

Level of consumer awareness among the college students

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Abstract

This study aims at examining consumers' awareness level towards labeling information of product in marketing practices based on an empirical study of college students in Tikapur Municipality, Kailali. This study depends on a purposive sample of 180 students which have been selected from management, education and humanities faculties studying in graduate level at Tikapur Multiple Campus and Birendra Vidhya Mandir Campus at Tikapur, with a structured questionnaire to measure consumer buying behavior regarding the basic labeling information of packaged products, utilizing a four-point rating scale for measurement. The overall findings communicate that the aggregate consumers' awareness level is low towards labeling information of packaged product in marketing practices. Furthermore, awareness level of management students is high in comparison to non-management student. Similarly, male consumers are found more aware than female. This study explores the status and level of consumer awareness for the first time in study area along with the suggestions to consumers, businessmen, consumer forum, government units and public policymakers to improve the current status of consumer awareness, with implications for better business strategies and more useful to consumerism.

Keywords: *Consumerism, consumer awareness, consumer perception, consumer rights, corporate social responsibility*

Introduction

A consumer is a buyer who buys goods and services for personal and family consumption and not for the resale or commercial purposes. Consumer Protection Act of Nepal (2018) defined that consumer is an individual or institution consuming or using any consumer goods or services. Generally, it is also termed as "Consumer is the Sovereign", "Consumer is King", and "Consumer is God". But, to what extent these statements are true in the seller's dominant markets? However, consumer is the key element of the market and plays a vital role in the economic system of a nation. The tools of economics such as demand, supply, production, pricing, investment are affected by consumer's numbers, behavior and perception. Consumer perception is related to consumer awareness. Chartrand (2005) defines awareness as a factor that emerge in the human automatic process and the automaticity can involve conscious or unconscious course of actions. Similarly, Indirani & Kumar (2016) states that awareness as the state or ability to perceive, to feel, or to be conscious of events, objects or sensory pattern. Therefore, consumer awareness is an act of making the buyer or consumer sure about the information of products, services, and consumers rights. Consumer awareness enables buyer to take the right decision and make the right choice. In the present context, consumer awareness is raising as an issue in the market.

Every consumer buys a variety of goods and services in his day-to-day life in the market for fulfilment of needs and wants; but sometimes consumers do not feel satisfied with the purchased products and services (Arora & Chaula, 2014). This may be on account of poor quality or harmful product, poor service, overpricing by the shopkeeper, lower quantity of contents, unclear product labels, deceptive packaging, false promise, misleading advertisement, and so on. These problems are mostly situated in the markets of underdeveloped

and developing countries. Therefore, every individual needs to be aware of their rights as a consumer. Consumer should learn how to protect oneself and how to become a rational buyer while shopping online or offline. Consumer awareness plays a vital role in decision making in buying behaviour. The benefit of consumer awareness is support to individual include enhanced critical thinking, improved life skills and increased self-confidence. Students are an important target market segment and require attention from a marketing perspective. They are also facing a number of marketing problems during the shopping of the product. There are many malpractices in bills, records, warrantee cards, date of manufacturing, weight measurements, maximum retail price etc. Therefore, it is needed to examine the awareness level of students studying in University graduate level. Do they check the labelling information of the packaged product, namely, maximum retail price (MRP), manufacturing and expiry date, weight and size, brand name and quality assurance mark during the shopping time? The main objectives of this study is to identify the consumer awareness level regarding the labels information of packaged product based on buying behaviour survey of college (University) students in Tikapur Municipality, Kailali, Nepal.

Research Hypothesis

Following hypotheses are formulated to be verified empirically in this study:

H₁: There is significant difference between male and female consumers with regards to consumer awareness level.

H₂: There is significant difference between management and non-management students with regards to consumer awareness level.

Literature Review

A study of public services in America called for a review of the relationship between consumers and providers of public services to improve consumers' power in making choices (Potter, 1988). In other cases, some producers are requested to pay a special fee to retailers in return for accepting a new item in the stock (Bloom, Gundlach & Cannon, 2001). Another study conducted among Jordanians to their right to safety with regard to food products and study concluded that Jordanian consumers were highly aware of product safety issues and motivated in paying extra price for higher safety standard products (Qtaishat, Al-Rimawi & Al-Karablieh, 2002). Alsmadi (2004) found that marketing communications were lacking honesty and credibility, with much misleading information in Jordan. On food safety, a Dutch study recommended to install an independent advisory committee to help the government to set the right level of safety protection on food products (Swarte & Donker, 2005). Beltramini's (2006) study in drugs field revealed that the level of believable information was only thirty one percent on drug side effects, with only twenty eight percent level of credibility on drug benefits. Likewise, legislation pertaining to consumer protection in India revealed that consumer rights were deeply rooted in the Indian legislative system and that consumer disputes were handled in a novel way in Indian consumer courts (Prasad, 2009).

Nair(2012) stated that the level of consumer awareness is limited. Furthermore, there is an immediate and need to education of consumers awareness, therefore, they can be protected against the marketing exploitation of the manufacturers and sellers. Lavanya, Ajjan, & Mahendran(2012)revealed that overall satisfaction of consumers was higher for ghee followed by vegetable oil and AGMARK satisfied them in terms of quality. Ishak & Zabil (2012) conducted in a research study in Malaysian context and examined that significant

relationship between consumer awareness and effective consumer behaviour. The result also indicated that unawareness leads to ignorant and reduction of consumer capacity in protecting and upholding their rights against sellers' expropriations. Kulkarni & Mehta (2013) found that most of the management students are aware of consumer rights but they never play vital role in the complaints against sellers. Singh & Sharma (2013) elaborated that there are significant differences in awareness levels about quality assurance marks on the basis of education, occupation and locality (urban and rural). They also suggested that the need for education regarding the framework of business and measures could be taken by checking all pre-requisites information at the time of purchasing. Basatiya & Nanda (2013) pointed that certification from a competent authority builds consumer confidence and clears all doubts about the product. In addition, the quality assurance marks have a positive impact on the consumer awareness. Thomas, (2013) explored the consumer awareness in based on gender, location and age with respect to the selected three components, namely, product awareness, consumer rights awareness and brand awareness in India. The result has shown that there were significance differences of consumer rights awareness on gender, location and age wise. This study also highlighted to the fact that consumer education is essential for all sectors. Arora, Chaula & Sachdeva (2014) identified that teenagers are less aware of quality assurance marks on different products and generally they check the some labelling information as price, expiry and manufacturing date, brand name, etc. of the products. The researcher also indicated that comparatively male teenagers are more aware than female teenagers about consumer rights. Parimala (2016) studied the awareness on consumer rights of student- teachers and found that Students and teachers are having high awareness about consumer rights but there is significant difference on awareness level of student- teachers with regard to gender, age, locality, qualification and subject. Indirani & Kumar (2016) addressed that awareness of consumer rights among the college students is average level and also found that there were significant differences between art and science students. Chaudhary (2017) concluded that people are less aware of the movement of consumerism; therefore consumer awareness is mostly needed regarding consumer rights, responsibilities and the complaint handling machinery among people of all age groups. Rawal (2019) examined that the current consumers' perception towards marketing practices related to protection of consumer rights were low favorable and also indicated that more work has needed for improvement of awareness education.

John Fitzgerald Kennedy (the 35th President of the United States) has initiated consumer rights and protection concept for the first time on 15th March 1962. He has declared this concept in the USA parliament stressing on the protection of consumer's interest. Kennedy has declared about the four basic consumer rights, namely, right to safety, right to be informed, right to be heard, and right to choose (Sekhar, 2018). The clear vision came out about the consumer protection since the 1960s. After that, scholars have conducted research study related to consumer protection areas with much focus on the western consumer perceptions. In developing countries, poor condition has been found and gradual improvements in the consumer awareness and protecting the basic consumer rights have been realized. In south Asian context, very few research studies have been found in consumer awareness area especially in check and read the labelling information as price, manufacturing and expiry

date, weight and size, quality assurance marks, brand name and various problems faced by them during shopping products; among them much more studies are conducted in the context in India. There is no study found about the consumer awareness level related content in the context of Nepal. Therefore, this study is expected to fulfil research gap of time and location.

Methodology

This study analyses awareness level of consumers (students) in Tikapur Municipality, Nepal by employing descriptive research design. Nature of awareness level is qualitative, but it is quantified for measurement. Therefore, this empirical study is quantitative in nature and involved the use of structured questionnaires which are designed to obtain objectives of the study. Moreover, it is based on empirical investigation of a student population of all colleges in Tikapur Municipality, Kailali, Nepal and purposive sampling procedure was used. The sample size of population was 180 students selected from management and non-management (education and humanities) studying in graduate level of Tikapur Multiple Campus (TMC) and Birendra Viddhya Mandir Campus (BMC) of Tikapur Municipality. All questions were usable or response rate is 100 percent. Following table 1 shows the demographic distribution profile of the respondents:

Table 1. *Gender, Educational faculty and campus based demographic profile of the respondents.*

<i>Demographic Variable</i>	<i>Frequency</i>	<i>Percentage</i>
<i>Gender</i>		
Male	90	50.0
Female	90	50.0
Total	180	100.0
<i>Educational Faculty</i>		
Management	90	50.0
Non-management	90	50.0
Total	180	100.0
<i>Campus</i>		
TMC	120	66.7
BMC	60	33.3s
Total	180	100.0

In this study, the data have been collected from primary sources. The structured questionnaire method was adopted to collect the primary data from different respondents in this empirical study. Purposive sampling technique was followed to gather the opinions of respondents. The study was based on primary source of data but some secondary sources were also consulted wherever necessary. Secondary data were collected from online, journals, magazines, text books, newspapers and other available sources.

A structured questionnaire was used to measure consumer awareness level focusing on the five basic labeling information of packaged product, namely, maximum retail price, manufacturing and expiry date, weight and size, brand name and quality assurance mark. All statements of consumer awareness measured in four point rating scale from never to always (1 = Never, 2 = Sometimes, 3 = Most of time, and 4 = Always). The measurement logic maintains that the high mean score of statement represents highly aware and vice versa.

The information has been entered in SPSS software 20 version for reliability test of collected final data. The reliability of the whole measuring instrument was tested by Cronbach's alpha for internal consistency which showed satisfactory. Cronbach's alpha value ranged from 0.63 to 0.72 and 0.73 as a whole instruments as can be seen in the Table 2.

Table 2. Cronbach's alpha for internal consistency coefficients for consumer awareness level on lab information of packed product

Factors	Cronbach's alpha value
Price/MRP	0.63
Manufacturing and expiry date	0.69
Weight/ Size	0.65
Brand name	0.71
Quality assurance marks	0.72
Instrument as a whole	0.73
Note: N = 180	

Collected information and data were coded and entered in the SPSS software. Data analysis was performed by using the statistical package SPSS software 20 version. Statistical tools were used for data analysis and hypotheses testing, including descriptive statistics, reliability Correlation using Cronbach's alpha and independent t-test. The measuring scale was divided into four scoring areas. As the length category for the scale was 0.75 (resulting from $1 - 4 / 4 = 0.75$) and were four categories as not aware ($1.00 \leq \text{mean score (MS)} \leq 1.75$), less aware ($1.75 \leq \text{MS} \leq 2.50$), aware ($2.50 \leq \text{MS} \leq 3.25$) and fully aware ($3.25 \leq \text{MS} \leq 4.00$). Independent t-test P-value was determined to accept or reject the hypotheses of this study.

Results and Discussions

Descriptive statistics shows the percentage of respondents who check labeling information of products during the purchasing time as following table:

Table 3. Frequency of labeling information checked by respondents while purchasing products

Factors	Always (%)	Most of times (%)	Sometimes (%)	Never (%)
Price / MRP	8.3	28.3	48.3	15
Manufacturing and Expiry date	10	21.7	58.3	10
Weight / Size	10	18.3	55	16.7
Brand name	43.3	41.7	6.7	8.3
Quality assurance marks	6.7	6.7	38.3	48.3

Table 3 communicates that the respondents' awareness about the information of the products and more respondents (48.3%) check sometime the price or MRP of the product while shopping. Very few respondents (8.3%) always check and 15% respondents never check the price or MRP of the product. Manufacturing and expiry date was sought by 58.3 percent of respondents sometimes and only 10 percent of respondent's always. Majority of the respondents (55%) checked sometimes and only 10 percent respondents check always weight and size of the product. Brand name of the product has been seen by most of the

respondents (43.3%). More respondents(48.3%) were unknown about the quality assurance marks and they never check during the shopping of the products.

Table 4. *Descriptive statistics of labeling information checked by respondents while purchasing product*

Factors	Mean Score	Standard Deviation
Price / MRP	2.30	0.83
Manufacturing and Expiry date	2.32	0.79
Weight / Size	2.22	0.84
Brand name	3.20	0.89
Quality assurance marks	1.72	0.86
<i>As a whole</i>	2.35	0.58

Table 4 expresses the descriptive statistics for the awareness level of students while purchasing. Most of the students were aware in only brand of the product with high mean score 3.20($2.50 \leq MS \leq 3.25$); less aware in the maximum retail price, manufacturing and expiry date, weight and size with mean score 2.30, 2.32, 2.22 respectively ($1.75 \leq MS \leq 2.50$) and not aware in quality assurance marks with mean score 1.72 ($1 \leq MS \leq 1.75$). An overall mean score (2.35) of the whole dimension were being in the less awareness category ($1.75 \leq MS \leq 2.50$) and standard deviation value (0.58). The statements revealed the very weak position of awareness in the labeling information of the product in consumer market.

Independent t-test statistical tools applied for testing the significance of the hypotheses of this study as table 5 and table 6. The all five information of products combined to calculate overall mean score regarding the awareness level of students.

Table 5. *Independent t-test result of awareness level regarding labeling information of product according to gender*

Gender	Mean	Standard Deviation	t- value	Sig.
Male	2.52	0.55s	2.33	0.023
Female	2.18	0.57		

As a whole, table 5 shows that mean score (2.52) of male consumers is higher than the mean score (2.18) of female consumers and standard deviation of male and female are 0.55 and 0.57 respectively. It indicates that male consumers are more aware in comparison to female consumers. From the independent t-test, it was found that t-value is 2.33 with statistical significance ($P < 0.05$). Clearly, the results of independent t-tests supported H_1 or accepted the hypothesis one, which states that there is significant difference between male and female consumers with regards to consumer awareness level. This finding is also supported by the studies in India by Arora, Chawla, & Sachdeva (2014); Parimala (2016); and Thomas (2013).

Table 6. *Independent t-test result of awareness level regarding labeling information of product according to faculties of educational level*

Faculty	Mean	Standard Deviation	t- value	Sig.
Management	2.54	0.61	2.63	0.011
Non-Management	2.16	0.51		

Table 6 presents the overall mean score of management students (2.54) higher than mean score of non-management students (2.16) and standard deviation of male and female are 0.61 and 0.51 respectively. It reveals that management students are more aware than non-

management students in the study area. In this table, the results of independent t-test found that t-value is 2.63 with statistical significance ($P < 0.05$). Clearly, second hypothesis also reveals no evidence for rejection, which states that there is significant difference between management and non-management students with regards to consumer awareness level. Therefore, it supports H2 and resembles to the findings in the previous studies in India (Parimala, 2016; Indirani & Kumar, 2016; & Kulkarni & Mehta, 2013).

Conclusion and Implications

This study examined the awareness level of college students while shopping consumer product. In Tikapur Municipality, most of college students are found checked sometimes to the price or MRP, manufacturing and expiry date, weight and size of the purchasing product. They were less aware in these necessary information's of the packaged product while buying in the market. Survey statements also represented that most of college students did not check quality assurance marks and they were not aware in quality assurance marks of the product. Most of students are found checked always and most of time to the brand name. Therefore, they were found aware in the only brand of the product. Overall findings, most of consumers have poor awareness level regarding the labeling information of the packaged product in the marketing practices. In addition, the study revealed that there is significant difference on consumer awareness with respect to gender and educational faculties. Male consumers are more aware than female consumers and similarly, management students are more aware than non-management students in labeling information of the packaged product. So, those results supported both hypotheses of this study.

Consumer awareness is most important issue in the modern business dynamism and self awareness of consumer give emphasise to consumerism concept. This current study is way of empirical investigation, explored and represented the status of consumer awareness level in Nepal. Socio-economic and education status of Nepal is improving day by day. The government of Nepal formally requested the UN not to consider Nepal for graduation from the under developed country group in the 2018 Triennial Review. Nepal discussed that graduation without fulfilling the per capita income criteria would not be sustainable (Shrestha, 2018). The indicator shows the Literacy rate of male is 76.4 percent and female is 53.1 percent of age 15 and over in Nepal (CIA World Fact book, 2018). In this condition, this study concluded that graduate students are less aware on consumer awareness. Therefore, consumer awareness and rights are mostly needed in the field of education too. There is need to education to consumer about their rights and responsibilities. Consumer education helps the student to realize civic responsibilities.

Consumer Protection Act of Nepal (1918) has clearly defined and addressed about consumer rights, consumer protection council, supervision and control, provision of penalties and compensation etc. but implementation part is very weak. Government has not involved strongly in implementation of consumer protection activities addressed by Consumer Protection Act of Nepal (1918). Government is less concentrated about consumerism, consumer rights, Corporate Social Responsibility (CSR) and other marketing activities. Quality of consumerism should be improved in developing countries like Nepal. In Nepalese business market, there should be improved standard of social responsibility of businesses. Today, standards of consumer protection must evolve and stand firmly to address various new challenges and opportunities.

This current study has been conducted in limited sample size and area in only one Municipality of Nepal and also emphasized on only students' buying behaviour. And very limited statistical tools such as percentage, mean score, standard deviation and t-test are applied for data analysis. It may not be fully generalized of awareness level of consumer for whole. However, this study is meaningful and provides the direction to further studies in context of consumer awareness and rights. Additionally, the outcomes of the study is expected to help Nepalese policy makers and consumer forums to understand to the current status of consumer awareness, with implications for better business practices and more useful legislations pertaining to consumer protection. The findings of the current study should help to consumers, businessmen and implications for future actions. Furthermore, the result of this study is expected to provide the direction to further studies. Findings may be useful for other contexts of similar socio-economic and regulatory status of the developing countries.

Future research can be conducted in large sample in different areas in the different regulatory, political, socio-cultural and economic environmental factors. Furthermore, the study also can be conduct to do consumer awareness, perception of consumer rights, its impacts on buying behaviour in different demographic variables i.e. gender, age group, occupations, urban and rural consumers and psychographic variables.

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