

# **CLASS AND CONSUMPTION: A COMPARATIVE ANALYSIS OF CONSUMPTION PATTERNS ACROSS DIFFERENT SOCIAL CLASSES**

OBAID A. AL-MODAF

Sociology Assistant Professor at King Abdul Aziz University-Jeddah

## **ABSTRACT**

This study utilizes a secondary data analysis from the Consumer Expenditure Survey produced by the U.S. Dept of Commerce, the Bureau of Census, for the year 1990 to examine the effects of social class on consumption patterns. Expenditure consumption is the dependent variable for this study. This variable is measured based on the proportion of family income spent on four items: 1) visible products, 2) insurance, 3) entertainment, and 4) food. For this study, social class is the primary independent variable and is measured based on the family's total income. Accordingly, the study sample was broken down into four quartiles, each representing a social class group. Family structure, family size, and residence were used as control variables.

As the descriptive analyses show, lower class groups tend to spend a larger proportion of income on food and housing, while upper class groups spend more on entertainment and visible products. The results of the t-test comparison between the means of the study groups indicate that all the four quartiles are significantly different on all related factors. Regression analysis indicates that the independent variables explain 37% of the variation in the dependent variable. Furthermore, in lower class groups, family size was found to be the best predictor of consumption patterns, while among upper class groups, income was found to be the strongest determinant.

## INTRODUCTION

Research has shown that consumption patterns are highly influenced—even directed along certain paths—by a consumer’s social class. Simultaneously, consumption patterns can be expected to reflect, at least to some extent, said consumer’s social status in the stratification system (Longhurst and Mike, 1996; Laermans, 1993; Mujeri, Mohammad, and Clem, 1993; Dikson, 1990; Otnes, 1988; Coleman, 1983; Dawson and Wallendorf, 1985; Ham, Cuning, and Isabella, 1976; Loudon and Bitta, 1979; Coyner, 1977; and Veblen, 1899). In general, then, consumption is not merely an act of buying goods and consuming services; rather, as theorists and researchers have for the past few decades investigated, the process possesses what we might call a “hidden meaning.” In the words of Mcnall (1990), the latent function of consumption focuses on self-identification: "we actively purchase and consume, engage in display of our goods, as a way of 'telling' people who we are, or who we wish to become" (49). Hence, the second and more psychological definition of consumption is that *goods and services are symbols of our socioeconomic status.*

Researchers have long been concerned with what motivates people to consume, and they have discovered that, involved in the mental and physical processes of consumption, social class plays a significant role in determining *what* and *how* we consume. Consumers from different social classes show different motivations for consumption, as well as different objectives. For example, the factors that motivate upper class consumers to purchase a particular product might not be found at the same level or even at all among those of lower classes. Therefore, each class can be said to possess different primary and secondary consumption needs, the fulfillment of which is the main objective of consumption. In this study, I will examine and measure the impact of social class on such consumption patterns.

## REVIEW OF THE LITERATURE

Since the 1950s, social class has played a major role in consumer behavior studies. The Chicago group, the *Tribune's* Pierre Martineau, and Social Research Incorporated's Lloyd Warrner, Burleigh Gardner, Lee Rainwater, and Sidney Levy were the first researchers to enter into the marketing discipline the concept of *social class*. Even a bit earlier, in the late 1940s, research conducted by the Chicago group discovered that upper-middle class Americans “were pursuing different goals in home furniture, appliances, clothing, and leisure time than the lower-middle, who in turn were displaying consumption objectives (and aesthetic preferences) markedly different from upper-lowers” (Coleman 1983: 269). Later, Martineau (1957) would take the lead in class-consumption research by paying more attention to social class as a variable that could significantly influence trends in the marketplace (Coleman 1983). The findings of this groundbreaking study suggest that the consumption patterns of different social classes reflect quite different choices or motivations: “Upper-middle reflects quality and taste...lower middle reflects respectability and conformity...upper-lower reflects modernity and quantity...and lower-lower reflects instant gratification” (Coleman 1983: 268-269). Moreover, in his 1960 study, Coleman (1983) verified that social class affects consumption decisions.

The relationship between consumption and social class is self-reflexive. In other words, as social class influences consumption patterns, so consumption reflects one's social status. As Loudon and Bitta (1979) note, “[t]he things consumers buy become symbols telling others who they are and what their social class or status is” (194). With consumption, people shape or even reshape their identities, positions, and status in society. In turn, consumption

can also affect how we define certain statuses or classes. In The Bon Marche: Bourgeois Culture and the Department Store, for example, Michael Miller (1983) argues that the definition of *bourgeois* has changed: while it used to mean sharing a certain life style, now it means buying certain goods (Laermans 1993). Additionally, Ewen (1988) suggests that judgments about an individual are often based not upon what the person does within society, but rather upon what he or she has: "Middle class status was becoming something founded purely on one's ability to purchase, construct, and present a viable social self" (Laermans 1993: 97). Likewise, Gilbert and Khal (1982) states that "social classes generate their own subculture...distinctive in life styles...and consumption" (Coleman 1983:270).

In consumption studies, Bourdieu's work is among the most well-known. It views consumption practices as the means by which occupational groups reproduce and challenge class power (Longhurst and Mike 1996). Although specific occupational groups practice different forms of consuming patterns, in Distinction (1984), Bourdieu points out something new and interesting: that people from different social classes could also have the same interest in one or more things, but often exercise that interest in quite surprisingly varied degrees. As Longhurst and Mike (1996) indicate, "Bourdieu showed that certain 'high cultural' practices [such as going to the opera, theater, etc.] are much more likely to be indulged in by the professional middle classes than by other social classes" (287). Thus, there is not always a one-to-one match among the nature of the product—in this case, "high cultural" practices—and expected consumers. Instead, some products are consumed for the social cachet they might offer to groups stereotypically considered outside the their "traditional" audiences.

In his examination of interior decoration in the homes of working and middle class Americans, Hall (1993) again verified the class-consumption link by discovering important differences in style, but—perhaps more importantly—he also discovered some general similarities in decorating patterns. In fact, while there is a proven variation between different classes regarding their likes and interests, the most important factors involve the degree of meaning in and the significance of this variance. For example, no one, regardless of social status, would consider a car crash to be an aesthetically beautiful photo (Longhurst and Mike 1996).

The key element in consumption studies is that as consumption practices allow common identities to be established among people, it could also serve as a way of distinguishing them (Longhurst and Mike 1996). Bourdieu addresses this notion when he argues that some consumer actions are motivated by the desire to impress others. This practice is what T. Veblen identifies as "conspicuous consumption" (Veblen, 1899).

Among the earliest of consumption studies researchers, Veblen was interested in the ways different social classes consume. By studying the purchasing practices of the propertied and "propertyless" classes, he was able to discover that the former direct their production and consumption in ways that maintain their positions of social power and defend them against the dispossessed. One of his most recognized ideas involves what we might call "showing off." In other words, Veblen believed quite adamantly that the rich display their wealth in a "show" that requires exercise and learning which others cannot possess or afford because work—mere survival—takes all their time. Veblen's theories suggest that since this type of consumption is based on the arrogance and self-assertion of the upper classes, it creates and attempts to perpetuate situations of class

conflict and domination. While the upper class consumes for social power, the propertyless classes consume for physical power: to restore the body's capacity to do wage labor (Otnes 1988).

Consumption can also be considered a means of expressing the characteristics of one's social class. For example, a 1976 study of car ownership showed that the loyalty of the working class to their country—measured in terms of domestic vs. imported car purchases—was higher than that of the other social classes. As Coleman (1983) notes, “[b]y the mid-1970s, ownership of an imported car (whether an economy or a luxury model) had penetrated 40 percent of families in upper-status group and 25 percent in the middle class, but had not reached even one-tenth in the working class” (270).

Social class continues to influence consumption in other areas. When choosing *where* to consume, people consider many factors, but among them social class has been determined to be the most important. *Who patronizes a particular store? What positions do they occupy in society? What are their social classes?* In the process of deciding where to consume, these are among the criteria that consumers take into account.

Martineau (1958) and Weal (1961) hypothesized that social class plays a significant role in shaping the image of customers about a particular store. Martineau concludes that while stores do not have a universal appeal, they do appeal on a selective basis to different groups of people, depending upon social class. Weal's results suggest that "people associate stereotypic shopper's profiles with stores...people expect a lawyer to shop in this store, and a waitress to shop in that store" (Dickson 1990: 153). In this case, consumption patterns can be linked to perceptions of social comfort: people simply feel more comfortable shopping in a store or an environment that reflects their own social

class, and they will patronize less frequently those establishments which they believe caters to a different class. According to Dickson and Maclachlan (1990), "This reflects people's aversion to interacting with people in lower social classes than their own, as compared to higher social classes than their own" (133).

The relationship between consumption patterns and social class can be seen in other ways. For example, a [insert date here if you have it] study in Southern England that examined the relationship between social class and patterns of food consumption produced interesting results. It found that middle class and working class groups buy the same foodstuffs, but in different types; quality is what middle class look for most. When deciding what to buy, middle class groups were found to be more concerned about health issues, and they displayed a higher degree of sharing the decision-making process about selection than did working class groups. Working class groups were discovered to spend according to what they have financially, while middle class groups spent according to what they needed (Calnan and Cant 1990).

In conclusion, in the last few decades, consumption has gained considerable attention from economists and sociologists alike. In particular, the influence of social class on consumer behavior has emerged as of the relationships on which sociologists focus, and they have verified both that social class directs consumption patterns in particular ways and that consumption reflects a consumer's social class. Other variables taken into account when measuring the relationship between social class and consumption include income, occupation, and residence (Mujeri 1993; Mcnall 1990; Coleman 1983; and Coyner 1977).

While a review of the literature on consumption studies indicates that much groundwork has been laid regarding the connection between consumption patterns and class, the resulting empirical literature is to some degree limited in scope, conclusions, and value. New studies based on adequate data and sufficient methods of analysis are needed to expand and update our understanding of this area of our discipline. This study hopes to accomplish those tasks.

## **METHODOLOGY**

This section focuses on data, variables, and the hypothesis of the study.

### **Data, Variables, and Hypothesis:**

This study utilizes the 1990 Consumer Expenditure Survey produced by the U.S. Dept of Commerce, the Bureau of Census. Expenditure consumption is the dependent variable for this study and will be measured based on the proportion of family income spent on four items: 1) visible products (a scale to measure visible products such as furniture, appliances, apparel, and transportation); 2) insurance; 3) entertainment; and 4) food. Social class is the primary independent variable for this study and will be determined based on total family income. The total cases will be broken down to four quartiles, each representing a social class group. Other independent variables will be used to control for the relationship, such as family structure, including type, number of persons older than 64 and younger than 18; family size; and family residence, rural vs. urban.

### The Study Hypotheses:

This study includes four major hypotheses.

A. Social class is highly related to the proportion of family income spent on visible products.



*H (1): The higher the social class, the greater the proportion of family income spent on visible products.*

B. Social class positively influences the proportion of family income spent on family insurance.

*H (2): The higher the social class, the greater the proportion of family income spent on family insurance.*

C. Social class is highly related to the proportion of family income spent on entertainment.

*H (3): The higher the social class, the greater the proportion of family income spent on entertainment.*

D. Social class negatively influences the proportion of family income spent on food.

*H (4): The lower the social class, the greater the proportion of family income spent on food.*

## **FINDINGS**

As shown in Table 1, the means of expenditures are measured across the four quartiles. Predictably, the bottom 25% of the population, Quartile 1, spends the greatest proportion—19.7% of total expenditures—on food, with a mean of \$3,126; while the top 25%, Quartile 4, spends the smallest—12.7%—with a mean of \$7,513. The other two groups, Quartiles 2 and 3, come in the middle: 17.1% and 15.3%, with means of \$4,037 and \$5,367, respectively. In terms of food at home, Quartile 1 comes first, with 80.4% of the total being spent on food; while Quartile 4 comes last, with 66.6%. Quartile 2 and Quartile 3 measure in the middle—77.3% and 73.5%, respectively. On the other hand, Quartile 4 ranks first in spending on food away from home (33.4% of the total spent on

**TABLE 1**  
**Values for Full Sample by Quartile**

<b>Variables:</b>	<b>Full Sample</b>	<b>(bottom 25%) Quartile 1</b>	<b>Quartile 2</b>	<b>Quartile 3</b>	<b>(top 25%) Quartile 4</b>
Total Exp	\$33,383 (100%)	\$15,908 (100%)	\$23,592 (100%)	\$35,185 (100%)	\$59,097 (100%)
Food	<b>\$5,005 15.0%</b>	<b>\$3,126 19.7%</b>	<b>\$4,037 17.1%</b>	<b>\$5,367 15.3%</b>	<b>\$7,513 12.7%</b>
home	\$3,644 72.8%	\$2,513 80.4%	\$3,122 77.3%	\$3,944 73.5%	\$5,007 66.6%
away	\$1,361 27.2%	\$613 19.6%	\$915 22.7%	\$1,423 26.5%	\$2,506 33.4%
T-housing	\$10,360 31.0%	\$5,729 36.0%	\$7,747 32.8%	\$10,626 30.2%	\$17,409 29.5%
T-apparel	\$1,551 4.6%	\$672 4.2%	\$1,017 4.3%	\$1,617 4.6%	\$2,912 4.9%
T-transpor.	\$6,116 18.3%	\$2,608 16.4%	\$4,557 19.3%	\$6,932 19.7%	\$10,405 17.6%
T-health	\$1,469 4.4%	\$799 5.0%	\$1,336 5.7%	\$1,626 4.6%	\$2,119 3.6%
T-intertain.	<b>\$1,699 5.1%</b>	<b>\$682 4.3%</b>	<b>\$1,068 4.5%</b>	<b>\$1,791 5.1%</b>	<b>\$3,270 5.5%</b>
Enter Fee	\$487 28.7%	\$153 22.5%	\$228 21.3%	\$487 27.2%	\$1,087 33.2%
TV,R,Etc	\$598 35.2%	\$294 43.1%	\$431 40.3%	\$676 37.8%	\$994 30.4%
Other Ent	\$614 36.1%	\$235 34.4%	\$409 38.3%	\$628 35.0%	\$1,189 36.4%
Pers.Care	<b>\$290 0.9%</b>	<b>\$154 1.0%</b>	<b>\$219 0.9%</b>	<b>\$302 0.9%</b>	<b>\$486 0.8%</b>
Reading	<b>\$193 0.6%</b>	<b>\$88 0.6%</b>	<b>\$138 0.6%</b>	<b>\$203 0.6%</b>	<b>\$345 0.6%</b>
Education	<b>\$521 1.6%</b>	<b>\$415 2.6%</b>	<b>\$348 1.5%</b>	<b>\$302 0.9%</b>	<b>\$1,029 1.7%</b>
Tobacco	<b>\$305 0.9%</b>	<b>\$221 1.4%</b>	<b>\$322 1.4%</b>	<b>\$360 1.0%</b>	<b>\$315 0.5%</b>
Misc.	<b>\$619 1.9%</b>	<b>\$275 1.7%</b>	<b>\$455 1.9%</b>	<b>\$681 1.9%</b>	<b>\$1,068 1.8%</b>
T-insurance	<b>\$3,536 10.6%</b>	<b>\$478 3.0%</b>	<b>\$1,445 6.1%</b>	<b>\$3,675 10.4%</b>	<b>\$8,598 14.5%</b>
Life Ins	\$416 11.8%	\$150 31.3%	\$211 14.6%	\$436 11.9%	\$873 10.2%
Ret,Pens	\$3,120 88.2%	\$329 68.7%	\$1,234 85.4%	\$3,239 88.1%	\$7,725 89.8%
<b>Visible Prod.</b>	<b>\$15,086 45.2%</b>	<b>\$6,419 40.4%</b>	<b>\$10,571 44.8%</b>	<b>\$16,473 46.8%</b>	<b>\$26,992 45.7%</b>
Total Inc.	\$36,545 (100%)	\$7,781 (100%)	\$20,374 (100%)	\$38,135 (100%)	\$80,335 (100%)
<b>Other factors:</b>					
Rural/urban	10%	11%	12%	12%	8%
Population size	10%	17%	9%	9%	5%
Family size	2.50	1.85	2.28	2.73	3.11
Family type	38%	71%	43%	25%	10%
Persons LT18	69%	51%	59%	78%	89%
Persons OT64	30%	38%	44%	23%	14%
<b>Sample n (weighted):</b>	<b>86,443,722</b>	<b>21,609,994</b>	<b>21,608,994</b>	<b>21,843,232</b>	<b>21,381,502</b>

food). Quartile 3 comes second, with 26.5%; Quartile 2 third, with 22.7%; and Quartile 1 last, with 19.6%.

Spending on housing indicates an additional difference among the four quartiles. Quartile 1 comes first in spending on housing: 36.0% of total expenditures, with a mean of \$5,729. Quartiles 2 and 3 come next—32.8% and 30.2%—with means of \$7,747 and \$10,626, respectively. Quartile 4 comes last, at 29.5%, with a mean of \$17,409.

With regard to apparel purchases, Quartile 4 results are quite expected: this group spends the greatest proportion on clothing: 4.9% of total expenditures, with a mean of \$2,912, compared to 4.2% and a mean of \$672 for Quartile 1, the group which spends least on clothing. Consumers from the other two groups—Quartile 3 and Quartile 2—place in the middle at 4.6% and 4.3%, with means of \$1,617 and \$1,017, respectively.

Quartile 3 ranks first in spending on transportation, at 19.7% of total expenditures, with a mean of \$6,932, followed by Quartile 2 (19.3%), with a mean of \$4,557. Quartile 4 comes third (17.6%), with a mean of \$10,405, and Quartile 1 comes last (16.4%), with a mean of \$2,608.

In terms of entertainment, Quartile 4 spends the largest proportion—5.5% of total expenditures, with a mean of \$3,270—compared to Quartile 1, which spends the smallest proportion (4.3%), with a mean of \$682. Quartile 3 places second, 5.1% with a mean of \$1,791, while Quartile 2 comes third, at 4.5% with a mean of \$1,068.

In health-related spending, Quartile 2 ranks first—5.7% of total expenditures, with a mean of \$1,336—compared to 3.6% with a mean of \$2,119 for Quartile 4, which comes last. Quartile 1 places second (5.0% with a mean of \$799), while Quartile 3 comes third (4.6%, with a mean of \$1,626).

Surprisingly, Quartile 1 ranks first in spending on education: 2.6% of total expenditures, with a mean of \$415. Quartile 4 comes second: 1.7%, with a mean of \$1,029. Quartile 2 ranks third (1.5%, with a mean of \$348), while Quartile 3 comes last, (0.9%, with a mean of \$302).

On insurance, Quartile 4 spends the greatest proportion, at 14.5% of total expenditures, with a mean of \$8,598. Quartile 3 comes second, 10.4%, with a mean of \$3,675; Quartile 2 ranks third, 6.1%, with a mean of \$1,445; and Quartile 1 comes last, 3.0%, with a mean of \$478.

Regarding the proportion of income spent on visible products, clearer differences exist between the four quartiles under study. As mentioned in the Methods section, *visible products* involves a scale created specially for this study to measure the total proportion of income spent on furniture, appliances, apparel, and transportation with a focus on new and used cars and trucks. Analytical results (see Table 2) indicate that in terms of the proportion of income spent, consumers from Quartile 3 spend the most on visible products: 46.8% of total expenditures, with a mean of \$16,473. Consumers from Quartile 4 come second, 45.7%, with a mean of \$26,992. Consumers from Quartile 2 rank next (44.8%, with a mean of \$10,571), while consumers from Quartile 1 measure last (40.4%, with a mean of \$6,419).

### **Bivariate Analysis**

Comparison of relevant study group means (see Table 2) indicates that all four quartiles rank significantly different on related factors. Testing at the 0.05 level with one-tail probability of  $< .001$  for all four variables, we reject the null hypothesis of equal

**Table 2**

**Group-Means Comparison t-Tests Across Quartiles on Selected Variables**

Variables	(bottom 25%)			(top 25%)			
	Quartile 1	<sup>1</sup>	Quartile 2	Quartile 3	Quartile 4		
Visible Expenditures	\$9,008	***	\$13,321	***	\$19,175	***	\$30,726
Food	\$3,126	***	\$4,037	***	\$5,367	***	\$7,513
Entertainment	\$682	***	\$1,068	***	\$1,791	***	\$3,270
Insurance	\$478	***	\$1,445	***	\$3,676	***	\$8,598

1=two-tailed t-test level of significant difference\*\*\*p<0.001;\*\*p<0.01;p<0.05;ns non-significant

means. It can be concluded that the four quartiles were drawn from populations in which the means were unequal.

**Multivariate Analysis: Full Saturated Regression Model**

As shown in Table 3, the independent variables explain 37% of the variation in the dependent variable. Total income, population size, family size, and family type significantly impact consumption patterns and can be used to predict the dependent variable. On the other hand, the number of persons younger than 18 years of age and older than 64 years have no significant relationship on such patterns. The standardized regression equation shows that of all variables, income has the strongest direct effect on consumption patterns (0.54 beta), followed by family size (0.1 beta). The other independent variables have negative effects on the dependent variable. The weakest predictors of consumption factors were found to be family type and population size (with negative effects of -0.06 and -0.04 beta, respectively).

**Table 3**

**Consumption Model for Full Sample**  
(dependent variable = log of total expenditures)

<b>Variables:</b>	<b>unstd. coeff.</b>	<b>1</b>	<b>std. coeff.</b>
Total income	0.540	***	0.545
Population size	-4349.670	***	-0.041
Family size	2120.480	***	0.100
Family type	-3834.260	***	-0.060
Number persons <18	-1052.250	ns	-0.034
Number person >64	-615.800	ns	-0.011
Constant:	11369.040	***	
Adjusted R-sq.:	0.378	***	

1=\*\*\*p<0.001;\*\*p<0.01;\*p<0.05;ns non-significant

**Full Saturated Model by Quartiles**

As shown in Table 4, the largest percentage of variance in the dependent variable is explained by the equation for Quartile 4 (19%), followed by Quartile 1 (8%). For Quartile 2, the independent variables explain 6% of the variance in the dependent variable, while they explain just 5% in Quartile 3.

By looking at the unstandardized betas, we can determine that no single independent variable is strong enough to create significant effects across all four quartiles. For example, income variable is a very significant factor in all groups, *except Quartile 1*. Population size has a significant relationship to the dependent variable in all groups, *except Quartile 3*. Family size and the number of persons younger than 18-

**Table 4**  
**Consumption Pattern Models by Quartiles**  
(dependent variable = log of total expenditures)

Variables:	unstandardized betas								standardized betas			
	(bot. 25%)		Q 2		Q3		(top 25%)		(bot. 25%)		(top 25%)	
	Q 1	1	Q 2		Q3		Q4		Q 1	Q 2	Q 3	Q 4
Total income	0.06	ns	0.61	***	0.59	***	0.59	***	0.01	0.14	0.18	0.42
Population size	-5789.84	***	-2988.51	***	-3151.11	ns	-5795.36	**	-0.10	-0.04	-0.04	-0.03
Family size	4957.52	***	2020.70	ns	3083.86	***	906.53	ns	0.29	0.15	0.20	0.03
Family type persons <18	-6421.61	***	-3409.20	**	-306.07	ns	-4538.13	ns	-0.13	-0.09	-0.05	-0.03
persons >64	-5463.60	***	-618.05	ns	-2511.16	**	1721.33	ns	-0.26	-0.03	-0.13	0.04
Constant:	15497.04	***	9600.39	***	6717.51	***	8481.12	***				
Adj R-sq.:	0.08	***	0.06	***	0.05	***	0.19	***				

1=\*\*\*p<0.001;\*\*p<0.01;\*p<0.05;ns non-significant

years-old are found to be significant only in quartiles 1 and 3. Family type has a significant relationship to the dependent variable in Quartile 1 and Quartile 2 only. The number of persons older than 64 years of age is found to be the least important relationship to the dependent variable, being significant only in Quartile 1.

The standardized regression equation shows that for Quartile 1, the variable family size (0.29 beta) has the strongest effect on determining consumption patterns. Income comes second, with a beta of 0.01. The other independent variables have negative effects on the dependent variable. The number of persons younger than 18 years of age is found to be the weakest predictor of consumption patterns. For Quartile 2, we notice that family size, with beta of 0.15, is the best predictor of the dependent variable. Income, 0.14 beta, continues to be effective in determining the consumption patterns. The other independent variables have negative effects on the dependent variable. The results show that family type (-0.09 beta) is the weakest predictor of the consumption patterns. For Quartile 3, family size (0.20 beta) is still the best predictor of consumption patterns, followed by income (0.18 beta), which continues to be a strong factor. The other independent variables have negative effects. The number of persons younger than 18 years of age is found to be the weakest predictor. In Quartile 4, income has its greatest effect on the dependent variable (0.42 beta), followed by the number of persons younger than 18 years of age (0.04 beta). Population size and family type have the same negative effects on the dependent variable, -0.03 beta.



## DISCUSSION

This section will discuss the importance and theoretical significance of the findings reached by this study, as well as its potential limitations and suggestions for further research.

### Importance of Findings

When determining the importance of the findings reached by this study, we must consider two questions: *How do the classes differ in their consumption of selected expenditures? Among all factors, which most effectively determines consumption patterns?* For the purposes of this study, the term *social class* will be used to represent the four quartiles. *Lower class* will represent the bottom 25% of the population, while *upper class* represents the top 25%. *Middle class* will be assigned to represent the two middle quartiles.

We begin to answer the first question by looking at the consumption of housing, where we notice that the different economic groups spend as much as one-third of their income on housing. In terms of the proportion of income being spent, upper class consumers were expected to spend more on housing than any other class; however, the results not only did not support this expectation but in fact indicates quite the opposite. Despite having the largest family size—a mean of 3.11 members, compared to 1.85 in lower class families—the upper class is revealed to spend less on housing than the lower class: 29.5% of total expenditures compared to 36.0%, respectively (see Figure 2). One potential explanation for this result is that because more upper class consumers own their homes, they do not have to pay rent; therefore, they spend less. A closer look at the

housing items shows that out of what is being spent on housing, lower class consumers spend 37.0% on rentals, while consumers from the upper class spend just 7.6%.

The study hypothesized that, of all groups, the upper class spends the largest proportion on entertainment. By looking at the results shown in Figure 3, we notice that the upper class consumers indeed ranked first in spending on entertainment (5.5%), while the lower class consumers fell into last place (4.3%). What is important here is the type of entertainment being consumed by the study groups. While consumers from the lower class spend more on home entertainment, such as television, radios, VCRs, and DVD players, consumers from the upper class spend more on out-of-home entertainment fees, such as for movies shown in theaters, concerts, and sporting events.

Consumption of food is considered to be one of the most important expenditures in any discussion of consumption patterns. As Figure 4 indicates, although they have the smallest family size, lower class families rank first in spending on food (19.7% of total expenditures), compared to upper-class families (12.7%). On the other hand, one-third of consumers from the upper class spend money on food away from home, while less than a quarter of the lower class do so (see Figure 5). Dining out is not just entertainment; rather, it has become a way publicly declaring one's social status.

Insurance consumption also proves interesting. Fourteen percent of upper class consumers spend a larger proportion of income on insurance, while only 3.0% of lower class consumers do so (see Figure 6). An explanation for this noticeable difference would be the fact that consumers from the lower and middle classes are forced to spend more of their incomes on basic necessities—housing and food, to name only two—and

thus have less to apply toward additional expenses, even important ones such as insurance.

Finally, this study hypothesized that in comparison to other groups, upper class consumers would spend the largest proportion on visible products; however, the results did not support this assumption. In fact, results indicate that the middle class consumers of Quartile 3 spend more (46.8%) on visible products (see Figure 7). Upper class consumers indeed ranked high, but in *second* place (45.7%), while lower class consumers come last (40.4%). In my opinion, these results support Coleman's description of *middle class* as those people who want to buy what is popular, live in nice homes in nice neighborhoods, shop at more expensive stores for better brand names, and express "constant concern over the appearance of public areas in one's home, wherever guests may visit and pass judgment" (Coleman 1983:272). For the middle class, consumption of visible products functions to create a new identity: a higher social status.

With respect to the second question—*Among all factors, which most effectively determines consumption patterns?*—analysis of the whole sample shows that income is the most important factor in determining consumption patterns, while population size ranks as least important. The analysis of the whole sample by class shows that family size is the most important factor for lower, middle, and upper middle class, while income is still the most important factor for upper class consumers. The other factors varied in their importance from one class to another between positive and negative effects.

## **Theoretical Significance**

To some extent, the study results support the claims made by existing literature. In this section, I intend to address such examples of support with reference some of the theoretical perspectives regarding the relationship between consumption and social class.

The consumption of personal care, reading, and tobacco supports Bourdieu's (Longhurst and Mike 1996) argument that people from different social classes can have the same interest in one or more things. The study results show that all classes spend almost the same proportion on these expenditures.

In his research, Veblen (Otnes 1988) coins the concept of "conspicuous consumption" and describes how the wealthier classes try to display their wealth through consumption. By looking at the study results, we notice that upper class consumers come first in consuming food away from home, spending on entertainment fees, and purchasing clothes. Such activities can indeed function as a way of "showing off" or of permitting this class to express their more prestigious status as members of a select class.

By the same token, the results of this study's food consumption research support the literature. Fritz Groner (Coyner 1997) argues that consumers from the working class need more food because they feel financially insecure. The study results show that among all consumers, those of the lower class spend the largest proportion of their incomes on food.

## **Statement of Limitation and Future Research**

Although many of the findings reported by this study do concur with those made by the earlier, established literature, there are some limitations that must be recognized.

To begin with, the secondary data needs additional exploration. First, according to the literature, different classes reflect different choices and criteria for what they consume and where they shop. However, for this study it was not possible to get specific information regarding where consumers shop and what brand names they prefer. Such information would provide a better understanding of consumers' behavior across different social classes. Second, the data set provides a class definition based only on income, which might not be deemed sufficient for this study. Third, due to the top coding, we could not get to know the consumption patterns for those in the upper reaches of the upper class. Fourth, income masks class differences. Self-employed respondents might not report their real total income either because they had a negative income at the time of survey or because of their fear of the IRS and other tax agencies. Finally, this data set measures only the cost of property, but there is a need for measuring its value as well. In order to achieve more meaningful results, future research should (a) use a data set that has clearer markers of several classes and (b) should adjust for family income and size.

## References

- Calnan, Michael, and Cant Sarah. "The Social Organization of Food Consumption: A Comparison of Middle Class and Working Class Households." International Journal of Sociology and Social Policy, 1990, Vol.10, No.2, p53-87.
- Coleman, Chard P. "The Continuing Significance of Social Class to Marketing." Journal of Consumer Research, December 1983, Vol.10, p265-279.
- Coyner, Sandra J. "Class Consciousness and Consumption: The New Middle Class during the Weimar Republic." Journal of Social History, March 1977, Vol. 10, No. 3, p310-326.
- Dawson, Scott, and Wallendorf, Melanie. "Associational Involvement: An Intervening Concept between Social Class and Patronage Behavior." Advance in Consumer Research, 1985, Vol. XII, p586-591.
- Dickson, John P. "Social Distance and Shopping Behavior." Journal of the Academy of Marketing Science, spring 1990, Vol. 18 Issue 2, P153-162.
- Ham, Cuning, and Isabella C. (1976). Social Class and Consumption Behavior in Sao Paulo, Brazil. Bureau of Business Research, The University of Texas.
- Laermans, Rudi. "Learning to Consume: Early Department Stores and Shaping of the Modern Consumer Culture." Theory, Culture, and Society, 1993, Vol.10, p79-102.
- Longhurst, Brian, and Mike, Savage. (1996). Consumption Matters. Oxford: Blackwell Publishers.
- Loudon, David, and Bitta Albert. (1979). Consumer Behavior. New York: McGraw-Hill Book Company.

McNall, Scott G. "You Are What You Eat: Thoughts on Consumption and Marxist Class Theory." Mid-American Review of Sociology, 1990, Vol. XIV, No. 1-2:45-52.

Mujeri, Mustafa K., Mohammad Alauddin, and Clem Tisdell. "Consumption, Savings and Investment by Social Class in Bangladesh: Does the Rural Sector Support the Urban Sector?" The Journal of Development Studies, Vol. 30, No.1, October 1993, p226-245.

Otnes, Per. (1988). *The Sociology of Consumption*. New Jersey: Humanities International.

Veblen, Thorstein. 1988 (2001). *The Theory of the Leisure Class*. New York: the Modern Library.