

EVALUATING THE IMPACT OF CONSUMERS PROTECTION AND PRODUCERS ORGANIZATION ON CONSUMER SATISFACTION (CASE STUDY: IN GUILAN PROVINCE)

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Abstract

Nowadays the right of consumers and the necessity of supporting it by governments counted as the basic rights of consumers. On the one hand many consumers especially in developing countries are not aware of their rights. In Iran supporting consumers is undertaken by Consumers Protection and Producers Organization. Regarding available problems in this field, the current research was done with the title of "Evaluating the Impact of Consumers Protection and Producers Organization on Consumer Satisfaction". In this research 2 services of this organization have been considered; supporting consumers against price volatility, protection of domestic manufacturing and products. Regarding that subject, the research is applied one and regarding the method it is descriptive-surveying. Statistical society of the research includes all customers of chain store of Refah in Guilan province (Iran). For sampling the method of available convenient sampling was used. For data collection, questionnaire was used. After confirming validity of the questionnaire through content method and also confirming their reliability through cronbach's alpha method ($\alpha=77\%$) the obtained information has been considered for testing hypothesis by doing calculation of descriptive statistics and linear regression. The result of testing hypotheses is show that consumer protection against disproportionate price volatility and protection of domestic manufacturing and products have positive impact on consumer satisfaction.

Key Words: Consumers Protection and Producers Organization, Consumer, Consumer Satisfaction, Supporting Consumers

1. Introduction

Consumer behavior including Purchase Units and the exchange processes involved in the acquisition, consumption and dispose of goods, services, experiences, and ideas (Ono,1994) and consumer satisfaction can be defined as pleasant and or agreeableness past experience from buying a product and service (Adams, 2000). In recent years, many studies have been done by focused on applying legal provisions in line with consumer protection. Philosophy review of consumer protection regulations in developed countries and developing is different (Al-Ghamdi etal, 2007). In some countries, institutions such as associations, unions are responsible for supporting consumers. Consumers Union or association is an organization that defends about the safety and effectiveness of products and services, of research and the interests of buyers (Yarahmadi, 2008). In other words, consumers are shaping the market demand for goods and services, If have the tools and support necessary legal, with right selection can remove products and services that do not have the required standards in any way in market, and thereby is created greater competition among suppliers of goods and services to provide better products (Boostani,2011). One of the problems of developing

countries, including Iran, is price volatility. Consumers feel they do not have supportive center and the law does not adequately protect them. With regard challenges of disproportionately increasing prices in the country, and the need to review the rights of consumers, in this study decided to assess the impact services of consumers and producers supportive organization on consumer satisfaction.

2. Statement of Problem

Problems in many countries, especially developing countries, including Iran, are price volatility. Consumers feel they do not have supportive center and the law does not adequately protect them. Since the protection of consumer rights is guarantee continuity of manufacturing and thereby is caused to provide demand of consumer in the most affordable price and high quality, attention to these rights in term of the various aspects is remarkable (Tashkini, Hosseini, 2005). Consumer protection has begun in the early years of the twentieth century and gradually was coined a comprehensive regulations for it. The importance of consumer protection to the extent that has been created ministry entitled "Ministry of Consumer Affairs" in some countries (like New Zealand) (www.cppo.ir, 2012). Nowadays in most countries, regulations and trade policies about the production, import and distribution of certain products that are relevant to the human health and welfare of every individual in community state and has been provided (Haghighi, 2005; Yaramadi, 2008). In some countries, institutions such as associations, unions are responsible for supporting consumers. Consumers Union or association is an organization that defends about the safety and effectiveness of products and services, of research and the interests of buyers (Yarahmadi, 2008).

In July of 1975 in Iran in order to determine, adjust and stabilize prices of domestic products and imported goods and services, and conducting surveys and preparing plans for balancing and prevention of a disproportionate increase in the price was established "price check center". Then in July of that year in order to prepare a list of goods that consumers or manufacturers should be protected, established consumers support fund and finally in 1979 from the merger of price reviews center and consumers support fund, Protective organization of consumers and manufacturers formed and its constitution was adopted by revolutionary council. Suspended state projects and measures taken by two organizations of inspection and supervision and suspended state are most effective successful initiatives and activities in protection of consumer in the past year and statistical studies and performance of two organization and also common conditions consideration in the production cycle and distribution and consumption and arrangement governing this system the proof is it. However unfortunately in Iran except weak and diffuse streaks about this topic (consumer protection) to vary rules before the government suspended legislation and full implementation in 1994 has not been done serious action and scientifically about this issue (www.tazirat.gov.ir). Despite all efforts, consumers' rights in Iran have so far received little attention. Consumer society still does not know their rights and it is necessary to correct information and continuous training, careful, consumers are aware of their rights.

According to the contents expressed main research question is stated as follows:

Does performing tasks in consumer protection organization and producers influences on consumer satisfaction?

3. Consumer Satisfaction

Satisfaction is as a fundamental concept in business and commercial activity and is defined as a particular behavior and interested (Chen et al, 2012). Consumer satisfaction can be defined as unpleasant or pleasant experiences of purchasing past product or service. Overall satisfaction is an assessment and judgment about the overall purchases of individual (Adams, 2000). In this study, the level of consumer satisfaction from performance of consumer protection organization is measured by consumer protection against disproportionate price volatility and protection of domestic manufacturing and products.

4. Consumer protection

Consumer protection is an indicator from the annual value of gross transfers to consumers that is valued in time of determining price. In other words, this index shows the difference between budgetary support of government from the consumer and price transfers is done from consumers to producers and importers (Hosseini & Irvani, 2009). In some countries, institutions such as associations, unions are responsible for protecting consumers. Consumers Union or association is an organization that defends about the safety and effectiveness of products and services of research and interests of buyers (Yarahmadi, 2008) that is measured by the dimensions as consumer protection against price volatility with structures (supply More goods to adjust prices, determined and notified prices of goods and services in order to provide realistic prices., market price adjustment punitive laws, reduce and adjust the price by creating exhibition and places of direct supply of goods, Supervision Inspection projects), protecting domestic manufacturing and products with structures (determining goods price and domestic production commensurate with the economic situation, providing analytical reports about the situation of producers., the introduction of a proper distribution network in reduce mediating, providing production subsidies, tax deductions for domestic production (Al-Ghamdi et al., 2007).

5. Research Methodology

This study in term of objective is applied and in term of method it is descriptive-surveying. Statistical society of study includes all customers of chain store of Refah in Guilan province (Iran). It should be noted that the number of chain stores in Guilan province is 11. For sampling the method of available convenient sampling was used. For data collection, questionnaire was used. According to Morgan table, sample size meets a maximum of 384 numbers. Therefore, to ensure the return rate of questionnaires were distributed to 407 number that 397 questionnaires was completed. After confirming validity of the questionnaire through content method and also confirming their reliability through cronbach's alpha method ($\alpha=77\%$) the obtained information has been considered for testing hypothesis by doing calculation of descriptive statistics and linear regression.

6. Data Analysis

Consumer protection against disproportionate price volatility has impact on consumer satisfaction.

Table 1) analysis of variance, regression test between price volatility and consumer satisfaction

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	103.269	1	103.269	203.284	.000 ^a
	Residual	200.661	395	.508		
	Total	303.930	396			

According to sig is less than 0/05 in above table, thus model is linear.

Table 2) summarizes the regression model between price volatility and consumer satisfaction.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.583 ^a	.340	.338	.71274

Table 3) regression coefficients between price volatility and consumer satisfaction

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.553	.121		4.570	.000
	price volatility	.702	.049	.583	14.258	.000

According to sig is less 0/05, thus impact of price volatility on consumer satisfaction at level of 95% is significant, the severity of impact is equal 3/58 percent. According to B is determined that this impact is positive and direct. Meanwhile R Square in this hypothesis is obtained 0/34; it means that the price volatility can predict 34 % changes in consumer satisfaction. Regression model can be written as follows:

$$Y = 0.702X + 0.553$$

H2: Protection of domestic manufacturing and products has impact on consumer satisfaction.

Table 4) analysis of variance, regression test between domestic manufacturing and products and consumer satisfaction

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	95.106	1	95.106	179.899	.000 ^a
	Residual	208.823	395	.529		
	Total	303.930	396			

According to sig is less than 0/05 in above table, thus model is linear.

Table5) summarizes the regression model between domestic manufacturing and products and consumer satisfaction.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.559 ^a	.313	.311	.72709

Table 6) regression coefficients between domestic manufacturing and products and consumer satisfaction

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.569	.127		4.480	.000
	domestic manufacturing and products	.698	.052	.559	13.413	.000

According to sig is less 0/05, thus impact of domestic manufacturing and products on consumer satisfaction at level of 95% is significant, the severity of impact is equal 55/9 percent. According to B is determined that this impact is positive and direct. Meanwhile R Square in this hypothesis is obtained 0/313; it means that the domestic manufacturing and products can predict 34 % changes in consumer satisfaction. Regression model can be written as follows:

$$Y = 0.698X + 0.569$$

7. Discussion and Conclusion

In this study was evaluated the impact of consumers protection and producers organization services on consumer satisfaction.

The result of testing hypotheses is show that consumer protection against disproportionate price volatility and protection of domestic manufacturing and products have positive impact on consumer satisfaction.

Suggestions for Future Research

1. Review and identify the Consumer Protection Associations on consumer satisfaction
2. Comparative activity of consumer protection Associations in other countries, with Iran and offer solutions to improve performance in the Associations
3. The relationship between consumer satisfaction and job satisfaction of staff consumers protection and producers organization
4. Effects of individual characteristics (age, education, gender, income, etc.) on consumers protection and producers organization of consumer satisfaction

Limitations of Research

1. Lack of similar research in the field of research due to novelty subject
2. Lack of cooperation the personnel of consumers protection and producers organization due to organizational structure

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