

Simon Stickelmann

# The Influence of the European Union Consumer Protection Policy on Croatian Consumers

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The Influence of the European Union Consumer Protection Policy  
on Croatian Consumers

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# **The Influence of the European Union Consumer Protection Policy on Croatian Consumers**

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## **Abstract**

The European Union Consumer Protection Policy (EU CPP) focuses on the awareness and active participation of consumers in the internal market and therefore counts on consumers' knowledge of their own conferred rights. Since it is not yet clear what Croatian consumers' attitudes towards the EU Consumer Protection Policy are, this paper attempts to analyze the impact of the EU Consumer Protection Policy on Croatian consumers' interest, knowledge, their source of information and their perceived security as consumers. Quantitative (survey) data collection among consumers within the entire Croatia has been used for the analysis. The collected data has been analyzed by using descriptive statistics, correlation and regression analysis, and the analysis of variance (ANOVA). The paper eventually finds significant correlations between Croatian consumers' degrees of interest, actual knowledge, preferred information sources and perceived security. It furthermore shows that the attitude of Croatian consumers towards the European Union's system of consumer protection currently shows a significant lack of interest and knowledge. The paper concludes with a premise which states that the attempts to increase interest and knowledge among Croatian consumers require the use of information provided via visible Internet sources.

**Key words:** European Union, Croatia, Europeanisation, consumer protection, consumer awareness

JEL classification: D18, K20

# Utjecaj politike zaštite potrošača Europske unije na hrvatske potrošače

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## Sažetak

Politika Europske unije o zaštiti potrošača usmjerava se na savjesnost i aktivno sudjelovanje potrošača na internom tržištu te se zbog toga oslanja na znanje potrošača kada su u pitanju njihova stečena prava. Kako još nije posve jasno koji su stavovi hrvatskih potrošača naspram politike Europske unije po pitanju zaštite potrošača, ovaj rad pokušao je analizirati utjecaj politike Europske unije o zaštiti potrošača na zainteresiranost, znanje, izvor informiranja i percipiranu sigurnost hrvatskih potrošača. Za analizu je korišteno kvantitativno istraživanje prikupljanja podataka među potrošačima unutar cijele Hrvatske. Prikupljeni podaci analizirani su primjenom deskriptivne statistike, korelacijom, i regresijskom analizom i analizom varijance (ANOVA). Radom su ustanovljene značajne korelacije između stupnja zainteresiranosti, stvarnog znanja, poželjnih izvora informiranja i percipirane sigurnosti hrvatskih potrošača. Nadalje, rad ukazuje na to kako stav hrvatskih potrošača naspram sustava zaštite potrošača Europske unije trenutno odražava značajan nedostatak zainteresiranosti i znanja. Rad zaključuje pretpostavkom o tome kako pokušaji jačanja zainteresiranosti i znanja među hrvatskim potrošačima zahtijevaju korištenje informacija koje pružaju vidljivi internetski izvori.

**Ključne riječi:** Europska unija, Hrvatska, europeizacija, zaštita potrošača, osviještenost potrošača

**JEL klasifikacija:** D18, K20

## 1. Introduction<sup>1</sup>

The European Union (EU) became competent in the policy field of consumer protection with the Article 129a of the Maastricht Treaty (TEU, 1992). As the integration of the common market leads to emerging questions with respect to the regulation of the seller-buyer relations, the European law more and more expanded its scope over the field of consumer rights. As of 2016 it is officially a chapter of the *acquis communautaire* (Chapter 28). The aim of these attempts is officially being defined as the creation and consolidation of consumers' trust into the common market and the enhancement of consumer participation in economic transactions (European Commission, 2016). Consequently, the European Union Consumer Protection Policy (EU CPP) was established.

In the context of the EU CPP implementation within the Member States of the European Union, consumers' knowledge about their individual rights with respect to active participation in economic transactions has been, and is, considered to be vital to a functioning system of enforcing consumer protection. According to the European Commission (2016), it is of importance to have well-informed consumers to counter the occurrence of asymmetric information between sellers and buyers on the internal market. Only consumers, who are well-informed about their rights as European consumers can make proper use of these rights and detect potential violations.

The Republic of Croatia accessed the EU in 2013 and is thereby its youngest Member State as of 2016. Research on the effects of the EU CPP on Croatian consumers has not been carried out, yet. It is, though, of high interest, in order to assess if the initial aim of the EU CPP with respect to consumer awareness is reaching its goal in Croatia. Therefore, this paper investigates the question: What is the impact of the EU CPP on consumer attitudes towards consumer interest, source of information, knowledge of EU rights and consumer welfare/security in Croatia?

The paper contributes to the literature by providing additional insights into the impact of the EU CPP on consumer attitudes towards fields which are relevant to the EU CPP, like consumer interest, knowledge of EU rights, preferred sources of information for consumers

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<sup>1</sup> This work is a part of a Master's thesis "An Investigation of the Degree of Implementation and Internalisation of European Requirements on Consumer Protection in Croatia after its Accession to the EU", which was conducted within the study programme of "European Governance", a joint programme of the Masaryk University (Brno, Czech Republic) and Utrecht University (Utrecht, Netherlands). As a guest researcher, author Simon Stickelmann carried out this research at the Institute of Economics, Zagreb during the period February 22 – June 17, 2016.



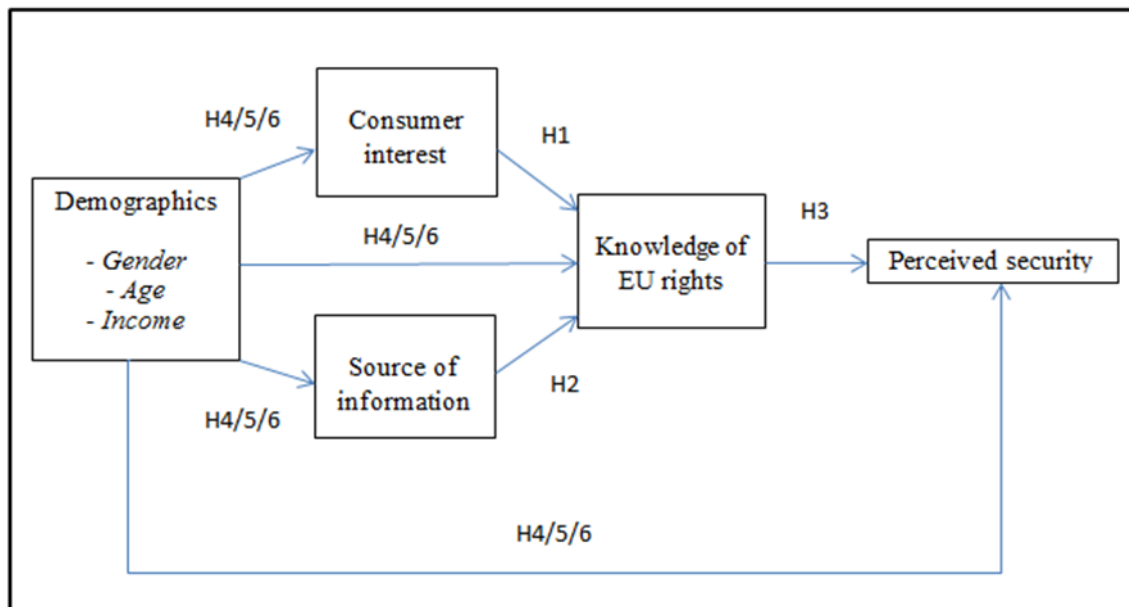
and one's own assessment of increased consumer welfare/consumer security due to the EU CPP. It thereby helps policy makers get an idea of how, in particular, the Croatian consumers are being affected by the EU CPP. This is of special interest due to the fact that it gives feedback to policy makers with respect to the distribution of consumer knowledge as a strategy of the EU CPP implementation. Since this paper has been done only three years after Croatia's accession to the EU, it may also function as a blueprint as to what to expect from consumers of the accessing countries in future, particularly from the Western Balkan region.

The paper is divided into the following chapters: Chapter 2 sets out the theoretical framework developed and taken as base for the hypotheses development; Chapter 3 contains the applied methodology used to obtain and analyze the data; Chapter 4 shows the results obtained and puts them into context with the hypotheses made in chapter 2; Chapter 5 provides a discussion of the results and conclusions.

## **2. Theoretical framework**

In order to assess the particularities of Croatian consumers when it comes to their attitude towards the EU CPP, the following conceptual model has been developed (see Figure 1). The model illustrates the assumed relations which are investigated in this paper. As can be seen in the model, the paper is based on alleges an influence of demographic factors (gender, age, income level) on the interest of consumers in their rights as EU citizens, their preferences with respect to the acquisition of information on these rights, their actual knowledge of their rights and their personal perceived security as consumers. Additionally, the relation between the interest of consumers and their knowledge, as well as their preferred source of information and their knowledge is tested. As a final step, the relation between the degree of knowledge and perceived security is assessed. Eventually, the individual relations make it possible to analyze Croatian consumers' attitude towards the EU CPP step by step within a greater context.

**Figure 1: Conceptual model**



Source: Developed by the author.

“Consumer interest” shall be defined as the degree of desire of an individual consumer to acquire knowledge on the EU CPP and its influence on him-/herself. It entails both, the consumer’s general interest in the EU, as well as a particular interest in consumer protection. Hyman and Sheatsley (1947) pointed out in their work “Some Reasons Why Information Campaigns Fail”, that the formal establishment of information channels is not sufficient to explain the actual reception of information by the addressee. Moreover, they argue in favor of the strong influence of personal interest as a key pillar for successful information transmission. Hidi (1990) additionally concludes that “(...) interest is central in determining how we select and persist in processing certain types of information”. Hence, she alleges that the acquisition of knowledge depends on initial individual interest. Based on these assumptions, it is to expect that Croatian consumers with a higher interest in their consumer rights derived from the EU Law will show a higher degree of knowledge as well. Hence, the first hypothesis is:

**H<sub>1</sub>: Consumers' interest is related to the knowledge of EU rights.**

Here, “source of information” shall be defined as individual consumers' preferences with respect to the source from which they choose to acquire information on the EU CPP. “Knowledge of EU rights” is being defined as the degree of actual knowledge the individual

consumer has with respect to the particular effects the EU CPP has on his/her personal situation as a consumer on the internal market. It implies knowledge on European competences in the field of consumer protection, as well as particular changes in consumer protection law, which have their origin in the European law. Consumers interested in obtaining knowledge about the EU CPP are correspondingly faced with the question of where to obtain this information from. Will consumers, for example, make use of the Internet and particular websites, or will they rather prefer to receive information from their social environment? Kornelis et al. (2007) have elaborated the impact of individual preferences with respect to acquiring information. They point out that there is a difference between social environment as the main source of information or official institutions and their provided information. Chadwick and May (2003) pointed out the concept of electronic communication (“e-communication”) between official institutions and consumers. It is of interest to assess which prevalent source(s) of information Croatian consumers choose. Hence, the second hypothesis is:

**H<sub>2</sub>: Source of information is related to the knowledge of EU rights.**

“Perceived security” shall be defined as the individual consumer's felt protection in his role as a consumer. It describes the consumer's perception of potential remedies against violations of his/her consumer rights as well as the expected chances of his/her rights being effectively protected by the relevant actors involved. John Dalli, the former European Commissioner for Health and Consumer Policy between 2010 and 2012, drew a parallel between consumers being well-informed and feeling safe as consumers (European Commission, 2012). Obtained knowledge of the EU CPP may not be a purpose on its own but may actually contribute to a particular way of feeling the individual consumer develops as a result of his/her degree of knowledge. It is, for instance, assumable that a well-informed consumer is aware of his/her possibilities in case of detected violation. A result of this can be considered to be an increased personal feeling of security in terms of the degree of one's own protection as a consumer. This, again, may be a contributing aspect to one's own level of perceived security. Hence, the third hypothesis is:

**H<sub>3</sub>: Knowledge is positively related to perceived security.**

When analyzing the attitude of Croatian consumers in relation to the EU CPP, it is also of interest to find out whether there are differences based on demographics. Based on the particular demographic group of consumers, it may be the case that some groups tend to show a higher degree of interest, knowledge, different approaches to obtaining information or eventually perceived security. Based on gender, it could be assumed that men and women show diverging attitudes due to, for example, higher frequencies of making use of corresponding retailers or providers of services. Furthermore, they could show significant differences with respect to media use. Weiser (2000) found that men tend to use the Internet more frequently in general, while women tend to access educational sources more often once they are online. At the same time, Hansen and Møller Jensen (2009) state that women tend to make use of online sales more often than men. Therefore, the fourth hypothesis shall be:

**H<sub>4a-d</sub>: Gender affects: (4<sub>a</sub>) consumer interest; (4<sub>b</sub>) source of information; (4<sub>c</sub>) knowledge; (4<sub>d</sub>) perceived security.**

“Age” shall be defined as the amount of years a participant has lived as of the day of filling in the survey. The same assumption could be made for particular groups of age. Younger consumers may, on the one side, have less experience with consumer protection than older consumers. On the other side, they may be more experienced with respect to using media and the Internet, which is assumed to be a key providing source of information on the EU CPP. Phillips and Sternthal (1977) came to the conclusion that young and older consumers tend to differ with respect to processing knowledge as well as their sources of information. Therefore, the fifth hypothesis is:

**H<sub>5a-d</sub>: Age affects: (5<sub>a</sub>) consumer interest; (5<sub>b</sub>) source of information; (5<sub>c</sub>) knowledge, and; (5<sub>d</sub>) perceived security.**

“Income” shall be defined as participant’s regular financial resources obtained from either work or other sources. Eventually, the factor of income may play a significant role. Consumers who have more money at their disposal could be expected to pay more attention to the aspects of the EU CPP as they are more likely to worry less about financial shortages that could narrow their possibility of choice between products. Additionally, lower income may

affect the accessibility of particular sources of information. Hence, the sixth hypothesis shall be:

**H<sub>6a-d</sub>: Income affects: (6<sub>a</sub>) consumer interest; (6<sub>b</sub>) source of information; (6<sub>c</sub>) knowledge, and; (6<sub>d</sub>) perceived security.**

### 3. Methodology

#### 3.1. Survey and sample

The data was collected by a consumer survey between May 3, 2016 and May 14, 2016 within the entire territory of Croatia. Participants were exclusively Croatian citizens above the age of 18. The procedure of data collection entailed the distribution of hard copy versions of the survey to participants who were approached by the author on the one hand, and an online version of the same survey on the other hand. This was done in order to maximize the number of participants within the given time frame and receive responses from all parts of Croatia. Both versions of the survey contained the exact same layout and content as can be found in Appendix 1.

Of the entire sample (N = 73), 41.1 percent were male and 58.9 percent were female (Table 1). The participants were distributed into three age groups. “Young” corresponded to the age group between 18 and 35 (45.21 percent), participants in the age group between 36 and 55 were considered “medium” age (47.95 percent). Participants in the age group of 56 and older formed a “high” age (6.85 percent). Furthermore, participants were distributed in three groups of received education (primary school, secondary school, and higher education/university) and were asked to allocate their household income to one of nine different levels. Table 1 below provides a summary of the characteristics of the sample being used.

**Table 1: Sample characteristics, N = 73**

	N	%
<i>Gender</i>		
Male	30	41.10
Female	43	58.90
<i>Age</i>		
18–35	33	45.21
36–55	35	47.95
56 and more	5	6.85
<i>Education</i>		
Primary school or less	0	0
Secondary school	20	27.40
College, university or more	53	72.60

<i>Average monthly household income, kuna</i>		
up to 3,000	3	4.11
3,001–4,000	7	9.59
4,001–6,000	18	24.66
6,001–8,000	11	15.07
8,001–10,000	14	19.18
10,001–13,000	9	12.33
13,001–16,000	7	9.59
16,001–20,000	4	5.48
More than 20,000	3	4.11
<i>Household size, mean value/St. Dev</i>	73	3.44 (1.36)

Sources: Survey and author's calculations.

### 3.2. Measurement of variables

The survey consisted of 25 items which covered the following particular fields of interest: (1) consumer interest in the EU CPP; (2) their knowledge with respect to their particular rights as an EU citizen; (3) their preferences with respect to their sources of information about the Consumer Protection Law; (4) their own assessment of perceived security as a consumer.

Based on the Likert scale evaluation scheme, the participants were asked to indicate their degree of agreement with the proposed statements. The scale ranges from 1 (strongly disagree) to 5 (strongly agree).

The survey and items used in the analysis are presented in the Appendix 1. Table 2 sets out the variables used in the analysis, which have been tested for internal consistency by the creation of the corresponding Cronbach's alpha.

**Table 2: Variables used for statistical analysis**

Variable name	Content source	Measurement
Consumer interest	<i>Hyman and Sheatsley (1947); Hidi (1990)</i>	Interest in the EU; interest in consumer protection; demand for information on the EU CPP
Source of information	<i>Kornelis et al. (2007); Chadwick and May (2003)</i>	Preference for official /government sources; preferences for sources from social environment; value paid to online sources

Consumer knowledge	<i>Hyman and Sheatsley (1947); European Commission (2012)</i>	Knowledge of the EU competences in CPP; knowledge of EU rights; knowledge of consumer rights in Croatia; knowledge of EU sources on CPP
Perceived security	<i>European Commission (2012); Author</i>	Trust in the EU; perceived protection as a consumer in Croatia
Demographics	<i>Phillips and Sternthal (1977); Weiser (2000); Hansen and Møller Jensen (2009)</i>	Gender; age; income level

Source: Literature review.

### 3.3. Concept for data analysis

The data analysis was made using descriptive statistics, correlation analysis, regression analysis, and the analysis of variance (ANOVA). The focus was placed on mean values and standard deviations of the individual variables. In order to identify potential correlations between the variables at hand, regression analysis has been applied to the variables. The dummy variables of gender, age, and income have been approached by making use of the analysis of variance (ANOVA).

## 4. Results

In this chapter the outcome of the consumer survey is clarified and evaluated.

### 4.1. Descriptive statistics

The interest of Croatian consumers in the EU and its influence on consumer protection legislation can be observed in Table 3 below. It is visible that Croatian consumers' personal interest in the EU's fields of action (3.64) is higher than their interest in consumer protection policy (3.42). Consumers' demand for information about the EU CPP is relatively high (3.71). The general level of consumer interest resembles indifference (3.59).

**Table 3: Consumer interest, N = 73**

	Mean	(St. Dev)
I1 My personal interest in the EU's fields of actions is very high.	3.64	1.03
I2 I would consider myself interested in information regarding consumer protection.	3.42	1.05
I3 I would be interested in more information on consumer protection by the EU.	3.71	1.09
Consumer interest (Cronbach's alpha = 0.727)	3.59	0.85

Sources: Survey and author's calculations.

The degree of consumers' knowledge about their consumer rights derived from the EU CPP is lower than their interest, with an average of 2.739 (Table 4). Particularly, the awareness with respect to the EU's competence in the field of consumer protection is low (2.48). At the same time, knowledge about particular EU obligations to companies is not significantly higher (2.59). One can say that knowledge on the EU CPP is low in Croatia.

**Table 4: Knowledge of EU rights, N = 73**

	Mean	(St. Dev)
I4 Official EU sources (e.g., webpages, advertisements) are likely to influence my knowledge of consumer protection.	2.84	1.12
I5 In my social environment knowledge about the EU is widely spread.	2.95	1.12
I6 My knowledge of EU competence in consumer protection is very high.	2.48	0.93
I7 My knowledge of EU requirements on consumer protection is very high.	2.59	0.97
I8 My knowledge of my rights as a consumer in Croatia is very high.	2.85	0.88
Knowledge of EU rights (Cronbach's alpha = 0.742)	2.739	0.697

Sources: Survey and author's calculations.

Croatian consumers seem indifferent with respect to the source of information (3.18) (see Table 5). The Internet is considered an important source (3.93), while official institutions/government websites are rather neglected (2.55) when it comes to the acquisition of information. Generally, the interest in the nature of the source of information appears to be mediocre.



**Table 5: Source of information, N = 73**

	Mean	(St. Dev)
I9 I pay attention to the source of information on consumer protection.	3.22	1.08
I10 For information on consumer protection I use social contacts/social media.	3.01	1.02
I11 For information on consumer protection I turn to official institutions/government websites.	2.55	1.08
I12 Information provided by official/government sources is most credible.	3.19	1.05
I13 The Internet is an important source of information on consumer protection.	3.93	0.90
Sources of information (Cronbach's alpha = 0.624)	3.180	0.652

Sources: Survey and author's calculations.

Croatian consumers see the EU as a credible institution, but are still quite indifferent with respect to their judgement. The position as a consumer is not perceived strengthened (3.03). The level of perceived security (3.192) is once more close to indifference on average (Table 6).

**Table 6: Perceived security, N = 73**

	Mean	(St. Dev)
I14 The EU is generally a credible institution.	3.36	0.98
I15 Since the EU accession I feel strengthened as a consumer.	3.03	1.19
Perceived security (Cronbach's alpha = 0.619)	3.192	0.927

Sources: Survey and author's calculations.

#### **4.2. Hypotheses testing**

Consumer knowledge on EU rights correlates with consumer interest (0.48), sources of information (0.58), and perceived security (0.52). General interest in consumer protection influences the degree of knowledge and the sources play a role, too. At the same time, the degree of knowledge influences Croatian consumers' degree of perceived security.

**Table 7: Correlations among variables**

	Consumer interest	Knowledge of EU rights	Source of information	Perceived security
Consumer interest	1.00	0.48	0.58	0.39
Knowledge of EU rights	0.48	1.00	0.54	0.52
Source of information	0.58	0.54	1.00	0.36
Perceived security	0.39	0.52	0.36	1.00

Source: Author's calculations.

When testing the relationship between consumer interest and knowledge of EU rights, the regression model in Table 8 was created.

**Table 8: Regression results: the relationship between consumer interest (independent variable) and knowledge of EU rights (dependent variable)**

	Regression coefficients	t	p-level
Intercept	1.312	4.181	0.000
Consumer interest	0.387	4.672	0.000

Source: Author's calculations

Results indicate that consumer interest has a positive effect on the degree of knowledge of EU rights. More interested consumers tend to know more. Based on this outcome,  $H_1$  is supported.

Testing the relationship between the source of information and knowledge of EU rights provides the results presented in Table 9.

**Table 9: Regression results: the relationship between the source of information (independent variable) and knowledge of EU rights (dependent variable)**

	Regression coefficients	t	p-level
Intercept	0.906	2.616	0.011
Source of information	0.577	5.408	0.000

Source: Author's calculations

Source of information has a positive effect on knowledge of EU rights. The more sources consumers tend to access, the higher their knowledge about the EU CPP is. From this follows that H<sub>2</sub> is also supported.

Eventually, the relationship between the knowledge of EU rights and consumers' perceived security provides regression presented in Table 10.

**Table 10: Regression results: the relationship between the knowledge of EU rights (independent variable) and perceived security (dependent variable)**

	Regression coefficients	t	p-level
Intercept	1.306	3.422	0.001
Knowledge of EU rights	0.688	5.095	0.000

Source: Author's calculations.

Results indicate that there is a visible, positive influence of consumers' knowledge of EU rights on their perceived security. Consumers who know more about their rights as EU citizens feel more secure. Hence, H<sub>3</sub> can be supported as well.

The following results are the outcome of the ANOVA analysis (analysis of variance) of the relationships between gender and consumer interest, source of information, knowledge of EU rights, and perceived security.

The first ANOVA concerned the relation between gender and the four mentioned variables. During the process of analysis, gender was coded as follows: male = 1, and female = 2. The outcomes of the empirical data analysis can be obtained from Table 11 below.

**Table 11: ANOVA results**

	Males	Females	p-value
Consumer interest	3.911 (0.637)	3.372 (0.915)	0.007
Source of information	3.227 (0.570)	3.149 (0.709)	0.619
Knowledge of EU rights	2.980 (0.740)	2.572 (0.620)	0.013
Perceived security	3.417 (0.842)	3.035 (0.960)	0.083

Source: Author's calculations.

The outcome indicates that it is possible to speak of a significantly higher degree of interest of male consumers in comparison to female consumers. Male consumers turn out to know significantly more on average than female consumers. In terms of perceived security, the difference between genders is marginally significant. Hence, there is a slightly higher degree of perceived security on the male side of the sample in comparison to the female side. Source of information shows no significant difference between the two genders.

Hence, gender seems to have a significant influence on consumer interest, knowledge of EU rights, and marginally, on perceived security, while the source of information is not visibly affected by gender. Males tend to be more interested, have more knowledge and feel marginally more secure than females. Both genders show the same behavior with respect to choosing their sources. Hence,  $H_{4a}$  and  $H_{4c}$  are supported, while  $H_{4d}$  is marginally supported and  $H_{4b}$  is rejected.

The second ANOVA concerned the relation between age and the four mentioned variables (Table 12). For the analysis, age was coded as follows: lower ages (18–35 years) = 1, and higher ages (> 35 years) = 2. The outcomes of the empirical data analysis are shown in Table 12 below.

**Table 12: ANOVA results**

	Low age	High age	p-value
Consumer interest	3.596 (0.900)	3.592 (0.818)	0.983
Source of information	3.103 (0.678)	3.245 (0.632)	0.358
Knowledge of EU rights	2.691 (0.859)	2.780 (0.536)	0.590
Perceived security	3.061 (1.037)	3.300 (0.823)	0.275

Source: Author's calculations.

Age plays no role in determining Croatian consumers' degree of interest in the EU CPP. The same applies to the source of information. Significance is not given based on the high p-value. The assumption that age plays a role for Croatian consumers when they are deciding about their sources of information is rejected. Knowledge of EU rights shows the same result. The p-value shows insignificance. Hence, both age groups show similar knowledge of EU rights. High age participants on average (3.300) show slightly higher perceived security than low age participants (3.061). However, perceived security also does not show a significant difference

(p-value: 0.274939). Age has no significant effect on Croatian consumers' perceived security. Hence,  $H_{5a}$ ,  $H_{5b}$ ,  $H_{5c}$  and  $H_{5d}$  are rejected.

The third ANOVA assesses the relation between the level of income per household and the four mentioned variables (Table 13). The level of income was coded as follows: low income ( $\leq 10,000$  kuna) = 1, and high income ( $> 10,000$ ) = 2. Table 13 below shows the outcomes.

**Table 13: ANOVA results**

	Low income	High income	p-value
Consumer interest	3.556 (0.906)	3.637 (0.793)	0.685
Source of information	3.215 (0.636)	3.141 (0.678)	0.631
Knowledge of EU rights	2.728 (0.786)	2.753 (0.589)	0.880
Perceived security	3.141 (1.000)	3.250 (0.846)	0.620

Source: Author's calculations.

Household income does not play a significant role with respect to consumer interest. Similar results can be obtained for the source of information. When it comes to the degree of knowledge on EU rights, the similarities between the income groups are even more obvious. The very same absence of significant difference is visible for perceived security.

Income does not have any visible, significant influence on consumer interest, knowledge of EU rights, source of information or perceived security. Hence,  $H_{6a}$ ,  $H_{6b}$ ,  $H_{6c}$ , and  $H_{6d}$  are rejected.

## 5. Discussion and conclusion

### 5.1. Potential explanations

The confirmation of  $H_1$  shows that the analysis of Croatian consumers can generally be interpreted as a confirmation of the theory (Hyman and Sheatsley, 1947; Hidi, 1990), which states that interested Croatian consumers pay more attention to their own position as a consumer, and hence their consumer rights. While the relation between the two variables turned out to be given, the generally low level of both consumer interest and consumer knowledge is equally evident from the evaluation of the consumer survey. What could explain such an attitude of Croatian consumers?

Croatians' low interest may have to do with the relatively recent accession to the EU which might not have reached the individual consumer to an extent which would affect his/her individual concern with the EU CPP. Alternatively, the reason could originate in a general indifference towards the EU, as a result of non-recognized changes to the personal perceived situation as a consumer.

When the survey was being conducted, the Croatian economy has been in a process of recovery from an economic crisis. While this may not have a direct impact on consumers' attitudes towards the EU CPP, it may indirectly influence their way of paying attention to the aspects of consumer protection in general. Consumers, who need to increasingly take financial shortages into account when carrying out their economic life, might be less sensitive to consumer protective measures due to the need to focus on product price more intensively than under usual economic circumstances. From this perspective, the combination of relatively short experiences of being a consumer under the EU CPP and the individual focus on more important economic factors, the low degree of interest and knowledge seem to be explainable.

What seems interesting, with respect to the outcome, is the significant difference between the genders concerning the variables of interest, knowledge, and slightly perceived security. While women would be expected to be more active shoppers, men turn out to have more interest and knowledge. A potential explanation could be found in the high degree of concern for the EU CPP with Internet-related sales processes. Legal acts like the Directive 2011/83/EU (European Parliament and the Council of the European Union, 2011) particularly address the distance sales contracts. Here it may be the case that men are more active with respect to online purchases, which increases their interest and hence knowledge of the EU CPP. This theory would relate to the assumptions of Weiser (2000) but questions the ones proposed by Hansen and Møller Jensen (2009). Another allegation could be that the average Croatian family is relatively conservative in its structure. Taking this as given, the man of a household might be in charge of most of the purchases of services and goods for the entire family. A result of that could be the urge to be more informed about purchase-related aspects, like the EU CPP.

In general, it is to say that the initial goal of the EU CPP—the enhancement of trust and perceived strengthening of one's own position as a consumer within the internal market—has not yet been reached in Croatia. The survey has shown that the degree of perceived security has not been assessed as increased due to the EU CPP from the point of view of Croatian

consumers. The degree of average indifference (3.03) is simply too obvious. For policy makers this implies that the distribution of information should have priority if they intend to reach this goal. Chadwick and May (2003) seem to be right in the case of Croatian consumers, which, on average, indeed value the Internet as an important source of information (3.93). Hence, online sources should be enhanced by policy makers who desire to increase consumers' concern with the EU CPP. The lack of interest and knowledge can be seen as a result of the absently perceived effect on the individual economic life. It is up to policy makers to clarify the impact of the EU CPP on Croatian consumers to make the benefits visible.

## **5.2. Limitation to research**

The sample used was relatively small. The provision of resources might have led to a larger sample. However, it is at the same time worth noticing that the sample entails consumers of all ages from entire Croatia, with different local and educational backgrounds. Therefore, it is to assume that an increase in sample size might not lead to significantly different results.

Furthermore, the survey was conducted in a period of recovery from a financial and economic crisis within Croatia. The aftermath of the same might have had a biasing impact on the respondents.

It is not obvious whether current results will still hold in the future. Changing circumstances may alter the attitude of consumers or their interest and knowledge might increase by time.

## **5.3. Future research directions**

Investigations of reasons for the generally low degree of concern with the EU CPP among Croatian consumers, as well as the demographic differences, might be an interesting future research direction for researchers who want to delve deeper into the field of consumer law and its impact on the individual consumer's attitude.

## **5.4. Conclusions**

This paper has analyzed the impact of the EU CPP on Croatian consumers in terms of interest, knowledge, their source of information, and individual perceived security with respect to the topic. It has become obvious that the general level of concern with the EU CPP among Croatians is low. Consumers have little interest and knowledge in their own rights derived from the EU CPP and sense no severe impact on their own situation. Therefore, it is to be

concluded from this analysis that the goal of the EU CPP has not been reached in Croatia as of 2016. The comparatively short period of being a full Member State, however, might provide an explanation for the current situation and the general concern among Croatian consumers might increase in future.

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## Appendix 1: Survey

### Consumer interest

1) My personal interest in the EU's fields of actions is very high.	1	2	3	4	5
2) I would consider myself interested in information regarding consumer protection.	1	2	3	4	5
3) I would be interested in more information on consumer protection by the EU.	1	2	3	4	5

Source: Hyman and Sheatsley (1947).

### Knowledge of EU rights

4) Official EU sources (e.g., webpages, advertisements) are likely to influence my knowledge of consumer protection.	1	2	3	4	5
5) In my social environment knowledge about the EU is widely spread.	1	2	3	4	5
6) My knowledge of EU competence in consumer protection is very high.	1	2	3	4	5
7) My knowledge of EU requirements on consumer protection is very high.	1	2	3	4	5
8) My knowledge of my rights as a consumer in Croatia is very high.	1	2	3	4	5

Source: Hyman and Sheatsley (1947).

### Source of information

9) I pay attention to the source of information on consumer protection.	1	2	3	4	5
10) For information on consumer protection I use social contacts/social media.	1	2	3	4	5
11) For information on consumer protection I turn to official institutions/government websites.	1	2	3	4	5
12) Information provided by official/government sources is most credible.	1	2	3	4	5
13) The Internet is an important source of information on consumer protection.	1	2	3	4	5

Source: Kornelis et al. (2007); Chadwick and May (2003).

#### 4. Perceived security

14) The EU is generally a credible institution.	1	2	3	4	5
15) Since EU accession I feel strengthened as a consumer.	1	2	3	4	5

Source: Author.

#### Personal information

Age	
Household income (kuna*)	<input type="checkbox"/> < 3.000 <input type="checkbox"/> 3.001–4.000 <input type="checkbox"/> 4.001–6.000 <input type="checkbox"/> 6.001–8.000 <input type="checkbox"/> 8.001–10.000 <input type="checkbox"/> 10.001–13.000 <input type="checkbox"/> 13.001–16.000 <input type="checkbox"/> 16.001–20.000 <input type="checkbox"/> > 20.000
Education	<input type="checkbox"/> Primary school/no school <input type="checkbox"/> Secondary school <input type="checkbox"/> University/higher education

\* Croatian kuna (1 euro = 7,45 kuna).



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