CHAPTER – 6
SUMMARY AND CONCLUSIONS

6.1 Introduction
This chapter summarizes the major settings and findings of the study. It deals with the major conclusions that may be drawn from the research and the implications of the findings. The chapter further enlists the limitations of this research.

6.2 Essentials about the Study
This study consisted mainly of understanding culture and its effect on the consumer behavior in the Indian context. It recognizes that culture is a factor of paramount importance that influences the behavior in general and consumer behavior in particular. The study relied on the presumption that holistic cultural values cannot be ascribed to the whole of India as it is a multicultural and multiethnic country. So similarly generalizations about consumer behavior cannot be made for the whole of India. The study began by assuming that the four regions of India i.e. North, South, East and West are culturally different and so the consumer behavior of the four regions could be different. It used Hofstede’s (1980; 2001) dimensions to operationalize culture and compare the four regions. The four states Gujarat, Tamil Nadu, West Bengal and Punjab were selected as the representatives of the four regions West, South, East and North respectively. The study further attempted to find the relationship of these cultural values with the consumption pattern of various products and services. The consumption pattern of the various regions was studied in relation to demographic features. Further the effect of cultural dimensions on the demographic features was studied.

The data was collected from October, 2006 to March 2007 and the four states covered were Gujarat, Tamil Nadu, West Bengal and Punjab. The respondents were State Bank of India employees in all the four states. The data was collected through self-scoring survey forms. The questionnaires of the respondents who
were born and belonged to each state under study have been selected and analyzed. The total number of respondents who qualified for the analysis in the study was 316.

6.3 Findings

The study basically dealt with finding the cultural value differences among the four cultures on the basis of five dimensions and finding the consumption differences of selected commodities among these cultures.

6.3.1 Cultural Indices Scores

The research aimed at comparing the regional cultures in India using Hofstede’s (1980; 2001) cultural framework. The five indices i.e. PDI, IDV, MAS, UAI and LTO, which were calculated for the four regional states are shown below in Table 6.1.

Table 6.1: Cultural Indices of the four states

<table>
<thead>
<tr>
<th>STATE</th>
<th>PDI</th>
<th>IDV</th>
<th>MAS</th>
<th>UAI</th>
<th>LTO</th>
</tr>
</thead>
<tbody>
<tr>
<td>GUJARAT</td>
<td>28.45</td>
<td>46.5</td>
<td>22.9</td>
<td>69.85</td>
<td>20</td>
</tr>
<tr>
<td>TAMIL NADU</td>
<td>28.85</td>
<td>38.15</td>
<td>35.3</td>
<td>52.6</td>
<td>38.1</td>
</tr>
<tr>
<td>WEST BENGAL</td>
<td>19.65</td>
<td>61.8</td>
<td>23.5</td>
<td>48.9</td>
<td>5.6</td>
</tr>
<tr>
<td>PUNJAB</td>
<td>14.3</td>
<td>61.45</td>
<td>22.6</td>
<td>57.4</td>
<td>23.05</td>
</tr>
</tbody>
</table>

Based on the population samples in this study the four regional states differ not only geographically but also culturally. The state of Gujarat in Western India is far more hierarchical and power is distributed unequally as compared to the West Bengal in East and Punjab in North. It has the highest long-term orientation among all the states. It is though less assertive as compared to Tamil Nadu but equals the other two states on MAS index.

The Southern state of Tamil Nadu is similar to Gujarat on PDI and more power distanced or hierarchical state as compared to West Bengal and Punjab. It is more collectivistic than all other states. The state is comparatively more masculine and assertive. It is highly long-term oriented in comparison to all the
other regional states under study. It exhibits weak uncertainty avoidance tendencies in comparison to Gujarat and Punjab but is stronger as regards West Bengal.

West Bengal state in East India is most individualistic state than the others although it is less hierarchical and power distant than Gujarat and Tamil Nadu but it is little more hierarchical and power distant than Punjab. Though less masculine than Tamil Nadu but it equals the other states on MAS. It is the least uncertainty avoidance state and the most short-term oriented state.

The northern state of Punjab is the most egalitarian state as it scores the least on PDI. The state reports less of social differentiation (17.89 per cent against the national average of 48.39 per cent) (Singh 2003b p.xxi). It equals West Bengal on individualism while it is less collectivistic than Gujarat and Tamil Nadu. It almost equals on MAS with Gujarat and West Bengal, while it is less masculine than Tamil Nadu. The state is weaker on UAI than Gujarat while it is stronger in comparison to Tamil Nadu and West Bengal. It is short-term oriented with regards to Tamil Nadu while it is long-term oriented in comparison to the other two states.

Thus the study of four regional cultures proves that single cultural values cannot be attributed to the whole of India and that the four regional cultures vary on the cultural dimensions. On some dimensions there is not much difference, this could be due to the common historical, political and social structure legacy of all these cultures. These cultural dimensions could also be used to predict or control the work or group behavior of the individuals.

6.3.2 Consumption Pattern among Different Cultures

The effect of cultural values on the consumption of the selected commodities among the four regional states was analyzed by performing cross tabulations along with the tests of significance. The patterns of consumption in the four states are discussed.

There was a significant difference in the consumption of alcohol among the four states. The states of Punjab in North and West Bengal in East have higher
consumption frequency of alcohol as compared to Gujarat in West and Tamil Nadu in South thus suggesting that the northern and eastern regions consume more alcohol in comparison to eastern and southern regions in India.

The consumption of fast food in all the regions is non-significant and near about 40% don’t consume fast food at all. This suggests that fast food consumption is not popular and has not taken ground in India. The results of this study corroborates the findings of Goyal and Singh (2007) that people have fast food for fun and change, while home cooked food remained their first choice. Similarly frozen food is also not popular among all the respondents of the study. Thus it suggests that the changing lifestyle patterns have not affected the food consumption habits in urban India.

People in all the regions prefer both ready made and tailor stitched clothes though majority of the people in Gujarat prefer just tailor stitched clothes. The majority of the people in Tamil Nadu, West Bengal and Punjab prefer both branded readymade and tailor stitched clothes though about twenty percent prefer any type of readymade clothes. Thus suggesting that though there is a trend towards readymade clothes but it has not picked up in a big way.

Majority of respondents of the Punjab own car as compared to one fourth of the respondents from West Bengal. Thus this suggests that car ownership is highest in the northern region as compared to the other regions. This could be due to the more per capita income of Punjab.

The most of the people in Tamil Nadu and Gujarat regard allopathy as better method of medicine while Ayurveda and Yoga is more popular among the people of Gujarat and Punjab. So the traditional methods of medicine are regarded as better than the other methods in Northern and Western part of India. The Pharmaceutical companies could garner respectable market share by diversifying into Ayurvedic products.

The traditional tools of investment like real estate and bank fixed deposits are regarded as the best tools for investment by majority of respondents throughout the states under study. The investment in capital markets is not that popular.
among the people, this could be due to inefficiency of the capital markets. The investment in gold has lost its shine among most of the respondents. There is a need felt for educating the investors and allaying their fears about capital markets, so as to develop their confidence in the capital markets.

The cellular phone is owned by majority of the respondents suggesting that it has become a necessity rather than a luxury. The falling cellular phone and call rates further provide boost to this product. More than fifty percent of the respondents considered the company or the brand name in choosing a cellular phone. The next consideration is the features of the cellular phone and then comes the price of the phone. The brand ambassador plays a minimal role in the cellular phone purchase by the respondents. So the cellular phone companies could gain more by laying more emphasis on brand building and providing more features at reasonable prices.

6.3.3 Culture Dimensions and Consumption

Among cultural dimensions calculated for four regions the Individualism versus collectivism surged as a potent factor predicting the consumption.

In case of liquor consumption IDV has been found to be a significant predictor. R-square value has been found to be 0.021 and coefficient of correlation is 0.146, F value is 6.849. It proves that there is a difference in liquor consumption due to IDV factor in different cultures.

In case of frozen food, again, IDV alone has been found to be a significant predictor. Coefficient of correlation between IDV and frozen food consumption is 0.125. Then the R-square value is 0.16 which is low but significant. F value stands at 5.020 which assures that there is a significant difference in different cultures on account of individuality for frozen food consumption. Coefficient value of IDV for frozen food consumption is -0.135. No other cultural dimension has played any significant role.

Long-term orientation has played the role of significant predictor in case of branded/readymade clothes. People having long term orientation usually prefer tailor stitched or branded garments. It is further evident from the regression
analysis also. R-square value is 0.15 and the coefficient of correlation is 0.121. F-value is 4.676. So it is clear that long-term orientation makes a difference in the choice of garments. Coefficient value of LTO is 0.268. Again t-value has been found to be significant in this case.

IDV factor has again played the role of significant predictor in case of car ownership. R-square value for this model is 0.025 which is low but still significant. Coefficient of correlation is 0.157 and is significant. F-value is 7.933 which is highly significant. It assures that due to individualism people own car. It is in consensus with the cross tab results where different cultures have different proportions of car owners. Coefficient value of IDV for car ownership is -0.092.

Thus, in brief, four commodities analyzed in this section have only one predictor each. Further, IDV has been the significant predictor of three commodities: liquor consumption, frozen food consumption and car ownership. For readymade/branded garments purchase, long-term orientation makes a difference. No significant predictor has been found for the remaining five commodities.

The effect of cultural dimensions on the consumption of selected commodities for each state was examined with help of descriptives and ANOVA. The Table 6.2 below provides the relationship of culture and consumption pattern across the four states representing the four regions of India. PDI has significant role to play in Punjab and Gujarat for car ownership, cellular phone and fast food consumption. In Gujarat low PDI people have been at significant distance in terms of ownership of car and cellular phones from the other categories. Similarly high PDI people have shown a different attitude towards fast-food consumption in Punjab. The medium IDV values play significant role for cellular phone in Gujarat. MAS as a cultural dimension plays a role for cellular phone in Gujarat, and for liquor and frozen food in case of West Bengal. High MAS is a distant group for cellular phone in case of Gujarat while it is a distance from the other groups for liquor in case of West Bengal. Medium MAS people show distance for frozen food in case of West Bengal. When it comes to investment
tools, UAI is the dimension that shows the difference in Punjab. Low UAI people have been at a distance in their opinion from the other groups.

Table 6.2: Consumption Pattern across states by cultural dimensions

<table>
<thead>
<tr>
<th>State</th>
<th>Cultural Dimension</th>
<th>Commodity</th>
<th>Distant Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>GUJARAT</td>
<td>PDI</td>
<td>• Car</td>
<td>• Low PDI</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Cell Phone</td>
<td>• Low PDI</td>
</tr>
<tr>
<td></td>
<td>IDV</td>
<td>• Cell Phone</td>
<td>• Med. IDV</td>
</tr>
<tr>
<td></td>
<td>MAS</td>
<td>• Cell Phone</td>
<td>• High MAS</td>
</tr>
<tr>
<td></td>
<td>UAI</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>LTO</td>
<td>• Fast Food</td>
<td>• Low LTO</td>
</tr>
<tr>
<td>TAMIL NADU</td>
<td>PDI</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>IDV</td>
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<td></td>
<td>MAS</td>
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<td></td>
<td>UAI</td>
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<tr>
<td></td>
<td>LTO</td>
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</tr>
<tr>
<td>WEST BENGAL</td>
<td>PDI</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>IDV</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>MAS</td>
<td>• Liquor</td>
<td>• High MAS</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Frozen Food</td>
<td>• Med. MAS</td>
</tr>
<tr>
<td></td>
<td>UAI</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>LTO</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PUNJAB</td>
<td>PDI</td>
<td>• Fast Food</td>
<td>• High PDI</td>
</tr>
<tr>
<td></td>
<td>IDV</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>MAS</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>UAI</td>
<td>• Investment Tools</td>
<td>• Low UAI</td>
</tr>
<tr>
<td></td>
<td>LTO</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Finally LTO shows it’s significance for fast-food in Gujarat where low LTO people have shown a significant difference from medium and high distant group. This study has shown certain groups which are at a significant distance from others with regards to certain selected commodities. This outcome may help in some vital decisions like defining and segmenting the markets in India.

6.3.4 Demographic Profile and Consumption

To examine whether there is a variation among different classes of respondents with regards to the consumption pattern, Mean and variance comparison has
been made. Different classes of respondents have been formed on the basis of age, education and job profile.

6.3.4.1 Age and Consumption Pattern

Most of the respondents either never or rarely consume liquor and younger class (less than forty years) consumes slightly higher than other two classes for liquor consumption. There seems to be no significant variation among the different age groups in relation to the consumption of fast food. The younger age group, which consists of individuals below forty years, consumes slightly more frozen food as compared to the other groups but overall frozen food is not popular among the respondents. This indicates that younger generation could be the target market for expanding the frozen food market in India.

The younger age group (less than forty years age) prefers readymade garments while other two have a preference for tailor stitched clothes. So this suggests that there is a change in the offering as younger generation prefers readymade garments and so indicates changing apparel preference patterns in coming generations.

The sample exhibits that car ownership rises with the increase in age. In this sample, age group of less than forty years has mean value of car. F-value in this case is 4.332, which has been significant at 5% level of significance. Tukey's test of multiple comparisons further highlights the situation. The result of this test is that age group 50 years and above is significantly differing from the other two groups.

Most of the respondents in all the age groups consider Ayurveda and Homoeopathy as better methods of medicine as compared to the Allopathy. So market could be segmented irrespective of age for Ayurvedic and Homeopathic products.

Indian stock market does not seem to be highly preferred investment avenue for service class across all the age groups. This means respondents prefer real estate investment or bank fixed deposit (FDs). Young age group (less than 40 years) are highly interested in real estate investment as compared to other two
age groups. The majority of the respondents across all age groups own a cellular phone thus suggesting a huge market for cellular phones. As cross-tabulations indicate that brand and features are widely considered by the respondents for purchasing a cellular phone the cellular phone companies should aim at brand building and developing more innovative features for their cellular phone sets to gain a sizable market share.

6.3.4.2 Education and Consumption Pattern

The preference for liquor didn't vary across the different educational groups and most of the people across the various educational groups don't prefer liquor. Similar in the case for fast food people don't vary across the educational groups and people don't consume much fast food. This further strengthens the earlier conclusion that people don't consume fast food frequently. In case of frozen food the less educated people (10+2) differ from the other groups as they have exhibit more preference for frozen foods while other groups didn't prefer for the same.

The different education groups didn't differ on their preferences for readymade/branded/tailor-stitched clothes except that the professional group has more inclination towards unbranded readymade clothes.

In case of car ownership, more professionals own car as compared to the other groups while 10+2 education group has the least number of car owners. So professionals could be the target segment for the car markets and could be used as brand ambassadors in car advertisements. The 10+2 education group and professionals consider homoeopathy as better method of medicine while the graduates and post-graduates considered Ayurveda as better method of medicine thus indicating that people move to their roots as they obtain more education and knowledge. Across all the education classes the investment instruments of choice are real estate and bank fixed deposits. The most of the respondents own cellular phone irrespective of their education thus indicating that education plays no significant role in cellular phone ownership.
6.3.4.3 Job Categories and Consumption

The various designations of the respondents were divided into four categories: clerical, junior management, middle management and not disclosed segments. The people in the different levels of organizational hierarchy didn’t consume liquor or consumed very less, thus showing that job designation has no influence on the consumption of alcohol across the whole of India. The similar is the case for fast food and frozen food preferences in which all the employees irrespective of their designation have no strong preferences towards fast food or frozen foods.

The clerical staff has the highest preference for both tailor stitched and readymade garments. The middle and junior management mostly prefer wearing tailor stitched garments. The designation of the employees has no significant effect on the car ownership.

Most of the respondents perceive either Ayurveda or Homeopathy as better methods of medicine while the middle management is more inclined to Homeopathy and ‘not disclosed’ category towards Ayurveda.

In case of investment instruments two options that have been regarded better by the respondents for investment are real estate and bank fixed deposits. The range of mean values is 0.27 thus showing all the job profile groups share similar preferences for different tools of investment. The clerical staff however is more inclined towards real estate investments whereas junior management towards bank fixed deposits.

The designation of person doesn’t affect the cellular phone ownership as most of the employees own cellular phones. The outcome of these results could assist in defining and classifying the markets.

6.3.5 Demographic profile and Cultural Dimensions

To examine, whether there are differences among different classes of respondents in relation to the five cultural dimensions. For this purpose, age, education and job profile have been selected.
6.3.5.1 Age and Cultural Dimensions

The power distance slightly increases with age though there is not much difference among the various age groups showing that the power distance values remain somewhat stable irrespective of age. The youngest age group (below forty years age) is more individualistic than the higher age groups suggesting that individualism is being inculcated in the younger generation. The youngest age group is more masculine and assertive, as compared to old age groups suggesting that with the increase in age people tend to be more feminine. Again youngest group scores very high on uncertainty avoidance index while there is not much difference among the other age groups. The people with high LTO usually invest in real estate (Hofstede 2001 p.360) and this has been seen in the earlier discussion that this youngest age group has the highest inclination for investing in real estate.

6.3.5.2 Education and Cultural Dimensions

The education group with least educational qualification (10+2) of this study shows the highest PDI scores suggesting that less educated people are more inclined to expect and accept the unequal distribution of power in the society. Though there is no significant difference in IDV scores among the various education categories, but the post graduates and 10+2 groups exhibit more individualism. The post graduates show more masculine characteristics while the 10+2 group exhibits more feminine groups though there is no significant difference among the groups. The education has no influence on UAI as there is no significant difference in UAI among the different education groups. Though there is no significant difference in LTO among the various education groups but the professionals and the ‘10+2’ group exhibit more long-term orientation.

6.3.5.2 Job Categories and Cultural Dimensions

The clerical staff is significantly different from the other groups as they are highly power distant as compared to the other groups. This is probably the group that is least educated and has shown high power distance in earlier section. The middle management group which comprises the maximum sample group has shown
maximum individualism which is significantly different from the 'clerical' group suggesting that as one moves above the hierarchy individualistic characteristics are exhibited. Similarly masculinity values are more prevalent among the clerical staff and junior management, which points that as one moves up the management cadres more femininity is inculcated. The junior management and the clerical staff have more uncertainty avoidance values as compared to the middle management because of the insecurity felt by these groups. The clerical staff also exhibits the maximum long-term orientation as compared to the middle management which is short-term oriented. This could also be related to the insecurity among the clerical staff.

6.4 Limitations

As with any study, this study has several limitations. This research focuses on only one state in each of the regions which may not be the perfect representative of the region.

Another issue pertains to the selection of respondents. The respondents selected belonged to just the public sector. The public sector also included only the service sector. Additional research could investigate the effect of culture in private sector and other sectors like consumer goods or consumer durables in particular.

The study relied on the responses of the respondents while the conditions under which the responses were made and influence of other factors extraneous to culture can not be ruled out.

The comparison of regions within the same country using VSM is basically an approach too far to the etic side (Hofstede et al. 2007). It might have missed some of the most relevant differences and peculiarities to each region. The development of methodology for operationalization of culture which could capture the idiosyncrasies of different cultures within India would be more beneficial in understanding the mosaic of Indian culture and accordingly its effects on the behaviors.