

CONSUMER RIGHTS PROTECTION

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Abstract: *Business activities of every modern enterprise are based on understanding and anticipating the needs and desires of consumers. In order for a company to understand relate to its customers, it must constantly and continuously learns about target markets, and accordingly adjust its offer. As the market is constantly exposed to new challenges, both opportunities and risks, the company must respond to them. Success is to leave a mark on the market due to high offer and those who are just starting operations do not have an easy job to adapt to all the specific needs and desires of consumers and in doing that to make the company recognizable in a very busy market. Populations of consumers are aware of their rights in some form, so in at least some of their complaints they state a certain consumer right. When it comes to the rights of individual consumers, knowledge is still limited, and some basic rights that the consumer has are the right to complain; for them, a whole concept of consumer rights has been defined. Also, consumers have the right to be issued a fiscal receipt and they are quite familiar with, while at the same time there are many other rights that are still not known to the majority of consumers. This paper is based on consumer protection, which is the main theme, but it also focuses on the spheres of marketing that makes the protection more transparent for consumers.*

Keywords: *consumer protection, marketing, customer satisfaction.*

1. INTRODUCTION

Viewed as a business activity, marketing focuses on directing the flow of goods and services from producers to consumers; the achieved business goals should be based on established, anticipated and satisfied the needs and requirements of demand. The business concept of marketing is understanding the place and role of enterprises in the economy and society, i.e. their orientation towards meeting the needs of citizens as consumers and the needs of the economy and society with certain products and services, with the underlying objective of achieving appropriate business goals. Marketing as a scientific discipline focuses on studying activities that contribute to the effectiveness and efficiency of trade, on the one hand, and linking production and consumption as a phase in the process of reproduction,

on the other hand [O. Bakić, 2010: 3]. Successful companies base their potential for growth and development on specific information about the condition and movements on the markets, as well as on the development of modern management approaches and procedures that contribute to standardization and harmonization of business practices in accordance with the best ones. No less important is the formulation of a new business model based on elastic response capabilities of enterprises in the process of creating value [Stanković Lj., 2003: 25-35]. The focus of marketing are consumers and the knowledge of their needs and desires as essential input for making marketing decisions.

Knowledge of consumers is continually increased and improved, which requires installation of new and modification of the existing marketing strategies and tactics of the company. Information on purchasing and consumer behavior in various situations create real basis of planning marketing strategies, such as positioning or repositioning, product differentiation, market segmentation, etc. [R. Živković, 2011: 4].

2. CONSUMERS AND THEIR BEHAVIOR

Consumer is the person who buys products and services to meet his personal needs. As consumers, market can be entered by natural persons as individuals, i.e. end consumers and various organizations. "End consumers are buying products and services for their own use, domestic use or as a gift to a friend. Organizations as consumers include both profit and non-profit organizations, government organizations, and institutions that buy the products, equipment and services to perform daily activities. There are different types of consumers, and therefore different behaviors in consumption. The very concept of consumer behavior can be defined as "behavior that consumers exhibit with exploration, purchase, use, assessment and deployment of products and services which they expect to meet their needs [Rakić B., M. Rakic, 2007: 20-23]." There are numerous reasons why consumer behavior has developed as a special scientific discipline, and this is influenced by the fact that the marketing people know that consumers are not driven only by economic and rational motives in the process of buying products and services on the market. The evolution and application of marketing as a business concept in practice directly led to the development of consumer behavior as an academic and applied scientific discipline. Consumer behavior is motivated and stimulated by internal and external reasons and these are uncontrolled variables; it is not possible for a company to perceive and cover all aspects of the behavior of actual and potential consumers. Consumers in developed market economies are the focal point of the overall business activities of enterprises [Živković R., 2011: 37].

Consumer behavior is a continuous process and it reflects a basic marketing concept, according to which companies exist to meet the needs and desires of consumers and satisfaction is presented as the ultimate outcome of the performance of marketing strategies. The specific characteristic behavior as a scientific discipline is:

- generalization and conceptualization,
- controlled observations,
- orientation prediction,
- search for causal connections and relationships,
- tendency towards explicit explanations of events and behaviors, and reasoning [Kardes, R., F., 2002.p.10]. "

Consumer behavior is defined as the study of the processes involved when individuals or groups select, purchase, use or dispose of products, services, ideas or experiences to meet the needs and desires [Solomon R. M., 2011, p.33]. The American Marketing Association (AMA) defines the behavior of consumers as “dynamic interaction of affect and thinking, behavior and the environment by means of which human beings manage aspects of trade in their life [Peter J. P., J. C. Olson, 2008, pp.5-10].”

3. CONSUMER DISATISFACTION

Customers are the focus and starting point of all activities of the company that really wants long term to survive and be profitable in the market. In most developed economies in the world not all the companies have awareness of the company’s corporate social responsibility and ethical marketing. Therefore, there is increased need to protect consumers from institutional negligence and unethical business of the company on one side, and on the other side consumers must be under the impetus to engage more and protect their rights. It is in human nature to complain about any of the following main reasons:

- to provide compensation or re-performance of services;
- It is a way of expressing anger and rage (to respond to the violation of personality, unfair treatment, etc. because of injured self-esteem);
- desire to assist in the improvement of services (primarily loyal consumers, those that are related to enterprise and service - to get a better service in the future);
- for altruistic reasons (they do not want other users of the service to get embarrassed and therefore draw attention to problems in the supply and servicing system).

In relation to this in what situations and what he regrets the behavior of the general discontent, can be distinguished four groups of consumers: passive consumers, messengers, angry consumers and activists. The dissatisfaction manifested by complain personnel, friends, associations and organizations are ready to justice more often than others, and seek in court, and get in and out of the company. Response and appeals are characteristic of their personality. They believe that it is possible to appeal to achieve positive consequences for them [Veljkovic, S., 2009: 232-234]. The complaint is often the mode of expressing dissatisfaction. Despite the possibility of complaint, it may happen that the seller – eventhough there are flaws in a purchased camera, phone, pair of shoes – still tries to place the blame on the consumer. The question is: what to do at such moments.

If deficiency appeared in a period of 6 months from the purchase - it is assumed that the goods were sold with a lack, or that the seller is the one who has to prove that the goods did not have a deficiency. This whole procedure of proof applicable to judicial proceedings. The question is what this means - this right that you don’t have to prove that there is a lack when you can only avail of it in court? We shall use the advantage that the Consumer Protection Act provides in this case, and in direct contact with the seller we shall make it obvious that we know our rights. We should not run away from being able to warn him that if does not respect the law, we shall seek protection of our rights in court.

If the deficiency appeared 6 months after the purchase - in this case, the consumer must prove that the goods had a lack of beginning. In the case of a complaint filed if it is adopted and if the seller does not goods of the same type of replacement, the seller is in a position to repay the money, regardless of whether the goods in the meantime, prices rose and prices fell at the price at which the goods were purchased. One consistent complaint handling should include several important aspects [Bakic M., 2003: 351]: awareness of the importance of

complaint- if there is an awareness of how it is possible to prevent possible reactions of disgruntled consumers, stimulating reklamacija- achieved by facilitating the process of complaint and timely response, accepting reklamacija- important is how we accept the complaint because the wrong reaction, because those receiving the complaint may further affect the consumer disappointment. When it comes to dealing with complaints, complaints should be addressed immediately, and in the evaluation and analysis reklamacije- it is necessary to collect the complaints received, evaluated and analyzed to information obtained from them could be used to improve service quality and increase customer satisfaction.

4. CONSUMER RIGHTS

Basic rights of consumers include being entitled to:

1. meeting basic needs - availability of most essential goods and services, such as food, clothing, footwear and housing, health care, education and hygiene;
2. Security - Protection of goods and services which are dangerous to life, health, property or the environment or goods whose possession or use is prohibited;
3. awareness - access to accurate data necessary for a reasonable choice of the offered goods and services;
4. choice - a choice between more goods and services at affordable prices and with appropriate quality;
5. Participation - representation of consumer interests in the process of adoption and implementation of consumer protection policies and the possibility that through associations and federations associations for consumer protection be represented in the process of adoption and implementation of consumer protection policy;
6. legal protection - protection of consumer rights in the statutory procedure in case of violations of his rights and pecuniary and non-pecuniary damage that he fancied the merchant;
7. education - to acquire basic knowledge and skills necessary for the proper and reliable range of products and services as well as knowledge of basic consumer rights and responsibilities and the manner of their implementation;
8. a healthy and sustainable environment - to live and work in an environment that is not harmful to the health and well-being of present and future generations, timely and complete information on the state of the environment [Consumer Protection Act, 2014, Article 2].

All this implies the fundamental rights of consumers that are regulated by law.

The right to compensation directly relies on the right to hear the voice of consumers (get an answer). It's about getting fair compensation for justified complaints, including compensation for misrepresentation of product properties and services, poor quality goods or unsatisfactory services [Vilus J., 1996: 106-127]. When it comes to compensation for the consumer should distinguish between the products is due to a lack endanger the life or health of the consumer and the consumer product which, due to a disability, can not use the way he wanted or needed and therefore suffer some property damage. The right to compensation for moral damages suffered by the consumer due to the lack of products that endanger his

life or health, while the fair value of the compensation determined by the court. If the goods with the lack, in which a distinction is made between the important and the unimportant, or a lack of visible and hidden defects, has the following rights: a free remedy the deficiency or reimbursement of expenses in proportion to the reduction of the purchase price, exchange goods and breach of contract and damages. Also, if the sales of goods and misrepresented its product properties also gives the consumer a right to compensation. The situation shows that there is fraud-which is not always easy-consumer has the right to terminate such a contract and receive compensation for total damage he had in connection with such contract. This is a necessary achievement of a civilized, developed market economy, representing the protection of consumers. Government and development partners are increasingly aware that training people as consumers makes an important contribution to human social development [Živković R., 2014: 32].

5. PROTECTION OF CONSUMER ECONOMIC INTERESTS

For each product purchased customer is charged. If the product is defective, or the product whose usability tools and features in some way restricted to income, it must be clearly indicated that the goods with some defects, errors, Feller and others. If it comes to buying a product with a warranty, the consumer must receive the duly completed warranty card and suitable packaging material if the nature of the product required. The Act [the Consumer Protection Act, 2014] speaks of services of general economic interest, and it states: The consumer has the right to regular and uninterrupted supply of services of general economic interest of appropriate quality at fair price, in accordance with special regulations. The trader is obliged to:

1. enable the consumer to know in advance all the terms and conditions of services of general economic interest and those conditions public;
2. not to discriminate against consumers;
3. calculate the service charge by using the price established by special regulations.

A trader who provides a service of general economic interest shall maintain the quality of services in accordance with the law, special regulations and rules of the profession. A trader who provides a service of general economic interest, as well as other bodies that decide on the rights and obligations of consumers of services of general economic interest are obliged to set up advisory bodies in which will be included representatives of registered associations and alliances under Article 132 of this Act. Decisions will be taken after receiving the opinion of the advisory body, in a transparent, objective and non-discriminatory manner. The law regulates the rights and obligations of the consumer, instruments and ways of protecting consumer rights, information and improving knowledge of consumers about their rights and how to protect the rights, the rights and obligations of associations and federations whose area of activity the realization of the objectives of consumer protection, the extrajudicial resolution of consumer disputes, rights and obligations of state authorities in the field of consumer protection and other issues of importance for the position and consumer protection.

In the coming period the Ministry will insist on the fact that consumer protection becomes a priority in the future activities of the Government of Serbia. Financing of all consumer organizations in Serbia, as well as their consolidation at the national level, is one

of the prerequisites for joining the European and world organozaciju consumer protection, as well as learning in a number of competitions for obtaining technical and financial assistance from the international community [Zivkovic R., 2011: 219]. In the countries of the European Union consumer protection organization is very active and invested great effort to protect consumers at international level. In this way it is supposed to lead to higher bids, better range and exercise of the right of consumers to choose and to make their voice heard disapproval or praise. Current law in Serbia is predicted that due to the greater protection against fraud and deception in the market and consumers in our country may also establish consumer organizations and other forms of association. In order to obtain adequate data to provide an exact and clear picture of the rights and the protection of consumers in Serbia a study was carried out in the period 2011-2013. The study was started in December of 2011 and included a representative sample of the adult population of Serbian consumers. The aim of this study was to provide information on the protection and rights of consumers in Serbia, as well as the assessment of the application domain of the Consumer Protection Act. In this study there were 60 interviewers, 10 controllers and 5 supervisors engaged, and at the same time it included a total of 75 interviewers and all who are involved are professionally qualified. All consumers in Serbia were able to name at least one of the rights of consumers. A similar situation can be seen in the same gender and age groups, with the same income groups, regions and types of settlements. The only factor that affects the level of awareness of consumer rights is the education level of respondents - less educated consumers (with primary education or less) had difficulties in the formulation of any consumer rights in comparison with consumers with higher levels of education.

6. CONCLUSION

Continuing to comply with the changes resulting from the turbulent development of all segments of demand and supply is the area of consumer protection. With increasing innovation and advancing technology in the market knowledgeable and well-trained consumer is in a position to understand the marketing not as an instrument of manipulation, but as an instrument of protection that helps him in finding precisely in its corresponding products and services. The entire population of Serbia is aware that consumer rights exist in some form. They all stated at least one consumer right. However, despite the awareness of the existence of such rights, consumers are not well informed about this topic. Knowledge of the consumer is usually limited. The basis of understanding and use of consumer rights in Serbia lies in the right to complain, and for them to define the concept of consumer rights. Heightened awareness among consumers that a trader obliged to issue a valid fiscal receipt, while the other rights are generally not familiar with. Take action and lodged a complaint to the dealer in case you see the problem with the product or service is something štočestopreduzimaju consumers. Of those who actually had some problem with the PP in the last two years (58% of consumers in Serbia), the majority complained to the seller. General satisfaction with the way the complaint is acted upon is at a high level. 40% of consumers claim that they had no problem with products or services in the previous year. They are a group that often has complaints about the services of general economic interest, which can also be taken as an indicator, it can be assumed that they were not able to identify consumer problem when they came across him, and did not even try to fight for their rights. This paper attempts to explain the path from customer satisfaction to the way how to achieve

it, and there is no other way but to have consumer rights protected and to keep consumers informed of their rights.

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