

Consumer Rights between Regulation and Exercise

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The accelerated globalization of recent decades has made the world economy is becoming more integrated, strengthening the global business environment, beyond national and regional environment. This process rises new challenges for the protection of consumer rights. This paper aims to examine consumers' awareness of the rights stipulated in the existing legislation at Community and national level. To achieve this objective, a survey was conducted on a sample of 250 persons in the age group 18-30 in Bucharest, results show the need for information campaigns for consumers on their rights campaigns aimed at awareness knowledge of their consumer rights.

Keywords: consumers, protection of consumer rights, globalization, European Union

JEL Classifications: D18, D19

Introduction

The term globalization designates the integration of markets and the near people resulting mainly from trade liberalization - of goods, labor and knowledge - the effects of competition and expansion of information technologies and communication in planetary scale (UNESCO). According to Dinopoulos et al. 2008, globalization is a process of standardization of local systems, and the reality of our days confirms the maintenance of major global or regional differences. The European Union is one of the most representative markets for globalization (economic, financial, and cultural). Trade within the EU member states is a successful example of globalization, although it implies many debates, both at micro and macro level (Velentzas, Broni și Pitoska, 2012).

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The research results suggest, however, that these differences tend to decrease in terms of the regulation of consumer rights protection, but are still high in terms of knowledge and their practical exploitation by consumers.

Literature Review

Protection of consumer rights in EU

A milestone in matters of regulation of consumer rights and interests was the adoption in 1985 by the United Nations of the Guidelines for Consumer Protection, a Guide which had a major role in shaping policies on the protection of consumers right nationwide.

European Union. The main legislative acts which define consumer rights protection policy are: Regulation (EC) no. 2006/2004 of the European Parliament and of the Council of October 27, 2004 on cooperation between national authorities responsible for the enforcement of legislation in matters of consumer protection; Regulation (EC) no. 261/2004 of the European Parliament and of the Council of February 11, 2004 ; Regulation (EC) no. 924/2009 on cross-border payments in the Community; Regulation (EC) no. 1008/2008 of the European Parliament and of the Council of September 24, 2008 on common rules for the operation of air services in the Community; Directive 2011/83/EU of the European Parliament and of the Council of October 25, 2011 on consumer rights; Directive 2013/11/UE on alternative settlement of disputes in matters of consumption; Regulation on Online Dispute Settlement.

Currently, the EU's role of ensuring consumer protection increased by adopting a consumption policy that aims to increase consumer's confidence in European Union, by: strengthening consumer safety (in terms of goods, food and services and by strengthening the regulatory framework and efficient market surveillance), improving knowledge (regarding consumers and businesses), better enforcement, and the possibility obtaining repairs, without which rights can not exist in practice. Also in this respect, the role played by networks of consumer protection is to adapt policies changes in society and everyday reality, adapting protection legislation consumers in the digital age and address problems faced by consumers online (European Commission, 2012).

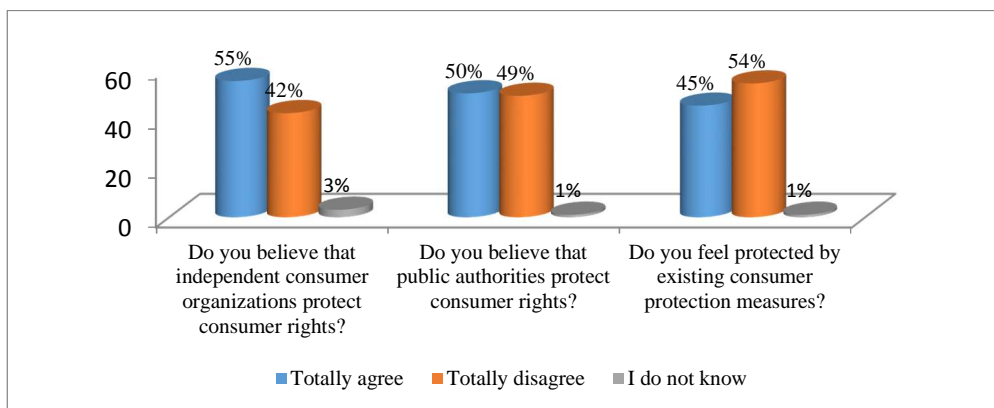
Romania. In our country the first legislative acts that targeted consumer rights protection were adopted after 1990, namely in 1992 by Government Ordinance no. 21/1992 on consumer protection. Also, institutions / bodies that activate in the field of consumer protection have been established: Consumer Protection

Office (OPC) - In 1992, the National Authority for Consumer Protection (ANPC) - in 2001.

In 2012, a study on consumer rights in Romania was conducted, having the main objective that of measuring the impact of an information campaign on consumer rights in our country, identifying the level of knowledge and interest in consumer rights, the problems faced by consumers at the time / after the purchase of a particular product / service, the level of trust in the organizations and institutions intended to protect consumers. 1003 consumers aged over 15 years old randomly selected in cities with over 100,000 inhabitants were interviewed by telephone. The results show that 45 % of those surveyed feel protected by existing consumer protection measures, and 50 % have confidence that public authorities protect consumer rights in Romania. (Figure 1)

Figure 1

Consumer protection legislation



Source: Eurobarometru Flash 333 TNS Political & Social, Consumer rights in Romania, June 2012

Research methodology

The main objective of this research was that of determining the degree of awareness of consumer rights among young people aged between 18 and 30 years. This first stage of a larger study aims at a segment of consumers that are of particular interest because: they went through the stages of education process after 1990; they operate their basic activity in socio-economic life in the post- transition period.

Starting from the objective mentioned above, we used a questionnaire-based survey, issuing a series of statements on a five-step Likert scale (strongly agree - strongly disagree). The questionnaire is structured into the following parts: the first part contains questions about the knowledge of consumer rights; sources of information on these rights and the courts that ensure consumer awareness on their rights (eg., family, education system, NGOs that promote the protection of consumer rights, OPC and similar institutions); the second part of the questionnaire includes a series of questions aimed on the one hand at achieving the hierarchy of factors influencing the purchase decision (eg, price, brand, quality found in a previous purchase), and on the other hand at identifying sources of information that influence this process (purchase of a product / service); the last part of the questionnaire contains questions designed to identify consumer attitudes in case of deceptive, unfair trade practices.

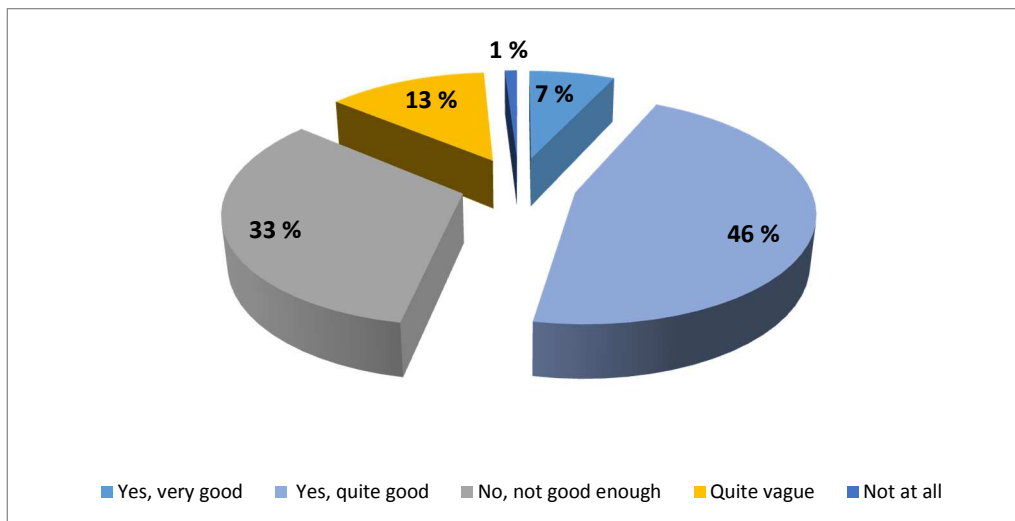
Research results

For this research we used a questionnaire administered both in traditional form (on paper) and online (via google drive), and of the 250 questionnaires collected 200 could be validated.

The first set of questions aimed at identifying awareness of consumer rights and the sources of information on the rights of the buyer, 46 % of respondents know consumer rights well enough, 33% answered that they knew the rights of consumers quite well. Regarding sources of information on the buyer's rights, respondents trust the most in Government, Ministries, Public authorities (40%) and non -governmental associations for consumer protection (41%).

Figure 2

Degree of awareness of consumer rights



Source: own calculations

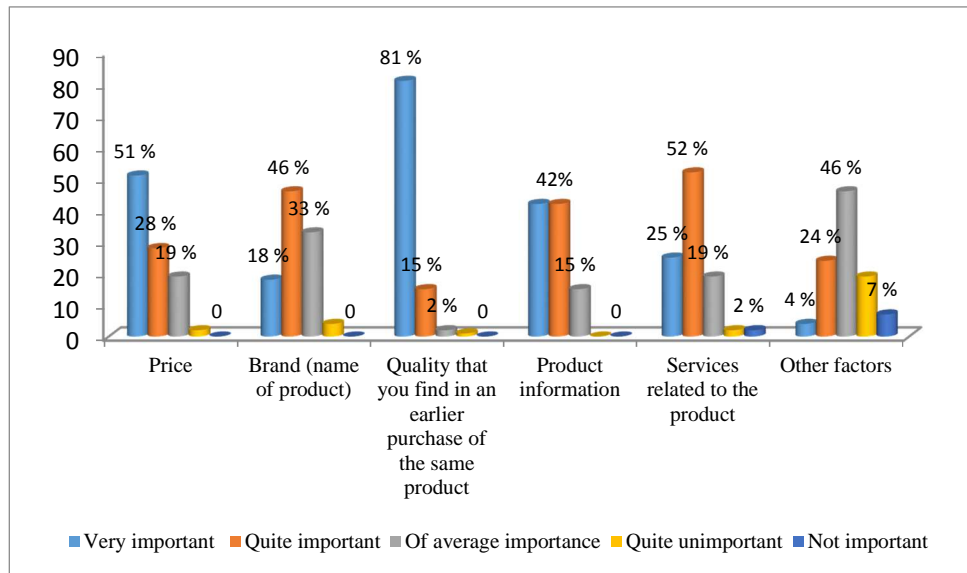
In case of the second set of questions, 52 % of respondents feel that OPC and other institutions are very important, while 45% of respondents feel that family and NGOs that promote consumer protection are an important instance.

With regard to consumer rights, the right to meet the essential requirements of life, the right to safety, the right to be informed, the right to choose, the right to be heard, the right to compensation, the right to education, the right to a healthy environment - according to data processed, these are very important (at least 70 % of the respondents considered these rights as very important).

As can be seen in the chart below, the most important factor in the purchasing decision is the quality found in an earlier purchase of the same product (81 % of respondents considered this factor as very important; the product price comes second (considered an important element by 51% of the respondents)

Figure 3

The importance of certain factors in the decision to purchase

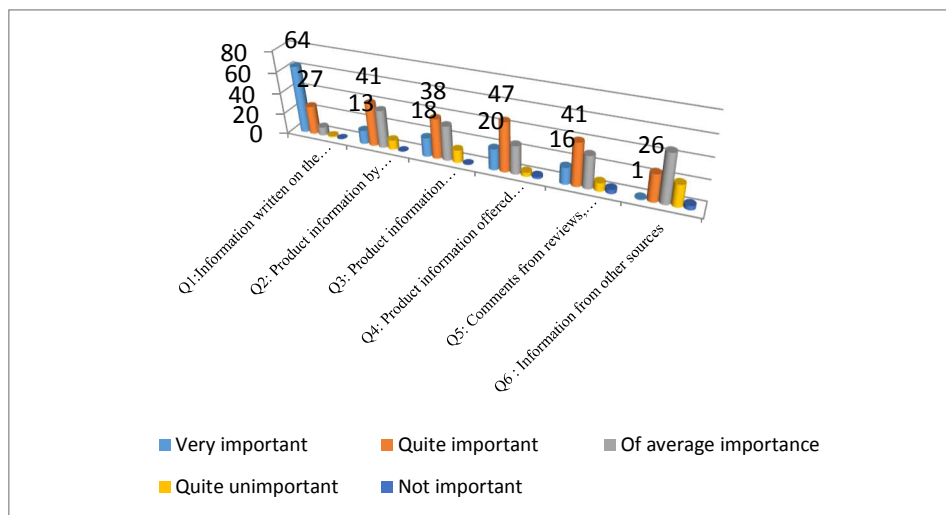


Source: own calculations

The data collected show that the main source of information is the information given on the product packaging (64 % of respondents consider information on the package very important) - (figure no. 6)

Figure 4

Importance of sources of information in the purchase of goods

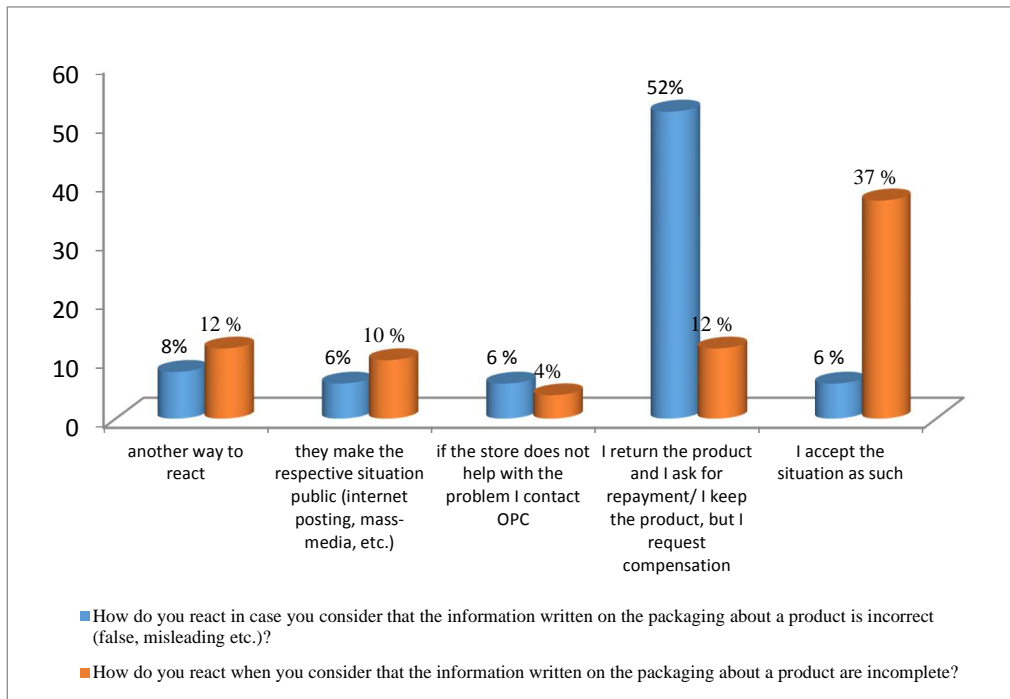


Source: own calculations

Through this study, we tried to identify consumers' attitudes (age segment 18-30 years) in case of an incorrect and incomplete information, more precisely, how consumers react if they consider that the information on the packaging about the product is incorrect (false or misleading) / incomplete. From the figure below we can see that consumer attitudes in case of incorrect information (false or misleading) is (up to 52 %) to return the product and ask for repayment, while in the case of incomplete information in connection with a particular product, the consumer (representing 37 %) is willing to keep the product, but to seek compensation. To the question "How much does the finding that you were misled by incomplete and incorrect information bother you?", 57% of respondents answered much 29% - very much, 13 % - a little.

Figure 5

Consumers' attitude in case of incorrect or incomplete information



Source: own calculations

Conclusion

Research conducted shows that the consumer segment analyzed has several similarities with the consumer in the EU, rather than with the traditional local consumer. However, a gap in terms of knowledge of relevant legislation and to some extent in terms of the degree of confidence in the effectiveness of regulatory measures can be noted. On the other hand, the data show that young people are more aware of their rights (that they have rights established by law) and have a clear attitude of use / promotion of these rights.

In present, there are major differences in the degree of market regulation in matters of protection of consumer rights, but the trend is the continuous adaptation of the offer to the requirements of global demand.

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