

CHAPTER-1

INTRODUCTION

1.1 Introduction

In 21st century, people are beginning to consume more items as development brought a desire in man to live a healthy as well as a luxurious life. People are ready to part with their hard earned money for quality things but many times they are misguided and buy things of substandard quality. Sometimes they pay exorbitant money for worthless items. Advertisements and persuasion make them purchase substandard goods and poor quality items. To avoid all this and escape from being cheated, consumer awareness is necessary. There is nobody in the world that is left out of the class of consumers. The consumer hood continues till one's last breath in the world. Consumer is a person who consumes materials and goods produced by others. All human beings are consumers as they require every day for consumption foods, items/goods, clothing, and electronic items.

The consumer purchases a variety of goods and services to satisfy his wants and he is always influenced in his purchasing activities by some considerations which lead him to select a particular Commodity or a particular retail store in preference to others. So, consumer buying is more complex. Consumer purchases are likely to be influenced by physiological, psychological and sociological factors. The commodities and services are brought by the consumer to satisfy his basic needs, for comfort, pleasure, recreation and happiness. Every individual has physiological need such as hunger, shelter, thirst, *etc.*, which have to be satisfied for survival. The psychological factors like status prestige and social factors like friends, neighbors', job and relatives influence their purchasing activities.

Consumer awareness refers to a buyer's knowledge of a particular product or a company that allows the buyer to get the most from what he buys. Consumers know more about their choices when they have product information and benefit from knowing their rights, hearing about alerts and warnings and finding out about safety issues.

Consumer awareness is a marketing term that relates to making consumers aware of their rights. Consumers need to be aware of products and services, their characteristics, prices, places to buy and promotions. While the first consumer

movement began in England, the first modern declaration about consumer rights was made in the United States. These rights covered four basic factors, choice, safety, information and the opportunity to be heard. The United Nations organization has adopted certain consumer protection standards to establish ethical conduct among businesses engaged in the production and distribution of goods and services.

According to the '**Longman Business English Dictionary**', consumer awareness is a term used to describe the awareness of a potential or current buyer about a particular product or company. Consumer awareness can be as simple as a shopper remembering a television commercial or as specific as a customer delving into the manufacturing origins of a specific product.

1.2 Statement of the Problem

Consumer Awareness of Undergraduate Commerce Students of the Sardar Patel University

1.3 Explanation of Terms

Consumer

Consumer is the person who purchases the product from the market to fulfill his need, desire and wants. One who fulfills his daily requirement from the market. Consumer is the buyer of the product, who consumes the goods to fulfill his daily needs. A person who purchases goods and services for personal use is a consumer. A consumer is someone who can make the decision whether or not to purchase an item at the store, and someone who can be influenced by marketing and advertisements. Any time someone goes to a store and purchases a toy, shirt, beverage, or anything else, he is making that decision as a consumer.

Consumer awareness

Making existing and potential customers knowledgeable about products/services, consumer awareness programs create more informed buying decisions. Consumers cannot purchase products and services if they do not know they exist. A lack of consumer awareness in any industry can harm sales. If specific products and services are better known, those products and services will remain on the front line in sales. Therefore, it is important to implement consumer awareness programs that will

introduce and make the target audience aware of the products and services a company offers. Consumer awareness programs can be initiated through the utilization of flyers, brochures, television, radio, guides, fact sheets, information posted to a Web site, school programs, and other sources depending upon the topic and the message delivered.

Commerce

Commerce is the whole system of an economy that constitutes an environment for business. The system includes legal, economic, political, social, cultural and technological systems that are in operation in any country. Thus, commerce is a system or an environment that affects the business prospects of an economy or a nation-state. It can also be defined as a component of business which includes all activities, functions and institutions involved in transferring goods from producers to consumer.

Some commentators trace the origins of commerce to the very start of communication in prehistoric times. Apart from traditional self-sufficiency, trading became a principal facility of prehistoric people, who bartered what they had for goods and services from each other. Historian Peter Watson dates the history of long-distance commerce from circa 150,000 years ago.

In historic times, the introduction of currency as a standardized money facilitated a wider exchange of goods and services. Numismatists have collections of these monetary tokens, which include coins from some Ancient World large-scale societies, although initial usage involved unmarked lumps of precious metal. The circulation of a standardized currency provides the method of overcoming the major disadvantage to commerce through use of a barter system, the "double coincidence of wants" necessary for barter trades to occur. For example, if a man who makes pots for a living needs a new house; he may wish to hire someone to build it for him. But he cannot make an equivalent number of pots to equal this service done for him, because even if the builder could build the house, the builder might not want the pots. Currency solved this problem by allowing a society as a whole to assign values and thus to collect goods and services effectively and to store them for later use, or to split them among several providers.

Today commerce includes a complex system of companies that try to maximize their profits by offering products and services to the market (which consists both of individuals and other companies) at the lowest production cost. A system of international trade has helped to develop the world economy but, in combination with bilateral or multilateral agreements to lower tariffs or to achieve free trade, has sometimes harmed third-world markets for local products (See Globalization).

In this study, commerce stands for a branch of study which includes topics like business, transaction of money, economy and trading students studying commerce at graduate level get B.Com degree.

Undergraduate

In India the Graduation system is classified into two Undergraduate (UG) and Postgraduate (PG) Systems. It takes three or four years to complete an "undergraduate" degree. The three-year undergraduate programs are mostly in the fields of arts, commerce, science etc., and the four-year programs are mostly in the fields of technology, engineering, pharmaceutical sciences, agriculture etc. However, for medicine, law and architecture, the period has been five years.

Under graduate means those who have passed higher secondary exam /senior secondary exam and are now studying in the bachelors programmes such as B.Sc., B.A., B.Com and B.Tec. etc.. In this research study the researcher has taken only B.COM students.

Sardar Patel University

Sardar Patel University is a university in the Gujarat state of India re-accredited with 'B' Grade by NAAC (CGPA-2.83). It is named after independence leader Shree Sardar Vallabhbhai Patel (October 31, 1875–December 15, 1950). It was founded in 1955 by Shree Bhailal D. Patel, known as Bhaikaka.

The university was established by an Act of the Legislative Assembly of the then-Bombay Province in December 1955 and was UGC recognized under 2(f) of the UGC Act in October 1968. The university has many affiliated colleges and AICTE approved by All India Council for Technical Education, (AICTE), and New Delhi. 05-05-2010, originally it had the status of a rural university but now it has

diversified with the motto of "Excellence Matters". The university is the first among all the universities in Gujarat to volunteer for the accreditation in 2000 and was accredited with four star statuses by the National. In the re-accreditation process the university is accredited with the B-Grade by the same Council on March 8, 2009. SP University is listed in Top 50 Universities in India.

In this research study, the researcher has selected the following commerce colleges affiliated with the Sardar Patel University.

- Sardar Patel College of Administration & Management (SPCAM)
- Anand Commerce College
- Anand Institute of Business Studies(a.i.b.s)
- B.J. Vanijya Mahavidyala (Commerce)
- C.P. Patel and F.H. Shah Commerce College
- Shree Vithalbhai Z. Patel Commerce College
- Sardar Gunj Mercantile Co-operative Bank Ltd. (Anand) English Medium College of Commerce and Management
- Jivkaran Group of Institutes (BBA/BCA/B.Com)

1.4 Research Objectives

For the present study the researcher had following objectives.

1. To study the consumer awareness of commerce graduates of first year, second year and third year students.
2. To study the awareness among students for consumer rights.
3. To study the awareness among students with respect to food adulteration.
4. To study the awareness among students with respect of expiry date.
5. To study the awareness among students for defective items.
6. To study teachers' perception and their suggestion about B.Com students' consumer awareness.
7. To find out difference in consumer awareness among B.Com first year, second year and third year students.
8. To study about different symbols related with consumer goods
9. To study commerce under graduates awareness about – ingredients of the material , authenticity of advertisement, quantity and quality, correct price

1.5 Research questions

1. What are consumer rights?
2. What is awareness among the commerce graduate students about consumer rights?
3. What is the awareness among the commerce graduate students about the food adulteration?
4. What is the awareness among the commerce graduate students about the expiry date of items?
5. What is the awareness among the commerce graduate students about the defective items?
6. What are the teacher's perception and their suggestion about B.Com student's consumer awareness?
7. What are difference in consumer awareness among B.Com first year, second year and third year students?
8. What are different symbols related with consumer goods?
9. What are commerce under graduates' awareness about – ingredients of the material, authenticity of advertisement, quantity and quality, correct price?

1.6 Delimitation of the study

The present study is delimited to Consumer Awareness of undergraduate Commerce students of the Sardar Patel University in relation to certain variables like food adulteration, expiry date and defective items.

1.7 Rationale and Significance

People bear certain beliefs and attitudes towards certain types of goods, brands of commodities and retail outlets based on their previous experience. When there is a need, they are able to discover some new commodities capable of satisfying their needs. Before the commodities and brands are selected, these commodities must compete successfully against alternatives in the market. The selection of a particular commodity becomes important for consumer since there are wide varieties of consumer goods in the market. Again selection of a particular commodity depends on

income of the consumer and necessity of the product to the individual. Before the selection of the commodity purchased, an individual requires information regarding the various sources of supply of the commodity, its brands, relative merits and demerits, uses and value of their characteristic features and services offered. The common sources through which individual gathers information are from advertising media (television, radio and news papers), friends, retailers in the locality, displays in shops and food labels.

The study has been undertaken in keeping in mind to know the awareness among consumers. They should purchase goods at right cost. They should be aware about the product that they purchase is at right price. Since the researcher is a commerce graduate herself she felt the need of research in Consumer Awareness of undergraduate Commerce students of the Sardar Patel University

1.8. Scheme of Chapterization:

A brief description of the content in the forth coming chapters of the thesis has been given in the following paragraphs.

The **first chapter** i.e. the present chapter provides an overview of the research objectives, research questions and explains terms related to the study.

The **second chapter** contains a conceptual framework of the study.

The **third chapter** contains a review of the previous researchers and literature in the area of consumer awareness. It includes studies both conducted in India and abroad.

The **fourth chapter** describes design and procedure of the study. It presents details related to the sample chosen, the methodology adopted, tools used for investigation and techniques used for data analysis.

The **fifth chapter** focuses on data analysis and data interpretation.

The **sixth chapter** presents a brief summary of research and presents a detailed discussion of the researcher experiences, data obtained and findings. It includes the conclusions and suggestions for further research.

Thus this chapter presented a introduction, researcher objectives, research questions, rationale of the study and scheme of chapterization.

The next chapter has been devoted to the conceptual framework of consumer awareness.