CHAPTER FOUR
SOCIAL CHANGE - CONSUMER BEHAVIOR:
A SYNTHESIS OF EVIDENCE

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Broadly, as reiterated, the essence of this research lies in understanding buying behavior when societies are in rapid transition. It is therefore in this context that the emphasis of the research on the rural consumer assumes importance.

An understanding of the contours of such varied fields as, rural and urban economics as well as sociology, social and applied psychology, even anthropology is fundamental to facilitate a better understanding of the dynamics of a society in a state of flux. This in turn would address the need for designing appropriate strategies aimed at not only product purchases for the firms but also achieving greater values satisfaction to the consumers.

The object of this chapter is to review the work that has been carried out in some of these areas. This chapter does not claim to be an exhaustive review in any of the areas, not even in the area of consumer research, nor for any given period.

Nevertheless, a brief review of some of the work done is important, even if only for the purpose of serving as a guideline or a starting point for future research, such as this. This chapter begins with a brief review of some of the works that have been carried out on the impact of society on consumption. The chapter then makes a brief review of some of the works carried out in the area of consumer research and consumer decision making models.

1. Society and Symbolism

Veblen, an economist, had propounded on the social aspects of not only purchases of products but also on people's conduct. According to him, people above the line of subsistence in any age, do not use the surplus which society has given them, primarily for useful purposes; but to impress other people with the fact that they have a surplus. He calls these ways and means for creating that impression as conspicuous consumption. Packard, likewise, had explored the behavior of people. Though the exploration confined to the class behavior in U.S.A., the study throws light on the hidden barriers that affect a person, his community, and his future. The sociological aspects of consumption have been dwelt at length by many sociologists. In recent times, a new "discipline:, social archaeology, has emerged, the focus of which is the function of material objects as instruments for reproduction, representation, and manipulation of culture. In the modern era these objects typify consumer goods. Miller's study and arguments on the sociological aspects of material culture develops insights into the patterns and processes of mass consumption and mass consumer behavior.

2. Societal Changes in India

The economics and the sociology of consumption are still in a nascent stage in India. Many of the studies on India in either of these areas concentrate on the developmental aspects, of bringing about, planned change and its effects, the barriers of caste, sex, and the political organizations to development and the different aspects of social life. This may probably be so because of the paucity of financial resources. The sociological aspects too have not dwelt on the
sociology of consumption in India probably because of the all pervasive influences of the above mentioned factors. The following review is, on some of the changes as perceived in India in the more recent times. This is but a sample of the vast number of studies being carried out in this area. A study carried out by Taylor et.al.\textsuperscript{4} dwelt on the sociological perspective of planned development, social structure of the village, the mobility patterns that are visible, the modes of communications, and the problems and the processes of planned change. Gough\textsuperscript{5} has also carried out a work on the kind of change that are occurring in the rural regions. The study though emphasizes the relationships among structural change, political party formation and political practices, and class action. An ethnographic research conducted by Hartmann, Patil, and Dighe\textsuperscript{6}, demonstrated that structural conditions are the major obstacles to policy success. They contend that changing beliefs and attitudes alone would not make any fundamental differences to the lives of people living within prevailing structures of inequality. They believe that the inequality in caste, age, sex, and other infrastructure limits the adoption of materials and procedures that can improve the standard of living.

The Drivers\textsuperscript{7} in a study on social class in urban India assert that caste is not a very viable prediction of status in urban India presently. They assert that social mobility is alive and well in this region, even if caste too is alive and well. The conclusions that they arrive is that even though caste is still an active determinant of social class, mobility patterns do imply that there could be an upward or a downward movement due to other factors too.

3. Social Class Stratification

Division of the society into different classes is inevitable. Stratification of the society is has been studied in minute detail by a number of sociologists. The inevitability of stratification arises in all societies, due to "(the) central problem to all societies is that of filling occupational positions in the social structure and getting all necessary jobs done. Since some tasks are demanding and more crucial than others, some persons are rewarded more generously in order to induce them to undertake specific responsibilities. Differential rewards lead to ranking in levels of privileges. It might be said, in this sense, that inequality in a society is the price necessary for getting on with the business of life."\textsuperscript{8} Certain other sociologists who specialize in the study of stratification speak of it in this manner: "Inevitably, then, a society must have, first, some kind of rewards that it can use as inducements, and second, some way of distributing these rewards differentially according to positions. The rewards and their distribution become a part of the social order, and thus give rise to stratification. society must be unequal, then the society must be stratified, because this is precisely what stratification means. Social inequality is thus an unconsciously evolved device by which societies insure that the most important positions are conscientiously filled by the most qualified persons. Hence every society, no matter how simple or complex, must differentiate persons in terms of both prestige and esteem, and must therefore possess a certain amount of institutionalized inequality."\textsuperscript{9}

The application of the principles was applied to marketing subsequently by sociologists. Some of the earliest applications, was proposed by Chapin\textsuperscript{10} when he constructed the "living room
index". The aim of such an index was to apply the principles of stratification by studying the kind of products visible in the living room. The "index of social characteristics" developed by Warner was similarly an attempt to understand the indicators of the different social classes with reference to the symbolic activities and possessions. Subsequently, Martineau argued forcefully on the importance of the social class in the marketing of products. It was his contention that there were far reaching psychological differences between the various classes. He stressed that consumption operates as prestige symbols to define class memberships, which are a more significant determinant of economic behavior than mere income.

The application of the social class theory instead of income alone sparked off many debates as noted by Schaninger, "In the early 1970s several studies refuted the superiority of social class to income as a basis for segmenting the markets for a wide variety of durable and non-durable goods." He conducted a study to examine the relative effectiveness of social class and income, as well as their combination, over a wide range of consumption areas. Through this study he concluded that a modified form of the relative income and status incongruence hypotheses was significant. Jain presented an approach to identify and represent information about social class structures implicit in the informal descriptions of social class given by the community members themselves. The significance of social class to marketing was reiterated by Coleman when he said, "(Although) Social class is conceptually complicated, philosophically upsetting, and methodologically challenging, yet it continues to offer proactive insights into consumption choices." His argument reiterates the fundamental differences among the classes in self-image, social horizons, and consumption goals. He says that such differences persist despite changes in income distribution, the demographics of family compositions, and life styles. According to him the question that needs to be probed is not whether social class or income is a better predictor of marketplace behavior but how classes affect the use of income. He further proposes a methodology of determining the class to which an individual belongs.

The object of adopting social stratification in marketing practices is primarily in order to segment the market. But, marketing strategy has two broad options available: either to segment the market through stratifying the market into social classes or any other criteria, adopt a product differentiation strategy. One of the earliest proponents of conceptualizing marketing strategy into either a product differentiation or market segmentation was Smith. He conceptualizes the differences between the two by likening the whole market as a cake. According to him, product differentiation is a strategy through which a horizontal layer of the cake is cut, while market segmentation strategy cuts a vertical wedge through the cake. To quote him, "The differentiator (a marketer who employs the product differentiation strategy) seeks to secure a layer of the market cake, whereas one who employs market segmentation strives to secure one or more wedge-shaped pieces." In more recent times, an attempt has been made by Dickson and Ginter to understand the concept of these two terms using traditional and contemporary economic theory and product preference maps.
4. Product and Brand Preferences

Product and brand choices are a matter of continuous interest and study as is evident from the number of studies that have been conducted in this area. Following is a brief review of some of the works that have been carried out in this area.

O'Shaughnessy in one of his studies on the understanding of consumers seeks to address the underlying motivations of consumers. To focus the knowledge of all that is gained of the consumers, a tool which the author calls the consumer protocol statement is used. The protocol statement as used in the book is a record of consumers "thinking aloud" before they buy, during buying, and after buying. The author analyzes such protocol statements to identify consumers' goals, wants, belief, and choice criteria and how such information might be used in market planning. Day in one of his studies seeks to answer one of the most controversial questions in marketing and behavioral sciences: Under what circumstances do attitudes predict behavior? He starts by developing an eclectic theory of the attitude-behavior relationship that is particularly relevant to choice decisions. This theory is incorporated into an interpretive model which is used to appraise the influence of the environment on the brand choice decision process.

Adopting the view that a product is a set of utilities, rather than some physical characteristics bounded by a brand name, the study conducted by Alpert asks, "Is there a relationship between personality and the relative importance a buyer places upon various product attributes?" rather than, "Is there a relationship between personality and the brands or products a person buys?" Meanwhile, Monroe had conducted a study which sought to understand the effects of price, and brand familiarity on brand preferences. His results suggested that changes in brand preferences are asymmetric, and that brand familiarity is a dominant cue. Bearden and Etzel conducted a study to examine the consumer perception of reference group influence on product and brand decisions. They studied the differences for sixteen products in informational, value-expressive, and utilitarian influences. The results supported hypothesized differences in reference group influence between publicly and privately consumed products and luxuries and necessities. A model for brand choice was developed by Jones and Zufryden that has the capacity to include explanatory variables. According to the model, pricing and certain consumer demographics provide an explanation of the purchase behavior of a brand. A research investigation conducted by Pitts and Woodside tested four hypotheses which related to values as basic criterion variables for market segmentation, and a fifth hypothesis was tested regarding the usefulness of values in enriching market segmentation. Investigation was at two levels-product class preference and brand preferences within a class. They concluded that consumer value structure to be linked to the importance of choice criteria for product class and brand. But were not found to relate to product class preference and brand preferences. According to them, the preference and intention variables may be too far removed cognitively from values for segmentation based on them to be effective.

Miniard and Cohen proposed a model that separated personal and normative reasons for engaging in behavior. Their results supported the model's potential for distinguishing between
personal and normative motivations underlying behavior and illustrated the value of such distinctions for understanding behavior. Solomon's work on the symbolism's of product argues that the subjective experience imparted by the consumption of many products substantially contributes to the consumers' structuring of social reality, self-concept and behavior. Moreover, according to him, the consumer often relies upon the social meanings inherent in products as a guide to the performance of social roles, especially when role demands are novel. While marketing theory traditionally views products as post hoc responses to underlying needs, the focus of the study is on conditions under which products serve as apriori stimuli to behavior. The importance of product perceptions is also stressed by Block and Richins. Their study reviews and integrates product importance and related constructs, and presents a framework for the analysis of product importance perceptions. Two forms of the construct were identified, and the antecedents of responses to product importance were specified. Price and choice behavior have been studied by Lambert. The study concludes that there is a relationship between perceptual differences and price selections in the same product category. Brand preferences have been studied by Peter and Tarpey. Their study compares three alternative decision-making strategies: preference depended on the perceived risk, perceived return, or net perceived return models. Their study supported that preference depended on the net perceived return model. Applying diffusion theories to study the adoption of new products has been applied by Ostlund. In order to discriminate buyers from non-buyers the study used the personal characteristics as well as their perceptions of each new product. The study found the perceptual variables far more successful in predicting the purchase outcome rather than the personal characteristics. Nicosia and Mayer in their study of consumers focus on the characteristics of the societies rather than the psychological aspects, which affect individual consumers.

5. Information Acquisition Behavior

Product and brand purchases result after learning and information acquisition has been established by a number of studies. Some of the studies undertaken in this field are described.

Using a process methodology Kohn-Berning and Jacoby examine information acquisition behavior. They concluded that significant differences existed between the amount of information requested from the 'friend' source by innovators about new products. Moreover, they also concluded that personal information sources were consulted after impersonal sources. In another study conducted by Jacoby et al., a behavioral process methodology was again utilized but this time to examine the amount and type of information acquired by consumers prior to decision making. Consumers selected few information from large information arrays, with brand name and price most frequently selected, is what they concluded. Moreover, they concluded that brand name probably serves as information 'chunk' in consumer decision making. Another study conducted by Jacoby et al., concluded that, increased information acquisition was related: 1) positively to the product's importance to the individual, 2) positively to being an optimizer rather than a satisfier, 3) positively to high amount of past purchasing experience.
with the product, and 4) negatively to attitudinal brand loyalty. Capon and Burke\textsuperscript{35} in a study formulated and tested several propositions regarding the effect of individual product class, and task-related factors on information acquisition. They found marked differences for subjects at different socio-economic levels. Mullen\textsuperscript{36} compared three different perspectives on the formation of product impressions among consumers: the adding model of impression formation, and attribution theory. These three models lead to mutually exclusive predictions regarding the results of information processing and impression formation among consumers. Results indicated that the attribution perspective generally provided the most accurate predictions, although both attribution principles and averaging principles might operate in some situations. A study by Brown and Reingen\textsuperscript{37} presents a network analysis of word-of-mouth referral behavior. The study demonstrated different roles played by weak and strong social ties. At the macro level, weak ties displayed an important bridging function, allowing information to travel from one distinct sub-group to another in the broader social system. At the micro level, strong and homophilous ties were more likely to be activated for the flow of referral information, was the conclusion. Tellis and Gaeth\textsuperscript{38} also conducted a study to understand the impact of information and learning on consumer choice. According to the authors when information on product quality is not perfect, theories in the areas of consumer rationality, inference, and risk aversion suggest at least three consumer choice strategies: best-value, price-seeking and price aversion. They conclude that price-seeking due to inference is not strictly rational and can lead to a positive response to price when information on quality is low but it is important. Although, according to them, information on quality generally promotes the rational choice of best-value, experience neither promotes rationality nor mitigates inference. Moreover they observe that subjects seem to react but not learn from experience.

6. Decision Making in the Household

Studying the roles adopted by the members of the family enable in understanding the complete decision process, since different members could be adopting various roles in the decision making process thereby leading to the purchase of the product. The following brief discussion pertains to some of the study which has been undertaken in this area.

Davis and Rigaux\textsuperscript{39} studied the perception of the marital roles in the decision process through the examination of the influence exerted by the husbands and wives at different stages in the decision process. The study has considered changes in marital roles throughout decision making and extent of role consensus within families. Davis\textsuperscript{40} later carries out another research which reviews the household decision making in terms of: the members involved in the economic decisions, the nature of the family decision process, and whether decision outcomes are affected by differences in family role structure and decision strategies. Curry and Menasco\textsuperscript{41} in a study examined the effects of different information processing strategies on pre-choice agreement about brand utilities and post choice evaluation utility loss for each spouse as a result of their joint decision. Green et. al.\textsuperscript{42} have made an attempt to integrate the cultural dimension into knowledge of consumer behavior. Their study focuses on the cross-cultural dimension of family
purchasing roles. In a study conducted by Qualls the impact of the sex role orientation of a family home purchase decision is examined. He concludes that a relatively strong relationship exists between sex role orientation and the degree of household influence, preference agreement, mode of conflict resolution, and decision outcome. He also concludes that household decision behavior is better explained in the context of a theoretical network of systemic household relationship rather than through a series of bivariate family relationships.

7. Consumer Decision Making Models

A number of models encompassing all aspects of the buyer behavior have been developed thus far. Ensuing is a brief discussion on four such comprehensive models.

The first of them was developed by Nicosia in 1966, and this model is the only one consumer behavior model which explicitly includes the seller, i.e., is, the marketing firm. The emphasis though is nevertheless on the consumer's half of the dyadic system. Nicosia's model is also known as a dyadic model. A dyadic consumer behavior model is one, in which not only is an individual considered, but also the interaction between individuals and its effect on both the individuals is explained. The model comprises of four fields. Field one includes all processes which take a message from the firm to the consumer. Field two includes immediate responses to the message. The consumer forms an attitude, evaluates alternatives, and then is ready to enter the action phase of the model. In field three, the consumer develops a motivation to act, and then acts. This action is the purchase of the product. Field four includes feedback linkages which take place after the purchase. Also there is feedback within the consumer as the consumer goes through the processes of storing and using the product, and this experience then alters the consumer's attributes, such as self concept, learning processes, personality, role structure, etc.

The Howard-Sheth model of buyer behavior is an elaboration of a model originally formulated by John Howard. This model shows the processes and variables affecting an individual's behavior prior to and during a purchase. The model emphasizes three key variables, perception, learning, and attitude formation. The purpose of the model is to explain how consumers compare available products in order to choose one which fits their desires. Consumers learn by actively searching for information about products. This information is then used for comparing alternative brands according to their choice criteria. The basic structure of the model is: stimulus is perceived, learning occurs, and outputs (such as purchase) result. The two middle stages, that of perception, and learning are called hypothetical constructs because they are not observable, but must exist for the outputs to occur. These stages are affected by exogenous variables, or variables outside the immediate system of the model, which are used in predicting perception and learning. The model, though, does not account for changes in these exogenous variables, they are assumed to be given. Each of the components of the basic structure includes several different variables. Stimuli include product quality, price, distinctiveness, service, availability, as well as information from one's family and reference groups. Exogenous variables include such socio-psychological buyer characteristics as the importance of the purchase to the person, her/his culture, social class, personality traits, the social and organizational setting, time pressure, and financial status.
A model which is similar to the Howard-Sheth model in its scope and intent is that developed by Engel, Kollat, and Blackwell. Like the Howard-Sheth model, this model too is based on learning processes. This model was later revised by Engel, Blackwell, and Miniard. This revised model will be described in the subsequent chapter, and hence neither of the two is described here.

Lastly, a simple model of consumer behavior developed by Kerby is briefly explained: Stimuli produce a recognition of need by the consumer. If the situation is not routine, this triggers motivation toward action and the evaluation of alternatives which might satisfy the need. This, in turn, produces the major output, which is called purposive action. Humans are seen as being reflexive, and accordingly, the model provides for the evaluation of previous action. An action may become a habitual response if it is evaluated as being a response which is always satisfying and optimal, given the set of alternatives. The mediational center is the thought center through which the entire process works. The exogenous variables in the Howard-Sheth model are referred to as the person factors and social factors. Person factors include perceptions, attitudes, learning, attention, memory, and economic constraints. Social factors include emulation, social class, reference groups, and the cultural environment.
REFERENCES


11. Barber, Bernard, ibid.


