

CONSUMER ACTIVISM AND ITS IMPLICATIONS FOR CONSUMER PROTECTION IN NIGERIA

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ABSTRACT

The overall goal of this study is to find out the level of consumer activism among the Nigerian consumers. To accomplish this goal, some related literature were reviewed. The stratified sampling method, hypothesis testing and frequency distribution were adopted for analyzing data. The results of the study revealed that a great number of the Nigerian consumers are willing to join consumer associations where they can be active to fight for their rights and power.

In view of this findings, it is therefore recommended that manufacturers should set up consumer protection units in their organizations, the setting up of consumer associations should be encouraged by government by funding it and finally, government should ensure that manufacturers produce quality products, by making sure they comply with the existing laws on quality control. By these actions, the Nigerian consumers will not only be active, but better protected.

KEY WORDS: Consumer, Activism, Protection in Nigeria.

1. INTRODUCTION

The aim of this paper, is to find out the level of consumer activism among Nigerian consumers and how it has helped to protect them in the market place. This will better be achieved by examining the accept consumer activism.

Consumer activism is the concerted efforts, actions, and collective reactions of consumers to protect their perceived interest in the market place. It is intended to reduce, limit or control the over-bearing excesses of manufacturers and/or vendors such as high prices, poor quality and artificial scarcity of goods.

The basic concept behind consumer activism vis-à-vis the manufacturer, can be likened to two main forces that are exerting pressure on one another, with the possibility of the stronger force gaining an upper hand over the weaker one. The situation is that, while the manufacturer is out to maximise profit, consumers, on the other hand, through their collective efforts are willing to fight for their right. They complain in order to maximize their satisfaction. The end result of these actions, is consumer activism and protection that exist all over the world including Nigeria.

Over the years, the Nigerian consumer has been bombarded with all sorts of low quality products in the market place, especially in the area of drugs, food, petroleum products, motor spare parts, cosmetics, chemicals and services. According to the Standard Organization of Nigeria (SON) (1997), about 60% of the goods produced in Nigeria are sub-standard, while about 25% are fake. Durojaiye (2000), also supported this position by saying that the Nigerian consumer needs to be protected against the sale of sub-standard goods. In his view, sub-standard goods, especially automobile spare parts are imported into Nigeria from countries such as Taiwan, while expired drugs come in from Europe and are passed on to unsuspecting consumers.

As a result of these exploitative tendencies of the manufacturers and their agents against the Nigerian consumers, the government responded by establishing some regulatory agencies and enacted some legislation to protect the Nigerian consumers. The legislations include the Price Control Act of 1970, Standards Organization of Nigeria Decree of 1971 and National Agency for Food and Drug Administration and Control (NAFDAC) Decree of 1973. Others include the Weights and Measures Act of 1990 and Hire Purchases Act of 1990.

In view of the background sketched above, the aim of this study therefore is to examine the level of consumer

activism in Nigeria and how it has helped to protect the Nigerian consumers in the market place. To achieve this objective, the paper has been sectionalized into five parts to include introduction, which is already discussed review of related literature, methodology, data presentation and discussion of findings, conclusion and recommendation.

2. LITERATURE REVIEW

Kotler (2002), defined consumerism as an organised movement of citizen and government agencies to improve the rights and power of buyers in relation to sellers.

Two broad, but related, interpretations have been given to the phenomenon of consumerism. One interpretation sees it in terms of power relationships between consumers and producers, while the other concerns itself with consumers and the remedies of the perceived injustices (Akerle, 1990).

In the so-called free enterprise system, sellers have traditionally been more powerful than buyers most of the time. Historically, human needs and wants have demanded more than what could be supplied from available sources. The economics of the market place, which are claimed to put the consumer in a rather powerful position to determine the fate of the producer and seller (Friedman, 2003), are meaningless as long as the consumer cannot have all his needs met. Another source of a possible power disequilibrium, is sheer organization. The seller has available massive economic resources, similar to those associated with political power in most societies. He has been able to influence the dispensation of political power in a way that made the laws more favourable to himself rather than the consumer. It has been required for the buyer to be hurt before seeking redress (the famous caveat emptor) instead of being protected in the first place. The collectivity of individual buyers each without the necessary economic resources lacked political power to seek protection. In practice, the remedies provided under common law were purposely cumbersome, expensive, had uncertain results and were therefore, of doubtful value to the individual unorganized consumer, (Watson 2003).

A Brief Historical perspective of Consumerism

American business firms have been the target of organised consumer movements on three major occasions. The first consumer movement took place in the early 1990s and it was fueled by rising prices. Upton Sinclair's writings on conditions in the meat industry and scandals in the drug industry. The second consumer movement, in the mid-1930,

was sparked off by an upturn in consumer prices during the Great Depression and another drug scandal.

The third movement began in the 1960s. Consumers had become better educated, products had become more complex and hazardous, and people were unhappy with American institutions. Ralph Nader, an American consumer advocate, forced many issues to public attention especially in the area of product safety and quality and other well-known writers accused big businesses of wasteful and unethical practices. In the same view, President John F. Kennedy as quoted in Kotler and Armstrong (2000) declared consumers' right as follows

- The right to safety
- The right to be informed
- The right to choose
- The right to be heard

Similarly the US congress investigated certain industries and proposed consumer protection legislation. Since then, many consumer groups have been organised, and several consumer laws have been passed. The consumer movement has spread internationally and has become very strong in Europe (Kotler and Armstrong, 2000).

Consumerism in Nigeria

The growth of vibrant consumerism in Nigeria in the past years has been rather slow and lifeless where it exists. This may be attributed to the fact that the supply of various commodities is expensive and are never enough. A case of scarcity of these commodities is therefore established as one of the primary reason for poor development of consumers in Nigeria. This is why the Nigerian consumer takes whatever is available, good or bad. Infact, in some cases, fellow consumers will intimidate others to accept a bad product. A case in point was the bad fuel supplied to petrol stations during the early part of 1997. As a result of the scarcity of the commodity, anxious consumers who were desperate to have the product, scolded those who questioned the bad smell of the product, despite the fact that the product was said to be bad to the health of the consumer. But recently, the Nigerian consumer seems to be somehow active in view of the activism against GSM Operators, Complaints to NAFDAC, Public Complaints Commission (PCC) and Standards Organisation of Nigeria (SON).

The Achievements of the Consumerist Movement

The extent to which the consumerist ideas have been made operational naturally varies between individual Countries. In Sweden, the consumerist has done much to protect consumers while in France and Germany, the movement is still in its early stages and has consequently achieved comparatively less. The achievements of consumerists in the United State and Britain lie somewhere between the two extremes. However, even within their own terms of reference, the protection of consumer right in the market place, (with the possible exception of Sweden) Consumerists have decided to attain their basic objective.

Consumer organisations, associations and government protection agencies in Nigeria virtually achieved nothing in actually protecting the Nigerian consumers. Although some consumer associations have emerged and the Nigerian government has established some consumer protection and laws to protect the consumers, but they don't seem to be effective.

The Concept of Consumer Protection

To obtain the meaning of consumer protection in Nigeria, first, it is necessary to know who is a consumer for the purpose of legal protection.

Basically, a consumer is one who purchases goods or services to satisfy a need. The Melony committee on consumer protection in the United Kingdom also proffered a definition. According to this definition, the consumer is one

who purchases (or hire-purchases) goods for private use or consumption. English jurisprudence views a consumer as an individual dealing with a commercial concern. Three elements are ascribed to a consumer transaction. Firstly, the consumer must be an individual who does not act in a business capacity.

Secondly, the supplier of goods and services must act in a business capacity. Thirdly, the goods or service must be intended for private use.

The Consumer Protection Council Act of 1992 defines a consumer as "an individual who purchases, uses, maintains or disposes" have been considered to be out of place in the definition of a law meant to protect customers

However, the notion of a consumer under the Nigerian legal regime depends on whether the nature of the redress given is criminal or administrative and regulatory or civil on the other. Where the redress is in the former, there need to be a contractual nexus between the parties and only user of a product is subject to legal protection. Thus, protection has been accorded by the following statutory laws irrespective of the fact whether there was a contractual nexus between the consumer and the producer. They are: The Consumer Protection Council Act 1992, the Trade Malpractices (Miscellaneous Offences) Act No 67 of 1992, the Drugs Act, 1990, the Weights and Measures Act, 1990, Standards Organisation of Nigeria Act, 1990, National Agency for Food and Drug Administration Act, 1993, etc. These laws establish their respective standards criteria for protection of the breach of which gives rise to criminal or administrative penalties.

Where the redress is civil in nature, the formation of a contractual relationship, would in some instances be required in this vein, where a consumer is not in privity with the producer, he is not subject to protection under the law.

The Need For Consumer Protection in Nigeria

The desire for more knowledge and protection on the part of the consumer in Nigeria has been spotted and disorganized, but eventually, it has evolved into what is known today as consumer movement, otherwise called consumerism. It has attracted the support of government and certain business organizations, with the result that today; both government agencies and private groups champion the interests of the consumer in becoming a wiser buyer. The consumer has certain rights: the right to safety, the right to be informed, the right to choose and the right to be heard.

The consumer movement seeks to make the consumer a wiser buyer and a user of those products and services, which he acquires in his capacity as a consumer, (Ward, 2005). The role of the individual consumer, private organisation, business interest of various types and the government in helping the consumer in achieving the above objective is not making much impact in Nigerian. To a large extent, the consumer guides his buying through a process of trial and error, which ought to be supplemented through public enlightenment by the government.

A number of organisations, quite independent of the business interests, have either developed mainly to aid the consumer or have extended their services into the field. Some organisation have provided information of a specific nature concerning articles in which the ordinary citizen might be interested in.

In Nigeria, business indirectly provide the most important protection enjoyed by the ultimate consumer. The protection shows itself especially in the activities of individual companies, but also in group action through trade associations such as market unions and traders' associations.

The great majority of manufacturers, and middle-men realize that the sale of satisfactory merchandise is one of the policies of giving the consumers the desired results. Consequently, most companies are constantly seeking to make their products or service more satisfactory than that of their competitors. It is in this competitive struggle for the consumers favour that the buyer finds his greatest protection.

Trade associations in other parts of the world are organised primarily to serve their industries. To an increasing extent, their activities are designed to serve the public. However, in Nigeria, they are organised to protect the interest of the members and not the ultimate consumers.

3. METHODOLOGY

The methodology adopted in this study, include a sample size of 858 questionnaires which were duly completed and returned. The questionnaires were administered to adults in six major towns of Edo and Delta State of Nigeria. The six towns chosen are Benin, Auchi, Ekpoma, Warri, Asaba and Sapele.

The stratified sampling method was adopted for the study. This is to ensure adequate or proportional representation of the different categories or types of elements that make up the population in the selected sample.

The level of an individual's consumer activism was measured by his or her willingness or unwillingness to join, finance, uphold decisions of the association, serve the association, attend meetings and solicit for members for the association. In each case, the respondent was asked to indicate on a five point scale his or her willingness to participate in consumer activism, ranging from certainly yes to certainly not.

In the data analysis plans, the hypothesis testing method was adopted using simple frequency distribution and percentages.

4. DATA PRESENTATION AND DISCUSSION OF FINDINGS

The level of consumer activism was disaggregated into six elements, namely, willingness to:

- i join consumer associations;
- ii support consumer associations financially;
- iii serve consumer associations in an official capacity;
- iv participate in or attend meetings of consumer associations;
- v uphold or abide by the decisions of consumer associations; and
- vi solicit or canvass for new members to join consumer associations.

Consumer willingness to engage in these activities was measured in terms of the following levels of likelihood:

- * Certainly Yes
- * Maybe Yes
- * Not Sure
- * Maybe not
- * Certainly Not

The results and discussion of findings are presented below

Willingness of Consumers to Join Consumer Association as a result of injustice

The results of the study showed that 51.7% of the respondents who constituted the highest score, are willing to join consumer associations and that 26.8% may be willing to join, while 6.3% of respondent are not willing to join. The results imply that most of the respondents are willing to join consumer associations. See table 4.1 for details.

Table 4.1

Responses	Frequencies No	%
Certainly Yes	444	51.7
Maybe Yes	230	26.8
Not Sure	100	11.7
Maybe Not	30	3.5
Certainly Not	54	6.3
Total	858	100

Source: Authors Fieldwork, 2005

Willingness of Consumers to support a Consumer Association Financially.

The results from table 4.2 below show that 41.6% of the respondents are willing to support a consumer association financially. Another 32.1% may be willing, while 4.2% are not willing to support a consumer association financially. The results reveal that most respondents are willing to support a consumer association financially.

Table 4.2

Responses	Frequencies No	%
Certainly Yes	357	41.6
Maybe Yes	275	32.1
Not Sure	140	16.3
Maybe Not	50	5.8
Certainly Not	36	4.2
Total	858	100

Source: Author Fieldwork, 2005.

Willingness of Consumers to serve in Consumer Associations as an Official.

The results from table 4.3 below revealed that respondents willingness to serve in consumer associations as official constituted 40.6% while 28.2% may be willing to serve. About 5.4% are not willing to serve as officials in consumer associations. The results suggest that most of the respondents are willing to serve as officials in consumer associations.

Table4.3

Responses	Frequencies No	%
Certainly Yes	348	40.6
Maybe Yes	242	28.2
Not Sure	150	17.5
Maybe Not	72	6.3
Certainly Not	46	5.4
Total	858	100

Source: Authors Fieldwork, 2005.

Willingness of Consumers to Attend a Consumer Associations Meeting.

The results from table 4.4 below indicate that 52.6% of respondents are willing to attend consumer association meetings and that 29.3% may be willing to attend. Only 0.9% respondents are unwilling to attend consumer association meetings. These results mean that an overwhelming majority of the respondents are willing to attend consumer association meetings.

Table4.4

Responses	Frequencies No	%
Certainly Yes	451	52.6
Maybe Yes	251	29.3
Not Sure	133	15.5
Maybe Not	15	1.7
Certainly Not	08	0.9
Total	858	100

Source: Authors Fieldwork, 2005.

Willingness of Consumers to uphold the Decisions taken at Consumer Association Meetings.

The results from table 4.5 below revealed that 56.2% of the respondents are willing to uphold the decisions taken at consumer association meetings and 23.4% of respondents may be willing to uphold the decisions taken at consumer association meetings. While 4.4% of respondents are not willing to uphold the decisions taken at the meetings. It therefore implies that respondents are not only willing to attend

consumer association meetings, but also to uphold the decision taken at such meetings.

Table 4.5

Responses	Frequencies No	%
Certainly Yes	482	56.2
Maybe Yes	201	23.4
Not Sure	82	9.6
Maybe Not	55	6.4
Certainly Not	38	4.4
Total	858	100

Source: Authors Fieldwork, 2005.

Willingness of Consumers to help Solicit for Members for Consumer Associations

The results from table 4.6 below, shows that respondents willingness to help solicit for members for consumer association constituted 52.7% and 25.2% of respondents may be willing to solicit for members. While 2.9% of respondents are not willing to solicit for members. The results implies that respondents are willing to help solicit for members for consumer associations.

Table 4.6

Responses	Frequencies No	%
Certainly Yes	452	52.7
Maybe Yes	219	25.5
Not Sure	108	12.6
Maybe Not	54	6.3
Certainly Not	25	2.9
Total	858	100

Source: Authors Fieldwork, 2005.

Indices of Consumer Activism

Table 4.7 below summarizes the indices of consumer activism. Each index is on a scale of 5. A score of 5 indicates 100% or complete willingness while a score of one indicates the minimum level of willingness. A close look at the table shows that virtually all the indices are above (4) indicating a very high level of consumer willingness to join and support consumer associations and to attend their meetings, uphold their decisions, as well as solicit for members for them. The willingness to serve the associations in an official capacity was the lowest although it was also high. The results generally indicate that respondents are willing to participate in consumer activism since all the indices are basically high.

Table 4.7 Indices of Consumer Activism

Components of Activism	Index of Activism*
Willingness to join	4.14
Willingness to support financially	4.01
Willingness to serve as official	3.90
Willingness to attend meetings	4.31
Willingness to uphold decision at meeting	4.21
Willingness to help solicit for new members	4.19

*Maximum Index Value = 5

Minimum Index Value = 1 (The higher the index the higher the level of activism)

Source: Authors Fieldwork, 2005.

CONCLUSION AND RECOMMENDATIONS

The study investigated the relationship between consumer activism and consumer protection in Nigeria. Consumer activism is basically the concerted effort, actions, and collective reaction of consumers to protect their perceived interest in the market place. This implies that the higher the level of consumer activism, the more they are likely to be protected.

The result of the study revealed that although the Nigerian consumer is naive and shy in voicing out complaints about bad products, but it is interesting to note that a great number of them are willing to join a consumer association as compared to a few who are not willing.

The findings of this study did not come as a surprise, in fact, it is expected because the Nigerian manufacturers and their middlemen as revealed in the study have been exploiting the Nigerian consumers in the form of fake drugs, adulterated goods, imitation products, expire products and cheating of all kinds. This bad business practice by the manufacturers may have propelled the Nigerian consumers to be willing to join consumer associations.

In view of the above, the following recommendations will be advanced:

- i. Manufacturers should set up consumer protection units in their organizations.
- ii. The setting up of consumer associations should be encourage by government by funding them.
- iii. Government should ensure that manufacturers produce quality goods by making sure that they comply with the existing laws on quality control. By these actions, the Nigerian consumers will be better protected.

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