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**Article**

## Competition's Policy – a Tool to Protect Consumer's Rights and Interests

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The existence of a functioning market economy requires, along with the free movement of goods, persons, services and capital, an undistorted competitive environment.

The main lever for regulating the competitive environment is the competition policy which refers to “the market behavior of economic agents and include relevant measures on competition in the market or trade policy, regulatory policy, measures taken by governments on policies against competition of the firms both in the private and the public sectors.” The competition policy framework ensures fair competition, which is a competition that takes place in compliance with the rules observed by the economic agents and means considered proper and recognized as such by regulations. When it comes to unfair competition, distortion and deviation result from its purpose by favoring certain businesses over others and against consumers.

Competition's main aim is to better satisfy consumer needs without sacrificing manufacturer's interests. Competition is good for both consumers and producers. The former have the opportunity to meet their consumption needs suitable to their tastes and financial possibilities, while producers are stimulated to produce better and more efficiently.

By its nature, competition is considered the main factor of economic, technical, and scientific progress. The main beneficiary of this progress is the consumer who receives the beneficial effect of competition by lower costs, by the quantity, quality, and diversity of goods and services, by the promptness with which these are offered, and by the facilities granted to him/her in terms of economic rationality, in order to maximize his/her satisfaction. Due to these consequences, competition is a major instrument for protecting consumer interests.

The main objective of the competition policy is to protect, maintain, and stimulate competition and a competitive environment that should require to economic entities to improve their economic activity and to promote consumers interests in order to ensure their welfare. Placing consumers' interests at the heart of competition activities is based on the consideration that consumer welfare should be an essential component of the policy in this area. When competition policy is effectively and correctly applied, consumer rights and interests are protected. This way, they have the greatest benefits.

Considering what was stated above, the articles in the thematic section of this issue bring to the fore a series of aspects concerning the competition policy reported to the consumers' rights and interests, as it follows:

***The analysis of the correlation between the degree of market concentration and the level of consumer protection*** refers to the assurance of their full sovereignty and well-being. By

using regression analysis applied to data collected from two sectors of activity, respectively *the compulsory civil liability insurance for car owners* and *mobile telecommunications*, we have shown that there is a direct correlation, meaning that a high degree of market concentration – which indicates a low competition level, leads to a decrease in the level of consumer protection.

***Competition and consumer behavior in the context of the digital economy*** aims to investigate the relation between competition and online purchasing decision-making, integrating consumer protection awareness and the corresponding consumer behavior as mediators in the context of the existence of these policies. It was proven that online purchasing decision-making is indirectly influenced by the high competition in the digital economy, by means of consumer protection awareness and consumer protection behavior.

***The interdependence of competition policy, consumer policy and regulation in introducing and safeguarding effective competition in the EU telecommunications market competition and consumer protection in Romanian banking sector*** brings to the fore that in markets with natural monopolies, the consumer protection policy requires the support of an effective regulatory policy. The authors consider that the European Commission has obviously tried to establish and harmonise rules across all member states in order to protect the interests and rights of consumers on the telecommunication market. In the case of telecommunications, several initiatives of the European Commission and of national regulatory authorities lead to falls in prices and forced operators to implement customer friendly rules and to protect customer data and privacy.

***Competition policy in the European film industry focused on consumers' interests – a Romanian perspective*** highlights the relationship between the competitive environment in the domestic banking sector and the protection of consumers' rights and interests. The research is focused on three areas: analysis of the competitive environment, based on detailed analysis of the degree of concentration, the average interest rate spread on loans and deposits, and clients' mobility; analysis of the distribution and causes of the complaints made by consumers of banking products and services; the correlation between the bank's market share and the number of complaints registered by it, using the ranks difference correlation nonparametric Spearman's test. The results of the analysis highlighted a strong and direct relationship between the competitive position of the bank and the number of the complaints it registered, proving that the competitive environment in the banking sector does not ensure the real protection of consumers' rights and interests.

***Competition policy in the European film industry focused on consumers' interests – a Romanian perspective*** examines the pathway of European cinema market and the relationship with its consumers along with their interests and attitudes towards European films as well as the most important measures taken by European Union institutions under their competition policy to support European films through state aid schemes.

***Competition on the university educational services market in Romania and the protection of students rights and interests*** aims to quantify the degree in which Romanian students' rights and interests are protected. The authors have conducted a comparative analysis of a descriptive type of five representative university centres in Romania, followed by a quantitative research among students within these centres. Based on the results obtained, the authors recommend to the management of Romanian universities to develop efficient strategies that can afford the protection of students' rights and interests, to permanently

identify the needs of the actual and potential customers and to adapt the offer of educational services according to existing requirements on the labor market.

*Consumer protection as a factor of destination competitiveness in the European Union* investigates the impact of consumer protection on destination competitiveness in the 28 member states of the European Union. The objective is to use a proper methodology to identify a correlation between consumer's protection, measured through consumption indicators, and the competitiveness of the states analysed as touristic destinations, measured through the Travel & Tourism Competitiveness Index.

*Responsible consumption – source of competitive advantages and solution for tourist protection* attempts to emphasize the measure in which responsible consumption is acknowledged by the decision-making factors in the rural tourist guesthouses, considered and transposed in actual actions, meant to contribute to the protection of the rights and interests of the tourists and local communities. The novelty of this work is the development of importance matrixes correlating conceptual, operational and strategic responsible consumption with determinants that generate competitive advantage for Romanian tourist pensions.

Referring to the role of competition and consumer economist Ludwig von Mises wrote: "All you need is free competition. All production must obey the will of the consumer. Since it fails to comply with consumer requirements, it becomes unprofitable. Thus, free competition forces the manufacturer to submit to the will of the consumer and it also, if necessary, transfers the means of production in the hands of those unable or refuses to do what requires the consumer in the hands of those who know better manage production." When competition policy is applied effectively and correctly, consumer rights and interests are protected, they having the biggest benefits.

**Editor in Chief,  
Vasile Dinu**