

A Study On Rationality Of Consumer Buying Behaviour And Deception – With Special Reference To Tricity- Mohali, Chandigarh And Panchkula

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Abstract

Consumers constitute the largest unorganised body exposed to unfair and exploitative trade practices of the business houses. Though the Government has set up Consumer Protection Act 1986, as a mechanism for the inexpensive, speedy and simple redressal of the grievances of the consumers, still the growing feeling among them is that they are being ruthlessly exploited and taken for a ride. This paper has been written to study the level of awareness among the consumers and how his demographic features have an impact on his rationality. It also tries to analyse the relation between the rationality of the consumer buying behaviour and his deception experience. Analysis and interpretation of the data have depicted very informative findings suggesting ways and means of strengthening the present set up of consumer's awareness and protection.

Introduction

There is nobody in the world that is left out of the class of 'consumers'. Right from the time a child is born till his last rites he is a consumer. A person is a consumer first. The Consumer is said to be the pivot around which the entire business activities revolve. "Consumer is the Sovereign", "Consumer is King", "Consumer can do no wrong", "Consumer is always right", all of these catchphrases may speak high of consumers in the market theoretically, but in reality he is cheated and deceived at the behest of producers or sellers. Further the market in India is a seller's market and it is very easy to deceive to the innocent consumers who seem to be neither knowledgeable nor well informed.

Today's market is flooded with very large numbers and varieties of goods and services. So it has become all the more difficult to know about genuineness of a producer or seller and same way genuineness of a product. Much information is deliberately hidden in certain advertisements to betray the consumers. Even the guarantee / warranty given by the producer is not honoured. Weighing with unapproved weights is a very common practice of consumer exploitation largely prevalent among hawkers. The list of instances and kinds of exploitation through malpractices adopted by businessmen is unending. In fact a consumer has to be an engineer, a chemist, a cost analyst, etc. all at the same time in order to protect himself from costly and substandard and often adulterated stuff that is sold to him in attractive containers with much advertised brand names. Therefore, it becomes very important for consumers to protect him from the unfair trade practices of the traders and service providers whose main concern is profit earning. The consumer needs support and protection from the unscrupulous seller.

In this regard consumer awareness can play an important role. Every individual needs to be aware of their rights as a consumer. He should know how to protect himself and how to become a smart buyer while shopping online or offline. Consumer awareness means creating awareness of

a consumer towards his rights and duties. Creating awareness among consumers will help them make right decisions, build self confidence among them and will benefit the society by promoting customer satisfaction, increasing economic stability and creating realistic expectations.

A common consumer is not in a position to approach a civil court for acquiring an affordable speedy justice against his complaints. In order to tackle this, the government has lent its hands in a different way. The Central Government enacted a law in the year 1986 for the protection and welfare of consumers. The Consumer Protection Act provides an opportunity to the consumer to approach court if there is any lapse in the quality product or services. So the Act provides a different level of Consumer's Forum at the district level is called District Consumer Forum. While at the State Level it is called State Commission and all India forum is known as National Commission for consumer welfare. Consumer's Protection Council is a social movement which seeks to protect and augment the rights of the consumer relation to the product and service.

Legal and administrative machinery and consumer redressal system are working in our country under which the consumers can file a complaint in a consumer court and demand justice when they are cheated by the sellers or manufacturers of the products or services. But the remedy for the situation lies not in legislation only. Consumer awareness to protect and augment the rights of the consumer relation to the product and service should be promoted as a large scale movement.

Thus a study was carried out in the Tricity of Chandigarh, Mohali and Panchkula with the basic purpose of analyzing the level of awareness of the residents and the extent of utilization of consumer protection machinery by them in case of deception.

Objectives Of The Study

To assess consumer awareness among the residents of the Tricity regarding consumer rights and rationality of buying behaviour

To assess the consumer awareness among the residents of the Tricity regarding the information displayed on the products.

To assess the impact of demographic variables on their rational buying behaviour.

To suggest measures to increase consumer awareness among the residents of the Tricity based on the findings of the paper.

Research Methodology

The research design used is descriptive research. Convenient sampling technique was used to collect data of this study. The technique used for the research is Non-Probability Sampling because the population is infinite. There are 100 respondents from different parts of the Tricity which consists of urban and semi-urban areas that were taken as samples.

The collected data was classified, tabulated and analyzed using simple statistical tools like Percentage Analysis, Chi Square Test and Pearson correlation. Following hypotheses were formulated to achieve the above stated objectives:

Hypothesis 1: Null Hypothesis: "There is no significant association between rationality of the consumers and their gender".

Hypothesis 2: Null Hypothesis: "There is no significant association between rationality of the consumer and his age".

Hypothesis 3: Null Hypothesis: "There is no significant association between rationality of the consumer and his income"

Hypothesis 4: Null Hypothesis: "There is no significant association between rationality of the consumer and his place of residence".

Hypothesis 5: Null Hypothesis: "There is no significant association between rationality of the consumer and his education level".

Hypothesis 6: Null Hypothesis: "There is no significant association between rational behaviour of the consumers and their deception experience".

Data Analysis And Interpretation

As stated above, the questionnaire was distributed to 100 respondents and interviews were also conducted. Based upon the requirements of the hypotheses framed above, the data so collected was then analysed for judging the rational behaviour of the consumers and the deception experience. The scores were assigned as follows:

1. To test the first hypothesis i.e. gender variability with rationality and deception level, respondents were divided into:

Group 1 –Male

Group 2- Female

The scores of rationality were compared with gender and Chi-square test was applied. It was found that the rationality and gender of the consumer are completely independent variables. Both males and females are rational while purchasing. (The calculated value of $\chi^2 = 2.771$ was found to be less than the tabulated value i.e. $\chi^2_{v=3} = 7.815$ and hence null hypothesis is accepted)

2. To study the relationship between behaviour of the consumer and his age group, respondents were divided in two categories

Group 1 (21-40)

Group 2 (40-60)

Based upon the scores of rationality for each group, chi square test was applied and it was found that there is no significant association between the rationality level of the groups and their age. It indicates that age has no relation with rationality in buying behaviour. Each group was found to be level headed while buying. (The calculated value of $\chi^2_{v=3} = 7.815$ and hence null hypothesis is accepted).

3. To test the third hypothesis, income variable has been classified in three categories-

Group1- Respondents whose income falls below the income tax exemption limits

Group2- Respondents whose income falls in between 10% - 20% income tax slab rates

Group3 - Respondents whose income falls in the category of 30% slab rate.

Based on the scores of each category of respondents for their rational behaviour, Chi square test was applied. It was found that there is no significant association between income and rationality level of the consumer. The rationality in buying is independent of income. (The calculated value of χ^2 was 4.17 for income and rationality which was found to be less than the tabulated value i.e. $\chi^2_{v=6} = 12.592$ and hence null hypothesis is accepted).

4. To test fourth hypotheses, the respondents were divided on the basis of their place of residence:

Group 1-- Mohali

Group2- Chandigarh

Group 3- Panchkula

Chi square test results indicate that place of residence and rationality were found to be significantly

associated. Probably cultural, sub-cultural and social class effect plays an important role in finalizing consumer behaviour. (The calculated value of X^2 was 12.641 which was less than the tabulated value for $v=6$, $X^2_{0.05} = 12.592$ for the place of residence and rationality and hence null hypothesis is rejected).

5. To test the fifth hypothesis, the education level of the respondents was classified as under:

Group 1 Graduates

Group 2 PGs and above.

Rationality of the consumers and their deception experience too was found to be independent of education level as per the results of the chi square test. Hence, higher education in itself does not give an edge to a consumer to be more prudent while buying and that the vendors treat all consumers alike when it comes to deception. (The calculated value of X^2 was 7.795 which was less than the tabulated value for $v=3$, $X^2_{0.05} = 7.815$ for education and rationality and hence null hypothesis is accepted).

6. The relation between rational behaviour and the deception experience of the consumers was subject to Pearson correlation technique to test their correlation. The result i.e. $R=0.2$ indicates a very low and insignificant degree of correlation among the variables. This shows that it is difficult even for the rational consumer to escape from the deception.

No matter how mature, educated or rich the consumer is, he may fall prey to the unfair trade practices thereby making the awareness of his rights as a consumer all the more imperative.

On analysing the deception experience of the respondents, it was found that 80% of the respondents were hassled/harassed by the vendors in one or the other way. While only 20% participants escaped the deception. The % of deception experience of the respondents is an eye opener. In spite of multiple laws in place for consumer protection, every 4 out of 5 buyers are cheated by the vendors. It also indicates the negligence and lackadaisical attitude of the authorities and sellers in giving service to the consumers.

Conclusions And Recommendations: The study therefore concludes that the Government, NGOs and some voluntary forums/organisations should make sincere attempts to educate the consumers. They must be educated through awareness programs like seminars, workshops, etc. Effectively educational and marketing programs are important and needed to protect the consumers. In this regard educational programmes on TV, Radio and print media can be of great use. In this mass campaign of consumer awareness, let us all unite to be aware of poor quality, fake brands, misleading advertisements and attractive packaging with poor quality products etc. Let us be the ambassadors of “**LET THE BUYER BEWARE**” because legislation alone is neither sufficient nor adequate to protect us.

BE AN ALERT CONSUMER! AND ALSO BE A RESPONSIBLE CONSUMER.

Table 1: Demographic Characteristics of the Respondents

S.NO	SAMPLE PROFILE	NO. OF RESPONDENTS	% OF RESPONDENTS
1	GENDER		
A	MALE	44	44
B	FEMALE	56	56
	TOTAL	100	100
2	AGE		
A	BELOW 40	48	48
B	ABOVE 40	52	52
	TOTAL	100	100
3	INCOME		
A	BELOW 2.5 LACS	20	20
B	BETWEEN 2.5 AND 10.00	66	66
C	ABOVE 5.00	14	14
	TOTAL	100	100
4	PLACE OF RESIDENCE		
A	MOHALI	38	38
B	CHANDIGARH	34	34
C	PANCHKULA	28	28
	TOTAL	100	100
5	EDUCATION		
A	UNDERGRADUATE	42	42
B	PG AND ABOVE	58	58
	TOTAL	100	100

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