

## VIJAY JATHANNA'S VIEWS ON CONSUMER ACTIVISM

We are all consumers. Right from the time we are in our mother's womb till after our death we are consumers. There can be no business without consumers and no consumers without business. Business and consumers are like two sides of the same coin. Consumers form an important factor of the entire economic activity in the World. In fact consumers are the core around which the entire world of producers of all products revolve.

In fact, consumer movement or awareness first started in 1948 in USA, but the credit to make consumers aware of their rights has to go to US President, John F. Kennedy. On 15 March, 1962 he conferred on us consumers four rights:

- 1) Right to Safety
- 2) Right to Information
- 3) Right to Choice, and
- 4) Right to be Heard

*...Consumer Protection Act...*

In India, the Consumer Protection Act (CPA) was passed by the Indian Parliament on December 29, 1986, based on the UN Guidelines for Consumer Protection and the result of persistent follow up by leading consumer bodies in India.

*... recognises eight rights of the consumer...*

The CPA recognises eight rights of the consumer.

- 1) Rights to Safety
- 2) Rights to Information
- 3) Right to Choice
- 4) Right to be Heard
- 5) Right to Redress
- 6) Right to Consumer Education
- 7) Right to Healthy Environment, and
- 8) Social Responsibilities

*...CGSI formed in 1966...*

Consumer Guidance Society of India (CGSI) is the oldest existing consumer organisation in India. It was established in 1966 by nine housewives. In 1966 the drought and the war with Pakistan had resulted in scarcity of essential commodities and goods leading to rampant black marketing and food adulteration by dealers and traders.

The nine housewives got together "to inform, educate and organise consumers in order to protect their interests". They tested the quality of items of daily use, like milk, oil, tea condiments etc. These test reports created a stir among traders as well as the administration, leading to

their nominations as a member on the *Food and Consumer Products Standards Committee of the Government of India*.

*...played a pivotal role enforcing ISI standards...*

The test results also led to the certification and conformation of ISI Standards being made mandatory for a number of products such as food colours, household electric appliances, hair dyes, etc.

*...consumer regulations are increasingly turning voluntary...*

CGSI then started handling consumer complaints from consumers on an individual basis, this activity made business houses take cognisance of them. In the early stages it was a matter of joy and celebration at CGSI if they were successful in resolving a complaint by getting a refund or replacement of the defective product, but to-day things have changed. Individual consumers themselves take up their complaint and are able to achieve this result on their own. CGSI intervenes only where an individual consumer fails to get redressal to his/her complaint.

It is unfortunate that some business organisations look upon a consumer who complains as a nuisance, in fact complaints should be always welcomed and looked upon as essential feed back required to improve quality and service standards. On the other hand, some are known to reward their consumers for bringing a genuine complaint to their notice.

*... with organisations viewing consumer complaints as useful feedback...*

Consumerism, the movement of policies aimed at regulation of products, services, methods and standards of manufacturers, sellers and advertisers in the interests of the buyer, started long ago. Such regulations may be institutional, statutory, or embodied in a voluntary code accepted by a particular industry or it may result more indirectly from the influence of consumer organisations.

*...establish a consumer redressal cell...*

Today the industry spends thousands of rupees on advertising to promote and market their products. When a lot of effort and money is being spent to sell a product, and very little done to improve after sales service, industry may like to consider setting aside 10 per cent of their sales and marketing promotion budget to establish an unbiased consumer redressal cell for their industry. This should go a long way in establishing a very friendly consumer, business relationship.

Improvement of public services is the need of the hour. The citizens should get value for their money and be able to raise their voice in order to get better products, which are safe and eco-friendly.

## QUESTIONS & ANSWERS

*Consumer groups are more of a nuisance value...Comment*

It is unfortunate that complainants in India were looked at as nuisance value, more importantly the consumer groups that aid such complainants. This is opposite to the West, where each complaint was looked at seriously and due consideration given to it. A consumer is 'a person who buys a good or service on payment' and thus should be given every right to be heard and his complaint redressed when the need arose.

*What is the role of consumer groups in policy formulation?*

Consumer Guidance Society of India is on the board of several committees such as BIS, Food & Adulteration Committee, All Co-ordination Committee, Railway Users Consultative Committee and many more. They are provided an opportunity to air their views on most major policy changes or new regulations being considered.

*How are consumer groups and CGSI in particular funded?*

CGSI does not take money from business organisations, as guidelines of the International Organisation of Consumers Union clearly stipulate that consumer groups cannot take money from private enterprises. If a consumer group did take money from a business house, they would perhaps be biased towards that company. Therefore the need for consumer groups to be supported by consumers.

*What is the volume of complaints that CGSI receives on durable products?*

Consumer durable product complaints were far less today than they were in previous years. Competition in the industry has instilled a culture of consumer service among companies.

*What are the other areas that CGSI was working in and the outcome of the various surveys that the Society had conducted in the past?*

CGSI is increasingly looking towards working in the rural areas. The branded products are still of reasonable quality but the unorganised sector, that thrives on the rural population, needs closer monitoring in the interest of the consumer.

All surveys conducted by CGSI are made public.

*How can consumer groups and corporations work together to the benefit of the consumers or society at large?*

CGSI has always tried to solve problems between the consumer and business by mutual effort rather than take recourse to litigation. Often, results are achieved if businesses realise that consumer complaints are useful feedback from the market place.

*(Excerpted from the presentation made by: Vijay Jathanna, Consumer Society of India (CGSI), at PR Pundit's workshop – The Contemporary Portfolio, held in Mumbai on March 17, 1999)*