

Consumers and their rights: A new study from Australia

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Consumers tend to be cynical about the motivations of credit card companies, yet they lack the time or motivation to engage in political action to protect their rights, according to a new study in the *Journal of Consumer Research*.

Author Paul C. Henry (University of Sydney) conducted a study in Australia to reveal the ways consumers view themselves, other [credit card](#) holders, and companies that provide credit. "Despite the relatively high public profile of opinions and legislative action, there is a startling lack of understanding as to how mainstream consumers actually think about their own rights and responsibilities related to credit cards," Henry writes.

Henry examined articles from major Sydney metropolitan newspapers, consumer complaints about credit cards, and government literature. He also conducted interviews with non-activist consumers.

Despite the common appeals for instant gratification that consumer society presents, Henry found that [consumers](#) valued ideals of prudence and self-control. For example, commonly held ideas that prize individual autonomy and self-reliance led to [moral judgments](#) of people burdened with high credit card debt. "The upshot of this lack of sympathy for those with card difficulties is the common perception that 'you got yourself into this, then you have to get yourself out of the hole,'" Henry explains.

Even though many western nations are experiencing calls for greater consumer protection, the study suggests that consumer advocacy is a top-down phenomenon. "Governments are keen to associate themselves with advocacy groups on low-risk popular issues, in order to enhance their political credibility; and where media commentators have found an easy target in sensationalist stories of corporate evil," writes Henry.

"Overall, informants in this study displayed little stomach to stand up and push for greater consumer protection. This included debt-free and deep-in-debt people," Henry writes. "The political and moral tensions, illustrated above, combined with lack of time and energy contribute to this state. Add to this the fact that most people are reasonably prudent with their card usage and don't see the need for more regulation, it appears that any future regulative enhancements will continue to be driven from top-down."

More information: Paul C. Henry. "How Mainstream Consumers Think About Consumer Rights and Responsibilities." *Journal of Consumer Research*: December 2010 (Published online May 10, 2010).

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