

Marketing to Segmented Consumers as per their Behaviours Based on their Social Class

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Received: 18 May 2021; Received in revised form: 09 Jun 2021; Accepted: 16 Jun 2021; Available online: 20 Jun 2021

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Abstract

Social class is not a novel concept, however, the connotation of social class has varied over the periods and countries. Various authors and scholars have stratified social class based upon occupation, income, and education.

India is ethnically rich because of the diverse cultures practiced within it. Hence, this empirical research paper hypothesizes that the population of India would perceive social class with a different connotation compared to other countries. There was a survey conducted to look upon this hypothesis, and it validated that there is a difference in the inference of social class perceived by people, and it includes culture/caste/traditional practices or beliefs as a determining factor of social class. Hence, it is argued in this paper that marketing strategy developers, while considering social class as a factor of analyzing consumer behavior must look into the connotation of 'social class' and then stratify the consumers based upon it.

Keywords— *Social class, marketing strategy, consumer behavior, ethnicity.*

I. INTRODUCTION

Social class is an easy as well as complicated subject simultaneously because every consumer researcher or market research has a different view about it at the same time. (Coleman, 1983) The concept of social class is not new and has been present for a long but its application in consumer behavior has gained popularity later, thus there remains a lot of contradictions and confusion about its application. (Ahmed et al., 2016) However, to understand the existent concept of social class, here are certain traditional definitions and divisions of social class laid out. Schiffman defined the social class as “the division of /members of a society into a hierarchy of distinct status classes so that members of each class have relatively the same status and members of all other classes have either more or less status”. (Module 71-34.Pdf, n.d.) “Social class may be defined as homogeneous and relatively permanent divisions in a society in which individuals and families sharing similar values, interests, and behavior can be categorized.” (Caruana&Magri, 1996) “Social class refers to the position of members of society in a hierarchy of distinct status classes.” (Ahmed et al., 2016) These are only few definitions listed and they reflect a lot of variation among themselves, this clearly highlights the confusion

pertaining with respect to the mere concept of social. Further moving on to the classifications of social class, there are six types of traditional classification given by Warner namely, Upper-upper class, Lower-upper class, Upper-middle-class, Lower-middle class, Upper-lower class, and Lower-lower class. (Chapter 12.Pdf, n.d.) This is the hierarchy or the traditional pyramid of classification of various social classes. According to this, it forms a waterfall of decreasing needs and wishes starting from the Upper-upper class which is the elite group and flows till Lower-lower class which is the under-privileged and under employed group. (Subrahmanyam& Gomez-Arias, 2008) There are many internal and external factors which affect marketing of a commodity and social class is one of such external element which affects the marketing of a product be it on an online platform or offline platform. (Jain &Sheth, 2019) The division of social classes is usually done on the basis of occupation or income or education. These three are considered the driving factors when consumer behaviour of group of people is studied by a marketing strategy developer. (Shavitt et al., 2016)

This research paper intends to provide a new dimension for stratification of social classes by considering factors other than income, occupation and education. There was a

survey conducted to understand whether the hypothesis would work out or not. There are two hypothesis, first being that the traditional factors like income and occupation are not the only ones which generic people consider while denoting themselves to belong to particular social class. Second, the concept, idea and connotation of social class varies in India compared to other countries considering India is a diverse nation with respect to religion, culture, occupation, castes, etc.

II. LITERATURE REVIEW

1. Stratification and segmentation: Social class in consumer behavior by Sharon Shavitt, Duo Jiang, and Hyewon Cho (Shavitt et al., 2016)

This article published in 2016 provides an insight into the working class and middle-class consumer behavior and how their purchasing pattern does gets affected because of minor disturbances. The paper restricted itself to evaluate the existing material as to how does consumer behavior is affected by social class and what market strategy, especially brand positioning, and affects their interest in a commodity.

2. Income, Social Class and Consumer Behaviour: A Focus on Developing Nations by Mohammad Ekhlake Ahmed, MariumMateen Khan and NayyerSamad(Ahmed et al., 2016)

This paper discusses the market strategies and consumer behavior in developing nations like India. It provides an insight into the theoretical matter available about social class classification and how does it is practically implemented in the market by the sellers or entrepreneurs. It makes the audience familiar with customer-centric marketing being preferred over transaction-oriented marketing.

3. An integrated approach to understanding consumer behavior at bottom of the pyramid by SarojaSubrahmanyam and J. Tomas Gomez-Arias (Subrahmanyam& Gomez-Arias, 2008)

This paper describes the lower state of classification social classes i.e. the poor people or economically backward people survive and which type of marketing strategy can be adopted to attract this social class. It provides that they are attracted to schemes that provide them benefits which are a fry cry for these people considering they are at the bottom of the pyramid when social classes are classified.

4. The effects of dogmatism and social class variables on consumer ethnocentrism in Malta by Albert Caruana(Caruana&Magri, 1996)

This research article through a survey on the island of Malta gathered the impact of age, dogmatism, and

social class on consumer behavior. Though the research is oriented to the people of Malta it provides a brief insight into the social class in marketing as well as consumer behavior.

5. Exploring consumer status and conspicuous consumption by Aron O'Cass and Hmily McEwen (Cass & McEwen, 2004)

The relation between status consumption and conspicuous and consumption has been comprehensively provided by the authors. The authors surveyed people aged between 18 to 25 years to understand the same and have tried to compare status consumption and conspicuous consumption with social class.

6. The Continuing Significance of Social Class to Marketing by Richard P. Coleman (Coleman, 1983)

The author suggests that social class is a typical and difficult concept and an evolving one. He discusses the traditional division of the social class into six segments based upon income and how consumer behavior is reluctant to change even if the income distribution has changed over time.

7. Consumer Behavior: A Digital Native by Varsha Jain and JagdishSheth(Jain &Sheth, 2019)

The book is a comprehensive collection about the presence and importance of consumer behavior in the marketing strategy of any commodity. The authors in detail have presented this notion along with various other factors inter-linked with social class.

8. Consumer Behaviour by M. Khan (Khan, 2007)

The author has kept social class as a top factor affecting consumer behavior in a market along with various other factors. He has further explained the theoretical aspect of social class in India i.e. top, middle and lower class which determine the mindset of people towards a brand on a product and how important it is for a brand or product-seller to understand and review the same.

III. GAP IDENTIFICATION & RESEARCH OBJECTIVES

There have been various studies and papers presented about the classification of people into various social classes. The classification is either majorly based upon income or occupation or education. There, has been no study to present a social class as an ethnic group, or a group of people bound by common practices or common values or common traditions, etc. There is neither a survey conducted about how the general public, specifically the potential consumers, perceive the idea of social class. Thus

this study is to understand the idea of potential consumers about social class along with the following objectives:

- To analyze the perception of 120 random people about factors forming a social class.
- To analyze the impact of people belonging to the same social class on their purchase pattern.
- To provide a new dimension towards classifying social class other than the traditional factors.
- To analyze how a marketing strategy be affected by social class.

IV. RESEARCH METHODOLOGY

Research Design: Two types of research design are adopted in this paper. First, the descriptive research design

is used to understand the sample respondents' perception about the social class and its impact on their purchasing pattern. Second, exploratory design is used to provide an insight into a new dimension towards classifying social class other than the traditional factors.

Sample size: The sample size is 120 and the survey was conducted through an online questionnaire circulated among random people.

Statistical Techniques: Correlation technique was used to understand the relation between two variables.

Sources of data: The sources of data used in this study are both primary and secondary as there was a survey conducted and the study of the existent sources present in the public domain like journal articles, newspaper articles, blogs, books, etc. is also done.

V. ANALYSIS AND INTERPRETATION

The result of the data collected from 120 respondents is mentioned below:

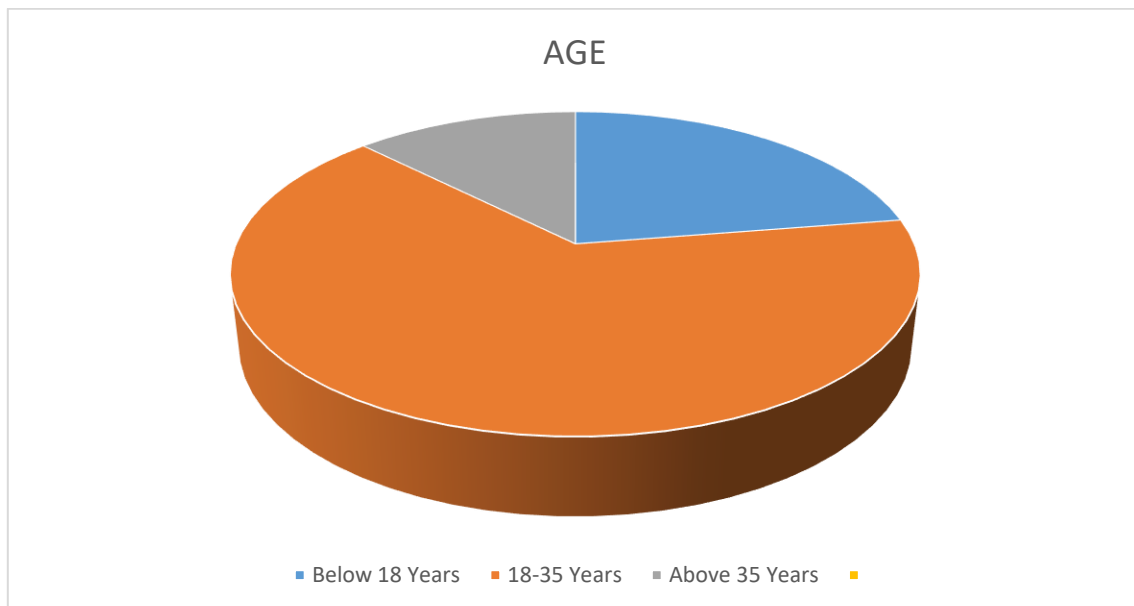


Fig. 1- Age

- The age factor was included while surveying to understand whether the same age group people have a common ideology about social class or not. The age groups were divided into three, below 18 years,

between 18 to 35 years, and above 35 years. The responses recorded have 27 people below the age of 18, 78 people aged between 18 to 35 years, and 15 people above 35 years.

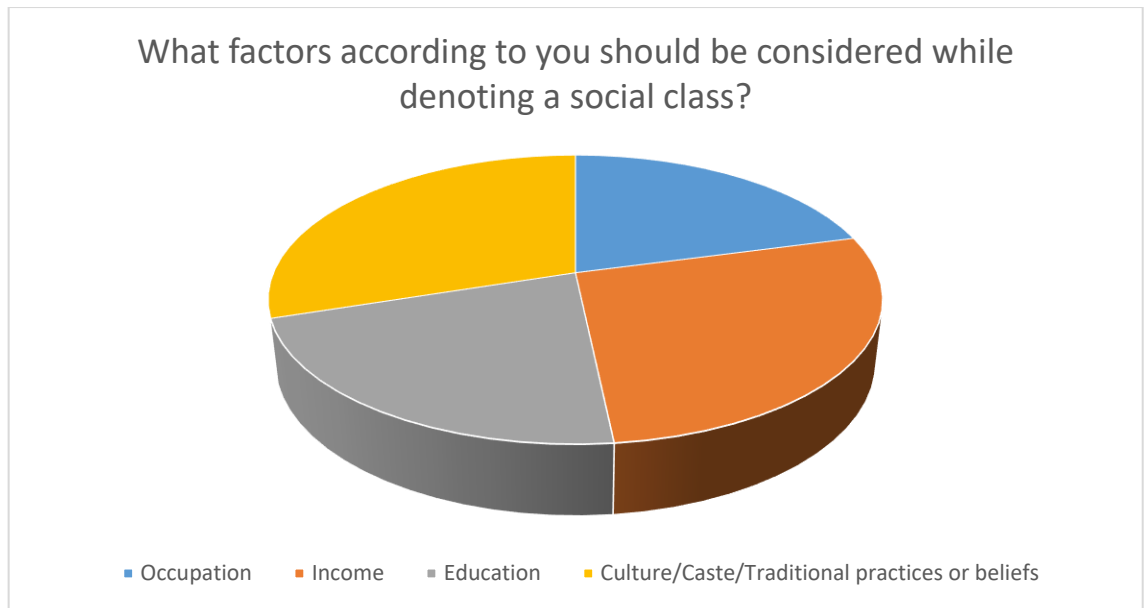


Fig. 2- Factors denoting social class

- This question was asked to understand whether common people, who are not indulged in the marketing of any product, perceive the concept of social class the same as that of sellers who consider social class while developing their marketing strategy or not. The traditional factors which are considered to

form social class are occupation and income, however, 36 people out of the sample space chose culture/caste/traditional practices or beliefs. 26 people chose education as the factor forming a social class.

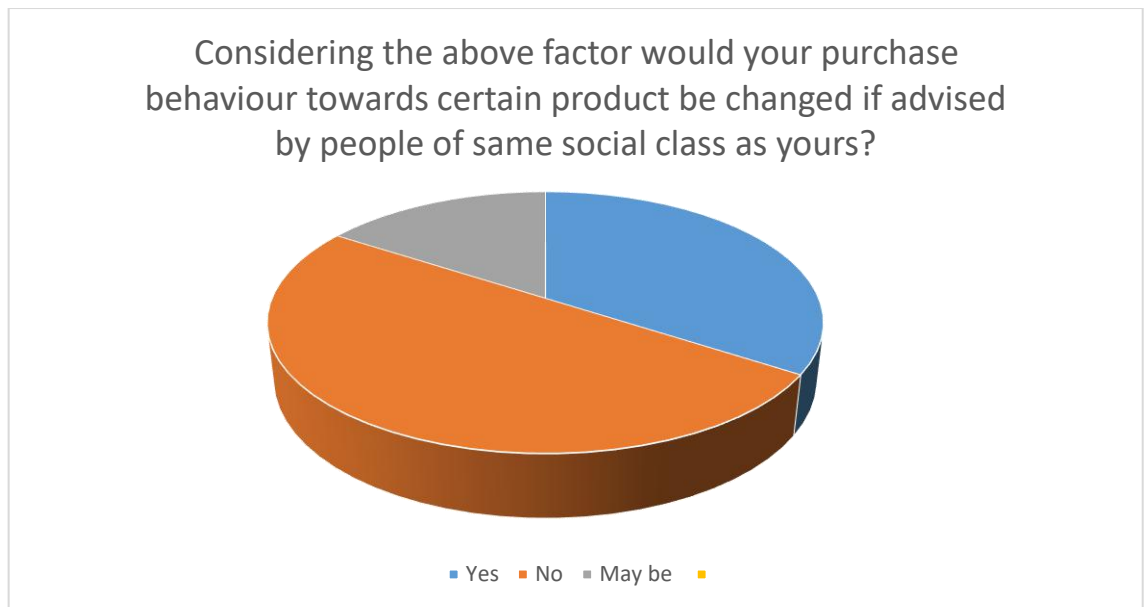


Fig. 3- Change in consumer behaviour on advice of social class

- This question was asked to understand whether the consumer behavior of the sample space, according to them, would get affected if people of the same social class suggest or advise them about a certain commodity. To this 60 people answered NO, 41 people answered YES, and 19 people answered

MAYBE. The majority of sample spaced denied their behavior to change towards a commodity even if people of the same social class advise them, thus if a commodity was sold to this sample space, the major part would buy it as per their wish without getting affected by their social class. Interestingly, all people

of age group above 35 years agreed to their behavior being changed if advised by people of their same

social class.

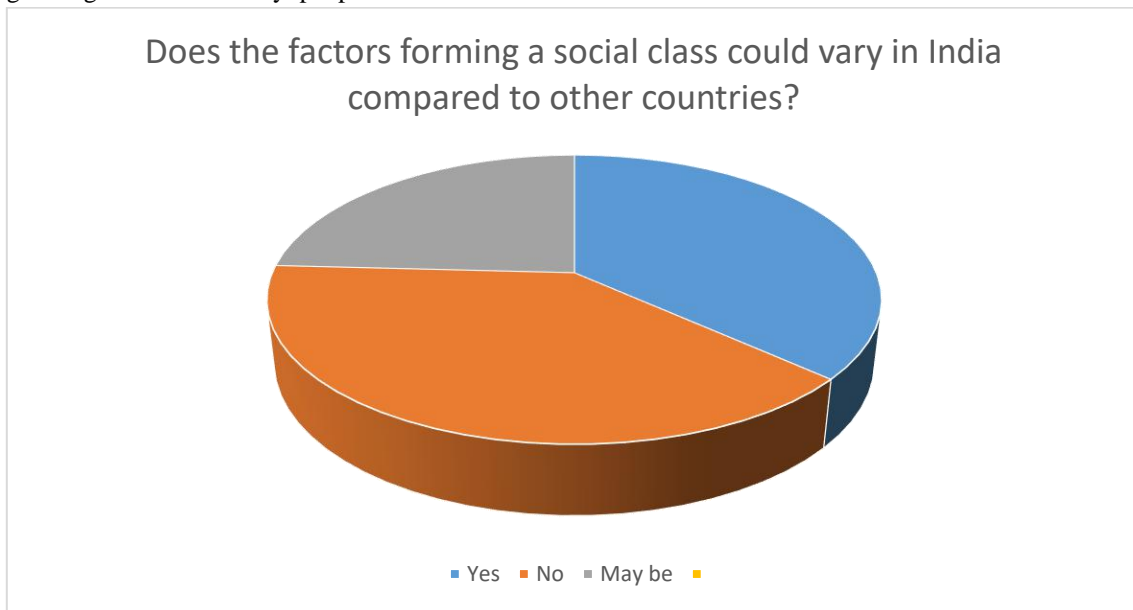


Fig. 4- Factors forming social class vary in India compared to other countries

- This question was asked to understand that whether Indians believe that the concept of social class could vary in India compared to other countries. The idea behind this question was to understand that whether the marketing strategy of

a product that is prepared considering social class could vary in India and other countries considering India is a diverse nation. To this 47 people answered NO, 44 people answered YES and 29 people answered MAYBE.

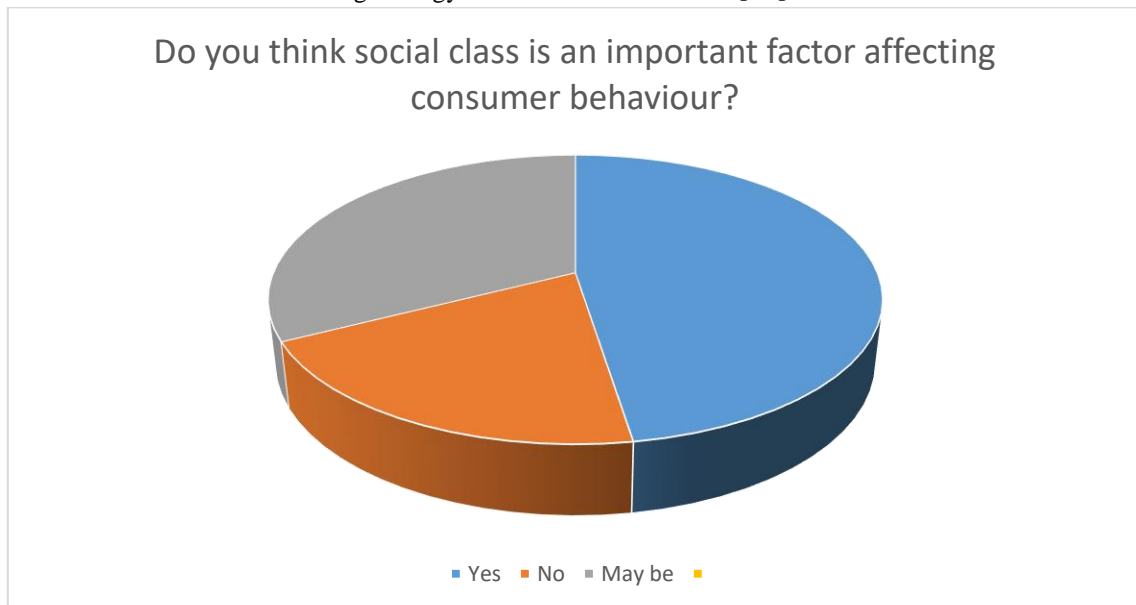


Fig. 5- Impact of social class on consumer behaviour

- This was a direct question asked contemplating to understand the mindset of sample space towards the concept of consumer behavior as well as the social class as a factor contributing to it. To this 57 people AFFIRMED that social class is an

important factor affecting consumer behavior, 24 people DENIED it and 39 people stated MAYBE.

- Correlation between personal idea and generic idea about social class**

The correlation between people when asked personally about their choice being affected if

advised by people of same social class and when asked in general about social class affecting consumer behaviour is 0.995. This denotes positive correlation which means that majority of person in this sample space believes their own behaviour being the general behaviour of public/others.

VI. FINDINGS

The following findings are inferred from the responses received from sample space during the survey:

- The traditional factors viz. occupation and income are not the only ones which people (the sample space for this paper) consider while connoting social-class, they consider education culture/caste/traditional practices or beliefs (30%) followed by education (22%). They consider income (28%) and occupation (21%) too, but both are less than the culture/caste/traditional practices or beliefs.
- In India, if a marketing strategy has to be developed then social class will act as an important leading factor as 48% of people have affirmed it in this survey.
- The conceptualization of social class concerning consumer behaviour in India may differ compared to other countries because India is a diverse nation and 37% of sample space has affirmed this.

From these findings it can be inferred that, the market strategy developers who want to consider behaviour of a social class to stratify their strategy first need to consider what factors they want to envision while considering a social class. For example, if a seller wants to sell a car he would consider income of social class as driving factor, but, if the commodity is incense stick of rose fragrance, and if social class is considered while developing marketing strategy, then the seller need to classify the social based upon their religion because some people belonging certain would prefer mogra and not rose, here in this situation the income would not play any but religious sentiments. Thus, the factor connoting a social class may vary from commodity or service which is to be sold in market.

VII. DISCUSSION AND CONCLUSION

The idea of social class is complicated and it cannot be denied. Not every person on earth would study social class or consumer behaviour unless he is indulged in marketing of some product or service or is studying about it. As it has been already discussed the traditional; factors forming a

social class are occupation, income and to a little extent education. The cultural identities are considered as a separate external factor affecting marketing of a product, but, with the development in psychological understanding and behaviour of people, there are minimal chances of one single factor acting as a driving force of any marketing strategy. Thus, there is a need for development of the same mind set in the marketing strategy developers. The classification of social class into six layers outside India is based upon traditional connotation of social class but such needs to be changed in India considering the circumstances of India are variant compared to other countries. The Indian culture is so widespread and diverse that a business in India has to keep in consideration the interest and response of people not only from economic view or educational view, but also the religious or cultural sentiments. A marketing strategy developer is bound to decide the target market according to the nature of the commodity, but factors like traditional or cultural commonness must not be ignored in a country like India, and such is affirmed by the responses received in the survey. People who belong to same caste or share common heritage may have impact on each other's consumer behaviour, because sometimes people while buying a commodity or service put a thought towards the owner or developer of such service or commodity. If they find a common link with the owner though they do not know him personally, they would still support his product and do free marketing to the people of their same social class. On the other hand, if they have beliefs that the owner has done something or any other mind set they carry about the social class the owner belongs to, they would not buy the product.

There are many such factors which may affect the consumer behaviour but according to this research none can surpass social class in India including not only occupation or education or income, but also the caste/culture/ traditional practices or beliefs. It is the efficiency and diligence of a marketing strategy developer that how he analyses the consumer behaviour pattern of a social class and who considers themselves to belong to which social class. Also, he prior to this needs to analyse the factors which form the social class, whether it occupation or income or something else. There stratification and classification of social may be changed by the marketing strategy developer according to the commodity and understanding of the people.

VIII. SCOPE FOR FUTURE RESEARCH

There has been an intensive about the social class's impact on marketing as well as consumer behavior and the mere

idea of social class has become traditional and old. There is a need to give a new pathway to the connotation of social class in today's and future sophisticated world. This paper has tried to give a new dimension by suggesting to not differentiate social class upon the basis of income rather the cultural or ethnic commonness between people considering India is a nation with diverse cultures. There is the scope of future research to be conducted with an effort to provide a new connotation of social class and considering the same how different product-sellers should connote and perceive social class differently depending upon the product, they need to market and sell.

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