>
<td></td>
</tr>
<tr>
<td>Consumer Education and Research Center</td>
<td></td>
</tr>
<tr>
<td>Voice Voluntary Organizations in Interest of Consumer Education</td>
<td></td>
</tr>
<tr>
<td>Consumer Coordination Council (CCC)</td>
<td></td>
</tr>
</tbody>
</table>
LEGAL CONSTRAINTS ON PRODUCTS

1. Yes they can. The shop is under no legal obligation to give you your money back just because you changed your mind about something. Many shops would give you a refund as part of their customer service policy – to encourage you to remain a loyal customer.

2. No, under the Sale and Supply of Goods and Services Act 1930, you are entitled to a refund, replacement or repair - it is up to you not the shop which you choose.

3. In this situation your rights are less straightforward, because this was a private sale it is your word against the seller. Caveat Emptor is a Latin phrase used to describe this type of sale it means ‘let the buyer beware’.

4. No this is incorrect you made a contract with the shop, not the manufacturer. It is the shop’s responsibility to sort the problem out with you and the manufacturer, not yours. The Sale and Supply of Goods and Services Act 1930 apply in this situation.

5. Nothing, the shop can charge the price they wish and if you agree to pay that price then you are not entitled to your money back just because you saw the item cheaper in another shop. However, in order to retain your loyalty they may give refund you the difference in price.

6. Nothing, your Mum did not follow the washing instructions. The fault is not with the shop. Legally they do not have to give you a refund or replacement. Again they may do so as a goodwill gesture.
Sale and Supply of Goods and Services Act 1930

This act states that goods must be:

- Of merchantable quality – they must work properly and be of a satisfactory quality.
- as described
- fit for the purpose

If goods sold are not any of the above, then the consumer is entitled to a refund, replacement or repair – this is decided by the consumer.

If the consumer uses the goods for something which they were not designed, then the shop does not have to accept liability for the fault.

The Sale and Supply of Goods Act does not cover goods which have been sold privately.

Consumer Protection Act 1986

- This act covers product safety. A product which is unsafe is known as defective.
- If a person is injured by a defective product they are entitled to sue the manufacturer for damages.

This act is concerned with manufacturers of goods and importers of foreign goods. Certain goods are exempt, such as tobacco. If the consumer uses the goods for something which they were not designed and are injured as a consequence then the manufacturer does not have to accept liability.

Prevention of Food Adulteration Act, 1954

This order makes it a criminal offence for caterers to sell food that:

- is unfit for human consumption
- is contaminated
- is falsely or misleadingly presented.

All premises used by food businesses must be registered with their local district council. Staff involved in the handling of food must have received hygiene training.

Weights and Measures Order 1976.

The Weights and Measures Order aims to ensure:

- That consumer do not receive short weight or measure.
- That scales or other equipment of measurement are accurate.
In addition to legislation, there are a number of organisations which have been set up to protect the interests of consumers.

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<tbody>
<tr>
<td>Bureau of Indian Standards (BIS)</td>
<td>The Bureau of Indian Standards (BIS), the National Standards Body of India, is a statutory body set up under the Bureau of Indian Standards Act, 1986. The Bureau is a body corporate and responsible for formulating National Standards. BIS is a national agency authorized to operate Quality Systems Certification in India. It has adopted ISO 9000 series of standards as IS 9000 series Indian Standards, and aligned the procedure for operation of Quality Systems Certification, based on international criteria and is comparable to any other such systems being operated.</td>
</tr>
<tr>
<td>ISO-International Organization for Standardization</td>
<td>International Organization for Standardization (ISO) is a non-governmental organization that forms a bridge between the public and private sectors. On the one hand, many of its member institutes are part of the governmental structure of their countries, or are mandated by their government. On the other hand, other members have their roots uniquely in the private sector, having been set up by national partnerships of industry associations. Therefore, ISO enables a consensus to be reached on solutions that meet both the requirements of business and the broader needs of society.</td>
</tr>
<tr>
<td>Consumer Education and Research Center</td>
<td>Ensure total consumer safety against unsafe products and services through education, research, awareness campaign and dissemination of the findings of the comparative testing of consumer products and product information. Establish transparency and accountability of business and industry, including utility services and the public sector; Resolve individual complaints; Protect the environment.</td>
</tr>
<tr>
<td>Voice Voluntary Organization in Interest of Consumer Education</td>
<td>VOICE- Voluntary Organization in Interest of Consumer Education-is the Voice of and for the consumers in every sense It raises awareness in consumers not only about malpractices perpetuated in the marketplace, but also about her/his rights. VOICE aims at being the most powerful tool in the hands of the consumer to help them fight for value for their money. It raises awareness in consumers not only about malpractices perpetuated in the marketplace, but also about her/his rights. VOICE aims at being the most powerful tool in the hands of the consumer to help them fight for value for their money.</td>
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<tr>
<td>Consumer Coordination Council (CCC)</td>
<td>CCC provides information and analysis of consumer related laws and judgments. It seeks to enforce Citizen Charters and focus its advocacy on policymakers, legal professionals, consumer activists and manufacturing companies. It has developed national information gathering mechanisms on consumer related issues including an online redress system using online database / portal and providing online support to consumers. CCC is a member of several policy-making bodies and law-making organizations. It also sits on various advisory committees of the Indian government.</td>
</tr>
</tbody>
</table>
Rights and Responsibility of Consumers

Objective: To make student understand the needs of consumer protection

Learning outcomes:

- Students will realize the needs of consumer protection
- Students will be aware of their rights and responsibility

5 min energizer

Activity: flannel story making

- Student will sit in a group of ten
- They will be given a handout of some problematic situation
- Reading one right they have to create a story showing the problem
- They have to present their story in front of class with the pictures
- The best story within 5 min gets the award
- Each group will be given 10 min to write the story related to
- 5 min to present the story
- Followed with Group discussion and students personal experience related it.

Material used: flannel cloth, board, sends paper, pictures, and fevicol/glue.

Activity time: 60 min
Group one: Right to safety:

Consumers have a right to be protected against marketing of goods, which are injurious to health and life. As a consumer if you are conscious of this right, you can take precautions to prevent the injury or if injury is caused in spite of precaution, you have a right to complain against the dealer and even claim compensation.

For example, if you buy any medicine, the pharmacy selling it can be held responsible if the medicine proves harmful. Again if gas cylinder is used for cooking, you have to check that it does not leak when it is supplied to you. If it starts leaking afterwards, the supplier will be liable to pay compensation if the leakage of gas leads to fire and causes injury or death to anyone.

For example, some Indian products carry the ISI mark, which is a symbol of satisfactory quality of a product? Similarly, the FPO and AGMARK symbolize standard quality of food products. The market has for long made consumers believe that by consuming packaged food or mineral water, consumers can safeguard their health. This notion has been proved wrong time and again due to rampant food adulteration in market products. Right to food safety is an important consumer right since it directly affects the health and quality of life of consumers.

For example, GM food can be Food safety should ensure that consumer has no short-term or long-term adverse health effects due to consumption of GM food. Genetically Modified organisms can be defined as 'organisms produced as a result of Biotechnological changes or genetic engineering'. GM technology is suspect because making changes in the genetic code alters the entire sequence of the material and that might lead to unintended development of many undesirable traits.

For example, A virus while in contact with a gene resistant plant may acquire the genetic material (disease resistant quality) and may become even more dangerous. If any such virus becomes virulent, it may destroy desirable plant species and create serious imbalance in the given eco-system. Also, if a consumer eats GM food products, s/he may develop resistance to anti-biotic or allergies in certain cases.
Group two: Right to be informed

Right to information means right to be given the facts needed to make an informed choice about factors like quality, quantity, potency, purity standards and price of product / service. The right to information now goes beyond avoiding deception and protection against misleading advertising, improper labeling and other practices.

For example, when you buy a product or utilize a service, you should be informed about a) how to consume a product b) the adverse health effects of its consumption c) Whether the ingredients used are environment-friendly or not etc.

The right to information means much more than simple disclosure of the product’s weight or price. A consumer has the right to know how the product has been prepared, whether it has been tested or animals or not, if environmentally-sound techniques and resources have been used in its production processes, what kinds of chemicals are used into its manufacturing and what could be their impact on consumer health. Clearly, a consumer has to consider a lot of factors before s/he buys a product.

Ideally, a consumer should have knowledge of the entire ‘cradle to grave’ journey of the product to determine whether it’s safe and beneficial for use or no. The ‘cradle to grave journey’ refers to the processes a product goes through- from the time of it being made out of raw material, the processes of its molding into its final shape, transportation, labor, ingredients used, to the form in which it ends up on market shelves. It is only when a consumer is aware of the history of the product that he can make informed choices.

For example there was a 'McLibel' case against McDonald's alleging that Mc Donald's generated a lot of unwanted waste due to its excessive packaging and harmed the environment.
Group three: Right to choose

Every consumer has the right to choose the goods needed from a wide variety of similar goods. Very often dealers and traders try to use pressure tactics to sell goods of poor quality. Sometimes, consumers are also carried away by advertisements on the TV. These possibilities can be avoided if consumers are conscious of this right.

The focus needs to be on choice of good practices like organic farming and conservation of natural heritage. In cities, people should be able to choose cleaner and safer ways of transportation over polluting ones. Similarly, healthy and fresh food should be chosen over junk food. The right to choose must essentially be a consumer’s right to choose a safe and healthy product of good quality over an unsafe or defective product. This can give a consumer immense leverage not just to choose products that are safe but also to influence the practices adopted by market.

Group four: Right to be heard

This right has three interpretations. Broadly speaking, this right means that consumers have a right to be consulted by Government and public bodies when decisions and policies are made affecting consumer interests. Also, consumers have a right to be heard by manufactures, dealers and advertisers about their opinion on production and marketing decisions. Thirdly, consumers have the right to be heard in legal proceedings in law courts dealing with consumer complaints.

For example, if you have been cheated in the market place or deprived of the right quality of service, your complaint should be heard and given due attention by the authorities. Consumers should also have a right to voice their opinion when rules and regulations pertaining to them are being formulated, like the recent amendments in the Consumer Protection Act.
Group five: Right to seek Redressal

If and when any consumer has a complaint or grievance due to unfair trade practices like charging higher price, selling of poor quality or unsafe products, lack of regularity in supply of services etc. or if he has suffered loss or injury due to defective or adulterated products, he has the right to seek remedies.

For example, consumer has a right to get the defective goods replaced or money refunded by the seller or dealer. He also has the right to seek legal remedies in the appropriate courts of law. Through this right the consumers are assured that their complaints will receive due attention. This right also provides for due compensation to consumers if they have suffered a loss or are put to inconvenience due to the fault of the supplier or manufacturer.

Group six: Responsibility towards safe waste disposal

Most often we consume without sparing any thought for what's going to be left behind as waste. More and more percentage of waste generated in urban areas today consists of non-biodegradable waste. Urban consumers are making use of plastic, paper and cardboard packaging, disposables batteries, plastic throw-away pens, use and throw nappies, empty cans etc. are becoming a common feature of an urban dustbin. India's urban population is around 300 million. By 2011, the total quantity of solid waste generated in urban areas is expected to cross 56 million tonnes, creating a waste management crisis for urban India.

Responsibility to endorse safer products

Ecolabelling

Eco-friendliness is an important criterion in judging a product's feasibility. It is a way of assessing how much damage a product has caused to the environment. 'Eco-mark' is one way of knowing which products conform to environmental standards and are more environment-friendly than others. Eco-labelling is a methodology practised by many countries in the world, including India. The Indian government has formulated a scheme whereby some categories of products are awarded the 'Ecomark' if they conform to certain standards set by the Ministry of Environment and Forests. Unfortunately, in India, the scheme has not taken off due to consumer apathy and lack of response. The market has manipulated this situation to lobby with the government to make eco-labelling a voluntary scheme, which will allow manufacturers to disclose and cover information at will.
Group seven: The Right to Basic Needs and Access

Access to food, water and shelter are the basis of any consumer’s life. Without these fundamental amenities, life cannot exist. In September 2001, India’s stock of food grains were around 60 million tones, yet one third of the Indian population lives below the poverty line and consumers often go hungry or remain severely malnourished, leading to poor health. A very crucial objective of the conceptualization and existence of consumer rights is to ensure that consumers have an assured food supply, safe and permanent dwellings, and basic amenities of life like sanitation and potable water, and power supply.

Urbanization is seen as a mark of development but for rural migrant population, living conditions in cities is very poor. The population of cities is growing rapidly in India and after 1988; the percentage of urban poor has been more than that of the rural poor. Around 20 to 25 per cent of the urban households live in slums, makeshift colonies or refugee settlements due to non-availability of affordable and decent habitat in urban areas. According to some estimates, in urban areas alone, there is a housing shortage of 17 million units. This has led to a habitat crisis in Indian cities. In rural India, the situation is equally bad, with a large part of the population still living in make shift dwellings and hutment. With non-permanent housing come lack of sanitation facilities and other amenities like running water and electricity supply. Due to burgeoning population, most people do not have access to dry toilets in

Group eight: The right to a healthy and sustained environment.

The need for environmental conservation is seen as a necessary defense against deteriorating quality of life worldwide. We are all victims of contaminated food and water supply, pesticide-ridden food, adulterated milk and choking exhaust fumes emitting from vehicles. According to a World Bank report, India is being pushed back due to its high environmental costs. We lose around Rs 24,500 cores every year in terms of air and water pollution alone. If you live in a city, you must have experienced air and water pollution at some point of time. Children often fall ill due to polluted environment, it leads to increased health costs and discomfort for consumers. Valuable resources and man-days are lost due to polluted environment and living conditions. Consumers need to understand that only a safe environment can ensure the fulfillment of their consumer rights.

If we look closely at our immediate surroundings and our consumption patterns, we would find that we, ourselves, are responsible for causing environmental pollution to a certain extent. For example, our monthly purchases include various kinds of washing detergents, toilet cleaning acids and chemicals like Harpy or Sanifresh, and a lot of non-biodegradable packaging for pre-packed food products. This leads to environmental problems like water and soil pollution, and waste disposal problems. It also shows that our consumption patterns are closely linked with the state of the environment and that environmental damage is mostly a result of irresponsible consumer behavior.
Group Nine: Right to consumer education

To prevent market malpractices and exploitation of consumers, consumer awareness and education are essentially required. For this purpose, consumer associations, educational institutions and Government policy makers are expected to enable consumers to be informed and educated about

(a) The relevant laws, which are aimed at preventing unfair trade practice;
(b) The ways in which dishonest traders and producers may try to manipulate market practices to deceive consumers;
(c) How consumers can protect their own interest; and
(d) The procedure to be adopted by consumers while making complaints.

Market influences have grown much that not just wholesale and retail sellers but even medical practitioners are falling prey to their pressures.

For example: The pharmaceutical industry is one such example. India, with its 1 billion population and largely uneducated consumers, is a very lucrative market for this industry. The pharmaceutical industry, to boost its sales, offers free samples of medicines, freebies, and even free luxury holidays to physicians to influence them to use their brands and give them preference over other brand names. There have been many instances when drugs banned in countries like US, have been prescribed to Indian consumers and are readily available as over-the-counter drugs. It is a sad example of gross violation of consumer trust by medical practitioners.
Young consumers should consume in moderation and buy a product on the basis of its quality and merit and not because of the brand image. Students also need to see beyond the veil of advertising, brand pushing and market influences, to identify their real needs.

The environmental impact of consumption must be considered before buying a product. A young consumer must consider what kind of waste is going to be left behind after s/he has consumed goods or services. For example, in school and college canteens, drinking cold-drinks in plastic cups, using disposable plates and mineral water bottles, has become very common and also a fashion statement. Students no longer bring home-cooked food or lunch boxes to schools. This has not only created a shift towards unhealthy food but also added to the waste management problem.

Environment conservation and safe waste management is a prime consumer responsibility. We should be responsible for the garbage we create as a result of our consumption habits. Young consumers can actively contribute to safe disposal of waste by minimized generation of non-biodegradable waste and by participating and initiating activities like vermin composting and segregation of waste.

Paper is a very important consumable in every student’s life. Students, teachers and office workers use everyday tones of paper in schools and colleges alike. Students can initiate a paper-recycling campaign and also learn how to make recycled paper themselves.

Students must also acquaint themselves with energy consumption patterns like water usage and electricity consumption. They should sensitize themselves to the transportation sources they use in everyday life, recycling of second-hand books in the library and the air-pollution causing use of firecrackers during festivals like Diwali. In the state of Delhi, young consumer participation in anti-cracker programme is a perfect example of community participation and student initiative, when students shunned firecrackers and were able to bring down pollution levels dramatically in the city during Diwali.

Schools are learning grounds, not just for education but also for practical life skills. Students can be introduced to the concept of 'polluters pay' by teaching them paper recycling, conservation of electricity, and recycling of water. Also, leadership qualities can be instilled in students by allowing them to monitor activities like garbage disposal, paper recycling, and rainwater harvesting.
UNIT FOUR: PRINCIPLES GOOD BUYMANSHIP

5 min energizer

Objectives
- To make student aware of principles of good buymanship

Learning outcomes:
- Students will learn the art of good buymanship and develop sound purchase habits.
  - What to buy
  - When to buy
  - Where to buy
  - How much to buy
  - What price to pay
- Students will understand the necessity of keeping records.
- Students will be aware of certifications and marks that should be checked while purchasing products.

Activity: world cafeteria
- Students will be divided into groups of six.
- Each group will be given discussion points that they have to discuss between themselves.
- After this intergroup discussion, each group will present the result of the discussion.
- After that, points will be discussed for good buymanship.
- Discussed points should be noted down on a chart paper.
- Children will be asked to amend the rules of good buymanship.

Material used: chart paper, sketch pens,

Activity time: 60 min
Certifications Mark

5 min energizer

Objective: To make students aware of certifications marks

Learning outcome

Pupils will be aware of various certifications mark and their use.

Procedure:

- Collect empty container from the nearby resource
- Highlight the certifications mark on it
- Place all the empty container in center of the classroom/hall
- Place 10 bags labeled with certifications mark on table
- Divide the class into group six
- Ask student to collect maximum certification mark and drop into bags in one min
- The group collected maximum marks in minimum time will be the winner.
- Conduct Group discussion on certification marks.
- Ask students to recall all the mark they come across in their day to day life
- Discuss the importance of certifications mark.

Material used: empty packs/container, bags labeled with marks

Time: 60 min
Unit Five Essential of Confident Consumer

Consumer Protection Laws

5 min energizer

Objectives

• To make student aware existing consumer protection laws

Learning out comes:

• Students will be awarded of consumer protection laws and will be able to take appropriate steps in future if they face any grievance

Activity: Hot Seat Pe Milaga Bhaiya Umnid Se Dugna

• Students will write their roll number on a chit
• 5 roll calls will be give randomly
• Those 5 players will play fastest finger first
• Any one will be selected for hot seat
• Question will be asked
• Students will have to answer
• Awards will be given accordingly after one session of three question
• Followed with group discussion

Life line audience /50-50

Material used: question cards, chairs, buzzer,

Activity time 60 min
Government of India has armed itself with several legislative measures for ensuring fair price, equitable supplies and quality control of different products and services. Which are the laws?

- Criminal law
- Women harassment law
- Child labor laws
- Consumer protection law

Q1: It seeks to restrict malnutrition caused by circulation of harmful food articles amongst the people?

- Indian penal code, 1860
- Agriculture product act, 1973
- Drugs and cosmetics act, 1940
- Textile regulation act, 1988

Q2: This act cast a responsibility on seller to offer mercantile goods. Beside return of price or free repair or replacement damages can also be claimed for any loss or injury of suffered buyer.

- Agricultural act, 1930
- Emblems and names act, 1930
- The household electrical act, 1930
- The sales of goods act, 1930

Q3: This act provides quality certification for agriculture product.

- Agriculture product act, 1973
- Objectionable advertising act, 1954
- Indian standard institution
- Prevention of food adulteration act

Completion one round
Q4 The purpose of this law is to regulate the production, trade distribution, import and export of medicine and lipstick, nail polish which are up to the required standard.

- Drugs and cosmetic Act 1940
- Drugs and transport act 1978
- Drugs and magic remedies act 1954
- Drugs and medicine act 2000

Q5 If a person sells daily milk instead of dairy milk brand he can be punished under this act.

- Emblems and names act 1950
- Essential commodities act
- P.F.A. Act 1954
- Objectionable advertisement act

Q6 If any manufacturer claims merical or magically cure of diabetes, cancer and arthritis they can be punishable under this act.

- Drugs and magic remedies act 1954
- Drugs supply act 1986
- Drugs and monopolies act 1988
- Drugs and disease prevention act

Q7 Prevention of food adulteration act punish those accuse who sale.

- Contaminated food stuff
- Homemade food stuff
- Foreign country food stuff
- Sale food on street

Completion of second round
Q8 if any person black-marketing of food grains at public distribution store he can be punishable under
• Essential commodities act 1955
• Essential drugs act 1955
• Essential grains act 1955
• Essential things act 1955

Q9 if any person selling cinema tickets in black he can be punished under
• Monopolies and restrictive trade practices act 1969
• Monopoly of company act 1986
• Cinema trading act 1986
• Marketing strategies act 1986

Completion of third round

Q10 The company selling low standard fabric or fake label of material he can be punishable under
• Textile regulation act 1988
• Fake fabric act 1986
• Cotton regulation 1864
• ISI

Q11 law of short weights and measures punish accuse, if
• The jean shopkeeper sold shrinks
• The weights and measures used by milkman is not standardized
• The weigh machine shows more weight when you stand on it
• The tailor take your wrong measurement

Q12 The consumer protection act gives relief like
• Removal of defect from the goods
• Replacement of goods
• Refund of price or compensation for the loss suffered
• All of them

Completion Of Forth Round
Redressal mechanism

5 min energizer

Objectives

• To make students aware of complaining procedure for Redressal

• To make students aware of various bodies working for consumer protection and Redressal

Learning outcomes

Activity 1: consumer wall (30 min)

Procedure

• Students will be provided with some magazines and newspaper.

• They have to read articles on consumer's problem and Redressal they got on consumer wall news.

• They have to display their consumer wall in their classroom and students will read them.

• Each participant has to stand near their wall to explain the matter written in the wall.

Material used: chart paper, consumer magazine, newspaper

Activity 2: online consumer redressal mechanism (30 min)

Procedure

➢ Divide the class into group of 3
➢ Allot one computer in each group of three students
➢ Give the redressal mechanism flash card
➢ Ask them to follow the instruction and file online complaint.

Activity time 60 min
Activity 2: online filing of complaint for redressal

Procedure

- Divide the class into groups of 3
- Allot one computer to each group of three students
- Give the redressal mechanism flash card
- Ask them to follow the instructions and file online complaint.

Step 1

Open the website of CORE Center for filing complaint

http://www.core nic.in
Step 2

Complaint directed against *

Choose sub category*
(Use only A-Z, a-z characters)

(If none of the above - This is required if your complaint does not fall under any of the heads mentioned in the above option. Merely fill in the blank space provided with the sub category of your choice.)

Continue

Step 3

SEND YOUR COMPLAINTS

This form requests for Information about you. Please note that we would require publishing your identity and addressing details. However, if your complaint is published, only the name of the City will be used on our Web site. See privacy policy for more information.

(Fields with an asterisk are required)

Enter your name* :

Address* :

State* :

Pin code :

E-Mail* :

Residence number :

The Anti-Consumer Product or Service
Please indicate the name of the Product, Public Utility, Industry, and Profession or Service that you are complaining about. Please be exact as many organizations may have similar names.

**Complaint Directed Against**: Product

**Minor Subject**: Computers

**Heading/Title**: *

**Business Name**: 

**Individual you dealt with, if any**: 

**Address**: 

**City**: 

**Zip**: 

**Telephone**: 

Please enter further details with respect to the Product complained of. (Use as much space as you need)*

**Consequences. Describe the economic or physical damage that resulted.**

CORE Centre would follow up with your complaint and report back with the feedback received. It is sometimes necessary for our staff to contact you in order to determine whether there is a legal remedy or a basis for your complaint. There is no charge for any such consultation.

I do not want CORE Centre to contact me about my complaint.

Submit  Reset
Resource material for participatory activities and revision

Flash cards on Advertising

children be aware.
Here Ther on every stairs
Advertisements
every where

Flash cards on Sales Gimmicks

you say Sales
promotion
we say it
Sales Gimmicks

Flash cards on Sales Gimmicks
Flash Cards on Standardization Marks

Flash Cards on Redressal Mechanism.
Consumerism today has gained enormous ground in promoting a highly consumptive culture. Increasing material standards of living have made it crucial that children be equipped with knowledge and attitudes so that they can manage the role of a consumer and their exposure to commercial pressure.

Young consumers are being targeted as ‘special’ consumers and this impacts their thought processes and consumption patterns. Consumer education taught in schools is indispensable if we are to move towards a more confident educated consumer society.

Concept
Urvashi Pandey (Researcher)
Principal Investigator
Dr. Mangal Acharia (Reader)
P.G. Department of Home Science
Sponsored by
C.P.C. (R) IIPA, New Delhi
Writer & Director: Kumar Bhasin

Video Period: 57 Min.
I WANT MORE

NEEDS

CONCEPT: Urvashi Pande (Researcher)

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TYPES OF MARKET CHANNELS

CHANNEL ONE
PRODUCER
CONSUMER

CHANNEL TWO
MANUFACTURER
CONSUMER

CHANNEL THREE
WHOLESALER
CONSUMER

CHANNEL FOUR
PRODUCER
WHOLESALER

CONCEPT: Urvashi Pande (Researcher)
P.I.: Dr. Manjari Acharya (Home Science)
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Market Cobweb and Consumer
Multinational Companies

CONCEPT: Urvashi Pande (Researcher)