CONSUMER BEHAVIOUR AND ITS INFLUENCE ON CONSUMER RIGHTS VIOLATIONS

Leonas Zitkus, Neringa Puskoriute
Kaunas University of Technology, Institute of Europe, Lithuania
e-mail: leonas.zitkus@ktu.lt, neringa.puskoriute@ktu.lt

Key words: consumer behaviour, decision making, fields of rights violations.

Introduction

As a demand of goods increases, a competition among manufacturers and sellers becomes stronger, as advertising of goods via television, press, radio, etc. intensifies, the issue of consumer protection becomes increasingly relevant and important. Purchase, selling and consumption are daily phenomena. The interests of parties (consumers and entrepreneurs), taking part in selling – purchase process, are different. The aim of business is to develop welfare to consumer and only then to earn profit to company – while other products are not purchased. As there is a strong competition among companies, it is essential for business to know the consumer behaviour, to analyze why one goods are purchased more than others, what determines the decision of consumer to purchase or not to purchase, and what measures should be undertaken, in order to attract consumer attention on product or service. Seeking to find out the peculiarities of consumer purchasing, research are carried out, behaviour models are developed that help to reveal the main reasons of purchase. The consumer purchase decision process consists of certain stages, where consumer purchase decision is influence by both external (culture, social class, influence groups, family, etc.) and internal (attitude, personal experience, motivation, values, lifestyle, understanding, knowledge and learning, etc.) factors. The entrepreneurs, knowing the peculiarities of consumer purchasing, often take advantage of the superior position and mislead them, provide inaccurate information about goods and services, fail to state the side effects of consumption, etc.

The problem, discussed in the article, is whether consumer behaviour influences the violations of their rights, and what consumer violations are possible in consumer decision making stages. The aim of the article – to find out the interaction between consumer behaviour and violations of their rights. The following four objectives were set, in order to achieve the aforementioned aim: to disclose the interaction between business and consumer; to analyze a theoretical model of consumer decision making process and to identify the main fields of violation of consumer rights; to determine the influence of external and internal factors, stimulating the consumers to make a decision to purchase, on violation of consumer rights; to explore the interaction between violations of consumer rights and consumer behaviour. The research revealed the interaction between business and consumer. The business develops goods and services, which meet the needs of consumers, while the consumers purchase them and make profit to company. When business uses the superior position and misleads a purchaser by giving inaccurate information about product, the interaction between business and consumer is violated. The consumer behaviour indirectly influences the violations of their rights, since consumers buy goods and services, following certain consistency. As there is a strong competition in the market and seeking to make a quick profit, the entrepreneurs take advantage of knowledge about stages of consumer decision process and about influence of external and internal factors on purchase.

Today’s market is characterized by a wide range of goods and services. Furthermore, technologies have been constantly improved, a growing number of new products enter the market, meanwhile, the customers face an increasing difficulty to select the products from the mentioned variety. Some products achieve success and recognition – consumers buy them and make profit to company – while other products are not purchased. As there is a strong competition among companies, it is essential for business to know the consumer behaviour, to analyze why one goods are purchased more than others, what determines the decision of consumer to purchase or not to purchase, and what measures should be undertaken, in order to attract consumer attention on product or service. Seeking to find out the peculiarities of consumer purchasing, research are carried out, behaviour models are developed that help to reveal the main reasons of purchase. The consumer purchase decision process consists of certain stages, where consumer purchase decision is influence by both external (culture, social class, influence groups, family, etc.) and internal (attitude, personal experience, motivation, values, lifestyle, understanding, knowledge and learning, etc.) factors. The entrepreneurs, knowing the peculiarities of consumer purchasing, often take advantage of the superior position and mislead them, provide inaccurate information about goods and services, fail to state the side effects of consumption, etc.

The problem, discussed in the article, is whether consumer behaviour influences the violations of their rights, and what consumer violations are possible in consumer decision making stages. The aim of the article – to find out the interaction between consumer behaviour and violations of their rights. The following four objectives were set, in order to achieve the aforementioned aim: to disclose the interaction between business and consumer; to analyze a theoretical model of consumer decision making process and to identify the main fields of violation of consumer rights; to determine the influence of external and internal factors, stimulating the consumers to make a decision to purchase, on violation of consumer rights; to explore the interaction between violations of consumer rights and consumer behaviour. The research revealed the interaction between business and consumer. The business develops goods and services, which meet the needs of consumers, while the consumers purchase them and make profit to company. When business uses the superior position and misleads a purchaser by giving inaccurate information about product, the interaction between business and consumer is violated. The consumer behaviour indirectly influences the violations of their rights, since consumers buy goods and services, following certain consistency. As there is a strong competition in the market and seeking to make a quick profit, the entrepreneurs take advantage of knowledge about stages of consumer decision process and about influence of external and internal factors on purchase.

Key words: consumer behaviour, decision making, fields of rights violations.

Introduction

As a demand of goods increases, a competition among manufacturers and sellers becomes stronger, as advertising of goods via television, press, radio, etc. intensifies, the issue of consumer protection becomes increasingly relevant and important. Purchase, selling and consumption are daily phenomena. The interests of parties (consumers and entrepreneurs), taking part in selling – purchase process, are different. The aim of business is to develop welfare to consumer, to sell goods and services and earn from it, while the aim of consumer is to satisfy his personal needs. A weak side in relationship between business and consumer is a consumer, who is easily misled. Consumer rights are defended not only in Lithuania – it is one of the aims of European Union (hereinafter referred to as EU). The protection of consumer interests is important, since consumers are the economic engine. Moreover, the consumption stimulates competition among manufacturers, as well as the emergence of new products in market, increases the national economic development, etc. The entrepreneurs often forget the main aim – to develop welfare to consumer and only then to earn money from that. An entrepreneur takes advantage of his position and misleads a consumer, seeking to make a quick profit. The deceived consumer starts mistrusting a market and buys less. It is essential to analyze the consumer behaviour, the consumer decision making process, the fields of consumer rights violations and their causes.

Consumer behaviour is analyzed by many scientists, it is sought to find out, what the consumer decision to purchase is determined by. There are theoretical models, explaining the processes of making a decision to purchase, however, the stages of decision making process do not identify the possible violations of consumer rights, do not study the relationship between the decision making process steps and violations, and the influence of consumer behaviour on violations of their rights.

The problem of the article: Does consumer behaviour influence the violations of their rights? What consumer violations are possible in consumer decision making stages?
The aim of the article – to find out the interaction between consumer behaviour and violations of their rights.

In order to achieve the aim of the article, the following tasks were set:
- to disclose the interaction between business and consumer;
- to analyze a theoretical model of consumer decision making process and to identify the main fields of violation of consumer rights;
- to determine the influence of external and internal factors, stimulating the consumers to make a decision to purchase, on violation of consumer rights;
- to explore the interaction between violations of consumer rights and consumer behaviour.

The methods of the research: a comparative analysis was performed by using scientific literature, during which the models of consumer decision making process were analyzed. The analysis of documents, statistical data and laws was also performed.

The results of the research: consumer behaviour has an indirect influence on violations of their rights. Consumers often purchase goods or services, following internal and external factors, stages of making a decision to purchase, while entrepreneurs take advantage of this and mislead the purchasers. The entrepreneurs may violate the consumer rights in all six stages of making a decision to purchase.

Interaction between Business and Consumer

Each entrepreneur, seeking that its business would function successfully, must know the habits, needs of consumers, a changing consumption culture, the motives and aims of using the products and services of certain field, the cultural peculiarities, etc. A successful business requires knowledge about consumer behaviour, since the success of goods and services in the market depends only on consumer behaviour. An entrepreneur should constantly collaborate with consumers, take into account an intensive pace of public life and a fast growth of markets. Thus, collaboration is essential to both parties – it helps to avoid economic losses for entrepreneur and the product, meeting the expectations of consumer, is introduced into market. However, entrepreneurs often take advantage of the superior position and violate consumer rights.

Interaction between business and consumer is analyzed by the researchers as Boguslauskas V., Valančienė L., 2003; Kriauciūniene M., Urbaskienė R., Vaitkienė R., 2005; Baker, S., 2004; and others. They argue that the relationship between business and consumer is close.

According to Kavaliauskas (2009), business is a human activity, where exchange of products and services takes place, following the principle of mutual benefit. Business itself is not the aim. It is only the tool to develop a good life. Business itself is a central human activity. However, business is too often considered through the prism of money by forgetting the people, i.e., consumers. Although a company might be established by seeking profit, the made profit is only the measure to achieve a greater aim – social welfare. When it is forgotten and profit becomes the ultimate goal, people suffer.

Figure 1 shows that there is a close relationship between business and consumer. Business develops, presents, defines and transfers a value to consumer, satisfies his needs, benefits and earns from this. Furthermore, business is focused on consumer, it seeks to identify his needs, in order to present an attractive and merchantable product. The evaluation of consumer goods and services takes place by purchasing or not purchasing them. If a product or service does not meet the consumer needs, he will not purchase it.

A weak side in relationship between business and consumer is a consumer, since an entrepreneur can mislead him at any time. Therefore, it is essential to ensure consumer protection. Seeking to regulate the relationship between business and consumer, a lot of legal acts have been passed, fines for unfair entrepreneurs have been introduced, consumer protection institutions, which defend consumer interest, have been established, etc.

The presented information demonstrates that there is a close relationship between business and consumer, they cannot exist without each other: business develops the products, which meet the needs of consumers, while consumers purchase them and make profit to company. However, business often forgets the main aim – to develop welfare to consumer – and starts seeking profit by deception: conceals information on product safety, components, presents a misleading advertising, etc. On the other hand, the consumer behaviour itself indirectly influences the violations of consumer rights. By knowing the peculiarities of consumer behaviour, their purchasing habits, an entrepreneur takes advantage of it and misleads the consumers.

EU protects consumer interests, since consumers are the economic engine. Thus, more attention should be paid on consumers, in order to mitigate the market fragmentation issues, seeking to achieve a better functioning of retail markets, that the consumers would have a wider selection, and in order to ensure the main European values: fairness, openness, solidarity and transparency. EU has established 10 core principles for consumer protection, which must be implemented in all member states. It is worth mentioning that the consumer protection is ensured in EU by the legal measures as: agreements, regulations, directives and other measures.

The above analysis shows that interaction between business and consumer is evident. Moreover, business would not survive without consumers, while consumer would not meet his needs without business. The duty of each EU member state in this relationship is to ensure a suitable level of consumer protection because only a confident consumer, who is informed about goods and services and is aware about his rights, will consume and increase the economic level of country.
Researchers, who analyze the consumer behaviour (Martinez, P., De Mooij, M., East, R., Vanhuyle, M., Wright, M., Swarbrooke, J., Horner, S., Kardes, F. R., Cline T. W., Cronley M. L., 2011; Solomon, M., Barnossy, G., Askegaard, S., 1999; Mowen, J. C., 1987; Crane, F. G., 1994; Solomon, M. R., 1994; Schiffman, L. G., Kanuk, L. L., 1997; Peter, J. P., Olson J. C., 1996; Bakanauskas, A., 2006; Urbanskienė, R., 2000; Karvauskienė, V., 2010; Pikturnienė, I., Kūtinaitienė, J., 2010; Stankevičienė, J., 2004; etc.), state that consumer behaviour consists of the following essential components: person’s need to acquire a product or service, purchase of product or service and consumption of product or service. Consumer behaviour also includes the actions of individual before and after purchase, which are sought to meet the needs by.

Seeking to understand the consumer behaviour better, the researchers (Schiffman, L. G., Kanuk, L. L., 1997; Dubois B., 2000; Mowen J. C., 1987; Solomon, M. R., 1994; Berkowitz, E. N., 1992; Lundon D. L., Della Bitta A. J., 1993; Juščius V., Viskontaitė I., 2010; and others) have developed the theoretical models, illustrating their behaviour.

Consumer behaviour is quite new scientific discipline, which was started to be studied in America only in seventh decade. While developing, this branch of science has included the fields as psychology, sociology, anthropology and economics. The researchers determined that consumers do not buy the cheapest products as it was thought then, but they purchase depending on mood, situation, location, emotions, environment and other factors.

It is important to analyze consumer behaviour because it is an essential tool for entrepreneur, helping to understand, why certain goods are purchased, while other goods – not purchased. The course of process of consumer decision to purchase a product or service is described by Shilbury, Quick, Westerbeek (2000) (see Fig. 2).

Consumer decision making process consists of six key steps (problem/need recognition, information search, initial information, evaluation of alternatives, purchase, post-purchasing behaviour), which are affected by both external and internal factors, advertising, media, views, attitudes, etc.

According to Figure 2, the steps of decision making process will be discussed and the main violations of consumer rights in the aforementioned stages will be identified.

**Step 1** – problem/need recognition. It means that first of all a need to purchase a product or service, in order to solve the emerged problem, appears. The problem might be acquisition of new product, thirst quenching, flat purchasing, car purchasing, acquisition of travel service, etc. The problem might also be formed by media means, advertising and a new product is introduced into market as a solution, which must be purchased.

**Step 2** – information search. Today’s world faces a new problem – excess of information, its constant change and reliability and fairness of information. A frequent consumer gets lost in information search and is unable to distinguish, which information about goods and services is reliable and non-misleading, and which not. Sometimes, information is communicated in an inaccurate or even misleading way by both external and internal channels. This fact might also be caused by a lack of knowledge.

**Step 3** – initial information. In this step, a consumer faces a risk that an entrepreneur can provide misleading information about product or service, seeking to sell it and make profit. The problem of misleading advertising is also commonly encountered in this step, when inaccurate, false or incomplete information about product or service is provided, when information about product is provided not in official language, when the features of service or product, which do not exist, are specified, etc. Moreover, it is failed to present all ingredients (components) of products, information and product safety and side effect is concealed, its type, identity, characteristics, composition, shelf/best by term, handling and consumption method, storage conditions, etc. are incorrectly specified.

**Step 4** – evaluation of alternatives. In this stage, a consumer can be wrong, when evaluating the alternatives of product or service. The consumers must be provided with conditions to receive necessary information about product before purchasing it, in order a consumer can evaluate the product, compare it with other goods in respect of both price and quality. Information about product should be provided in official language, in order a consumer could understand what is written in label. Although the law protects a consumer from aforementioned deceptions, entrepreneurs often provide inaccurate, misleading or incomplete information.

**Step 5** – purchase. Consumer decision to purchase is often determined by direct persuasions and arguments of sellers –

---

**Figure 2. Consumer decision making process** (Source: Shilbury, et al., 1998)

**Table 1. Stages of Process of Making a Decision to Purchase and the Fields of Violations**

<table>
<thead>
<tr>
<th>Stage</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Step 1</td>
<td>Problem/need recognition.</td>
</tr>
<tr>
<td>Step 2</td>
<td>Information search.</td>
</tr>
<tr>
<td>Step 3</td>
<td>Initial information.</td>
</tr>
<tr>
<td>Step 4</td>
<td>Evaluation of alternatives.</td>
</tr>
<tr>
<td>Step 5</td>
<td>Purchase.</td>
</tr>
<tr>
<td>Step 6</td>
<td>Post-purchasing behaviour.</td>
</tr>
</tbody>
</table>
consultants, related with exclusivity and perfection of certain product or service, thus, a consumer is psychologically persuaded to purchase this and not other product. Price discrimination is also possible, it is refused to sell or it is sold by higher price than to others.

**Step 6 – post-purchasing behaviour.** If a product meets the needs of consumer, then he will buy this product or service next time and will recommend it to his family members, friends and familiar people. However, if the purchased product or service does not meet the needs of consumer, the latter falls misled and deceived, economic and legal interests of consumers are violated. Consumers not always have conditions to return the product to seller, to access to justice for violated rights, the damage is not always compensated. What is more, here the issue that not all consumers are informed about their, as consumers’, rights, consumer protection institutions, etc., is faced.

In conclusion, it might be stated that when implementing the steps of making a decision to purchase, a consumer indirectly makes conditions for dishonest entrepreneurs to mislead him. Each step of consumer decision making process is characterized by risks to be misled and deceived. Usually, the entrepreneurs provide incomplete information about product or service, do not give the opportunity for consumers to compare the alternatives, do not provide the possibility to return the defective product, etc. Seeking to make the highest possible profit, an entrepreneur takes advantage of its position and misleads a consumer. Therefore, consumer protection and regulation of relationship between consumer and entrepreneur is necessary.

**External and Internal Factors, Stimulating the Consumers to Make a Decision to Purchase and the Fields of Violations**

Consumer decisions to purchase are made not only after recognizing a problem, searching for information about goods and services, evaluating the alternatives, but also spontaneously, according to mood, habits, situation, etc. Other methods, forcing the consumers to make a decision to purchase, are external and internal factors. Consumer behaviour models help an entrepreneur to know a consumer better and to understand his selections, while a consumer receives the goods and services, which meet his needs.

One more widely simplified consumer decision making process is presented by Louden and Delta Bitta (1993) (see Fig. 3). The model shows not only the stages of consumer decision making process, but also external (culture, subculture, social class, social groups, family, etc.) and internal (attitude, personal experience, attention, memory, etc.) factors, influencing consumer decision.

First of all, it might be noticed that consumer decision making processes in second and third figures are similar. Although decision making processes have been presented by different authors, their steps remain the same, only the second figure (see Figure 2) presents a more detailed decomposition.

In case of the model (see Fig. 3), presented by Louden and Delta Bitta (1993), a great attention is paid on external and internal factors, which influence consumer decision to purchase.

![Figure 3. A Simplified Decision-process Framework for Studying Consumer Behaviour](Source: Louden, et. al., 1993)

Entrepreneurs are interested in affecting the consumer decision to purchase both in stages of decision making process and by external and internal channels, since it determines their turnover and profit.

The main external factors are culture, social class, influence groups, family, etc. Importantly, the consumer behaviour is mostly influenced by family. According to Urbanskienė (2000), a family structure affects the consumer behaviour in various ways. Family needs and expenses depend on demographic factors, income, number of people in family, their age, average income disposed by one family member, etc. Žostautienė (2010) argues that in some countries, a family is very strongly and closely related unit, which makes decisions in unanimous way. As an entrepreneur knows the influence of family on consumer, it can manipulate family values, appeal to feelings and attempt to psychologically convince a consumer to purchase a certain product or service, meanwhile it does not meet the needs of consumer, is not necessary, etc. Furthermore, the manipulation of entrepreneurs is especially felt in advertising.

After family, consumer behaviour is determined by influence group. **Influence group** – persons or their groups, influencing the consumption decisions of individual. Group members communicate a lot, respect the opinion of each other, make consumption decisions by taking into account the current group opinion (Pikturnienė I., Kurnaitienė J., 2010). By knowing the importance of influence groups to consumer, an entrepreneur can take advantage of it and sell the product, which does not meet the needs of consumer. Manipulation of influence groups is also strongly felt in advertising.

**Social classes** – quite homogenous and relatively long-term, hierarchically arranged social groups, formed on the basis of position in society and characterized by similar behaviour of members and recognized values. According to Pikturnienė and Kurnaitienė (2010), consumers usually follow the purchase parameters, typical to their social class. Consumers want to be exclusive and to belong to certain social class. Therefore, they select goods/services, depending on the social class they belong to.

**Culture** (lot. Cultura) – products of human and public activity, its forms and systems, the functioning of which
enables to use and transfer the material and spiritual values (Zostautienė, D., 2010). The influence of culture on consumption varies. Seeking to sell a product, an entrepreneur manipulates the cultural values as the family, influence groups or social class.

It is worth mentioning that the influence of external factors on consumer decision to purchase goods or services is considerable. By knowing the importance of external factors to consumer, the entrepreneurs take advantage of it and try to influence their purchases. The main violations include: misleading advertising, psychological pressure to purchase, manipulation of family, culture, social classes, family groups, etc.

Consumer behaviour is affected not only by external, but also by internal factors (attitude, personal experience, motivation, values, lifestyle, understanding, knowledge and learning, etc.).

One of the internal factors is personal values of consumer. Consumers purchase certain goods or services, since they meet their needs, interests. Those, who appreciate a healthy lifestyle, purchase organic products, while those, who protect environment, buy recycled goods, etc. In these situations, an entrepreneur can take advantage of consumer’s values and mislead him by foisting a product or service, which does not meet the needs of consumer, on.

According to Virvilaitė (1999), understanding is the adoption and interpretation of environmental objects and events. Understanding process is one in case of complex and another in case of convenience goods. As consumers collect information about complex product or service, they follow certain consistency. A consumer can be misled by presenting inaccurate or incomplete information.

One more internal factor of consumer behaviour is knowledge and learning. Each consumer gains personal experience in purchasing goods and services. While some consumers purchase spontaneously, other customers ask advice of family, friends and traders about goods and services. Moreover, post-purchasing response forms the experience of consumer. The problem, which is faced by frequent consumer, is insufficient knowledge of his rights, not knowing what to address, mistrust of consumer protection institutions.

Beliefs and attitudes are one more important internal factor of consumer behaviour. Beliefs are the inner condition of individual, when he hopes that facts, statements and interrelationship of objects are fair (Pikturienė I., Kurtinaitienė J., 2010). Violations of consumer rights are possible as entrepreneur manipulates the personal needs, emotions, fashion of consumer, i.e., an entrepreneur can present the product/service in the way a consumer wants, although, in fact, the product/service does not meet the presented characteristics.

By taking advantage of internal factors, stimulating the consumers to purchase, the entrepreneurs usually make the following violations: present inaccurate or false information about goods and services, fails to present information about possibility to return goods, fails to present information about how to recover the money in case of product defect, etc. These violations are indirectly provoked by consumer himself, since he makes a decision to purchase, following the internal factors. By knowing the influence of internal factors on consumer, an entrepreneur misleads him.

As new products and services enter the market each day, competition among companies becomes stronger. Each company seeks to sell and earn. Meanwhile for consumer it is increasingly difficult to select from abundance of services and goods, and entrepreneurs attempt to attract consumers in all possible methods. Consumer decision to purchase goods or services in certain company determines its profit and success. Therefore, an entrepreneur, wishing to draw consumer’s attention on product or services, not always present an accurate, correct information, uses the influence of internal and external factors on consumer.

By taking advantage of external factors, stimulating the consumers to purchase, the entrepreneurs usually make the following violations: aggressive commercial practice¹, misleading commercial practice², which includes 26 different fields of violations of consumer rights, psychological pressure to purchase, manipulation of family, culture, social classes, influence groups, etc. By taking advantage of internal factors, stimulating consumers to purchase, entrepreneurs usually make the following violations: presentation of inaccurate or false information about goods and services, failure to present information about possibility to return goods, failure to present information about possibility to recover the money in case of product defect, etc.

Interaction between Consumer Behaviour and Violations of their Rights in the Process of Making a Decision to Purchase

The consumers are economic engine, the consumption stimulates economic growth, however, only the consumer, who trusts in market, is informed about his rights, will purchase and consume. EU protects consumer interests and obligate member states to do the same. However, the issue of consumer protection has still been delicate. Some EU member states have better ensured consumer rights, while others – poorer. It is essential to identify the reasons, which influence the violations of consumer rights and to eliminate them.

Eurobarometer survey (2011), conducted on behalf of the European Commission, and Annual Report for 2012 of State Consumer Rights Protection Authority³. The basis of Eurobarometer surveys consists of data of surveys of Lithuanian consumers and small entrepreneurs. The Eurobarometer surveys were conducted by interview, while the final result of Eurobarometer surveys was calculated.

¹ A commercial practice is regarded as aggressive if by harassment, coercion, including the use of physical force, or undue influence, it significantly impairs or is likely to significantly impair the average consumer’s freedom of choice or conduct with regard to a product and thereby causes him or is likely to cause him to take a transactional decision that he would not have taken otherwise.

² A misleading commercial practice is misleading actions or misleading failure to disclose information.

³ Misleading actions – provision of misleading information or information which, even is factually correct, deceives or is likely to deceive the average consumer in relation to one or more of the elements, specified in Paragraph 1 of Article 5 of Law on Prohibition of Unfair Business-to-Consumer Commercial Practices (e.g., due to the existence or nature of the product, the main characteristics of the product, the commitments of a commercial operator, the objectives of the commercial practice and the method of selling the product, the price or the manner in which the price is calculated, or the existence of a specific price advantage, the need for a service, part, replacement or repair, the name or identity of a commercial operator its agent) and in either case causes or is likely to cause him to take a transactional decision that he would not have taken otherwise.

taking into account a number of state residents and results of national surveys. The error of surveys can vary from +/- 1.4% to +/- 3.1%.

Consumer behaviour provokes certain violations, which are made by entrepreneurs. In order to determine, which actions of consumer behaviour has a strong impact on violations and which actions have no impact, we present the table of violations of consumer rights and elements of consumer behaviour (see Table 1). It was selected to analyze the interaction between the stages of consumer decision making process and possible consumer violations by using the data from survey of Lithuanian consumers and small entrepreneurs. It can be concluded that consumers face the same problems in the whole EU, however, a number of violations is lower in some states, and higher in other countries. Despite this fact, the interaction between stages of consumer decision making process and possible consumer violations is the same.

The first table presents the stages of consumer decision making process and possible violations of consumer rights, as well as statistical data, reflecting a number of violations of Lithuanian consumer rights in these fields. Some consumer violations do not include specific data, since this statistics was not separately shown, however, the violations, mentioned in Annual Report for 2012 of State Consumer Rights Protection Authority and Eurobarometer report, are called as problematic.

The entrepreneurs take advantage of stages of consumer decision making process and mislead the purchasers, seeking to make profit. The majority of identified common possible violations are characterized by strong interaction with consumer behaviour. It means that certain action or sequence of actions, performed by consumer, provides conditions for entrepreneur to take advantage of it and to mislead a purchaser.

The possibility to mislead a consumer is in all decision making stages (see Table 1). The highest number of problems is faced in sixth step – post-purchasing response. Lithuanian consumers are not sufficiently informed about possibility to return the product to seller, about possibility to return a defective product within 2 years, they do not know what to address, if a seller or service provider rejects to compensate the losses upon making a claim, regarding the purchased product of poor quality/the provided service of poor quality, etc. By knowing that all are informed about consumer rights in Lithuania, the entrepreneurs take advantage of it and mislead the purchasers.

Many problems are also faced in the first stage – problem/need recognition, since entrepreneurs present a deceptive advertising, undertakes an aggressive commercial practice. In Lithuania, aggressive commercial practice makes 15%, while misleading commercial practice – 35%. In case of

<table>
<thead>
<tr>
<th>Stages of decision making process</th>
<th>Possible fields of violations of consumer rights</th>
<th>Violations of Lithuanian consumer rights (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Problem/need recognition</td>
<td>• Misleading commercial practice</td>
<td>35%</td>
</tr>
<tr>
<td></td>
<td>• Aggressive commercial practice</td>
<td>15%</td>
</tr>
<tr>
<td>Information search</td>
<td>• Information about product/service is presented not in official language</td>
<td>n.d.</td>
</tr>
<tr>
<td></td>
<td>• Misleading advertising</td>
<td>43%</td>
</tr>
<tr>
<td></td>
<td>• Misleading information</td>
<td>20%</td>
</tr>
<tr>
<td></td>
<td>• Inaccurate or incomplete information about goods or services</td>
<td>n.d.</td>
</tr>
<tr>
<td>Initial information</td>
<td>• Information about product/service is presented not in official language</td>
<td>n.d.</td>
</tr>
<tr>
<td></td>
<td>• The characteristics of product that do not exist are specified</td>
<td>n.d.</td>
</tr>
<tr>
<td></td>
<td>• Exceptional characteristics are assigned to products, although it is not scientifically proved</td>
<td>n.d.</td>
</tr>
<tr>
<td></td>
<td>• Unsuitable labelling of products</td>
<td>n.d.</td>
</tr>
<tr>
<td></td>
<td>• Failure to specify a place of origin, manufacturing method</td>
<td>n.d.</td>
</tr>
<tr>
<td></td>
<td>• Failure to specify all components of products</td>
<td>n.d.</td>
</tr>
<tr>
<td></td>
<td>• Information about product safety and side effect is concealed</td>
<td>15%</td>
</tr>
<tr>
<td></td>
<td>• Type, identity, characteristics, composition, quantity, shelf/best before term, handling and consumption method, storage conditions, etc. are inaccurately specified</td>
<td>24%</td>
</tr>
<tr>
<td></td>
<td>• Product manufacturing poses a danger to consumer</td>
<td>n.d.</td>
</tr>
<tr>
<td>Evaluation of alternatives</td>
<td>• There is no possibility to compare products, prices, weight, etc.</td>
<td>20%</td>
</tr>
<tr>
<td>Purchase</td>
<td>• Direct persuasions and arguments of sellers – consultants, related with exclusivity of product or service, although it is not the case</td>
<td>n.d.</td>
</tr>
<tr>
<td></td>
<td>• Psychological pressure to purchase</td>
<td>n.d.</td>
</tr>
<tr>
<td></td>
<td>• Price discrimination</td>
<td>n.d.</td>
</tr>
<tr>
<td>Post-purchasing response</td>
<td>• Consumers do not know what to address, if a seller or service provider rejects to compensate the losses upon making a claim, regarding the purchased product of poor quality/the provided service of poor quality</td>
<td>45%</td>
</tr>
<tr>
<td></td>
<td>• It is failed to inform about conditions to recover the money for defective product or service</td>
<td>87%</td>
</tr>
<tr>
<td></td>
<td>• It is failed to inform about cooling-off period</td>
<td>97%</td>
</tr>
<tr>
<td></td>
<td>• Damage for losses is not compensated</td>
<td>38%</td>
</tr>
<tr>
<td></td>
<td>• There is a mistrust of Lithuanian consumer protection institutions</td>
<td>63%</td>
</tr>
</tbody>
</table>

Source: Authors.'
misleading advertising, the need of consumer to purchase the product appears and only after purchase it is understood that a deceptive proposal was put forward.

The presented information shows that there is a close relationship between stages of making decision and possible violations of consumer rights. Thus, certain behaviour of consumers or certain sequence of actions determines violations of their rights. The entrepreneurs make violations in all stages of making a decision to purchase. Today’s market is characterized by strong competition among companies and the products they offer, and as the main aim of business, i.e., to develop welfare to consumers, is forgotten and only material benefit is started to be sought, the consumers are deceived by taking advantage of certain their purchasing behaviour, habits, values, etc.

### Interaction between Violations of Consumer Rights and External and Internal Factors, Stimulating the Consumers to Make a Decision to Purchase

It is obvious that consumer decision to purchase or not to purchase is also influenced by both external and internal factors. Business knows that its success is determined by consumer. If business is able to meet the needs of consumer, a consumer makes profit for it. In order an entrepreneur would not incur losses, he needs a constant cooperation with consumer, monitoring of his behaviour and quick response to market needs. However, consumer behaviour partly provokes the violations of consumer rights. When making a decision to purchase, the consumers often follow certain personal values, advice of family, friends, cultural peculiarities, etc. It is often a case when after going deep into consumer purchasing behaviour, an entrepreneur presents not more quality product, but a misleading advertising about new characteristics of product, etc.

Table 2 demonstrates the main external factors, stimulating the consumer to make a decision to purchase and the main common violations of consumer rights. The latter include a misleading commercial practice, aggressive commercial practice and manipulation of family values, culture, influence groups, social class. By knowing the influence of external factors on decision to purchase, the entrepreneurs take advantage of them and put forward a deceptive proposal.

### Table 2. Influence of External Factors, Stimulating Making a Decision to Purchase, on Violations of Consumer Rights

<table>
<thead>
<tr>
<th>External factors, stimulating making a decision to purchase</th>
<th>Possible fields of violations of consumer rights</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family</td>
<td>Manipulation of family values,</td>
</tr>
<tr>
<td></td>
<td>Misleading commercial practice</td>
</tr>
<tr>
<td></td>
<td>Aggressive commercial practice</td>
</tr>
<tr>
<td>Influence groups</td>
<td>Manipulation of influence groups</td>
</tr>
<tr>
<td></td>
<td>Misleading commercial practice</td>
</tr>
<tr>
<td></td>
<td>Aggressive commercial practice</td>
</tr>
<tr>
<td>Social class</td>
<td>Manipulation of social class</td>
</tr>
<tr>
<td></td>
<td>Misleading commercial practice</td>
</tr>
<tr>
<td></td>
<td>Aggressive commercial practice</td>
</tr>
<tr>
<td>Culture</td>
<td>Manipulation of culture</td>
</tr>
<tr>
<td></td>
<td>Misleading commercial practice</td>
</tr>
<tr>
<td></td>
<td>Aggressive commercial practice</td>
</tr>
</tbody>
</table>

Source: Authors’.

Importantly, as the consumer rights are violated in this field, other violations of consumer rights, presented in Table 1, are also faced.

Another method to influence the scope of profit is external factors, stimulating the consumers to make a decision to purchase.

Table 3 presents the internal factors (attitude, personal experience, values, knowledge and learning, understanding, lifestyle) and possible violations of consumer rights. In case of violation of consumer rights in this field, as in the field of external factors, other problems of violation of consumer rights, presented in Table 1, are faced.

### Table 3. Influence of Internal Factors, Stimulating Making a Decision to Purchase, on Violations of Consumer Rights

<table>
<thead>
<tr>
<th>Internal factors, stimulating making a decision to purchase</th>
<th>Possible fields of violations of consumer rights</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attitude</td>
<td>Manipulation of consumer values, attitude, lifestyle.</td>
</tr>
<tr>
<td>Personal experience</td>
<td>Failure to present complete information about product or service or misleading information is presented.</td>
</tr>
<tr>
<td>Values</td>
<td>Insufficient knowledge of consumers about their rights, not knowing what to address, mistrust of consumer protection institutions.</td>
</tr>
<tr>
<td>Knowledge and learning</td>
<td></td>
</tr>
<tr>
<td>Understanding</td>
<td></td>
</tr>
<tr>
<td>Lifestyle</td>
<td></td>
</tr>
</tbody>
</table>

Source: Authors’.

A consumer is a weak side in relationship business-consumer. The main aim of business to develop welfare to consumer, however, as business starts seeking only profit by making advantage of peculiarities of consumer behaviour, it misleads a consumer. The consumers make decisions to purchase under the influence of internal and external factors. By knowing the importance of external and internal factors for consumer purchase, business tries to influence it. A respective behaviour of consumer in respect of external and internal factors provokes entrepreneurs to act in dishonest way.

### Conclusions

- Interaction between business and consumer is evident. Exchange of products and services takes place between business and consumer, following the principle of mutual benefit: business satisfies the needs of consumer, while consumer makes profit to company by purchasing goods or services from it. A weak side in relationship between business and consumer is a consumer, since an entrepreneur can mislead him at any time. Therefore, EU protects consumer interests and obligates the member states to protect consumer rights.
- The process of making a decision to purchase consists of the main six steps. Each of them is characterized by risk to be misled or deceived. The main violations are aggressive commercial practice, incorrect information about exceptional characteristics of product, manufacturing method, safety, misleading commercial practice, no possibility to compare the products, etc. When implementing the steps of making a decision to purchase, a consumer indirectly makes conditions for
dishonest entrepreneurs to mislead them.

- Consumer decision to purchase or not to purchase is influenced by both external and internal factors. The main external factors are the following: family, influence groups, social class, culture. The main internal factors are attitude, personal experience, values, knowledge and learning, understanding, lifestyle. By taking advantage of external factors, stimulating the consumers to purchase, the entrepreneurs usually make the following violations: misleading commercial practice is presented, psychological pressure to purchase, by manipulating the family, culture, social classes, influence groups, etc. By taking advantage of internal factors, stimulating the consumers to purchase, the entrepreneurs usually make the violations as inaccurate or misleading information about goods and services, failure to present information about possibility to return goods, failure to present information about possibility to recover the money in case of defective product, etc.

- There is an interaction between the steps of consumer decision making and possible violations of their rights. Certain actions or sequence of actions, performed by consumers, stimulate entrepreneurs to behave in a dishonest manner and to mislead purchasers. Violations of consumer rights are made in all six stages of making a decision to purchase. External and internal factors influence consumer decision making. A consumer follows family advice, opinion, the attitude of influence groups is important for him, he takes into account his culture, etc. By knowing the importance of internal and external factors for consumer, the entrepreneurs try to influence them. Consumer behaviour indirectly provokes entrepreneurs to mislead them.

References


Received in April, 2013; accepted in September, 2013.