

Paper
MARKETING MANAGEMENT

MBA II SEMESTER (CBCS)

(Batch 2019-2021)

Lecture on

Specific Marketing Issues : Consumerism

Faculty

Dr. Kamran Sultan

Pandit Jawaharlal Nehru Institute of Business Management

Vikram University Ujjain (M.P)

Consumerism

- ◆ Consumerism defined as social force designed to protect consumer interests in the marketplace by organizing and exerting consumer pressure on business firms.
- ◆ Consumerism is a protest of consumers against unfair marketing practices and injustice.
- ◆ It aims to remove injustice and eliminate unfair marketing practices those harm the consumer with respect to quality, price, availability of product & related issues.

Consumerism

Consumerism covers the following areas of consumer dissatisfaction and consequential remedial efforts:

- ◆ Consumerism is interested in protecting consumers right.
- ◆ Consumerism also takes keen interest in environmental matters affecting the quality of life of general public.
- ◆ Removal or reduction of discontent and dissatisfaction generated between buyers and sellers in the market

Consumerism & Marketing Concept

Marketing concept is based on the following premises -

- ◆ It is assumed that consumers know their needs.
- ◆ It is assumed that business really cares consumers about their needs and knows exactly how to fulfil them.
- ◆ It is assumed that business firm provide useful information that precisely matches product with the customer needs.
- ◆ It is presumed that products/services really fulfil customer expectations as well as business promises.

Significance of Consumerism

- ◆ To awaken and unite consumers
- ◆ To discourage unfair trade practices
- ◆ To protect against exploitation
- ◆ To awaken the government
- ◆ To provide complete and latest information
- ◆ To discourage anti-social activities
- ◆ Effective implementation of consumer protection laws

Difficult Situation of Consumers in India

- ◆ Conditions of monopoly & perfect competition
- ◆ Short supply of products to fulfil buyer demand
- ◆ Social customs and traditions
- ◆ Ignorance and illiteracy of consumers
- ◆ Massive advertisements that affect and divert consumer decision
- ◆ Lack of unity among consumers
- ◆ Fear of complicated judicial procedure
- ◆ Limited income and standard of living - leads to consumerism.

Need & Rationale of Consumer Protection

- ◆ Consumer awareness.
- ◆ Social and ethical responsibility.
- ◆ Business has human and social objective.
- ◆ Business is a part of society.
- ◆ Government duty for consumer welfare.
- ◆ Ultimate result of Consumerism Customer satisfaction.

Rights of Consumers

- ◆ Right to be informed
- ◆ Right to choose
- ◆ Right to be heard
- ◆ Right to seek redressal
- ◆ Right to safety
- ◆ Right to consumer education

Other Consumer Rights

- ◆ Rights to basic needs
- ◆ Right to serve ecological balance, and
- ◆ Rights to pollution free environment

Legal Modes of Consumer Protection in India

- ◆ Essential Commodities Act, 1955
- ◆ MRTP Act, 1969
- ◆ Water (Prevention and Control of Pollution), Act 1974
- ◆ Air (Prevention and Control of Pollution), Act 1981
- ◆ Environment Protection, Act 1986
- ◆ Consumer Protection, Act 1986

Consumer Protection Act, 1986

- ◆ The Consumer Protection Act, 1986 was enacted with an objective to provide better protection of the interests of Consumers, to make provision for the establishment of Consumer Councils and other authorities for the settlement of consumer disputes.
- ◆ This is indeed a very unique and highly progressive piece of Social Welfare Legislation.
- ◆ The provisions of this Act are intended to provide effective and efficient safeguards to consumers against various types of exploitation, unfair dealings and practices.

Objectives of Consumer Protection Act

The purpose of Indian Consumer Protection Act, 1986 is to provide establishment of the Commission for consumer:

- ◆ To protect the interests of consumers
- ◆ To prevent practices having adverse effect on competition
- ◆ To promote and sustain healthy competition in market
- ◆ To ensure freedom of trade carried on by other participants in Indian market

Reliefs under CPA

- ◆ Replacement of defective goods
- ◆ Repair or removal of defects
- ◆ Repayment of price
- ◆ Compensation for loss
- ◆ Removal of defects or deficiencies in products/services
- ◆ Check - unfair trade practices or restrictive trade practices
- ◆ Not to offer hazardous goods for sale
- ◆ Withdraw hazardous goods from the market

Thank you

Dr. Kamran Sultan

Contact no. 9425012255

Email-Id:kamran_sultan@rediffmail.com