

CONSUMER VOICE

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Consumer interest above all

35
years and going strong



Tomato Ketchup

Which is the best buy for you?

9 brands tested

TOP PERFORMERS



Trans Fats

Take note of your daily food intake

Product Survey

Electric kitchen chimneys

Bank Home Loans

12 banks compared



Consumer Protection Bill, Product Liability and Brand Protection

The Consumer Protection Bill 2019 has been passed by Parliament, replacing the more than three decades old Consumer Protection Act, 1986. While the earlier law did cover unfair trade practices, the current one makes it more comprehensive.

Nakul Pasricha, President, ASPA

It is a major step forward in consumer empowerment. One of the salient features of the bill is Product Liability Clause. The clause empowers consumers to claim compensation from products manufacturers for injury or damage caused by defective goods or deficient services. The defect could be manufacturing, design or deviation from manufacturing specifications.

Take consumer awareness to next level:

In India, lack of consumer awareness is a major problem. In most of the cases, consumers are not



aware of their rights - they do not take the bill after purchasing a product, do not check the primary details of product such as expiry date, manufacturing date, etc. However, with the government's continuous efforts and promotions, urban consumers are increasingly becoming aware and now pay more attention to these details. Still, there is a missing link, as most of the consumers can only check the quality of goods and products with the marking of FSSAI/ISI/AGMARK. However, with the advancement in digital technology, it is very easier for unscrupulous and unethical manufacturer to produce these fake mark products. This is also the case in most of the products which are outside the certification scheme of BIS. This leads to the consumers getting fooled easily as they are unable to differentiate between a genuine and a fake product. Adoption of updated authentication solutions and widespread awareness around these can connect the links.

Counterfeiting and brand protection: The bill presents an opportunity to brand owners to re-evaluate their brand protection, anti-counterfeiting and supply chain strategies in light of the increase in counterfeiting activities. According to FICCI CASCADE report, the counterfeit market is growing at a rate of 44 percent per annum and has touched Rs 1.05 lakh crore in size in 2014. In this situation, it has become important for brand owners to revisit



ISO Recommendation for fighting counterfeiting

Authentication solutions recommended by ISO 12931 "Performance criteria for authentication solutions used to combat counterfeiting of material and goods"

Characteristics of categories for authentication solutions

	Human Senses	Authentication Tool		Forensic Analysis
		Off the shelf	Purpose built	
General audience (Public)	OVERT	COVERT	-	-
Restricted audience (Enforcement agencies)	OVERT	COVERT	COVERT	COVERT

their strategies to ensure consumers receive authentic products. More than that, they need to think of engaging consumers in product authentication to avoid such instances as well as enhancing brand and consumer loyalty.

Three steps for effective brand protection strategy:

With a few simple steps, the brand owners can benefit from this regulation by converting it into an effective strategy. Firstly, the brand owners and the government, wherever appropriate, should consider adoption of ISO:12931- performance criteria for authentication solutions used to combat counterfeiting of material goods.



The ISO 12931 “Performance Criteria” for authentication solutions used to combat counterfeiting of material goods is an excellent source for brand owners and government to refer to and take cues to adopt correct authentication solutions. These standards give comprehensive details of several authentication solutions including the likes of holograms, tags and marks. These standards are applicable to both products and their packaging.

Similarly, GS1’s Global Traceability Standard 27 defines how industries should maintain complete traceability (Track and Trace) of all products from raw materials to finished products and their movement along the supply chain.

Depending on the learning from these standards, they need to adopt an authentication solution incorporating secure and difficult to simulate printing features and optical technologies such as a hologram. Depending on the product needs, this authentication solution may be integrated with track and trace solutions such QR code, bar-code and serialization. Thirdly, the government and brand owners should communicate to the consumers about the authentication features on their product and the means to verify those features.

Acute need for consumer education as quality is everyone’s responsibility:

While the regulatory step is a welcome one, it is just the beginning and there is a lot to be done. Today, we are at a crucial juncture and cannot afford to turn a blind eye towards the demon of counterfeiting. The government and brand owners

are necessitated to work in tandem to bring about the much-needed changes. More awareness drives should be undertaken to educate the consumers on the various means available to test the veracity of the product.

Consumer awareness has become an important part of anti-counterfeiting strategy in developed economies. On the flipside, in developing countries, it is still a major challenge. The ‘Jaago Grahak Jaago’ campaign of the Indian Government has received reasonable success with urban consumers looking out for the safety and genuineness of the product. But we still have a long way to go to inculcate and develop the sense of responsibility amongst the rural consumer base.

By adopting authentication solutions a brand owner and authorities can empower consumers to identify a genuine product. This will increase the consumer’s confidence in the product quality and leads to product loyalty, and the direct benefit of this is enhancement of brand value. The government also gains in terms of higher revenue by realization of taxes and duties that a genuine product manufacturer pays, but is lost through the counterfeit producer. A successful business is the one that responds to the voice of the consumer. In today’s world of free information, the brand that connects with the consumer will increase its responsiveness and therefore its chances of success and longevity stay alive. The strategy of empowering consumers is a sure shot way to increase manufacturing efficiencies and making India truly a global manufacturing hub and realize our dream of ‘Make in India’.

