

EMPIRICAL EXAMINATION OF CONSUMER BEHAVIOUR IN HIMACHAL PRADESH: CONSUMER PROTECTION PERSPECTIVE

Vijay Kumari Sharma

Research Scholar, HP University, Summer Hill, Shimla

Abstract

The present study is intended to examine the behaviour of consumer while purchasing products and services. Under Consumer Protection Act, 1986 efforts have been made to empower the consumers by providing six consumers rights. Consumers can protect themselves from the unethical and malpractices of the manufacturers or sellers by utilizing these rights. The utilization of consumers' rights merely depends upon their level of awareness with regards to their rights as a consumer. So keeping it in view, an attempt has been made to understand the behaviour of consumers while purchasing. The nature of data used in the present study is primary which has been collected by using a structured questionnaire schedule. 480 respondents of Mandi, Kangra, Shimla and Una districts of Himachal Pradesh were sampled. Responses were analyzed with the help of Percentage and Chi-square methods. The study concludes that majority of the respondents behave like an aware consumers while purchasing by verifying manufacturing and expiry date, weight and size of products and services and MRP. But the respondents are unaware about the role of verification of what ingredients used in products and services, quality assurance marks and insist on cash memo/bill of purchase.

Key Words: Consumer Behaviour, Consumer Right, Purchasing, Respondents

INTRODUCTION

Every human being is a consumer and the consumer is considered as the king of the market. Consumer is the centre of all economic activities as all the activities revolves around him. So, it is rightly said if there is no consumer, there will be no business. Consumers are the backbone of the economy. So, it is the responsibility of the business to deliver the goods and services and the standard of living as per the expectation of the consumers. But there may be instances when the consumers are exploited by the unscrupulous manufacturers and sellers by providing hazardous, unsafe products, cheap quality of goods and services, unfair trade practices and misleading advertisements. In this regard, some strong and clear Laws have been implemented by the government of India to defend consumers and ensure consumer protection. The Consumer Protection Act, 1986 is the most important Law that has been enforced to protect the interest of the consumers by providing some rights to the consumers of India.

Under this Act, the consumers have been facilitated by six rights i.e. the right to safety, right to information, right to choose, right to be heard, right to redressal and right to consumer education.

These rights are well defined by the Consumer Protection Act and there are agencies like the government, consumer courts and voluntary consumer organizations that work towards safe guarding the consumer rights. In the market place, the utilization of these rights largely depends upon the awareness of consumers with respect to their rights as a consumer as well as their cautious behavior. Consumer rights and responsibilities are knotted together and Consumer must be aware of his rights and duties. Without sharing consumer responsibility, consumers will find it very difficult to enjoy their rights on a long-term basis. Consumers need to step cautiously in the market place. It is not the sole responsibility of the market or of the government to provide consumers with detailed information. By acting like a vigilant consumer and utilizing consumers' rights in proper manners, consumers can protect themselves from every kind of exploitation as the level of consumer awareness affects the consumer exploitation in the society. Taking this into consideration, the present study focuses on the behavior of consumers of Himachal Pradesh whether they verify the price, weight and size, quality assurance marks, quantity and expiry date of products or not as well as their level of awareness.

REVIEW OF LITERATURE

In order to find out the areas where the researches have already been done as well as to where the research is needed, following studies of the different researchers have been taken into consideration:

Mittal and Gupta (2013)¹ in their research paper entitled "Awareness as an Instrument to Utilize Consumer Rights: A Consumer Protection Perspective" concluded that the level of awareness of consumer rights is high amongst those with high education level and high level of income as compared to those having poor education level and low income level. They suggested that consumers must be educated about the procedure to file complaints in district forums and must be motivated in this regard without support of legal advisors. **Peacock et. al. (2013)**² in their study "Consumer Rights and Economic growth" state that consumers lack confidence and certainty when asserting and exercising their rights if existing consumer law is fragmented, complex and opaque in nature.

This will undermine their ability to seek redress and switch consumption in a manner that punishes inefficient, poor-quality businesses while rewarding efficient and high-quality businesses. Lack of consumer participation will reduce pressure on businesses to innovate and pursue efficiency in order to offer high quality products that are price competitive.

Chiru (2017)³ undertook a study entitled “Consumer Exploitation in Rural Market: A Pragmatic Study of Consumers Awareness on Consumer Rights and Protection Act in Manipur”. He analyzes that local consumers are exploited in term of price, quality and quantity in the rural market particularly about the product and price of essential commodities in the rural market because there is huge quantity of duplicate commodities being supplied from Myanmar without expiry date, manufacturing date, Maximum Retail Price etc. It is suggested that the rural consumers need to take utmost care in relation to price, quantity, quality, manufacturing date and expiry date etc. **Jugal kumar Boro (2018)**⁴ concluded in their study “Consumer Rights Awareness among Rural Consumers – A Study in Rural Area with Special Reference to Bongaon Block of Kamrup District, Assam” that it is largely unknown to citizens that how the product has been prepared to determine whether it is safe and beneficial for use or not, irrespective of whether they are educated or uneducated. The study proves that awareness level of consumers is low and knowledge about consumer rights is poor, so utilization of these rights is not possible. It is suggested to focus on consumer education and consumer awareness programs, public campaigns among rural and uneducated people and government should take necessary actions to minimize the procedures of filing cases, speeding up the redressal programs and providing support to the consumers for redressal of their complaints.

Natarajan et al. (2018)⁵ have revealed in “A Study on Consumer Awareness on Consumer Rights in Dindigul District” that very few number of consumers have high level of awareness on recognized six consumers rights and have recommended that the best interest of consumers can only be protected through effective cooperation among consumers, businessman and government. It has been suggested by the researchers that government must take concrete steps in increasing consumer awareness about encourage consumer education, training and research. The scholars feel that the success of consumerism is possible only when all the consumers are fully aware of their rights. Merely conferring rights

upon consumers will not serve the real purpose unless these rights are enforced in their true latter and spirit.

The aforesaid researches reveal the role of consumers' awareness in context to consumer rights and also how the level of awareness protect the consumers from the malpractices of the manufacturers or sellers. But, all these studies have been undertaken at the different Districts of different States and in this regard, absence of studies has been observed in Himachal Pradesh and in its Districts. So keeping it in view, the present study has been conducted to fill the research gap.

NEED AND IMPORTANCE OF STUDY

Higher the consumer awareness leads to lower exploitation of consumers in the society. The awareness of consumers reflects by their behavior while they purchase any product or avail services. Consumers can protect themselves from any kind of exploitation by acting as an aware consumer, because informed; empowered and vigilant consumers are the backbone of a vibrant economy. So, the present study is needed to find out the level of awareness of consumers by examining their buying behavior at the time of purchasing. Further, the results of the study will help the policy maker for the formulations of policy and strategy in order to make consumers aware with regards to their rights as a consumers provided to them under the Consumer Protection Act, 1986. Cnsequently, the consumers will be able to act like an empowered consumer which will lead to development of the economy of the Country.

OBJECTIVES

The study has been conducted to accomplish the following objectives:

- To examine the behavior of the consumers of the Himachal Pradesh.
- To know the association between the demographic factors of consumers and their behavior.

METHODOLOGY

The present study is empirical and descriptive in nature which is based on the empirical evidence. The primary data has been used in the present study which has been collected by using a structured questionnaire schedule and Google form. The questionnaires and Google form were filled by the 480 respondents which were the native of Mandi, Kangra, Shimla and Una Districts of Himachal Pradesh. The Districts were selected on the basis of purposive sampling as in the

selected Districts there are whole time District Consumer Disputes Redressal Commissions proving simple, speedy and inexpensive justice to the consumers of Himachal Pradesh. In order to accomplish the pin pointed objectives of the study, the collected data has been analysed with the help of percentage and Chi-square test.

RESULTS AND DISCUSSION

The collected data has been analyzed and interpreted to accomplish the above mentioned objectives of the study and results have been recorded as below: -

A) GENERAL BEHAVIOUR OF RESPONDENTS WHILE PURCHASING GOODS/SERVICES

Consumer protection is the phenomenon which is related with the verification and attainment of products, services or offerings by the seller to the consumer or the market as per manufacturing, stating the date of expiry, weight, size, quality, ingredients, issuance of bills and price. Consumer satisfaction lies upon such verifications and their level of awareness about these considerations which develop in the form of general behaviour of the consumers. An attempt has been made to analyze the general behaviour of respondents while they purchase the goods and services and their responses have been analysed in the table 6.1:

Table a: General Behaviour of Respondents While Purchasing Goods/Services

Factors	Purchasing Behaviour			Total
	Mostly	Sometimes	Never	
Verify Manufacturing and Expiry Date	338 (70.42%)	88 (18.33%)	54 (11.25%)	480
Verify Weight and Size	305 (63.54%)	127 (26.46%)	48 (10%)	480
Verify Price	345 (71.88%)	90 (18.75%)	45 (9.38%)	480
Verify Quality Assurance Marks	29 (6.04%)	58 (12.08%)	393 (81.88%)	480
Verify Ingredients Used	16 (3.33%)	24 (5.00%)	440 (91.67%)	480
Insist on Cash Memo/Bill	104 (21.67%)	134 (27.92%)	242 (50.42%)	480

Source: Researcher's Compilation.

It is revealed from the table a 72 percent of the respondents mostly check the price of goods and services at the time of purchase. Similarly, information about the manufacturing and expiry date was sought by 71 percent followed by weight and size with 64 percent of the respondents who most of the times check the

weight and size of the products and services. It means majority is aware about verifying price, manufacturing and expiry date and weight and size. On the contrary, 92 percent respondents stated that they never sought information regarding ingredients used, 82 percent regarding quality assurance marks and 51 percent regarding cash memo/bill never verified or asked and it means that a great majority is unaware of the importance of verification of ingredients used, quality assurance marks and role of cash memo or bill.

B) GENERAL BEHAVIOUR OF RESPONDENTS REGARDING VERIFICATION OF MANUFACTURING AND EXPIRY DATE OF GOODS/SERVICES:

Quality assurance about goods, services or other offerings is indicative of the fact that their consumption or usage must be within the stipulated time frame of the manufacturing and expiry dates. So, vigilant customers are those who consider it as a priority while availing of such services. It is assumed that the behavioural consideration of manufacturing and expiry dates of the products differ in terms of gender, age, residential region, educational level, occupation and income level. The analyses have been drawn to know about significance of such assumptions as per the following table:

Table b: Demographic Factors-wise General Behaviour of Respondents Regarding Verification of Manufacturing and Expiry Date of Goods/Services

Demographics	General Behaviour			
	df	Calculated X ²	p-value	H ₀
Gender	2	10.25	5.47	Rejected
Age	6	13.15	12.59	Rejected
Place of Residence	4	23.57	9.49	Rejected
Education	10	36.75	18.31	Rejected
Occupation	12	111.29	21.03	Rejected
Annual Income	6	41.82	12.59	Rejected

Source: Researcher’s Compilation.

H₀: There is no significant difference between Demographics and general behavior of respondents regarding verification of manufacturing and expiry date of goods/services.

As per the analysis of table b, it is revealed that demographic characteristics of respondents like age, gender, residence status, level of education, types of occupation and level of income affects the general behavior of respondents in

order to verify the manufacturing and expiry date of products and services. It is to note that the calculated value of chi-square for all variables is higher than the table value at 5 percent level of significance resulting in rejection of null hypothesis.

C) GENERAL BEHAVIOUR OF RESPONDENTS REGARDING VERIFICATION OF WEIGHT AND SIZE OF GOODS/SERVICES:

Weight and size are the criteria of general betrayal of the common customers though it is felt that the general behaviour of customers is to keep watch on weight and size while purchasing. Despite of that the gender, age, residential region, educational level, occupation and income level are felt to be emerging in the shape of differences in behaviour. The following table analyze general behaviour of the respondents regarding verification of weight of size of the goods and services while purchasing:

Table c: Demographic Factors-wise General Behaviour of Respondents Regarding Verification of Weight and Size of Goods/Services

Demographics	General Behaviour			
	df	Calculated X ²	p-value	H ₀
Gender	2	13.24	5.9	Rejected
Age	6	91.18	12.59	Rejected
Place of Residence	4	98.61	9.49	Rejected
Education	10	113.55	18.31	Rejected
Occupation	12	127.04	21.03	Rejected
Annual Income	6	25.19	12.59	Rejected

Source: Researcher's Compilation.

H₀: There is no significant difference between Demographics and general behavior of respondents regarding verification of weight of size of goods/services.

The statistical analysis of table c explain that demographic characteristics of respondents influence the general behavior of respondents in order to verify the weight of size of products and services as the null hypothesis is rejected for all variables.

D) GENERAL BEHAVIOUR OF RESPONDENTS REGARDING VERIFICATION OF PRICE OF GOODS/SERVICES:

Violation of the rights of customers widely takes place by providing products, services or offerings at comparatively higher prices. Such instances generally

occur when the general behaviour of the customers is simply to go to the shops, order for purchases and do not verify the prices. The following table is endowed to analyze the general behaviour of the informants with regard to verify the price of products at the time of purchase:

Table d: Demographic Factors-wise General Behaviour of Respondents Regarding Verification of Price of Goods/Services

Demographics	General Behaviour			
	df	Calculated X ²	p-value	H ₀
Gender	2	6.43	5.9	Rejected
Age	6	43.92	12.59	Rejected
Place of Residence	4	95.14	9.49	Rejected
Education	10	114.41	18.31	Rejected
Occupation	12	91.23	21.03	Rejected
Annual Income	6	21.59	12.59	Rejected

Source: Researcher's Compilation.

H₀: There is no significant difference between Demographics and general behavior of respondents with regard to verify the price of goods/services.

The results of the analysis of table d indicate that age, gender, residence status, level of education, types of occupation and level of income of the respondents influence their behavior with regard to verify the price of products at the time of purchase as the calculated value of chi-square test is more than the table value at 5 percent significance level.

E) GENERAL BEHAVIOUR OF RESPONDENTS REGARDING VERIFICATION OF QUALITY ASSURANCE MARKS OF GOODS/SERVICES:

Regarding verification of quality assurance marks of goods/services as per the information provided by the respondents in terms of their gender, age, residential area, education, occupation and income, the general behaviour of the respondents is analyzed as below:

Table e: Demographic Factors-wise General Behaviour of Respondents Regarding Verification of Quality Assurance Marks of Goods/Services

Demographics	General Behaviour
--------------	-------------------

	df	Calculated X ²	p-value	H ₀
Gender	2	18.56	5.9	Rejected
Age	6	21.95	12.59	Rejected
Place of Residence	4	26.99	9.49	Rejected
Education	10	24.03	18.31	Rejected
Occupation	12	10.14	21.03	Accepted
Annual Income	6	18.27	12.59	Rejected

Source: Researcher's Compilation.

H₀: There is no significant difference between Demographics and general behavior of respondents with regard to verification of quality assurance marks of goods/services.

The null hypothesis was almost rejected by chi-square test when applied at 5 percent level of significance. It is noted that the calculated value of chi-square for five variables is higher than table value so, there is statistical significance of general behavior of respondents with regard to verification of quality assurance marks and their gender, age, residence status level of education and income. Accordingly, the calculated value of chi-square of only one variable is lower than the p-value which explains that there is no significant difference between the general behaviour of respondents with regard to verification of quality assurance marks and their types of occupation.

F) GENERAL BEHAVIOUR OF RESPONDENTS REGARDING VERIFICATION OF INGREDIENTS USED IN GOODS/SERVICES:

General behaviour of customers regarding verification of ingredients used is expected to be verified to assure health and hygiene as well as other life style related securities by using of the goods or services irrespective of gender, age, residential region status, educational level, occupational and income level. The following table analyze general behaviour of the respondents regarding verification of ingredients used of the goods and services while purchasing:

Table f: Demographic Factors-wise General Behaviour of Respondents Verification of Ingredients Used in Goods/Services

Demographics	General Behaviour
--------------	-------------------

	df	Calculated X ²	p-value	H ₀
Gender	2	16.22	5.9	Rejected
Age	6	10.17	12.59	Accepted
Place of Residence	4	2.38	9.49	Accepted
Education	10	9.39	18.31	Accepted
Occupation	12	8.38	21.03	Accepted
Annual Income	6	7.42	12.59	Accepted

Source: Researcher's Compilation.

H₀: There is no significant difference between Demographics and general behavior of respondents verification of ingredients used in goods/services.

By applying chi-square analysis to test the hypothesis, it is evident from the above table f that the null hypothesis is accepted almost at 5 percent level of significance which indicates that age, place of residence, education, occupation and level of income of respondents does not affect their behavior with regard to verification of ingredients used in goods/services. On the contrary, only one variable (gender) affects their behavior in order to verify the ingredients used in goods/services.

G) GENERAL BEHAVIOUR OF RESPONDENTS REGARDING TO INSIST FOR CASH MEMO/BILL OF GOODS/SERVICES:

The general behaviour of respondents regarding to insist for cash memo/bill of goods and services in terms of the selective variables is explained as below:

Table g: Demographic Factors-wise General Behaviour of Respondents Regarding to Insist for Cash Memo/Bill of Goods/Services

Demographics	General Behaviour			
	df	Calculated X ²	p-value	H ₀
Gender	2	35.25	5.9	Rejected
Age	6	13.33	12.59	Rejected
Place of Residence	4	5.05	9.49	Accepted
Education	10	1.92	18.31	Accepted
Occupation	12	14.02	21.03	Accepted
Annual Income	6	14.32	12.59	Accepted

Source: Researcher's Compilation.

H₀: There is no significant difference between Demographics and general behavior of respondents regarding to insist for cash memo/bill of goods/services goods/services.

It is inferred from the analysis of table g that the gender and age of respondents influence the general behaviour of respondents to insist for cash memo/bill of goods/services at the time of purchase. Whereas, there is no association between the general behaviour of respondents to insist for cash memo/bill of goods/services and residential status, educational, occupation and income level of the respondent consumers as the calculated value of chi-square is more than the p-value.

FINDINGS

It is found from the analysis that majority is aware about verifying price, manufacturing and expiry date and weight and size as the majority of the respondents mostly sought the information about these variables while purchasing. But, the great majority is unaware of the importance of verification of ingredients used in products and services, quality assurance marks and role of cash memo or bill as majority never verify them or insist for them. Further, it is evident from the study that the general behaviour of respondents as to check the manufacturing and expiry date, weight and size, quality assurance marks and to verify the MRP of the products and services are influenced by gender, age, residential status, and education, occupation and income level of the respondents. The demographic variables do not affect the behaviour of consumers regarding to verify the ingredients used in products and services and to insist on cash memo or bill of their purchase.

SUGGESTIONS

- Consumers should always take themselves some precautions while purchasing goods and services with respect to quality, durability, price, warranty and guarantee and so on. They must be aware and understand the role of verification of these components. They should check the marks of quality assurance like AGMARK, ISI, and BIS etc. in order to avoid malpractices by manufacturers and traders to an extent.
- Consumer must be beware of poor quality, fake products, misleading advertisements and attractive packaging with poor quality products etc. which may lead to exploitation of innocent consumers.
- Consumers must demand the bill of purchase or cash memo and must retain the same. This would serve as proof of purchase and can be helpful

in the event any defect in the product. Without such evidence of purchase, it would be very difficult to impose liability on the seller.

- Government should take immediate action against malpractices of manufacturers and traders.
- The government should take sufficient steps to educate the consumers in this respect. Consumers may be educated through awareness programs like; seminars, workshops, advertisements, Nukkad Natak etc.

CONCLUSION

An enlightened consumer is an empowered consumer. The consumer is the real deciding factor for all economic activities. Consumers must be beware and behave like an informed consumer while purchasing so that they can protect themselves from exploitation. Government should also take necessary actions to educate the consumers regarding their rights as well as responsibilities.

REFERENCES

- Mittal Ishwar and Gupta Ravi Kumar (2013), "Awareness as an Instrument to Utilize Consumer Rights: A Consumer Protection Perspective", Sandesh- Mastnath Journal of Management, Vol. 8 (2013), Issue No. 1-4 (January- December), ISSN: 0975-6515, pp. 53-62.
- Peacock Mark, Slater Charlotte, Eatough Marc, Jugnauth Angina, Chirico Stefania, Majkut Katarzyna (2013), "Consumer rights and economic growth", A report submitted by ICF GHK, January 2013, pp. 8.
- Chiru Partakson Romun (2017), "Consumer Exploitation in Rural Market: A Pragmatic Study of Consumers Awareness on Consumer Rights and Protection Act in Manipur", International Journal of Current Research Vol. 9, (2017), Issue No. 10 (October), pp.59394-59401.
- Jugal kumar Boro (2018), "Consumer Rights Awareness among Rural Consumers - A Study in Rural Areas with Special Reference to Bongaon Block of Kamrup District, Assam", Vol. VI, Issue-III (January), pp. 192-200.
- Natarajan R., Porkodi T., Rengarajan V. & Vijayanand V., Auxilian Anto, and Muragan P. (2018), "A Study on Consumer Awareness on Consumer Rights in Dindigul District", International Journal of Pure and Applied Mathematics, Vol. 119 ,Issue No. 10, e-ISSN: 1314-3395, p-ISSN: 1311-8080.