CONSUMERISM IN NIGERIA
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Abstract
With high competition in the business world, manufacturers, marketers and service providers have been known to engage in several unethical, exploitative and misleading practices in their attempts to beat competition, make profit and stay on in business. These bad practices have caused consumers not only their money but also their life in several cases, hence the birth of consumerism which is an attempt by the civil society to protect themselves against the unethical and bad practices of the manufacturers, marketers and service providers. In this research we examined the existence and the level of activity of consumerism in Nigeria using extant literature, and discovered that unlike what entails in the developed world, consumerism in Nigeria is still at its infancy, with the government and the civil society not doing enough to grow it to maturity. However, this study identified those factors that are responsible for the slow growth and activity of consumerism in Nigeria and proffered solution.

Key Words: Consumerism, consumer protection, unethical practices, consumer exploitation, legal redress.

Introduction
Industrialization in many countries of the world as made possible by advanced technologies, especially in the manufacturing, communication and transportation sectors, has turned the world into a global village, thus making business to be more than ever before characterized by high competition among manufacturing and marketing organizations in jostling for consumer’s patronage and loyalty. With this high level of competition comes a major problem in the commercial transaction, which according to Agbonifoh, Ogwo, Nnolim and Nkamnebe (2007), “… is how to ensure fairness of both the buyer and the seller to each other”, as many business organizations have been found to engage in dubious and exploitative practices just to make sales, declare huge profit, beat competition and stay on in business.

According to Agbonifoh et al (2007), “the issue of misleading and untruthful advertising is a serious one particularly in a highly illiterate society such as we have in Nigeria.” Hence, consumers, government and non-government organizations advocate and insist on best and ethical practices in the business relationship between buyers and sellers.

The Department of Petroleum Resources (DPR, 2009), a body that supervises all activities in petroleum operations and oversees the marketing of petroleum products in Nigeria revealed that many oil marketers in Nigeria were found to have tampered with their pumps, dispensing lower value of premium motor spirit (PMS) to their customers. In a report by the Department, following the inspection exercise it carried out in the Lekki area of Lagos in 2009, customers lose 1.2 litres of PMS in every 10 litres of the product bought in Conoil, 0.8 litres in Oando, and 0.6 litres in Texaco.

These sharp practices are evident in several spheres of the Nigerian business landscape, from pharmaceutical products to spare parts of automobiles. According to Omenazu (2010), “the Nigerian consumer remains one of the most exploited in the global village.” Hence
the protection of consumers against the exploitation and other excesses of producers and marketers form the crux of consumer movement or consumerism, worldwide. With this background problem, this research has as its objectives:
1) To examine the existence and the level of activity of Consumerism in Nigeria in relation to developed countries.
2) To identify the way (if any) by which the Nigerian government and the civil society have attempted to protect the interests of the consumers over the years.
3) To critically examine the factors that may be inhibiting the growth of consumerism in Nigeria.

What is consumerism?

The term “consumerism” also refers to the consumerist movement, consumer protection or consumer activism. Agbonifoh et al. (2007:694) defined consumerism as “organized efforts of consumers aimed at promoting, protecting and enforcing the rights of consumers in their exchange relationship with all organizations and individuals”.

In their own contribution, Griffin and Ebert (2002) looked at consumerism as “a form of social activism dedicated to protecting the rights of consumers in their dealings with businesses.” They noted that the first formal declaration of consumer rights protection came in the early 1960s when President John F. Kennedy identified four basic consumer rights. These rights are now backed by numerous federal and state laws worldwide:
1. Consumers have a right to safe products.
2. Consumers have a right to be informed about all relevant aspects of a product.
3. Consumers have a right to be heard
4. Consumers have a right to choose what to buy.

Factors that encourage the emergence of consumerism.

According to Agbonifoh et al. (2007:694): “The emergence of consumerism in any society at any particular point in time is always occasioned by a number of precipitating factors. In the United States of America where modern consumerism originated from, the precipitating factors for the emergence of consumerism include:
Increased consumer purchasing power which made it possible for them to purchase a wide variety of goods and services.
Technological developments resulting in new types of consumer goods which people knew little or nothing about.
The inability or refusal of manufacturers and retailers to satisfy the information requirements of consumers.”

In addition to the above three factors is the implementation of the societal marketing concept which advocates that the health and wealth of the society (consumers) must be taken into consideration in the quest for profits by manufacturing and marketing companies. These precipitating factor no doubt apply to all societies and countries where consumerism exists, including Nigeria.

Generally, the objective of a consumer association is to assist their members and the general public to obtain greater value for their money in the purchase of goods and services and expose the excesses of the manufacturers and the marketers. This is usually achieved through educating, informing and advising consumers and the general public about the different products and brands offered for sale (Agbonifoh et al 2007).

Consumerism in the developed countries.

In the developed countries of USA, Canada, France, Europe, etc., where consumerism is very active, consumer associations engage in diverse activities to safeguard the health and wealth of their members and the general public. According to Agbonifoh et al (2007: 695), these activities include the following:
Comparative laboratory testing of products on sale on the basis of selected important product attributes and the dissemination of the results of the tests for public consumption.
Conducting surveys among consumers to ascertain their experiences with, and
impressions about, certain brands which they have used. Information about actual product performance is thus disseminated primarily to guide other consumers in their choices.

3) Sending out warning signals to consumers about products which are known to be hazardous.

4) Conducting research aimed at ascertaining what product designs more truly meet consumer needs.

5) Identifying for the benefit of consumers the exaggerations that may be contained in certain advertisements and highlighting other inadequacies of the information given by companies about their products particularly in cases where vital items of information that may affect consumer choice or decisions are withheld.

6) Drawing government attention to areas in which further legislation and regulations are needed to regulate unhealthy trade practices.

7) Educating consumers on their rights in relation to producers and sellers and therefore on the obligations of manufacturers and retailers to them.

8) In specific instances where aggrieved consumers cannot obtain satisfactory redress, they can turn to a consumer association to take up the matter with the manufactures or sellers concerned.

9) Publication of a periodic magazine which serves as its major instrument for reaching the general public or more specifically its members.

In economically advanced countries, the activities of consumers’ associations have yielded some benefits to consumers in the form of consumer protection laws, government established consumer protection bodies, increased business sensitivity to the needs and complaints of consumers and increased consumer awareness and ability to discriminate among existing brands.

**Consumerism in Nigeria**

Ijewere (2009), noted that the level of consumer awareness in Nigeria is relatively low, while Omenazu (2010) submitted strongly that the Nigerian consumer remains one of the most exploited in the world. According to Agbonifoh et al (2007), “there appears to be widespread dissatisfaction among Nigerian consumers in virtually every area of marketing practice. It has been found that about 58% of the 225 consumers interviewed felt that the Made-in-Nigeria - products which they had purchased in the preceding months were of lower quality than expected.”

Furthermore, a study revealed that consumers believe that in the area of service and engineering, manufacturers are not very careful and meticulous. The technology of the goods is relatively backward, goods are limitative rather than inventive or original and that they are somewhat unsafe. In an unscrupulous attempt to mislead consumers, some manufacturers and middlemen have formed the habit of fixing foreign labels on goods made in Nigeria! Edoreh (2007) noted that “these various acts of deception in the Nigerian market have seriously disturbed the faith of the consumer in the ability of market forces alone to protect them…”

**Government’s efforts at consumer protection:**

According to Omenazu (2010), consumer protection is defined as “the efforts of the government and private organizations to ensure that the consumers are not exploited by the producers.” It is widely accepted that consumerism without government support or legislation is nothing, as government must enact the law or legislation on which consumerism can thrive. Through consumer protection, the government ensures that:

1. The consumers derive maximum satisfaction from the goods and services available in the market.
2. The consumers are protected from harmful and dangerous goods.
3. The products are high in quality.
4. Consumers are protected from misleading advertisements.
5. The prices of commodities are affordable to the consumer. In view of the above reasons, the Nigerian government has set up various organisations and agencies to protect the citizens from the bad products or unethical business dealings. A list of such agencies includes:

**Consumer protection agency (CPC):**

Consumer Protection Council (CPC) is a parastatal of the Federal Government of Nigeria, established by Act No. 66 of 1992. However it became operational only in 1999, when its institutional framework was put in place. The Consumer Protection Council is the apex consumer protection agency of the Federal Government of Nigeria established to promote and protect consumers’ interests in all areas of products and services, provide speedy redress to their complaints, inform, educate and empower them (consumers) to act as discerning and discriminating consumers in the market place.

According to the Director General of the CPC(2010): “There is an imbalance in the power relations between consumers and producers of goods and services. Due to consumers’ lack of knowledge of the characteristics and technical components of goods and services, the superior bargaining power of the supplier of goods or services over the consumer, and the fact that producers of products and services are much more endowed in terms of resources, the consumer is considered as the weaker of the two in power relations. This makes it imperative for the existence of a third party, particularly a government agency that will help to balance the power relations between consumers and producers by assisting the former in his dealings with the latter. In Nigeria, the Consumer Protection Council exists as the third party that protects the consumer in his dealings with producers of products and services.”

The Consumer Protection Agency also noted that: “The market economy can succeed in delivering goods and services, often in abundance, to those who can afford them. But at the same time, it creates opportunities for dubious businesses to exploit poor and vulnerable consumers with substandard products and services, deny them value for their money and face a large part of the population with reduced access to basic products and services. In Nigeria with a developing economy and a substantial number of its people illiterate and uninformed, a substantial climate for the exploitation of consumers is readily available. The CPC attends to these failures by sharpening consumers’ skills, providing them with information and practical protection against obnoxious practices and their unscrupulous exploitation in the market place.”

**Servicom**

Servicom means **Service Compact with all Nigerians**, and it is a social contract between the Federal government of Nigeria and its people. Servicom gives Nigerians the right to demand good service. It is established to carry out independent surveys of the services provided to citizens by the Ministries and Government Departments, their adequacy, their timeliness and customer satisfaction.

Details of these rights are contained in Servicom Charters which are now available in all government agencies where services are provided the public. The charters tell the public what to expect and what to do if the service fails or falls short of their expectation (Servicom, 2011).

Other agencies, establishments, or Decrees put in place by the Federal Government to address the problem of unwholesome dealings between producers, marketers, suppliers, service providers and the consumers in Nigeria include:

- Standards Organization of Nigeria.
National Drug Law Enforcement Agency (NDLEA).
National Agency for Food and Drug Administration and Control (NAFDAC), 1993.
Nigerian Communication Commission.
Economic and Financial Crimes Commission (EFCC).
Federal Environmental Protection Agency (FEPA).
National Lottery Regulatory Commission.
The Counterfeit and Fake Drugs Decree No 21 of 1988.
The Food and Drugs Act Cap 150 of 1990.

Consumer associations:

According to Agbonifoh et al (2007): “Available evidence suggests that some traces of consumer activism have been noticed in different parts of the country. A consumer movement called the Consumer Protection Association of Nigeria (CPAN) was formed in September 1980 with the objectives of:

1. Promoting and stimulating consumers’ interests and awareness in the goods and services they buy.
2. Ensuring that goods and services sold to consumers are merchantable and of the right quality.
3. Providing a better forum for dialogue between consumers, the government, manufacturers and middlemen.
4. Cooperating with government and similar associations so that the interest of consumers could be better served.
5. Serving as a clearing house for consumer complaints and assisting them to seek redress where there are disputes regarding goods and services purchased.”

Other consumer organisations that have existed at one time or the other, according to Agbonifoh et al (2007) include, “The Tenants’ Association’s in various cities in Nigeria, the Consumers’ Association in Lagos, the Enugu Consumer Movement and the Consumers’ Club of Agwu. Some newspapers like Vanguard, the Guardian, etc have introduced consumer affairs pages. A magazine called shopping news was launched by the association of market women in Lagos to further the cause of consumerism.” In addition to the above are the several Manufacturers’ Associations and Professional bodies in Nigeria that are established to ensure that their members maintain the, professional ethics in their dealings with the public.

How have these associations fared in their consumer protection efforts? Certainly, not only have their activities been restricted to their local bases but they have also not embarked on nor received adequate publicity. According to Onah (2007), “the effect of their operations is yet to be felt in the society” Hence, Nigerian consumers have generally continued to suffer in silence.

Factors militating against effective and efficient consumerism in Nigeria

Despite the structure set up by the Federal Government and the civil society in Nigeria to ensure that the consumers are protected. Some of the factors responsible for the ineffective and inefficient Consumerism in Nigeria have been found to include the following:

1) Low level of literacy: The high level of illiteracy in Nigeria is a major factor for the failure of consumerism. According to Abubakar (2010), “Nigeria is among the nine most illiterate countries in the world.” What do you expect a consumer that cannot read, write or understand the components of a products to do when given an adulterated version of the same product? How does he know that although two products share similar packaging but they are not the same in composition? How does he know about his rights as a consumer if he is not told?

2) Ignorance: Ignorance, they say, is a disease. Major fallout of illiteracy is ignorance. Majority of the consumers in Nigeria are ignorant of their rights as consumers; hence
they seem helpless in the face of exploitation by producers and marketers. Fellow Nigerians in a bid to get-rich-quick. Who will then save Nigerians from themselves?

8) **Dormancy of the press:** Is the Nigerian Press doing enough in promoting consumerism? The answer is NO. This can be attributed to the fact that majority of business owners in Nigeria are in one way or the other linked to the ownership of the Press, in addition to having journalists that are not brave enough to take the lid off the bad practices of some companies.

9) **Unresponsive Government:** The success of consumerism in any country depends greatly on the support and infrastructure provided by the government. The Nigerian government has not shown enough enthusiasm in practice for the success of consumerism in the country.

10) **Weak Consumers’ Associations:** There is no gainsaying the fact that majority of the Consumers’ Associations in Nigeria are not strong enough to fight the powerful and wealthy business owners whose products or services have been found to be of very low quality.

11) **High Cost of seeking legal redress:** The high cost and technicalities of seeking legal redress have prevented a lot of poor consumers from taking up legal action against erring but richer manufacturers or marketers.

### Conclusion

Consumerism in Nigeria can be made to deliver the desired dividends to the society by addressing all the factors militating against its growth and effectiveness as outlined above. Consumers’ organisations in Nigeria can step up their activities by imitating USA and Britain where consumer organisations conduct independent product tests, carry out independent consumer surveys, issue out product alerts, inform and educate consumers and draw the attention of the government to the need for the full implementation of consumer protection Jaws and prompt prosecution of offenders to serve as deterrent to others. To achieve this milestone, the government, the marketers and the civil society must become better disposed to the objectives.
of consumerism by providing the necessary education, infrastructure, funding, enlightenment and legislation to make consumerism in Nigeria what it is in the developed countries of USA and Britain.

References


