

Culture

# What is Culture

- The meanings that are shared by most people in a social group
- In a broad sense, cultural meanings include
  - Common affective reactions
  - Typical cognitions
  - Characteristic patterns of behavior

# Definition

- As the sum total of learned beliefs, values and customs that serve to direct consumer behaviour of members of a particular society
- Values & Beliefs – are mental images that affect a wide range of specific attitudes
- Customs are overt mode of behaviour that constitute culturally approved or acceptable ways of behaving in specific situations

- Invisible hand of culture
- Culture satisfies needs
- Culture is learned
  - Formal learning
  - Informal learning
  - Technical learning
- Enculturation & Acculturation
  - Learning of one's own culture – enculturation
  - Learning of new or foreign culture - acculturation

- Language & Symbols
- Ritual – is a type of symbolic activity consisting of series of steps
- Culture is shared
- Culture is dynamic

# Measurement of Culture

- Content analysis
- Consumer field work
- Value measurement instruments
  - Rokeach value survey (List of values)
  - Values & Life styles (VALS)

## Exhibit 12.1

### Core Values in America

Value	General Feature	Relevance to Consumer Behavior
Achievement and success Activity	Hard work is good; success flows from hard work Keeping busy is healthy and natural	Acts as a justification for acquisition of goods (“You deserve it”) Stimulates interest in products that save time and enhance leisure-time activities
Efficiency and practicality Progress	Admiration of things that solve problems (e.g., save time and effort) People can improve themselves; tomorrow should be better	Stimulates purchase of products that function well and save time Stimulates desire for new products that fulfill unsatisfied needs; acceptance of products that claim to be “new” or “improved”
Material comfort	“The good life”	Fosters acceptance of convenience and luxury products that make life more enjoyable
Individualism	Being one’s self (e.g., self-reliance, self-interest, and self-esteem)	Stimulates acceptance of customized or unique products that enable a person to “express his or her own personality”
Freedom	Freedom of choice	Fosters interest in wide product lines and differentiated products
External conformity	Uniformity of observable behavior; desire to be accepted	Stimulates interest in products that are used or owned by others in the same social group
Humanitarianism	Caring for others, particularly the underdog	Stimulates patronage of firms that compete with market leaders
Youthfulness	A state of mind that stresses being young at heart of appearing young	Stimulates acceptance of products that provide the illusion of maintaining or fostering youth
Fitness and health	Caring about one’s body, including the desire to be physically fit and healthy	Stimulates acceptance of food products, activities, and equipment perceived to maintain or increase physical fitness

**Source:** Excerpt from Leon G. Schiffman and Leslie Lazar Kanuk, *Consumer Behavior*, 4th ed., p. 424. © 1991. Reprinted by permission of Pearson Education, Inc., Upper Saddle River, NJ.

Sub - Culture



- A distinct cultural group that exists as an identifiable segment within a large, more complex society.
- Demographic characteristics used to identify subcultures

### Exhibit 13.1

#### Types of Subcultures

Demographic Characteristic	Examples of Subcultures
Age	Adolescents, young adults, middle aged, elderly
Religion	Jewish, Catholic, Mormon, Buddhist, Muslim
Race	Black, Caucasian, Asian
Income level	Affluent, middle income, poor, destitute
Nationality	French, Malaysian, Australian, Canadian
Gender	Female, male
Family type	Single parent, divorced/no kids, two parents/kids
Occupation	Mechanic, accountant, priest, professor, clerk
Geographic region	New England, Southwest, Midwest
Community	Rural, small town, suburb, city

# Cross - Culture

- European Union
- NAFTA
- ASEAN
- AFTA

- Acquiring exposure to other cultures
- Country – of – origin - effects

# Cross – Cultural consumer analysis

- Similarities and differences among people
- The growing global middle class
- Acculturation is needed
- Applying research techniques

# Multinational Strategies

- Global Vs Local
- Favoring a world brand
- Adaptive Global marketing

# **Reference Groups and Family Life Cycle**

# Reference Groups

- A group consists of two or more people who interact with each other to accomplish some goal
  - Membership Group
  - Symbolic Group



# Reference Groups

- A reference group involves one or more people used as a basis for comparison or point of reference in forming affective and cognitive responses and performing behaviors
  - Normative reference groups
  - Comparative reference groups

# Reference Groups cont.

- Types of reference groups

## Exhibit 14.1

### Types of Reference Groups

Type of Reference Group	Key Distinctions and Characteristics
Formal/informal	Formal reference groups have a clearly specified structure; informal groups do not.
Primary/secondary	Primary reference groups involve direct, face-to-face interactions; secondary groups do not.
Membership	People become formal members of membership reference groups.
Aspirational	People aspire to join or emulate aspirational reference groups.
Dissociative	people seek to avoid or reject dissociative reference groups.

# Reference Groups cont.

- Analyzing reference groups
  - Reference groups are cultural groups in that members share certain common cultural meanings
  - Marketers try to determine the content of the shared meanings of various reference groups
  - Can have both positive and negative effects on consumers

# Reference Groups cont.

- Types of reference group influence
  - People identify and affiliate with particular reference groups for three reasons
    - To gain useful knowledge
    - To obtain rewards or avoid punishments
    - To acquire meanings for constructing, modifying, or maintaining their self-concepts

# Reference Groups cont.

- Three types of reference group influence
  - Informational
  - Utilitarian
  - Value-expressive

# Factors that affect Reference group influence

- Information & Experience
- Credibility, attractiveness & Power of Ref.Group
- Conspicuousness of the product
- Reference group & consumer conformity

# Consumer related reference groups

- Friendship groups
- Shopping groups
- Work groups
- Virtual groups or communities
- Consumer action groups

# Celebrity & other reference group appeals

- Celebrities
  - Testimonial
  - Endorsement
  - Actor
  - Spokesperson
- The expert
- The common man
- The executive & Employee spokesperson
- Trade or Spoke characters
- Other reference groups appeal



# Family

- Marketers are interested in both families and households
  - If the housing unit has people living in it, they constitute a household
  - Nonfamily households include unrelated people living together
    - A family has at least two people, the householder and someone who is related to the householder by blood, marriage, or adoption

# Family cont.

- Nuclear family
- Extended family
- Family decision making
  - How family members interact and influence one another
  - Marketers need to identify which family members take on which roles in family decision making

# Family cont.

- **Influencers**
- **Gatekeepers**
- **Users**
- **Deciders**
- **Buyers**
- **Disposers**

# Family cont.

- Influences on family decision making
  - Differences in product class and their relationship to family decision making
  - The structure of husband/wife roles
  - The determinants of joint decision making
- Children and family decision making

# Family cont.

- Conflict in family decision making
  - **Decision conflict arises when family members disagree about some aspect of the purchase decision**
  - **Means-end chain model is a useful framework for analyzing decision conflict**

# Family cont.

- **Six common types of family influence strategies**
  - Expert
  - Legitimate
  - Bargaining
  - Reward/referent
  - Emotional
  - Impression management

# Family cont.

- **Patterns or styles of influence behaviors**
  - **Noninfluencer**
  - **Light**
  - **Subtle**
  - **Emotional**
  - **Combination**
  - **Heavy**

# Family cont.

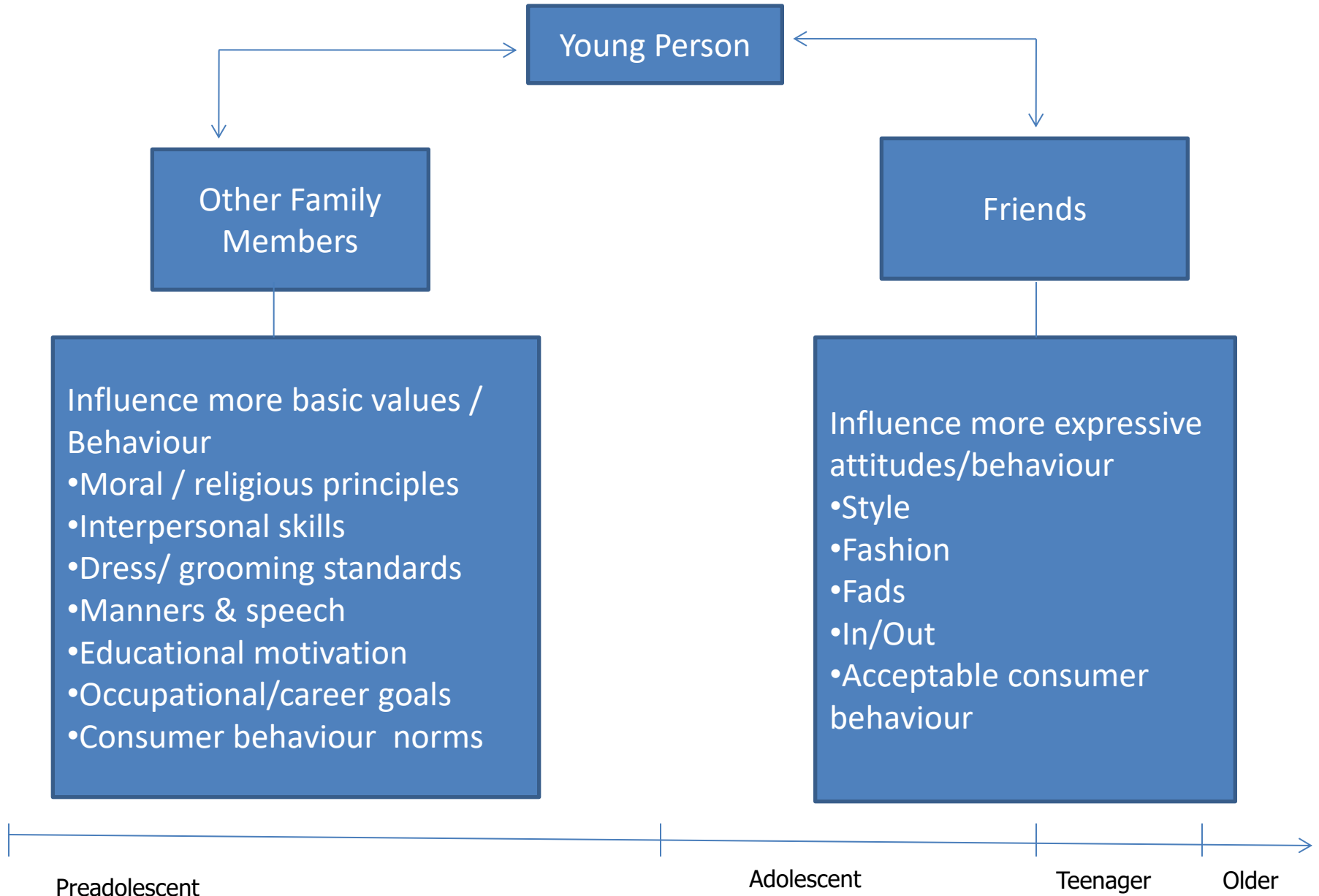
- Consumer socialization
  - How children acquire knowledge about products and services and various consumption-related skills
  - Can occur directly through intentional instruction or indirectly through observation and modeling



# Family cont.

- The consumer knowledge formed in childhood can influence people in later years
- Developing early brand awareness and loyalty is an important marketing strategy for many companies
- The flow of socialization is not restricted to parents influencing their young children

# Simple model of Socialization Process



# Other functions of the family

- Economic Well-Being
- Emotional support
- Suitable family lifestyles

# Dynamics of Husband – Wife Decision Making

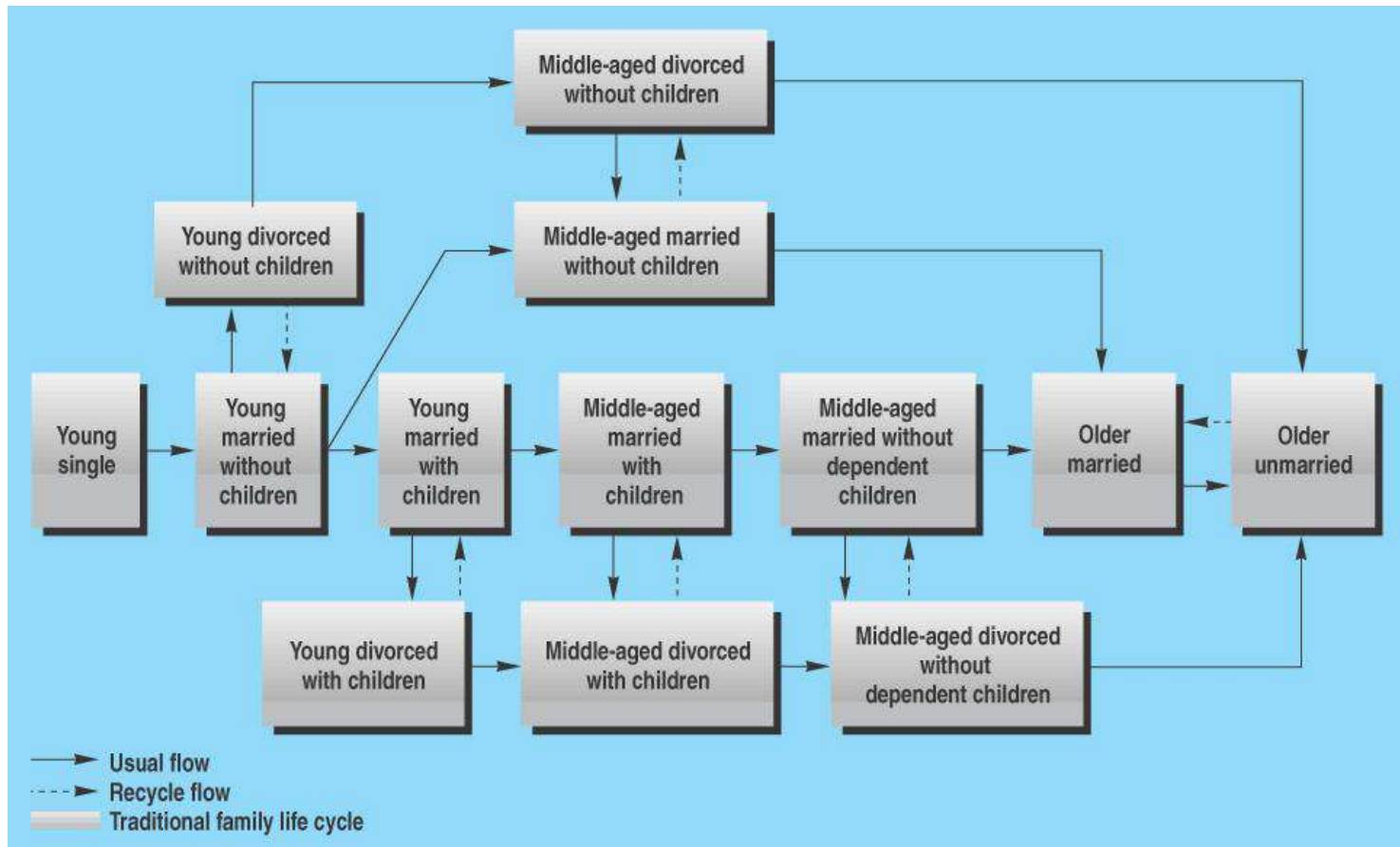
- Husband dominated
- Wife dominated
- Joint
- Autonomic

# Traditional Family Life Cycle

- Stages
  - Bachelorhood
  - Honeymooners
  - Parenthood
  - Postparenthood
  - Dissolution

# Family cont.

- Family life cycle



# Family cont.

## – Marketing analysis

- **Modern family life cycle does not include nonfamily households**
- **Modern family life cycle does not capture every possible change in family status that can occur**

# Family cont.

- **Marketers use the family life cycle to**
  - Segment the market
  - Analyze market potential
  - Identify target markets
  - Develop more effective marketing strategies
- **Developing marketing strategies for the bachelor segment is a challenge**
- **Some stages in the family life cycle are more important markets than others**



# Family cont.

- **Stages of the family life cycle that contain children are quite important to many marketers**
- **Marketing implications**
  - **Ideas for marketing strategies to help reduce shopping time and stress**
    - Provide information
    - Assist in planning
    - Develop out-of-store selling
    - Automate processes
    - Improve delivery

# Social Class

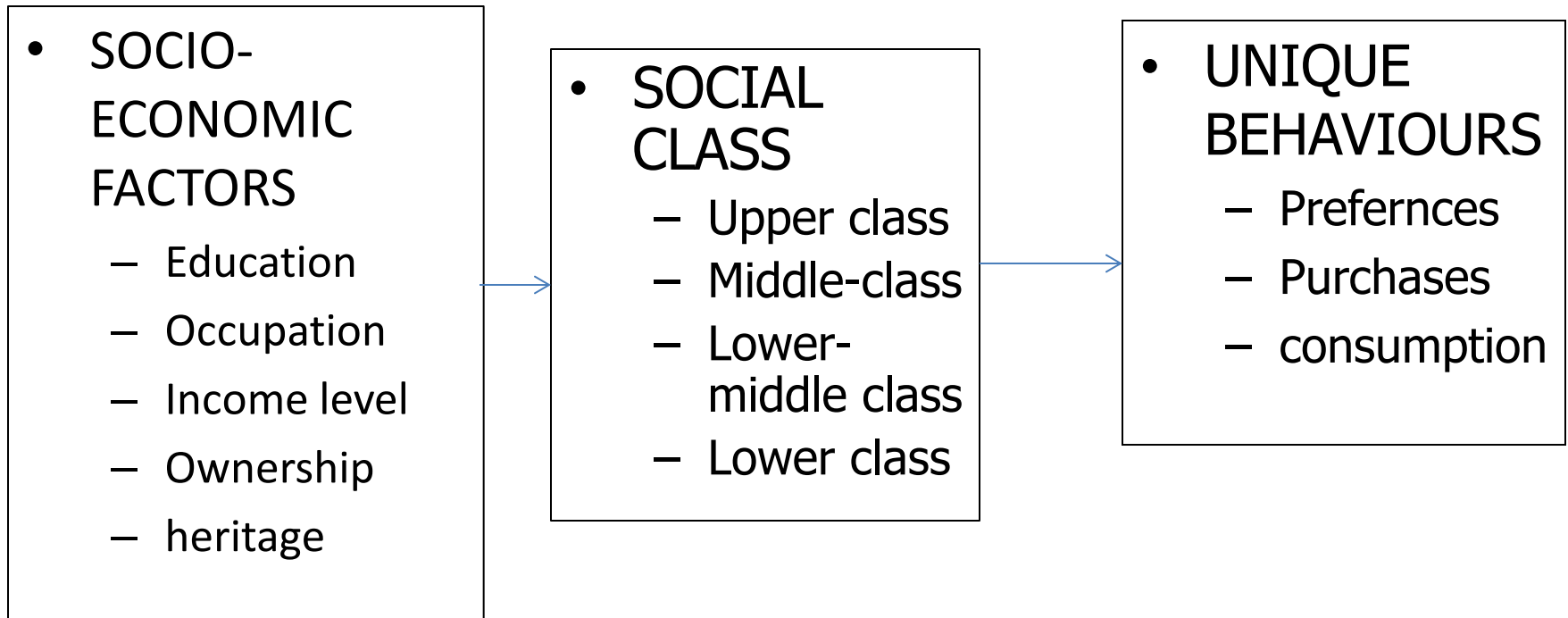
# Social Class

- The division of members of a society into a hierarchy of distinct status classes, so that members of each class have either higher or lower status than members of other classes.

# Characteristics of Social Class

- Is hierarchical
- Is a natural form of segmentation
- Provides a frame of reference for consumer behaviour
- Reflects a person's relative social status
- In India, individuals can up or down the social class hierarchy

# Social class Results from Socio-economic factors



# Social Class and Marketing Strategy

- Clothing, Fashion, and Shopping
  - Where one shops
  - External point of identification
- The Pursuit of Leisure
  - Type of leisure activities differ

# Social Class and Marketing Strategy

- Saving, Spending, and Credit
  - Level of immediate gratification sought varies
- Responses to marketing communication
  - Upper classes have a broader and more general view of the world
  - Regional variations in language rise as we move down the social ladder
  - Exposure to media varies by social class

# Limitations of Social Class

- Social class is more difficult to measure than income
- Many purchase behaviours are related more to income than social class
- Consumers often use expected social class for their consumption patterns
- Dual incomes have changed consumption patterns
- Individual dimensions of social class are sometimes better predictors of consumer behaviour



# Opinion Leadership

# Opinion leadership

- Opinion leadership(word of mouth communications) is a process by which one person(opinion leader) informally influences the actions or attitudes of others, who may be opinion seekers or merely opinion recipients.

# Dynamics of opinion leadership

- Credibility
- Positive & Negative product information
- Information & Advice
- Is category specific
- Is a two-way street

# Motivation behind opinion leadership

- Needs of opinion leaders
- Needs of opinion receivers
- Purchase pals
- Surrogate buyers vs opinion leaders

# Measurement of opinion leadership

- Methods
  - Self-designating method
  - Socio-metric method
  - Key informant method
  - Objective method

# Profile of the opinion leader

## Generalized attributes

- Innovativeness
- Willingness to talk
- Self-confidence
- Gregariousness
- Cognitive differentiation

## Category specific attributes

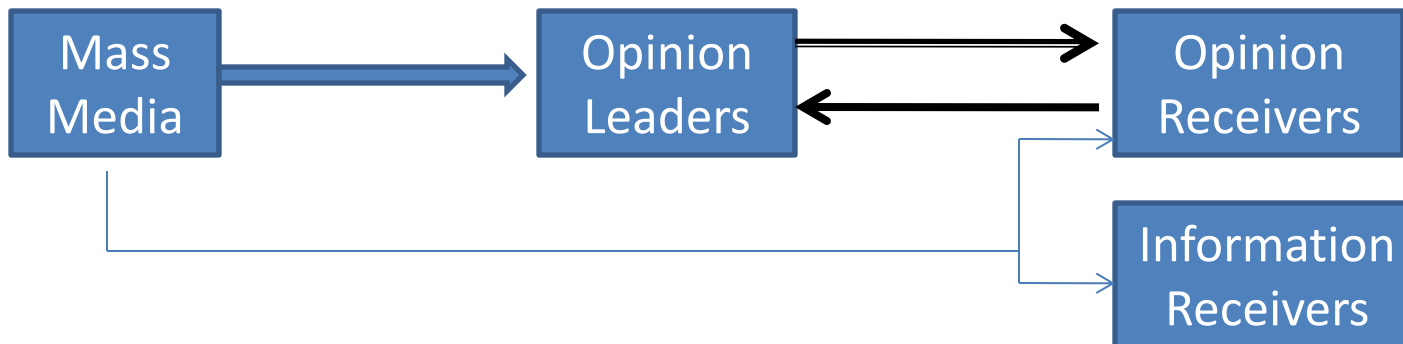
- Interest
- Knowledge
- Special interest media exposure
- Same age
- Same social status
- Social exposure outside group

# Interpersonal Flow of communication

- Two Step flow of communication



- Multistep flow of communication



# Opinion leadership & Marketing Strategy

- Programs designed to stimulate opinion leadership
- Advertisements stimulating opinion leadership
- Word of mouth may be uncontrollable
- Creation of opinion leaders



# Diffusion of Innovations

- Diffusion is the process by which the acceptance of innovation is spread by communication to members of social system over a period of time.
  - Innovation
  - Channels of communication
  - Social system
  - Time

# The Innovation

- Firm oriented definitions
- Product oriented definitions
  - Continuous innovation
  - Dynamically continuous innovation
  - Discontinuous innovation
- Market oriented definitions
- Consumer oriented definitions

- Product characteristics that influence diffusion
  - Relative advantage
  - Compatibility
  - Complexity
  - Trialability
  - Observability

Resistance to innovation

- Channels of communication
- The social system
- Time
  - Purchase time
  - Adopter categories
    - Innovators
    - Early adopters
    - Early majority
    - Late majority
    - Laggards
  - Rate of adoption

# The Adoption Process

- Awareness
- Interest
- Evaluation
- Trial
- Adoption or rejection

# Profile of consumer innovator

- Interest in product category
- Is an opinion leader
- Personality traits
  - Less dogmatic
  - Need for uniqueness
  - Inner directed
  - Variety seeking
- Media habits
- Social characteristics
- Demographic characteristics