

# Consumer protection legislation in South Africa and its impact on promotional strategies: Perspectives of retail businesses

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## ABSTRACT

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In the past, unfair business practices resulted in consumers suffering a host of abuses. Poverty, unequal distribution of income and high litigation costs presented a challenge for consumers seeking justice. The Consumer Protection Act 68 of 2008 (CPA) was enacted to protect consumers and prohibit unfair business practices. It also placed restrictions on promotional methods. The overall aim of this paper is to evaluate, through the findings from an empirical study, how consumer protection legislation in South Africa impacts on promotional strategies of retail businesses. Using a qualitative methodology, the study evaluated the implications of the CPA for retail businesses in South Africa. It firstly, explored specific aspects pertaining to which provisions of the CPA affect the promotional efforts of retail businesses (small to medium) in Durban; and secondly, it determined the implications of the implementation of the CPA on promotional strategies of small to medium retail businesses in the Durban area. Eighteen structured interviews were conducted with marketing managers and business owners. The findings from the study identified several provisions of the CPA that have an impact on the way promotions are being conducted currently. The study also showed that preferences for promotional tools are based on cost and on reaching larger target audiences quickly, and that more expensive and labour-intensive measures were adopted to address the restrictions of the CPA.

**Keywords:** CPA, retail businesses, labour-intensive