

## Consumerism and the Globalization Agenda: A Strategic Marketing Management (SMM) Advocacy for Consumer Behaviour

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### Abstract

The agitation of consumers against some quality-dimension strategies like; product customization, product specification, product standardization and other discriminatory preferences orchestrating the production of low quality or substandard products for only the poor consumers, has raised obvious curiosity and global business concern amongst various management and marketing scholars. These consumers however, protest and argue that most of these goods with poor quality dimensions could lead to ephemerality of these same products globalized or distributed to satisfy human wants and needs, consequently violating the provisions of globalization Agenda, Consumer Bill of Rights and Basic rules and contents of Total Quality Management (TQM). The objective of the study therefore is to evaluate or assess the extent to which consumerism as a consumer behavior technique and strategic marketing management concept, has contributed to producers' response, to the anticipated needs of consumers in the Globalization Agenda. The methodology combined the application and analyses of ideas and opinions from various authorities in this area of research with contents and reports on both present and past accounts of selected contextual issues. The study revealed that there is a weak correlation between consumerism and the globalization agenda, with obvious facts as; continuous violation of consumers bills of rights, exclusion of the government in consumerism drives, and failure of consumers to draw manufacturers attention to the major areas of the economy. The research however concludes that the globalization agenda failed extensively in assuaging the challenges faced by consumers with discriminatory approaches to manufacturing, and consumerism also as a consumer behaviour technique has not succeeded in its aims and objectives in the globalization agenda.

**Keywords:** *Consumerism, The Globalization Agenda, Strategic Marketing Management, Advocacy, Consumer Behaviour.*

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### **Background to the Study**

In this present-day globalization drive, the need for consumer right to product safety, also continuous information concerning changes in both prices and quality dimensions are becoming expedient and imperative. Additional measures and innovative approaches are therefore suggested to ensure protection in the areas such as competition, cross-border information flows etc (Ewebiyi, 2001). For companies to compete on the global stage, they must reconcile domestic standards of food and product safety as well as intellectual properties protection with international ones (Asika, 2004). The implication of this consumer rights movement to managers and business men is that whatever product are being produced or sold by a firm, must meet up to the required safety standards and also must do what it portends to do, to avoid grave consequences. The ever-showing agitation of consumers on the violation of rights and the right to product safety, with the production and circulation of substandard products is prevalent and challenging to the contents of aims and objectives of the globalization agenda (Asika, Ojogbo 2019).

Consumerism can be said to be agitation by customers for better products and services from the producers (Ewebiyi, *ibid*). The beginning of consumerism could be attributed to a speech made by the Late United States President: John F. Kennedy on March 15, 1962 in which he proposed a consumer Bill of Rights that included the Right to Product Safety. Despite this earlier effort, the modern consumer rights movement did not get underway until a young American Lawyer, Ralph Nader (who also contested the 2000 US Election for President) drew attention to it. Before Nader, “Consumerism” was a trivialized concept that dealt with shopping for the best bargains and redeeming supermarket discount coupons. The globalization agenda amongst others is to ensure that quality goods and services are produced and globalized or circulated at minimal costs and maximal satisfaction of consumers in the whole world (Asika, Ojogbo, *ibid*). With the advantage of free trade being dismantled, there is an overwhelming growth and performance of most countries Gross National Product (GNP) per capital income and Foreign Direct Investment (FDI). These have been promoting international business, marketing and globalization aim and objectives.

In spite of the desired result achieved so far from these efforts, there are still apparent complaints and visible agitations from consumers against some product and service defects. They continue arguing that majority of consumer goods and services in global circulation are substandard and the level of ephemerality of their service spans are discouraging. According to Ewebiyi (*ibid*), they lack safety standard, domestic standard and security standard. Research conducted in February-April 2020 proved that the Nigerian National Electric Users (NNEU) led protest against electricity tariff hike (increase) which they privatized and planned to implement. This was announced on the 22<sup>nd</sup> of February 2020 while April 1<sup>st</sup> 2020 was slated for subsequent implementation. Looking at the then national poverty trajectory, there were protests coming from different classes of consumers against this potential increase as a violation of rights and the right to safety. The National Union of Small and Medium Enterprises (SMEs) then described it as “an outrageous economic set back”. There was a consequent speculation that government had intervened by mandating these producers to either install the prepaid meters or charge the consumers not more than One Thousand Eight

Hundred Naira (N1800) only per houses for the Estimated Billing System (EBS) which eventually succeeded but later should be abolished by the Nigerian Electricity Regulatory Commission (NERC). This followed with the mandate of installation of Prepaid Metres in all houses as preferred by consumers. However, the individual consumers still complained on inefficiency in power supply mechanism against the proposed tariff hike.

Consumerism is not a healthy phenomenon because it imposes constraints and restraints, presents challenges and threats (Nwankwo, 1996), but Achumba (2000) still recommends it as a veritable strategic marketing management tool to checkmate and regulate the excesses of producers against the interest of the consumers. The objective of this research therefore is to evaluate or assess the extent to which consumerism as a consumer behavior and strategic marketing management concept, has contributed to producers' response, to the anticipated needs of consumers in the globalization agenda. This shall be done by using ideas and opinions of various authors with contents and reports on both present and past accounts.

### **Statement of Problem**

In the recent past, many managements and marketing scholars observed that there is no realistic correlation between consumerism and the globalization agenda. This is due to persistent apparent agitation of consumers against some quality-dimension strategies like: product customization, product specification, product standardization and other discriminatory preferences orchestrating the production of inferior and substandard products for only the poor-class- consumers.

In spite of the above fact, one of the strategic development goals (SDGs) of globalization is to ensure that quality goods and services are produced and globalized at minimal costs with maximal satisfaction for consumers all over the world. The need for Total Quality Management (TQM) is also necessary in ensuring that this standard of goods is achieved. Inversely, we often hear the agitation of consumers against various violation of their rights and protection which includes; right to safety, right to security and right to fair domestic goods and services standard. They also complain that producers sometimes discriminate against the interest of the low-class consumers and the consumer society. This, they (producers) do with preferential strategies like; customization of qualities, standardization and specification of goods and services that jeopardize the poor class. For instance, Otokiti (2004) accuses the Asian Tigers of a particular discriminatory approach where some Nigerian businessmen travel to some Asian countries purposely with inferior product specification plan for consumer goods like electronics, clothings, etc, liaise with some manufactures in order to make huge gains at the importation and supply of such ephemeral goods into Nigeria. This is an anti-thesis to the globalization agenda.

Osuagwu (2000) also draws our attention to the manufacturing of some automobiles by some countries as specified by either individual consumers or a particular country's specification, for use. An example is American cars as "American specs", German cars as "German specs", etc, strictly produced for these countries. Furthermore, in the same vein, any member of the rich-class can also go for customized vehicle. For example, Dangote business trucks are

customized this implies that no trucks of such class can use the same spare parts with Dangote Trucks. These are purely discriminatory approaches.

Asika et al (ibid) observed that the popular bulk or mass production approach by the Asian Tigers of most domestic items supplied into the global market is a dangerous signal for the promotion of substandard and ephemeral products, these products include; electronics, clothing's, foot wears etc. this is also against the consumer right to protection and safety as contained in the globalization agenda. Authors sometimes suffer insecurity of their intellectual properties through plagiarism in both national and international capacities. There are sometimes incessant arbitrary price-hike of most consumer goods, like electricity supply and media subscription, inclusive. For instance, the current fluctuation increase of the price of Cement in Nigeria, is alarming. The producers from another direction come up with basic defense alibis as: cost implication that could lead to product standardization and specification. There is equally a questionable paradox of ambivalence of high patronage and brand loyalty which these same low-class products and services command to the contrary, in the global market, in spite of these agitations. These are the need for the study.

### **Methodology**

The study adopts an exploratory research design, using content and report approaches to qualitatively present contextual opinions and ideas on both past and present accounts of different scholars on this area of research. Substantive and authoritative citations are however used for analyses to arrive at reliable findings and conclusions.

### **Conceptual clarification and authoritative definitions**

#### **An Integrated conceptual framework of consumerism and strategic marketing management**

An aggrieved, furious and threatening customer at Owerri Relief Market once asserted on her right and disposition to quit patronage from her seller thus, “do you know the risk you stand now in losing me as your regular customer because of your constant, arbitrary and informing price increase on this fish”? But he politely replied, “I am sorry Ma, it is not my fault, it is all the fault of suppliers.

This goes a long way in substantiating Nwankwo (ibid) definition on consumerism as the reaction and increasingly reaction of consumers to their dissatisfaction and unrealized expectations also their efforts to have these perceived injustices remedied. Furthermore, in spite of the ambivalent-four times – patronage of a Chinese Torch-Light Product, which was as a result of its inability to deliver anticipated efficient service, a customer once again threatened to fight the seller at Ama Hausa Market Square in Owerri Metropolis thus, “refund my money now Mallam or I break your head with these failed Torches”!! Subsequently, uninvited crowd gathered and arbitrated on the issue and finally resolved it. Did Nwankwo (ibid) not warn against the threat and challenges consumerism presents with dire consequences in daring consumer rights and protection?

Cole (1997) defines consumerism from a general perspective as an organized effort of the consumers seeking redress, restitution and remedy for dissatisfaction they have accumulated in their acquisition of standard of living. This definition has also satisfied the April 1<sup>st</sup> 2020 agitation of Nigerian National Electric Users (NNU) over the proposed increase in tariff. In other words, consumerism is made either by consumer himself, government or independent organization to protect the consumer from the unscrupulous practice(s) of profit-making institutions. This includes; consumer protest movement, consumer seeking for better value of their money, consumers attempt to protect themselves against any exploitation by product sellers.

The strategic marketing management concept is concerned with the remedy(ies) for the dissatisfaction already accumulated through the acquisition of goods and services. These remedies are provided as recommendations from strategic marketing management (SMM) research as solutions to issues from consumerism. From the aim of each of the concepts, it will be discovered that both consumerism and marketing /management concepts, have a common purpose (Achumba, *ibid*). However, not all marketers and marketing practices conform to the marketing and management concepts. Consumerism is therefore the result of the failure to implement the marketing and management concepts fully. Infact the failure of many profit seeking organizations to carry out marketing concepts fully, led to redefinition of marketing concepts to incorporate a wider societal marketing concepts which aims at generating customer satisfaction and long term run consumer welfare. Consumerism is brought about by major factors, e.g; the ill effect of marketing practices as a result of certain marketers not following the philosophy of the marketing concept which seeks to promote consumer supremacy.

As far back as 1962, President John F. Kennedy of the United States of American identified the following four rights of the consumers; the right to safety, the right to be informed, the right to choose and the right be heard. Those are referred to as Kennedy Charter. Of all the economic groups in the marketing system, the consumer is the most decisive and delicate, yet, he is the most exploited and neglected (Osugwu, 2000). Marketers capitalize on the fact that generally, the consumers are neither educated nor organized, though they are the reason for the survival of marketers. Their rights are denied. They do not even know the contents or what these rights are. All forms of marketing decisions and activities on them-whether healthy or not, deliberately and otherwise. The consumer consumed all that and keeps consuming till date. Things have got to change. The consumer is not aware. He is now becoming assertive. With education and exposure, the end to marketing exploitation and deprivations is in the horizon.

This is why Achumba (1996) observes that consumerism is now drawing the attention of the manufacturers to the major areas of the economy where some kind of mindlessness exists for which the consumer is paying more. To achieve this objective according to him, the movement must have more basic purpose. Consumerism has been focused on some of the obvious symptoms of lack of responsive approach to the public interests. It should be moving towards a more fundamental definition which impact in a reaffirmation of the basic democratic



concepts. Consumerism seeks to give representation to all interests, especially the individual buyers, consumer and citizen who now have adequate voice in the power structure. Consumers who are looking for help would now be comforted to find that government has been in the consumer protection business for long with consumer Protection Agencies like; National Agency for Food, Drug Administration and Control (NAFDAC), Petroleum Products Pricing Regulatory Agency (PPPRA), Standard Organization of Nigeria (SON), International Standard Organization of Nigeria (ISO), National Electricity Regulatory Agency (NERA) etc. Least comforting usually is to realize that consumer protection laws are enforced with a lack of persistence and vigour. The regulatory agents which are charged with the responsibility of upholding the interest in the public. Instead, they become the mouth pieces for the various industries they are supposed to regulate. As it is said, the tail wags the dog and while the Agency may bark now and then, the bite is usually toothless. It could therefore be accepted that consumerism has a major aim which is protection against clear cut abuses. These abuses rest heavily on poor goods and services and unsatisfactory marketing services.

#### **Empirical review on consumerism, globalization and the globalization agenda**

Within the framework of globalization, there are certain emergent issues that are not only becoming recurrent, but also coming to the fore in recent discourses that pertain to consumer behaviour and consumerism. Over the last decade, there has been growing use of term “globalization” to refer to series of changes in the international economy. As Wade (1996) notes, globalization is normally taken to refer to a set of qualitative changes in the international economy which are associated with increases in international trade in goods and services, greater flow of foreign direct investment and the growth in international financial transactions since in the 1960s. These changes include increased levels of competition across a broad range of markets and higher levels of interconnectedness in international economic activity.

There is a considerable agreement about what exactly has driven globalization and the extent to which it constitutes a fundamental change in the international economy (Wade, *ibid*); Hirst and Thompson 1996; Weiss, 1996). Nevertheless, with the exception of a very few, there is broad agreement that there have been series of important changes in the international economy which are having a significant influence on a broad range of political and economic outcomes (Perraton et al., 1997; Garrett, 1998; Held et al., 1999).

In the field of marketing, there is a widespread agreement amongst academics, business people, policy makers and union officials that changes in the international economy, associated with the contemporary wave of globalization; globalization have important consequences for national patterns of marketing management in both developed and Newly Industrializing Countries (NICs) (Bray and Murray, 2000). There is however less agreement about the precise nature of consequences of globalization for business management and how to conceptualize the relationship between international economic change and national, industry and enterprise level pattern of marketing management with utmost regards to consumer interests that can be identified in the literature.

The first perspective is glocalization approach. There has been a widespread expectation in both the popular and academic literature that the dynamics in globalization are likely to cause pressure for glocalization of goods and services. It has been argued that globalization has produced significant increases in competitive pressure across national borders in virtually all product and factor markets have increased the locational mobility of capital. This, it's argued, has set in motion common changes in labour standards as national governments attempt to prevent loss of productive investment. At the extreme, the glocalization approach predicts that although there are many challenges to this strategy, when done right, it has many benefits; allowing companies to reach a larger target market is just one of them (Osland and Joyce, 2003). Society also benefits when glocalization occurs as an increase in market competition generally pushes the price of products down which means the consumers benefit by gaining a lower price point at the function of glocalization. This decreases the inequality gap as people who couldn't previously afford products when the market was controlled by local monopolies are able to purchase the product for cheaper prices. Osland and Joyce (ibid) further argue that although glocalization has benefits to the consumer, it does not always benefit the producer with newer and smaller companies, struggling to keep up with the low production costs of multi-national competitions. This result either a higher price and loss of consumer or a lower profit margin which in turn results in less competition, within the market.

Crawford, Humphries and Geddy (2015) argue that glocalization works best for companies which have decentralized authority, the cost of the company's increases as they cannot standardize products and projects, different cultures have different needs and wants which is highlighted in this challenge. An example of a company succeeding in creating new products for their emerging market is McDonald's new rice meals in India and China. This shows that McDonalds has done research on and understands their new market's requirement for a successful take away good. This however can be very costly and time consuming.

The second perspective is the SMM advocacy is the strategic marketing management approach which upholds consumerism as a veritable technique that must be considered while glocalizing or distributing goods and services in the globalization agenda (Achumba, ibid). This approach strongly solicits that the target of consumerism must be set to include all consumer rights and the right to product safety as contained in John F. Kennedy's Consumer Bill of Rights (March 15, 1962). The strategy or technique of consumerism must also include government special intervention in critical issues that affect all consumers' interests.

However, through a strategic marketing management research and subsequent advocacy for improvement of quality and standard of goods and services, it has been discovered that the interest of consumers is either violated – marginalized. This entails the application of some discriminatory preferences which orchestrates the production and distribution of substandard or interior products, only for the needs and wants of the lower-class members of the society. Inversely, the same producers are accused of either to have been customizing or specifying standards for the rich class of the same society (Achumba, ibid). According to Otokiti (2004) who accuses the Asian Tigers of a discriminatory approach where some Nigerian business men, travel to Asia to request for the manufacture of sub-standard goods or

low quality product specification to make huge gains. However, Asika, Ojogbo, Dibashi and Ihedigbo (2019), citing Osuagwu's (2000) observation, complained on the ephemerality of these Asian Tigers Export qualities, moreover, on a serious consumerist agitation. However, Akanwa (2005) reports on the poor-quality dimensions used in manufacturing consumer goods in Nigeria, pointing out that Small and Medium Enterprises (SMEs) do not adopt standard marketing policies. Comparing their products with that of both the global and multinational firms, they seem not to secure sustainable position in global marketing because of product defects. Nwankwo (ibid) exonerates this failure on the side of the producers with extenuating challenges in the course of production as; high cost implication, tariff or vats etc. Otokiti (ibid) contends with the doubt on how and why these bulk manufactured goods are still commanding different brand loyalties in the global market in spite of poor warranties, defects and other shortcomings. Banjoko (2005) asserts that total quality management (TQM) as a universal production/operation management concept, should be adopted, if optimum standard of goods and services are to be achieved in the globalization agenda. However, Imaga (1996) insists that for products and services to measure-up with anticipated standards, producers must ensure quality assurance by adopting total quality management (TQM) ideology.

### **Summary and Findings**

This study thus summarizes and reveals that:

There is an apparent weak correlation between consumerism and the globalization agenda in spite of the clear strategic marketing management (SMM) advocacy of well researched ideas, opinions and authoritative recommendations. The study further discovers that:

1. In spite of the contents of President John F. Kennedy's Charter, spelling out all consumer rights, also with the availability of various consumer Protection Agencies by the government, the interest of consumers is still either violated or marginalized.
2. The strategy or technique for consumerism has not been involving the government and other human right advocates for intervention in critical issues that affect all consumers' interests.
3. Consumerism has not been drawing the attention of the manufacturers to the major areas of the economy.
4. Globalization agenda seem to have failed as consumerism is entirely absent as one of the goals, it is only interested in manufacturing and glocalization or distribution of goods and services.
5. The advocacy and provisions of the strategic management researches seem to be trivialized and ignored.

### **Conclusion**

The conclusion of this discourse on exploratory contents and report analyses is drawn from the objective of the study which includes; the assessment of the extent to which the globalization agenda has succeeded in responding to the aims and objectives of consumerism. Consequently, the research reviewed different authoritative opinions and ideas to reliably arrive at these declarations as follows:

1. That the globalization agenda failed extensively in assuaging the challenges faced by



- consumers with discriminatory approaches to manufacturing like; product specification (Nwankwo, 1996).
2. Consumerism is still not drawing the attention of the manufacturers to the major areas of the economy and the agitation or movement should add more basic purposes as suggested by Achumba (1996).
  3. The strategy or technique for consumerism must include government special intervention in critical issues that affect all consumers interests, giving as (EWS) early warning signal by Osuagwu (2004).
  4. Nwankwo (ibid) further concludes with the warning that consumerism is not a healthy phenomenon because to him, it presents threats and challenges and imposes constraints and restraints.
  5. Achumba (2000) still concludes that consumerism is a veritable strategic marketing management (SMM) tool to checkmate and regulate the excesses of producers against consumers interests.
  6. Asika and Ojogbo (2019) finally concludes that the globalization agenda which include; ensuring to produce total quality goods and services and glocalize, distribute or circulate at minimal costs and maximal satisfaction of consumers in the whole world, failed woefully as the major aim.

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