

## **Saudi Consumers' Experiences toward the Role of the Government Agencies as Service Providers in Ensuring their Consumer Rights**

**Ahmed Alqarni, PhD**

Assistant Professor

Business Administration Department

Arab East Colleges

P.O. Box 53354, Riyadh 11583

Saudi Arabia

### **Abstract**

*This research focused on Saudi consumers' experiences toward the role of the government agencies as service providers in ensuring their consumer rights. 244 participants completed electronic questionnaires. In general, Saudi consumers believed that their rights were not ensured by the Saudi government agencies. The results supported the view that Saudi consumers are treated as citizens by the government agencies, not as customers.*

**Keywords:** Consumer rights, Saudi Arabia, government agency, Saudi consumer.

### **1. Introduction**

Protecting consumer rights is an important issue, as many consumers are abused in the marketplace (Alsmadi & Khizindar2015). This issue has been studied in depth in developed countries; but the situation is the opposite in developing countries. Saudi Arabia is one of developing countries that has received a little attention regarding research into consumer rights (Morris & Al Dabbagh, 2004;Al-Ghamdi, Sohail,&Al-Khaldi,2007; Alqarni, 2013). These studies have focused on how to protect consumer rights from the unfair practices of the private sector. This article looks at another side, namely how Saudi government agencies perform as service providers, and explores consumers' experiences toward government agencies in this respect.

Providing a good quality of service is one of the important goals of most organizations. This has long attracted a great deal of attention in the private sector marketing literature, but it has only recently appeared in the public sector literature (Caemmerer & Dewar, 2013). The time gap appears to be a result of the differences in defining customers or consumers in both sectors. In the private sector the definition is clear, as it is the main focus for a business to ensure continuity and growth.

This view appears to be different in the public sector. Governments regard people as citizens who should care about public goods and collective welfare, whereas consumers are driven by their self-interest (Soper, 2004).From the government point of view, end users or citizens access services such as education and health for free or for a small fraction of the real cost. Citizens should be satisfied with the level of services provided, or they should access them from the private sector and pay the full cost. In contrast to the government's perceptions, citizens consider themselves to be consumers of the services provided by the government agencies, and the role of these agencies is to serve them—that is what the agencies are paid for.

Caemmerer and Dewar (2013) found that citizens' and consumers' expectations and perceptions of service quality are similar for both private and public sectors. Citizens' and consumers' expectations and perceptions of service quality is similar for both private and public sectors. They expect organizations in both sectors to aim for a good level of services, although the public sector is non-profit making, unlike the private sector. Thus government employees should achieve the goal of their organizations by providing good quality services (Morgeson & Mithas, 2009). This is important, as providing a good level of services will increase consumers' satisfaction and consequently consumer loyalty (Abu-ELSamen, Akroush, Al-Khawaldeh, & Al-Shibly, 2011). In both the public and the private sectors. It is important for any government to achieve the goal of loyalty. The challenge is for the government sector to satisfy their consumers.

There are several reasons for the opposing points of view between government agencies and citizens regarding the provision of services and the role of service providers. Citizens would like government services to match the standard of delivery they can find in the private sector. However, the capabilities of the two sectors are very different:

- The private sector selects its customers through market segmentation and target market, but the government sector must serve all on the basis of equality.
- Private sector companies are able to select their own employees. The importance of selecting an employee is high, as his or her skills and behaviour determine the degree of customer loyalty to the service provider (Reichheld, 1993; Bitner, 1995). However, Saudi Arabian government agencies are unable to select theirs, as only one ministry, the Ministry of Civil Service, has the authority to provide staff members for other ministries.
- The private sector has the resources to provide necessary training to develop employees' knowledge and skills, which is hard for the public sector to do.
- The private sector can more easily obtain financial resources for customer service improvement and development than the government sector can.

Even with these differences, Poister and Henry (1994) found that consumers do not differentiate in their demands of a good service quality between private and public sectors. So the public sector should endeavour to make the needed improvements to meet consumers' expectations.

One way of providing consumers with good quality services is to ensure that consumer rights are protected (Alqarni, 2013). "Consumer rights" is a construct that imposes a duty on individuals, groups and institutions to act at all times to ensure the welfare and satisfaction of consumers (Ebitu, 2014). Practising consumer rights protection ensures good quality of service and will satisfy consumers. These rights are the same for both the private and public sectors. The private sector is obliged to protect these rights, partly because of market competition, but mostly—ironically—owing to government regulation.

Consumer rights protection was introduced in 1962 by U. S. President John F. Kennedy through the Bill of Rights with four basic rights: the right to safety, the right to choose, the right to be heard, and the right to be informed (Lysonski, Durvasula & Watson, 2003). In 1985, the United Nations published guidelines on consumer protection, which added four rights (United Nations, 2001): right to redress, consumer right to education, right to basic needs, and right to healthy environment (United Nations, 2001). Larsen and Lawson (2013) suggested three more rights: right to privacy, right to quality product (goods and services) and right to service. As the focus of this research is on the public sector, the researcher identified seven of these rights that are presently important in the situation of Saudi Arabia's public sector: the right to safety, the right to choose, the right to be heard, the right to be informed, right to redress, right to education, and right to privacy. The right to safety, "to be protected against products, production processes and services which are hazardous to health or life" (Consumers International, 2009). This right is the most important one, and the least controversial (Larsen & Lawson, 2013). This right not only protects against hazards in a product or service, it covers all tangible or intangible, direct or indirect harm for individuals in their daily lives.

1. The right to choose, "To be able to select from a range of products and services, offered at competitive prices with an assurance of satisfactory quality" (Consumers International, 2009). In these days with advanced communications technology, the opportunity for providing more choices is higher than before, especially in the services sector. For example, providing more than one choice of payment, and giving more choices for appointment times and locations. Consumers will have experienced more choices in the private sector, which may increase their expectations in the public sector.
2. The right to be heard, "To have consumer interests represented in the making and execution of government policies and in the development of products and services" (Consumers International, 2009). In the private sector, listening to consumers strengthens company's position in the market and not listening may lead to a company's failure. Hence some may argue that listening to consumers is not important for government agencies, since they are not looking for profit. However, this view is incomplete and unsuitable nowadays for more than one reason: Government agencies should be concerned about the interests of their consumers (citizens).

Private sector companies can choose their target markets and design services to suit the targeted customers, which minimizes the chance of dissatisfaction. Listening to their customers provides decision-makers with valuable feedback. In contrast, government services must target everyone regardless of age, income, gender, social, and ethnic differences. However, government agencies should also listen. In a study by Alqarni (2013) regarding consumers' complaints to government agencies when their rights were violated by the private sector, two thirds of the consumers did not complain as they believed they would be wasting money and effort. So it is important that government agencies prove, by listening to consumers, that consumers are the centre of the agencies' work. If government agencies paid more attention to consumers' complaints and consumers' rights to be heard, they could continuously improve their services.

3. The right to information, "to be given the facts needed to make informed choices, and to be protected against dishonest or misleading advertising and labelling" (Consumers International, 2009). Products from both sectors that are integrated with information and communication technology contribute positively to the lives of consumers (Winn & Jondet, 2008). Consumers need information that can assist them before, during and after taking decisions. The information should be correct, accessible from more than one source without alteration, updated, and easy to understand and use. The availability of information to consumers increases their knowledge and affects their decision making (Ishak & Zabil, 2012).
4. The right to redress, "[T]o receive a fair settlement of just claims, including compensation for misrepresentation, shoddy goods or unsatisfactory services" (Consumers International, 2009). Fair and appropriate compensation in either sector contributes to the quality of service, not only because it promotes a just society, but it also represents a good return on investment. Government agencies can avoid extra costs as a compensation policy that is clear to all stakeholders reduces work errors as well as satisfying consumers of government services.
5. The right to consumer education, "[T]o acquire knowledge and skills needed to make informed, confident choices about goods and services while being aware of basic consumer rights and responsibilities and how to act on them" (Consumers International, 2009). Educating consumers about their rights has benefits on consumers, service providers, and the whole community (Murnane, 2008). Government agencies should play their role in educating consumers to maximize their benefits by making the appropriate choices.
6. The right to privacy means that consumers are confident that all their interactions and information exchanges are safe and will not be used inappropriately or disposed of in any way except for the original purpose. Government agencies should assure consumers that their activities and interactions, either personally or online, are safe and that privacy is guaranteed, especially these days where technology has made privacy a difficult but important issue.

### **Methodology**

Self-administrated online questionnaire was distributed. The first part of the questionnaire aimed to discover the demographic information and the second part was designed to discover the main aim of this paper where 5-point Likert scale was used calibrated by strongly agree, agree, neutral, disagree or strongly disagree. A total of 244 questionnaires were used in the analysis. As the study aimed to explore the experiences of consumers regarding government agencies as the service provider, a descriptive analysis was used.

Table 1: shows the participants 'demographic data. The majority of the sample was male. Around three fourth of the participants were between 19 and 35 years. Around 45% of the participants' monthly income came between Saudi Riyal (S.R) 5000 and 10000. The majority (78%) of the participants were government employees.

**Table 1: Participants' demographic data**

<b>Gender</b>	Male: 88.5%	Female: 11.5%		
<b>Age (year)</b>	19-25: 35%	26-35: 38.75%	36-50: 22.5%	Above 50: 3.75%
<b>Income (Saudi Riyal(S. R) where USD= 3.75 S.R)</b>	Less than 5000: 12.5%	5000-1000: 43.75%	10001-15000: 35%	More than 15000: 8.75%
<b>Occupation</b>	Government sector: 78.75%	Private sector: 15%	Freelance: 6.25%	

### Results

Table 2 shows the mean results of the seven rights, in order from the worst violated to the least violated right. Except for the right to privacy, consumers believed that their rights were not ensured by the Saudi government agencies.

**Table 2: Results of survey, from most violated to least violated right.**

Right	Example of items	mean
<b>The right to redress</b>	When a mistake happened during serving me, I received a suitable redress.	4.37
<b>The right to safety</b>	Waiting areas in government agencies are comfortable and prepared to receive people.	3.94
<b>The right to be heard</b>	It is easy to file a complaint to any government agency.	3.81
<b>The right to information</b>	The information provided to me by government agencies is complete from the first time and does not need more clarification.	3.70
<b>The right to choice</b>	If I need to visit one of the government agencies, I can chose the time that suits my circumstances.	3.50
<b>The right to consumer education</b>	The information provided to me by government agencies is complete and useful to make the right decision.	3.34
<b>The right to privacy</b>	I feel that all of my information is treated with full secrecy in government agencies.	2.45

### Discussion

The results support the view that the consumers are treated as citizens by the government agencies, not as consumer as far as their consumer rights are concerned. The rights to redress and to be heard were found to be unsatisfactory, yet these rights are essential to the success of any organization. In contrast, the right to privacy was censured by government agencies, which is at the heart of any government business and is considered to be one that governments should ensure for their consumer. The Saudi government agencies should pay more attention to ensuring consumer rights, just as they regulate violations of those rights in the private sector. Protection of consumer rights is the key to the success of the agencies, ensuring a satisfactory level of services to their consumers and assisting governments to have loyal citizens.

Finally, this research has limitations. The sample was not representative of all Saudi consumers, so the findings cannot be generalised at this time. It is a small step into the field of consumer rights in Saudi Arabia, which needs more studies in the four pillars of consumer rights protection—consumers, business, government, and non-government agencies.

### References

- Abu-ELSamen, A., Akroush, M. N., Al-Khawaldeh, F., & Al-Shibly, M. (2011). Towards an integrated model of customer service skills and customer loyalty. *International Journal of Commerce & Management*, 21(4), 349-380. doi: <http://dx.doi.org/10.1108/10569211111189365>
- Al-Ghamdi, S. M., Sohail, & Al-Khaldi, A. (2007). Measuring consumer satisfaction with consumer protection agencies: Some insights from Saudi Arabia. *Journal of Consumer Marketing*, 24(2), 71-79. <http://search.proquest.com/docview/1220682778?accountid=44936>

- Alqarni, A. (2013). *Consumerism and consumer rights protection in Saudi Arabia*. PhD thesis, La Trobe University, Melbourne, Australia.  
<http://arrow.latrobe.edu.au:8080/vital/access/manager/Repository/latrobe:37695>  
<http://arrow.latrobe.edu.au:8080/vital/access/manager/Repository/latrobe:37695>
- Alsmadi, S. & Khizindar, T. (2015). Consumers' perceptions of consumer rights in Jordan. *International Journal of Commerce and Management*, 25(4), 512–530.
- Bitner, M.J. (1995). Building service relationships: It's all about promises. *Journal of Academy of Marketing Science*, 23(4), 246-51.
- Caemmerer, B., & Dewar, A. (2013). A comparison of private and public sector performance. *Journal of Applied Business Research*, 29(5), 1451-n/a. <http://search.proquest.com/docview/1473895383?accountid=142908>
- Consumers International (2009). How are consumer rights defined? World consumer day: History and purpose. Available at: [www.consumersinternational.org](http://www.consumersinternational.org).
- Ebitu, E. T. (2014). Consumer rights, consumer protection and public policy in Nigeria: A critical review. *International Business Research*, 7(12), 120–127.  
<http://search.proquest.com/docview/1642638219?accountid=44936>
- Ishak, S., & Zabil, N. F. M. (2012). Impact of consumer awareness and knowledge to consumer effective behavior. *Asian Social Science*, 8(13), 108–114.  
<http://search.proquest.com/docview/1220682778?accountid=44936>
- Larsen, G., & Lawson, R. (2013). Consumer rights: A co-optation of the contemporary consumer movement. *Journal of Historical Research in Marketing*, 5(1), 97–114.  
doi:<http://dx.doi.org/10.1108/17557501311293370>
- Lysonski, S., Durvasula, S., & Watson, J. (2003). Should marketing managers be concerned about attitudes towards marketing and consumerism in New Zealand? A longitudinal view. *European Journal of Marketing*, 37(3/4), 385–406.  
<http://arrow.latrobe.edu.au:8080/vital/access/manager/Repository/latrobe:37695>
- Morgeson, F. V. III & Mithas, S. (2009). Does E-government measure up to E-business? Comparing end user perceptions of U.S. federal government and E-business websites. *Public Administration Review*, 69(4), 740–752. <http://search.proquest.com/docview/197176781?accountid=44936>
- Morris, D. and Al Dabbagh, M. (2004), The development of consumer protection in Saudi Arabia. *International Journal of Consumer Studies*, 28, 2–13. doi:10.1111/j.1470-6431.2004.00336.x  
<http://arrow.latrobe.edu.au:8080/vital/access/manager/Repository/latrobe:37695>
- Murnane, J. A. (2008). Resocializing adults for their new role as consumer-citizens. *Journal of Family and Consumer Sciences*, 100(4), 10–16.  
<http://search.proquest.com/docview/218179340?accountid=44936>  
<http://search.proquest.com/docview/218179340?accountid=44936>
- Poister, T. H., & Henry, G. T. (1994). Citizen ratings of public and private service quality: A comparative perspective. *Public Administration Review*, 54(2), 155 .  
<http://search.proquest.com/docview/197165864?accountid=44936>  
<http://search.proquest.com/docview/1642638219?accountid=44936>
- Reichheld, F. (1993). Loyalty-based management. *Harvard-Business Review* 2, 64–73.
- Soper, K. (2004). Rethinking the "good life": The consumer as citizen. *Capitalism, Nature, Socialism*, 15(3), 111–116. Retrieved from  
<http://search.proquest.com/docview/200788159?accountid=142908>
- United Nations. (2001). *United Nations guidelines for consumer protection (as expanded in 1999)*. New York and Geneva: United Nations. Retrieved 16/8/2015 from  
<http://unctad.org/en/docs/poditcclpm21.en.pdf>.
- Winn, J., & Jondet, N. (2008). A "new approach" to standards and consumer protection. *Journal of Consumer Policy*, 31(4), 459–472. doi: <http://dx.doi.org/10.1007/s10603-008-9086-1>.