Subject: Business Economics

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Paper Title: Consumer Behavior

Unit No.: 4 (Four)

Title: Culture and Consumer Behavior

Lecture No: 1 (One) Title: Culture and Consumer Behavior (Part - 1)

Academic Scripts

Introduction:

Students will Understand What Culture Is and How It Impacts Consumer Behaviors. The study of culture is a challenging understanding because its primary focus is on the broadest component of social behavior-en entire society, or in comparing and contrasting the cultural differences and similarities of more than one culture.

This chapter explores the basic concepts of culture with particular emphasis on the role that culture plays in influencing consumer behavior after reviewing several measurement approaches that researchers used to understand the impact of culture on consumption behavior, we will show how variety of core Indian cultural values influence consumer behavior.

Students will Understand How Culture Acts as an "Invisible Hand" That Guides Consumption-Related Attitudes, Values, and Behavior.

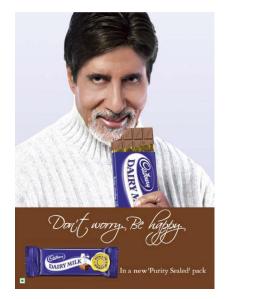
Moreover students will learn How Culture Sets Standards for What Satisfies Consumers' Needs.

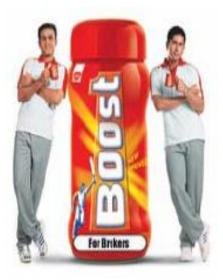
At the end of session students will be able to Understand How Culture Is Learned and Expressed in Language, Symbols, and Rituals.

CONSUMER BEHAVIOUR

Consumer behavior entails the totality of consumer's decision involved in acquiring, consuming and disposing of goods and services, as well as making use of experiences and ideas.

How do psychological factors affect the consumer's purchase decision?





Changing

consumer perception Motivation—the secret of energy

How do personal factors affect the consumer's purchase decision?



Lifestyle Gender- targeting the male

How do social factors affect the consumer's purchase decision?





Influence of Family

Status Symbol

How do cultural factors affect the consumer's purchase decision?



Targeting on the basis of **Culture Subculture**: Targeting the 'Full of Life'

Definition of Culture

Culture is the sum total of learned beliefs, values, and customs that serve to regulate the consumer behavior of members of a particular society.

Characteristics of Culture

- Culture is *learned* rather than being born with.
- Culture is manifested within *boundaries* of acceptable behavior.
- Transmitted from generation to generation.
- Rituals practiced.
- Dress sense–(Sari is the traditional Indian dress while jeans, skirts, frock, etc. are considered more modern.

Cultural rules can be categorized into three types

- 1. Formal Rules :
- 2. Informal Rules
- 3. Technical Rules

Formal Rules: Explicit standards as to how one should behave, and violations often carry severe sanctions.

Informal Rules:Informal rules are part of every organizations culture, or the ways people behave outside of and beyond the company's formal structure.

Technical Rules:

- Involve implicit standards as to what constitutes a good product.
- In Bollywood, normally a Hindi movie must have at least five good songs to be successful.

Dimensions of Cultural Diversity in India

- Language
- Rural vs. Urban India
- Rich vs. Poor
- Geographical diversity
- Liberal vs. Conservative

Beliefs & Values of culture:

Beliefs:-

It consists of very large number of mental or verbal statements that reflect a person's particular knowledge and assessment of something (another person, a store, a product, a brand).

Inferential beliefs: Information about one product of a company makes consumers to form belief about another, price-quality beliefs, partially comparative pricing, e.g. Akai TV and Big Bazaar retail.

Brand distinctiveness: Consumer perception of a brand and company's marketing effort leads to developing certain personality of each brand, e.g. TanishqJewellery.

Consumer confusion: Insufficient/conflicting information, mistaken identity, irrelevant ad slogan/appeal, change in the brand's key focus and positioning, e.g. Marie biscuits (Britannia, Parle).

Values:-

It is relatively few in numbers; it serves as a guide for culturally appropriate behavior, it is difficult to change, it is not tied to specific object or situation and it is widely accepted by members of society.

It evolves because it fills needs

There are Certain factors which change culture

- Technology
- Population shifts
- Resource shortages
- Wars
- Changing values
- Customs from other countries

Marketers must Understand Indian Culture in Order to Succeed

- Ford cars specially designed for Indian roads.
- Electrolux's made-for-India fridge-chill drinking water, keeps food fresh & withstands long power cuts.
- Samsung-microwave oven with grill.
- Nokia launched a handset "Made for India" Nokia 1100.
- McDonald's Mc AlooTikki Burger & Pizza McPuff.
- Cartoon Network introduced South Indian folk tale "Tenali Ram".
- Walt Disney cartoon TV shows are in Hindi.
- **Omega** watches picked an Indian film personality to replace Cindy Crawford in its ad campaign.
- Coca-Cola has redesigned its crates as well as trucks for safe delivery on poor roads.



Culture Satisfies Needs

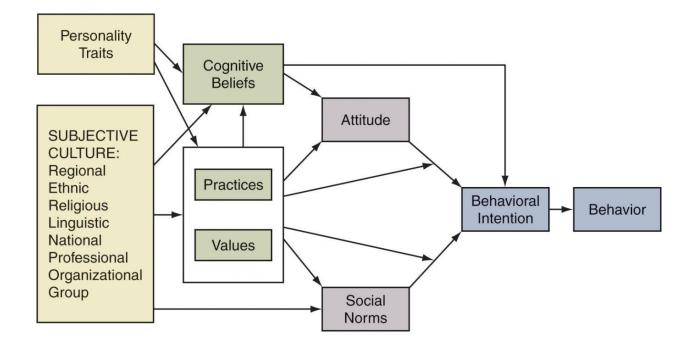
- Food and Clothing
- The food available in India is as diverse as its culture, its racial structure, its geography and climate.
- The cultures that have influenced Indian food are the traditions of different religions.
- The essence of good cooking revolves around appropriate use of aromatic spices.
- Traditional Indian clothingsfor women are sari, salwar-kameez, ghagra-choli.
- For men, it is kurta, dhoti, pancha.
- Influenced by western culture: Blend of Indian and Western clothing.

2.Culture is invisible:

The impact of culture is so natural and automatic that its influence on behavior is usually taken for granted. This seemingly superficial response partially reflects the ingrained influence of culture on our behavior .when we are exposed to people with different culture values or customs (as when visiting a different religion or a different country)that we become better aware as to how culture has molded own behavior. Thus, a true appreciation of the influence that culture has on our daily life requires some knowledge of at least one other society with different cultural characteristics. For example, to understand that brushing our teeth twice a day with flavors tooth paste is a cultural phenomenon requires some awareness that members of another society either do not brush their teeth at all or do so in a distinctly different manner than our own society.

Consumer both view themselves in the context of their culture and react to their environment based upon the cultural framework that they bring to the experience. Each individual perceives the world through his own cultural lens.

A Theoretical Model of Culture's Influence on Behavior



Levels of Subjective Culture

□ <u>Super national level</u>:-

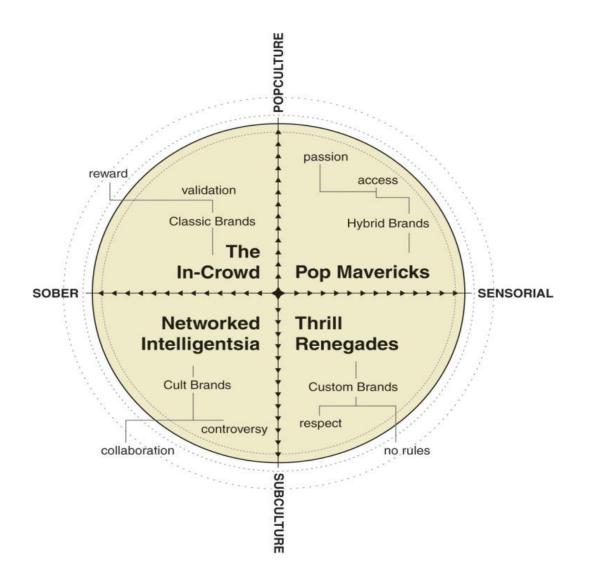
It reflects on different societies, multiple culture, religious similarities or differences and different languages.

□ <u>National level</u>:-

It shared core values, customs, personalities that tend to capture essence of National character of the citizen of particular country.

Group level:-

Cultural division or grouping that contain various collection of individuals for e.g. families, work groups, shopping groups, friendship groups



Life style matrix for global youth, age 14 to 24

With regard to the super national level of culture, which crosses national boundaries, researchers have recently develop a lifestyle matrix for global youth age 14 to 24. The characteristics of each of the four segments of the matrix as represented in above chart.

The in- crowd :

It's all about privilege and reinforcement. Generally seek approval when communicating, and prefer classic brands like Nike brand to uphold tradition.

Pop Mavericks :

Word of mouth spreads rapidly, and passion, individually, and instant gratification are important. They prefer brands that they can personalize- brands like adidasbrand.

Networked intelligentsia:

They are the hub of online social networks, and it's all about revolution, creativity, and deconstruction. They prefer cult brands, like vespa which add to their sense of gloom.

Thrill renegades:

It's all about infamy, adrenaline, and anarchy (law and order is nonexistent). They relate to the in – crowd by co opting their brands, such as Timberland, and then taking them to another level.

3.Culture Is Learned:

How culture is learned

Anthropologist has identified three distinct forms of cultural learning:

- 1. Formal learning
- 2. Informal learning
- 3. Technical learning

Formal learning: formal learning, in which adults and older siblings teach a young family member "how to behave":**informal learning**, in which a child learns primarily by imitating the behavior of selected others, such as family, friends, or TV heroes: and **technical learning**, in which teachers instruct the child in an educational environment about what should be done, how it should be done, and why it should be done. Our ethical values tend to be formed in childhood from the examples provided by parents, teachers, and other significant adults, and we learn the importance of kindness, honesty, and responsibility from family.

If the category of soft drinks is considered, informal learning happens over a period of time. In urban markets, a child can learn a few reputed brand names of soft drink during summer when he/she sees others drinking them.

In rural areas, besides well known brand names there may be also be local drinks priced lesser than the larger brands and even refer to as "color" in some areas. Street vendors selling such drinks are a common sight across the country during summer. lemon is seem as a symbol of cleanliness, purification, and as a thirst buster. Drinking lemon juice is a ritual in many homes during the summer. Limca, a brand that has been around for several decades, has a cloudy look similar to Nimbupani; and cashing in on the popularity of Nimbupani, Pepsi launched nimbooz; and then minute maid, and brand of juice from coca cola, introduced its lime variant (Nimbu fresh) with the explicit proportion of " homemade taste".

Enculturation and acculturation:-

■ The learning of one's own culture

When discussing the acquisition of culture, anthropologists often distinguish between the learning of one's own or native culture and the learning of some "new" culture. The learning of one's own culture is known as enculturation.

The learning of a new or foreign culture

The learning of a new or foreign culture is known as acculturation. Acculturation is an important concept for marketers who plan to sell their products in foreign or multinational markets. In such cases, marketers must study the specific cultures of their potential target markets to determine whether their products will be acceptable to its members and, if so, how they can best communicate the characteristics of their product to persuade the target market to buy.

□ Language and symbols:-

Without a common language ,shared meaning could not exist

To acquire a common culture, the members of a society must be able to communicate with each other through a common language. Without a common language, shared a meaning could not exist and true communication would not take place.

Marketers must choose appropriate symbols in advertising

To communicate effectively with their audiences, marketers must use appropriate symbols to convey desire product images or characteristics. These symbols can be verbal and non verbal. Verbal symbols may include a television announcement or an advertisement in a magazine. Non verbal communication includes the use of such symbols figures, colors, shapes, and even texture to provide additional meaning to print or broadcast advertisements, to trademarks, and to packaging or product.

□ <u>Ritual</u>:-

- A ritual is a type of symbolic activity consisting of a series of steps (Multiple behavior) occurring in a fixed sequence and repeated over time.
- Rituals extend over the human life cycle: it extend the over the human life cycle from birth to death, including a host of intermediate events such as confirmation graduations and marriage. These rituals can be very public, elaborate, religious or civil ceremonies or they can be as mundane as an individual's grooming behavior or flossing.
- Marketers realize that rituals often involve products (artifacts)

It is most important from the marketer's point of view. It is fact that rituals tend to be replete with rituals artifacts(products) that are associated with or somehow enhance the performance of rituals.

SELECTED RITUALS	TYPICAL ARTIFACTS
Wedding	Saari or dress (something old, something new, something borrowed, something red)
Birth of child	Party, enjoyment
Birthday	Card, present, cake with candles
50th Wedding anniversary	Catered party, card and gift, display of photos of the couple's life together
Graduation	Pen, card, wristwatch
Valentine's Day	Candy, card, flowers
New Year's Eve	party, fancy dress

□ <u>Sharing of Culture / culture is socially shared.</u>

- To be a cultural characteristic, a belief, value, or practice must be shared by a significant portion of the society.
- Culture is transferred through family, schools, houses of worship, and media.

Culture is a group phenomenon, shared by human beings living in organized societies and kept relatively uniform by social pressure. The group that is involve in this sharing may range from a whole society to a smaller unit such as a family.

In Terms of "Culture," Do You Consider This Product to Be a "Good Morning" Beverage? Why or why not?

Many Will Say "NO" Due to Lack of Nutritional Value and Competing Products (Coffee).

Cultures are similar but different

All cultures exhibit certain similarities. For example, each of the following elements is found in all societies: athletic sports, bodily adornment, a calendar, cooking, courtship, dancing, education, family, gestures, government, housing, languages, law, music, religious rituals, and numerous other items. There is, however, a great variation from society to society in the nature of each of these elements, which may result in important consumer- behavior differences around the world.

Culture is adaptive

In spite of our resistance to change, cultures are gradually and continuously changing. Some societies are quite static, with a very slow rate of change, while others are more dynamic, with very rapid changes taking place.

Culture is organized and integrated

A culture "hangs together"; that is, its parts fit together. Although every culture has some inconsistent elements, it tend to form a consistent and integrated whole.

Culture is gratifying and persistent

Culture satisfies basic biological needs as well as learned needs. It consists of habits that will be maintained and reinforced as long as those who practice them are gratified. Because of this gratification, cultural elements are handed down from generation to generation. Thus, people are comfortable doing things in the customary ways.

Culture is prescriptive

Culture involves ideal standards or patterns of behavior so that members of society have a common understanding of the right and proper way to think, feel, and act.

Norms are society's rules or guidelines specifying what behavior are appropriate and inappropriate in given situation.

Summary:

Students are able to understand the culture in the context of consumer behavior, the study of culture is the study of all aspects of a society. It is knowledge, laws, language and customs that give that society its distinctive character and personality.

Culture is defined as the sum total of learned beliefs, customs and values that serve to regulate the consumer behavior of the member of the particular society.

They are also understood beliefs and values which are guides for consumer behavior and customs are usual and accepted ways of behaving.Culture delineates precisely, the do's and don'ts of a society, and specifies all that isacceptable and all that is not. It is reflective of values and beliefs that are widely accepted bymembers of a society. The members of a society subscribe to the various values, beliefs and norms, and this gives strength to a society's culture. This does not imply that cultures are trulyrigid; in fact, they evolve and adapt to changing situations and times.

At the end of this session students got ideas about need of culture, culture is invisible and learning of culture through different means like symbolism, enculturation and acculturation and rituals.