

10 Consumer behaviour

Text

Social class

Most societies have a social-class hierarchy that confers higher status to some classes of people than others. These social classes consist of identifiable groups of individuals whose behaviours and lifestyles differ from members of the other classes. Members of a particular social class tend to share similar values and behaviour patterns. Note that social classes are loose collections of individuals with similar life experiences, not formal groups with a strong identity.

Many societies view these distinctions as important because they recognize that everyone has a necessary role to play in order for society to function smoothly. However, some roles, such as medical doctor or executive, are more prestigious and more valued than others, such as toll taker or janitor. Nevertheless, the concept of social class is not inherently negative. Even with the inequalities, social-class distinctions can help individuals determine what their role in society is or what they would like it to be (their aspirations). Furthermore, all levels of the social-class hierarchy make an important contribution to society.

Types of social-class systems

Most societies have three major classes: high, middle and lower. Often, however, finer distinctions are made. The United States, for example, is typically divided into the seven levels presented in Exhibit 13.1, with up to 70 per cent of the population concentrated in the middle classes. Although most societies have some kind of hierarchical structure, the size and composition of the classes depend on the relative prosperity of a particular country. Compared with the United States, Japan and Scandinavia have an even larger and more predominant middle class, with much smaller groups above and below. This distribution means that there is greater equality among people in those two countries than in other societies. The Japanese structure represents a concerted government effort to abolish the social-class system and mix together people from all levels of society. Yet the very competitive and selective Japanese educational system still restricts entry to higher-status corporate and government positions.

Exhibit 13.1

US social classes

Researchers have classified the US social classes in a variety of ways. This exhibit shows a typical classification scheme, with three classes at the top, two in the middle and two at the lower end of the social classes.

Upper Americans	Upper-upper	The 'capital-S society' world of inherited wealth, aristocratic names
	Lower-upper	Newer social elite, drawn from current professional, corporate leadership
	Upper-middle	The rest of college-graduate managers and professionals; lifestyle centres on private clubs, causes and the arts
Middle Americans	Middle class	Average-pay white-collar workers and their blue-collar friends live on the 'better side of town', try to 'do the proper thing'.
	Working class	Average-pay blue-collar workers; lead 'working-class lifestyle' whatever the income, school, background or job.
Lower Americans	'A lower group of people, but not the lowest'	Working, not on welfare; living standard is just above poverty.
	'Real lower-lower'	On welfare, visibly poverty stricken, usually out of work (or have 'dirtiest jobs')

Source: Richard P. Coleman, 'The continuing significance of social class to marketing', *Journal of Consumer Research*, December 1983, p.277. Reprinted with permission of The University of Chicago Press.

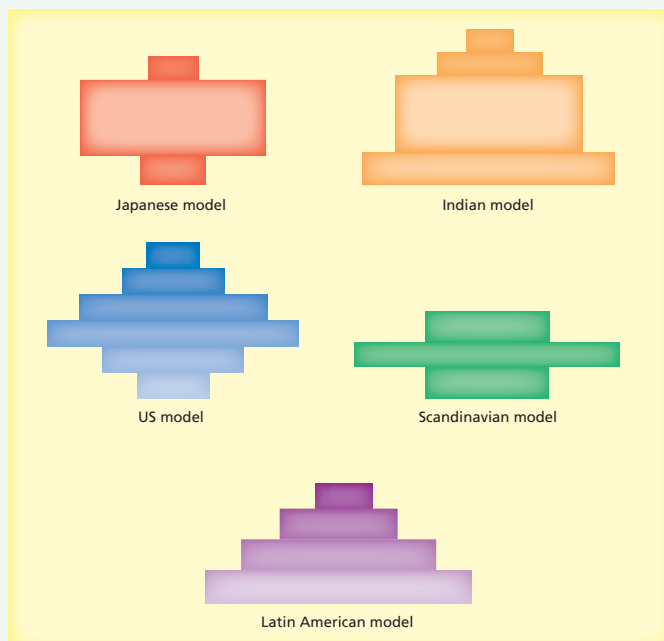
In developing areas such as Latin American and India, the largest concentrations are in the lower classes (see Exhibit 13.2). Interestingly, the upper classes in most societies are more similar to each other than they are to other classes within their own countries, because the upper classes tend to be more cosmopolitan and international in orientation. The lower classes, on the other hand, are the most likely to be culture bound and tend to be the most different from the other classes in terms of lifestyles, dress and eating behaviours. The middle classes are most likely to borrow from other classes because this practice may represent a means of achieving upward social mobility.

Even though the members of a particular class may share similar values, they may maintain these values in different ways. For example, the middle class in the United States can be represented by a lower-level manager with a non-working spouse, a working couple in which both partners have office jobs, an unmarried salesperson, a divorced parent with a college degree supporting two children, or the owner of a bowling alley. All of these individuals might strive for a better life – an important middle-class value – but take different paths to get there. Finally, a particular social class may contain different economic substrata. Specifically, families whose income level is 20 to 30 per cent more than the median of their class are considered over-privileged because they have funds to buy items beyond the basic necessities. Class-average families have an income level that is average for their social class and can therefore afford the type of symbols expected for their status, such as a house, a car and appropriate clothing. The underprivileged, whose incomes are below the median, have trouble meeting class expectations.

Exhibit 13.2

Class structure by culture

The relative sizes and structures of social classes vary by culture. Japan and Scandinavia, for example, are characterized by a large middle class with few people above or below it. India and Latin America, on the other hand, have a greater proportion of individuals in the lower classes. The United States has a large middle class, but also has significant proportion in the upper and lower classes.



Source: Adapted from Edward W. Cundiff and Marye T. Hilger, *Marketing in the International Environment* (Englewood Cliffs, N.J.: Prentice-Hall, 1988) and Marieke K. de Mooij and Warren Keegan, *Advertising Worldwide* (Englewood Cliffs, N.J.: Prentice-Hall, 1991), p.96

Social-class influences

Social-class structures are important because they strongly affect norms and values and, therefore, behaviour. Given that members of a social class interact regularly with each other (both formally and informally), people are more likely to be influenced by individuals in their own social class than by those in other classes. Note that social-class influences are not a cultural straitjacket; they merely reflect the fact that people with similar life experiences are likely to exhibit similar lifestyles and behaviours.

The norms and behaviours of consumers in one class can also influence consumers in other social classes. A commonly cited theory of class influence is the trickle-down effect, whereby lower classes copy trends that begin in the upper classes. As one example, clothing styles adopted by the upper class often become popular with other groups. The trickle-down effect occurs because those in lower classes may aspire to raise their social standing by emulating the higher classes. They also accept upper-class influence if they lack the cultural knowledge to make their own judgements of what is and is not acceptable. For example, the middle class often looks to the upper class for guidance on cultural matters of music, art and literature. More recently, however, the universal validity of the trickle-down theory has been questioned. In some instances, a status float can occur, where trends start in the lower and middle classes and then spread upward. This phenomenon has occurred with tattoos, which began in the lower classes and moved into the upper classes. It also happened with blue jeans, which first gained popularity in the 1950s and 1960s among lower- and middle-class US youths because they symbolized rebellion against the establishment. Eventually this message gained popularity among upper-class youths who wanted to revolt against their parents, and jeans ultimately evolved into a global fashion item, complete with designer labels.

How social class is determined

Examining how social class affects consumer behaviour requires a way of classifying consumers into different social classes. Unfortunately, this is a complex task, and the exact determinants of social class have been the subject of considerable debate over the years.

Income versus social class

Many people believe that more money means higher social standing. You may be surprised to learn, however, that income is not strongly related to social class for several reasons. First, income levels often overlap social classes, particularly at the middle and lower levels. For example, many US blue-collar workers have higher incomes than some white-collar workers, yet they do not have higher social standing. Second, income increases greatly with age, but older workers do not automatically achieve higher social status. Finally, in many countries, an increasing number of dual-career families generate a higher-than-average income but do not necessarily attain a higher status. Thus, although income is one factor related to social class, other factors play key roles as well.

Some researchers have argued that income can be a better predictor of consumer behaviour than social class. However, a more common view is that both factors are important in explaining behaviour in different situations. Social class tends to be a better predictor of consumption when it reflects lifestyles and values and does not involve high monetary expenditures, such as purchasing clothes or furniture. For example, middle-class and lower-class consumers favour different styles of furniture, but middle-class consumers tend to spend more money on home furnishings, even when the income levels of both classes of consumer are roughly similar. Income, on the other hand, is more useful in explaining the consumption of offerings unrelated to class symbols – such as boats – but which involve substantial expenditure. Both social class and income are needed to explain behaviours that involve status symbols and significant expenditure such as buying a house or car.

Although income cannot explain social class, social class can often explain how income is used. As one illustration, upper-class consumers are more likely to invest money, whereas the lower classes are more likely to rely on savings accounts in banks. The key point is that social class aids in the understanding of consumer behaviour and that social standing is determined by a variety of factors in addition to income.

Occupation and education

The greatest determinant of class standing is occupation, particularly in Western cultures. Specifically, some occupations, especially those that require higher levels of education, skill or training, are viewed as higher in status than others (see Exhibit 13.3). Moreover, individuals with the same occupation tend to share similar income, lifestyles, knowledge and values. Researchers can easily measure occupation by asking consumers what they do for a living. They can then code the responses and compare them with published scales of occupational prestige, such as the widely used socioeconomic index (SEI) or the Nam and Powers scale.

Exhibit 13.3

Status levels of selected occupations in Australia

A variety of indexes have been developed to classify different occupations in terms of their status level. This exhibit presents the status scores of a sample of occupations, using an index developed for Australia.

Occupation	Score	Occupation	Score
legislator	96	librarian	53
physician	94	livestock farmer	49
dentist	89	hotel manager	38
information technology manager	75	hairdresser	31
civil engineer	74	motor mechanic	30
human resources manager	70	firefighter	29
sales and marketing manager	66	chef	27
school teacher	65	toolmaker	25
social worker	60	plumber	24
accountant	58	domestic housekeeper	17
journalist	57	truck driver	12
police officer	54	waiter	10

Source: Adapted from J. McMillan and F.L. Jones, 'The ANU3_2 Scale: A revised occupational status scale for Australia,' *Journal of Sociology*, March 2000, Appendix on pp.68–80.

Note that the perceived status of an occupation may vary from culture to culture. Compared with their situation in the United States, for example, professors have higher status in Germany, Japan, China, Thailand and Nigeria because those countries place more emphasis on education. Engineers typically have higher status in developing countries than they do in developed countries because of the important role engineering plays in integrating industry and technology into society.

Education also plays a critical role because it is one of the key determinants of occupation and therefore social class. In fact, educational attainment is considered the most reliable determinant of consumers' income potential and spending patterns. The median income of an average US household headed by someone with a college degree (or more advanced education) is \$71,4000, double the median income of a high-school graduate's household. Highly educated consumers not only earn more, but they also read and travel more, are healthier and are often more receptive to new offerings than the rest of the population. A college degree is particularly important for gaining entry into higher-status occupations. More than 66 per cent of people with a Bachelor's or an advanced degree are in managerial or professional occupations, compared with 22 per cent who have only some college education.

Other indicators of social class

Factors such as area of residence, possessions, family background and social interactions can also indicate class level. The neighbourhood in which we live and the number and types of possessions we have are visible signs that often communicate class standing. In terms of family background, researchers distinguish between inherited status, which is adopted from parents at birth, and earned status, which is acquired later in life from personal achievements. Inherited status is the initial anchor point from which values are learned and from which upward or downward mobility can occur. As mentioned previously, members of a social class often interact with each other, so the company we keep also helps us to identify our social standing. The relative importance of these determinants of social class varies from country to country. In formerly communist countries such as Romania, for example, money and possessions are now the strongest determinants of social standing, as opposed to the former criterion of position in the Communist party. In the Arab world, status is determined primarily by social contacts and family position, both of which are considered far more important than money.

Social class indexes

All of the preceding factors must be taken into account to determine social standing, and sociologists have developed a number of indexes to accomplish this task. Older tools, such as the Index of Status Characteristics and the Index of Social Position, have been criticized as being out of date and inappropriate for gauging the status of dual-career households. Therefore, researchers now use more current indexes such as the Computerized Status Index (CSI). This index assesses consumers' education, occupation, area of residence and income.

When consumers are consistent across the various dimensions, social class is easy to determine and status crystallization occurs. Sometimes, however, individuals are low on some factors but high on others. Thus, a new doctor from an inner-city neighbourhood might be inconsistent on factors such as occupation, income, neighbourhood and family background. Consumers in such situations can experience stress and anxiety because they do not know exactly where they stand. It is also difficult for marketers to neatly categorize such consumers into one social class or another.

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W.D. Hoyer and D.J. MacInnes (Cengage Learning 2010)
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