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E D I T O R S

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# India's Changing Consumer Economy: A Cultural Perspective

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## ABSTRACT

As India moves from a production oriented mixed economy to a consumer society, there is a need to understand the forces behind this transition. In this paper, I examine a number of cultural and social themes accompanying the consumerist trends in India. Although India remains in the bottom half of the world economies, there is every reason to believe that this is not likely to last long, for many structural changes are evident including the transformation of the middle class which is at the vanguard of the consumer revolution.

## INTRODUCTION

This paper examines the changing consumer scene in India. Unlike some of the other Asian countries like Malaysia, Indonesia, Thailand, and Taiwan, where the "consumer revolution" has already forged ahead, or is in progress, India has been a slow starter in this push for change. However, recent trends suggest that a wave of consumerism is spreading to India also. This paper is based partly on my ethnographic field work conducted in Madras, a Southern Indian city of approximately five million people, and partly on a reading of secondary sources. This should be considered work in progress and, therefore, only some initial ideas are presented here. The reader is also referred to other related works undertaken by the author (Venkatesh 1994/95a, 1994/95b; Venkatesh and Swamy 1994/95).

The general presentation in this paper will be thematic or topical rather than analytical, or theoretical. That is, the paper explores several themes instead of a unifying set of research questions or a single theory. Thus this is a thick description of Indian culture and India as a consumer society.

## SOME GENERAL COMMENTS

Several authors have pointed out the growing economic and consumer power of India. Many multinational corporations are beginning to invest in India. In this respect, India is no different from many other emerging consumer economies, whether they are in Eastern Europe, Asia or Latin America (Arnould 1989, Belk 1988, Ger and Belk 1990, Witkowski 1993). This fact by itself does not give any special clue to the Indian scene unless one also examines what peculiar circumstances pertain to India. In other words, just because there may be similarities across different markets and cultures on certain dimensions, it does not mean that the content and patterns of the developments are the same. The paper will not provide a comparative analysis of India with other countries where similar developments may be taking place. My experience in India has taught me some important lessons. With the burgeoning of comparative studies, there may be a tendency among researchers to draw quick conclusions about cultures in which they may have only superficial familiarity. Any serious study of different cultures requires some deep knowledge gained through a proper study of the culture. See Arnould (1989) for a good example of writing with great cultural depth and understanding. This can be accomplished by a knowledge of the literature, the economic scene, and important cultural works that reflect the culture in some meaningful terms. A second lesson that I have learnt is that belonging to a particular cultural group does not immediately qualify one to claim scholarly expertise on that group. It certainly helps, no doubt. For example, many of the best works on India are written by non-Indian scholars who have devoted a great deal of

time and effort over a period of several years. Their interpretations may be different from those of indigenous scholars but they are nevertheless well-informed and well-founded. Although I am an Indian by birth, I couldn't have gained the knowledge required for my work without doing field work in India for sufficiently long duration (seven months) and studying the relevant literature that provided me with important theoretical insights needed to interpret my empirical observations.

## RISING CONSUMERISM IN INDIA

Consumerism is used here in the sense of the development of consumer oriented tendencies, marked by the availability of a variety of manufactured consumer goods and active advertising of the products in various media. Much research exists on the evolution of consumer societies in the West. Although there are some common characteristics in these societies, there are also many differences. The differences are based on cultural variations within each culture. This is the reason why I have proposed a new paradigm for the study of consumerism based on cross-cultural differences. I have labeled this "ethnoconsumerism" (Venkatesh 1994a). Recent cross-cultural work has shown us how the same products may undergo different consumer usages and experiences based on particular cultural norms and practices. The case in point is the motor scooter (dy Pessler 1992). The author describes in great detail the cultural context and experience of the motor scooter in three different cultures, Italy, England and India. The vehicle was marketed as an aesthetic object in Italy, it became a mark of rebellion among punk groups in England, and a family/personal utility transportation in India.

Part of the rising consumerism in India may be cast in the general context of global tendencies in consumerism. Recent work suggests that global diffusion of consumerism has been aided by the expansion of multinationals, the diffusion of telecommunication and satellite technologies, the general dissatisfaction with socialist political regimes and rising economic success in East Asian countries. Certainly, recent moves in India echo these developments.

What is happening in India may also be described in postmodern terms. Indian development does not follow standard chronological sequences observed in some Western societies. Models of social change do not follow any known patterns of change. Modernist methods found in the conventional social sciences have limited value when the objective is to capture change in non-Western cultures. This is because modernist thinking is regimented, very rationalistic and (pseudo)scientifically oriented. Postmodernist thinking accommodates non-linear thinking, and is open-minded when it comes to alternate or non-orthodox patterns. For example, some new technologies in India are diffusing faster than some old technologies. So, one cannot use the historical progression of the West as a model to study India. Indian consumer scene is replete with what might be misinterpreted by the modernist to be contradictions and the juxtaposition of opposites (and therefore, non-natural), but in reality they represent highly symbolic modes of behavior much of which must be understood within the Indian cultural framework.

## The Discourse of Consumerism

In this category, we include the rhetoric of consumerism in everyday life. A large part of consumerism depends on advertising. A second aspect of consumerism discourse relates to the everyday

notion of the objective world extends to its aesthetic and functional dimensions only. What is significant about the Indian experience is the spiritual coloring that is readily accorded to material objects. This is an important part of the Hindu cosmology and must be given serious consideration in the study of Indian consumer culture.

Indian culture must be understood in cosmological terms of how human life is constituted in terms of the universal order, and also in social everyday terms and as part of daily human experience. Indians are conscious of these two dimensions, the transcendental and the phenomenological, and are able to switch back and forth with considerable ease. In the Western context, the transcendental is the religious or the spiritual realm and has been relegated over the centuries to a marginal status, while the phenomenological has become the material realm and has gained considerable social and cultural strength over the former. Indians consider life to be a matter of multiple experiences closely tied to the both the transcendental and everyday aspects of existence. To a Westerner, such an outlook is more likely to produce a lot of contradictions, but, to an Indian, contradictions, oppositions are not to be minded but dealt with as part of the rich experience of human life.

An aspect of Indian cultural life has to deal with time. Time is neither historical nor chronological. Time is essentially cyclical. Similarly, birth and death are not considered two finite events but two stages in one's continuous existence. Thus the time before birth and after death have concrete meanings for many Indians. Because of this, the individual experiences take on different meanings since the Indian is prone to establish associations with people dead and gone.

The concept of self in Indian culture is not a well defined property of a single individual but something which extends and is linked to several others selves. Clearly, it is different from the Cartesian self which establishes the identity of the individual in the West.

### MODERNIZATION IN THE INDIAN CONTEXT

Several authors have written on modernization, both as a process and an end-state (Bendix 1967, Gusfield 1967, Inkeles 1969, Schnaiberg 1970, Vajpeyi 1982, Singer 1989). Schnaiberg has studied the change process occurring through modernization, especially in the context of the family. Based on some previous studies, he notes that there is a hypothesized shift from an extended family system to a nuclear family system, consonant with individual mobility (social and geographic). He further postulated changes in the structure of production and consumption functions at home, declining importance of primary groups, greater dependence on impersonal resources (e.g. media) for information, and decline in religious involvement. Schnaiberg conducted a study of 803 Turkish households in the city of Ankara and evaluated them on six dimensions: media usage, extended family ties, declining religiosity, nuclear family role structure, environmental orientation, and production/consumption orientation. Since the study was conducted in a "developing" country, the findings are relevant to us. He found that all these dimensions were correlated with "modernism." At the theoretical level, it means that even in non-Western societies, the process of urbanization and modernization and the impact of new technologies will grossly parallel the developments in Western-industrialized societies. One should not forget that there could be exceptions to this. For example, in Iran, the recent history tells us that modernization over the years had the opposite reaction of pulling the country toward religious formalism.

In the Indian context, the early work of Srinivas (1966) is relevant to us. Srinivas has discussed social change in terms of Westernization, industrialization, urbanization and secularization. Westernization results in the introduction of new institutions (elec-

tions, newspapers etc.) and modifications to old institutions. It introduces such things as Western technology, clothing and eating practices, scientific and rationalistic view points. Modernization is related to Westernization. It is a general term that includes Westernization, industrialization, and secularization. Countries may prefer the term "modernization" to Westernization because it does not have the negative connotation of having to give up what is good within the indigenous culture. Vajpeyi's research (1982) explored the attitudes, opinions, perceptions and beliefs of the Indian elites toward modernization. His findings show that the Indian elites support the idea of social change through modernized developments as long as the traditional value system is not negatively impacted. This view is also confirmed by Singer (1989). In many non-Western societies modernization has become a value-laden term, because its main challenge lies in the discovery of relevant ideology. The urge for modernity is commingled with the urge for identity. In India, the dominant cultural values are hierarchy, holism, continuity and transcendentalism. There is a fundamental religio-social outlook where religion and personal life are neither separate nor antagonistic.

### Rural versus Urban Economic Structure

In terms of development theory, India has been regarded as an agricultural economy which is becoming rapidly industrialized. This also means that a large percentage of Indian population lives in rural sector as opposed to urban centers. Currently, the division between rural and urban population distribution is 70% to 30%. While this reveals a large rural bias, it however points to a dramatic shift to greater urbanism because in 1960 the distribution was 85% and 15%. Urban industry, which was barely existent thirty years ago, generates 40% of the national output. While the rural labor force still exists based on historically constructed caste lines as non-competing groups, the structure of the urban labor force is becoming more cosmopolitan. Thus what used to be a caste-based labor force is slowly giving way to class-based one. Of course, even in urban areas, the transformation is not total and is limited to white collar jobs. Lower income people usually belong to lower castes in the caste hierarchy with less education and lower skill levels. It is only at the middle range that things are changing dramatically.

### THE CHANGING ROLES OF WOMEN

India is certainly witnessing some of the most significant changes in the economic and social status of women in the urban areas and in the nature of the household structure. For the first time we are able to see trends that transcend the caste hierarchy, to a more class based system. This means that caste hierarchy is disappearing among the upper strata of society. This does not however mean that caste differences are themselves disappearing. In other words, economic prosperity has touched people belonging to different castes, and educational levels are increasing along similar lines. Many women from different castes do attend colleges and universities, and are gainfully employed. This has given them both economic and social status. Many young women, in contrast to what had happened in the yester years, are choosing their marriage partners either directly or through some sort of consensus with their parents. Even though many marriages today are still arranged, men and women exercise equal choice in the decision. The decision remains a family decision more by consensus rather than by an imposition from the parents.

The attitudes of women with respect to marriage, career, economic status, are undergoing so many changes that there seem to be intra-generation differences among women within narrow age categories. By that I mean that it is not merely a difference between a parent and a daughter that one expects to find here, but differences

etic point of view, one can find Indians who are traditional, or modern, or progressive, or even Westernized, or some combination thereof (Chakraborty 1991, Srinivas 1966). From an emic point of view, similar labels are used by Indians to describe themselves, although the term "Westernized" seems the least favored (based on personal interviews). Indians use a combination of this terminology, to represent the notion that on some aspects of their lives, they are modern, while on some other aspects, they are quite traditional. Among many middle-class Indians this ontological tension exists regardless of age or gender, signifying the fear of a possible loss of cultural identity in moving away from their imagined notions of Indianness.

- h) In terms of the contemporary power structure based on political, social and economic means, but leaving the caste aside for a moment, we describe India as a multi-layered society. The layer significant for our study includes a variety of groups, the salaried middle class, professionals (lawyers, doctors, business managers, some bureaucrats, etc.), small entrepreneurs, educationists and the like. It is this layer that is most significant from the point of view of social change. The changing values within the Indian context that are having an impact on the rest of the society seem to find their most resonance in this class of people. People in this category seem to be very ambitious, work very hard, and want to improve their financial condition. We regard this category of people most important for studying the changing consumer culture.

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