

# Consumer Movement in India: Need, History, Problems & More

The consumer movement is a major collective effort towards protecting consumer rights and ethical business practices. As markets evolve with increased globalization and technological advancements, the balance of power between businesses and consumers often becomes skewed against the latter. The consumer movement acts to redress these imbalances, promoting transparency, fairness, and accountability in trade. This movement has played a pivotal role in educating consumers about their rights and holding businesses accountable for unethical practices.

# What is Consumer Movement?

Consumerism, for instance, can be identified as a social movement dedicated to the protection of buyer rights and ensuring just treatment in the marketplace. As a check on exploitation, consumerism empowers citizens to demand good quality products, honest price quotes, and business practices.

Historically, it originated as a consumer response to the growing complexity of economies in industrialized societies. This led to consumers often being on the wrong side of the bargain as the result of <u>monopolistic</u> practices, misleading advertisements, and inferior goods. This ensures that businesses adhere to a set of ethical standards as far as the treatment of consumers, who are not just buyers but rather stakeholders in the economy.

It can be said that the consumer movement embodies the principles of fairness, value for money, and the right to be informed. It should promote a marketplace where there is a climate of trust and integrity. Such a marketplace will only enhance the well-being of both consumers and businesses in the long term.

# **Need for Consumer Movement**

The need for the consumer movement comes from the inherent imbalances and challenges within marketplaces. The more complex the economies become, the higher the scope for consumer exploitation. The movement addresses the challenge by striving to make a level playing field.

#### Safeguarding Against Exploitation

Consumers often face exploitation through overpricing, false advertising, and hidden costs. The movement ensures that businesses remain transparent in their dealings, protecting consumers from such practices.



#### **Promoting Awareness**

A large section of the people are not aware of their consumer rights. The movement is educating people on their rights, which empowers them to make better decisions and <u>demand</u> accountability from businesses.

#### **Ensuring Quality Standards**

Substandard products and services are risky to the consumer's safety and well-being. The consumer movement advocates for stringent quality checks and compliance with safety standards, which ensures that products meet the required benchmarks.

#### **Bridging Power Gaps**

Large corporations often hold significant power over individual consumers, leaving them vulnerable to unfair practices. The consumer movement works to balance these dynamics, giving consumers a collective voice.

#### **Encouraging Ethical Business Practices**

The movement brings about ethical business conduct by holding companies responsible for their actions. This helps foster a culture of integrity and trust. It addresses issues ranging from immediate concerns about faulty products to broader ones such as environmental impact and corporate social responsibility.

### **Problems with Consumer Movement**

Despite its relevance, the consumer movement has numerous challenges that reduce its potency. These range from internal factors to external ones and combine to undermine the cause.

**1. Limited Awareness and Participation:** The most significant barrier is the lack of widespread awareness among consumers. Most people are not aware of their rights or the existence of mechanisms to address grievances. In addition, active participation in the movement remains low, limiting its reach and influence.

**2. Corporate Opposition:** Businesses, especially large corporations, resist consumer movements by lobbying against strict regulations or by using legal tactics to delay proceedings. This opposition weakens the effectiveness of the movement.

**3. Inconsistent Law Enforcement:** Although <u>consumer protection laws</u> are present, they are not always implemented in practice. Regulatory bodies do not have the resources or authority to enforce these laws, and many cases remain unresolved.

**4. Fragmented Efforts**: Consumer movements are not always effective because they do not coordinate their efforts with each other. Instead, there are multiple organizations working in isolation. This fragmentation leads to reduced overall impact and duplication of work.



**5. Resource Constraint**: Most consumer organizations operate with scarce resources, and hence they cannot expand their reach, provide legal assistance, or undertake large-scale awareness campaigns.

# **Consumer Movement in India**

The consumer movement in India has gained momentum over time, with increasing consumer awareness and an increasingly proactive legal framework, evolving to address the distinctive challenges of the Indian market. Diversity in income levels, literacy rates, and regional disparities add additional layers of complexity.

#### Legal Framework

India's <u>Consumer Protection Act</u> was enacted for the first time in 1986 and later amended in 2019, which provides a robust legal structure to handle consumer grievances. The act establishes the consumer courts at district, state, and national levels.

#### **Government Initiatives**

Campaigns like "Jago Grahak Jago" have been instrumental in disseminating information about consumer rights. Such campaigns, utilizing mass media, inform consumers of misleading advertisements, product recalls, and complaint redressal mechanisms.

#### **Role of NGOs**

NGOs have played an important role in building the strength of the consumer movement in India. The Consumer Guidance Society of India (CGSI) and Consumer Voice educate the public, provide legal assistance, and work for change in policies.

#### **Consumer Grievance Mechanisms**

The establishment of consumer helplines and online complaint portals has made it easier for individuals to report issues and seek redress. These mechanisms have improved accessibility and transparency in addressing grievances.

# History of Consumer Movement in India

The history of the consumer movement in India, about its growth from a localized effort to a country-wide initiative, shows it evolved as a response to the exploitation of consumers in newly independent India, where often monopolistic practices and weak regulation made buyers vulnerable.



#### Early Efforts

The early consumer movement in India targeted issues like food adulteration and fair prices. Consumer cooperatives provided an important service during those days: to provide the necessities of life at a fair price.

#### **Legislative Milestones**

This turned out to be a decisive blow for the movement introduction of the Consumer Protection Act in 1986 provided legal grounds for redressing grievances by the empowerment of consumers to approach courts specifically designed for that purpose.

#### **Rise of Consumer Organizations**

The 1990s saw the rise of many consumer organizations that called for everything from product safety to corporate accountability. Such groups became an important part of awareness-building and lobbying for stricter regulations.

#### Impact of Globalization

The <u>liberalization of the economy</u> in the 1990s introduced new challenges, such as foreign <u>goods and</u> <u>services</u> flooding the markets. The consumer movement had to adapt to these complexities by focusing on issues like misleading advertisements and the environmental impact of products.

# What Factors Gave Birth to the Consumer Movement in India?

The emergence of the consumer movement in India was influenced by a combination of social, economic, and political factors. These include:

**1. Economic Liberalization:** The opening up of the <u>Indian economy</u> in the 1990s introduced a range of new products and services, increasing the need for consumer protection. The influx of multinational corporations also highlighted the need for stricter regulations.

**2. Industrialization:** As industries grew, so did the complexity of goods and services. Consumers needed protection against substandard products, unfair trade practices, and environmental degradation.

**3.** Awareness Campaigns: Efforts by NGOs, media, and government initiatives played a significant role in educating the public about their <u>rights and responsibilities as consumers</u>.

**4. Legal Developments:** The enactment of the Consumer Protection Act in 1986 provided a strong legal foundation for the movement, addressing issues like defective products, misleading advertisements, and unfair pricing.



# **Consumer Movement FAQs**

Why is the consumer movement important?

The consumer movement ensures fair treatment for buyers and holds businesses accountable for unethical practices, promoting a balanced marketplace.

What challenges does the consumer movement face in India?

The movement faces challenges like low consumer awareness, fragmented efforts, and slow legal processes, which weaken its impact.

How has the government supported the consumer movement in India?

The Indian government has introduced initiatives like the Consumer Protection Act and awareness campaigns like "Jago Grahak Jago" to empower consumers.

What factors led to the rise of the consumer movement?

Factors like economic liberalization, industrialization, and increased consumer awareness contributed to the rise of the consumer movement.

How can consumers contribute to the movement?

Consumers can stay informed, report unethical practices, and support organizations advocating for their rights, strengthening the movement's impact.



