

# Consumers' Rights Awareness: the Case of Household Heads in Davao Occidental, Philippines

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**Abstract:** Consumers play a vital role in the functioning of the economy. Consumer education is important in empowering the consumers to protect them from exploitations of unscrupulous traders. This study on consumers' rights awareness was conducted employing descriptive-differential research, random sampling of 910 household heads as respondents, using guide questionnaire during interview, and employing percentage, mean and one-way analysis of variance in data analysis. Results revealed that the consumers were aware of their consumers' rights and that the level of consumers' awareness among the municipalities did not differ, however, only few were aware of consumer laws like RA7394 or the Consumer Act of the Philippines because few had access to information. Consumers experienced exploitation or malpractices from the traders and were reluctant to report to proper authorities.

**Keywords:** consumers, consumers' rights awareness, RA 7394

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## I. INTRODUCTION

### A. Rationale

Consumers are said to be the king of the modern market. All business activity revolves around the consumers. They buy and consume numerous and variety of products every day. They are the pillars of any economic development and are the foundation for economic building and responsible for the transformation of resources into productive things [1], [2].

Nevertheless, in reality, the consumer is cheated in different ways by middlemen. Exploitations may be in the form of adulteration, under-weight of goods, selling goods of inferior quality and duplicated goods, charging higher prices, misleading advertisement in the media etc. The consumer is not sure of getting quality goods manufactured and preserved in hygienic condition and at competitive prices [2]. There is a need that consumers be protected.

In response to the ASEAN initiatives for consumer protection, the Philippines passed into law on April 13, 1992 Republic Act 7394, also known as "The Consumer Act of the Philippines" geared towards controlling fraudulent trade practices to protect the interest of the consumers, promote their general welfare, and establish standards of conduct for business and industry. It also emphasizes the rights of the consumers.

There were eight (8) consumers' rights highlighted in the Act [3]. These are: a) the right to basic needs -which guarantee survival, adequate food, clothing, shelter, health care, education and sanitation. This ensures the availability of basic and prime commodities to consumers at affordable prices and of good quality; b) the right to safety - to be protected against the marketing of goods or the provision of services that are hazardous to health and life; c) the right to information – the right to be protected against fraudulent/ dishonest or misleading advertising/ labelling/ promotion and the right to be given the facts and information needed to make an informed choice; d) the right to choose - the right to choose products at competitive prices with an assurance of satisfactory quality; e) the right to representation – the right to express consumer interests in the making and execution of government policies; f) the right to redress – the right to be compensated for misrepresentation, shoddy goods or unsatisfactory services; g) the right to consumer education - the right to acquire the knowledge and skills necessary to be an informed consumer; and h) the right to a healthy environment - the right to live

and work in an environment which is neither threatening nor dangerous, and which permits a life of dignity and well-being [4].

Previous studies concluded that most consumers showed low level of awareness on consumers' rights [5], [6]. Similarly, there were previous studies asserted that consumers showed high level of awareness [7], [8], [9], but showed low level of utilization of consumers' rights [2]. This means that very few consumers though felt exploited by unscrupulous traders filed complaints in the Department of Trade and Industry (DTI) to address their problems.

### ***B. Objectives of the Study***

The study was conducted to provide empirical data on consumers' rights awareness of household heads in the province of Davao Occidental. It specifically aimed:

1. To describe the socio-economic background (SEB) of the respondents.
2. To determine the level of consumers' rights awareness of the household heads.
3. To find significant differences in the level of consumers' rights awareness of the household heads in Davao Occidental.
4. To point out the sources of information on consumers' protection law among the household heads.
5. To enumerate the consumer-related problems experienced by the household heads.

### ***C. Significance of the Study***

The study can be a source of information on the awareness of consumers on their rights and consumers' protection law which can be basis for planning and decision making among policy makers. The data generated are important in formulating actions and activities that promote consumers' welfare, especially to Department of Trade and Industry (DTI).

## **II. METHODS**

### ***D. Research Area***

The study was conducted in selected municipalities of Davao Occidental, Philippines, to wit: Malita, Sta. Maria, and Don Marcelino. Davao Occidental is the 81<sup>st</sup> and a neophyte province which was created by virtue of RA 10360 on July 23, 2013 and signed by President Benigno Aquino II on January 14, 2013 [10]. It is composed of five (5) municipalities. Added to the list above are the municipalities of Sarangani and Jose Abad Santos. It has a total area of 835.31 sq.m situated in the southwestern tip of Davao Region in Mindanao. It has a total population of 316,342 as of 2015 Philippine census [11]. Davao Region encompassed the Provinces of Davao Occidental, Davao del Sur, Davao del Norte, Davao Oriental, and Compostela Province. Davao Occidental was formerly part of the Province of Davao del Sur.

### ***E. Research Design***

This empirical study employed descriptive research method. It tried to describe the awareness of consumers, particularly households on their consumers' rights. Moreover, the study applied the differential method which aimed to find significant difference in the level of awareness on their consumers' rights.

### ***F. Sampling and Sample Size***

Random sampling technique was employed in the selection of household heads. Respondents were coming from all sitios of Barangay Poblacion of each municipality. A quota of 30 household heads per sitio was included as respondents. In aggregate, a total of 910 respondents comprised the study.

### ***G. Data Collection and Analysis***

The research instrument used in gathering data was a researcher-made interview-guide questionnaire. It is composed of the following parts: a) socio-economic background (SEB) of respondents; b) awareness on consumers' rights; c) sources of information; and d) consumer-related problems experienced by the consumers. The benchmark questions on awareness of consumers' rights were anchored on a 5-point Likert scale with 5-highly aware, 4-aware, 3-fairly aware, 2-less aware, and 1-not aware. The questionnaire was pilot tested to evaluate its validity and reliability. An interview was conducted at the respective household residences. Permission to conduct the interview was sought from respective barangay chieftains. After gathering the data, the answered questionnaires were sorted, coded, collated, encoded in the computer, analyzed and then interpreted using SPSS version 17. The mean, percentage, and one-way analysis of variance were used in analyzing the data.

### III. RESULTS AND DISCUSSION

#### H. Socio-Demographic Characteristics of Respondents

As shown in Table 1, the average age of the respondents was 37.15 years old. Majority of the respondents were female (51.20%), followed by male (44.18%), and the LGBT (4.62%). In terms of civil status, majority of the respondents were married (62.42%), whereas few were single (29.01%), widow (5.27%), and separated 3.30%.

As to educational attainment, more than half reached high school level (51.42%), very few were college level (26.70%), elementary level (18.68%), with graduate degree or units (2.98%), and doctorate (0.22%). Finally, the respondents had an average monthly income of P7,584 which is very minimal to support a family.

**TABLE 1.** Socio-demographic background (SEB) of the household heads in selected municipalities of Davao Occidental, Philippines

PARTICULARS	MALITA			STA. MARIA			DON MARCELINO			f	%	MEAN
	f	%	MEAN	f	%	MEAN	f	%	MEAN			
Age			39.96			34.27			37.22			37.15
Sex												
Female	184	49.72		109	51.90		173	52.42		466	51.20	
Male	169	45.67		90	42.86		143	43.33		402	44.18	
LGBT	17	4.59		11	5.24		14	4.24		42	4.62	
Civil Status												
Married	258	69.72		121	57.62		189	57.27		568	62.42	
Single	84	22.70		82	39.05		98	29.70		264	29.01	
Widow	15	4.05		7	3.33		26	7.88		48	5.27	
Separated	13	3.51		-	-		17	5.15		30	3.30	
Education												
Elementary level	81	21.89		39	18.57		50	15.15		170	18.68	
High school level	198	53.51		101	48.96		169	51.21		468	51.42	
College level	73	19.72		67	31.90		103	31.21		243	26.70	
Graduates	16	4.32		3	1.43		8	2.42		27	2.98	
Doctorate	2	0.54								2	0.22	
Ave Mo. Income			P8,188			P8,028			P6536			P7,584

#### I. Consumers' Rights Awareness

Table 2 shows that the consumers in the three (3) municipalities of Davao Occidental were aware of the basic rights of consumers, namely: right to basic needs, safety, information, choose, representation, redress, consumer education, and healthy environment which obtained mean values from 3.98 to 4.24. This is supported by the data presented in Table 4 that 57.50% of the total number of consumers had heard about the Consumers Act of the Philippines.

**TABLE 2.** Level of consumers' rights awareness of household heads in selected municipalities of Davao Occidental, Philippines

PARTICULAR	MALITA	DON MARCELINO	STA. MARIA	MEAN	DESCRIPTIVE RATING
Right to basic needs	3.98	3.92	4.09	4.00	Aware
Right to safety	4.02	4.02	4.07	4.04	Aware
Right to information	4.05	4.00	4.05	4.03	Aware
Right to choose	4.08	4.04	4.03	4.05	Aware
Right to representation	4.08	3.84	3.95	3.96	Aware
Right to redress	4.08	3.98	4.12	4.06	Aware
Right to consumer education	4.08	3.94	3.92	3.98	Aware
Right to healthy environment	4.15	4.35	4.21	4.24	Aware
<b>Grand Mean</b>	<b>4.07</b>	<b>4.01</b>	<b>4.06</b>	<b>4.04</b>	<b>Aware</b>

Results shown in Table 3 further revealed that there was no significant difference in the level of consumers' rights awareness among household heads in the three municipalities covered in the study. This suggests that the level of awareness on consumers' rights were comparable or almost the same in the three municipalities of Davao Occidental.

**TABLE 3.** Test of significant difference on the level of consumers' rights awareness among households in selected municipalities of Davao Occidental, Philippines

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	.013	2	.007	.580	.569
Within Groups	.237	21	.011		
Total	.250	23			

**J. Sources of Information on Consumers' Rights**

As reflected in Table 4, few consumers have sources of information on RA7394 or Consumers' Protection Act. Not even half of the total number of consumers sourced out information on consumers' rights with only 36.81% as the highest percentage who sourced information from their cousins, friends and acquaintances. The lowest source of information was radio with only 4.07% of consumers testifying on it. The results suggest that the consumers have less access to information. These results make the consumers ignorant, which according to previous study that majority of the consumers lack awareness on consumer protection laws [2].

Comparing the three municipalities, it is alarming that in Don Marcelino only 25.23% of the consumers have heard about RA7394 or the Consumers Protection Act. This suggests that the consumer law was not widely disseminated in the municipality. On the other hand, majority of the consumers in the municipalities of Malita (89.72%) and Sta. Maria (57.57%) had heard about RA 7394 or the Consumers Act of the Philippines.

**TABLE 4.** Sources of information on RA 7394 or The Consumers' Protection Act of household heads in selected municipalities of Davao Occidental, Philippines

PARTICULAR	MALITA	DON MARCELINO	STA. MARIA	TOTAL f	%
Cousins, friends, acquaintances,	293	0	42	335	36.81
Television	57	53	139	249	27.36
Traders	162	0	49	211	23.19
Newspapers and magazines	0	21	119	140	15.38
Promotional materials	24	1	23	48	5.27
Radio	11	12	14	37	4.07
<b>% of consumers that heard about RA 7394 or Consumers Act of the Philippines</b>	<b>89.72%</b>	<b>25.23%</b>	<b>57.57%</b>	<b>57.50%</b>	

**J. Consumer-Related Problems**

Table 5 shows that more than half of the consumers experienced poor quality service (62.31%) while having their shopping and doing groceries, 53.19% complained about unreasonable price of the products. There were 49.23% of the consumers who experienced underweight products e.g. receiving 900g while buying a kilogram of fish, bought expired products (40.55%) which are hazardous to health, no price tag attached to the product (33.41%) which kept consumers frequently asking on prices of products, and fluctuating price of products (33.41%) which affected especially those tight budget consumers. Very few consumers experienced or complained about deceiving commercial ads (17.25%).

At a glance, most of the problems experienced by the consumers are fraudulent practices of traders, namely unreasonable price, underweight products, selling expired products, no price tags, and deceiving commercial advertisements. The consumers are always at risks if these malpractices of traders are not checked. No amount of consumer protection acts would help the consumers, unless they were prepared to help themselves and if the perpetrators are punished [12].

**TABLE 5.** Consumer-related problems experienced by household heads in selected municipalities of Davao Occidental, Philippines

<b>PARTICULAR</b>	<b>MALITA</b>	<b>DON MARCELINO</b>	<b>STA. MARIA</b>	<b>TOTAL F</b>	<b>%</b>
Poor quality service	209	174	184	567	62.31
Unreasonable price	178	178	128	484	53.19
Underweight products	198	165	85	448	49.23
Buying expired products	114	147	108	369	40.55
Non-display of price list	153	59	96	308	33.85
Fluctuating price of products	111	79	114	304	33.41
Deceiving commercial ads	3	158	50	211	23.19
<b>Grand Mean</b>	<b>4.07</b>	<b>4.01</b>	<b>4.06</b>	<b>4.04</b>	<b>Aware</b>

#### IV. CONCLUSION

Consumers are aware of their basic consumers' rights but not all are aware of the existing consumer law in the country. Though the consumer protection law is enforced, it did not hinder traders to perpetually do malpractices as evidenced by the experiences shared by the consumers. This only proves that the consumers although considered as vital in the economic development are vulnerable to exploitation. Their awareness on the eight basic consumers' rights is considered futile if those will not be utilized. By utilization, this means that when consumers experienced any form of exploitations from traders, it must be properly reported and complained to concerned government agency upholding consumers' protectionism.

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