

Impact of Consumers Protection Act on Consumer Movement

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Impact of Consumers Protection Act on Consumer Movement

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ABSTRACT

The Consumer Protection Act 1986, to protect customers from exploitation and to safeguard them from contaminated and substandard goods and defective services. A research design specifies the methods and procedures for conducting a research work. Researchers have used the five-point scale. Likert scale reveal that five-point scales provide best results and commended. Hence, five-point scales have been used in the survey instrument. It is shows that the Increase the consumer awareness, Speed disposal of cases, compare to previous legislations the procedures under this Act are positive impact on Consumer Movement. However, stimulates fair trade practices are negative impact on Consumer Movement

Keywords:Consumer Awareness, Consumer Protection Act, Consumer Movement

INTRODUCTION

The Consumer Protection Act, which applies to all of India excluding Jammu and Kashmir, was enacted on April 15, 1986, to protect customers from exploitation and to safeguard them from contaminated and substandard goods and defective services.

Consumer protection has existed since the dawn of civilization. One of the company's main concerns is to protect the interests of its customers. Many manufacturers and dealers' economic motives are leading to consumer exploitation through deceptive and immoral market activities (Singh and Grewal 2013). Consumer protection is a socioeconomic activity that involves the government and businesses working together to ensure that consumers are satisfied. It is the government's primary role to defend consumers' rights and interests by enacting appropriate policies, regulations and administrative frameworks.

STATEMENT OF THE PROBLEM

Every customer purchases a variety of goods and services in the market to meet his or her wants on a daily basis. However, some customers are dissatisfied with the products and services they have purchased. Bad quality or dangerous products, poor services, shopkeeper overpricing, reduced number of contents, imprecise product labelling, deceptive packaging, false promises, and misleading advertisements, to name a few factors, can all contribute to this. Yeung, S., & Leung, C. (2007) The need to take measures to protect consumers' concerns arises mostly as a result of their powerlessness. These issues are typically found in the markets of developing and impoverished countries. The reality that customers have basic rights to be safeguarded from loss or injury caused by defective goods and services cannot be denied.

OBJECTIVES OF THE CONSUMER MOVEMENT

1. To bring the buyer-seller relationship in the marketplace back into equilibrium.
2. To protect and advance the interests of consumers.
3. To protect consumers' rights.
4. To keep unethical sellers from taking advantage of customers.
5. Represent the interests of consumers before the government and pressurize it to enact legislation that provides significant consumer protection.

6. Organize consumer opposition to unfair trade practices in order to build a strong public opinion in favour of fair-trade practices.
7. To work with the government and business centers to protect consumers.
8. To put in place consumer education programs.
9. To ensure that business organizations' marketing programmes are consumer-oriented.
10. Seek redress for the consumer who has been harmed through both government and non-government agencies.

CONSUMER FORUM

Consumer Forums are non-profit organizations dedicated to promoting consumer rights. Consumer Protection Councils are another name for them.

These organizations' significance is as follows:

- (i) They assist consumers in filing lawsuits in consumer courts.
- (ii) They can even represent individual consumers in consumer courts if necessary.
- (iii) They make individuals aware of their rights as consumers. They are also given financial assistance by the government in this regard.

OBJECTIVES OF STUDY

1. To study the perception about Consumer Protection Act in the Tuticorin Districts of Tamilnadu
2. To test the relationship between Consumer Protection Act on Consumer movement.

RESEARCH METHODOLOGY

A research design specifies the methods and procedures for conducting a research work. Researchers have used the five-point scale. Likert scale reveal that five-point scales provide best results and commended. Hence, five-point scales have been used in the survey instrument.

YAMANE'S Formula for Sample Size

Yamane (1967) gives a simple formula for calculating sample sizes. The sample sizes were calculated using this formula. Equation is considered to have a 95% confidence level and a P value of 0.5.

$$n = \frac{N}{1 + N(e)^2}$$

The sample size is n, the population size is N, and the level of precision is e. Equation is obtained by applying this formula to the sample above.

$$n = \frac{588}{1 + 588(0.05)^2}$$

$$n=238.05 \text{ or } 238$$

ANALYSIS AND DISCUSSION

Table 1 Impact of Consumer Protection Act 1986

Statements	Mean	Std. Deviation
Increase the consumer awareness	4.19	0.95
Stimulates fair trade practices	3.83	0.95
Creates quality and price consciousness in the minds of consumers	3.84	0.89
Compare to previous legislations the procedures under this Act are simple	3.80	0.92
Speed disposal of cases	3.74	1.06

Source: primary data computed.

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Table 1 explains the customer's opinion towards the impact of consumer protection act 1986. Here, impact of consumer protection act 1986 is measured with five statements in the five-point scale. Further, mean and standard deviation values are calculated. The calculated mean values are lies between 3.74 and 4.19. From the mean value, it is observed that the increase the consumer awareness (4.19), stimulates fair trade practices (3.83), creates quality and price consciousness in the minds of consumers (3.84), compare to previous legislations the procedures under this act are simple (3.80), speed disposal of cases (3.74). It is found that the increase the consumer awareness, fair trade practices, creates quality and price consciousness, simple legislations Act procedures, speed disposal of cases are high opined about the impact of the consumer protection.

Table 2 Customer's perception towards theEffective Practices of consumer movement

Statements	Mean	Std. Deviation
It is simple to resolve a complaint about any product that Consumer has purchased.	3.95	1.01
Consumer activism has played a significant role in controlling business policies and procedures.	3.82	1.02
The National Consumer Disputes Redress Commission (NCDRC) and the Central Consumer Protection Council (CCPC) have both played major roles in regulating commercial practices.	3.74	0.91
Consumer exploitation by businesses demands more attention than it now receives.	3.71	1.01
The government's role in consumer protection is insufficient to prevent additional marketing malpractices.	3.64	1.02
The government should establish basic quality requirements for all products offered to consumers.	3.61	0.97
The government should test rival product brands and make the results public to customers.	3.64	1.11
Manufacturers' advertising, sales, and marketing efforts should be regulated more strictly by the government.	3.65	1.02
Because of a lack of consumer education, consumer protection and consumerism are in a bad situation.	3.57	1.03
Consumer organizations play a critical role in raising consumer awareness.	3.76	0.94
Consumer organizations work to influence and steer government policy on matters affecting consumers' interests and welfare.	3.60	0.98
The government's poor execution of consumer protection legislation puts consumers at risk.	3.63	0.97

Source: primary data computed.

Table 2 explains the opinion towards thecustomer's perception towards theEffective Practices of consumer movement. Further, mean and standard deviation values are calculated. The calculated mean values are range between 3.57 and 3.95. From the mean value, it is observed that the It is simple to resolve a complaint about any product that Consumer has purchased (3.95), Consumer activism has played a significant role in controlling business policies and procedures (3.82), central consumer protection council and national consumer disputes redress commission have been important forces in regulating business practices (3.74), Consumer exploitation by businesses demands more attention than it now receives (3.71), role of The government's role in consumer protection is insufficient to prevent additional marketing malpractices(3.64), The government should establish basic quality requirements for all products offered to consumers(3.61), The government should test rival product brands and make the results public to customers(3.64), Manufacturers' advertising, sales, and marketing efforts should be regulated more strictly by the government(3.65), Because of a lack of consumer education, consumer protection and consumerism are in a bad situation(3.57), Consumer organizations play a critical role in raising consumer awareness (3.76), Consumer organizations work to influence and steer government policy on matters affecting consumers' interests and welfare (3.60),

The government's poor execution of consumer protection legislation puts consumers at risk(3.63). The result revealed that poor consumer education, consumer not safe, government control is having poor opinion towards Effective Practices of consumer movement. Although, easy redress the complaint against any product, NCDRC force to regulating business practices are moderate opinion towards effective practices of consumer movement.

Table 3 relationship between of Consumers awareness and consumer Movement

Consumer's awareness	Effective Practices		Effectiveness of Consumer Forums		Functioning of Consumer Forum	
	r-value	P –value	r-value	P –value	r-value	P –value
General Consumer Protection	0.639**	0.001	0.639**	0.001	0.429**	0.001
Consumer Rights	0.461**	0.001	0.488**	0.001	0.291**	0.001
Responsibilities of a Consumer	0.560**	0.001	0.527**	0.001	0.381**	0.001
Redress of Consumers grievances	0.412**	0.001	0.455**	0.001	0.294**	0.001

*Source: primary data computed; * significant level.*

Pearson correlation has been applied to know the find out the relation among the Consumers awareness and consumer Movement in the table 3. The consumer movement dimension such as Effective Practices, Effectiveness of Consumer Forums and Functioning of Consumer Forum. The test value is followed by general consumer protection (0.639), consumer rights (0.461), and responsibilities of a consumer (0.560), redress of consumers grievances (0.412) are related to effective practices.

Further, General Consumer Protection (0.639), Consumer Rights (0.488), Responsibilities of a Consumer (0.527), Redress of Consumers grievances (0.455) are Effectiveness of Consumer Forums.

General Consumer Protection (0.429), Consumer Rights (0.291), Responsibilities of a Consumer (0.381), Redress of Consumers grievances (0.294) are Functioning of Consumer Forum. Hypothesis is rejected based on correlation p-value. It is inferred that the general consumer protection, consumer rights, responsibilities of a consumer and redress of consumers grievances are positive correlated with effective practices, effectiveness of consumer forums and functioning of consumer forum.

Table 4 Impact of consumers protection act on consumer movement

R	R Square	Adjusted R Square	F	Sig.
.738 ^a	.545	.539	91.679	.000 ^a

Multiple regression is applied to know the factors influencing the Impact of consumers protection act on consumer movement. Here, Impact of consumers protection act is considered as independent variables and consumer movement is considered as dependent variables. The factors Impact of consumers protection act on consumer movement in displayed in the table 4.

Ho: Consumer's protection act does not Impact on consumer movement.

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2.054	1.033		1.988	.047
Increase the consumer awareness	.441	.040	.440	11.099	.000
Stimulates fair trade practices	-.233	.056	-.143	-4.161	.000

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Creates quality and price consciousness in the minds of consumers	-.064	.090	-.036	-.707	.480
Compare to previous legislations the procedures under this Act are simple	.151	.056	.145	2.681	.008
Speed disposal of cases	.374	.060	.356	6.191	.000

The measure of strength of association in the regression analysis is given by the co-efficient of regression determination denoted by the adjusted R-square value. The adjusted R-square value is found to be 0.738, which is implied that 73.8 percent of the impact of consumer protection on consumer movement. The p-value is found to be significant. Hence, the stated hypothesis is rejected.

The unstandardized co-efficient beta value indicates the relative importance of the predictors on dependent variable. The strength of relationship is expressed by the following equation.

Consumer Movement = 2.054 + 0.441 (Increase the consumer awareness) + 0.374 (Speed disposal of cases) + 0.151 (Compare to previous legislations the procedures under this Act are simple) – 0.233 (Stimulates fair trade practices)

It is shows that the Increase the consumer awareness, Speed disposal of cases, compare to previous legislations the procedures under this Act are positive impact on Consumer Movement. However, stimulates fair trade practices are negative impact on Consumer Movement

CONCLUSION

Consumer rights awareness is at the pinnacle of consumerism. The extent to which a consumer is aware of and understands his or her rights in the marketplace is referred to as consumer rights awareness. The most important aspect of consumerism is consumer rights knowledge. It is suggested that Indian having poor knowledge about the register the complaint and consumer protection act related study. Hence, the government should create the awareness among society. Then, Indian Law education need for society so government should add the Law subject at school level. Law is the contemporary study in present scenario.

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