PART - II
CHAPTER IV
SOCIAL STRATIFICATION AND EMPIRICAL ANALYSIS
ON THE RELEVANCE OF SOCIAL CLASS

LITERATURE REVIEW

Students of marketing have become disenchanted with purely economic explanations of consumer choice behaviour. Income and price, though important, are not adequate for explaining differences in choice. As more and more variations in consumption patterns exist within the same income groups, this new perspective has reduced the importance of price as a determinant of choice. The theories of social stratification have proved to be fruitful source of explanation for these differences. ¹

Social Stratification and Social Class

The term social stratification refers to the process by which people in a society rank one another into different social positions. This results in a set of social classes, people in each social class sharing common beliefs, values and methods of behaving. People in the same social class associate more closely with one another than with people from different social classes. The values, wants and interactions that develop in these distinct groupings tend to have significant influences on consumers. ²
Social class is a major influence on people's style of life and an important factor in determining their social and economic behaviour. In some product and service markets, consumption habits are largely differentiated by social group membership. The study of social classes and their buying behavioural characteristics should, therefore, be the legitimate concern of marketers. Social class variations in life style and often subtle and more important to the marketing of some products than others.

A social class is a segment of the population whose members hold comparable positions in the socio-economic system and whose possession of some common characteristics clearly differentiate them from other people. These characteristics vary from age to occupation, type of dwelling, place of residence, size of income, ancestry, and family name, power, birth, personal qualities, inherited wealth, influence with authorities, prestige, education, caste, or a combination of these factors.

Social stratification has been defined as "a pattern of superimposed categories of differential privilege". Three features of this definition need to be emphasised for greater comprehension: (i) Social stratification is a socially accepted cultural pattern that assigns members of society a general position in the structure of society; (ii) Social stratification is superimposed by members of society by tradition and without either the will or conscious
Stratification of society leads to a more or less enduring hierarchy of status. Each strata in a stratified society shows a different status or prestige level. Each status group shares a common social estimation of honour. Status groups are stratified according to the principle of their consumption of goods as represented by special 'style of life'.

Studies on Social Stratification

From times immemorial social philosophers were concerned with the inequalities in societies. The ideas developed by these social philosophers are still relevant in the field of social stratification. The society that Plato envisioned was explicitly meant to be class-structured, so that all citizens belonged to one of three classes: the guardians, the auxiliaries, or the workers. In 'Politics' Aristotle also deals with social inequality. He identified three segments in the strata: one very rich, another very poor and a third mean. St. Thomas and St. Augustine were equally intent on prescribing the proper mode of arranging men in hierarchical orders and also in understanding why human society everywhere was characterised by such distinct and sharp gradations in power, property and prestige.
Machiavelli in his 'The Prince and the Discourses' identified tension between the elite and the masses as a constant feature of organised society. Later social philosophers including Locke, Burke and Bentham among the English, Rousseau among the French and Hegel among the Germans were all aware that the emergence of social differentiation, based either on birth or inherent differences, or some combination of both, may present urgent problems, and each had his own notion as to what structure of government would deal most efficaciously with such difficulties.

In addition to the economic dimension of stratification Max Weber added two other dimensions, power and prestige. He considered property, power, and prestige as three separate though interacting bases on which hierarchies are created in any society. Similarly, Weber made a distinction between class and status - class is absolutely an economic category, a product of the social order based on honour. He considers power as the most important variable in social stratification theory.

Modern Views

Studies of stratification on social reputation and prestige in America has been credited to Lloyd Warner. He sought to develop a standard Index of Status Characteristics, based on such criteria as education, residence, income and family background, which he is believed Americans use to estimate each
other's social worthiness, i.e., the guidelines in choosing who will be one's friend and with whom he will permit his children to associate.

There are two schools of thought in sociology: equilibrium school and conflict school. Theorists in the equilibrium school tends to see society as an organism that strains towards maintaining itself in some form of balance. They stress on consensual features such as stability, functional interconnections and integration. To the conflict school, society is a collection of various institutions - economic, political, educational, etc., that are rather poorly integrated with each other. The unequal distribution of resources, power and prestige results in conflict among members of the society. Social stratification is thus conceived as a major source of continuing conflict in a society.

Innumerable stratification studies, varying in sophistication, significance and scope, have been carried out by sociologists especially since 1945 and virtually every study of any social phenomenon - whether it is population fluctuations, divorce rates, family styles, or whatever - takes into account the possibility that several factors indicative of social and economic phenomenon and resources will exert significant influence on the behaviour being studied. An attempt is made here to analyse the significance of some of the important determinants of social class.

Social Class Determinants
Social class of an individual is not determined by occupation or income or any one criterion alone. However, it may be related to one or more of these factors. Individual or family income is often misleading as an indicator of social standing. Yet some researchers believe that money, far more than anything else, is what people associate with the idea of social class. Some even believe that it is the best single indicator available because certain occupations are held in higher esteem than others. The American researchers have always held housing as another key social class ingredient. However, the determinants of social class vary with the socio-economic milieu in each society and appropriate indicators for social class categorisation have to be developed for each society.

Social class differences evident in the Indian society cannot be satisfactorily explained by the factors accepted by Warner and other American researchers: income, occupation, type of houses and location of housing may be sufficient indicators of social class in a developed, urbanised, casteless, cosmopolitan society with a relatively short history. Social evaluation and status positions in the Indian society are determined by several other important factors as well. Determination of social class in India would entail ranking of individuals and families on the basis of the following factors:

(i) Occupation; (ii) Income and Wealth; (iii) Education; (iv)
Caste: and (v) Ethnic group.

The relevances of these social class indicators are outlined in the following section.

3.1 OCCUPATION

Occupational prestige is one of the important dimensions of social stratification. In all societies the households are evaluated according to the productive roles of the head of the household and their immediate kin. On the basis of such roles they are differentially evaluated and awarded differential prestige. There is a close association between social class and the occupations it follows. In modern societies people assign a special prestige value to many occupational titles. Although occupation is a widely accepted and probably the best documented measure of social class, we cannot determine the social status of an individual based on occupation alone. Occupation is a fair index of social class, its mode of life and general social standing.

Through the abolition of the zamindari system, the Indian tenant got the ownership of the land he cultivated and there emerged a new agricultural class having more or less a common standard of living, a relatively less inelastic income, a common group consciousness and thus they form a separate social class.

However, in recent years within the agricultural class also social stratification has been developing. Some of the agriculturists have become tractor owners and white collar
agriculturists as a result of the application of the modern technology and others remain as low-class peasantry.

The white-collar jobs carry greater prestige than other jobs, though the former may not yield greater income. If the lower paid teacher is held in a greater esteem than the better paid technician, obviously income doesn't determine the social status. The ministers, the secretaries and the commissioners hold a higher position than the businessmen who have amassed wealth, though the former are of an inferior economic position.

Davis identified two factors which are the determinants of relative rank of different occupations - (i) the functional importance of occupation; and (ii) the scarcity of personnel for the occupation relative to demand. But Johnson has put forward several problems in accepting the determinants of these occupational ranking as given by Davis. The same occupational title may hold many different degrees of talent, knowledge and skill. Therefore, occupational qualities rather than functional importance should be the determinant of occupational prestige. Similarly, there are many different jobs in the same occupation that are different in prestige. Thus, a 'school headmaster' in a small town may have less prestige than that in a large city. Likewise, the prestige of a chief executive may be rated by the size and prestige of his company. Sometimes, the same position can be filled with varying degrees of success. Therefore, the prestige to
be given to a role occupant should be judged in terms of role performance. Lastly, relative functional importance is usually easier to appreciate in a small social system than in a total society. Further, considerable variation is possible in functional emphasis. Thus religious functions in India have relatively higher prestige than in Russia.

The relative importance of an activity varies from time to time, according to the internal structure of the social system. In India religious functions do not enjoy today the same prestige they enjoyed in the Brahmanic age. During the last six or seven centuries there has been a basic change in the structure of occupational prestige. Earlier, the military, land-owning - and -managing, governmental and religious roles were somewhat more highly evaluated than the commercial, industrial, scientific, teaching and various other professional roles. But in modern times the latter roles carry as much prestige as the former.

Thus it is quite possible that at any given moment, certain occupations might be overrated or underrated and it is difficult to rank them according to their functional importance in an "absolute" sense; they are ranked according to their importance in the eyes of men in a particular social system.

It seems clear that within a modern industrial society occupation is the most important single (although by no means sole) index of general social position.20
Many other characteristics are usually found to be closely dependent upon or associated with occupation; we can estimate fairly well the probability of the kind of income, educational level, housing, politics, etc. Except, mainly, for very wealthy people, income depends more on occupation than anything else. Thus income level, occupational prestige, official position and social class are all intimately related.

Limitations

If we take occupational status, as a single factor for social stratification people having different occupations may fall within the same income-bracket; some will be independent, others employers, others the employed. Also forming the socio-economic groups by taking occupation alone as a variable may lead to false conclusions. For instance, if we are forming the social strata of captains it will cause captains of ships, fishing-vessels and aircrafts in the same group, and this grouping can not be used to form a social stratum.

5.2 INCOME AND WEALTH

Different occupational roles in a society have divergent capabilities for earning income and for accumulating capital wealth. Every position that secures its incumbent a livelihood is by definition, economically rewarded. Thus, the amount of the economic return is one of the principal indices of social status.
Traditionally income levels have been an important consideration in determining who are prospects for products or services. The basis for this was not only the purchasing power, but the assumption that income was a prime determinant of social status and hence of purchase preferences. Although the correlation between income and buying habits cannot be ignored, it may well be the least important factor for many products. It should be stressed, however, that a position does not bring power and prestige because it draws a high income. The source of income also is important in determining social status. The white-collar clerk may not earn more than a manual worker and even earn less, yet his status is higher in society compared to the social status of a manual worker. There is similar relationship between inherited wealth and social prestige. The inherited wealth has got a higher prestige value in almost all societies.

Income and earned or inherited wealth have always been instruments both for making more money and for the purchase of access to more highly valued roles, as in the acquisition of education, or of titles of nobility, or of marriage partners. Thus, in the past as well as in the present, money has played its part in the process of mobility. But this part may be diminishing in societies as access to education and highly valued positions are more directly dependent upon the display of achievement.
Education has always been closely associated to class, status and power. But this link has radically changed in character. Education has become part of the economic foundations of modern society - a major avenue of social mobility, a central agency of social distribution.

Education is the process by which any society transmits to its new members the expected ways of behaviour. Men in society have always had differential access to education and erudition, with important consequences not only for their performance of different roles to which they were assigned at birth but for their opportunities to move into those other roles, often more prestigious, for which their 'natural' talents best suited them. The stratification of education and erudition in society has been markedly pyramidal until quite recently. Only since the nineteenth century has universal literacy been viewed as a socially necessary and morally desirable goal; and even now, the full equiponderance of opportunity for education remains, inspite of all the progress in this direction, more a hope than a fact. Educational institutions play a vital role in selecting, training and then placing people in different positions in society. A society in which jobs need high academic qualifications increases the importance of education.

Social systems need the performance of certain universal
functions if they are to continue to exist. Education is a process concerned with some of these universal functions. It perpetuates a society's particular beliefs, values, and skills, i.e., its culture. Individuals must have personalities fashioned in ways that fit into the culture. Education, everywhere, has the function of the formation of personalities. Education transmits and modifies social status across generations. It is an avenue for social mobility.

.4 CASTE

Caste system is a type of stratification system which is most rigid in matters of social mobility and distinctness of status. In a caste predominant society the membership of a caste determines the social status of the individual. Castes started as natural division of occupational classes and became an integral factor of a religious dogma which divided people into superior and inferior groups with different responsibilities, functions and standards of living. Caste is a system having superordination-subordination relationships, having hereditary membership, limited social intercourse, a divine ancestor and a common traditional occupation.

.4.1 The Indian Caste System

In India Caste has been the backbone of social stratification. In theory at least, no one ever changes his caste. This is most uniformly true in villages, where there is virtually
no opportunity to hide one's background, and where one can make a living only by engaging in the occupation typically assigned to his caste; one's primary position, therefore, is acquired or inherited but not achieved. Even under these conditions, however, some corroboration of status is required: one must live up to caste expectation or be turned out of his group.\textsuperscript{32}

The distinguishing features of Indian castes are as follows:\textsuperscript{33}

(1) Membership in the caste is hereditary.
(2) Choice of marriage partners is strictly endogamous.
(3) Contact with other groups is further limited by restrictions on touching, associating with, dining with, or eating food cooked by outsiders.
(4) Consciousness of caste membership is further emphasised by the caste name and by the individuals identification with his caste in the eyes of the community, by his conformity to the peculiar customs of his caste.
(5) The relative prestige of the different castes in any locality is well established and jealously guarded.

The role of caste in the stratification of Indian society is indicated by the fact that most studies on social stratification in India have been by and large confined to the study of the caste system as a closed system. Louis Dumont\textsuperscript{34} considered the caste
system as a closed system of social stratification. M.N. Srinivas considered pollution and purity as the basis of caste hierarchy. S.C Dubey 35 says that pollution purity ideas are the factors which governing the interaction between different segments of society and 'the main criteria for the ranking of castes are ritualistic and not economic'.

Oskar Lewis 36 opines that caste system works as an integrating and cohesive factor in the village as it covers not only kinship ties but political and economic relationships too. Henry Orenstein 37 explains that 'pollution tends to produce alienation and dehumanisation' since it creates large differences in caste rank. Harriot, 38 has analysed caste ranking in five regions, viz., Kerala, Coromandal, Upper Ganges, Middle Indus, and Bengal Delta and found that caste ranking is more elaborate in Kerala than in any other region of the Indian sub-continent.

4.2 Weakening of the Caste System

Most of the studies on social stratification in India were based on caste. Occupation, wealth, social status, class, power, prestige and all other related things were determined by caste alone. However, the recent past have witnessed a silent transformation in Indian social life. Rigidities of a caste based society are fading fast. The discrimination based on caste have been reduced to some extent.

In the social stratification scenario of Kerala, caste has
been losing its dominance. Several factors have been responsible for the social change in Kerala which include: (i) the British rule and Western education; (ii) conversion to Christianity; (iii) the reformists movements; (iv) change in cultivation from paddy to plantation; (v) land reforms; and (v) attack by Indian constitution.

Although the forces of change have checked the sway of the caste system in India, caste discrimination continues to be a determinant of social status.

**ETHNIC GROUPS**

An ethnic group is generally conceived to be one whose members share a distinctive social and cultural tradition, maintained within the group by generation to generation, whether as part of a more entangled society or in isolation. But ethnic groups much more so than great associations and more often than classes (though not castes), are in-groups, maintaining cleavages between the "they" and the "we" in social life. Thus, an ethnic group is a nonvoluntary interest-conscious unity, generally without formal organisation and relatively unlimited in size, within which the members are linked together by both primary and secondary relationships. Members of these groups develop a shared set of customs and values and a shared way of looking at themselves and at outsiders.

The Indian society is a blend of several racial,
linguistic, religious and caste groups which have given rise to a multitude of ethnic groups in the country. Each of these ethnic groups is perceived to have a distinct social status. The diverse status of these ethnic groups have significantly contributed to the social stratification of the Indian society.

When a large number of ethnic groups live within the same society, it is probable that the different groups will possess quite different statuses and will experience different degrees of prejudice and discrimination. The status of the ethnic group to which a person appertains is a significant determinant of his social class. Further, the characteristics of the ethnic group will have a definite impact on his consumption behaviour. Styles, tastes, and values that are established within ethnic communities influence purchases.42

SOCIAL MOBILITY

While analysing social stratification and the significance of social class in consumer behaviour a significant phenomenon that has to be given due consideration is the upward mobility of the social classes. This is particularly significant since the Indian society has been experiencing mobility of different classes.

Social mobility denotes the transition of an individual from one social position to another.43 In other words, social mobility is the movement of individuals or groups from one strata of the society to another. The role of values, aspirations and
motivation as positive or negative elements in the mobility process is clearly of abundant importance. Networks of social relationships or social structures, are the routes through which ideas pertaining to mobility are transmitted.

5.1 Classification of Social Mobility

There are three principal types of social mobility, horizontal, vertical and geographical.

5.1.1 Horizontal Mobility

Horizontal social mobility refers to movement of individuals and groups between positions in society which are roughly of identical social status. In other words, it is movement within the same stratum of the society.

5.1.2 Vertical Mobility

Vertical social mobility is generally implied when one speaks of social mobility and refers to the two-way-movement - up or down - of individuals and groups from one stratum in society to another. So vertical social mobility is meant the relations involved in the transition of an individual (or a social object) from one social stratum to another.

5.1.3 Geographical Social Mobility

Geographical social mobility refers to the move of a group from one geographic area to another. Such migration may also entail vertical or horizontal movement. Thus a newly immigrated
member of society may be accredited with social status that is higher or lower than he had in the society from which he emigrated or he may go on with the same status but may move horizontally to an occupation of equal social rating.

1.2. Factors influencing Mobility

There are several other factors that shape social mobility in various ways. Some of the more important of these are:

1. The class or caste structure in societies may itself change under the impact and influence of external and internal forces of change. The rapid technological advancement and the urbanisation of rural areas are two such conditions which increase mobility and may cause ideological changes in society itself, giving rise to a new system or stratification.

2. Static conditions in society, on the other hand, hinder social mobility and serve to crystallise the existing class structure. When such conditions continue over long periods, status positions tend to become fixed and rigid and to be transmitted from generation to generation, moving increasingly towards the closed-class or caste type end of the continuum of stratification.

3. Territorial expansion and population movement into "new territories" on a reasonably large basis have proved conducive to flexibility of the stratification structure.
and social mobility.

4. Free and effective communication and education, which cut across all strata boundaries, will serve to stimulate social mobility and weaken class barriers.

5. The extent of social mobility will be negatively influenced by the degree of division of labour that prevails in society.

6. High rate of population increase among lower classes serve to restrict and hamper opportunities for family members to rise socially because of economic stringency and consequent low levels of living.48

5.3 Social Mobility in an Open Society

In a perfectly open society everyone's chance to locate the position most suitable for an individual is equal. Moreover, suitability for a particular tasks is a function of innate talent alone. Neither birth, nor differential access to training or motivation would in any way hinder the free flow of persons into their most suitable niches.

Social mobility is obviously a complex phenomenon, for in addition to the three directions in which movements can take place, there is the dimension of time. That is, changes can occur from one generation to another (intergenerational mobility), or within one generation (intragenerational or career mobility).

Another dimension by which systems of mobility can vary is the context or institution in which mobility occurs. Here
reference is to occupational or educational mobility, mobility in general evaluation, or changes in material resources or power.

The mechanisms of mobility form yet another dimension. Persons acquire positions on ladders of stratification by ascription, achievement, maturation, and validation and also move from these positions into others by the same general routes. Another aspect is the unity of mobility - individuals, families, groups, strata, or whole societies - is the proper object of study.

A notable feature of mobility concerns the distinction between objective and subjective aspects of change in status. Objective aspect might be an annual salary increase. Subjective aspects of this change concerns the individual's feeling about it - whether he considers it an advancement, whether he defines it as advantageous, and whether he exerts efforts to attain it. What may seem to be an upward movement or advancement may be seen by others as no advancement at all or even a change for the worse.

The Indian Society has experienced tremendous mobility in the last few decades. In terms of the direction of change it has been an upward mobility. The continuing trend of a growing middle class is the indication of such mobility. Individuals, families and even small segments of the societies have been moving up in the social hierarchy, particularly from the lower strata. With the freedom movement and the socio-economic policies of the post independent governments, the closed social system has been opened up to a considerable extend.
Opportunities for education, market based entry into occupations, economic evolution, growing industrialisation and development of entrepreneurship irrespective of social strata are some of the major factors responsible for the social mobility, particularly upward mobility of vast sections of Indian population.

1.6 SIGNIFICANCE OF SOCIAL CLASS TO MARKETING

Dating back to the late 1940's marketers have alternately flirted with and cooled on the notion that W.Lloyd Warner's social class concept is an important analytic tool for their profession.50 The six social classes identified in his work were upper-upper, lower-upper, upper-middle, lower-middle, upper-lower, and lower-lower. This categorization system crossed over into marketing in the 1950's, and has been forwarded almost intact ever since, almost in recent years its germaince has been questioned.51

The Warnerian idea that six social classes form the basic division of American society received tremendous attention from marketing analysts at a time when they were already dissatisfied with simple income categories and were pressed for more meaningful classifications relevant to advertising and marketing problems. However, in their endeavour to employ the social class concept, marketers have not always found it immediately and obviously relevant. Also the adoption of the concept and the results have
brought mixed reactions. While some analysts find it extremely useful, others feel that social classes are not more than income categories or occupational groupings.

Historical Perspective

The classification system based on the class concept got popularity in the marketing discipline when the proposition that consumer motivations varied consistently by social class was set forth in the 1950s by 'the Chicago group'. Pierre Martineau is usually credited with taking the lead in advocating that marketers and advertisers pay attention to the social class concept, by writing 'Motivations in Advertising'.

The research studies by the Chicago group in the late 1940s revealed that upper-middle Americans were pursuing different goals in home furnishing, appliances, clothing, food and leisure time use than lower-middles, who in turn had consumption objectives (and aesthetic preferences) markedly different from upper-lowers. Certain "Catch" phrases encapsulated these upper-class variations: upper-middles were identified with consumption choices reflecting "quality" and "taste"; lower-middles with "respectability" and "conformity"; upper-lowers with "instant gratification". This became the accepted wisdom in marketing theory and practice through the 1960s.

During the 1970's, involvement with social class declined due to the emergence of alternatives such as life styles, age,
ethnic and racial subgroups, and even geographically related population breakdown. There was a noticeable lack of novel evidence on its marketplace impact in the literature of the latter 1970s. Almost as far back as 1960, little was published about class that was truly new; most of what appeared in print merely repeated findings from the 1950's. Further, much of what has been learned about the social class role in consumption choices has remained the private property of research houses and their clients.

**INCOME OR SOCIAL CLASS**

There prevails a controversy among researchers about the relative importance of income and social class as determinants of buying behaviour. Since social class concept was introduced in marketing analysis as a better alternative to classification based on income, researchers have repeatedly addressed themselves to the issue whether social class or income better predicts consumer behaviour. Attempts have been made to establish the superiority of social class over income by citing the fact that families in the same level of income differ considerably with regard to the consumption of certain products and services. However, some studies have indicated that income provides better basis for segmenting markets than social class. Some products appear to be classless in their appeal and some product usages, particularly of consumer durables have been found to correlate more with income than with social class. Further, certain studies have shown that
consumption of certain low priced consumer products correlates well with both income and social class.

Between the late 1950's and early 1970's, numerous studies have come out with conflicting conclusions as to whether social class or income is a better predictor of consumer behaviour. Actually the controversy began with the Pierre Martineau's contention that social class is the best market segmentation variable. Wassen gave more credit to occupation as a reliable index of social position because it is the main source of income and has more correlated with house-type and neighbourhood. Slocum and Mathew's study of the use of credit cards by both income groups and social class concludes that: "social class proposition does not necessarily appear to be a more significant determinant of consumer behaviour than amount of income." Myers, Stanton and Haug also studied whether income or social class correlates better with consumer behaviour. They found that social class is basically inferior to income as a correlate of consumer behaviour.

The net result of this kind of studies was that the role assigned to the social class by marketing professionals went into decline. Little further attention was paid to similar studies until 1981, when two noteworthy reexaminations of the question were published almost simultaneously by Scaninger and Dominquez and Page.

Scaninger proposed the tentative generalisations that:
Social class is superior for areas of consumer behaviour that do not involve high dollar expenditures, but do reflect underlying life-style value;
Income is superior for products which require substantial expenditure and reflect ability to pay, yet are not perceived to be class-linked status symbols; and
Both must be used in combination for product classes that are highly visible, serve as symbols of status with class, and require either moderate or substantial expenditure. Scaninger's propositions were in agreement with those of Wind, whose contention was that the entire controversy as to whether income or social class is the more basic segmentation variable is spurious, since it is better to accept both as valuable, then determine product by product what contribution each makes.

With regard to the relevance of social class and market segmentation, more postulates have been put forth by researchers than what was offered by Scaninger:
Social class may not always be a relevant consideration for segmentation since other criteria such as age and sex are more appropriate in certain cases.
Social class segmentation may not be relevant for undoifferentiated products.
Social class segmentation is frequently more effective when used in conjunction with additional variables such as life-style. 63, 64
Problems in Using Social Class Concept

Numerous explanations have been offered for the apparent lackluster performance of social class as a basis for market segmentation. The major factor is the recent dramatic changes which have taken place in the economic, social and cultural climate in developed societies and which have diminished the differences in consumer behaviour between the classes. The Indian consumer is yet to reach this stage.

Another reason for apprehensions in using social class is that researchers often fail to account for the diversity within classes. Individuals within the same social class may show considerable discrepancy in their ratings on the variables comprising it. For example, some may have high level of education with low income or vice versa. This inconsistency in strata variables known as status incongruency or low status crystallisation, presents problems not only in ranking individuals but also in understanding their behaviour.

Diversity within social classes often emerge due to variations in income levels. Within each social class, there are families whose incomes are above average for their class and the others with income much below the average level. That is, there are 'over-privileged' and 'under-privileged' segments in each class. There will be marked variations in the consumption habits of
these different groups within the same social class which have not yet been taken care of by researchers.

It has been pointed out that the role of social class has too often been misunderstood or oversimplified, and that if the concept is applied in a more sophisticated and meaningful fashion, it will shed light on a great many problems to which, at first glance, it has not seemed particularly relevant. Social class is of course conceptually complicated, philosophically upsetting, and methodologically challenging, yet it continues to offer provocative insights into consumption choices.

The social class categorisation provides a natural basis for the market segmentation in any society. There are numerous reasons for recommending social class as the most significant variable in market segmentation. The major reasons are the following:

1. Social classes are homogenous groupings.
2. Social classes are quantifiable.
3. Social classes are readily identifiable on a geographic basis.
4. Social class research is represented by a substantial interest in consumer behaviour.

Therefore, consumer researchers are trying to segment the market on the basis of social class categorisation and thereby relating product usage to social class membership.
Different methods have been used by researchers to stratify social classes. The commonly used methods are the subjective method, the reputational method, the objective method and sociometric method. In subjective method, individuals are asked to rank themselves in the social class hierarchy. However, since most people are reluctant to categorize themselves as either low or upper class, the middle class ends up with an unrealistically large share. In the reputational method, members of a community are asked to rank each other in the status system. This is appropriate to rank people in small communities and the scope of generalisation based on such studies on a national or state level scheme is seriously constrained. Sociometric method involve observing and asking people about their intimate associations with other people. This is similar to the reputational method. In the objective method, individuals are ranked on the basis of certain objective factors and are positioned accordingly in the social status hierarchy. Warner, for example, developed an Index of Status Characteristics (ISC) based on four socioeconomic indicators: occupation, source of income, house type and dwelling area. Carman applied this methodology for social class categorisation where the indicators were occupation, education and home value.
Despite the different approaches used to measure and categorise social classes, a number of limitations have been pointed out. Social class ranking is based upon an average of the person's position on several status dimensions, ignoring the individual's high and low rankings on particular dimensions. A person's social class is assumed to be stable, thus ignoring the effect of social class mobility. The social class of an entire family is measured examining the characteristics of the adult male wage earner and the characteristics of the other members, particularly their education, employment and income, are ignored. Resolving these methodological problems would make the social class concept more relevant to marketing decision makers.

**EMPIRICAL ANALYSIS**

**Empirical analysis for social stratification adopted in the Present Study**

The objective method usually adopted for social stratification has been employed in this study. The social classes have been identified using an index developed based on a survey among experts including social scientists and professionals. A sample of 50 experts have been drawn from five categories: college professors, research scholars working in the area of social sciences, medical doctors, engineers and lawyers. The socio-economic variables used for social class index were income, source of income, education, occupation and caste.
Perceived value rating technique has been used to determine the relative ranking of the different variables and also to obtain the relative ranking of the sub-categories within each variable. The experts were asked to distribute 100 points among the variables in proportion to the relative significance of each variable in determining the social class. The same technique was used to identify the significance of sub-categories within each variable. Pre-tested research schedules were used for the study.

The average score for the different variables were computed using the data from the expert survey. The average scores for the sub-categories were then multiplied by the respective scores obtained for the particular variables in order to obtain the weighted averages for each sub-category.

The weighted averages of the sub-categories were distributed among the families covered by the household survey spending on the sub-categories relevant to each household. In order to determine the cut-off points for different social classes, the total score obtained for all the variables by each family was computed. The sum of the total scores for all the 300 sample households was calculated. The arithmetic mean and the standard deviation of the sum were determined in order to find out the upper and lower limits of the scores of each social class.
Analysis

The relationships between possession of durables by sample households and four independent variables such as social class, income, education and occupation were analysed using regression analysis. To ascertain whether income or social class is the more reliable determinant of consumption of durables, multiple regression analysis has been employed using possession of durables as the dependent variable and income and social class as independent variables. The result of the analysis are given below:

Number of Classes

There is little agreement among researchers on how many class divisions are necessary to describe adequately the class structure of a particular society. Different studies have attempted to classify society into various classes, ranging from a two class system to nine class systems. Particularly, in Kerala, there has been hardly any study pertaining to social stratification. The present study made an attempt at this direction and identified four social classes. The upper class consists of 26 per cent of the respondents, the upper middles constitutes 25 per cent, the lower middles form 21 per cent of the respondents and the lower class consists of 28 per cent of the respondents (Table 4.1).
Table 4.1
Number of Respondents in Each Social Class

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Social Class</th>
<th>No. of Respondents</th>
<th>Percentage of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Upper Class</td>
<td>73</td>
<td>26.34</td>
</tr>
<tr>
<td>2</td>
<td>Upper Middle Class</td>
<td>76</td>
<td>25.33</td>
</tr>
<tr>
<td>3</td>
<td>Lower Middle Class</td>
<td>61</td>
<td>20.33</td>
</tr>
<tr>
<td>4</td>
<td>Lower Class</td>
<td>84</td>
<td>28.00</td>
</tr>
<tr>
<td>5</td>
<td>Total</td>
<td>300</td>
<td>100.00</td>
</tr>
</tbody>
</table>

Table 4.2
Social class and Occupation of the Respondent

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Occupational Category</th>
<th>Social class</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>U</td>
</tr>
<tr>
<td>1</td>
<td>Professionals</td>
<td>76</td>
</tr>
<tr>
<td></td>
<td>(96) (47)</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Non Gazetted Officers</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>(4) (49) (49)</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Skilled Workers</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>(4) (48) (17)</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Semi-Skilled Workers</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>(3) (40) (12)</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Unskilled Workers</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>(43) (12)</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Total</td>
<td>78</td>
</tr>
<tr>
<td></td>
<td>(100) (100) (100) (100)</td>
<td></td>
</tr>
</tbody>
</table>

Source: Survey Data

Note: Figures in parentheses show percentages.
Characteristics of Social Class

This section provides a brief description of the social classes, identified by the present study.

1. Upper Class

The upper class in the present study includes families where the head of households are high-income earning professionals such as civil servants and businessmen. Occupation-wise categorisation (Table 4.2) indicate that 96 per cent of the male heads of households of families in this category are professionals which include civil servants, doctors, engineers, businessmen, etc. Educational attainments of the heads of households in families in the upper class are also high. It can be seen from Table 4.3 that about 71 per cent of them have above medium level of education, which implies graduation and above. More specifically, 32 per cent of them have post graduation or professional qualifications. The level of income is also very high: majority (87 per cent) of the families have annual income above Rs.3.5 lakhs (Table 4.4). Seventy five per cent of the families in this category have inherited wealth and 90 per cent of them have acquired wealth (Table 4.5).

1. Upper Middle Class

Respondent families which have been ranked as upper middle class, using the social class index, have heads of households with steady jobs and occupations. The people in this class include
<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Level of Education</th>
<th>N</th>
<th>UM</th>
<th>LM</th>
<th>L</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>High</td>
<td>25</td>
<td>30</td>
<td>23</td>
<td>9</td>
<td>92</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(32)</td>
<td>(39)</td>
<td>(46)</td>
<td>(11)</td>
<td>(31)</td>
</tr>
<tr>
<td>2.</td>
<td>Medium</td>
<td>31</td>
<td>22</td>
<td>8</td>
<td>2</td>
<td>55</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(38)</td>
<td>(29)</td>
<td>(13)</td>
<td>(2)</td>
<td>(18)</td>
</tr>
<tr>
<td>3.</td>
<td>Lower</td>
<td>23</td>
<td>24</td>
<td>25</td>
<td>73</td>
<td>153</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(28)</td>
<td>(32)</td>
<td>(41)</td>
<td>(87)</td>
<td>(51)</td>
</tr>
<tr>
<td>4.</td>
<td>Total</td>
<td>79</td>
<td>76</td>
<td>81</td>
<td>84</td>
<td>300</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(100)</td>
<td>(100)</td>
<td>(100)</td>
<td>(100)</td>
<td>(100)</td>
</tr>
</tbody>
</table>

Source: Survey Data n=306 (High - 92; Medium - 55; Low - 153)

Note: Figures in parentheses indicate percentage to column total.
<table>
<thead>
<tr>
<th>Social Class/</th>
<th>Level of Income</th>
<th>U</th>
<th>UM</th>
<th>LM</th>
<th>L</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. (in lakhs of Rs.)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. &gt; 3.5</td>
<td></td>
<td>69</td>
<td>3</td>
<td>-</td>
<td>-</td>
<td>72</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(87)</td>
<td>(4)</td>
<td></td>
<td></td>
<td>(74)</td>
</tr>
<tr>
<td>2. 2.5 to 3.5</td>
<td></td>
<td>19</td>
<td>55</td>
<td>4</td>
<td>-</td>
<td>89</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(13)</td>
<td>(72)</td>
<td>(7)</td>
<td></td>
<td>(23)</td>
</tr>
<tr>
<td>3. 2 to 2.5</td>
<td></td>
<td>-</td>
<td>18</td>
<td>43</td>
<td>6</td>
<td>67</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(24)</td>
<td>(70)</td>
<td>(7)</td>
<td>(22)</td>
</tr>
<tr>
<td>4. 0.25</td>
<td></td>
<td>-</td>
<td>-</td>
<td>14</td>
<td>73</td>
<td>92</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(25)</td>
<td>(32)</td>
<td>(31)</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>79</td>
<td>78</td>
<td>61</td>
<td>64</td>
<td>300</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(100)</td>
<td>(100)</td>
<td>(100)</td>
<td>(100)</td>
<td>(100)</td>
</tr>
</tbody>
</table>

Source: Survey Data

Note: Figures in parentheses show percentages.
Table 4.5
Social Class and Wealth of the Respondents

(in percentages)

<table>
<thead>
<tr>
<th>No.</th>
<th>Social Class</th>
<th>Inherited</th>
<th>Acquired</th>
<th>Base</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Upper</td>
<td>75 (a)</td>
<td>90</td>
<td>79</td>
</tr>
<tr>
<td>2.</td>
<td>Upper Middle</td>
<td>31</td>
<td>75</td>
<td>76</td>
</tr>
<tr>
<td>3.</td>
<td>Lower Middle</td>
<td>48</td>
<td>52</td>
<td>61</td>
</tr>
<tr>
<td>4.</td>
<td>Lower</td>
<td>6</td>
<td>-</td>
<td>84</td>
</tr>
</tbody>
</table>

Source: Survey Data

Note (a) Read: 75% of the 79 respondents who were having inherited wealth.
professionals (47 per cent) and non-gazetted officers (49 per cent) (see Table 4.2). Sixty eight per cent of the heads of households in these families has medium or high level of education (Table 4.3).

Family income is indeed a highly significant factor. Majority of the respondent families have income in the range of Rs.2.5 lakhs to Rs.3.5 lakhs (Table 4.4). Only four per cent of the respondents have income above Rs.3.5 lakhs. The remaining 24 per cent are in the income bracket of Rs.25,000 to Rs.2.5 lakhs. Further, 31 per cent of the families have inherited wealth (Table 4.5).

3 Lower Middle Class

The occupation-wise data given in Table 4.2 relating to lower middle class show that 97 per cent of them are non-gazetted officers and skilled workers. Analysis of the educational levels of the heads of households indicates that 59 per cent of the people have medium or high levels of education (Table 4.3). The most significant observation in this regard is that more of the highly educated people are in this class (46 per cent). However, with regard to family income, they are at a lower position. Seventy per cent of the people in this class fall in the income group of Rs.25,000/- to Rs.2.5 lakhs and 23 per cent of the people have annual income less than Rs.25,000 (Table 4.4). With respect to
wealth also, both inherited and acquired wealth, they are at disadvantage (Table 4.5).

**LowerClass**

People in this class have relatively low occupational status since 83 per cent of them are semi-skilled or unskilled workers (see Table 4.2). Their educational attainments are also low. Eighty seven per cent of the respondents have education up to or below matriculation (see Table 4.3). In terms of the level of income also they are at a disadvantage. As many as 93 per cent of the families in this category have annual income below Rs.25,000 (see Table 4.4). Further, only six per cent of the respondents have inherited wealth. Nobody has acquired wealth either (see Table 4.5).

**The Relationship Between Consumption of Durables and the Social Class Indicators**

**Consumption of Durables and Occupation**

Occupation has a special significance in the social stratification and consumer behavior. The present study made an attempt to analyse whether there is any relationship between possession of consumer durables and occupation by taking the possession of consumer durables (number of durables possessed) as dependent variable and occupation as the independent variable. Simple regression analysis (by using dummy variables) has been used
to test the relationship. The estimated regression line is given below:

\[ Y = 1.5889 + 0.64517X \]
\[ (1.354) \quad (2.220) \]

\[ R^2 = 0.62 \]

where, the figures in the parenthesis are the 't' values under the null hypothesis that the relevant population have a value zero.

The results obtained by regression analysis support the hypothesis that there exists a positive relationship between possession of durables and occupational levels.

2. Consumption of Durables and Education

It is generally believed that there is correlation between education and consumption of durables. The present study tried to verify this by fitting a simple regression (dummy variable method) equation. The number of durables in possession has been taken as the dependent variable and education, the independent variable. The regression line, thereby obtained, is given below:

\[ Y = 5.34031 + 1.05406X \]
\[ (7.846) \quad (3.105) \]

\[ R^2 = 0.14 \]

The results show that there is no statistically significant relationship between education and the number of durables consumed.
Unequal economic positions of the members of the society can influence the possession of consumer durables. To study whether there is any relationship existing between income and possession of consumer durables, a regression equation has been fitted by making use of the dummy variable method. For this the dependent variables taken are number of consumer durables in possession and the independent variable is income. The estimated regression line is as follows:

\[ \hat{Y} = 3.93381 + 0.55273X \]

\[ R^2 = 0.558 \]

The above equation leads to the conclusion that there is significant relationship between consumption of durables and income.

Consumption of Durables and Social Class

The values, wants and interactions that develop in various social classes have significant influence on the consumption of durable goods. In order to verify this a simple linear regression (using categorical variables) equation has been fitted. This has been done taking the number of durables purchases as the dependent variable and social class as independent variable. The regression line thus obtained is given as follows:

\[ \hat{Y} = 4.04331 + 1.23382X \]

\[ R^2 = 0.5941 \]
Inferences in the above equation show that there is a relationship between social class and possession of consumer durables.

**Consumption of Durables—Income Vs. Social Class**

An attempt is made here to analyse the relationship between possession of consumer durables and the variables income and social class, by using multiple regression analysis, with the number of consumer durable in possession as the dependent variables and categorical (dummy) variables corresponding to each of the above two variables as the independent variables. The estimated regression line is as follows:

\[ \hat{Y} = 2.7470 + 0.47996X_1 + 0.65083X_2 \]

\[ (3.397) \quad (5.717) \quad (2.293) \]

\[ R^2 = 0.678 \]

The figures in the parenthesis are the 't' values. The results show that there is a significant relationship existing between the consumption of consumer durables and income and social class. It also indicates that social class has relatively more influence in consumption of durables than income.

**Durables Possessed by Different Classes**

Analysis of the possession of durables indicate that the extent of possession of durables under study vary across the different social classes. None of the lower class families had
refrigerators, pressure cookers, television sets, VCR/VCPs, cars, motorcycles/scooters, washing machines or vacuum cleaners (Table 4.6). Of the 14 products considered, eight products were not possessed by any of these families.

Among the lower middle class, none of the families had five of the fourteen products considered: refrigerators, VCR/VCPs, cars, washing machines and vacuum cleaners. In terms of consumption of durables, they are in a better position than families in the lower class.

Among the upper middle and upper classes, the level of consumption are relatively higher. All families in these classes had eight of these products. Some of the families in both these classes did not possess VCR/VCPs, cars, motorcycles/scooter, bicycles, washing machines and vacuum cleaners. However, the non-possessing of these products is only among few families. Between the upper and upper middle classes, the possession of these durables are relatively less among the upper classes.
<table>
<thead>
<tr>
<th>No.</th>
<th>Product</th>
<th>Upper Class</th>
<th>Upper Middle</th>
<th>Lower Middle</th>
<th>Lower Class</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Refrigerator</td>
<td>170</td>
<td>170</td>
<td>89</td>
<td>61</td>
</tr>
<tr>
<td>2</td>
<td>Pressure Cooker</td>
<td>120</td>
<td>120</td>
<td>89</td>
<td>61</td>
</tr>
<tr>
<td>3</td>
<td>Movie</td>
<td>98</td>
<td>98</td>
<td>87</td>
<td>60</td>
</tr>
<tr>
<td>4</td>
<td>Television Set</td>
<td>120</td>
<td>120</td>
<td>99</td>
<td>60</td>
</tr>
<tr>
<td>5</td>
<td>VCR/DVR</td>
<td>50</td>
<td>88</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Radio</td>
<td>120</td>
<td>120</td>
<td>69</td>
<td>87</td>
</tr>
<tr>
<td>7</td>
<td>Tape Recorder</td>
<td>120</td>
<td>120</td>
<td>100</td>
<td>85</td>
</tr>
<tr>
<td>8</td>
<td>Car</td>
<td>91</td>
<td>59</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Motorcycle/ Scooter</td>
<td>30</td>
<td>39</td>
<td>77</td>
<td>77</td>
</tr>
<tr>
<td>10</td>
<td>Bicycle</td>
<td>69</td>
<td>88</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Washing Machine</td>
<td>84</td>
<td>76</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Vacuum Cleaner</td>
<td>73</td>
<td>53</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Foam Bed</td>
<td>190</td>
<td>190</td>
<td>97</td>
<td>46</td>
</tr>
<tr>
<td>14</td>
<td>Settee/ Other Costly Furniture</td>
<td>100</td>
<td>100</td>
<td>85</td>
<td>70</td>
</tr>
</tbody>
</table>

Source: Survey data.
References:


12. Tumin, Melvin M., op.cit., p.11.


17. Ibid., p. 263.


42. Ibid.
46. Chithambar J. B., op. cit., p. 244.
58. Ibid, p. 73.


