

Effect of Consumer Discontent on Consumerism in Kenya: A Survey of Household Consumers in Nakuru County

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Abstract

Consumerism has been defined as a social movement seeking to augment the rights and powers of consumers in relation to sellers (Kotler, 2000). It is fast spreading to developing countries in Africa including Kenya. However, the majority of Kenyan consumers have been observed to be relatively passive in their involvement and participation in the movement. For example, the calls for collective action by the Consumers Federation of Kenya (COFEK) over rising costs of living in 2008 and 2010 attracted very few participants to achieve much in the marketplace. Hence the balance of power remains on the side of sellers who continue to exploit Kenyan consumers in the marketplace. The study is premised on the theory of collective behaviour by Smelser (1963) which proposes that structural strains are crucial for the rise and progression of a social movement. Strains include political discontent, economic discontent, social discontent and discontent towards business practices. The purpose of the study was to examine the effect of consumer discontent on consumerism in Kenya through a survey of household consumers in Nakuru County. The study adopted a descriptive research design involving a mixed method approach. A sample size of 400 respondents was drawn from 10 administrative sub-locations in Nakuru East and Nakuru West sub counties of Nakuru County. Multi-stage cluster sampling technique was used for selecting households for interview. A pre-designed self-administered questionnaire was used for data collection. Analysis of data was done using descriptive and inferential statistics using Statistical Package for Social sciences (SPSS) version 19.0 Hypothesis test was done using p-values approach at 95 % confidence level. Pearson correlation results indicated a positive association between consumer discontent and consumerism. Regression analysis results indicated a positive relationship between consumer discontent and consumerism. Hypothesis test confirmed that consumer discontent had a significant effect on consumerism at 95% level of confidence. The study concluded that majority of household consumers were highly discontented with business conditions and practices in Kenya. The study recommends that manufacturers, producers and sellers should establish a consumer affairs division that responds effectively to consumer enquiries and complaints.

Keywords: Consumer discontent, Consumerism

Introduction

The classical social movement literature focuses on discontent as the primary force underlying a successful movement. It suggests that when discontent increases rapidly and is widely shared, collective efforts to alleviate it will occur. The model further predicts that fluctuations in the level of discontent account for the rise of movements and the major changes in movement participation (Smelser, 1963). An examination of the consumerism literature reveals that many writers emphasize the role of consumer discontent in driving the movement. Aaker and Day (1978) states that consumers' problems lead to a "diffuse, latent discontent with the state of the marketplace." They identify the focal problems as (1) disillusionment with the system, (2) a lack of adequate and reliable information, (3) dissatisfaction with the usefulness and truthfulness of advertising, (4) dissatisfaction with the quality, performance, and safety of goods, (5) impersonal and unresponsive marketing institutions, and (6) high levels of inflation. Following Smelser's (1963) work, Kotler (1972) named six major factors that contribute to the rise of consumerism as structural conduciveness, structural strains, growth of a generalized belief, precipitating factors, mobilization for action and social control. Kotler (1972) refers to the 1960s as a time of great public discontent and frustration which he called structural strains. He elaborates on the feelings of economic discontent, social discontent, ecological discontent, political discontent, and marketing system discontent that pervade our society. Certainly, the existence of discontent cannot be denied. It is a factor

that underlies long-term trends and needs, but discontent alone is not enough to bring about change. Thus, discontent cannot explain the cyclical nature of the consumer movement. As explained above, consumer discontent was not substantially greater in the late 1960s and early 1970s than throughout much of the late 1970s and 1980s when activities declined. Clearly, the standard literature on social movements fails to explain the varying levels of outcomes associated with the consumer movement. Having consumer discontent and general support for consumerism is one thing; funneling these feelings into actions that will create better deals for consumers is another according to Bloom & Smith (1986).

Literature Review

Mahapatra (2014) investigated the factors causing consumer dissatisfaction and the reasons why consumers endure dissatisfaction. The study was conducted among selected consumers in Dehradun city of Uttarakhand state of India. The questionnaires were circulated to 200 male and female respondents who belonged to different income groups, age, occupation and education categories. The reasons causing dissatisfaction under investigation were consumer expectations, product trouble, product compatibility, poor service, customer care, inconvenience in handling the product, and the firm's commitment made to the consumer at the point of purchase. Through factor analysis, regression and correlation analysis the study concluded that firm's commitment to customer care and consumer expectations were the significant causes of consumer dissatisfaction. The study also investigated whether ignorance of consumer's complaints, time factor, high service cost, firm's inability in solving consumer complaints, non availability of authorised service centre and firm's poor commitment to warranty were possible reasons why consumers endure dissatisfaction. The study found out that the cost of service and warranty were the most significant reasons why consumers were not reporting dissatisfaction. These findings help in understanding the likely reasons why Kenyan consumers fail to complain in case of exploitations in the market place as observed by Asher (2012).

Lundstrom and White (2006) examined whether consumer discontent was a valid construct affecting consumer complaint behaviour. The study was a follow up to a previous study conducted in Lundstrom and Skelly (1976). It involved a comparison of consumer discontent in the Mid-West metropolitan region of the USA of over a period 30 years between 1976 and 2006. Data was collected from 1500 consumers through mail questionnaire. The aim of the study was to determine whether consumer discontent was still prevalent and active among consumers. The study found out that there were no significant changes in consumer discontent over the time span and that it was still prevalent in the consumer arena. The level of discontent was found to an important driving force for consumerism. The study by Lundstrom and Skelly involved an examination of the level of consumer discontent among rural consumers in Mississippi, USA. The study found out that consumers living in rural Mississippi were dissatisfied with business practices with a mean value of 160.2 (neutral 143.0). The major concerns were increase in costs of living, little product improvement and business making excess profits at the expense of the consumer. The consumers generally did not express a feeling of alienation from the marketplace or the inability to express their complaints to business. Those consumers who had the least purchasing power expressed the highest rate of discontent. This was exemplified by older persons, low income families, less educated and racial minorities. The study also found out that how business responds to consumer discontent influences the intensity and timing of consumerism.

Choo and Sternquist (2004) compared consumer discontent with retailing business among Japanese and US consumers. The study also tested the underlying dimensions of the consumer discontent scales and proposed a conceptual framework that identified the antecedent variables of consumer discontent. The study involved 3 separate sample groups of consumers, the Japanese in Japan, Japanese in the US and Americans in the US. To measure consumer discontent the study used a 25 item scale adopted from Lundstrom and Lamont's study (1976) whereby the higher the score the stronger the consumer discontent. The study found out that the US sample had significantly higher discontent than the two Japanese samples for product strategy discontent. For impersonal nature discontent, Japanese in the US sample showed significantly lower discontent compared to the other two samples. Among the three groups, the Japanese consumers in the US showed the lowest level of discontent. The study contributed towards understanding some of the factors leading to consumer discontent by establishing the effect of socio-cultural and retail factors on consumer discontent. By testing the consumer discontent scale, it has provided evidence of reliability of the instrument in consumer discontent studies. Choo & Sternquist agree with the suggestion by Lundstrom & Lamont (1976) that consumer discontent leads to "upset actions" of consumers by voicing complaints. However, it failed to test the effect of consumer discontent on voicing complaints by consumers or consumerism.

Volkov (2003) explored the relationship between negative inequity and consumer complaint responses among Australian consumers following exposure to unacceptable advertising. Consumer complaint responses were identified as the set of multiple, active behavioural responses to dissatisfaction. The study involved development of a conceptual model of consumer complaint responses. The model suggested that negative inequity was directly linked to future complaint behaviour. It also demonstrated the typology of possible actions

taken by consumers in the market place when faced with dissatisfaction (negative inequity). Volkov suggested that typology of actions or consumer complaint responses is based on the identified triggers that may influence complaining propensity such as demographic, psychographic, cultural, situational and social factors. The Complainant perception of the process encountered together with the overall outcome of their experience affect future complaint behaviour. Other contributions to research on consumer discontent involved the development of a consumer discontent scale which provided a valuable contribution towards developing the research instrument that was used in this study.

Singh (1985) investigated the relationship between alienation from the market place, discontent and attitude towards the act of complaining. The study was conducted among 1000 households in the city of Ludlock, USA. The study involved testing in four separate industries-grocery shopping, automotive repair, medical care and financial service for consumer dissatisfaction and complaint processes. The results provided evidence for three dimensional structures of Consumer Compliant Behaviour actions as Voice actions, Word-of-Mouth and Formal actions. The research suggested that consumers distinguish between formal and informal actions. The results of the study demonstrated that discontent had a direct relationship with attitudes towards the act of complaining. Dissatisfaction was found to be a necessary but not a sufficient condition for explaining or predicting consumer complaint behaviour (CCB). This provides evidence of a link between discontent and consumerism especially when consumer compliant behaviour actions such as Voice actions, Word-of-Mouth and Formal actions are used for measuring the level of consumerism among respondents.

Kjell and Johan (1980) assessed the relationship between consumer dissatisfaction and complaint behaviour in public and private organizations. The study was conducted in a medium sized Norwegian town and surrounding areas. A cross-sectional survey of users/buyers of selected goods from the public and private sector with emphasis on mapping the incidence of dissatisfaction and complaining and the outcome of complaints was conducted. Data was gathered from housewives who purchased private good or used public goods. Data was collected over a period of 12 months by means of personal interview and open ended questions. The study involved 314 usable interviews based on 80 central addresses. The study found out that dissatisfied consumers do not express their dissatisfaction with public compared to private goods. It was also evident that the dissatisfied, not complaining consumers, do perceive the probability of getting a positive outcome lower when dissatisfied with public compared to what is the case when dissatisfied with private goods. The findings also showed that there were lower levels of dissatisfaction and complaining tendencies in the public than in the private sector since propensity to complain in private sector was 0.83 against .027 in the public sector. The naive conclusion was that "all was well" in the public sector. However, the study acknowledged that there could be dissatisfied consumers who refrain from complaining in the public sector due to lack of an "exit" option due to the nature of public goods in comparison to private goods. This means that in the market place there exists the silent majority who fail to take action even when dissatisfied with a product.

Shuptrine and Wenglorz (1981) examined the problems faced by consumers in the market place and what they do about them. The study was conducted among households in a medium-sized south-eastern city within in the USA. They found out that over 83% of the respondents confirmed that they had faced problems with different types of products in the market place. The areas of most common problems respondents had (consistent with prior research) were automotive related, product not functioning as claimed, poor construction and problems with repairs/service. The study found out that as a result of the problems faced (82.2%) complained to the retailer selling the product through personal visit (62.8%) or telephone call (38.9%). This indicated that the problems experienced by consumers are linked to the actions taken in order to resolve them.

Objective of the study

To examine the effect of consumer discontent on consumerism

Hypothesis of the study

H₀: Consumer discontent has no significant effect on consumerism

Methodology

The target population consisted of 68,469 households in Nakuru West and Nakuru East sub-Counties of Nakuru County. A sample of 400 was drawn from selected estates whereby the head of household or any other adult present was interviewed. A multi-stage cluster sampling method was used for selecting the sample for the study. The study adopted a descriptive research design involving a mixed method approach. According to Jackson (2009), descriptive design involves observation, case study or survey methods that are mainly used for describing situations. A mixed method approach involves both quantitative and qualitative analyses. The design was therefore suitable for examining the effect of consumer discontent on consumerism since it enables a multifaceted approach and allowed the use of surveys as per the research requirements. Secondary data was collected from government agencies and published academic journals while primary data was collected from

respondents through a pre-designed self administered structured questionnaire. Consumer discontent construct was operationalized into 10 item scale. The respondents were required to rate each statement on a 5-point Likert scale ranging from 1 = strongly disagree to 5 = strongly agree. The instrument was adopted and modified from Lundstrom and White (2006) and was applied in measuring consumer discontent in the state of Mississippi, USA. Using total scores, level of consumer discontent for each respondent were rated from 50 (high discontent) to 10 (low discontent). Cronbach's alpha was calculated to measure the reliability / internal consistency of the instrument and the value was 0.679 which satisfied the acceptable reliability co-efficient according to Shelby (2011) who proposed that alpha values of above 0.6 were acceptable. The face validity of the scales was assured through experts' reviews and literature survey. Data analysis was done through Pearson's correlation and linear regression analysis with the aid of Statistical Package for Social Science (SPSS) version 19.0.

Results and Discussion

Effect of consumer discontent on consumerism

According to Pearson correlation analysis, there is a positive correlation between consumer discontent and consumerism since $r = 0.421$ (see table 3). This indicated a positive association between consumer discontent and consumerism hence confirming that consumer discontent has potential effect on consumerism indicted by the typology of actions taken against errant producers (Lundstrom & White, 2006; Volkov, 2003). According to Cohen (1988) decision rules the strength of association between consumer discontent and consumerism was moderate. The rules state that correlation coefficients that fall between 0.31 and 0.5 indicate a moderate correlation or association between the two variables.

Table 3: Correlation between consumer discontent and consumerism Correlations

		Consumer discontent	Consumerism
Consumer discontent	Pearson Correlation	1	.412**
	Sig. (2-tailed)		.000
	N	400	400
Consumerism	Pearson Correlation	.412**	1
	Sig. (2-tailed)	.000	
	N	400	400

** . Correlation is significant at the 0.01 level (2-tailed).

Linear regression analysis results show that there was a positive relationship between Consumer discontent and consumerism. The coefficient of the beta value $\beta = 0.357$ was positive (see Table 4). Hypothesis test were done using p values approach at 95% confidence level. The decision rule was to reject null hypothesis if calculated p-value was less than the significant level (0.05) and fail to reject the null hypothesis if calculated p-value was greater than the significance level (0.05). Since the p-value for consumer discontent was $p = 0.000$ was less than the significant level 0.05 (see Table 4), we reject the null hypothesis; H_0 : Consumer discontent has no significant effect on consumerism. We therefore conclude that consumer discontent has a significant effect on consumerism. This confirms that consumer discontent is a valid construct affecting consumerism or consumer complaint behaviour as proposed by Lundstrom & Skelly (2006).

Table 4: Linear Regression results

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	9.724	2.515		3.866	.000
Consumer discontent	.355	.051	.357	6.948	.000

Conclusion

The level of consumer discontent among household consumers was high and was found to have a positive effect on consumerism. Consumer discontent construct was found to be a strong predictor of consumerism since its effect was significant at 95% level of confidence. This agrees with Lundstrom and White (2006) that consumer discontent remains a valid construct for predicting the development of consumerism. The findings also agrees with theory of collective behaviour which proposes structural strains such as political discontent, economic discontent and discontent towards business conditions as preconditions for development of consumerism. The findings confirm that consumer discontent leads to "upset actions" of consumers by voicing complaints as proposed by Choo & Sternquist (2004) and Lundstrom & Lamont (1976). The study established that majority of household consumers were highly discontented with business practices and conditions in Kenya. The main areas

of high discontent were on statements that “business profits are too high” and “all businesses want to do is to make most money” while areas of low discontent were on statements that “Business take a real interest in the environment” and “most companies have a complaint department which backs up their products and handles consumer complaints.

The level of consumerism was found to be low among majority of household consumers. This finding agrees with Ijewere and Obeki (2011) who concluded that the level of consumerism was lower in most developing countries compared to developed countries. However, the study found out that the respondents were ready to complain to retailers, wholesalers or manufacturers in case of dissatisfactory products and were also willing to join and make financial contributions to consumer organizations. This agrees with Ijewere (2007) who suggested that although consumers may be naïve and shy in voicing out their complaints about bad products, majority may be willing to join or financially support a consumer association. The study found out that most consumers in developing countries endure dissatisfaction instead of voicing their complaints as suggested by Mahapatra (2014) and Onah (1988). However, the findings revealed that consumers were skeptical of filing court cases or reporting to government agencies in cases of exploitation in the marketplace.

Recommendations

Firstly, the media in Kenya should play a key and leading role in advancing the course of consumers. This can be done through advertising or dedicating weekly programmes on consumer issues that will be used as a means of consumer education and enlightenment. Increased awareness of consumer rights will not only raise the level of discontent among consumer but also enhance their participation and involvement in the movement. Sensitization through the media will also help consumers understand their roles, the role of government and manufacturers as per the provisions of the Consumer Protection Act 2012 in enhancing consumer protection in the country.

Secondly, manufacturers and producers in Kenya should establish a consumer affairs division that effectively responds to consumer enquiries and complaints. They should ensure that consumers participate in all corporate decisions. Further, manufacturer and producers need to reshape their strategies in order to address environmental and consumer issues in their operations. The Kenya Bureau of Standards (KEBS) in conjunction with other government regulators should ensure that producers, manufacturers and sellers adhere to the provisions of the Consumer Protection Act in the areas of product safety, provision of information, receiving complaints, expiry dates and packaging among others. Further legislation is required to mitigate production or marketing malpractices and ensure adherence to the law by manufacturer, sellers and marketers

Thirdly, the Kenyan government should conduct an audit of the government agencies and regulators involved in consumer protection to assess their effectiveness in fulfilling their mandate. There are cases in the country where harmful products for example low quality alcoholic drinks have reached consumers causing sickness or death without the knowledge of the responsible agency. This means that some agencies or regulators are failing to fulfill their mandate as provided by the legislation establishing them. The audit may determine the status of such agencies in terms of staffing, equipment and training in order to strengthen consumer protection in the country.

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