

New times, new consumers

CHAPTER SUMMARY

The green movement is a common denominator in the trend towards increased attention to the environmental impact of human activities. In terms of consumption, this has broadened the scope of environmental judgement from recycling of scarce resources to attention to the whole production and distribution process.

The green movement may be an indication of an even broader trend towards more conscious reflection on the ethical aspects of consumption. The political consumer 'votes with his/her shopping basket' in an attempt to influence companies to care for the natural as well as the human environment, adding issues such as human rights to the set of dimensions that influence purchases.

Followers of an etic perspective believe that the same universal messages will be appreciated by people in many cultures. Believers in an emic perspective argue that individual cultures are too unique to permit such standardization; marketers must instead adapt their approaches to be consistent with local values and practices. Attempts at global marketing have met with mixed success; in many cases this approach is more likely to work if the messages appeal to basic values and/or if the target markets consist of consumers who are more internationally rather than locally oriented.

The Western world is a net exporter of popular culture. Consumers around the world have eagerly adopted Western products, especially entertainment, vehicles, and items that are linked symbolically to a uniquely Western lifestyle (e.g. Marlboro, Levi's, BMW, Nestlé). Despite or because of the continuing 'Americanization' or 'Westernization' of cultures in the world, some consumers are alarmed by this influence, and are instead emphasizing a return to local products and customs.

Postmodernism involves processes of social change in an era, where the 'grand truths' of modernism, such as scientific knowledge or the progressiveness of economic growth are no longer taken for granted. Postmodernism includes social processes such as fragmentation, de-differentiation, hyperreality, chronology, pastiche, and anti-foundationalism.

CHAPTER OUTLINE

1. *Environmentalism: saving the planet with a shopping basket*

- a. The environmental issue has gained a lot of momentum in later years.
- b. **Recycling** marks the growing impact of concern for the environment and the **green consumer** on the market. Throughout Europe, the impact of green consumers differs among countries.

- c. Starting with recycling *environmentalism*, concern for the environment covers all aspects of the production and consumption process.

*******Use Key Terms recycling and environmentalism Here; Use Consumer Behaviour Challenge 1, 3, and 4 Here*******

- d. Issues like the use of growth hormones in the production of milk and beef and BSE in cattle lead to increased consumer concerns with respect to food safety.
 - (1) It has been suggested that we live in a *risk society*.
 - (2) As in the case of Genetically Modified Organisms (GMO) the consumer has to handle unknown risks in his or her decision making.

*******Use Key Term risk society Here*******

The political consumer

- e. The *political consumer* uses his or her purchase behaviour as a vote for or against companies, based on their (alleged) societal responsibility and ethical behaviour.
 - (1) **Culture jamming** is a peaceful rebellion against companies' control over our minds and imagination.
 - (2) Companies like The Body Shop side with the political consumer by being concerned with a broad array of social values.

*******Use Key Term political consumer Here, Use Consumer Behaviour Challenge 2 Here*******

Consumer boycotts

- f. Negative experiences can trigger an organized response.
 - (1) Boycotts of products, companies, or services can be aimed at countries or companies.
 - (2) These boycotts can be successful or unsuccessful depending on their popularity, duration, and strength.
 - (3) Lately, much resistance to the behaviour of companies and marketers has been related to the processes of globalization.

Discussion Topic: Have you ever been involved in a boycott? What was the result? If so, what would you do differently this time?

*******Use Consumer Behaviour Challenge 5 Here*******

2. Global Marketing and Culture

- a. Learning other cultures is essential to a company that wishes to become part of the global marketplace.

Think Globally, Act Locally

- b. As corporations increasingly find themselves competing in many markets around the world, the debate has intensified regarding the necessity of developing separate marketing plans for each culture. Two views exist:
 - (1) Adopting a standardized strategy – this viewpoint represents an ***etic perspective***, which focuses upon commonalities across cultures (it is objective and analytical).
 - (2) On the other hand, many marketers endorse a localized strategy (***emic perspective***), which focuses on variations within a culture (it is subjective and experiential).
 - (3) According to the emic perspective, each country has a ***national character***.

*****Use Key Terms **etic perspective, emic perspective, and national character** Here*****

Discussion Topic: If you were in charge of international markets for a major food company, would you focus primarily on the etic or emic perspectives? Would your answer change if you worked for a car manufacturer? Explain.

- c. Marketers must appreciate cultural norms regarding taboos and sexuality.

Discussion Topic: What are some taboos that you are aware of in other countries? In your own country? What effect might these taboos have on marketers and advertising?

Does Global Marketing Work?

- d. Often, global marketing seems better in theory than in practice. Employing local entities to help with the marketing and advertising effort often pays off.
 - (1) To maximize the chances of success for multicultural efforts, marketers must locate consumers in different countries who share a common worldview.
 - (2) Candidates for pan-European marketing are:
 - (a) affluent 'global' citizens, who are exposed to ideas from around the world.
 - (b) young people whose tastes are strongly influenced by international pop culture.

The Coca-Cola invasion: exporting Western Lifestyles

- e. The allure of Western consumption is spreading with people from other countries falling under the spell of advertising, contact with tourists and American soaps and quizzes on local television.
 - (1) Formerly isolated cultures are now reachable through tourism, mass media, and modern technology.
 - (2) The West is a net exporter of popular culture.
- f. The newest market to open to Western goods and services is the Asian market.
- g. Eastern Europeans are rapidly adopting Western standards. These ***transitional economies*** struggle with economic systems and governments that are highly centralized and incompatible with a free market system.
 - (1) Converting to a Western form of business and consumption is not without its problems.

- (2) These problems include a loss of confidence and pride in the local culture, as well as alienation, frustration, and an increase in stress as leisure time is sacrificed to work ever harder to buy consumer goods.
- (3) Despite the proliferation of Western culture around the world, there are signs that this invasion is slowing.

*******Use Key Term transitional economies Here; Use Consumer Behaviour Challenge 7 Here*******

Discussion Topic: Do you believe that 'Creeping Westernization' is an ethical issue? Why? Do you think that it is a political problem? Why? Do you think it is a marketing problem? Why?

Globalization: not a one way street

- g. **Globalization** refers to the mingling of local and foreign products and practices.
- (1) The **global** product culture indicates the willingness to purchase into a foreign context or to join a wave of globally uniform consumption patterns.
 - (2) **Expatriate** products refer to the search for authentic products from other cultures.
 - (3) **Nostalgia** products represent a search for local authenticity.
 - (4) The process of **creolization** occurs when foreign influences are absorbed and integrated with local meanings.

*******Use Key Term globalization Here*******

3. Postmodernism

- a. **Postmodernism** is among the most widely discussed and disputed terms in consumer behaviour research in the past five years.
- b. Postmodernism argues that the dominant beliefs in modernism and industrialization are fading.
- (1) Modern values include the benefits of economic growth and industrial production and the infallibility of science.

*******Use Key Term postmodernism Here*******

- c. Postmodernism questions the search for universal truth and values and the existence of objective knowledge. Keywords of postmodernism are:
- (1) **Pluralism**-the coexistence of various truths, styles, and fashions.
 - (2) **Fragmentation**-transition from mass-markets to increasing specialization.
 - (3) **De-differentiation**-fading distinctions between 'high' and 'low' culture, and between art and craft.
 - (4) **Hyperreality**-the replacement of real and authentic environments and products with engineered environments and products that simulate reality.

- (5) **Chronology**-consumers' search for authenticity and stability in the past (as we 'used to know it').
- (6) **Pastiche**-playful and ironic mixing of existing categories and styles.
- (7) **Anti-foundationalism**-rejection of existing standards of marketing instruments and products.
- d. Postmodernism has also been linked to increased consumer skill, greater appreciation for aesthetic and non-material values, and critical consumption.
- e. Postmodernism has also been linked to passivity and political degeneration of societies, and nihilism.

*******Use Key Terms pluralism, fragmentation, de-differentiation, hyperreality, chronology, pastiche, and anti-foundationalism Here; Use Consumer Behaviour Challenge 8 and Consumer Behaviour Challenge 9 Here*******

Discussion Topic: A leading postmodernist consumer behaviour theorist started his lecture with the quip 'the difference between postmodern marketing and the mafia is that postmodern marketing makes you an offer you can't understand'. Why is this an example of anti-foundationalism? Could you find comparable examples in branding and advertising in your country?

Discussion Topic: What do you think of the statement 'postmodernism is just for high-brow intellectuals'? Find arguments for and against this statement.

BARRIERS TO EFFECTIVE LEARNING

1. The structure of the text is that by starting with recycling, the discussion is carried through environmentalism and political consumption to global marketing.
2. The instructor might spend extra time talking about the 'Westernization of the global marketplace'. The text presents some outstanding thoughts on this subject and most student groups enjoy discussing the issue.
3. The discussion of postmodernism might pose some difficulties for students. The instructor should take some time to explain the key elements of postmodernism. If possible, some examples of postmodern marketing in your own country should be used to elucidate this subject.

STUDENT PROJECTS

Individual Projects

1. Find a scale for measuring environmental concern that is used in your country, and have your students (and yourself) self-administer it. Are they environmentally concerned? Are you? Discuss the results.
2. Now ask your students to administer this scale to fellow students from other faculties. How do the results differ?

3. Ask your students to talk to consumers who are observed to purchase ecological products. Why do these consumers purchase these products? What are their motives?
4. Ask your students to collect examples of globalization in advertising or product display. Discuss the results.
5. Find some examples of postmodern marketing or advertising. What are the distinctive elements? What is the appeal of the product or the message?

Group assignments

6. Another popular word in society is 'conservation'. Many consumers have become more interested in conserving than in 'throwing away'. See what ideas the class has for creative recycling. Can they figure out a way to profitably market these ideas to the public?
7. Divide the class into teams. Have one group take the perspective that the correct way to market is to take the etic perspective. Have one group take the perspective that the correct way to market is to take the emic perspective. Debate the issue.
8. Divide the class into teams. Have one group take the perspective that the 'Westernization' of foreign cultures and media is a proper path to take. Have one group take the perspective that the 'Westernization' of foreign cultures and media is wrong and will eventually cause conflict. Debate the issue.
9. 'The main difference between postmodern marketing and the American mafia is that postmodern marketing makes you an offer you cannot understand'. Start a discussion around this statement.

CONSUMER BEHAVIOUR CHALLENGE

- 1. In your opinion, in which areas have environmental issues had the biggest impact on consumer behaviour? Why do you think that is the case?**

The impact of environmental issues is felt in the rise of organic produce, of energy saving appliances, and in the packaging industry. Also, the banning of CFCs as aerosol-propellants may be mentioned. Furthermore, there is European legislation – either already effective, or being negotiated upon – affecting the production and waste treatment of an increasing number of products. The impending ratification of the Kyoto protocol will have an impact on carbon-dioxide emissions which in turn will affect production and waste treatment. The issues that are most important may differ among countries, and students may discuss their perceptions of differences in environmental issues between countries.

- 2. Is the 'political consumer' a fad or a new and growing challenge for marketers and producers? Discuss.**

Growing consumer welfare leads to a lasting concern for ethical and political issues. Apparently, political correctness is a luxury good for consumers. However, political consumption and consumer boycotts have been regular phenomena in the market since the early 1960s, but economic crisis and reduced consumer budgets usually lead to a curtailment of political interest by the consumer.

3. Go to your local supermarket to check the selection of ecological products. How are they presented in the store? What does that say about the way these products are regarded?

Both the kind of products that are adopted in the supermarket and the positioning of ecological products relative to 'regular' products give information on the supermarket's attitude towards green products. Eye-catching display and a broad assortment suggest green commitment and confidence in green marketing. Other supermarkets may play lip-service to the green movement by hiding a limited number of ecological products on bottom shelves or behind pillars. However, since the first edition appeared, the number and visibility of ecological products is likely to have increased across all supermarkets.

4. Try to provide an estimate about how often environmental issues are mentioned in advertising. Are these messages credible? Why or why not?

Students should come up with some instances of highly incredible overstatements of environmental soundness of advertised products, as well as some more realistic claims. Discuss environmentally overstated advertisements in relation to the more generally accepted tradition of superlative language and product performance overstatement.

5. What do you think about boycotts as consumers' response to what is perceived as companies' unethical behaviour?

Many consumers are becoming increasingly political consumers. Much of consumers' political resistance has been to the processes of globalization, the gap between rich and poor nations, fair trade and cheap labour. The students should consider how effective boycotts have been. Are there examples of companies changing their behaviour as a result of boycotts?

6. Identify and assess the importance of corporate social responsibility for companies, consumers, and government policy.

Parallel to changing consumer attitudes towards environmentalism and sustainability can be traced changing attitudes amongst companies and businesses as they recognize the changing nature of their customer. Corporate social responsibility (CSR) has become increasingly prominent in companies' provision of and stakeholders' approach to buying goods and services. CSR addresses two kinds of commercial responsibilities: 'commercial responsibilities (that is, running their businesses successfully), and social responsibilities (that is, their role in society and the community)'. Students should discuss why corporate social responsibility is important for companies, consumers and government policy, particular from a marketer's perspective.

7. What role does the globalization process play in your personal consumption profile? After reflecting on that, take a walk in your nearest shopping area and look for signs of the global and the local. What is from 'somewhere else'? What is distinctively local? Are there mixtures, or are these two domains separate?

The instructor should encourage students to go through some critical self-appraisal. Actually, it might be difficult to draw clear distinctions between the global and the local, as some global products are incorporated in local consumption styles, and some distinctively local products may by now be 'made in Taiwan', or wherever. If the discussion heads into the direction of this blurred boundary between global and local products, it might be linked to the next two challenges through the concept of hyperreality.

8. Try to collect advertisements that reflect the postmodern features of fragmentation, de-differentiation, hyperreality, chronology, pastiche, and anti-foundationalism.

After explaining the key concepts of postmodernism the students should be encouraged to discuss the occurrence of those elements in current advertising.

9. Reflect on your and your friends' consumption patterns in the same light. What do you see?

Answers to this question will obviously differ, but should start a discussion on postmodern influences in consumer behaviour.