VALUES AS MULTIVARIATE CONSUMER MARKET SEGMENTATION DISCRIMINATORS: A SUBJECTIVE WELL-BEING APPROACH

LEONA UNGERER

VALUES AS MULTIVARIATE CONSUMER MARKET SEGMENTATION DISCRIMINATORS: A SUBJECTIVE WELL-BEING APPROACH

by

LEONA MARTHA UNGERER

submitted in accordance with the requirements
for the degree of

DOCTOR OF LITERATURE AND PHILOSOPHY

in the subject

PSYCHOLOGY

at the

UNIVERSITY OF SOUTH AFRICA

PROMOTER: PROF F J VAN STADEN

JOINT PROMOTER: PROF J P R JOUBERT

APRIL 2009

ACKNOWLEDGEMENTS

My sincere thanks go to the following persons for their contribution toward the completion of this research:

- Prof Fred van Staden, for his thorough evaluation and timely, supportive feedback.
- Prof Pierre Joubert, for his consumer psychology contribution.
- Dr Arien Strassheim and Monica Coetzee for their assistance with the statistical analyses and interpretations.
- Dr Anna-Mart Bonthuys for the editing of the document.
- My friend, Zané Loftie-Eaton, for the technical editing and layout of the manuscript in its final format.
- James Kitching and Mélanie Malan for their excellent assistance as subject librarians.
- My husband, Chris Ungerer, for his love, support and encouragement.
- My mother, Esther Millar, for her constant love and support.
- My colleague, Dr Dirk Geldenhuys, for his interest and encouragement.
- My parents-in-law, Prof Thys and Suzette Ungerer, for their interest.
- The University of South Africa for its financial contribution towards my studies.
- Mari Harris from Ipsos-Markinor for her assistance in including the fieldwork for this research in the 2005 Omnibus.
- Prof Shalom Schwartz for so freely sharing his expertise.

STUDENT NUMBER: 3462-884-3

I declare that the thesis entitled "**VALUES AS MULTIVARIATE CONSUMER MARKET SEGMENTATION DISCRIMINATORS: A SUBJECTIVE WELL-BEING APPROACH**" is my own work and that all the sources that I have used or quoted have been indicated and acknowledged by means of complete references.

SIGNATURE **DATE**

LEONA UNGERER

VALUES AS MULTIVARIATE CONSUMER MARKET SEGMENTATION DISCRIMINATORS: A SUBJECTIVE WELL-BEING APPROACH

by

LEONA UNGERER

DEGREE:	DLitt et Phil
SUBJECT:	Psychology
PROMOTER:	Prof FJ van Staden
JOINT PROMOTER:	Prof JPR Joubert

SUMMARY

The Living Standards Measure (LSM), a South African marketing segmentation method, is a wealth measure based on standard of living. This research study investigates whether a rationale can be found for the inclusion of value-related variables in this type of multivariate segmentation approach.

Schwartz's (1992; 2006) values model was used to operationalise personal values and individual-level culture – focusing on two of its dimensions, ideocentrism and allocentrism. The current positive psychology research trend manifests in the inclusion of subjective well-being (SWB), as measured by satisfaction with life (SWL).

The primary objective of this research was to investigate at individual (and not group or societal) level whether values and SWL can be used to discriminate among multivariate consumer segments.

Data were collected by means of a survey from a nationally representative sample (n = 2566) of purchase decision-makers (PDMs). The measurement instruments used were the Portrait Values Questionnaire (PVQ) and the Satisfaction with Life Scale (SWLS). A multi-group confirmatory factor analysis (MGCFA) was used to assess the psychometric properties and test the equivalence of the scales across cultural groups. MGCFA was also used to test for differences across LSM groups on the PVQ and SWLS. Centred value scores were used to test for differences between LSM groups in terms of their values and SWL, using MANOVA.

The findings supported Schwartz's theory of basic human values, and small differences were found in the PVQ values between LSM groups using the MGCFA approach. MANOVA analyses showed stronger differences across LSM groups. PDMs in the higher LSM segments were more satisfied with their lives. No significant relationships between values and SWL were found, and the effect of individual-level culture, as a higher-order dimension of four values, showed a small but significant effect on SWL.

KEY TERMS: market segmentation, values, consumer behaviour, living standards, subjective well-being, satisfaction with life, cognitive constructs, culture, individual-level culture

TABLE OF CONTENTS **PAGE**

LIST OF FIGURES

PAGE

PAGE

LIST OF TABLES

PAGE

LIST OF APPENDICES

LIST OF ABBREVIATIONS / ACRONYMS USED

CFA: Confirmatory factor analysis
ECM: Emerging consumer market
IC: Individualism-collectivism
PDMs: Purchase decision-makers
QOL: Quality-of-life
MGCFA: Multi-group confirmatory factor analysis
PVQ: Portrait Values Questionnaire
SEM: Structural equation modelling
SES: Socio-economic status
SVS: Schwartz Values Survey
SWB: Subjective well-being
SWL: Satisfaction with life
SWLS: Satisfaction with Life Scale

CHAPTER 1 INTRODUCTION

1.1 CONTEXT OF THIS RESEARCH

Market segmentation is a central strategic decision area for companies in all industries. The underlying logic is that customers differ in terms of their product preferences and buying behaviour, and groups of customers with similar characteristics will tend to respond similarly to marketing programmes (Dibb & Simkin, 2008).

Market segmentation provides a systematic approach for controlled market coverage, compared to the haphazard approach of mass marketing campaigns. Effective market segmentation consequently results in the company satisfying customer needs better, creating competitive advantage, more effective application of resources and ensures that companies' products are better targeted (Dibb & Simkin, 2008).

Effective consumer segmentation requires a company to periodically reconsider its marketing strategies. According to Nwanko, Aiyeku and Ogbuehi (2006), constantly changing modern marketing environments, fierce competition in many consumer goods markets and the need to target consumers more effectively force marketers to continually review methods of segmenting markets in which they are interested. Although socio-economic segmentation, for example, provides a broad picture of a particular market, Mead (in Nwanko et al., 2006) points out that socio-economic categories are increasingly being replaced by other more sophisticated segmenting techniques which probe the psychological aspects of consumer decision-making. Companies are further faced by increasing pressure to be more responsive to social, environmental and economic demands, as will be evident in Chapter 2.

1.2 MARKET SEGMENTATION

Higgs (2008) points out that South Africa is ideally suited to market research because of its cultural diversity and its high Gini co-efficient (a measure of the degree of inequality in people's incomes). A marketplace as diverse as in South Africa, composed of many different people, with different backgrounds, interests, needs and wants, especially lends itself to market segmentation – the practice of dividing a market into smaller specific segments sharing similar characteristics (Tranter, Stuart-Hill & Parker, 2009, p. 42).

Market segmentation is usually the first step in a three-phase marketing strategy. After segmenting the market into homogeneous clusters, one or more segments are selected for targeting. To accomplish this, the marketer must decide on a specific product, price, channel and/or promotional appeal for each distinct segment. Finally, the product is positioned in such a way that it is perceived by each target market as satisfying that market's needs better than competitors' products. Segmentation studies can also guide the redesign or repositioning of a product, where the product targeting is extended to a new consumer segment. Furthermore, segmentation research may assist marketers in identifying the most appropriate media in which to place advertisements. In addition, consumers also benefit from market segmentation. When marketers provide a range of products or choice of services to meet diverse consumer interests, consumers' overall happiness, satisfaction, and quality of life (QOL) may be enhanced (Schiffman & Kanuk, 2007).

Selecting the most appropriate base(s) on which to segment the market forms the first step in developing a segmentation strategy. Schiffman and Kanuk (2007) point out nine major categories of consumer characteristics which serve as the most popular bases for market segmentation. These include geographic factors, demographic factors, psychological characteristics, psychographic (lifestyle) characteristics, socio-cultural variables, use-related characteristics, use-situation factors, benefits sought, and hybrid segmentation forms such as demographic/ psychographic profiles, geo-demographic factors, and values and lifestyles.

Michman, Mazze and Greco (2003) point out that segmentation should not be limited to a single variable; instead multiple dimensions should ideally be considered. A segmentation scheme based on multiple dimensions is often more valuable and flexible in planning marketing strategy than a single base. A combination of several segmentation bases are consequently used in hybrid (or multivariate) segmentation to create comprehensive profiles of particular consumer segments (e.g., a specific age range, income, lifestyle, and profession). Arnould, Price and Zinkhan (2004) further point out that hybrid approaches which combine demographic, geographic and psychographic variables are increasingly used to segment markets more precisely.

According to Haupt (2001), a requirement for an effective market segmentation tool is that it should create an index that will differentiate between people with different behaviour patterns, and group together those people with similar behaviour. One such index, the Living Standards Measure (LSM), developed by the South African Advertising Research Foundation (SAARF), is one of the most widely used marketing segmentation tools in South Africa.

1.2.1 Market segmentation method used in this research

As will be evident in Chapter 2, the LSM is a wealth measure, based on standard of living. This research investigates the inclusion of psychological variables in this type of multivariate segmentation. Four LSM super groups were created to investigate differences among them on value-related variables and to determine how this relates to their subjective well-being (SWB). Data were obtained from consumers who were wholly, mainly or partly responsible for the day-to-day purchases of the household. The sample therefore consisted of adult South African purchase decision-makers (PDMs).

1.3 CONSUMER VALUES

Several theoretical perspectives have been used to understand how values develop and how they impact on behaviour. The current research was mainly based on Schwartz's values theory, as exposited in Chapter 5.

Schwartz (2006) presents a theory of the basic values that people in all cultures recognise. It identifies ten motivationally distinct value orientations and specifies the dynamics of conflict and congruence among these values. Schwartz and Bilsky (in Schwartz, 2006) developed a theoretical framework which integrates the values developed by Rokeach into a psychological structure, and which may be particularly useful in the macro-approach to segmentation underlying this research (to be discussed in Chapter 2). They propose a universal structure, organised in ten motivational areas that are supposed to represent the bulk of human aspirations.

They identify different groups of values according to three criteria:

- according to the objective (instrumental or terminal),
- according to interest (individualist, collectivist or both), and
- according to ten motivational domains (power, achievement, hedonism, stimulation, self-direction, universalism, benevolence, conformity, tradition and security).

Values can thus be considered as people's adhesion to **objectives** (terminal or instrumental), which are conducive to satisfy certain **interests** (individual, collective or both). These values belong to ten **motivational areas** which are of varying importance in a person's daily life. These lead to motivationally distinct value types that are likely to be recognised within and across cultures, and are used to form value priorities.

The major innovations of the Schwartz value theory were that he derived a comprehensive set of values contents and specified the dynamic structure of relations among them. By assessing the theory in a broad, cross-cultural context, he was able to draw conclusions about how universal the value contents and structure are, and therefore about how basic they are to human nature. Because of this, the theory lays the foundations for investigating culture-specific aspects in research. It is possible to compare value priorities among groups and to detect unique, culture-specific understandings and applications of values (Schwartz, 2006).

1.3.1 Values framework used in this research

The Schwartz Value Survey (SVS) is used in most research based on the Schwartz values theory (Schwartz, 1994). The SVS requires respondents to report the importance of general values as guiding principles in their lives. It presents values in their abstract form, without taking particular contexts into consideration. Respondents are, for instance, required to judge the role of equality in their lives in general, and not in specific situations such as family or purchase settings.

Schwartz, Melech, Lehmann, Burgess, Harris and Owens (2001) adapted the Portrait Values Questionnaire (PVQ) – a questionnaire developed by Schwartz to determine people's value priorities in populations for which the Schwartz Value Survey (SVS) is not as suited, such as less literate populations – for South African conditions. The 29-item PVQ was used in this research study. It presents portraits of people, and respondents then have to judge how similar the people are to themselves in terms of how they are portrayed. It consequently measures values indirectly.

PDMs' personal values are the main focus of this research, but also how this construct relates to SWB. Schwartz's values model was further used to investigate the relationship between PDMs' individual-level culture and their SWB – the self-transcendence versus self-enhancement dimension of this model was used to investigate the relationship between PDMs' allocentrism, ideocentrism and their SWB.

1.4 SUBJECTIVE WELL-BEING

According to Diener (http://www.psych.uiuc.edu/~ediener), subjective well-being refers to all the various types of evaluations, both positive and negative, that people make about their lives. It includes cognitive evaluations such as life satisfaction, and cognitive evaluations of particular domains such as work satisfaction, as well as affective reactions to life events, such as joy and sadness. SWB consequently reflects a general evaluation of a person's life, and researchers should measure its various components to get a complete picture of a person's overall well-being.

Diener (in Schimmack, 2008) originally proposed that SWB has three distinct components: life satisfaction, positive affect and negative affect. More recently, Diener, Suh, Lucas and Smith (in Schimmack, 2008) also included satisfaction in specific live domains (domain satisfaction, for instance, satisfaction with health) in the definition of SWB. Researchers often distinguish between cognitive and affective components of SWB. Life satisfaction and domain satisfaction are considered cognitive components because they are based on evaluative beliefs (attitudes) about one's life. In contrast, positive affect and negative affect assess the affective component of SWB and reflect the amount of pleasant and unpleasant feelings people experience in their lives.

SWB is an overarching domain that includes a broad collection of constructs that relate to individuals' subjective evaluation of the quality of their lives (Lucas, 2008).

1.4.1 Subjective well-being investigated in this research

As will be evident in Chapter 2, dramatic changes in society have created opportunities to develop and expand market research beyond product and service satisfaction to include the concept of life satisfaction (Sirgy, Lee & Rahts, 2008). The cognitive component of SWB, namely satisfaction with life (SWL), was chosen for investigation in the current research. As pointed out in Chapter 5, it is expected that consumers' values, which are cognitive constructs, should relate to this cognitive facet of SWB.

According to Tucker, Ozer, Lyubomirski and Boehm (2006), people differ dramatically in what they require for a satisfying life, such as personal freedom, good health or a comfortable income. In light of the fact that the sources of life satisfaction vary widely among individuals, it can be expected to also vary across cultures and subcultures. Different genders, people from various age groups and people living in prosperous countries compared to those living in developing countries, would probably also derive life satisfaction from different sources, depending on their life circumstances.

Diener, Emmons, Larsen and Griffin (1985) resolved the above issue by constructing a scale, the Satisfaction with Life Scale (SWLS), which measures life satisfaction in general. It assesses subjective life satisfaction by examining people's perceptions of their lives as a whole. Respondents may use whatever sources they choose for evaluating how satisfied they are with their lives overall. Researchers are then able to compare groups, using items that are apparently free from culturally specific definitions, as well as from individuals' varying criteria for life satisfaction (Pavot & Diener, in Tucker et al., 2006).

1.5 RESEARCH PROBLEM

The research problem investigated in this research study is whether consumer values as measured by Schwartz's (1992) values model, and SWL as conceptualised by Diener (http://www.psych.uiuc.edu/~ediener), can be used as additional psychological segmentation variables in the widely accepted multivariate LSM segmentation approach used in South Africa, and whether certain value priorities and levels of SWL are more prevalent within broad groupings identified in this type of segmentation.

1.5.1 The research questions

In order to investigate the above-mentioned problem, the following research questions are relevant:

- Is Schwartz's (1992) values model valid and reliable within a very diverse population, such as South Africa, where several cultural groups are represented?
- Is the SWLS valid and reliable within the multi-cultural South African context?
- Which value profiles are more dominant in broad groupings as classified according to the LSM multivariate consumer segmentation approach?
- What is the nature of the relationships between the values of PDMs and their SWL?
- Are there significant differences between the mean values of the ten values and SWL across major demographic groups?
- Can individual-level culture be associated with some of Schwartz's values, and is there a relationship between individual level-culture and SWL?

1.5.2 The sub-problems

Consistent with the above research questions, the following sub-problems are formulated. The aim would be to investigate whether:

1. Schwartz et al.'s (2001) PVQ is a valid and reliable measure across cultural groups within the South African context

2. the SWLS is a valid and reliable measure across cultural groups
3. the ten values as measured by Schwartz's (1992) value theory are more dominant in each of the broad segments of the multivariate LSM segmentation approach
4. there is a relationship between the ten values and SWL
5. there are different mean levels across major demographic groups with respect to the ten values and SWL
6. there are relationships between individual-level culture and Schwartz's values, and between individual-level culture and SWL.

1.6 PURPOSE OF THE RESEARCH

The primary purpose of this research is to investigate to what extent values as measured by Schwartz's (1992) model and SWL, differ across major groupings as defined by multivariate market segmentation approaches, specifically the LSM groupings that are used within a multi-cultural South African context, and to investigate the nature of the relationships between dimensions of these values and SWL.

Therefore, the general aim is to investigate whether value-related variables and SWL can be used to further discriminate among multivariate consumer segments.

1.6.1 Specific aims

The literature review aims for the current research are to:

- discuss the principles of market segmentation and their relation to consumer behaviour
- investigate the role of values in market segmentation
- evaluate multivariate segmentation in South Africa
- investigate the role of values in consumer behaviour
- investigate how the concept of SWB evolved in academic literature and how values interrelate with SWB

The empirical aims for this research are to:

- examine the influence of personal values as differentiating variable amongst multivariate consumer segments

- develop a profile of value priorities for PDMs within each LSM super group
- determine whether SWL vary for PDMs across different LSM super groups
- investigate the relationship between PDMs’ LSM level and their life satisfaction
- investigate the relationship between PDMs’ values and their life satisfaction within LSM super groups
- examine the relationship between PDMs’ individual-level culture and their life satisfaction

1.6.2 Disciplinary framework

From a discipline perspective, the research focuses primarily on Industrial Psychology, using Consumer Psychology as more specific sub-discipline. Consumer Psychology is the study of how people relate to the products and services that they purchase or use (Friestad, 2001, p. 28). Consumer psychologists study virtually all psychological and behavioural responses that can occur within the context of a person's role as a consumer. Research carried out by consumer psychologists is designed to describe, predict, explain, and/or influence consumer responses to product- and service-related information and experiences.

The terms *consumer psychology* and *consumer behaviour* are often used interchangeably. The American Marketing Association defines consumer behaviour as “the dynamic interaction of affect and cognition, behaviour and the environment by which human beings conduct the exchange aspects of their lives” (http://www.marketingpower.com/layouts/Dictionary. aspx?dLetter=C). It refers to the behaviour of the consumer or decision-maker in the marketplace of products and services. Consumer behaviour therefore involves people’s thoughts, feelings and actions in consumption processes, as well as all environmental influences on these behavioural processes that may give direction to the consumer’s behaviour (Peter & Olson, 2008).

The American Marketing Association further points out that the term *consumer behaviour* is often used to describe the interdisciplinary field of scientific study that attempts to understand and describe such behaviour (http://www.marketingpower.com/_layouts/Dictionary. aspx?dLetter=C). Schiffman and Kanuk (2007, p.3) also regard consumer behaviour as an interdisciplinary science which investigates the consumption-related activities of individuals. It is the study of how individuals make decisions to spend their available resources (time, money, effort) on consumption-related items, including what they buy, why they buy it, when they buy it, where they buy it, how often they buy it, and how often they use it. Consumer behaviour research therefore encompasses all behaviours that consumers display in searching for, purchasing, using, evaluating, and disposing of products and services that they expect will satisfy their needs.

The theoretical perspective of this research will now be briefly described.

1.6.3 Unit of analysis

The research focused on consumers and their behaviour in the marketplace. The term *consumer* is often used to describe two different kinds of consuming entities: the personal consumer and the organisational consumer. **Personal consumers** buy goods and services for their own use, for the use of their household, or as gifts for friends. The goods are bought for final use by individuals, who are referred to as end-users or ultimate consumers (Schiffman & Kanuk, 2007, p. 4).

Organisational consumers include profit and non-profit businesses, government institutions, and other institutions such as schools, hospitals or prisons, which have to buy products, equipment, and services in order to run their companies (Schiffman & Kanuk, 2007, p. 4).

Although both categories of consumers are important, the current research focused on individual consumers who purchase for their own personal or household use. This type of consumption, end-use consumption, is probably the most pervasive type of consumer behaviour, because it involves most people of all ages and backgrounds who fulfil the role of either buyers or users – or both. The current research consequently focused on consumers who are PDMs within their households.

1.7 IMPORTANCE OF THIS RESEARCH

In 1990, Burgess pointed out that there unfortunately was virtually no literature on values and consumer behaviour available in South Africa. This situation has improved somewhat because of work by researchers such as Burgess (1990), Burgess and Steenkamp (1998), Corder (2001) and Jonkheid (1998). The present study contributes to this line of research because it specifically investigates the value priorities of South African PDMs who are responsible for their households' purchases, and particularly how these relate to their SWB, as measured by SWL.

This research study is based on a within-cultural approach to the study of consumer behaviour, corresponding with De Mooij's (2004) observation that within-cultural differences and their effects on consumer behaviour need to be examined thoroughly. Although the 29-item PVQ has been validated for South African conditions by Schwartz et al. (2001), the measurement invariance of the model it is based on has not been investigated in South African conditions, as far as could be determined.

When applying a theory and an instrument in different countries or over time, it is essential to ensure that measurement of the relevant constructs is invariant cross-nationally or over-time (Cheung & Rensvold, in Davidov, Schmidt & Schwartz, 2008; Harkness, Van de Vijver & Mohler, in Davidov et al., 2008). According to Horn and McArdle (in Davidov et al., 2008, p.429), measurement invariance refers to “whether or not, under different conditions of observing and studying phenomena, measurement operations yield measures of the same attribute”. If researchers do not test invariance, interpretations of between-group comparisons are problematic (Vandenberg & Lance, in Davidov et al., 2008). In this research study, multiple-group confirmatory factor analyses and mean-structure information are used to measure the configural and measurement invariance of Schwartz’s values.

According to Davidov et al. (2008), configural invariance and measurement invariance are necessary conditions for equivalence of the meaning of constructs and scalar invariance, which is a prerequisite for comparing value means across countries. Researchers can only make meaningful and clearly interpretable cross-national comparisons of value priorities and their correlates if they have established this equivalence.

As will be evident in Chapter 5, Shrum and McCarty (1998) believe that values research is at a crucial point in terms of its contribution to both theory and practice. This field of study has already met the basic requirement of establishing a general relationship between consumers’ values and their behaviour, but the nature of the effect, such as its strength, and whether it is global or situational, should now be considered. More complex theory building, more precise tests of these theories, and more varied applications of these theories to marketing problems are now required.

It is envisaged that this research study will contribute in this regard because it will determine the value priorities of PDMs from different LSM groups, which are used extensively as a South African market segmentation base. It will further investigate the processes underlying the relation between PDMs’ personal value systems and their SWB. If significant differences are found among the different LSM groups, this knowledge can be applied in marketing to the various groups.

1.8 DELIMITATIONS OF THIS RESEARCH

This research study focuses on consumer market segmentation, and other types of segmentation such as industrial segmentation will not be addressed. It does not aim to develop a new market segmentation base, but focuses on how the existing LSM segmentation can be enhanced by incorporating psychological variables.

Because the LSM is based on South African conditions, the results of this study are only applicable to South African conditions. This research focuses on individual consumers who purchase for their own personal or household use and not on consumers who could be classified as organisational consumers. Because it focuses on PDMs in various LSM groups, the results are only comparable to similar consumers.

Diener, Lucas and Oishi (2002) recommend using a multi-method battery which assesses the multiple components of well-being separately, where possible. They point out that researchers who only focus on one component of well-being will not be able to capture its complex nature. The different components, however, have different correlates, suggesting that distinct processes may underlie the various components. To develop a theory of these processes, researchers need to understand the various components separately, as set out in the current research.

Only PDMs' SWL is consequently investigated in this research study. According to Lucas and Gohm (2000), the various components of SWB often have different demographic and psychological correlates. In light of this, it is important to investigate the separable components of SWB when, for instance, examining the effects of demographic characteristics such as age and gender, as is undertaken in this research. Furthermore, life satisfaction often forms a factor separate from affective indices of well-being. This may be because people's conscious evaluation of their life circumstances may reflect their conscious values and goals. The possible relationship between SWL and personal values – both cognitive constructs – were investigated.

All the differences and relations were investigated at individual and not group or societal level. Some of the differences determined at individual level were, however, combined to form conclusions about PDMs in particular LSM super groups.

1.9 THESIS OUTLINE

This research was undertaken and is presented in two phases, namely:

1. conceptualisation (theoretical/literature review) as presented in Chapters 2 to 6; and
2. operationalisation (empirical study) as presented in Chapters 7 to 9.

The individual chapters are outlined below:

Chapter 2: Rationale and theoretical base for the study

Chapter 2 provides the rationale for the study. It provides a theoretical overview of the major constructs investigated, and how they are related. It points out the relevance of these constructs to marketing and market segmentation.

Chapter 3: Market segmentation

Chapter 3 focuses on how market segmentation has evolved as described in the literature, with special reference to the bases for segmentation and the criteria for effective targeting of market segments. The three stages of the market segmentation technique, namely segmentation, targeting and positioning, will be explored. The benefits and limitations of market segmentation will be reviewed, as well as reasons why market segmentation may fail.

Chapter 4: Multivariate segmentation

Chapter 4 covers more recent multivariate approaches in segmentation, which includes psychographic-demographic profiles and the values and lifestyle (VALS) system. The benefits and disadvantages of each will be pointed out. South Africa's most popular multivariate segmentation approach, the LSM, will be investigated. The impact of consumers' lifestyles on their consumer behaviour will be addressed, and psychographics as a multivariate segmentation approach will be investigated. A number of South African multivariate segmentation approaches, based on values, are included in this chapter.

Chapter 5: Values in consumer behaviour

In Chapter 5, the central role of values and the effects of culture in consumer behaviour will be addressed, taking into account the fact that people's behaviour is to a large extent driven by their values. The theoretical foundations of the values construct will be discussed. The relationship between people's values and their SWB will briefly be exposited, particularly their individual-level culture and their SWB. The consumer behaviour models that acknowledge the impact of values on consumer decision-making will be presented. An overview of some limitations of existing values research will be provided, as well as how they will be addressed in the current research.

Chapter 6: Subjective well-being

SWB is discussed in Chapter 6 in terms of the development of the field, how people form SWB judgements, and measurement issues. A conceptual framework of the individual-level relation between consumers' LSM, their values and their SWB will be presented. Two of the constructs which underlie the relationship between people's values and their SWB, namely personality and culture, are discussed.

Chapter 7: Research methodology

In Chapter 7, the research methodology is presented. The research has taken the form of survey research. The PVQ was administered and an item analysis was undertaken to determine which items explain the most variance among LSM groups. The validity and the reliability of the questionnaire are compared to those found in other studies. The factor structure of the SWLS is investigated and its reliability is established by means of Cronbach's Alpha and item-total correlations. Descriptive and inferential statistics are used to describe and determine differences between PDMs from various LSM groups in terms of their values, individual-level culture and SWL. Multi-group confirmatory factor analyis and multi-group structural equation modelling are used to test the primary sub-problems stated in this research.

Chapter 8: Research findings

In chapter 8, the research findings are presented.

Chapter 9: Discussions of findings, conclusions and recommendations

Chapter 9 provides the conclusions and recommendations relevant to the research problem, as well as implications of the findings. Suggestions are made for further research.

CHAPTER 2 RATIONALE AND THEORETICAL BASE FOR THE STUDY

2.1 THE NEED FOR MARKET SEGMENTATION

The concept of market segmentation was introduced in 1956 by Smith (in Wedel & Kamakura, 2000). This concept has become a central concept in both marketing theory and practice. Smith acknowledged that, based on the economic theory of imperfect competition, there was heterogeneity in the demand for goods and services. According to Smith (in Wedel & Kamakura, 2000, p. 3), market segmentation involves viewing a heterogeneous market as a number of smaller homogeneous markets, in response to differing preferences, attributable to the desires of consumers for the more precise satisfaction of their varying wants.

Arnould, Price and Zinkhan (2004) point out that, until the 1980s, many consumer product firms were satisfied with producing a few products for large mass markets. By the late 1980s, however, market saturation occurred in some countries, because consumers' basic needs were fulfilled and because of an abundance of competitive goods and services. Due to this, market segmentation became increasingly complex as marketers identified more specialised market segments. According to Wedel and Kamakura (2000), market segmentation consequently is an essential ingredient of marketing in developed countries. Goods can no longer be produced and sold, without considering customer needs and recognising the heterogeneity of those needs. As was evident in Chapter 1, segmentation helps reduce market diversity and improves a company's performance by targeting specific consumer groups (Dibb, Stern & Wensley, 2002). It consequently helps companies to distribute their financial and other resources more effectively (McDonald & Dunbar, 2004).

However, as will be evident in Chapter 3, more recent developments in the marketing environment have resulted in some companies regarding traditional approaches to marketing, such as market segmentation, as less effective. But, segmentation is particularly effective and will survive as a viable marketing strategy. Market segmentation will, in the short term, remain the preferred tool for most consumer marketing companies (Arnould et al., 2004).

2.2 THE SIGNIFICANCE OF CONSIDERING PSYCHOLOGICAL VARIABLES IN LSM SEGMENTATION

According to SAARF (http://www.saarf.co.za), the LSM has become the most widely used marketing research tool in Southern Africa. As was pointed out in Chapter 1, the LSM has been developed by SAARF, an independent, non-profit industry body which provides its stakeholders (media owners, advertisers and advertising agencies) with media audience, products and services consumption data (http://www.saarf.co.za).

SAARF conducts three major surveys to provide for the needs of its stakeholders, namely:

- The SAARF All Media and Products Survey (AMPS)
- The SAARF Radio Audience Measurement Survey (RAMS)
- The SAARF Television Audience Measurement Survey (TAMS).

The target population for the purpose of the SAARF surveys is defined as the adult population (16 years and older) of South Africa, who reside in any type of private household, including live-in domestic workers, hostel dwellers and residents of informal settlements.

The SAARF Universal LSM is calculated by using 29 variables taken directly from the AMPS, to divide the South African population into 10 LSM groups. As pointed out in Chapter 1, the SAARF Universal LSM serves as a multivariate market segmentation index and is used to group South African adults according to their living standard, using wealth indicators such as degree of urbanisation, ownership of cars and major appliances, and access to basic services such as water and electricity (http://www.saarf.co.za) as indicators. The LSM therefore is a wealth measure based on people's standard of living rather than on their income. Income is not a direct measure in determining a person's LSM category (Haupt, 2001). Because it is a multivariate segmentation tool, constructed from 29 individual variables, it differentiates more strongly among groups of consumers than any other single demographic variable. However, it does not consider population (cultural) group as segmentation variable.

Haupt (2001) points out that the LSM cannot be used as a psychographic or attitudinal measure. It can indicate to marketers that people classified as LSM 10, for example, own more commodities than others, but it does not provide information about their income, or how inclined they are to spend their money.

Haupt (2001) further warns that the LSM is only one possible descriptor of South African market groupings. When, for instance, LSM groups 6 to 10 are targeted, one third of the South African population are actually targeted. Other variables therefore also need to be taken into account to define a particular target market more closely. When LSM users, for instance, combine LSM groups with other marketing differentiators such as consumers' language, income, and life stage, it results in more powerful segmentation of the market.

In light of the above, Du Preez, Visser and Zietsman (2007) point out that many South African apparel retailers use only two or three LSM groups to define their target market, which does not necessarily provide an adequate description of their target market. To increase the relevancy and usability of the LSM groups, Consumer Scope (in Du Preez et al., 2007) introduced a four-step partitioning system based on LSM clusters, called Lifestyle Levels.

This system is based on the following four sets of data, namely:

- the SAARF All Media Product Survey,
- Markinor's Future Fact People Scope,
- Statistics South Africa's Mid-Year Estimates, and
- the most recent research done by the Bureau of Market Research at the University of South Africa.

The four Lifestyle Levels are:

- Level One (Bottom Market), consisting of LSM 1, 2 and 3, as marketers hardly ever refer to LSM 1, 2 or 3 alone. This is the largest group and comprises 34% of South African households, but accounts for only 5% of income and expenditure.
- Level Two (Mass Market), comprising LSM 4 and 5, and accounting for 28% of households. With living standards increasing, this group is projected to become the largest consumer group in the South African market.
- Level Three (Emerging Market), which is the most exciting level in the South African market, representing predominantly LSM 6 to 8. Large-scale electrification has accelerated the significant increase in living standards, possessions and product consumption in this segment. These consumers have a positive mindset and feel positive about the future. They comprise about a quarter of South African households and a third (33%) of consumption.

- o Level Four (Established Market), which involves LSM 9 and 10. These consumers have “had it all” for decades, and are surprisingly critical about South Africa. They represent 13% of South African households, but account for nearly half (47%) of the income and expenditure in South Africa (Consumer Scope, in Du Preez et al., 2007).

Du Preez et al. (2007) point out that it is evident that these four groups will portray different lifestyles and shopping behaviour. The four lifestyle levels consequently provide more in-depth descriptions of a particular market than mere LSM classification would.

This is where knowledge of Consumer Psychology principles may be of value. According to Schiffman and Kanuk (2007), the study of consumer behaviour helps marketers understand why and how individuals make their consumption decisions, enabling them to make better strategic marketing decisions. The LSM groupings are currently based on quantifiable, descriptive variables – particularly consumers’ demographic characteristics and the assets they own. Although Haupt (2001) does not refer to psychological variables as such, it appears that LSM-based segmentation can be enhanced by incorporating these types of variables.

Psychological characteristics refer to the inner or intrinsic qualities of the individual consumer (Schiffman & Kanuk, 2007). According to Yeshin (2006), identifying consumers’ underlying psychological characteristics provides a much richer texture from which to discriminate sufficiently among them. If certain psychological variables are found to distinguish among multivariate consumer segments, this information can be applied to further refine this type of segmentation. It may also be useful to position products more effectively in advertising to multivariate segments, which, in turn, would lead to more effective allocation of funds.

As far as could be determined, comprehensive research on including psychological variables in the LSM segmentation has not yet been undertaken. Burgess (2002), however, developed a comprehensive segmentation tool, SA Tribes, based on various consumer variables, including their LSM classification and values. His classification is based on consumers in general, while the current research focuses on PDMs. He also did not investigate the relationship between values and SWB, although he did include other psychological variables such as optimum stimulation level in the portraits he developed. Recently, the inclusion of psychographic variables (to be discussed in Chapter 4) in the LSM segmentation has been investigated (http://www.saarf.co.za).

In the following section, psychological variables relevant to this research study will be discussed, that is, their (inter)relations, as well as their relevance to marketing.

2.3 PSYCHOLOGICAL VARIABLES RELEVANT TO THIS RESEARCH STUDY

Marketers worldwide face the task of understanding which consumer characteristics influence their decision-making, buying behaviour and receptivity to marketing communications (Kahle, Rose & Shoham, 2000). Wu (2007), for instance, points out that individual differences result in people responding differently to advertising appeals. An understanding of psychological differences is therefore becoming increasingly important in the design of advertising appeals because advertisers are continuously striving towards greater communication effectiveness as new forms of media emerge.

Furthermore, there is an increase in the number of brands and the variety of products, even in diverse product categories such as sweets and cold drinks. Competition in markets such as these is forcing companies to identify gaps by which they can differentiate their products and/or brands, based on aspects which particularly impact on the consumer decision-making process, and to communicate these meanings to consumers (Smith & Albaum, 2005).

Consumers' perceptions and evaluations, however, are often the outcomes of a process involving complex cognitive structures. People's personal values are dominant forces in their lives and take up a central position in their cognitive system (Allport, in Puohiniemi, 1995; Rokeach, in Puohiniemi, 1995). Furthermore, some values might be more important from the perspective of consumer behaviour than others, which make them especially suitable for investigating as a possible basis for market segmentation.

As was evident earlier, the purpose for segmenting a market is to enable a company to focus its marketing programme on the subset of consumers that are most likely to purchase its products and services. A further point to consider is, given the characteristics of the company's products and services, what type of decision-maker will most likely be interested in purchasing them (http://www.businessplans.org-/Segment.html). It may consequently be important to investigate which values characterise PDMs in a particular market segment.

2.3.1 Values

Kluckhohn (in Berry, Poortinga, Segall & Dasen, 2002, p. 59) defines a value as an explicit or implicit conception, distinctive of an individual or characteristic of a group, of what is desirable, and which influences the selection from available modes, means and ends of action. Rose and Shoham (2000) regard values as a learned set of desired outcomes and beliefs that guide attitudes and behaviour, while Rokeach (in Rose & Shoham, 2000) regard values as enduring beliefs that a specific mode of conduct or end-state of existence is personally or socially preferable to an opposite or converse mode of conduct or end-state. According to Schwartz (2006), values are concepts or beliefs about desirable end-states or behaviours, that transcend specific situations, guide selection or evaluation of behaviour and events, and are ordered by relative importance.

Five important features of values, identified by Grunert and Scherhorn (in Christiansen & Hansen, 2001), are evident from the above. Values:

- are beliefs or concepts
- about desirable behaviour or end-states
- go beyond particular situations
- guide the choice or evaluation of events and behaviour, and
- are arranged in a hierarchy

Scientists in the areas of psychology, anthropology and sociology regard values as criteria which a person uses to select and justify actions and to evaluate others (and themselves) as well as events (Schwartz, 1992). Although they use a variety of approaches to measure values, all agree on two core principles. First, values serve as guiding principles in peoples' daily lives because they are enduring beliefs about desirable end-states. Second, although values are utilised at the personal level, values are socially constructed and inherently cultural. People therefore are not born with values; they learn them through socialisation (Kluckhohn, in Berry et al., 2002).

According to Schwartz (1997), the explicit and implicit values that characterise a culture are imparted to its members through their daily exposure to customs, laws, norms, scripts and practices that are shaped by cultural values. But, societies are not homogeneous. They consist of numerous groups which have different sets of value priorities and ways of seeing the world. This leads to different subcultures, such as ethnic, religious and occupational groups, as well as generational, class and gender categories. Because people are usually members of a number of these groups and categories at the same time, they are likely to have multiple and possibly contradictory patterns of thinking, feeling and acting that could complicate their decision-making.

2.3.1.1 The role of values in consumer decision-making

According to Solomon, Bamossy, Askegaard and Hogg (2006), a person's set of values plays a very important role in his or her consumption activities, because people tend to purchase many products and services believing that they will help them attain a value-related goal. The extent to which people share a value system is a function of individual, social and cultural forces, as was evident above.

Values have been introduced into consumer research mostly as a result of research undertaken by Rokeach (in Kim, Forsythe, Gu & Moon, 2002), who developed a list of 18 terminal and 18 instrumental values. Terminal values such as pleasure, self-respect and accomplishment, represent desired end-states or goals, while instrumental values, such as ambition, represent the means of attaining these goals. Because values help people to adapt to their circumstances by directing both their effort and resources toward achieving desirable goals, they shape consumer product choice and play an important role in prioritising the needs to be fulfilled (Kim et al., 2002).

Values serve as guiding principles in consumers' everyday life (Kahle et al., 2000). Sociologists believe that values impact on attitudes, which, in turn, impact on behaviour, as follows: Values → attitudes → behaviour (Berry et al., 2002). A person's attitudes and opinions may differ and conflict across time and situations, but values are believed to be relatively enduring and to impact more strongly on people's behaviour.

According to Rokeach (in Sirgy, 2002), certain terminal values in life give meaning to people's existence. They serve as goals in life, or end-states that people strive for. According to Sirgy (2002), life satisfaction, one of the components of SWB, can be construed as a value that is commonly shared by people and is central to life. It may be regarded as a terminal value, a desired end-goal that consumers are striving to achieve. Diener and Suh (1997) further point out that SWB is a value that varies in importance across individuals and nations. Societies and individuals differ in the degree to which they believe that SWB is a key attribute of the good life. Values play a crucial role in determining the nature of a society, but also influence the well-being of individuals (Cohen & Cohen, 2001).

In summary, consumers' needs and desires are shaped by their values which, in turn, are influenced by the society they belong to (Kim et al., 2002). Values are believed to result from the culture of a society and have important underlying multi-dimensions. Some values may be widely held by persons in a group or a subculture. Certain values may even be shared by most people in a society. In fact, most human beings in the world share certain values, such as family security (Peter & Olson, 2008).

Because of differences in culture and socio-economic conditions, certain types of values may be regarded as more important to consumers in one country than in another, and may affect their attitudes and purchase decisions more significantly. It is therefore important to understand consumer behaviour in a particular cultural setting, especially consumers' social values. This would be indicative of the macro-approach to understanding the role of values in consumer behaviour, as will be evident in the next section.

Consumers' values serve as a focal point in many cognitive tasks, such as attitude formation or decision-making about a brand purchase. They further serve to organise the meaning representations for products and brands stored in consumers' knowledge structures (Peter & Olson, 2008). Because values drive much of consumer behaviour, it could be said that virtually all consumer research is ultimately related to the identification and measurement of values (Solomon et al., 2006).

(a) The relevance of consumers' values to marketing

According to Cleaver and Muller (2002), marketers are increasingly acknowledging the role that human values play in consumers' decisions. They accept that values govern a person's lifestyle and serve as a direct and useful explanation of the various interests, outlooks on life, consumption priorities and activities that define people's lifestyle.

Durgee, O'Connor and Veryzer (in Lages & Fernandes, 2005) also point out that one of the most powerful ways to understand and reach consumers is to understand their values and value systems. Reflecting firmly established values in advertising and product offerings is an essential ingredient in achieving brand awareness, consumers' trial of products, and their subsequent loyalty to a product. When this is achieved, a company's target consumers may feel that they will benefit from a product.

The application of the values perspective to the marketing of consumer products are based on two theoretically-grounded perspectives, namely a macro-perspective representing sociology and a micro-perspective representing psychology (Reynolds, in Joubert & Mabunda, 2007). In the macro-approach, which underlies the current research, standard survey research methodology is combined with a classification scheme to categorise respondents into predetermined clusters or groups, such as the VALS methodology, which will be addressed in Chapter 3. In this way, a classification system or taxonomy is developed which can be used to segment consumers into qualitative groups based on their value orientations (Valette-Florence & Rapacchi, in Manyiwa, 2004). Products and their positioning are then directed to appeal to these general target groups.

The more psychological perspective offered by the micro-approach, and which is based on Means-End Theory, specifically focuses on the links between the attributes that exist in products (the means), the consequences for the consumer provided by the attributes, and the personal values (the ends) that those consequences reinforce. Laddering interviews are frequently used to elicit means-end chains (Veludo-de-Oliveira, Ikeda & Campomar, 2006).

Because human values serve as guiding principles in the life of a person or social entity, information regarding the human values that are important to the target market would be valuable in the development of advertising campaigns and other marketing strategies. Research should therefore focus on values, on what they mean, how they evolve and how they are manifested in products, as perceived by target consumers (Allen, 2001). Some of the possible applications of research on the link between consumers' values and their behaviour are:

- **Marketing and positioning strategies:** Decisions about the development of the product portfolio, marketing budget and overall positioning could all benefit from a better understanding of the link between a product's image and attributes and consumer values. Research into consumers' values may also be used in repositioning exercises – it may prevent a shift in the positioning of a brand which may not be relevant to the market's values. Identifying a relationship between consumer values and the image of a product or service is especially useful in situations where brand image plays a more important role in consumers' decision-making than the specific features of the product. According to Allen (2001), many fast-moving consumer goods fall into this category.

- **Product development:** The development of new products and their features should be linked to the market's expectations. By determining the link to values, marketers would be able to direct product development more effectively. New developments would then respond to the market, instead of vice versa.
- **Brand development:** Links to consumer values should be considered in brand strategies – in this way, changes can be introduced that reflect the values held by the product's target market.
- **Marketing communications and advertising:** Aspects of the advertising process such as media selection and choice, might also by influenced by consumer values.

Marketers can identify ways to add new meanings to products by focusing on consumer values and how they evolve. Brands and products can offer new benefits and play new roles in people's lives if marketers know how to identify and track key values, understand their impact on consumption behaviour, and apply them to new products and advertising (Durgee et al., in Lages & Fernandes, 2005). But, in order to be able to do so, marketers need to know what the most influential values in their target markets are.

According to Peiró (2007), the pursuit of happiness and satisfaction underlies most human actions and creations. It may therefore also impact on people's consumer behaviour. Lee, Yau, Chow, Sin and Tse (2004) point out that consumers' product choices and preferences for a particular product or brand, are generally affected by very complex social influences. Thus, consumers' values, which reflect social and environmental influences, should affect the needs to be fulfilled through purchase and consumption decisions, and therefore their consumption behaviour. Consumers' preferences for certain products also change over time as their consumption situation and environment change (they might, for instance, experience an increased desire for well-being).

2.3.2 Subjective well-being

As pointed out in Chapter 1, both marketers and consumers benefit by market segmentation – when marketers provide a range of products or a choice of services to meet diverse consumer interests, consumers' overall happiness, satisfaction, and QOL may be enhanced (Schiffman & Kanuk, 2007). The importance of life satisfaction as a core reflection of people's QOL is widely recognised (Keyes, 2006). It may consequently be important to investigate consumers' SWL. If significant differences among various LSM segments are found, this information may, for instance, be used to appeal in an appropriate way to these segments in advertising – especially because it is believed that happiness, a term often used interchangeably with SWL as will be evident below, serves as the most basic motivating influence in people's lives.

Scientists who study SWB assume that an essential ingredient of the good life is that people like their lives (Diener et al., 2002). SWB comprises people's evaluations, both affective and cognitive, of their lives (Diener & Fujita, in Triandis, 2000). In short, SWB is an evaluation that people make about the quality of their lives (Keyes, Shmotkin & Ryff, in Keyes, 2006). People's satisfaction with their life as a whole is one of the most widely used measures of SWB internationally (Møller, 2007b).

SWB as a construct has been studied by a large number of disciplines and has been defined in ethical, theological, political, economic and psychological terms. Because of this diversity, a number of terms have been used for it, including *happiness*, *objective* and *subjective well-being*, *QOL* and *life satisfaction*.

Although each of the above terms has a somewhat different meaning, they all share a similar point of departure. SWB thus concerns the study of what lay people might call happiness or satisfaction (Diener, Oishi & Lucas, 2003). In general, happiness is seen as an emotion or feeling state, while life satisfaction refers to a more cognitive judgemental process (Diener et al., 2003).

Although the term *happiness* is sometimes used synonymously with SWB, researchers in this field often avoid using the term *happiness*, because of its various meanings (Diener, Scollon & Lucas, 2004). Scholars in some fields often use the term because of its historical and popular roots, while scholars in other fields prefer to use more specific terms for the different aspects of well-being (http://www.psych.uiuc.edu/~ediener). The terms *life satisfaction* and *SWB* will mainly be used in this research study, depending on the context.

As pointed out in Chapter 1, Diener (http://www.psych.uiuc.edu/~ediener) believes that SWB refers to all the various types of evaluations, both positive and negative, that people make about their lives. It includes cognitive evaluations such as life satisfaction and cognitive evaluations of particular domains such as work satisfaction, as well as affective reactions to life events such as joy and sadness. SWB consequently reflects a general evaluation of a person's life, and researchers should measure its various components to get a complete picture of a person's overall well-being.

2.3.2.1 The components of subjective well-being

According to Diener et al. (2004), SWB consists of multiple components that people combine in complex ways, and no single component reflects "true happiness". SWB includes both cognitive and affective evaluations that people make of their lives. Its four separable components are: SWL (overall judgements of one's life), satisfaction with important domains such as work satisfaction, positive affect (experiencing many pleasant emotions and moods), and low levels of negative affect (experiencing few unpleasant emotions and moods) (Diener, in Shalock & Felce, 2004).

These components – SWL, positive affect and negative affect, and domain satisfactions – are moderately correlated with one another, and they are all conceptually related. Yet, each provides unique information about the subjective quality of a person's life.

Each of these components will now be briefly addressed.

(a) Satisfaction with life

SWL, the cognitive component of SWB, refers to cognitive judgements about the quality of a person's life in general – an evaluation of how much the person likes the life he or she leads overall. The basic assumption underlying this type of satisfaction is that people can examine the conditions in their lives, weigh their importance and then evaluate their lives on a scale ranging from dissatisfied to satisfied (Diener et al., 2004).

In making these judgements, people compare their circumstances with what they think is an appropriate standard – they use their own criteria to evaluate their lives. Because people use their own standards to subjectively evaluate their well-being, it can be a challenging cognitive task (Suh, 2000). Exactly how people evaluate their lives is a controversial subject, as will be evident in Chapter 6.

The advantage of using life satisfaction as a measure of well-being is that it reflects a respondent's overall sense of well-being from his or her own perspective. Although some of the processes involved in making life satisfaction judgements can often lead to what may appear to be mistakes, people largely use relevant and stable information when required to judge their lives overall, resulting in stable and meaningful judgements (Diener et al., 2004), as will be evident in Chapter 6. Cultural factors, however, may also impact on this process, as will be evident in Chapter 6.

Typical studies of life satisfaction use surveys in which respondents are asked to assess how their lives have been going over some period such as the last few weeks, months or years (Sirgy, 2002). These surveys are mostly aimed at assessing the quality of people's lives in order to monitor how they subjectively experience social change. These subjective social indicators supplement measures of the objective standard of living (Schwarz & Strack, 1999).

According to Inglehart and Klingemann (2000), life satisfaction is normally very stable in developed countries. The vast majority of people in the U.S.A. and most Western countries report high levels of well-being (Diener & Diener, in Diener & Fujita, 1995). Although a small percentage of most populations are likely to report low levels of satisfaction and well-being, there are very few countries where the majority of people report low levels of well-being (Veenhoven, in Diener & Fujita, 1995).

(b) The affective component

The affective component of well-being, consisting of positive and negative affect, reflects a person's ongoing evaluations of the conditions of his or her life. This component reflects a person's (actual or perceived) *hedonic balance* – the balance between pleasant affect and unpleasant affect (Schimmack, Radhakrishnan, Oishi, Dzkoto & Ashadi, 2002).

Affective evaluations are usually reflected in emotions and moods. Emotions are generally regarded as fleeting reactions that are linked to specific events or external stimuli (Frijda, in Diener et al., 2004), while moods tend to be more diffuse, affective feelings that may not be tied to specific events (Morris, in Diener et al., 2004). By studying people's affective reactions, researchers can gain an understanding of the ways in which people evaluate the conditions and events in their lives.

According to Diener et al. (2004), it is obvious why affective dimensions form an important part of general SWB – it is highly unlikely that a person would indicate he or she experiences a high level of well-being if the person experiences high levels of negative affect and low levels of positive affect. Some experts even argue that these affective evaluations should form the basis for SWB judgements (Frijda, in Diener et al., 2004; Kahneman, in Diener et al., 2004). But, Diener et al. (2004) warn that most people may not find affective well-being sufficient when evaluating their lives overall. They do not only want purely hedonistic experiences, but also want these experiences to be tied to specific outcomes that reflect their goals and values. Additional domains to affective well-being therefore need to be assessed to gain a complete understanding of a person's well-being.

(c) Domain satisfaction

Domain satisfaction reflects a person's evaluation of the specific domains in his or her life (Diener et al., 2004). Hypothetically, if all the important domains in a person's life could be correctly measured, it would be possible to compile an overall life satisfaction judgement for him or her. But, people differ in the way that they aggregate their domain satisfaction judgements and the weight they give to each domain. Domain satisfaction scores therefore do not merely reflect the various components of a person's life satisfaction judgement; they could provide unique information about a person's overall well-being.

People's domain satisfaction will especially be relevant for researchers who are interested in the effects of well-being in particular areas such as marriage, or domains that are especially relevant to particular populations, such as housing for the less privileged. Domain satisfaction scores may therefore provide information about how people construct overall well-being judgements, as well as more detailed information about the specific aspects of a person's life that are going well or not.

Diener et al. (2004) point out that each of the components of well-being represents a conceptually different way in which people can evaluate their lives. All in all, Diener et al. (2004) recommend that more than one component of SWB should be measured in order to get a complete picture of a person's evaluation of his or her life. Researchers who want to evaluate SWB in total should therefore measure positive affect, negative affect, satisfaction with important domains, as well as SWL.

In this research study, however, only the SWL of consumers is investigated. According to Lucas and Gohm (2000), the various components of SWB often have different demographic and psychological correlates. In light of this, it is important to investigate the separable components of SWB when, for instance, examining the effects of demographic characteristics such as age and gender (as pointed out in Chapter 1). Furthermore, life satisfaction often forms a factor separate from affective indices of well-being. This may be because people's conscious evaluation of their life circumstances may reflect their conscious values and goals.

2.3.2.2 Consumer well-being

As was evident above, people's lives consist of a number of domains (Diener, in Lee, Sirgy, Larsen & Wright, 2002), and in each life domain, the person has certain value-laden beliefs. Consumer well-being appears to be one of these domains.

Lee et al. (2002) propose that the concept of bottom-up spill-over is particularly relevant to explain the relationship between consumer well-being and life satisfaction. To conceptualise this process, they use a satisfaction hierarchy model, suggested by research on consumer satisfaction (Aiello, Czepiel & Rosenberg, in Lee et al., 2002) and life satisfaction (Andrews & Withey, in Lee et al., 2002). The basic idea is that overall life satisfaction is a function of satisfaction in all of life's domains and sub-domains (see Figure 2.1).

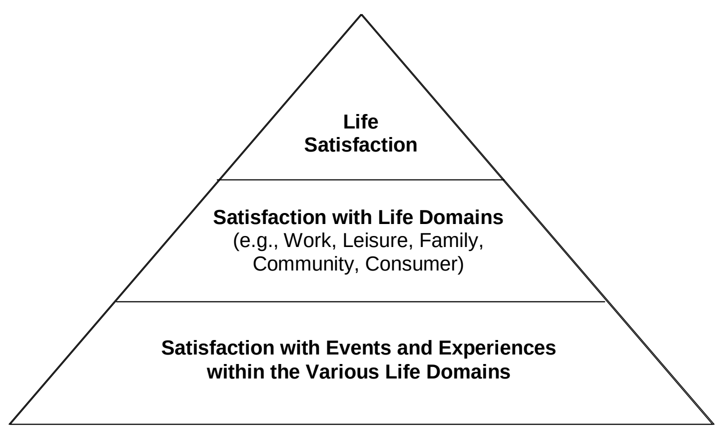


Figure 2.1 Satisfaction hierarchy (Lee et al., 2002, p. 159)

It is evident from Figure 2.1 that life satisfaction is influenced by satisfaction in a hierarchy of domains and sub-domains. This corresponds with Andrews and Withey's (in Lee et al., 2002) model of life satisfaction, as well as with Diener et al.'s (2004) conceptualisation of SWB, according to which life satisfaction has various levels of specificity and is influenced by people's evaluations of their life domains. The higher people's satisfaction with domains such as personal health, work and leisure are, the greater their SWL in general.

People's satisfaction with a particular life domain such as the consumer life domain, in turn, is influenced directly by satisfaction with particular events and concerns in that domain. Their affective experiences in a specific life domain (or sub-domain) consequently spill over bottom-up to the highest domain (life in general), thus influencing life satisfaction. Fournier and Mick (in Lee et al., 2002) believe this type of model should be developed to measure consumer satisfaction. They point out that the hierarchy of satisfaction responses that extends upward from concrete products to the more abstract dimensions of life, and the role of marketing in affecting this hierarchy at both individual and society levels, should be investigated.

Lee and Sirgy (1995) point out that consumers' level of involvement in the consumer domain affects the degree of spill-over of satisfaction in the consumer or marketing life domains to their overall life satisfaction. Although consumer well-being and domain satisfaction as such are not addressed in the current research, consumer well-being may have impacted on respondents' SWB in this research study, especially because it formed part of a survey on consumer products, as will be evident in Chapter 7. Their satisfaction with particular products and services and their living standards, as well as their level of involvement in this domain, may have impacted on their life satisfaction judgements.

2.3.2.3 Importance of studying people's subjective well-being

Investigating why some people assess their lives more positively than others is important for both theoretical and practical reasons (Diener et al., 2004). SWB serves as a measure of the QOL of both individuals and societies. Diener and Suh (in Diener et al., 2003) identify three major measures of societies' QOL – economic and social indicators such as Gross National Product and levels of health or crime, as well as SWB, or subjective indicators. People's evaluations of their own lives play a crucial role in understanding well-being in any society that regards its people's opinions as important. These subjective social indicators supplement measures of the objective standards of people's lives.

As pointed out earlier, Diener and Suh (1997) believe that SWB is a value that varies in importance across individuals and nations, because they may differ in the degree to which they believe that it is a key attribute of the good life. In terms of its relevance to values, Diener and Suh (2000) point out that SWB takes people's values into account, and give a summary judgement on whether their lives fulfil these standards, because individuals' own view of their well-being reflect their values. Thus, SWB can reflect success at achieving the numerous values that people hold. SWB further includes components that are dependent on pleasure and the fulfilment of basic human needs, but also includes people's ethical and evaluative judgements of their lives. SWB therefore, to some degree, reflects how much people are able to meet their human needs, but also represent judgements based on the particular norms and values of each culture.

2.3.2.4 The relevance of consumers' subjective well-being to marketers

Marketing influences consumers' QOL to a large extent, because it affects their satisfaction in the consumer domain (Lee & Sirgy, in Lee et al. 2002). Marketers are interested in appealing to consumers' well-being and to their desire to live a satisfied life, especially because consumers are frequently promised greater well-being in the promotion of goods and services. Furthermore, product or service satisfaction, the traditional focus of the marketing discipline, is no longer sufficient – dramatic changes in society have resulted in opportunities to expand market research beyond product and service satisfaction, to include the concept of life satisfaction (Sirgy et al., 2008).

SWB is one outcome measure by which to judge successful living – whether people feel happy and satisfied (Diener & Suh, 2000). According to Ewin (in Higgs, 2007), maximum well-being includes getting the most out of life. It is what most people want and should consequently be what marketers, advertisers and policy makers (are perceived to) deliver, if they want to maximise the real value of their offerings relative to cost.

According to Higgs (2003), the way in which people process information and make everyday decisions, can be affected by many factors. Their life circumstances, mostly measured by socio-economic status (SES) measures, are often regarded as the key factor in these processes. However, there is an increasing awareness that, although SES measures are useful indicators of consumers' wealth, they are not the sole determinants of their decisions. This is evident at three levels. First, there is a growing trend for consumers to be regarded as people – not just "consumers" – in a market. The term *consumer* distracts from the growing awareness that what is important in people's lives as a whole drives their interactions with markets and brands and other people. Research should consequently present a holistic picture of consumers – marketers need to understand much more about how people live and how they feel about life.

Secondly, the way in which people with higher levels of well-being process information and make decisions, differ from those with lower levels of well-being. This may have significant implications for marketing and advertising at all levels. Finally, well-being may affect people's level of connectivity with others – an issue that is regarded as a major factor in many markets and in understanding how people make brand decisions.

In light of the above, the theme of "consumer democracy" is gaining interest. Consumers are more informed, they no longer trust big organisations to the same extent as before, and demand better, visible and more accountable corporate governance from companies and their brands. Sirgy et al. (2008) further believe that marketing paradigms have evolved to culminate in well-being marketing. It is a business philosophy that guides managers to develop and implement marketing strategies that focus on enhancing consumer well-being throughout the consumer/product life cycle, and to do so safely in relation to consumers, other publics, and the environment (Sirgy et al., 2008, p. 378). Well-being marketing builds on relationship marketing by also considering marketing and business ethics, and is aimed at enhancing people's QOL.

Sirgy et al. (2008, p. 378) define consumer well-being as a desired state of objective and subjective well-being, which is involved in the various stages of the consumer/product life cycle in relation to consumer goods. They point out that a number of models have been developed to conceptualise this type of well-being. Well-being consequently is an essential concept in understanding the "whole person" and is a key influence on how people respond to marketing messages. It is an increasing area of concern for Western governments and is entering the economic and marketing literature (Higgs, 2003).

Already in 1995, Oropesa (1995) pointed out that the relationship between people's material QOL and their subjective QOL in modern developed societies, is often debated. A consistent finding on this relationship is that people's income correlates with their well-being, both within and across countries (Diener, Diener & Diener, in Diener & Fujita, 1995), and that the relation between financial satisfaction and life satisfaction is stronger in developing countries (Diener & Diener in Diener & Fujita, 1995). Another consistent finding is that people's objective conditions often correlate only weakly with their SWB (Diener & Fujita, 1995). This may be because people tend to adapt over time to their conditions, which lessens the impact of their external circumstances on their well-being. Furthermore, people's expectations are important determinants of their SWB (Triandis, 2000).

Schmuck and Sheldon (2001) point out that the average person in most Western cultures has more opportunities for leading a satisfied life than ever before. Their basic needs are met and most may be able to obtain sufficient education. Furthermore, no religious or societal institutions force them to adhere to particular ideologies or lifestyles. It appears that most people in democratically governed Western cultures are free to search for their own happiness. People in developed countries, however, tend to use this freedom by mainly focusing on becoming wealthier. They apparently implicitly believe that a high standard of living may be the primary condition for a fulfilled life (Schmuck & Sheldon, 2001).

According to Kasser (2004), people are bombarded daily with powerful messages that the good life is “the goods life”. Advertisements, for instance, often imply that happiness and well-being come from attaining wealth and from the purchase and acquisition of goods and services. People may consequently believe that they need and want certain products and service to enhance their well-being. In light of this, many different influential psychological theories propose that hedonism is the most basic human motivation (Csikszentmihaly, in Schmuck & Sheldon, 2001).

Furthermore, materialism has been singled out as the dominant consumer ideology in modern consumer behaviour (Cross, 2004). This construct refers to the importance ascribed to the ownership and acquisition of material goods in achieving major life goals or desired states (Richins & Dawson, in Richins, 2004, p. 210). According to Richins and Dawson (in Richins, 2004), material values include three domains: the use of possessions to judge a person’s own success and those of others, how central possessions are in a person's life, and how strongly a person believes that possessions and their acquisition will lead to his or her happiness and SWL.

According to Diener and Oishi (2000), most people throughout the world now desire a high level of material wealth. However, there is reason to doubt that the current Western way of life, based mainly on hedonism and consumption, is optimal for both people’s well-being and societies’ welfare. Schmuck and Sheldon (2001) point out that there are large potential psychological costs to living in high-speed production-oriented cultures, such as alcohol and drug dependency, the decline of the family unit and the large degree of homelessness in various countries.

The above may also apply to South Africa. According to Goosen and Rossouw (2006), an unprecedented wave of violent crime and the constant stimulation of a consumer culture are directly related in South Africa. Media and marketing vehemently expose thousands of people who are excluded from the economy to an exaltation of a mobile, urbanised consumer which most of them will never be. This constant stimulation of people's desires results in a state of desire wear-out, which manifests in depression, burnout, feelings of meaninglessness and a chronic desire for the next "high" or the most recent innovation. This crisis especially manifests among members of the black middle class, who have been swiftly catapulted from apartheid's suppressed desires to post-apartheid's absolutised desires. Furthermore, they believe that it is not surprising that thousands of people from desperate poverty resort to violence and crime, driven by an over-stimulated but chronic desire for "the good life".

In light of the above, it may be important to investigate whether increases in material prosperity will be accompanied by increases in SWB at individual level among PDMs in South Africa, with its high degree of cultural diversity and its high Gini co-efficient.

(a) The relevance of subjective well-being to market segmentation

The phrase *human fulfilment* refers to the aspects of the good life that many people want, such as well-being, meaningful work, love and social connectedness. Unpacking fulfilment and "the good life" is necessary for scientific progress because psychologists are ultimately trying to predict human fulfilment (Lopez, Snyder & Rasmussen, 2003).

An understanding of how people vary is essential in market research (Higgs, 2003). Furthermore, in appealing to consumers, marketers need to know what "the good life" means to people across various consumer segments. This kind of understanding may be applied, for example, by promising them a better life in advertising. But, the concept of "the good life" varies considerably among people. For some people, this may be a state of wealth and luxury, while for others, this ideal state is attained through meaningful relationships with friends and family or providing for people in need. Although these people's external circumstances may differ considerably, they may all share a subjective feeling of well-being (Diener & Lucas, 1999).

According to Schmuck and Sheldon (2001), two groups of determinants may influence well-being, namely the external conditions of a person's life and the person's internal characteristics. The relation between people's external conditions and their well-being, especially at country level, has been investigated extensively. It has, for instance, been found that people from countries with higher per capita wealth, with guaranteed human rights, greater longevity and greater access to education, experience greater well-being on average than people from countries which do not have these resources (Diener, Diener & Diener, in Schmuck & Sheldon, 2001). Apparently, for people to experience a feeling of well-being requires that some basic needs must be fulfilled and that people experience a minimum level of predictability, material welfare and social justice.

Most SWB research has been undertaken in Western countries. Kitayama and Markus (2000) suggest that most well-being research is based on middle-class American meanings and practices. According to Diener and Suh (2000), very poor countries such as those in Africa, are still underrepresented in research on SWB. Furthermore, preliterate societies are virtually absent from this area of study. People in economically developed countries tend to have high SWB, while those in the less developed countries have low SWB, although SWB tends to be high in all countries (Diener, in Triandis, 2000).

According to Powdthavee (2007), SWB research has focused largely on developed economies only, because adequate data are more readily available from these countries. Yet, developing countries offer more opportunities for economists to also study poverty and inequalities, the volatility in various socio-economic and macroeconomic factors, and their implications for the happiness of people living there. Economists therefore are increasingly analysing data on SWB (Krueger & Schkade, 2008) because the study of SWB is an important avenue for understanding optimal human experience and well-being (Ryan & Deci, in Busseri, Sadava & DeCourville, 2007).

An analysis of well-being in developed countries where the majority of the population lives far above the subsistence level, further shows that this does not reflect the complete picture. People who have the same material and social status differ significantly in terms of their well-being, because of differences in their internal characteristics. There are, for instance, definite patterns of stable personality traits which characterise people with high SWB, compared to those who do not report high SWB (De Neve & Cooper, in Schmuck & Sheldon, 2001), as will be evident in Chapter 6.

According to Oishi, Diener, Lucas and Suh (1999), the fundamental question in SWB research is: what predicts people’s life satisfaction? Lyubomirsky (2001), for instance, proposes a construal theory of happiness, and suggests that multiple cognitive and motivational processes moderate the impact of the objective environment on well-being.

Examining the role of values in determining the patterns of intra-individual and inter-individual variation of SWB (Oishi et al., 1999), as in this research study, therefore appear warranted. This may particularly be relevant to market segmentation, because Locke (2002) points out that, aside from physical characteristics, values are what really make people different.

According to Higgs (2007), a person’s SES may predict many outcomes in his or her life well, but SES measures do not really contribute toward an understanding of how people live. This is addressed by the broader concept of “well-being” (in which SES is embedded). According to Higgs (2007), well-being is an important extension of socio-economic measurement, and it may affect how people react to marketing and related communications and how they make decisions.

Al-Wugayan and Suprenant (2006) refer to a growing concern that most existing knowledge about consumer behaviour has been derived from research undertaken in America and a few Western European nations, comprising less than 6% of the world population. This research study, therefore investigates whether the values of PDMs in various LSM groups, as internal factors distinguishing among people, may account for variation in their SWL. There may be unique relations among consumers’ values and their SWL in a developing country such as South Africa.

2.3.3 Values and well-being

According to Boehnke, Fuss and Rupf (2001), the belief in a definite relationship between values and well-being has existed for more than two centuries. Values are not only guiding principles in people’s lives, but are also central descriptors of the cultural heritage of a nation. This dualistic nature of values may make them a useful construct to explain both individual and intercultural differences in SWB. According to Diener and Suh (2000), people’s judgement of their overall well-being is dependent on their values. SWB can consequently represent the degree to which people in each society are accomplishing the values they hold dear. But, although it is evident that experts implicitly accept a relationship between people’s values and their well-being, a conceptual scheme which combines these two constructs at the individual level has not been developed yet, as will be evident in Chapter 6.

According to Wilkie (in Puohiniemi, 1995), consumer behaviour is motivated behaviour aimed at achieving particular goals. Investigating the relationship between consumers’ values and their well-being appears warranted because both constructs are regarded as motivational constructs and achieving SWB may be one of their goals.

2.3.3.1 Values and well-being as motivational constructs

Schmuck and Sheldon (2001) feel that, what they refer to as the motivational roots of happiness, should be understood. According to Sheldon (2001), everybody wants to be happy, and to achieve this, people set themselves particular life goals.

According to Rand (in Locke, 2002), a value is something which one regards, consciously or subconsciously, as conducive to one's welfare. Values are the key to individual differences in human motivation (Locke, 2002). According to Locke (2002), people pursue multiple values and therefore multiple goals in life. He summarises the motivational sequence as follows: Needs give rise to the necessity to choose and pursue values; value achievement necessitates the setting and pursuit of goals. It can also be considered from the other direction: Goals are the means of achieving values and thereby fulfilling needs.

Cognition plays a role at every stage of the above sequence, from identifying needs, to choosing values, to understanding emotions, to setting goals, to discovering the means to achieve them (Locke, 2002). Which life goals really make people happy is a question that has been debated for centuries, but it is only in recent years that psychological research has started to approach it in a systematic fashion (Schmuck & Sheldon, 2001).

As was evident earlier, Schwartz (in Sagiv, Roccas & Hassan, 2004) proposed probably the most detailed categorisation of goals and motives that is currently available. His set of values, which this research is based on, was intended to be comprehensive of the main distinct motivations common to people in all societies.

According to Kim et al. (2002), consumers' needs and desires are shaped by their values, which, in turn, are influenced by the society they belong to. Values result from the culture and ethnicity of a society and have important underlying multiple dimensions. Because of differences in culture and socio-economic conditions, certain types of values may be regarded as more important to consumers in one country than another, and may affect their attitudes and purchase decisions more significantly. It is therefore important to understand consumer behaviour in a particular cultural setting, especially consumers' social values. This may also impact on their SWB.

2.3.4. Culture and subjective well-being

According to Ryff and Singer (in Kitayama & Markus, 2000), a culturally grounded approach to the nature of well-being and satisfaction can provide a fuller account of this phenomenon – its socio-cultural and individual dynamics. Kitayama and Markus (2000) even point out that both "well" and "being" should be defined in cultural terms – a person's QOL is defined collaboratively with others and not merely from an internal frame of reference.

Culture's impact on SWB has consequently become an important topic of research (Ratzlaff, Matsumoto, Kouznetsova, Raroque & Ray, 2000). But, studying SWB across cultures presents a number of challenges, for instance, cultures with widely divergent value systems probably do not define well-being in the same way.

Furthermore, culture is often measured by "nation", which is not ideal, because each nation includes many cultures (Triandis, 2000). All in all, the factors that increase and decrease SWB at both cultural and individual levels need to be analysed.

A cultural syndrome is a shared pattern of attitudes, beliefs, categorisations, self-definitions, norms, role definitions, values, and other subjective elements of culture that are organised around certain themes (Triandis, 2000, p. 208). Three such syndromes are complexity-simplicity, tightness-looseness and individualism-collectivism (IC). In individualism the focus is on the individual in the culture, while in collectivism, the group is central. Because cultural practices and meanings impact on all facets of everyday life, they should also impact on people's judgements of their lives. The basis of life satisfaction judgements appears to differ between North American and East Asian cultures, depending on what types of information are chronically accessible to the individual (Suh, 2000). Suh (in Kitayama & Markus, 2000), further found that respondents in collectivistic cultures are more likely to use norms and the opinions of others in evaluating their SWB, while those in individualistic societies are more likely to rely on an internal frame of reference when evaluating their SWB.

Studies examining cultural differences in SWB often examine differences between cultural groups defined by country, race or ethnicity. The results obtained at the cultural level can, however, vary greatly from the results obtained at the individual level of analysis. The relationship between SWB and culture as an individual psychological construct has consequently recently gained interest among researchers.

2.3.4.1 Individual-level culture and subjective well-being

Ratzlaff et al. (2000) highlight the importance of considering the significant individual variation that exists within all cultures. They point out that there are individual differences among people in the degree to which they adopt and engage in the attitudes, values, beliefs and behaviours that, by consensus, constitute their culture. Culture, then, exists on multiple levels, across individuals within groups, and across groups within larger groups.

The most widely investigated dimension of psychological culture is IC. Triandis (in Ratzlaff et al., 2000) labelled the individual levels of analysis of this construct idiocentrism and allocentrism. Generally, idiocentrics endorse values, behaviours and attitudes characteristic of individualistic or independent cultures, while allocentrics are people who endorse values, behaviours and attitudes common to collectivistic or interdependent cultures.

According to Triandis, Leung, Villareal and Clack (in Triandis, 2000), the terms *idiocentrism* and *allocentrism* refer to the personality attributes that correspond to individualism and collectivism. A person with an allocentric (interdependent) orientation would prefer his or her self to be embedded in social contexts, not to stand out, and not to be too different from others. Someone with an idiocentric (independent) view of the self, would wish to be autonomous and independent, to differ from others and to be a unique personality (Stromberg & Boehnke, 2001).

Diener, Diener and Diener (in Triandis, 2000) found that individualism and SWB are positively related at cultural level, but they may be negatively related at individual level. This could be ascribed to the fact that, the more allocentric a person is, the more social support that person is likely to receive, and the more satisfaction that person will derive from close social relationships – which should increase SWB. Verkuyten (in Triandis, 2000) further found that idiocentrism and allocentrism are unrelated in collectivistic cultures, but are negatively related in individualist cultures. This difference may be because people in collectivistic cultures tolerate inconsistencies more than people in individualistic cultures.

Although individualism and collectivism at cultural and individual level will probably be highly correlated, one cannot assume that they represent exactly the same construct. According to Ratzlaff et al. (2000), it is clearly important to identify IC as an individual-level construct and a cultural-level one. By doing so, individual differences on this cultural dimension can be distinguished in larger cultural groups, and relationships between IC and other psychological constructs on the individual level can be investigated. Differences between groups can therefore be tested after the effects of IC have been statistically controlled for. Ultimately, this approach allows researchers to test the degree of contribution of individual-level IC to between-group differences on particular psychological constructs, which helps refine their knowledge about the relationship between IC and psychological variables. In this research study, the relationship between culture as an individual psychological construct and consumers' SWB, as measured by SWL, will be investigated.

Consumers' individual-level culture, however, appears to justify further investigation, irrespective of its relation to SWB. Dutta-Bergman and Wells (2002) point out that, although idiocentrism and allocentrism have been studied in different areas of applied psychology, their relations with consumer behaviour and individual lifestyle issues have not yet been investigated substantially.

It appears that idiocentric and allocentric consumers differ in terms of the product attributes and advertising appeal type that they prefer. According to Dutta-Bergmann and Wells (2002), idiocentric consumers place more emphasis on personal freedom, independence and personal control, than allocentric consumers. Furthermore, idiocentric consumers place more emphasis on innovative product attributes than allocentrics. Idiocentric consumers tend to be fashion-conscious and prefer variety, novelty and individual gratifications. Therefore, new products and ideas may be targeted at idiocentric consumers, incorporating an idiocentric appeal. Yang (2004) points out that segmentation based on the idiocentrism-allocentrism dimension will achieve better targeting and create more effective marketing communications.

To sum up, it can be argued that the most important marketing decision a marketer makes, is the selection of one or more market segments on which to focus (Cant, 2006). Since a market segment has unique needs, a company that develops a total product focused solely on the needs of that segment, should be able to meet the segment's needs better than a company whose products or services attempt to meet the needs of the total market or a wider number of segments.

It appears that consumers' values have a significant impact on their needs. But, marketers know that subgroups of consumers may vary considerably in terms of the values they consider important. Therefore the values structure of a specific target group of consumers should be determined directly, because differences in consumers' values may lead to differences in purchasing behaviour (Solomon et al., 2006). The relation between people's values and their SWB is further gaining research interest.

The above also applies to multivariate segmentation. Subgroups of consumers, such as those in the LSM groupings in South Africa, can be expected to vary in terms of the values that influence their purchasing behaviour. Several marketers have attributed differences in consumers' behaviour to different social values held by consumers in a particular country. These values may impact on their SWB and may play a significant role in consumers' attitudes and consumption patterns in the South African market.

2.4 CHAPTER SUMMARY

The rationale for this study is based on the fact that South Africa's most popular multivariate segmentation approach, the LSM, is basically a wealth measure based on standard of living. This research study investigates the plausibility of including psychological variables as a segmentation base, which may contribute towards understanding consumers' real motivations for purchasing and using products.

The literature review is comprehensive, and to enhance the readability of this thesis, the literature review is divided into the following four chapters. Chapter 3 provides a detailed exposition of market segmentation practices as reported in the literature, Chapter 4 investigates multivariate segmentation and the extent to which values have been addressed in this type of segmentation, Chapter 5 provides an exposition of values in consumer behaviour, while Chapter 6 investigates how the concept of SWB has evolved in academic literature and how values interrelate with SWB.

CHAPTER 3 MARKET SEGMENTATION

3.1 INTRODUCTION

After a brief introduction, it is argued in this chapter that consumer behaviour forms an integral part of marketing strategy. The theoretical background to market segmentation is then reviewed. The basic premises of the market segmentation technique will be explored and its three stages, namely segmentation, targeting and positioning, will be investigated. The chapter concludes by reviewing the benefits and limitations of market segmentation. Although market segmentation is regarded as the foundation for strategic marketing, the information in this chapter is presented mainly from a consumer psychological perspective and not from a marketing perspective as such.

Consumer markets are composed of people who purchase either for themselves or for their households (Michman et al., 2003). Peter and Donelly (2003) believe it is more difficult to determine how consumers' minds function, what they really want and what market segments exist in a consumer market than in business-to-business markets. They ascribe this to the fact that contact with major customers in business-to-business markets usually takes place on a more direct and personal basis than in consumer markets. Many researchers also believe it is more difficult for consumers than for most people in business firms to articulate their needs and wants clearly (Trott, 2001).

According to Meyers (1996), one of the most difficult, but also most important tasks in consumer marketing is to know how to effectively divide the market into meaningful and useable segments. This is important because customer needs are becoming increasingly diverse and can no longer be satisfied by a mass marketing approach (Dibb & Simkin, 2008). Not all customers have the same requirements, and a marketing strategy that does not recognise this will result in, what McDonald and Dunbar (2004) refer to as, a scatter-gun approach, which will weaken the marketing effort. Arnould et al. (2004) point out that, to develop a competitive advantage for a product or service in specific market segments, a company needs to consider which consumer variables may affect the success of a particular marketing strategy. If the company succeeds in delivering a combination of benefits or values that consumers perceive as unique to the product, it results in a competitive advantage. This may lead to product- or brand-loyal consumers – consumers who purchase the product repeatedly and feel positive about it – which will benefit the company in the long run. It therefore appears to be important to investigate the role of consumer behaviour in the marketing environment.

3.2 CONSUMER BEHAVIOUR AND THE MARKETING ENVIRONMENT

According to Evans, Jamal and Foxall (2006), the term *marketing environment* refers to those conditions and influences which impact, or may potentially impact, on marketing management. Consumer behaviour serves as one of these influences, as will be evident in the following discussion.

3.2.1 Consumer behaviour

As pointed out in Chapter 1, *consumer behaviour* refers to the behaviour of consumers or decision-makers in the marketplace. It involves people's thoughts, feelings and actions in consumption processes, as well as all environmental influences on these behavioural processes that give direction to the consumer's behaviour (Peter & Olson, 2008).

Peter and Olson (2008) further highlight three important characteristics of consumer behaviour, namely that it is dynamic and that it involves interaction and exchanges. Consumer behaviour is **dynamic** because consumers' thoughts, feelings and actions, as well as their environment, are constantly changing. Marketers therefore need to continually undertake consumer research and analysis to keep abreast of important trends. Furthermore, marketing strategies may only be effective for a specific time or market, because of, for instance, shorter product life cycles.

Consumer behaviour **involves interactions** among people's thinking, feelings and actions, as well as the environment. This implies that marketers need to understand what products and brands mean to consumers, what consumers have to do to purchase and use them, and which factors influence their shopping, purchases and consumption. This information will enable marketers to satisfy consumer needs and wants better, thereby creating value for the marketers.

Consumer behaviour **involves exchanges** between human beings. Consumer behaviour to a large degree consists of people sacrificing money and other resources to obtain products and services – thus, exchanges taking place between buyers (consumers) and sellers (marketers). The role of marketing in society is actually to help establish exchanges by formulating and implementing marketing strategies.

Hawkins, Best and Coney (2004, p.7) point out that they have a broader perspective on consumer behaviour than the traditionally accepted view, which focuses mainly on buyers and the causes and consequences of the purchasing process. They also consider indirect influences on consumption decisions and consequences, instead of merely focusing on the purchaser and seller. They therefore regard consumer behaviour as the study of individuals, groups or companies and the processes through which they select, obtain, use and dispose of products, services, experiences or ideas to satisfy consumer needs, as well as the impacts these processes have on consumers and society.

Hawkins et al. (2004) point out four central insights in current knowledge on consumer behaviour in terms of developing effective marketing strategies:

- Successful marketing decisions require extensive information on consumer behaviour.
- Although consumer behaviour theory provides managers with guidelines on the proper questions to ask in terms of their customers' behaviour, research will often be necessary to answer these questions, given the importance of specific situations and product categories in consumer behaviour.
- But, consumer behaviour is a complex, multi-dimensional process, which explains why attempts to influence consumer behaviour are often only partly successful.
- Marketing practices designed to influence consumer behaviour, influence the company, the individual and society. This aspect will especially be evident in section 3.2.3, which deals with the role of consumer behaviour in marketing strategy. It clearly impacts on consumers' SWB, as was evident in Chapter 2.

Although Hawkins et al. (2004) have a broader view of consumer behaviour, the basic processes involved that they distinguish, appear to be the same as those identified by Schiffman and Kanuk (2007) (see Chapter 1), namely that consumer behaviour is the study of how individuals make decisions to spend their available resources (time, money, effort) on consumption-related items, including what they buy, why they buy it, when they buy it, where they buy it, how often they buy it, and how often they use it.

3.2.2 Marketing

According to Tranter et al. (2009, p. 29), marketing is often defined as the process of satisfying the wants, needs and desires of customers. It may range from electronic advertisements on websites to coupons mailed directly to consumers' homes.

Irrespective of the form it takes, marketing is aimed at capturing consumers' attention and inducing them to take some form of action, which may range from requesting additional information to ultimately, and preferably, making a purchase. Marketing consequently aims at understanding the needs and requirements of those consumers who are likely to buy products and services, and providing them with what they need and want in a way that is profitable to the marketer, but also satisfying to the buyer.

Marketing management deals mainly with identifying, anticipating and supplying the requirements of consumers, in order to achieve a company's goals. Because customer satisfaction with products and services is an important consideration in marketing management, companies need to be market oriented. This requires that companies consider who their customers might be, where they are, how and with what to target them in order to satisfy their needs and requirements. In this context, Evans et al. (2006) point out the importance of examining customer requirements, their needs, wants and values. Much of this is based on what motivates customers, an aspect which will be covered in Chapter 5, where the role of values in consumer behaviour is reviewed. And, as was evident in chapter 1, their quest for SWB may also motivate them.

The philosophy that marketing strategies must be based upon consumer needs and wants is known as the **marketing concept** (Michman et al., 2003). It suggests that a company should satisfy consumer needs and wants in order to make profits (Peter & Olson, 2008). A thorough understanding of consumer behaviour is fundamental to understanding and integrating the marketing concept (Michman et al., 2003). But, companies cannot meet all the possible needs that consumers may have. Marketers' chances at success can be improved by developing a specific programme for each target market. That is why market segmentation forms an integral part of marketing.

3.2.3 The role of consumer behaviour in marketing strategy

In consumer markets, marketing strategies are usually designed to increase the probability that consumers will have favourable thoughts and feelings about particular products, services and brands, will try them out and eventually regularly buy them. Peter and Olson (2008) believe three elements should be researched and analysed to develop effective marketing strategies, namely consumer affect and cognition, consumer behaviour and consumer environments.

They point out that, from a consumer analysis point of view, a **marketing strategy** is a set of stimuli placed in consumers' environments designed to influence their affect, cognition and behaviour (Peter & Olson, 2008, p. 27). They further point out that consumer processes involve not only a dynamic and interactive system – as pointed out in section 2.2.1 – but also involve a reciprocal system, in which any of the elements may be either a cause or an effect at any particular time.

Peter and Olson (2008) point out that viewing consumer processes as a reciprocal system involving affect and cognition, behaviour and the environment, has five implications. Firstly, any comprehensive analysis of consumers should consider all three elements and the relationship among them. Descriptions of consumers in terms of only one or two of the elements are incomplete.

Secondly, any of the three elements may be the starting point for consumer analysis. Thirdly, because this view is dynamic, it recognises that consumers can continuously change. Thus, keeping abreast of consumers involves continuous research to detect changes that could influence marketing strategies.

Fourthly, consumer analysis can be applied at several levels. It can be used to analyse a single consumer, groups of consumers that make up a target market, or an entire society, such as changes in what a society believes. Finally, this framework for analysing consumers highlights the importance of consumer research and analysis in developing marketing strategies.

Hawkins et al. (2004) indicate that all marketing strategies and tactics are based on explicit and implicit beliefs about consumer behaviour. However, marketing decisions based on explicit assumptions supported by thorough theory and research, have a better chance at continued success. Knowledge of consumer behaviour can therefore offer companies a competitive advantage because it may reduce poor strategic decisions considerably. See Figure 3.1.

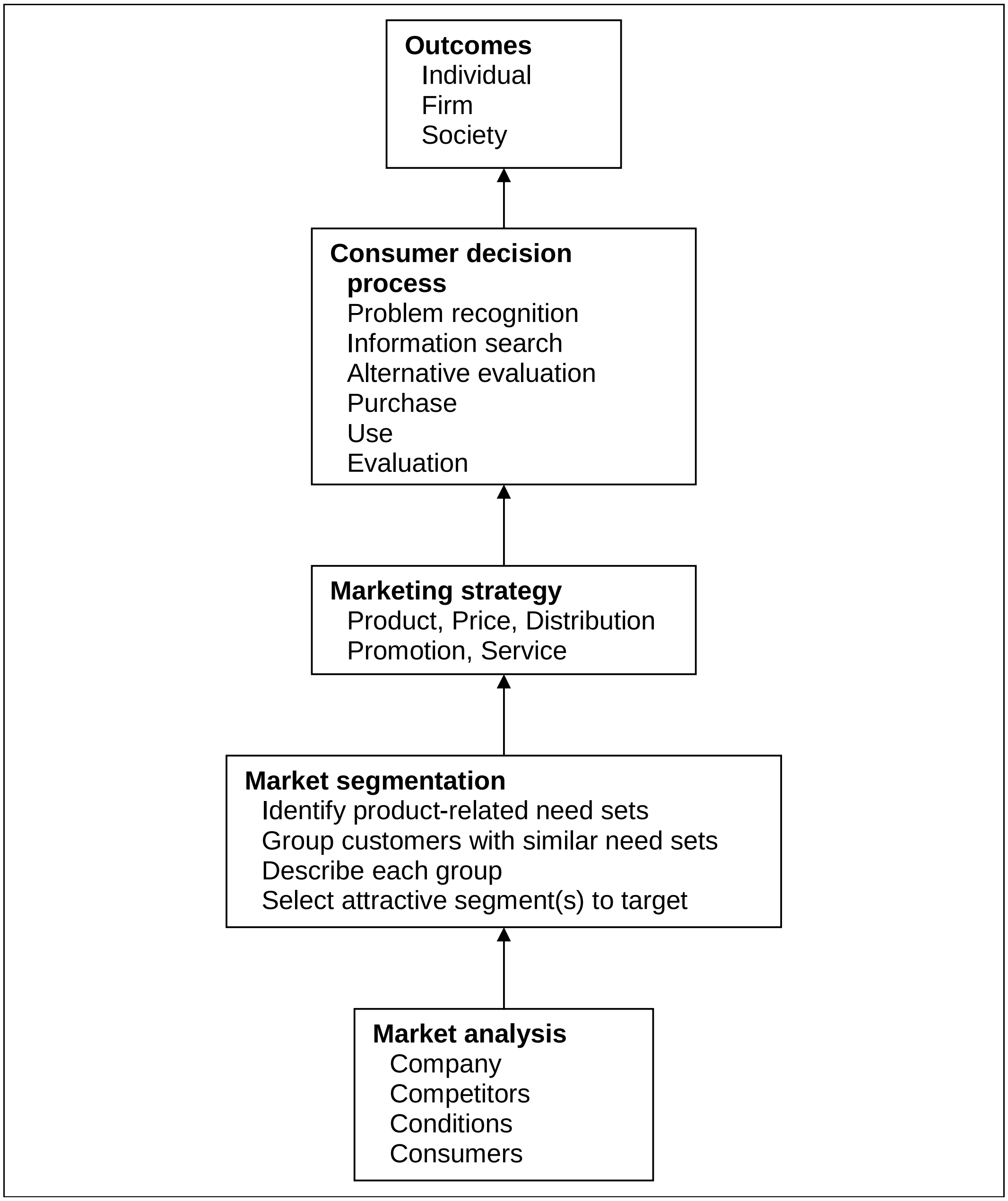


Figure 3.1 Consumer behaviour and marketing strategy
(Hawkins et al., 2004, p.12)

According to Hawkins et al. (2004), to survive in a competitive environment, a company has to provide its target customers more value than its competitors do. As is evident from Figure 3.1, an understanding of consumer behaviour forms the foundation for formulating marketing strategy, and consumer reactions to this strategy determine the company's success or failure. These reactions, however, also determine consumers' ability to meet their needs, and have significant consequences for society in general (Peter & Olson, 2008).

The first step in marketing strategy, as described in Figure 3.1, involves an analysis of the market the company is considering. This entails a thorough analysis of the company's capabilities, its competitors' strengths and weaknesses, the economic and technological forces affecting the market, as well as existing and potential customers in the market.

The company first identifies groups of people with similar needs by means of a consumer analysis. These market segments are then described in terms of characteristics such as demographics, media preferences and geographic location. Afterwards, one or more of these segments are selected as target markets, keeping in mind the company's capabilities compared to its competitors.

Marketing strategy is then formulated. It aims at providing customers with more value than the company's competitors do, but should be accomplished in a profitable way and is formulated according to the marketing mix. This involves determining the product features, price, communications, distribution, services, people and processes that will offer customers superior value. This set of characteristics is also known as the total product**.** The company presents the total product to the target market, which is continually processing information and making decisions to maintain or enhance its lifestyle.

For the company, the target market's reaction to the total product results in an image of the product, brand or organisation, varying amounts of sales, and a degree of customer satisfaction among those who purchased the product. And, as indicated in Chapter 2, this may include their SWB. For the individual consumer, it results in some degree of need satisfaction, financial expenditure, development or change of attitude, and possible behavioural changes. For society, the total effect of the marketing process impacts on economic growth, pollution, social problems and social benefits. These impacts may not always be beneficial to the individual or society, which is why the development and application of consumer knowledge have many ethical implications, as reflected in concerns about a consumer culture in Chapter 2.

But, as is evident in Figure 3.1, the consumer decision process lies between a company's market strategy and the outcomes. The outcomes of the company's marketing strategy are therefore determined by its interaction with the consumer decision process. A company will only be able to achieve success if consumers perceive a need that its product can satisfy, become aware of the product and its capabilities, decide that it is the best available option, buy it and are satisfied with the purchase.

Evans et al. (2006) point out that an important starting point in being market oriented is an understanding of what consumers really want. This is, however, complicated by the fact that consumers often tend to buy products or services to fulfil symbolic needs (such as well-being), instead of for the tangible benefits that products or services offer.

But, consumer behaviour entails more than consumer decision-making (an aspect that will be addressed in Chapter 5, where the role of values in consumer behaviour is reviewed), and marketers have to obtain as much systematic information as possible about their customers. Consumer analysis therefore forms an integral part of marketing strategy and consumers' reaction to the total product determines the strategy's success. But, consumers are typically very diverse and companies can cope with this diversity by grouping customers with similar requirements and buying behaviour into segments. They can then decide which segments are the most appropriate to serve and, by doing so, use their available resources effectively (Dibb & Simkin, 2008).

Market segmentation is one of the central concepts in literature on consumer behaviour and marketing. One of the main reasons for studying consumer psychology is to identify bases for effective segmentation, which explains why a large section of consumer research focuses on segmentation (Peter & Olson, 2008). Market segmentation will now be defined formally and its basic premises discussed briefly.

3.3 MARKET SEGMENTATION

Arnould et al. (2004) point out that, until the 1980s, many consumer product companies were satisfied with producing a few products for large mass markets. For the largest part of the twentieth century, marketers targeted their marketing at the 'average' consumer. By the 1980s, however, market saturation occurred in some countries because consumers' basic needs were fulfilled and because of an abundance in competitive goods and services. Due to this, market segmentation became increasingly complex as marketers identified more and more specialised market segments.

According to Arnould et al. (2004), most national markets have splintered into smaller, more demanding and informed consumer segments, while global companies have to deal with the cultural differences among international markets. On the other hand, globalisation has resulted in consumers in different countries having similar values, attitudes and behaviour. Therefore, although some national markets may appear to become fragmented, segments of consumers with homogeneous preferences may be found across geographic borders (Wedel, 2001).

Changes in the marketing environment have consequently resulted in some companies regarding traditional approaches to marketing, such as market segmentation, as less effective (Wedel, 2001). Companies are starting to recognise, investigate and apply various possible levels of accumulation of their markets, ranging from mass marketing to highly segmented markets. Taylor (2008), for instance, points out the growing realisation among a number of researchers and their clients during the 1990s that generic segmentation variables were not particularly relevant to specific markets for individual products and services. This resulted in a rapid increase in segmentation surveys based on specific products or service categories. But, segmentation is particularly effective and will survive as a viable marketing strategy. Market segmentation will, in the short term, remain the preferred tool for most consumer marketing companies (Arnould et al., 2004).

3.3.1 Definition

According to Michman et al. (2003, p.2), market segmentation is the process of dividing up the total market into groups with relatively similar product and/or service needs in order to design specifically tailored products and/or services to match segment needs. McDonald and Dunbar (2004, p.34) define market segmentation as the process of splitting customers, or potential customers within a market, into different groups or segments, so that each segment consists of customers with similar needs. By doing this, each segment/group can be targeted and reached with a distinct marketing mix approach. According to Dibb and Simkin (2008), market segmentation involves activities designed to combine customers with relatively homogeneous buying requirements into groups or segments, while Armstrong and Kotler (2000) regard it as the subdivision of a market into distinct subsets of customers, where any subset may possibly be selected as a target market to be reached with a distinct marketing mix.

To sum up, market segmentation is the division of the market into groups of consumers with shared characteristics relevant to their consumer behaviour, in order to effectively target each segment with an appropriate marketing mix.

3.3.2 The rationale behind market segmentation

Peter and Olson (2008) point out that the logic of market segmentation is quite simple: a single product usually will not appeal to all consumers. But, although a single product will seldom suit all consumers, more than one consumer can almost always benefit from it. This explains why there are usually groups of consumers who will find a single item acceptable.

An understanding of customers in particular forms the basis of any segmentation exercise (Dibb & Simkin, 2008). A fundamental rationale for market segmentation is the fact that there are different consumer segments that buy in different ways for a variety of reasons, and that may be targeted with different marketing mixes in light of this (Evans, 2003).

According to Weinstein (2004), the overall objective of using a market segmentation strategy is to improve a company's competitive position and serve its customers' needs better. More specific objectives may include increased sales and improved market share, image or reputation. Segmentation helps reduce market diversity and improves a company's performance by targeting specific consumer groups (Dibb, Stern & Wensley, 2002). It consequently helps companies to distribute their financial and other resources more effectively (McDonald & Dunbar, 2004). It enables companies to concentrate on their strengths because they can focus their resources on the most profitable areas of the market (Dibb et al., 2002).

According to Evans (2003), there is no single correct way of segmenting a market. It depends on what a company wants to achieve, on its access to and interest in various techniques and resources for researching segmentation, as well as its willingness to implement recommendations that result from this process. Seeing that strategic marketing rests upon successful segmentation, this process requires careful planning, as will be evident in the following section.

3.4 SEGMENTATION PLANNING ISSUES

Planning for segmentation depends on a company's marketing situation and the type of information it requires (Neal, 2000). Dibb and Simkin (2008) believe that, irrespective of the objectives or technologies involved, any chosen target segment should meet certain criteria for a company to be able to use it.

3.4.1 Segmentation criteria

Evans (2003) identifies four main groups of criteria which assist in typifying market segments and determining their homogeneity, usefulness and strategic use in marketing management. Evans further identifies nine sub-criteria for developing viable segments. Each of these will be briefly discussed.

3.4.1.1 Criteria for typifying segments

Evans (2003) indicates two sub-criteria for distinguishing segments, namely **identification** and **measurability**. Criteria used for identification should help differentiate amongst segments, while it should also be possible to identify segments in terms of differences in individual and household characteristics or other "measurable" characteristics.

According to Neal (2000), it should be possible to identify segments repeatedly and consistently – the identification process should therefore be reliable and consistent. Some segmentation variables, such as location or demographic characteristics (e.g., age, gender, and population group), are relatively easy to identify or may even be observable. Other variables, such as education, income, or marital status, can be determined through questionnaires, while other characteristics, such as benefits sought or lifestyle, are clearly more difficult to identify (Schiffman & Kanuk, 2007).

Consumers' values may also be quite difficult to identify. As indicated in Chapter 2, the application of the values perspective to the marketing of consumer products is based on two perspectives, namely a macro- and a micro-perspective (Reynolds, in Joubert & Mabunda, 2007). In the macro-approach, standard survey research methodology is combined with a classification scheme to categorise respondents into predetermined clusters or groups. In this way, a classification system or taxonomy is developed which can be used to segment consumers into qualitative groups based on their value orientations (Valette-Florence & Rapacchi, in Manyiwa, 2004). This approach is followed in the current research.

3.4.1.2 Criteria for determining homogeneity in segments

Segmentation involves dividing the market into segments of consumers who have similar buying behaviour within segments, but who differ in their buying behaviour between segments. Evans (2003) consequently identifies systematic **variation among segments** as a sub-criterion for determining homogeneity in segments. Consumers classified into different market segments should therefore differ in terms of their behaviour and should have their own distinguishable characteristics (Weinstein, 2004). To be an actual market segment, the people in each segment must respond differently to variations in the marketing mix.

According to Evans (2003), segments should be relatively **stable** over time. Marketers prefer targeting segments that are relatively stable in terms of their needs, demographic and psychological factors, and that are likely to grow over time (Schiffman & Kanuk, 2007). As will be evident in Chapter 5, consumers' values tend to be stable over time, which may make this construct particularly valuable as a segmentation variable.

In terms of **congruity,** Evans (2003) points out that people in particular segments should fit a typical profile. This usually results in similarities in purchase behaviour (Weinstein, 2004).

3.4.1.3 Criteria for determining usefulness of segments

Evans (2003) singles out **accessibility** as a sub-criterion for determining the usefulness of segments. This refers to a company's ability to communicate with its customers, as well as to deliver products and services to its customers in a reliable way (Arnould et al., 2004). In summary, segments should react consistently to communicative, promotional, distributional and product-related stimuli – or, to a company's marketing initiatives (Evans, 2003).

In terms of **substantiality**, Evans (2003) indicates that segments should be of a realistic size to allow specific marketing actions. A profitable target market consists of enough people to justify customising a product or promotional campaign to their specific needs or interests (Schiffman & Kanuk, 2007).

3.4.1.4. Strategic criteria

Evans (2003) indicates that segments should have enough **potential** to meet the company's marketing objectives. Those that are growing and profitable, in which companies can effectively meet their customers' current needs, or for which companies can develop products or services to meet their future needs, are particularly appealing.

In terms of **attractiveness,** Evans (2003) points out that market segments should be structurally attractive to the producer by, for example, creating a competitive advantage for the company. Segments in which there is little direct competition usually are most attractive.

According to Baker (2000), there is agreement in the marketing literature that a market segment should satisfy at least four of the following five conditions to qualify for specific marketing attention – it has to be measurable, accessible, substantial, stable, and respond in a unique way. Evans (2003) distinguishes between active variables, which are used to form segments, and passive variables, which are used afterwards to characterise these segments more completely. The **measurability** criterion may help identify primary or active segmentation variables, while the **substantiality** criterion may indicate market size, potential and share as dimensions to research. **Accessibility** highlights the importance of secondary or passive characteristics.

3.4.2 Methods for market segmentation

According to Meyers (1996), two immediate matters need to be addressed after it has been decided to explore a market segmentation policy, namely:

- What method will be used to segment the market? and
- On which basis will the market be segmented?

In terms of the **methods** used to segment the market, Meyers (1996) indicates two major taxonomies that are mainly used as theoretical frameworks for segmentation:

- customer-based versus product- or service-based
- *a priori* versus *post hoc*

A **customer-based** approach involves considering customers' specific characteristics such as demographic variables, values and needs, and using those to classify them for marketing planning purposes. A **product-based** approach, on the other hand, deals with specific physical features of products or services themselves, the types of benefits customers want from them, usage rates or patterns, or other aspects of the product or service or situations in which consumers use products (Meyers, 1996).

Various terms are used for *a priori* and *post hoc* segmentation. Evans (2003) distinguishes between forward and backward segmentation, while Struhl (in Morritt, 2005) refers to the *a priori* classification scheme as pre-determined segmentation – certain groups from a population are selected, it is determined whether they can be classified as viable market segments, and new research is then often undertaken. He refers to *post hoc* segmentation as market-defined segmentation. It aims at identifying segments based on actual market investigations, especially analysis of survey responses meant to predict consumers' reactions. The terms *a priori* and *post hoc* segmentation will be used in this thesis because they are most commonly used in the literature.

According to Neal (2000), *a priori* segmentation refers to the procedure where companies group customers according to a generally accepted taxonomy relating to differences in customers' purchase or usage of the product category. Segmentation variables are therefore selected *before* analysis begins, based on knowledge or beliefs about factors relating to the consumption of a company's products or services (Meyers, 1996). Examples include geographic regions, basic demographic groups, purchase or usage groups, VALS (the Values and Lifestyles classification system – to be elaborated on in chapter 4) and geodemographic classification systems.

Post hoc segmentation, in contrast, is based on the results of research studies aimed at segmenting a market, where segments are formed by combining buyers who respond similarly to a set, or sets, of basis questions. Neal (2000) regards the selection of basis variables for segmentation as the most important challenge facing researchers when conducting a *post hoc* segmentation study. Possible relevant sets of basis variables include product attribute preferences, values, benefits sought, brand preferences, socio-economic status and lifestyles. Previous research, secondary data sources, and qualitative research could also be used to identify the relevant set of basis variables. The segments are therefore based on responses that are available only *after* a survey has been conducted (Meyers, 1996).

In *a priori* segmentation, segments are formed based on consumers' buying behaviour. These segments are then described afterwards with variables that distinguish the person or individual as a buyer or non-buyer. These include variables such as attitudes, perceptions and lifestyle. In *post hoc* segmentation, the segments are formed based on person variables. The buying behaviour of these segments is afterwards investigated (Evans, 2003).

Lastly, Meyers (1996) suggests simplifying matters by mainly thinking in terms of *a priori* versus *post hoc* segmentation approaches, and Neal (2000) points out that there are only two encompassing approaches for segmenting a market: *a priori* and *post hoc* methods. Both these techniques can be used to gain information on customer as well as product or service variables included in a particular customer survey. In the current research, a *post hoc* segmentation approach was consequently followed – aimed at identifying segments based on actual market investigations, especially analysis of survey responses meant to predict consumers' reactions, as pointed out by Struhl (in Morritt, 2005).

With the review of the origins of segmentation and some of its planning implications as background, some of the segmentation variables which may serve as dimensions to segment markets will now be set out.

3.4.3 Segmentation variables

A segmentation variable can be viewed as a dimension for segmenting a market. Neal (2000) believes that the variables selected for segmenting a market is the key to its success. But, it is seldom possible to claim that there is only *one* best way to segment a particular market, because choosing a segmentation base tends to be a subjective process. Companies tend to differ in their views of the market and how it is segmented (Dibb & Simkin, 2008). In most cases, some initial dimensions can be determined from previous purchase trends and by means of managerial judgement based on experience (Peter & Olson, 2008). Clear benefits should however result from the chosen classification scheme (Dibb & Simkin, 2008).

A single base variable can be used, or several can be combined (Dibb & Simkin, 2008). In most cases, several bases or clusters of variables, need to be considered together to provide a complete customer profile (Weinstein, 2004). This is beneficial, because the creative use of a selection of bases for segmentation can often provide a strategic advantage (Neal, 2000). The logic of combining segmentation variables will be covered in Chapter 4.

The variables available for segmenting a market are nearly unlimited (Neal, 2000; Weinstein, 2004). Some experts divide these segmentation variables into four major categories. Kotler (in Baker, 2000), for example, groups the major segmentation variables into geographic, demographic, psychographic and behavioural variables.

Due to its comprehensiveness, Evans' (2003) categorisation of segmentation variables will be adopted in this study. He uses a three-level taxonomy to categorise segmentation variables:

- At the **general** level, segmentation is based on relatively permanent consumer characteristics such as gender, age, income, social class, occupation, family composition and lifestyle. These characteristics tend to be the same across different products, services and usage situations.
- Segmentation is classified as **domain-specific** when different product classes and consumption domains, such as having supper, personal care, or commuting, are taken into account.
- If customers are segmented into, for instance, heavy and light users of specific brands, segmentation takes place at the **specific** level. This also applies to segmentation of current customers.

According to Evans (2003), segmentation variables may be defined as objective or subjective. An **objective** variable can be determined precisely by ratio measurement, for example age and gender. **Subjective** variables have to be determined by consulting consumers themselves and are often mental constructs such as attitudes, intentions and values. These types of variables are at most measurable on an interval level of measurement. Both objective (living standards) and subjective variables (values and SWL) are considered in the current research.

Evans (2003) combines the three levels of segmentation and the distinction of objective and subjective variables above, to form the classification presented in Table 3.1. He believes that all segmentation variables can be classified within this taxonomy.

Table 3.1 Classification of segmentation variables

(Adapted from Evans, 2003, p. 249)

	Objective	**Subjective**
General level (consumption)	Income Age Education level Geographic area Gender Occupation Ethnicity	Lifestyle General values Personality Perception Attitude, preferences Interests, opinions
Domain-specific level (product class)	Usage frequency Substitution	Domain-specific values
Specific level (brand)	Complementarity Brand loyalty (behaviour) Usage frequency	Brand loyalty (attitudes) Brand preference Purchase intention

In the current research, the following segmentation variables classified as being at the general, objective level according to Table 3.2, were included: gender, age, marital status, home language, educational level, employment status, household income, cultural group and community size (demographics). The following variables, which are classified as at the general, subjective level, were investigated: personal values, SWB and individual-level culture. No segmentation variables at the domain-specific or specific levels were investigated in the current research.

3.4.3.1 General segmentation variables relevant to the current research

The general segmentation variables according to the above classification, which are relevant to the current research will now be reviewed, namely demographic, socio-economic, geographic, as well as psychological variables.

(a) Demographic segmentation

According to Arnould et al. (2004), demographic variables, the vital and measurable data of a population (e.g., income, age, educational level, geographic area, gender, occupation and ethnicity in Table 3.2) are the most popular bases for determining consumer groups. But, even when a target market is described in non-demographic terms, such as lifestyle, it is necessary to link it to demographic variables to identify and reach the target segment (Arnould, et al., 2004).

According to Weinstein (2004), many of the common demographic variables are related from an analytical perspective. They can consequently be grouped into categories such as age factors, gender factors and factors centring on population group, nationality and religion.

The underlying belief behind grouping consumers in clusters relating to **age distribution** is that consumers belonging to certain age groups will show similar purchasing behaviour. Consumers' age, for instance, has an effect on many product categories because their product needs often vary with age. Age segments such as "young adult" and "teenager" have, for instance, become important segments, because they expect their own products and search for their own identity (Evans, 2003). Schiffman and Kanuk (2007) further point out the existence of age cohort effects, such as consumer preferences which result from being born at a certain time in a similar environment.

It would therefore appear that age is still a valid segmentation base for many markets. In some societies, the size of older age segments have been increasing as society ages (Evans, 2003). However, according to Schoeman (2006), the age distribution of the South African population resembles the structure of a developing country, because it has more young people than older people. This may hold unique opportunities and restraints for market segmentation in South Africa.

Gender factors mainly consider marital status and gender categories. Changing lifestyles, such as a high divorce rate, an increase in single-parent families, more couples cohabiting, an increasing number of singles and a more visible gay population, require research on marital status to understand consumer markets better (Weinstein, 2004). Marital status was one of the variables used to describe PDMs in the current research.

The family has traditionally been the focus of most marketing efforts. Although not all households are families, the two terms (i.e., *household* and *family*) are usually treated as synonymous in the consumer psychology context. According to Schiffman and Kanuk (2007), the household continues to be a relevant consuming unit. It is worthwhile to target specific marital status groups such as married couples and divorcees, because they exhibit different consumption behaviour. As a result of the changes in society, many companies are targeting "non-traditional" households, such as couples living together. Marketers are particularly interested in the demographic and media profiles of the household decision-makers. Although they are not necessarily the household decision-makers for all products, the current research is based on data obtained from consumers who are responsible for their households' purchases.

Gender categories mainly deal with the number of males and females in a market. Although many products and services are still aimed mainly at men or mainly at women, consumers' purchasing behaviour has been influenced by changes in traditional male-female gender roles. These changes result to a large degree from two-income households, and the number of male homemakers are also increasing in some countries (Schiffman & Kanuk, 2007). Marketers often target women because women are increasingly entering the labour force and they traditionally buy most consumer goods (Evans, 2003). Evans (2003) further points out that the development of new female roles, such as the independent assertive woman and the independent passive women, has caused men's roles to change too. This may impact on men's purchasing decision-making. Increases in the divorce rate and the "singles" market (imposed through divorce or by decision) have added to the more general changes in gender roles, with women becoming more individualistic through their own careers rather than being housewives per se. Marketing to women, however, may still be in need of updating (Evans et al., 2006).

Clearly, not all purchasing decisions take place in family situations. Kotler (in Evans et al., 2006), however, distinguishes five buying roles which should be taken into account in analysing family buying behaviour. These are the initiator (the person from whom the idea of buying of a certain product first comes), the influencer (the one who consciously or unconsciously affects the purchase in some way, perhaps as an opinion leader), the decider (the one who makes any of the decisions or sub-decisions that determine the precise nature of the purchase), the purchaser (the one who actually carries out the final purchase), and the user (the one who makes practical use of the item bought). Almost all family decisions are affected by more than one of these consumer roles.

In terms of **cultural (population) group,** it can be said that most countries consist of people with diverse ethnic backgrounds, countries of origin and religious preferences (Pires & Stanton, 2005). These differences may affect people's values, beliefs and needs considerably and often impact on their purchasing behaviour (Weinstein, 2004).

Cultural group has, however, not been used extensively in marketing as predictor of consumer behaviour. Evans (2003) points out that, although ethnic segments are increasingly being targeted more clearly, such targeting may need further refinement. Ethnic segments have their own culture, language, religion and specific needs. People experience the impact of their culture through everyday exposure to customs, laws, norms, scripts and practices that are shaped by and express prevailing cultural values (Schwartz & Melech, 2000), on their personal values.

It is therefore not always appropriate to target them with general products and services by merely changing the advertising aimed at them. Some market research agencies now specialise in researching ethnic segments, which makes the argument that ethnicity is difficult to research not valid anymore. The increase in ethnic media further makes it easier to reach ethnic segments (Pires & Stanton, 2005).

As pointed out in Chapter 1, Higgs (2008) believes that South Africa is ideally suited to market research because of its cultural diversity. Because of South Africa's history, its peoples' thought and behaviour patterns tend to be influenced by the cultural group to which they perceive that they belong. Higgs (2008) points out that it may not be politically correct, but if consumers are not analysed according to their cultural group, the main context of the data may be missed.

A person's culture provides implicit rules and truths that operate largely at an unconscious level, but which have a pervasive influence on how the person manages his or her life. Higgs (2008), however, believes that culture is too limiting a concept. People's world view, instead of their culture, should be investigated because people belong to sub-cultures and micro-cultures and their identification with these groups may change their world view. He points out that many world views applied in marketing are mainly based on a Euro-centric perspective. A more Afro-centric set of world views also requires investigation.

Higgs (2008) also points out that people's cultural group should be regarded as just one possible perspective on their different world views. A better appreciation of people's differing world views should include their perceptions of their QOL.

Evans (2003) refers to the sensitive issue that targeting ethnic segments may be regarded as racist in some way. Podoshen (2008), however, points out that is has long been established that both people's cultural group and their ethnicity play a significant role in consumer decision-making, and that the possessions they purchase play a role in constructing their identity (Mehta & Belk, in Podoshen, 2008). In the South African market, unique characteristics may separate ethnic and cultural groups in many respects, and understanding the needs, concerns and characteristics of specific groups may be extremely important to marketers looking to better serve their target markets. Different ethnic groups may also differ in how their ethnicity relates to their SWB. Evans (2003) consequently points out that, if ethnic segments differ in terms of their needs and values, they should be treated differently, which does not mean that they are discriminated against.

Evans et al. (2006) ascribe the popularity of demographic variables in the past to the fact that these variables are generally easy to study and to obtain. It is the most convenient and cost-effective way to identify a target market (Schiffman & Kanuk, 2007). But, some demographic variables have been widely criticised. No single demographic variable on which to base segmentation, for instance, has been found yet (Michman et al., 2003). Furthermore, demographic data has generally not been very successful in explaining consumption behaviour, probably because the psychological or social dimensions influencing consumer behaviour are not taken into account.

Evans et al. (2006) partly ascribe the decline of demographic variables in popularity to their lack of interpretive depth and the fact that they target segments only relatively broadly. As a result, non-demographic segmentation approaches are now frequently used. Psychographic variables have, for instance, become popular because they enable marketers to understand targeted consumers in more depth and target them more effectively.

(b) Socio-economic bases

Because socio-economic variables are based on relatively permanent consumer characteristics, they can also be categorised under general segmentation bases according to Evans' (2003) classification scheme. Nwanko et al. (2006) indicate that, although socio-economic segmentation provides a broad overview of the marketplace, marketing researchers are currently forced to deploy more meaningful methods of segmentation. Socio-economic categorisation is increasingly being replaced by other more sophisticated segmenting techniques that try to probe the consumer's psyche (Mead, in Nwanko et al., 2006) – as in this study.

Weinstein (2004) groups socio-economic factors into three clusters, namely monetary factors, homeownership factors and, what he calls, the social class and geodemographic clustering.

In terms of **monetary factors**, Schiffman and Kanuk (2007) point out that income alone cannot accurately predict purchasing behaviour. It only indicates a person's ability to pay, but people differ in their inclination to buy. Marketers therefore tend to combine income with other variables to get a more complete and accurate profile of their customers. In this regard, Weinstein (2004) points out that a person's educational background, occupation and income tend to be interrelated. Generally, the more educated a person is, the greater the possibility of the person having a good position and income. Because there tends to be a direct relationship among these variables, they are usually combined in socio-economic segmentation.

According to Higgs (2008), people's cultural group and their wealth (as indicated by LSMs) are the most commonly used differentiators in research and marketing in South Africa. He believes that wealth measures are a useful starting point in countries with Gini coefficients as high as South Africa's, but consumers' wealth should only be regarded as a measure of affordability, and these measures do not provide further additional useful information. More appropriate category-level or brand-level segmentations should be used in conjunction with wealth measures. Investigating the relationship between PDMs in the various LSM segments' values and their relation to their SWB therefore appears warranted, especially because this may impact on PDMs' world view, as indicated by Higgs (2008).

(c) Geographic segmentation

When using geographic segmentation as a cluster of predictor variables, the market is divided into different geographical units such as nations, states, regions, countries, cities or neighbourhoods. Significant differences in buying patterns for some products and services tend to occur in these units (Evans, 2003).

Marketers have further detected differences in consumer purchasing patterns among urban, suburban, and rural areas (Schiffman & Kanuk, 2007). Degree of urbanisation therefore is an important segmentation variable that would influence what products are distributed, how they are distributed and how they are priced and promoted – it may impact on the full marketing mix (Arnould et al., 2004).

In this study, differences in SWB among household PDMs were investigated in terms of whether they resided in urban or in rural areas.

(d) Psychological variables

As pointed out in Chapter 2, psychological characteristics refer to the inner or intrinsic qualities of the individual consumer (Schiffman & Kanuk, 2007). Consumers can be segmented in terms of their needs and motivation, personality, perceptions, learning and level of involvement in the consumer domain, and their attitudes, which all form part of psychological segmentation as a group of variables predicting consumer behaviour patterns. The relevance of personality variables as segmentation bases to the current research will now be briefly discussed.

(i) Personality

The logic behind using personality as segmentation base is that people buy products and services which reflect or extend their personality traits in some way. But, personality as segmentation base has been used with varying degrees of success in research programmes. Personality variables such as innovativeness, self-monitoring, and the self-concept have, however, been found to be useful for segmentation (Evans, 2003).

As will be evident in Chapter 6, and as Diener, Suh, Lucas and Smith (1999) point out, personality is one of the strongest and most consistent predictors of people's SWB. According to these authors, SWB itself is not a trait, but stable personality traits can influence SWB. They conclude that SWB has the properties of a disposition. Lastly, as pointed out in Chapter 2, the terms *idiocentrism* and *allocentrism* refer to the personality attributes that correspond to individualism and collectivism. These two attributes and their relationship to consumers' SWB were investigated in this study.

(ii) Values

Because of their fundamental role in consumer behaviour, value systems form an important basis for market segmentation (Brangule-Vlagsma, Pieters & Wedel, 2002). Values help explain and understand consumer behaviour because they play a central role in consumers' cognitive structures and because of their relative stability.

Values further serve as a useful basis on which to segment consumer markets because they are more closely related to consumers' behaviour than personality traits, and they are fewer in number, more central and more closely related to motivations than attitudes (Krystallis, Vassallo & Chryssohoidis, 2008).

Christiansen and Hansen (2001) point out that many scales have been developed to measure people's value systems. During 1995, the SVS was introduced to consumer behaviour research by both Grunert and Juhl (in Christiansen & Hansen, 2001) and Puohiniemi (in Christiansen & Hansen, 2001). The use of Schwartz's values model has recently gained popularity in segmentation research, as is evident in the work of researchers such as Kihlberg and Risvik (2007) and Worsley and Lea (2008). In these studies, the SVS was used, but as was evident in Chapter 1 and as will be explained in more detail in Chapter 7, the 29-item PVQ was used in this study. The 40-item PVQ and adaptations of this questionnaire have also gained popularity in personal value research (Lindeman & Verkasalo, 2005; Krystallis et al., 2008). Schwartz (2005b) believes that both the SVS and PVO are related to and predictive of consumer behaviour across a large variety of contexts.

Brangule-Vlagsma et al. (2002) point out that, although values are relatively stable, individuals' value systems may change. These authors therefore distinguish between a changing and a stable value system. This distinction has important implications for market segmentation approaches based on value systems. They believe that value systems are relatively stable at societal level, but that individual society members' value systems vary over time within the overall system. This aspect, as well as the most prominent scales used in consumer value research, will be investigated further in Chapter 5.

Kihlberg and Risvik (2007) mention that it is important to marketers to adapt their market communications to the changes taking place when segments change or mature. Communication aimed at emerging and potentially new market segments is especially important, as these segments represent possible growth. A good market strategy consequently requires an understanding of value changes, and the values communicated should be recognised as important to the targeted segment of consumers.

All in all, in light of the fact that values are an inherent part of consumer behaviour, this construct readily lends itself to segmentation. Because of differences in culture and socio-economic conditions, certain types of values may be regarded as more important to consumers in one country than in another, and may affect their attitudes and purchasing decisions more significantly. It is therefore important to understand consumer behaviour in a particular cultural setting, especially consumers' social values. This would be indicative of the macro-approach to understanding the role of values in consumer behaviour. Values should further be considered at all segmentation phases: segmentation, targeting and positioning (Kamakura & Novak, in Christiansen & Hansen, 2001). Values as composite segmentation variable will be covered extensively in Chapter 4.

Finally, Arnould et al. (2004) point out that, because of the dynamic nature of consumer needs, a complete market segmentation analysis for existing products should be performed periodically. According to Evans (2003), marketers are realising that they have to consider social trends in order to survive. This means that they have to find out how changing consumer values will affect their products and services. Although SWB has not yet been formally defined as a value, consumers' quest for SWB may also be a social trend that needs to be addressed in segmentation.

With the issues that need to be considered during the planning of market segmentation, as well as the variety of bases available for performing market segmentation, as background, the general procedure for this process will now be explained.

3.5 GENERAL PROCEDURE FOR MARKET SEGMENTATION

The market segmentation process is usually described as the STP (segmenting, targeting and positioning) of modern marketing strategies. During the first stage, namely segmenting, customers are grouped together by applying one or more base variables in order to form customer segments with similar needs and similar buying behaviour. During the second stage, namely targeting, the company decides where to focus its resources, while the final stage, positioning, centres on designing marketing programmes that will match customer requirements in targeted segments (Dibb & Simkin, 2008). Each of these stages will now be discussed.

3.5.1 Segmentation

Most of what has been covered in section 3.4 above applies to this stage. According to Dibb and Simkin (2008), segmentation, the stage where customers are combined into groups, involves two basic steps:

Firstly, segmentation variables, or base variables, are used to group together consumers who demonstrate similar product requirements and similar buying behaviour. After segments have been identified by applying one or a combination of base variables, the company analyses the characteristics of the consumers in those segments, which will ease the design of a marketing programme that will appeal to the targeted segment.

Developing a more complete picture of the segments is known as profiling, which is achieved by means of descriptor variables. Descriptors can include variables relating to consumer characteristics or product-related behavioural variables, but the more detail the company can obtain, the better. Two types of variables are therefore important during this phase: base variables are used to first allocate consumers to segments, while descriptors assist in building up a profile of segment members later (Dibb & Simkin, 2008).

3.5.2 Targeting

After the various segments of relevance have been identified, the company needs to decide how many and which consumer groups to target (Dibb & Simkin, 2008). But, the company may decide not to enter the market because its analyses up to this point do not reveal a viable market niche for its product, brand or model. Instead of segmenting the market, the company may also decide to rather follow a mass market approach, also known as mass or undifferentiated marketing (Evans, 2003).

When applying a mass marketing strategy, the company ignores differences between market segments and uses a single marketing mix, mass distribution and mass advertising (Evans, 2003). A company may benefit by this approach, especially by saving on production and marketing expenses. But, it may have several disadvantages in developed markets, such as the risk that few consumers will be satisfied with the product and that the company may be vulnerable if its competitors offer more differentiated products and services to sub-segments in the market (Arnould et al., 2004).

Weinstein (2004) advises companies to rather target those consumers who are the most likely prospects for buying their products. Targeting thus entails developing differentiated marketing strategies for the different needs in the marketplace. Options include differentiation, concentration and atomisation.

3.5.2.1 Differentiation

A company uses a differentiation strategy when it identifies and markets its products or services to two or more market segments, based on differences in consumer needs (Weinstein, 2004).

Market differentiation includes product differences, as well as unique promotional, price and distribution strategies for specific market segments (Michman et al., 2003). This multi-segment approach to targeting has both benefit and cost implications for a company. By creating special marketing mixes for each segment, the organisation hopes to achieve higher sales. It may, however, result in increased research and development, production and marketing costs because of creating multiple marketing mixes (Arnould et al., 2004).

3.5.2.2 Concentration

When following a concentration strategy, the company focuses on one of several potential segments of the market (Weinstein, 2004). Companies that follow this approach can expect a number of benefits, such as more detailed knowledge of their market segment's needs and wants, operating economies of scale and increased loyalty from satisfied customers. It tends to be cost effective and enables a company to focus on its strengths (Arnould et al., 2004).

But, although concentrated marketing tends to be relatively affordable in terms of resources, it may be very risky if the consumers represented by the chosen segment do not live up to the company's expectations (Arnould et al., 2004). Because a company's risk is spread over fewer products when using this strategy, it may have more severe consequences if products fail to sell. It may also be difficult to restore consumer confidence in cases like these. A concentration approach may further expose companies to competition from larger multi-segment marketing companies that have become aware of opportunities in the niche market, and follow them up. The biggest danger is probably the company's vulnerability in the case of sudden, unexpected changes in the consumers representing a chosen segment's needs and wants.

3.5.2.3 Atomisation

According to Weinstein (2004), atomisation is the least used targeting approach. It divides the market into its finest details – the individual customers. A customised marketing programme is then designed for the few, important prospective customers. This strategy is costly and only appropriate in the case of expensive or specialised products and services.

3.5.2.4 Factors that determine the choice of a strategy

When deciding which strategy to adopt, a company's management has to consider a number of issues (Arnould et al., 2004). It should firstly assess the company's available skills and resources. The more limited its skills and resources, the more advisable undifferentiated strategies are. If it only lacks resources but has good skills, concentrated strategies may be practical. Secondly, the company should assess its market vulnerability. If the market does not consist of clearly identifiable, substantial, accessible, responsive segments, an undifferentiated strategy may be suitable. On the other hand, if many segments have been clearly identified, a differentiated or concentrated strategy is applicable. A third, related issue is the variability of the product. In the case of numerous varieties, it is advisable to adopt a differentiated strategy. Finally, the stage of the product life cycle has to be considered. Undifferentiated strategies tend to be relevant early in the product life cycle, while differentiated strategies are commonly used during the growth and maturity phases of the product. Concentrated strategies may be applicable when products are in the phases of maturity and decline.

3.5.3 Positioning

After it has identified relevant consumer segments and decided which ones to target, the company considers how and where to position its product and marketing programme (Dibb & Simkin, 2008). The main objective of a positioning strategy is to form a particular brand image in consumers' minds (Peter & Olson, 2008). According to Marsden (in Yeshin, 2006, p. 204), positioning may be simply defined in terms of how a brand is positioned in the mind of the consumer with respect to the values with which it is differentially associated or which it owns. Successful positioning ensures that target customers perceive the product as satisfying their desires and expectations (Dibb & Simkin, 2008).

The positioning process often starts with a company identifying its competitors. It then undertakes research to determine how consumers perceive and evaluate the competitors. By further analysing consumers' preferences and perceptions, the company can determine a profitable, unique position for its product or service. However, this must be done in a way that is meaningful to its target market segments. The company's success in achieving or maintaining its position in the market should thus be monitored by means of consumer research (Arnould et al., 2004).

According to Peter and Olson (2008), there are at least five approaches to positioning strategy, including positioning by attribute, use or application, product user, product class and competitor. Positioning by **attribute**, (i.e., associating a product with an attribute, a product feature, or a customer feature) is probably used most frequently, such as when cars are promoted in terms of safety, fuel efficiency and status.

In terms of positioning by **product user** or class of users, some products are still targeted at mainly one gender, such as hand lotion aimed mostly at women. Some important positioning decisions are based on **product class**, for example some margarines are positioned relevant to butter.

In general, a company is required to differentiate its products and services from those of its competitors in order to achieve product positioning (Arnould et al., 2004). The **competition** therefore serves as an explicit or implied frame of reference in most positioning strategies. The main purpose of this type of positioning is often to convince consumers that their brand is better than the market leader (or another popular brand) in terms of important attributes. Explicitly comparative advertising is, however, not yet allowed in South Africa.

Successful positioning is accomplished by developing a consistent strategy that may involve all the marketing mix elements (Peter & Olson, 2008), an aspect covered in the next section.

3.5.3.1 Designing a marketing mix strategy

The company can now complete its marketing strategy by finalising the marketing mix for each segment. Designing a marketing mix strategy includes developing tactics for communicating the product's position to target consumers. Various different elements of the product's marketing mix – its distribution, promotion, and price – communicate its positioning to the consumer, but promotion is probably the main element. Companies may also attempt to change their image and position in the market – known as repositioning – by changing the marketing mix (Peter & Olson, 2008).

Peter and Olson (2008) mention that selecting a target market and designing the marketing mix usually coincide. Many marketing mix decisions should thus have already been considered carefully by this stage. Marketing mix decisions thus tend to be made in conjunction with, instead of after, target market selection.

3.6 THE BENEFITS OF MARKET SEGMENTATION

The marketing literature identifies a range of possible benefits for companies when they use a segmentation approach (Dibb et al., 2002). Weinstein (2004) identifies four major benefits of market segmentation analysis and strategy:

- Designing relevant products to meet consumers' needs: By researching consumer preferences – an essential component of segmentation analysis – the company progresses towards accomplishing the marketing concept (customer satisfaction at a profit). Segmentation can also lead to niche marketing, which may result in segment dominance – something which is often not possible in the total market (McDonald & Dunbar, 2004).
- Developing compelling and cost-effective promotional strategies: Segmentation identification and analysis provide valuable input for developing the company's communications mix. Appropriate promotional campaigns can be designed and targeted through the right media.
- Evaluating competition, in particular with regards to the company's market position: A segmentation study explores how a company's customers perceive it in comparison to its competition. This type of analysis may be useful in uncovering trends in changing and unpredictable markets. It keeps the organisation alert to changes in market conditions, competitor actions and environmental opportunities and threats (Michman et al., 2003).
- Providing an understanding of present marketing strategies: Effective consumer segmentation requires a company to periodically review its marketing strategies. It provides a systematic approach for controlled market coverage, compared to the hit-or-miss approach of mass marketing campaigns.

The most widely quoted benefit is possibly that segmentation leads to a better understanding of consumers' needs and characteristics (Dibb & Simkin, 2008). This allows more carefully aligned marketing programmes and an improved understanding of the competitive situation. It enables the company to check its logic and basic assumptions about its market, and helps companies to be proactive instead of reactive, enabling them to take advantage of market opportunities and gain a competitive advantage (McDonald & Dunbar, 2004). Because market segmentation requires companies to assess the attractiveness of particular markets and their segments, it may result in more efficient distribution of resources (Dibb & Simkin, 2008).

It can be said in conclusion that segmentation analysis provides the necessary research base for the formulation and implementation of all other marketing strategies (Weinstein, 2004). This may be why many regard market segmentation as vital to business success, and some suggest that it is the panacea of modern marketing (Dibb & Simkin, 2001).

In light of the above, this study attempts to provide greater insight into the existing LSM segmentation approach. It should provide important information for strategic marketing activities. In this regard, De Mooij (2004) points out that Schwartz's model is attractive to the advertising world because it describes value types in terms that are appealing to people in advertising, who like to describe imaginary consumers in terms of abstract preferences such as pleasure, excitement, novelty, challenge or hedonism. Furthermore, as mentioned before, Schwartz's values theory may be particularly relevant for market segmentation, because it reflects a universal structure of values, recognised across many countries. Solomon et al. (2006) point out that it has been found that the SVS distinguishes better between cultures (Schwartz, in Solomon et al., 2006) and types of media consumption behaviour (Todd, Lawson & Northover, in Solomon et al., 2006), than the traditional dichotomy of IC. Finally, Solomon et al. (2006) mention that the dimensions on which values are arranged in Schwartz's values model (openness to change versus conservatism and self-transcendence versus self-enhancement), appear to be relatively universal for a lot of syndicated lifestyle and values surveys.

3.7 THE LIMITATIONS OF MARKET SEGMENTATION

Despite some clear benefits of making use of market segmentation approaches, companies trying to implement new or revised segmentation schemes often experience practical problems (Dibb & Simkin, 2008). These problems emerge for a variety of reasons and can occur at any point in the segmentation process. The effect, however, is that the segmentation process does not lead to homogeneous segments for which appropriate marketing programmes can be developed, resulting in failure.

Neal (2000) highlights the following reasons why market segmentation strategies sometimes fail:

- A lack of senior management involvement and the fact that senior management do not always realise that market segmentation is a strategy that should filter through the entire company and the way it deals with its marketing environment.
- Poor understanding of the market segmentation concept and the need to identify groups that really differ in terms of their responses to changes in the marketing mix.
- The belief that all markets can be segmented on bases that may be influenced by variations in the marketing mix.

- Researchers who are too concerned with methods and techniques instead of a company's marketing capabilities and the practicalities of the marketing environment.
- Not adapting the research boundaries to the concept of segmentation.
- Selecting the "wrong" set of basis variables.

From the above, two main causes for segmentation failure are evident, namely misconceptions among the people involved and research limitations. In terms of research limitations, it appears that segmentation research definitely has to be validated. According to Wind (in Andrews & Currim, 2003), companies need to verify the results; for instance, they need to determine whether the consumer segments identified in a segmentation study really exist in the population, or whether the estimated segment size is accurate. But, according to Wedel and Kamakura (2000), the empirical accuracy of segments is only one important criterion. Other criteria, such as profitability, market share, reachability and substantiality of consumer segments, as well as how segmentation methods perform in terms of such criteria, should be investigated in future research. Companies have to replicate their research to validate their consumer segmentation choices and the segmentation strategies resulting from it (Wind, in Andrews & Currim, 2003).

Apart from misconceptions and research limitations, difficulty in implementing segmentation descriptors appears to be the main reason why segmentation might fail. Some of the problems companies experience when implementing market segmentation result from a poor understanding of segmentation principles or unfamiliarity with handling the segmentation process. This situation may partly be explained by differences in priorities among practitioners and academic researchers. Academics usually try to identify different segmentation schemes, and validate and analyse them statistically, while practitioners evaluate the applied value of a particular segment solution on the marketing programme which results from it (Dibb & Simkin, 2008). But, because academic literature tends to focus on segmentation variables and techniques, it offers limited guidelines on handling the segmentation process and its application.

One of the potential weaknesses of segmentation analysis, which Weinstein (2004) believes marketers should be aware of, is that segmentation requires a major corporate commitment. In order to be effective, segmentation information needs to be supported by consistent product, promotional, pricing and distribution strategies that are regularly evaluated and revised. Weinstein (2004) points out two further potential weaknesses of segmentation analysis which marketers should be aware of:

- Increased costs: Differentiation may, for instance, require two or more promotional campaigns and possibly new products. But, the company may also benefit financially because target marketing implies less waste, as is the case when advertising reaches its aim and results in increased marketing performance.
- Segmentation provides composite, not individual, profiles. Although segmentation research provides meaningful marketing information, it only explains expected purchasing behaviour at segment level. Although consumers may be similar in terms of demographic, psychographic and/or usage profiles, marketers still have to appeal to specific buyers through personal selling.

All in all, it can be said that, to be implementable, market segmentation programmes should suit a company's characteristics and should fit the existing market situation (Webster, in Dibb & Simkin, 2008). Taken overall, however, segmentation appears to offer more benefits than disadvantages. It appeals to both theorists and pragmatists because it can be undertaken with various degrees of refinement (Baker, 2000).

3.8 CHAPTER SUMMARY

In this chapter, market segmentation was conceptualised and explicated. It was evident that knowledge of consumer psychology forms an integral part of marketing strategy. The theoretical background to market segmentation was reviewed, including the basic premises of this technique and its three stages, namely segmentation, targeting and positioning. The major advantages of implementing market segmentation were explained, as well as some of its limitations.

With this chapter the first literature objective was achieved. In Chapter 4, multivariate segmentation will be conceptualised with particular reference to the role of values in this type of segmentation.

CHAPTER 4 MULTIVARIATE SEGMENTATION

4.1 INTRODUCTION

The term *multivariate segmentation* refers to the phenomenon where consumer markets are segmented by combining a number of segmentation bases. Various terms are used to describe situations such as these: hybrid (Schiffman & Kanuk, 2007), multi-dimensional (Neal, 2000) and multivariate (Haupt, 2001) segmentation. The term *multivariate segmentation* will be used in this study because it is methodologically acceptable.

This chapter reviews South Africa's most popular multivariate segmentation approach, the LSM (Haupt, 2001), and explains the principles on which it is based. The impact of consumers' lifestyles on their consumer behaviour will then be addressed, which will lead to an investigation of psychographics as a multivariate segmentation approach. The role of values will be emphasised throughout. In the last section of this chapter, a number of South African multivariate segmentation approaches, which are based mainly on values, will be explored.

Considering the range and variety of marketing decisions that marketing practitioners need to make, it is probably not advisable to segment consumer markets according to single segmentation bases. Changes in the marketing environment, such as greater emphasis on niche marketing, further require market segmentation schemes that promote finer targeting (Neal, 2000). A diversity of consumer lifestyles resulting from societal changes such as women's increasing entry into the work force, a higher divorce rate and a growing singles market, have also complicated segmentation in many markets (Michman et al., 2003).

Challenges such as the above may explain why multivariate approaches are becoming increasingly popular to segment consumer markets (Arnould et al., 2004). By combining several segmentation bases and thereby creating rich and comprehensive profiles of specific consumer segments, consumer markets can be segmented more accurately (Schiffman & Kanuk, 2007; Arnould et al., 2004). Most segmentation studies actually recommend using several segmentation bases (Weinstein, 2004). This is probably because more complex or differentiated segmentation approaches may result in a more comprehensive understanding of the market – an understanding that may not be obtained in any other way (Meyers, 1996)

Multivariate segmentation may be especially relevant to South African conditions. Although conditions may have changed, SAARF (in Spence, Abratt & Malabie, 1997) points out two factors in particular that seem to complicate market segmentation in South Africa – the multicultural composition of South African society and the varying levels of sophistication among its cultural groups. Burgess and Blackwell (1994) argue that, considering existing differences in factors such as education, culture, age, occupation and economic resources among cultural groups in South Africa, using cultural group as a segmentation base may appear useful. However, these authors regard focusing on consumer values, attitudes and beliefs as segmentation bases to be more appropriate. Burgess (1990) points out that values, in particular, appear to be a suitable segmentation base for the changing South African marketing environment, in view of the fact that values tend not to be related to cultural group. In contrast to Burgess (1990), Pires and Stanton (2005) point out that different ethnic groups are likely to espouse different values. This may explain why Cui and Choudhury (2002) regard value segmentation as an increasingly important tool for marketing managers who have to deal with multi-ethnic, heterogeneous markets (such as those in South Africa).

The LSM will now be explored.

4.2 THE LIVING STANDARDS MEASURE

During the late 1980s, SAARF developed the first version of the LSM, which segments the South African population according to its living standards, as determined by criteria such as degree of urbanisation and ownership of cars and major appliances (http://www.saarf.co.za). Its aim was to find a more discriminating method of market segmentation that could make finer distinctions than using only demographics as a segmentation base (Corder, 2001).

To achieve the above, SAARF considered variables that were already measured in the SAARF All Media and Products Survey (AMPS). This national survey provides single-source data on South African adults, covering demographics and the usage of media and products (SAARF, in Corder, 2001; Sinclair & Barenblatt, 1997).

Thirteen variables were distinguished as the best descriptors of living standards. These included whether people had a polisher/vacuum cleaner, fridge/freezer, television set, and/or water/electricity in their homes, as well as whether they had a washing machine, one or more cars, a hi-fi/music centre, and/or sewing machine in their homes.

Further distinguishing variables were whether respondents undertook supermarket shopping, were rural dwellers, employed one or more domestic servants, and had a VCR and/or tumble-dryer in their home (Haupt, 2001).The original LSM applied these variables to divide South

African adults into eight market segments. However, in subsequent years, it has undergone various developmental phases. In 1995, SAARF extended the number of variables to 20 to achieve greater discrimination, especially for LSM categories 7 and 8, which were subdivided into 7 low and high, and 8 low and high, respectively (Corder, 2001).

In 2000, some new variables were included to further improve differentiation among the higher LSM categories, resulting in 16 LSM variables remaining and four being replaced. Using dishwashing liquid, having water or electricity in the home, and being a rural dweller or household supermarket shopper, were no longer regarded as distinguishing variables. Four new variables were included in the 2000 LSM, namely having a built-in kitchen sink in the home, owning an electric stove or hotplate, owning a video cassette recorder, and owning a car, sedan, beach buggy, hatchback or two-seater coupé.

In 2001, SAARF launched an improved LSM, the SAARF Universal LSM. This LSM divides the South African population (all South African adults, i.e. 16 years and older) into 10 groups, and is based on only universally applicable variables (Haupt, 2001; http://www.saarf.co.za). Those LSM groups formerly known as 7 low and 7 high, and 8 low and 8 high, are now termed groups 7, 8, 9 and 10. Fifteen of the original 20 variables remained in the Universal LSM. The number of variables has also been increased to 29 in order to be able to make finer distinctions (http://www.saarf.co.za). The SAARF Universal LSM variables are listed in Table 4.1.

Table 4.1 SAARF 2001 Universal LSM variables
(http://www.saarf.co.za)

1.	Hot running water	16.	Less than two radio sets in household
2.	Fridge/freezer	17.	Hi-fi/music centre
3.	Microwave oven	18.	Rural outside Gauteng/Western Cape
4.	Flush toilet in/outside house	19.	Built-in kitchen sink
5.	No domestic in household	20.	Home security service
6.	VCR	21.	Deep freezer
7.	Vacuum cleaner/floor polisher	22.	Water in home/on plot
8.	No cellphone in household	23.	M-Net/DStv subscription
9.	Traditional hut	24.	Dishwasher
10.	Washing machine	25.	Electricity
11.	PC in home	26.	Sewing machine
12.	Electric stove	27.	Gauteng
13.	TV set	28.	Western Cape
14.	Tumble-dryer	29.	Motor vehicle in household
15.	Home telephone		

SAARF (http://www.saarf.co.za) points out that four variables from the above descriptors were excluded and four new variables were included in the 2004 LSM descriptors, because of developments and changes in the marketplace. The following variables were excluded: traditional hut, electricity, Gauteng, and Western Cape. The variables which were added were: house/cluster house/town house, metropolitan dweller, DVD player and 1 cellphone in household.

The full list of AMPS 2004 LSM descriptors which resulted from this adaptation appears in Table 4.2.

Table 4.2 SAARF 2004 Universal LSM variables
(http://www.saarf.co.za)

1.	Hot running water	16.	Have a deep freeze
2.	Fridge/freezer	17.	Water in home or on stand
3.	Microwave oven	18.	Have M-Net and/or DStv
4.	Flush toilet in house or on plot	19.	Have a dishwasher
5.	VCR in household	20.	Metropolitan dweller
6.	Vacuum cleaner/floor polisher	21.	Have a sewing machine
7.	Have a washing machine	22.	DVD player
8.	Have a computer at home	23.	House/cluster/town house
9.	Have an electric stove	24.	1/more motor vehicles
10.	Have TV set(s)	25.	Electricity
11.	Have a tumble-dryer	26.	No domestic worker
12.	Have a Telkom phone	27.	1 Cellphone in household
13.	Hi-fi or music centre	28.	None or only one radio
14.	Built-in kitchen sink	29.	Living in non-urban area
15.	Home security service		

Corder (2001) points out that the LSM is used extensively in South Africa for target market definition and media selection. However, there appear to be limits to its use.

Corder (1996) criticises the use of the LSM as a single discriminator. He recommends defining target markets by using a combination of LSMs and a variety of criteria suitable to the product category, including consumers' behaviour, brand perceptions and demographics.

Haupt (2001) further points out that some LSM users mistakenly believe that it can be used as a psychographic or attitudinal measure. However, it only indicates that consumers in certain LSM groups own more commodities than others, and does not provide information on their income, or whether they are inclined to spend money. An explanation for this is the fact that the LSM is based mainly on demographics and this segmentation base identifies only objective facts, such as that certain consumers own vehicles, but cannot explain why they bought them (Morgan & Levy, 2002).

Haupt (2001) further points out that basing segmentation on a single class of differentiation such as demographics may not reflect the complexity of human nature. Consumers in a specific demographic category may, for instance, share certain characteristics, such as their age, gender or income, but their psychographics – their values, motivations and beliefs – will differ (Morgan & Levy, 2002). Haupt (2001) therefore recommends combining LSMs with other descriptors such as language, income or life stage, to improve the resulting segmentation.

In view of shortcomings and recommendations such as the above-mentioned, it appears that LSM-based segmentation could be enhanced by considering South African consumers' psychological characteristics as well. This is where psychographics or lifestyle segmentation can make a contribution. It measures the intrapersonal and social motivations behind consumer behaviour and can help marketers to identify those consumers who would be most receptive to their messages (Morgan & Levy, 2002), as will be evident in the following section.

4.3 CONSUMER LIFESTYLES

According to Hawkins et al. (2004), consumers' lifestyles basically refer to the way they live and express their self-concepts. Their lifestyles impact on and are reflected in their consumer behaviour. This includes the way they choose to spend their time and money and how their consumption choices reflect their values, attitudes and tastes (Solomon et al., 2006). People's lifestyles consequently influence both their consumption patterns and how they process different forms of marketing communication (Vyncke, 2002).

A person's lifestyle is influenced by factors such as culture, values, demographics, subculture, social class, reference groups, family, motives, emotions and personality. According to Gunter and Furnham (in Vyncke, 2002), consumers' lifestyles are primarily functions of their values, while Yeshin (2006) points out that lifestyle describes the way people live, and that lifestyle reflects their personal values and actions in a social context. All in all, it can be said that consumers' lifestyles are determined by their past experiences, innate characteristics and current life context, and influence all aspects of their consumption behaviour (Hawkins et al., 2004).

According to Dutta-Bergman and Wells (2002), a particular person's lifestyle within a specific culture is often related to whether the person is idiocentric or allocentric in orientation – even within the same culture, idiocentrics and allocentrics differ widely in terms of their lifestyle. The authors suggest that, within cultures, people vary largely in their attitudes, opinions and behaviours, and idiocentric and allocentric predispositions play a central role in this variation. They found significant differences between consumers on the ideocentric versus allocentric distinction in terms of their life contentment, financial satisfaction and optimism, health consciousness, food preparation, domestic chores, travelling, the extent to which they enjoy sports and adventure, and their media usage. Furthermore, Brown and Kasser (2005) point out that the relationship between people's lifestyle and their SWB – an additional construct investigated in this study – requires further investigation, especially in light of the fact that it appears as if achieving sustainable societies will mean having to scale down on our material lives.

Consumers are often unaware of how their lifestyles impact on their purchase decisions. Although their lifestyles often provide the basic motivation and guidelines for their purchases, this process is indirect and subtle (Hawkins et al., 2004). The fact that lifestyles may further change as people's tastes and preferences develop over time requires marketers to continually monitor consumer preferences (Solomon et al., 2006). The measurement of these subtle influences in consumer behaviour will now be reviewed.

4.3.1 Psychographics

Psychographics is the technique that consumer researchers mainly use to measure lifestyles (Gunter & Furnham, in Vyncke, 2002). It investigates consumers' lifestyles in terms of how they spend their time, what they find interesting and regard as important, and their perceptions of themselves and their surroundings (Solomon et al., 2006).

Demby (in Weinstein, 2004, p.120) provides a three-level definition of psychographics, namely:

1. At a general level, psychographics entails the practical application of the behavioural and social sciences to marketing research.
2. More specifically, psychographics is a quantitative research procedure that is recommended when demographic, socio-economic and user/non-user analyses cannot explain and predict consumer behaviour satisfactorily.

3. Most specifically, the aim of psychographics is to describe those human characteristics of consumers which may determine their responses to products, packaging, advertising and public relations activities. These may range from consumers' self-concepts and lifestyles to their attitudes, interests and opinions, as well as their perceptions of product attributes.

Lifestyles can be measured at various levels of specificity (Hawkins et al., 2004). The specific approach to lifestyle measurement focuses on statements that are product specific and that identify benefits associated with a particular product or brand. Other studies, such as the VALS approach, to be discussed later in this chapter, aim at generating a broader base of (or more general) lifestyle types that may be applied to more than one product market (Gunter & Furnham, in Vyncke, 2002).

Psychographic inventories often include numerous statements (often as many as 300), and a large number of respondents are required to indicate their degree of agreement with each on a Likert scale (Evans, 2003; Hawkins et al., 2004). After analysing the data by means of cluster analysis to identify groups that correspond in terms of their activities, interests and opinions, each cluster is allocated a fairly superficial descriptive title. Such profiles help to determine appropriate product or service features and to decide on advertising messages that will be appropriate to the consumers in the segment's lifestyle (Evans, 2003), as will be evident in section 4.3.2.1.

Psychographics originally focused on consumers' activities, interests and opinions, and its measurement instruments were known as AIO (activities, interests and opinions) inventories. It was believed that each consumer lifestyle type was characterised by a unique style of living, which could be described in terms of a set of activities, interests and opinions (Solomon et al., 2006). The lifestyle concept has, however, been broadened somewhat, as will be evident in the following section.

4.3.1.1 Dimensions included in current lifestyle studies

There has been some disagreement in the past about whether psychographics can be regarded as the same as lifestyle research. According to Gunter and Furnham (in Vyncke, 2002), experts currently appear to agree that the two concepts are not identical. Psychographics refers to consumers' personality traits (such as their sociability, self-reliance and assertiveness), while lifestyles consist primarily of consumers' activities, interests and opinions. In practice, however, personality traits and lifestyles need to be considered together to provide meaningful marketing information (Gunter & Furnham, in Vyncke, 2002). The terms *psychographics* and *lifestyle* are in fact frequently used interchangeably (Vyncke, 2002).

Current psychographics or lifestyle studies consequently typically include factors such as the following:

- attitudes, which are often measured by evaluative statements about topics including other people, places, ideas or products
- values or general beliefs about what is acceptable and/or desirable
- activities and interests, or non-work-related behaviours, such as hobbies, sports and church involvement on which people choose to spend their free time and effort
- demographic indicators, such as age, education, income, occupation, family structure, ethnic background, gender and geographic location
- media patterns or the specific media that consumers use
- usage rates, which measure the extent of consumers' consumption in a particular product category, often resulting in them being categorised as heavy, medium, light or non-users

Most current psychographic studies group individuals according to the first two or three dimensions listed above, while the other dimensions are used to describe each group in a bit more detail. Some studies include demographics as part of the grouping process (Hawkins et al., 2004).

4.3.2 Psychographic segmentation

Psychographic segmentation is used to divide consumers into groups according to differences in their lifestyles, and is based on personality, motivation and lifestyle variables. A *post hoc* model is generally applied – consumers first answer a variety of questions about their lifestyles and are then grouped according to their responses (Wedel & Kamakura, 2000). The rationale behind this approach is that consumers' cognitive processes or properties, such as their values, abilities, beliefs and opinions, are likely to be directly related to their consumption decisions (Solomon et al., 2006).

4.3.2.1 Uses of psychographic segmentation

According to Solomon et al. (2006), psychographic segmentation can be used in a variety of ways, for instance, the following:

- *Define the target market.* Psychographic indicators provide marketers with more in-depth information about their markets than simple demographic or product usage descriptions.
- *Obtain a new view of the market.* Instead of basing their strategies on the “typical” consumer, psychographic variables help marketers to understand consumers’ motivations for purchasing and using products.
- *Position the product.* Marketers can use psychographic information to emphasise product features that fit in with consumers’ lifestyles, such as their existing consumption patterns.
- *Better communicate product attributes in advertising.* Because psychographic data provide a much more detailed image of target consumers than statistics, advertisers can address the relevant consumers more effectively.
- *Develop overall strategy.* If marketers understand how a product fits into consumers’ lifestyles, they can identify new product opportunities, develop media strategies and create environments to supplement these consumption patterns.
- *Market social and political issues.* Psychographic segmentation can be used to make political campaigns more relevant, as well as to determine similarities among consumers engaging in destructive behaviours, such as drug use.

To sum up, knowledge about consumers’ lifestyles provides a more realistic picture of the target market and helps marketers understand what types of consumers they want to reach. It enhances choices about product positioning, communications messages and reaching strategies (Vyncke, 2002).

4.3.2.2 Personal values and market segmentation

According to Michman et al. (2003), a particular psychographic variable can be used on its own or combined with other psychographic variables to segment a market. When using values as a segmentation base, consumers are segmented according to similarities in their value systems (Howard & Woodside, in Jonkheid, 1998). The value construct, however, does not only lend itself to being a basis for market segmentation – it can also be applied to better describe segments defined by means of other criteria such as demographics (Kamakura & Novak, in Krystallis et al., 2008).

In accordance with the above, values have been applied in segmentation approaches in two main ways. They play an essential role in commercial segmentation schemes, such as the VALS scheme, which usually result in standard segments that can be used with any product.

Alternatively, value surveys, such as the Rokeach Value Survey (RVS), can be included in a standard questionnaire. This type of approach will be followed in this research, especially because the differences in value importance determined by value surveys seem to correlate more strongly with consumption behaviour than those found in commercial segmentation schemes such as VALS (Novak & MacEvoy, in Michman et al., 2003).

According to Zetterberg (1998), more information is currently available about value measurement in market research than in academic research. Sampson (in Zetterberg, 1998), for instance, identified 15 different commercial value segmentation systems. These types of systems normally use proprietary methods, resulting in the segmentation data not being freely available. Zetterberg (1998) distinguishes between theory-based and ad hoc systems of value measurement in terms of value typologies. Each of these will now be discussed on the basis of examples.

(a) Theory-based systems of value measurement

VALS serves as an example of a theory-based system of value measurement, because it is underscored by well-defined categories and a dynamic, underlying theory (Zetterberg, 1998). It has undergone two major developmental phases, as will be evident in the following discussion.

(i) Values and Lifestyles Systems 1 (VALS 1)

VALS 1 was developed in 1980 by researchers at the Stanford Research Institute (SRI) in California. They initially divided the US market into nine VALS 1 segments or lifestyle clusters, based on Maslow's hierarchical model of human needs (ranging from most basic physiological needs to most abstract self-actualisation needs), and Reisman's model of external or internal basic goal orientations (Arnould et al., 2004).

Although VALS 1 was extensively used in marketing and advertising research (mostly in the USA), its popularity had declined by the late 1980s. Its classifications were regarded as too abstract and general and, because it originated from developmental psychology, its relevance to consumer markets was questioned. It further lost favour as a segmentation approach because it did not distinguish sufficiently between groups of consumers, and the segments it identified were unbalanced in terms of size (Arnould et al., 2004).

The developers of VALS 1 had to adapt the system because of deficiencies such as the above, as well as economic and demographic changes such as the rise of a global economy, with its concomitant larger variety of products and greater diversity of media information that resulted in more diverse lifestyles (Solomon et al., 2006).

(ii) Values and Lifestyles Systems 2 (VALS 2)

In response to elements such as the above, the SRI team developed the VALS 2 scheme, which is more strongly underscored by psychological theory other than developmental theoretical approaches, and has been designed to measure relatively permanent attitudes and values (Hawkins et al., 2004). It classifies US adults into segments according to their resources and primary motivations.

People's **primary motivation** determines what aspects of their selves or their world direct their activities. Three primary motivations determine consumers' behaviour, namely ideals, achievement and self-expression. Knowledge and principles guide those consumers who are mainly motivated by ideals. Those who are primarily driven by achievement tend to prefer products and services that will make them appear successful to their peers. Consumers, who are chiefly motivated by self-expression, prefer social or physical activity, variety and risk (http://www.sric-bi.com/VALS/types.shtml).

Consumers' personality traits such as self-confidence, innovativeness and impulsiveness, combined with important demographic characteristics such as their age and income, determine their **resources** (http://www.sric-bi.com/VALS/types.shtml). These resources tend to increase from adolescence until middle age, and then remain relatively constant until they start declining as people age (Hawkins et al., 2004). Variations in consumers' levels of resources determine the extent to which they are able to express their primary motivation.

Based on these two dimensions, the VALS 2 approach defines eight consumer segments with different attitudes and behaviour patterns. The groups are largely balanced (carrying the same size or weight), and range from eight to 16% of the US population, so that each represents a viable consumer target (Arnould et al., 2004).

The VALS 2 typology is shown in Figure 4.1.

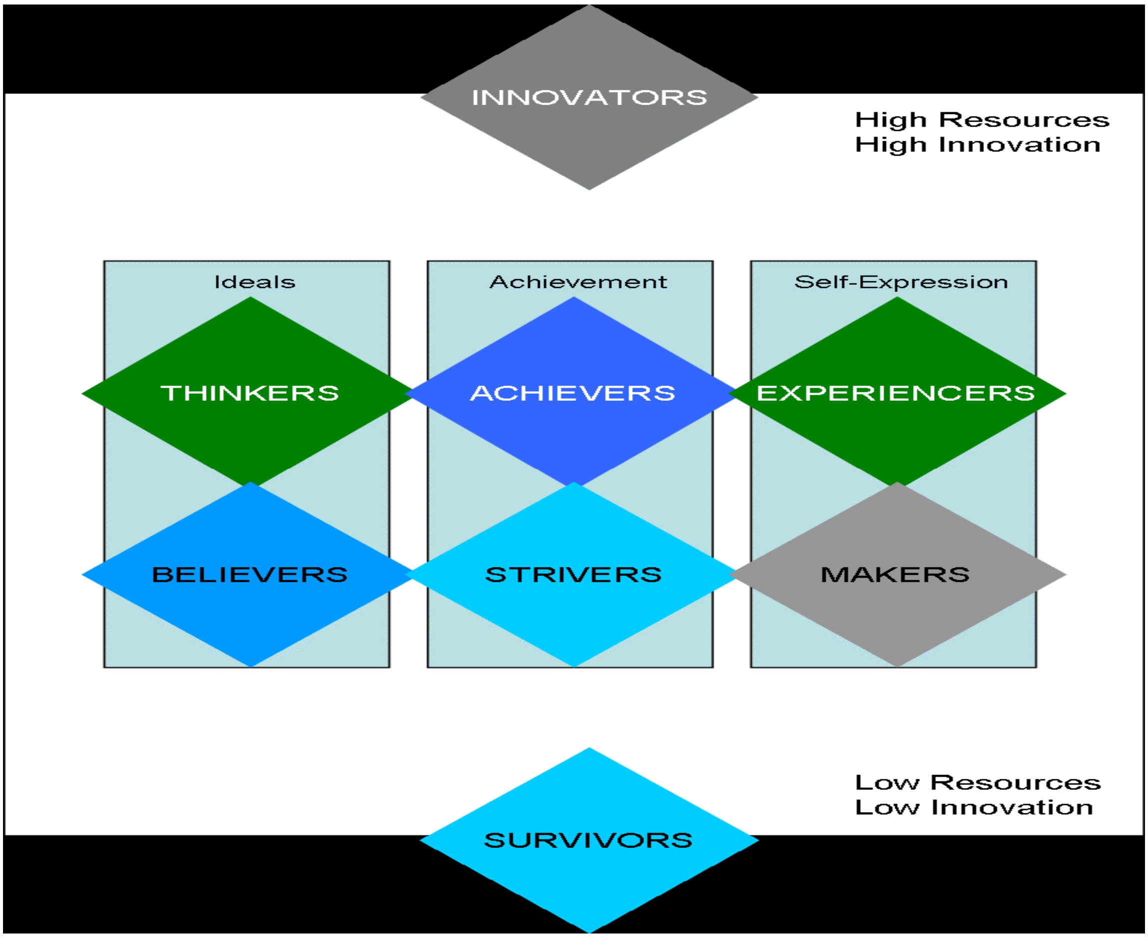


Figure 4.1 **The VALS 2 segmentation system**
(http://www.sric-bi.com/VALS/types.shtml)

As is evident from Figure 4.1, the VALS 2 structure is composed of a cross-tabulation of groups by resources and by primary motivation. This implies that the more resources people have at their disposal, the better they are able to express their primary motivation through consumption. Each of the eight VALS 2 segments will now be briefly described.

Innovators are successful, sophisticated people, who have a high self-esteem and tend to take the initiative. Because they have access to substantial resources, they are, to a certain extent, guided by all three primary motivations. They tend to be innovative, active consumers, who are open to new ideas and technologies and prefer products that demonstrate their cultivated taste for speciality products and services.

Image is important to this group, especially because they want to express their taste, independence and personality. Although they are often found in leadership positions, they still need challenges. They appreciate the more refined expressions of life and their lives are filled with variety.

Thinkers are mainly motivated by their ideals. This type of person tends to be mature, satisfied, comfortable and pensive, and prefers order, knowledge and responsibility. People from this group are usually well educated, and purposefully search for information when making decisions. They feel it is imperative to increase their knowledge, which may explain why they tend to be well informed about local and international events.

Although they respect authority and social conventions to some extent, they are open to new ideas. Their incomes allow them a wide choice, but they tend to be conservative, practical consumers who prefer durability, functionality and value in their purchases.

Achievers are motivated by a need for achievement, goal oriented and committed to their careers and families. This is reflected in their social lives, which tend to revolve around their family, place of worship and work. They usually live conventional lives, are politically conservative, and regard authority and the status quo highly. Consensus, predictability, stability, intimacy and self-discovery are important to them.

They are active consumers, with many needs. Image is also vital to them and they prefer well-known, status products and services that demonstrate their success to others. Because of their busy lives, they tend to be interested in time-saving devices.

Self-expression serves as the primary motivation for **Experiencers**, who tend to be young, and are enthusiastic, impulsive consumers. They want variety and excitement, and enjoy new, unconventional and risky things. Exercise, sports, outdoor and social activities help them release their energy. They spend extensively on fashion, entertainment and socialising. Their purchases reflect the value they attach to looking good and owning “cool” products.

Believers, like Thinkers, are primarily motivated by their ideals. They tend to be conservative and have clear, traditional beliefs about family, religion, community and the nation. Their lives are guided by deeply rooted moral codes, which are often interpreted literally. Their routines mainly revolve around their homes, family, community, and social or religious organisations. Believers are usually predictable consumers who choose well-known products and established brands. They prefer US products and tend to be loyal customers.

Strivers are trendy and fun-loving. They are mainly motivated by achievement, which may explain why others’ opinions and approval are important to them. Money means success to them, but they do not have sufficient funds to express their wants. They prefer products that make them appear to belong to a higher-income bracket. A number of people from this group feel that they merely have jobs instead of careers, and that their lack of skills and focus keep them from making progress.

Shopping serves a twofold function in Strivers' lives – it is a social activity, as well as a means to show off their purchasing ability. They tend to be active consumers, who purchase impulsively, but do not exceed their financial means.

Makers, like Experiencers, are primarily motivated by self-expression. They are actively involved in the world around them by activities such as building houses, and are able to complete these projects successfully because of their high levels of skill and energy. They value constructive skills and self-sufficiency, function mainly within the traditional contexts of their families, in practical tasks and physical recreation, and are not really concerned about anything else. Makers are wary of new ideas and large institutions, such as big business. They respect government's authority, but object when it intrudes on individuals' rights. They prefer material possessions which have practical or functional relevance. They tend to buy basic products, reflecting how vital value, as opposed to luxury, is to them.

Survivors' lives tend to be limited. Because they only have access to limited resources, they often feel that the world is changing too quickly. They feel comfortable with the familiar and are mainly concerned about safety and security. This group tend not to be characterised by a strong primary motivation, because they are mostly forced to meet their needs, instead of fulfilling their wants. They do not constitute a significant market for most products and services, and tend to be cautious consumers who are brand loyal, particularly to brands available at discount prices (http://www.sric-bi.com/VALS/ types.shtml).

Hawkins et al. (2004) identify the following concerns, inter alia, about VALS 2:

- It measures individuals' responses, but most consumption decisions are made by households, or are strongly influenced by household members.
- Few people can be classified under only a single primary orientation. Although one of the three orientations may apply most strongly to most people, it will vary. This also applies to the orientation of secondary importance.
- The types of values and demographics which VALS 2 measures, may not be applicable to specific products or situations. Product- or activity-specific lifestyles may provide more useful information in these instances.

Puohiniemi (1995) further points out that VALS has been strongly criticised because of its secret scoring system, which leads to the added disadvantage that its results cannot be discussed at academic level. But, despite concerns such as these, Hawkins et al. (2004) believe VALS 2 to be the most complete general segmentation system available (in the USA). It improves target marketing because it enhances marketers' understanding of consumer segments. It helps to define significant product arrangements and to identify what communication styles, communication media and elements of the marketing mix are appropriate for each segment (Arnould et al., 2004).

(iii) The List of Values approach

The List of Values (LOV), a values questionnaire, assesses how people adapt to various roles by fulfilling their values. Respondents have to select their dominant values from a list of nine, namely self-respect, security, warm relationships with others, sense of accomplishment, self-fulfilment, sense of belonging, being well respected, fun and enjoyment in life, and excitement (Kahle & Kennedy, in Kahle & Xie, 2008).

According to Kamakura and Novak (in Cahill, 2006), the LOV has mostly been used in a relatively concrete manner to segment consumer markets – consumers are usually allocated to different segments according to the LOV value that they rank as most important, and a profile of each segment's attitudes, behaviours and demographics is then developed. However, there appear to be limitations to this type of segmentation. Two main concerns in this regard are the measuring instrument used, and the way it is used to segment markets.

According to Puohiniemi (1995), the LOV is an extremely simple instrument for measuring values, and has been criticised because of this. It, for instance, appears not to be sensitive enough to some of the key properties of individual values. According to Corfman (in Jonkheid, 1998), the LOV ignores the continuous, ordinal nature of values in its rating procedure, and does not recognise the distinction between terminal and instrumental values (which will be discussed in Chapter 5).

Puohiniemi (1995) points out that basing segmentation on LOV results is an oversimplified method of segmentation. The LOV was in fact not originally developed to be used in this way. Kamakura and Novak (in Cahill, 2006) classify this type of segmentation as "top value segmentation". They point out that, although it is easy to implement, consumers hold more than one value, and their values impact in varying degrees on their motivations. It is therefore probably more realistic to base market segments on a set of values, instead of on the single most important value held by all the consumers in a segment.

(iv) Value system segmentation

According to Puohiniemi (1995), a number of attempts have been made to base segmentation on consumers' entire value systems, such as those introduced by Kamakura and Mazzon (in Puohiniemi, 1995) and by Kamakura and Novak (in Puohiniemi, 1995). Value system segmentation provides a richer and more meaningful description of the underlying motivations driving consumer behaviour than top value segmentation. It further consistently predicts consumers' activities and interests more accurately than those in segments based on top-ranked values (Kamakura & Novak, in Cahill, 2006).

However, because values are one of the integral determinants of consumer behaviour, they do not always have a direct impact on consumer decisions (Kamakura & Novak, in Krystallis et al., 2008). It may therefore not be wise to segment the market for any particular product on the basis of its members' value systems alone. Other more direct influences, such as product attributes, product benefits and consumer preferences, should also be considered. Cahill (2006) proposes the use of means-end chains as a method of integrating consumers' values, as well as the attributes and benefits they want in a product (the micro-approach, presented in Chapter 2). Market segments should consequently rather be identified according to similar means-end chains, as were obtained in a specific laddering or hierarchical application.

(b) Ad hoc systems of value measurement

According to Zetterberg (2008), ad hoc systems of value measurement are not based on an underlying theory during their development. A number of well-known international brands of commercial value research have followed this approach. The oldest of these is the Yankelovich Monitor, developed in the late 1960s in the USA by Daniel Yankelovich. It is an annual survey of more than 50 social trends relevant to consumer marketing (Weinstein, 2004). In the 1970s, De Vulpian and his co-workers developed a system, called RISC (Research in Socio-cultural Change), which was used in many countries to measure values. RISC was consolidated in 1978 as an international research firm. In the interim, both Yankelovich and De Vulpian handed over control of the systems they developed, and De Vulpian, together with Fabris, has developed a programme of continual value research, namely the 3SC (Zetterberg, 2008).

Researchers using approaches such as the Yankelovich Monitor, the RISC system and the 3SC, do not base their work on a specific theory. Instead, they include any item which they believe might reflect the relevant values of a particular time frame, and sporadically add new items to the questionnaires to track changes in the value milieu. Because of their ad hoc nature, these systems tend to be flexible and appeal to experts who investigate the marketing implications of a particular era (Zetterberg, 2008).

With the above discussion of personal values in market segmentation as background, a number of psychographic segmentation bases which have been used in South Africa, will now be explored.

4.3.3 Psychographic segmentation in South Africa

Although a number of psychographic variables can be used as bases for consumer market segmentation, the aim of all of them is to understand consumers' true motivations for purchasing and using products (Solomon et al., 2006).

Four of the principal psychographic segmentation approaches that have been developed in South Africa will now be examined, namely:

- Sociomonitor
- the Cross-cultural consumer characterisation (or the 4Cs model of consumer behaviour)
- Rousseau's (1990) psychographic segmentation of the South African furniture market
- Reaching Critical Mass

Of these four, Sociomonitor was the most successful and comprehensive, but it is unfortunately no longer in use, as will become clear in the discussion below.

4.3.3.1 Sociomonitor

According to Sinclair and Barenblatt (1997), if consumers' values can be identified, measured and traced, it will not only help to better explain consumer behaviour, but it will also be possible to predict trends in consumers' consumption and media use. This rationale led to Market Research Africa (MRA) initiating a survey of South African consumers' values and lifestyles, called Sociomonitor. The survey was conducted annually from 1976 to 1993, covering urban blacks and whites in alternate years. In 1995, however, the main part of the fieldwork was conducted for both blacks and whites (Spence et al., 1997). Although some minor modifications were made, the same methodology, namely structured questionnaires and stratified sampling, was basically used from 1976 to 1996 (Corder, 2001).

Sociomonitor provided its subscribers with an overview of the South African social structure, as well as projections of possible social change. It analysed South African consumers' attitudes to and feelings about various aspects of everyday life, and described each of these in terms of trends. Its conceptual model helped to explain and interpret market behaviour, and enabled its subscribers to position products and media according to particular value structures (Sinclair & Barenblatt, 1997).

Sociomonitor identified three black and four white value types (Corder, 2001), which consisted of people who shared similar emotions and had similar views on a variety of matters (Sinclair & Barenblatt, 1997). These value types were related to data on lifestyle, demographics, product and brand usage, and media exposure. Each of these will now be described in brief.

The black groups were differentiated into “Conservers”, “Progressives” and “Laggers”. **Conservers** made up 36% of the urban black adult population. They tended to be religious and family oriented, showed a sense of national identity and pride, and concern for the community, and they tended to have empathy with others (Corder, 2001).

Progressives accounted for 31% of urban blacks. Their value system tended to be more individualistic and self-centred. Physical health and self-improvement were important to them, and they were antagonistic towards authority. Because sensation and novelty appealed to them, they preferred change and risk. They tended to have liberal views, for instance, regarding the blurring of gender roles and sexual relations. According to Corder (2001), their modern outlook might explain their belief in technology and change.

One in every three urban black adults (33%) belonged to the **Lagger** group, who wanted instant gratification and were pessimistic about the future. They were characterised by aggression, aimlessness and violence, and used stimulants such as alcohol, drugs and tobacco, to achieve sensation and relieve stress. Although they had little money, they used status products to conceal their feelings of inferiority and to achieve status.

The white value types were labelled “Innovatives”, “Responsibles”, “Brandeds” and “Self-Motivateds”. **Innovatives**, representing 24% of the urban population, were highly individualistic and rejected authoritarian, religious and traditional values, resulting in their being open to change. Their values corresponded with those of the black Progressives. They were mainly concerned with the moment and themselves, and achieved status by owning goods, instead of achievement itself (Corder, 2001).

Twenty-five percent (25%) of urban whites were classified as **Responsibles**. They tended to have traditional values, and collectivism was important to them. They were cautious and did not easily accept change or new ideas. Corder (2001) ascribes these characteristics partly to the fact that they were the oldest and poorest of the four types and had the lowest standard of education. Responsibles, like black Conservers, had a strong sense of family and national identity. Stability and respect for authority were important to them.

One in every four urban white adults (25%) could be classified as **Brandeds**, which were the most materialistic and status-conscious group. Like the Innovatives, they liked to show off their possessions, but had less funds available to do so. Convenience was important to them.

Self-motivateds made up 26% of urban white adults. Their values tended towards independence. Their value set differed strongly from the current standard because they believed in the blurring of gender roles, for them sexual matters were the personal concern of the people involved (and not society's), and racial harmony was essential. They were wealthier and more highly educated than other white groups and held a more liberal view of society than most urban, white South African adults at the time (Corder, 2001).

One of Sociomonitor's advantages was the fact that it used a large sample of more than 2 000 respondents (Sinclair & Barenblatt, 1997). It further improved the effectiveness of subscribers' marketing activities by providing vivid, useful lifestyle descriptions of their product users (Culross, in Spence et al., 1997). It also uncovered respondents' personal value systems, which helped explain why some marketing activities attracted only particular consumers. This may be ascribed to the fact that MRA found strong correlations among Sociomonitor value groupings and certain consumer behaviour patterns, such as their leisure activities (hobbies and sports), eating habits, media habits and interests, political affiliations, religious beliefs, the issues that worry them, the brands they use, their demographics and their shopping habits (Sinclair & Barenblatt, 1997). Sociomonitor's projections of major social changes further helped marketers predict consumers' reactions to new marketing initiatives (MRA, in Jonkheid, 1998).

Despite advantages such as the above, Sociomonitor is no longer used as a segmentation approach in South Africa. According to Corder (2001), a number of mergers, such as that of Stellenbosch Farmers Winery and Distillers, and the conglomeration of all South African banks and building societies into four main groups, resulted in fewer subscribers. The cost of subscribing to a stand-alone survey divided among a smaller number of subscribers no longer made economic sense.

Sociomonitor was further originally only undertaken among urban blacks and whites, but socio-economic and political changes in South Africa resulted in the need to survey all cultural groups in both urban and rural areas, which would have been far more costly (Corder, 2001). Culross (in Spence et al., 1997) regards the fact that Sociomonitor used cultural group as its main segmentation base, as its major disadvantage. The 4Cs model, to be discussed next, did not consider ethnic origin in its division of the South African population into value typologies.

4.3.3.2 Cross-cultural consumer characterisation (4Cs)

Young & Rubicam, an international advertising agency, developed the so-called 4Cs model of behaviour (Corder, 2001). They based their work on Maslow's theory that some goals, motivations and values tend to occur universally. They believed that by analysing consumer motivations, basic similarities among cultures may be determined (Williams, 1991).

Young & Rubicam defined a set of seven core consumer motivations or values that determined people's purchasing behaviour. These are, in hierarchical order: **survival, escape, security, status, control, individuality**, and **self-fulfilment**. Young & Rubicam believed that all people are motivated by these values and could be classified as belonging to a particular 4Cs type, according to which one of the seven motivations influenced their attitudes and behaviour most strongly (Williams, 1991).

The 4Cs classification appears in Table 4.3.

Table 4.3 The 4Cs Classification
(Williams, 1991, p.171)

Dominant motivation	***4Cs type***
Survival	Resigned Poor
Escape	Struggling Poor
Security	Mainstream
Status	Aspirer
Control	Succeeder
Individuality	Transitional
Self-fulfilment	Reformer

It is evident from Table 4.3 that these groups are all defined by their dominant motivation. Seven value typologies, each with its own characteristic goals, motivations and values, are identified in this way. Their composition may vary considerably from culture to culture, but certain key features tend to remain fairly constant. Each group will now be briefly described. Generally speaking, the **Resigned Poor** consist of people who are old and alone. They tend to have traditional beliefs and to accept their fate.

The **Struggling Poor** consist of people who are also poor, but are younger than the Resigned Poor, and have more active lifestyles and attitudes. They do not accept their fate and desire a better life. This group typically includes people such as disadvantaged racial minorities and unemployed young people. When combined, these two groups form the **Constrained**, because their physical needs and wants constrain their behaviour.

The **Mainstreamers,** the largest group, are the core of society and the silent majority. They tend to be conventional, thrifty and patriotic, and hold traditional moral and family values.

Aspirers are upwardly mobile people. They are extremely concerned about external appearances and try to impress other people. They want to be admired and surround themselves with status symbols such as fast cars.

Succeeders are materially the most successful group and typically include managers and businesspeople who are in charge of most commercial enterprises. They tend to be fairly conservative, hold traditional moral values, and independence is crucial to them. Combined with the Mainstreamers and the Aspirers, they make up the **Middle Majority**. Other people's opinions are vital to these groups and their lives are guided by society's accepted norms.

Transitionals as a group are in a state of change. They tend to be young people who are breaking free from their parents' ways and society's traditional values, and are establishing their independence. They are continually experimenting. This group tends to consist of people who are optimistic, creative and take the lead in pop culture, music and fashion.

Reformers include society's most highly educated people. Because they have also found traditional values and ways inadequate, they have developed their own way of doing things. They want to reform society, and consequently are found in positions where they can influence others, such as lawyers, teachers, politicians, journalists and broadcasters, or members of the marketing and advertising community. Combined with Transitionals, they are also known as **Innovators**, because these groups are most likely to try new products and start new trends.

Although providing a conceptual model of people's motivations, irrespective of cultural group, the 4Cs model has never been validated against South Africa's total population (Corder, 2001).

4.3.3.3 Psychographic segmentation of the South African furniture market

Rousseau (1990) developed an integrated model of values and lifestyles for white and black furniture buyers in South Africa. Using dimensions obtained from VALS, Sociomonitor and Young & Rubicam's 4Cs model, he identified five hypothetical consumer types, namely Home-centred, Outer-directed, Trend-setter, Inner-directed and Cultured. When this model was tested by means of factor analysis, four segments, namely Home-centred, Outer-directed, Trend-setter and Inner-directed, were actually identified. The model differed from traditional psychographic systems in that it contained both general lifestyle dimensions and product- and consumption-specific values. It was product-specific because it focused only on furniture and the hypothetical consumer types it identified, related to furniture purchasing.

4.3.3.4 Reaching Critical Mass

Reaching Critical Mass, a study undertaken by the South African Broadcasting Corporation in 1989, aimed at developing a national typology for both urban and rural black adults in South Africa (Corder, 2001). It identified six types, which will now be briefly described.

Sixteen percent (16%) of the black adult population, mostly from rural areas, were termed **Resigneds**. They tended to feel hopeless and their lives were restricted by caution. People who were classified as **Traditionals** (22%), were the oldest and least well-educated. They were highly involved in their community and held tribal customs dearly. People who belonged to another predominantly rural type, the **Antis**, made up 16% of the black adult population. They were concerned about status, but also felt that they could not really be successful (Corder, 2001).

Blacks who had adopted a Western lifestyle and were no longer strongly attached to their tribal heritage, were classified as **Moderns** (14% of the black adult population). People to whom the community was important and who wanted to live in harmony with other racial groups, tended to belong to the **Good Neighbours** group (14%). People who were most sophisticated belonged to the group of **Emancipateds** (16%).

When Reaching Critical Mass was revised in 1991, five types were found to optimally typify urban and rural blacks in South Africa. Two groups, the **Resigneds** (19%), who had the least financial resources of all the groups, and the **Endurers** (20%), were mainly from rural areas and adhered to traditional values. Both the **Emancipateds** (21%) – most strongly characterised by an urban lifestyle – and the **Materialists** (19%) typically tended to be progressive and Westernised. It was also found that a **Transitionals** group (21%) had emerged. They embodied the changes that people undergo when adapting to a First World environment, after having been raised in a rural Third World environment (South African Broadcasting Corporation, in Corder, 2001).

A number of the advantages of psychographics, as well as some concerns about its use, will be discussed in the following critical evaluation.

4.3.4 A critical evaluation of the psychographic approach to market analysis

Although psychographics improves marketers' understanding of their target markets, people differ in terms of their motivations and psychographic profiles, and the reasons behind consumers' purchases vary enormously (Gunter & Furnham, in Vyncke, 2002). Psychographics therefore needs to be applied with caution, as will be evident in the following discussion. Its contributions to market segmentation will first be summarised, and then a number of problem areas will be identified.

4.3.4.1 Uses

According to Gunter and Furnham (in Vyncke, 2002), psychographic research improves market segmentation studies in a number of ways:

- It aids target market identification. It plays a valuable role in finding and explaining markets. It also helps compile a more complete profile of a company's target market than would otherwise be possible.
- It improves marketers' understanding of consumer behaviour because an analysis of purchase motives improves their understanding of why buyers act the way they do.
- It plays a vital role in strategic marketing. The additional marketing information which psychographic analysis provide, can be applied in planning successful marketing strategies, such as positioning and improving promotional strategies.

- Psychographic research may help minimise the risk that companies take in bringing new products on the market. New ventures can be costly and the use of psychographic measures may help to minimise these costs by identifying the key ingredient(s) to success, such as identifying subtle product or concept variations that customers want (Weinstein, 2004).

4.3.4.2 Problem areas

According to Arnould et al. (2004), the main criticisms of lifestyle research warn against using psychographic data too enthusiastically and point out challenges for future marketing research. A number of the grounds on which psychographics and psychographic research are typically criticised conceptually and operationally, will now be reviewed.

(a) An insufficient theory base

There appears to be a general conceptual problem in lifestyle research. The central concepts (lifestyles, psychographics and AIO research) in general are not thoroughly defined (Arnould et al., 2004). Furthermore, selecting psychographic segmentation descriptors and scales is often merely a trial-and-error process, because it is not based on adequate theory; this may result in significant variables being overlooked (Gunter & Furnham, in Vyncke, 2002). These authors regard the fact that psychographic measures are not based on a thorough theoretical rationale, as possibly the most serious concern in psychographic research.

(b) Methodological issues

Gunter and Furnham (in Vyncke, 2002) point out that standard personality questionnaires or sets of lifestyle items are often used without considering the nature of consumer behaviour and the factors that may impact on it. Many investigators also develop their own measures, which often results in the validity and reliability of these instruments not being determined.

The secret, often ad hoc, methods used to develop lifestyle schemes also appear to be problematic (Arnould et al., 2004). It is also not always possible to determine the effectiveness of market segmentation solutions resulting from psychographic research, because of an insufficient theory base linking segmentation descriptors to companies' decisions.

(c) Lack of predictive and explanatory ability

Arnould et al. (2004) point out that, although psychographic segmentation schemes such as VALS and LOV are widely used, each has certain limitations. Marketers should, for example, not make unfounded cultural assumptions when using them. Schemes such as these can, for instance, be used to identify lifestyle segments in different countries, but this requires considerable judgement and expertise.

Solomon et al. (2006) believe the general nature of psychographic typologies to be their main weakness. It has not been proven conclusively that consumers in these general segments show similar patterns of consumer behaviour, and this results in some segments not having exceptional predictive power.

Generalised lifestyle research such as the above is market or consumer driven, as opposed to being product driven. Individuals are analysed in terms of their overall attitudes, values and desires. It does not obtain product-specific data, which, from a market segmentation perspective, is regarded as more important information. Marketers can therefore only infer how consumer segments will respond to their product offerings (Weinstein, 2004).

Although it is agreed that lifestyle and psychographic dimensions predict consumer behaviour better than demographic indices on their own, their relationship with consumer behaviour needs to be investigated in greater depth (Gunter & Furnham, in Vyncke, 2002). Holt (in Cahill, 2006) further points out that psychographic segmentation schemes provide some indication of what different groups of consumers consume, but not how they do so. The consumption context should therefore also be considered to understand segments. Ethnographic research, such as in-depth interviews about how people use products and services, could be of value to determine this.

Because psychographic research tends not to be based on extensive theoretical development, it often does not consider the hierarchy of effects which may impact on consumer decision-making (Gunter & Furnham, in Vyncke, 2002). Consumers' consumption of many low-involvement products (products that are not linked to important personal consequences or goals for the consumer) may also not be strongly influenced by lifestyle variables (Arnould et al., 2004). That is probably why psychographics is most useful to companies that sell expensive products, such as cars, or discretionary products, such as health club membership, or products that are difficult to distinguish from others in the product category, such as beer (Weinstein, 2004).

According to Arnould et al. (2004), it is especially difficult to predict emerging lifestyle patterns. It is not clear whether lifestyle segments are stable over time; some current lifestyle measures seem not to be sensitive enough to the fact that people will probably belong to different lifestyle segments over time. This concern needs to be addressed, especially in light of the fact that consumer lifestyles tend to be dynamic, evolving and culture-specific (Vyncke, 2002).

(d) Caution in the use of psychographics

Gunter and Furnham (in Vyncke, 2002) advise that, in view of constraints like the above-mentioned, marketing policy decisions made on market segmentation in which psychographic instruments, whether self-developed or standardised, were used, should be made with care. Some marketers therefore rather regard the lifestyle concept as a way of thinking about the market and an input to creative strategies, instead of descriptions of segments that define their consumer behaviour (Solomon et al., 2006). In view of the large number of variables it usually attempts to analyse, psychographic market segmentation practice should be regarded as a mere exploratory first stage of the research process (Gunter & Furnham, in Vyncke, 2002).

Gunter and Furnham (in Vyncke, 2002) point out in summary that the problems with existing psychographic research include too many unrelated measures, inadequate sampling, measures of which the reliability and validity are not known, and potentially important personality variables being overlooked; also, it lacks a coherent theoretical rationale and a sufficiently detailed analysis of consumer behaviour. Most of these problems can, however, be overcome, and examples of thorough psychographic research based on a sound methodology which generate good insights, do exist. Unfortunately, they are currently the exception. If this situation can be remedied, psychographics can be a powerful tool in understanding and solving marketing problems.

4.4 CHAPTER SUMMARY

In this chapter, multivariate segmentation has been conceptualised. The LSM, South Africa's most popular multivariate segmentation approach, was investigated. An explanation of the impact of consumers' lifestyles on their consumer behaviour served as introduction to an investigation of psychographics as a multivariate segmentation approach. A number of South African multivariate segmentation approaches, which are/were based mainly on values, were then explored. It was evident from this theoretical overview that psychological variables, particularly consumers' values, are not incorporated sufficiently into these segmentation bases.

With this chapter, the second literature objective was reached, namely to investigate the state of multivariate segmentation in South Africa. The second literature objective, namely to investigate the role values in market segmentation was briefly introduced in Chapter three and addressed in Chapter 4. In Chapter 5, the role of values in consumer behaviour will be conceptualised from the literature.

CHAPTER 5 VALUES IN CONSUMER BEHAVIOUR

5.1 INTRODUCTION

According to Ueltzhoffer and Ascheberg (in Carson, Gilmore, Perry & Gronhaug, 2001), consumers' socio-cultural identity plays an increasingly important role in their selection of brands, products or services. This particularly applies to mature consumer societies, but is also increasingly true for evolving consumer goods markets globally. According to Burgess and Steenkamp (1998), consumers in an emerging economy such as South Africa may particularly show unique socio-cultural patterns, requiring consumer research with broad representative groups of consumers, such as this study.

In this chapter, the central role of people's culture in their behaviour will first be addressed – particularly the fact that values as motivations and cognitive phenomena impact on human behaviour. The impact of cultural values will be briefly addressed, particularly because they may impact on people's perceptions of their well-being. Culture, however, is not shared to the same extent by all members of a particular society. People's individual-level culture should consequently also be kept in mind. The relevance of this construct to SWB will be briefly investigated. This will be followed by a discussion of the theoretical foundations of the values construct, including the different conceptualisations of the values construct found in the literature, as well as the main theorists in this field. The role of values in consumer behaviour theory will further be investigated, particularly those models that acknowledge their impact in this process. Some concerns about these models will also be highlighted, particularly the fact that the impact of culture on consumer behaviour is not addressed sufficiently. The chapter concludes with an overview of some limitations of existing values research, and of how they are addressed in the current research.

5.2 THE CENTRALITY OF CULTURAL FACTORS IN HUMAN BEHAVIOUR

Potter (in Kanungu, 2006) has developed a model of self-concept, based on Dilt's unified field model of neuro-linguistic programming, which helps explain why cultural elements are so deeply rooted in human nature. As is evident in Figure 5.1, peoples' values lie at the centre of their self-concept.

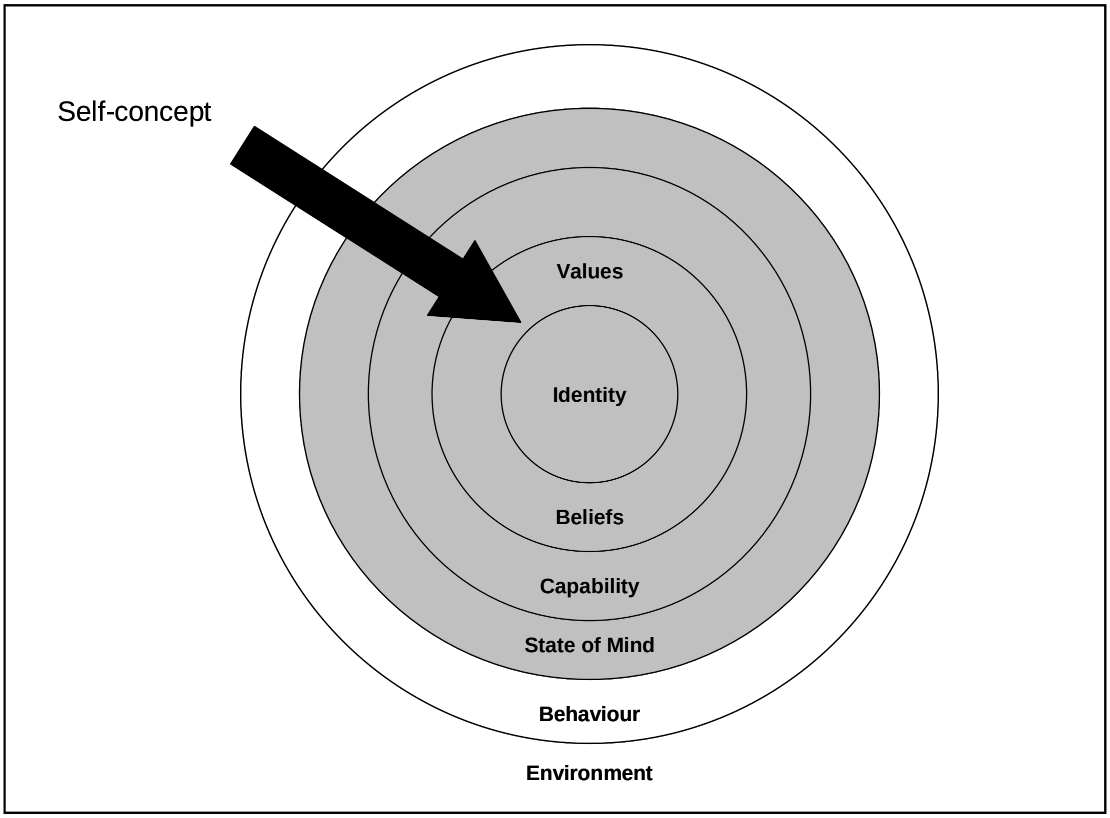


Figure 5.1 **Model of self-concept** (Darlington, 1996, p. 39)

This centrality may explain why Kotler (in Srnka, 2004) comments that cultural factors exert the widest and deepest influence on consumer behaviour. In a typical consumer behaviour model such as the model of Engel, Kollat and Blackwell (Engel, Blackwell & Miniard, in Baker, 2001), environmental influences, individual differences and psychological processes are identified as three key forces shaping consumer behaviour. The majority of variables identified under these three processes – such as social class, family, motivation, attitudes, values, lifestyle and learning – directly or indirectly have a strong cultural dimension. Cultural factors, of which values form an essential part, should therefore play a key role in the analysis of consumer behaviour.

Burgess and Steenkamp (1998) explain the relevance of values to consumer behaviour by classifying them as central dispositions. This type of disposition tends not to be limited to a particular behavioural domain such as consumer behaviour, but applies to a wide range of situations, contexts and behaviours.

Burgess (2002) refers to values as enduring central dispositions that are slow to change, but not fixed. In contrast, secondary dispositions are context specific. Consumers' lifestyle, for instance, is a secondary disposition that is especially important in the consumer context. Secondary dispositions, such as lifestyle and attitudes are affected by central dispositions. Furthermore, both central and secondary dispositions affect behaviour. In light of the facts that central dispositions affect secondary dispositions (Lastovicka, in Burgess & Steenkamp, 1998), and that values are important central dispositions (Homer & Kahle, in Burgess & Steenkamp, 1998), the influence of values can be felt in various domains and contexts.

5.2.1 Values as motivations

Grunert-Beckmann and Askegaard (in Christiansen & Hansen, 2001) point at that people use their values as criteria to select and justify their actions; thus, values can be regarded as motivations. Mills (in Zetterberg, 2008) points out in this regard that values belong to the "vocabulary of motives" and reveal mankind's aspirations. As will be evident in section 5.2.3, Schwartz (2006) regards values as social-cognitive representations of motivational goals. Values are desirable goals that vary in importance, and serve as guiding principles in people's lives (Rokeach, in Baourakis, 2004). Values therefore influence peoples' perceptions and direct their decisions, choices, and behaviour.

The above also applies to consumer behaviour. According to Solomon et al. (2006), consumers' motivations are often based on underlying values. Products have particular meanings to consumers because they regard products as a way to achieve some goal that is linked to a value, such as individuality or freedom. As is evident in Figure 5.2, values lie at the core of explaining the reasons behind consumption behaviour.

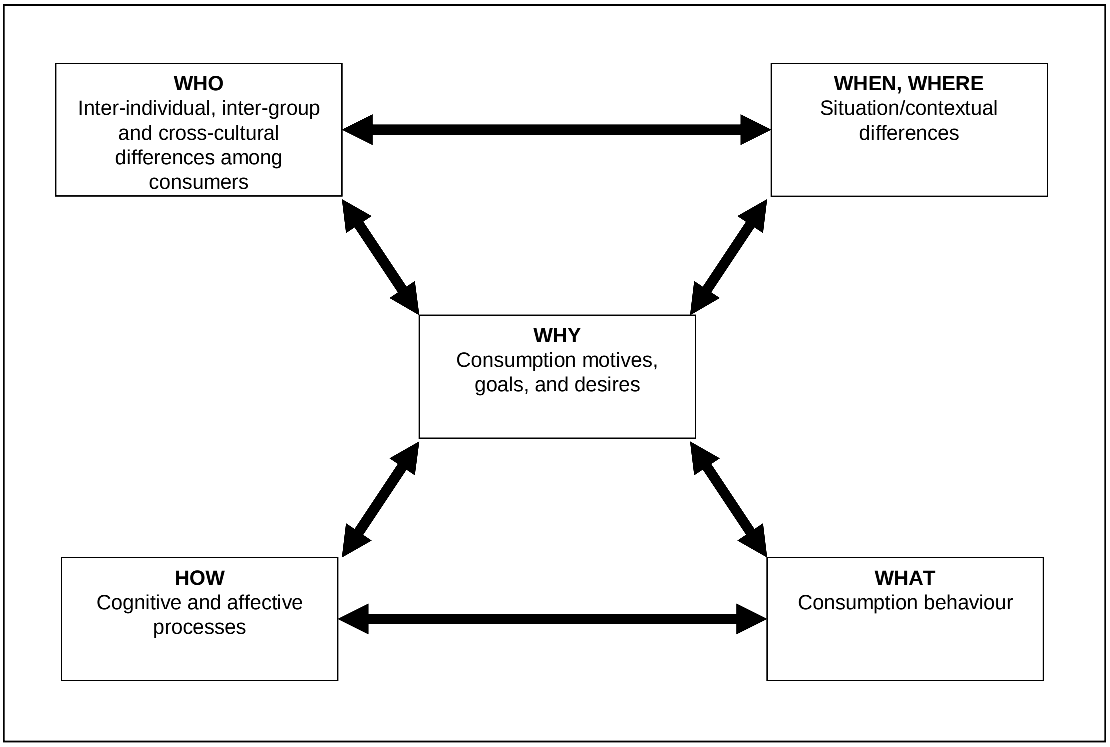


Figure 5.2 Contextualising the 'why' of consumption
(Solomon et al., 2006, p. 128)

But, Solomon et al. (2006) warn that there are numerous reasons for people's consumption activities. The 'why?' question cannot stand alone; all the other dimensions indicated in Figure 5.2 should also be considered. The 'why?' question should therefore also cover influences such as personal, group and cultural differences; situational and contextual differences; the reflexive and emotional processes involved; and the kinds of consumption item and consumer behaviour that are involved.

According to Feather (in Puohiniemi, 1995), there may be some motives that are not values, but there are no values that are not motives. As motives, however, values transcend specific situations. They are therefore not likely to have very concrete and straightforward influences on behaviour. The importance of values in the field of consumption should consequently not be overestimated. Consumers may indeed express their values in the choices they make, but other determinants of consumer behaviour should also be considered. Some values might also impact more strongly on consumer behaviour than others. People's values will only be reflected in their choices in the extent to which their values are involved in their decision-making (Puohiniemi, 1995). Personal values are therefore relatively distant but nevertheless powerful determinants of consumer behaviour (Schwartz, in Brangule-Vlagsma et al., 2002).

5.2.2 Values as cognitive phenomena

As is evident above, personal values are dominant forces in life and have a central position in the human cognitive system. In particular, values serve as cognitive frames that provide an influential context for choices among alternative behaviours (Cohen & Cohen, 2001).

According to Zetterberg (1998), consumers' values determine their priorities. Their values make them associate with particular people, products and services, and dissociate themselves from others. Values can be regarded as the most abstract type of social cognition, that help people to guide themselves in the interpersonal world (Grunert & Scherhorn, in Valette-Florence, Ferrandi, Odin, Odin & Usunier, 1999). Consequently, their primary function is to guide the individual's adaptation to the circumstances in his environment (Kahle & Goff Timmer, in Valette-Florence et al., 1999). According to Grunert-Beckmann and Askegaard (in Christiansen & Hansen, 2001), people organise knowledge and experience in memory. Furthermore, a basic goal of humans is adaptation (Kahle, in Grunert-Beckmann & Askegaard, 1998), and because of the human memory's limited capacity, abstractions such as attitudes and values help people summarise previous experience in order to help them adapt to their environment.

All in all, it can be said that, because of their pivotal role in consumer's cognitive structure, values provide a powerful basis for understanding their purchase and consumption behaviour (Burgess, 1992). Their relative stability not only contributes to their role in explaining and understanding consumer behaviour, but also makes it an attractive base for market segmentation (Brangule-Vlagsma et al., 2002).

5.2.3 Cultural values

Values are commonly regarded as the point of intersection between the individual and society, because they help to know and understand the interpersonal world and they guide the individual's adaptation to the surrounding conditions (Grunert-Beckmann & Askegaard, in Baourakis, 2004). According to Solomon et al. (2006), the specific values that motivate people vary across cultures, but there is usually a set of underlying goals in each culture that most of its members agree are important. Every culture therefore has a set of values, or core values, that it imparts to its members and from which cultural norms derive. Norms in turn operate to specify the boundaries within which the individual must behave. In their simplest form, cultural values can be viewed as beliefs that are widely held regarding what is desirable, and may also impact on an individual's activities (Munson, in Hofmeister Tóth & Simányi, 2006). These values therefore play an important role in maintaining a society (Jonkheid, 1998). Consumers' core values have a major influence on their cognitive processes and choice behaviours, which may explain why marketers are particularly interested in those core values (Peter & Olson, 2008).

In order to understand the role of values in South African consumers' behaviour, the distinction between a collectivist and individualistic culture should also be kept in mind. In an **individualistic** culture, people's self-interests are more important than group interests, while in a **collectivist** culture, group interests carry more weight than personal goals (Hofstede, in Blodgett, Bakir & Rose, 2008).

Generally, Eastern cultures tend toward collectivism and Western cultures focus on individualism. But, as people in eastern societies have become more affluent, they have become more individualistic. The same may apply to South African consumers. As some South African consumers have become more affluent, those who tended towards collectivism in the past may now tend more towards individualism. However, Schwartz and Ros (in Blodgett et al., 2008) argue that people's value structures are more complex than a mere distinction between individualism and collectivism. Although this distinction greatly contributes towards understanding and classifying a culture, many nations include different subcultures. This is where investigating two relatively new concepts, ideocentrism and allocentrism, as discussed in Chapter 2, may make a contribution.

According to Corder (in Joubert, 2006), South Africa is a diverse country, made up of a number of subcultures, which each interprets and responds to society's basic beliefs and values in a characteristic way. Many subcultures form important market segments, and marketers often target their products and marketing programmes at these subcultures' needs (Joubert, 2006). It may especially be prudent to target subcultures because these inherent values tend to change slowly, often only over generations (Jonkheid, 1998).

As pointed out earlier, the relative stability of values makes them an attractive base for market segmentation. But, Brangule-Vlagsma et al. (2002) found that, even though values are relatively stable, value systems of individuals may change. As pointed out in Chapter 4, they therefore distinguish between fixed and stable value systems. This distinction has important implications for market segmentation based on value systems. They believe that value systems are relatively stable at societal level, but that the value systems of individual society members vary over time within the overall system, because of the impact of factors such as technological changes. This distinction needs to be considered in multivariate segmentation of the South African market, especially because the value systems of groups with disparate affluence levels (as identified by LSMs) may have unique relations with SWB.

5.2.4 Culture and subjective well-being

As pointed out in Chapter 2, Ratzlaff et al. (2000) show that the impact of culture on SWB has recently become an important area of research. Culture shapes the self, which in turn influences how people feel and think about various aspects of their lives – the central research issue of SWB (Suh, 2000).

5.2.4.1 Personal values and subjective well-being

According to Sirgy, Lee and Rahtz (2007), the concept of consumer well-being is guided by the link between consumer satisfaction and their QOL. Consumers may unconsciously evaluate products on whether they contribute toward their well-being, and consequently their QOL.

As indicated in Chapter 1, this research aims to deepen an understanding of how consumers' personal values can contribute toward multivariate segmentation by exploring their relationship with SWB. And, as indicated in Chapter 2, Boehnke et al. (2001) point out that the belief in a decisive relationship between values and well-being has existed for more than two centuries. Values not only serve as guiding principles in individuals' lives, but are also central descriptors of a nation's cultural heritage. This dual nature of values may make them a promising construct to explain both individual and intercultural differences in SWB. Investigating values' role in consumers' quest for life-satisfaction may contribute towards an understanding of their role as motivators. This relation may also impact on people's consumption behaviour, and will be investigated in this study.

5.2.4.2 Cultural values and subjective well-being

But, studying SWB across cultures presents some challenges, such as the fact that cultures with widely divergent value systems probably do not define well-being in the same way. The majority of studies investigating cultural differences in SWB further examine differences among cultural groups defined by country, race or ethnicity, which do not allow for finer distinctions.

Most existing studies on culture and SWB therefore use aggregated cultural variables, such as individualism and power distance, in their analyses. But, this does not sufficiently explain the psychological mechanisms involved in the experience and judgement of SWB among different cultural members – findings on the relationship between national culture (measured at country level) and SWB may not truly reflect what individuals are experiencing. This may explain the more recent approach of investigating the relationship between SWB and culture as a psychological construct in individuals. Studies like these mainly focus on the dimension of individualism-collectivism, but also investigate other dimensions such as cultural or ethnic identity (Ratzlaff et al., 2000).

(a) Culture as an individual psychological construct

Ratzlaff et al. (2000) point out the common misconception that members of a particular culture are relatively homogeneous in terms of some or other psychological trait, characteristic or behaviour. But, it has become increasingly evident that culture exists at individual level, as well as a global social construct – within-culture variance on any given attribute may be equal to or larger than between-culture variance.

Triandis, Bontempo, Leung and Hui (in Ratzlaff et al., 2000) consequently distinguish among three levels of culture: the cultural level, which typically represents a particular nation or other grouping in terms of geographical proximity; the demographic level, based on demographic characteristics such as ethnicity, race or gender; and the individual level, which reflects a particular person's unique pattern of psychological constructs. Ratzlaff et al. (2000) use the term **ecological** culture to refer to the cultural context(s) of an individual (cultural and demographic levels), and **individual** culture to reflect an individual's degree of participation in the values, beliefs, and traditions of those cultural contexts. Because people in a particular culture may differ in the degree to which they adopt and engage in the attitudes, values, beliefs and behaviours representing that culture, their psychological culture may be either similar to or different from the larger ecological culture.

As pointed out in Chapter 2, the most widely investigated dimension of psychological culture is IC. Triandis (in Ratzlaff et al., 2000) labelled the individual levels of analysis of this construct idiocentrism and allocentrism. Generally, idiocentrics endorse values, behaviours and attitudes characteristic of individualistic or independent cultures, while allocentrics are people who endorse values, behaviours and attitudes common to collectivistic or interdependent cultures. Ideocentrism on individual level corresponds with individualism at cultural level, and allocentrism on the individual level corresponds with collectivism on the cultural level.

Although individualism and collectivism will probably be highly correlated at the ecological and individual levels, it cannot be assumed that they represent exactly the same construct. According to Ratzlaff et al. (2000), numerous studies demonstrate the importance of identifying IC as an individual-level construct as well as an ecological-level one. By doing so, individual differences on this cultural dimension can be distinguished in larger cultural groups, and relationships between it and other psychological constructs on the individual level can be investigated. Differences between groups can therefore be tested after the effects of IC have been statistically controlled for. Ultimately, this approach allows researchers to test the degree of contribution of individual-level IC to between-group differences on particular psychological constructs, and so help refine their knowledge about the relationship between IC and psychological variables. An understanding of IC at individual level may consequently also probably contribute towards an understanding of group differences in terms of market segmentation.

(i) Individual-level culture and subjective well-being

Increases in both the sophistication of methods to measure culture on an individual level and in the interest in psychological well-being have contributed to research on the relationship between the two constructs. The approaches used in this type of research range from simple correlational research to attempts to determine possible mediators of the relationship and the effect of discrepancies between individual and ecological levels of culture. Most of the existing research investigates individual levels of IC, but a few studies consider other cultural dimensions (Ratzlaff et al., 2000).

It appears that individual levels of culture, particularly IC, can have both positive and negative implications for SWB. Some studies have found a positive relationship between IC and SWB, with idiocentric individuals reporting higher degrees of well-being, while other studies have shown a negative correlation between these constructs. But, according to Ratzlaff et al. (2000), the relationship between individual-level culture and SWB is probably more complex than can adequately be accounted for in a single-dimension, direct relationship. Mediating variables may indeed be an important part of the relationship between individual levels of culture and SWB. Furthermore, Ratzlaff et al. (2000) believe that discrepancies between ecological and individual culture may help to explain the seemingly contradictory findings pointed out above. For example, if the larger cultural milieu is individualistic, idiocentric individuals may find it easier to achieve SWB. If, however, the larger cultural milieu is collectivistic, allocentric individuals may find it easier to achieve SWB.

Context issues are therefore especially important in the interpretation of results on individual-level culture and SWB. Defining the boundaries of the cultural context is also important. Within a nation, the culture of the smaller community, ethnic group, or subculture may also affect the relationship between individual culture and well-being.

As pointed out in chapter 2, Dutta-Bergman and Wells (2002) mention that, although idiocentrism and allocentrism have been studied in different areas of applied psychology, their relationship with consumer behaviour and individual lifestyle issues have not yet been investigated sufficiently. This research will investigate how allocentrism and ideocentrism impact on consumers' SWB.

The theoretical foundation of the values component of the current research will now be discussed (SWB will be addressed in Chapter 6). A brief theoretical consideration of the nature of values will first be provided. This will be followed by a discussion of two of the major theoretical contributors to an understanding of the values concept, as well as how each impacted on consumer research.

5.3 THEORETICAL FOUNDATIONS

A number of different conceptualisations of the values construct are found in the literature, as will be evident in the following discussion.

5.3.1 The values construct

Burgess (1992) construes a taxonomy of values, consisting of three categories. **Subjective** values refer to an object's worth. Some theorists regard **social** values as the sum of all personal values in a society, while others suggest that certain social values are characteristic of a particular society, irrespective of individuals' values. **Personal values** are end-states or modes of conduct which individuals consider desirable. The two latter types of values are of particular interest to this research, although its main focus is personal values.

Values are generally defined as closely held, abstract beliefs that occupy a central position in people's belief system (De Mooij, 2005). Using a facet theory approach, which provides a meta-theoretical framework for empirical research (Borg, in Grunert-Beckmann & Askegaard, 1998), values can formally be defined by the mapping sentence as shown in Figure 5.3.

A value is an individual's conceptualisation of a trans-situational GOAL (F1) that expresses INTEREST (F2) concerned with a MOTIVATIONAL DOMAIN (F3) and evaluated on a RANGE OF IMPORTANCE (R) as a guiding principle in her/his life, with

F1: terminal or instrumental

F2: individualistic, collectivistic, or both

F3: ten to eleven different universal domains

R: very important to very unimportant

Figure 5.3 Mapping sentence to define values formally
(Grunert-Beckmann & Askegaard, 1998, p. 167)

Some of the ideas of both Rokeach and Schwartz, two of the most important contributors to values theory, are reflected in the definition above, as will be evident in the following discussion.

Milton Rokeach has for a long time been regarded as the most influential contributor to values theory. In 1990, Engel, Blackwell and Miniard (in Burgess, 1992), for instance, pointed out that his work impacts most strongly on consumer research on personal values. But, the impact of a more recent theory, that of Shalom Schwartz, is also currently being felt in consumer research (Puohiniemi, 1995). Each of these theories will now be briefly discussed.

5.3.2 Rokeach's belief system theory

Rokeach's (in Puohiniemi, 1995) definition of values is one of the most quoted definitions in this field. He defines a value as an enduring prescriptive or proscriptive belief that a specific mode of behaviour or end-state of existence is preferred to an opposite mode of behaviour or end-state. He bases his definition on five assumptions about the nature of values (Burgess, 1992):

1. People only have a limited number of values.
2. People have the same values but place differing levels of importance on them.
3. Values are organised into value systems.
4. Human values are mainly rooted in culture, society and personality.
5. Human values impact on practically all phenomena that social scientists might consider worth investigating and understanding.

Rokeach (in Burgess, 1992) defines three types of beliefs. **Descriptive** or existential beliefs refer to beliefs that are true or false. **Evaluative** beliefs judge whether something is good or bad. **Prescriptive** and **proscriptive** beliefs judge how desirable a particular means or end-state is. Values are classified as very specific prescriptive or proscriptive beliefs.

Rokeach (in Burgess, 1992) believes that values have the capacity to both change and stay the same. Because of the ability of values to change, individual and social changes are possible, while the stability of values grants a measure of continuity to human personality and society.

Values fulfil affective, behavioural, cognitive, adjustive, ego-defensive and self-actualisation functions in maintaining and enhancing people's self-esteem. They determine people's positions on social issues, act as standards to evaluate and judge themselves and others against, and assist in comparing morality and competence.

Rokeach (in Kahle & Xie, 2008) identifies two types of personal values: terminal values and instrumental values. **Instrumental** or **doing** values refer to preferred modes of conduct, while **terminal** or **being** values are preferable end-states of existence.

Although terminal and instrumental values are related, they are separate concepts and function independently of each other. Instrumental values, for instance, tend to be less stable than terminal values. Rokeach (in De Mooij, 2004) is one of the theorists who regard social-oriented values as the sum of the importance of personal values to members of a society – the more members of a society who feel that a particular value is important, the more other members will feel they should also regard it as important.

Rokeach (in Burgess, 1992) believes that people's behaviour is seldom guided by a single value, but rather by a group or changing groups of values. After a value has been learned, it becomes part of the person's value system, in which values are kept in rank order.

Differences in the relative importance people attach to the personal values in their value systems lead to differences in their behaviour and personality. People's values change because a gradual process of growth and experience results in them reordering the values in this relatively stable system over time (Rokeach, in Burgess, 1992).

This value system helps people in situations of conflict resolution and decision-making. Because most situations in life tend to activate more than one value and often involve a conflict between values, people rely on their value system to resolve this conflict, in order to maintain or enhance their self-esteem. Therefore, the value system, instead of a single value, provides a more complete understanding of the motivational forces driving people's beliefs, attitudes and behaviour (Schwartz & Bilsky, 1987).

5.3.2.1 The Rokeach Value Survey

In 1992, Kamakura and Novak indicated that the RVS was the most commonly used instrument for measuring values. It includes 18 instrumental values (ideal modes of behaviour) and 18 terminal values (ideal end-states of existence). Typically, respondents are asked to rank each list of 18 values in order of importance as guiding principles in their lives. But, because ranking 18 values is difficult as well as time-consuming, rating scales have been explored as an alternative (Alwin & Krosnick, in Kamakura & Novak, 1992), as will be evident in the following evaluation of Rokeach's impact on consumer research.

5.3.2.2 Rokeach's impact on consumer research

Rokeach has had a significant influence on the study of consumer values. Many value-based segmentation and in-depth interview techniques, for instance, to some extent stem from his work. According to Puohiniemi (1995), Rokeach's main contributions to consumer research were the clear conceptual framework that his theory provided and the fact that the RVS could easily be applied in consumer research. Because the RVS was validated on the general population, it could easily be added to consumer surveys.

But, a number of problems in Rokeach's theory and methods were overlooked in the field of consumer values for a number of years (Puohiniemi, 1995), as will be evident in the following discussion.

(a) Controversial issues in Rokeach's theory

According to Puohiniemi (1995), controversial issues in Rokeach's theory include the comprehensiveness of the 36 values and some of these values' content, the distinction between terminal and instrumental values, the ranking method used in the RVS, and the structure of values. Each of these aspects will now be briefly addressed.

(i) The comprehensiveness of the 36 values in the RVS and some of their content

Opinions among consumer researchers about the above issue, range from regarding the 36 values as not being comprehensive enough (Puohiniemi, 1995), to being too comprehensive to be used in consumer research (Munson & McQuarrie, in Puohiniemi, 1995).

Those who believe that they are not comprehensive enough, point out that the RVS does not cover commonly held values such as physical attractiveness and power, which advertising often appeals to (Clawson & Vinson, in Puohiniemi, 1995). In contrast, it has been proven repeatedly (Beatty, Kahle, Homer & Misra, in Puohiniemi, 1995) that not all the values in the RVS are equally important in terms of consumer research. Beatty et al. (in Kamakura & Novak, 1992), for instance, point out that the RVS covers collective and societal domains that may not be of interest in consumer research. They suggest that "primarily person-oriented" values have more relevance to the consumer-behaviour context.

Furthermore, some of the values measured in the RVS have alternate meanings which may differ from their basic meaning (Russell, Sensing & Ashmore, in Puohiniemi, 1995). "Imaginative", for instance, can also mean daring and creative. Consumer researchers consequently demanded that both the content of the value lists and the meanings of some of the values be specified. Puohiniemi (1995) partly ascribes these demands to the superficial way in which Rokeach discusses the origin of values. Although he indicates how he determined the list of 36 values, he does not provide an elaborate analysis of each value.

(b) The distinction between terminal and instrumental values

Although some consumer researchers agreed with the distinction between terminal and instrumental values as being valid (Vinson, Munson & Nakanishi, in Puohiniemi, 1995), Schwartz's structural analysis of values (to be discussed in section 5.1.3.3) implies that this distinction does not truly reflect how people relate to values.

The impact of the terminal-instrumental distinction on consumer behaviour has, however, not been proven conclusively in consumer research. Although both instrumental and terminal values are linked in means-end applications (Reynolds & Gutman, in Veludo-de-Oliveira et al., 2006), terminal values play a more important role because they form the final abstraction in the means-end chain, as discussed in Chapter 2. This corresponds with the fact that terminal values appear to influence consumer behaviour at a more abstract level than instrumental values do. For example, Howard (in Puohiniemi, 1995) suggests that terminal values guide consumers' product category choice, while instrumental values guide their choices among brands. Furthermore, Pitts, Wong and Whalen (in Kamakura & Novak, 1992) note that consumers tend to be guided by instrumental values in specific situations. It will only be possible to truly determine how terminal and instrumental values impact on consumers' judgement and behaviour, by investigating how they correlate with different types of consumer behaviour (Puohiniemi, 1995).

(c) Limitations of the rank-ordering method

Although the concept of a value system that prioritises values, actually supports the method of ranking values (Kamakura & Novak, 1992), the main criticism of the RVS centres around the fact that respondents are required to rank-order values by evaluating their importance in their lives (Puohiniemi,1995).

Criticism on the use of rank-ordering in the RVS can be summarised in the following issues:

1. A ranking procedure is only appropriate for respondents whose value systems are already or largely arranged in a hierarchical format. If not, respondents are forced to rank-order values which may be equally important to them or to which they are indifferent (Ng, in Puohiniemi, 1995).
2. It is unrealistic to expect respondents to be able to rank a large number of values. This makes it impossible to extend Rokeach's list of values and still use rank-ordering effectively.

3. A ranking procedure is only suitable for comparing values held by a particular person. Although two persons, for instance, may rank the same value as the most important, this value may only be vitally important to one of them, while the other person may have other even more important values (Munson, in Puohiniemi, 1995). From a consumer perspective, it is not only important to know how important a particular value is to a consumer, but also its relation to other values for that consumer. The ranking procedure is therefore not suitable for consumer researchers who want to compare value priorities among different groups.
4. Although it may be easy to apply rank-ordering during data collection, it provides less useful information than interval or ratio scaling. It further limits the use of powerful parametric statistical operations (Clawson & Vinson, in Puohiniemi, 1995).

Because of issues such as the above, many consumer researchers started using Likert-type procedures instead of the ranking system, to determine the importance of consumers' values in their lives (Vinson et al., in Puohiniemi, 1995).

(d) The structure of values

Although Rokeach felt that it was unlikely that the 36 values could be reduced to a smaller number of factors, researchers such as Vinson et al. (in Puohiniemi, 1995) managed to do just that, but they could not specify what the kinds of differences in value structures among groups meant. This is an important issue, because variations in value structures across groups would suggest differences in the ways that these people organise their understanding of the world (Schwartz, in Puohiniemi, 1995).

All in all, Rokeach's theory revolutionised the study of consumer values, mainly because it offered a new way of measuring values. Within a few years, however, many consumer researchers found the rank-ordering method inadequate and did not regard the distinction between terminal and instrumental values as a central concern in consumer research. Despite this, Rokeach's methodology has been considered to some extent in almost all major approaches to the analysis of consumer values (Puohiniemi, 1995).

5.3.3 Schwartz's Values Theory

Schwartz's (1992) theory of the universal content and structure of values and the main questionnaire based on it, the SVS, have developed from Rokeach's rationale. Rokeach's thinking therefore also probably indirectly impacts on the values questionnaire used in this research, namely the PVQ, which also measures Schwartz's motivational types.

The main aim in developing his theory (Schwartz, 2006) was to establish whether values have universal meanings. It therefore presents the basic values that people in all cultures recognise. If particular values do not have universal meanings, no meaningful comparisons of value priorities can be made among people.

The main difference between Schwartz's values theory and its predecessors is that it considers the structural properties of values (Puohiniemi, 1995). Schwartz and Bilsky (in Puohiniemi, 1995) apply the structure of human values on two levels.

Firstly, it refers to the conceptual organisation of values, defined on the basis of their similarities and differences. Secondly, it identifies the relations among value types, which are either compatible or in conflict with one another.

The theory identifies ten motivationally distinct value orientations and specifies the dynamics of conflict and congruence among these values, as will be evident in the following exposition.

5.3.3.1 The nature of values

Values refer to what is important in people's lives. Each person holds numerous values which differ in terms of their importance to him or her. The values theory (Schwartz, 2006) identifies the following main features of values:

1. Values are beliefs. These beliefs, however, strongly relate to emotion. When values are activated, a person also experiences positive or negative feelings.
2. Values serve as a motivational construct. They refer to desirable goals that people want to achieve. Important values in a person will motivate him or her to take appropriate action.

3. Values go beyond specific actions and situations. They are abstract goals. Their abstractness distinguishes them from other concepts such as norms and attitudes, which usually refer to specific actions, objects, or situations.
4. Values guide people's selection or evaluation of actions, policies, other people, and events. Values therefore act as standards or criteria, and people may judge actions, policies, other people and events based on whether they facilitate or undermine the attainment of their values.
5. Values are ordered by importance in terms of one another. People's values form an ordered system of value priorities that characterise them as individuals. This hierarchical feature distinguishes them from norms and attitudes, which tend not to be arranged in a similar format.

Schwartz's definition of values therefore incorporates five features found in most definitions of values, namely that values are: (1) concepts or beliefs (2) about desirable behaviour(s) and/or end-states, (3) that transcend specific situations, (4) guide selection or evaluation of behaviour and events, and (5) are ordered by relative importance.

The above are formal features that define all values, but an essential feature, the motivational content of each value, distinguishes it from other values (Bilsky & Schwartz, 1994).

5.3.3.2 The contents of values

The values theory defines ten broad values according to the type of goal or motivation that underlies each of them. These values are probably universal because they are based on one or more of three universal requirements of human existence. All individuals and societies must respond to the following requirements: the needs of individuals as biological organisms, prerequisites for coordinated social interaction, and the survival and welfare needs of their particular group.

To cope with reality, all people need to recognise, think about and plan responses to all three requirements (Schwartz, 1992). In all groups, people need to formulate appropriate goals to cope with these requirements, to communicate with others about them, and to get cooperation to deal with them. Values are the socially desirable concepts that people use to represent these goals mentally, and the vocabulary they use to express them in social interaction.

Table 5.1 lists the value types, defined in terms of their central goals, and followed, in parentheses, by specific values that mainly represent them.

Table 5.1 Definitions of motivational types of values in terms of their goals and the single values that represent them
(Schwartz & Sagiv, 1995, p. 95)

Power:	Social status, and prestige, control or dominance over people and resources. (Social power, authority, wealth)
Achievement:	Personal success through demonstrating competence according to social standards. (Successful, capable, ambitious, influential)
Hedonism:	Pleasure and sensuous gratification for oneself. (Pleasure, enjoying life)
Stimulation:	Excitement, novelty and challenge in life. (Daring, a varied life, an exciting life)
Self-direction:	Independent thought and action-choosing, creating, exploring. (Creativity, freedom, independent, curious, choosing own goals)
Universalism:	Understanding, appreciation, tolerance and protection for the welfare of all people and for nature. (Broad-minded, wisdom, social justice, equality, a world at peace, a world of beauty, unity with nature, protecting the environment)
Benevolence:	Preservation and enhancement of the welfare of the people with whom one is in frequent personal contact. (Helpful, honest, forgiving, loyal, responsible)
Tradition:	Respect, commitment and acceptance of the customs and ideas that traditional culture or religion provide to the self. (Humble, accepting my portion in life, devout, respect for tradition, moderate)
Conformity:	Restraint of actions, inclinations and impulses likely to upset or harm others and violate social expectations or norms. (Politeness, obedient, self-discipline, honouring parents and elders)
Security:	Safety, harmony and stability of society, of relationships and of self. (Family security, national security, social order, clean, reciprocation of favours)

In an earlier version of the theory, Schwartz (1992) considered the possibility that spirituality may also be a universal value, but, cross-cultural research does not support the existence of a generally accepted, distinctive spiritual value (Schwartz, 1994).

The relative importance that each person ascribes to the above value types forms the person's value priorities (Schwartz & Bilsky, 1994). Schwartz and Bardi (2001) point out that researchers have focused almost exclusively on differences in people's value priorities. There is, however, surprisingly widespread consensus regarding the hierarchical order of values throughout the world. The authors base their conclusions on data from (near)-representative samples from 63 nations. Benevolence was the value type rated most important. Self-direction and universalism tied for second and third most important; security was fourth, and conformity was fifth. The five less important value types were, in order, achievement, hedonism, stimulation, tradition, and power. Self-direction, security, and universalism did not differ significantly from one another in importance, nor did achievement differ from hedonism. The differences among all other value types were significant ($p < 0.05$, two-tailed).

According to Schwartz and Bardi (2001), the above pan-cultural hierarchy points to the bases of values in shared human nature, and to the adaptive functions of values in maintaining societies. They found substantial consensus regarding the importance of the different types of values across all the nations they investigated, except for Black African nations, for whom they found a distinctive Black African value profile. Beyond the widely recognised cross-cultural differences in value priorities, there is consequently also a considerable degree of agreement on the relative importance of values.

Schwartz and Bardi (2001) indicate that several studies around the world reveal a great deal of variation in the value priorities of individuals within societies as well as of groups across nations. This is because people both within and across societies have quite different value priorities that reflect their different genetic heritage, personal experiences, social locations, and enculturation. Individual differences in the importance attributed to values reflect individuals' unique needs, temperaments, and social experiences. But, the pan-cultural similarities in value importance are likely to reflect the shared bases of values in human nature and also the adaptive functions of each type of value in maintaining societies. Differences help researchers to identify the influences of peoples' unique genetic heritage, personal experience, social structure, and culture on their value priorities.

5.3.3.3 The structure of value relations

People are mostly unaware of how values impact on their daily decisions. They become aware of their values when the actions or judgements they are considering may result in conflict among values which are important to them. Actions that result from particular values have psychological, practical and social consequences that may conflict or be compatible with actions that express other values. This results in a dynamic structure of relations among value types found across cultures (Schwartz, 2006), as presented in Figure 5.4.

The circular structure in Figure 5.4 presents the complete pattern of relations of conflict and congruity among values. The closer any two values are in either direction around the circle, the more their underlying motivations correspond. The more distant values are the more opposite their underlying motivations are. Some pairs of values therefore compete, while others are complementary. Benevolence and power, for instance, are contradictory, while others, such as conformity and security, are compatible.

Tradition and conformity are located in the same wedge because they share the same broad motivational goal. Conformity lies more toward the centre and tradition more toward the periphery. This signifies that tradition values conflict more strongly with the values opposing them. The expectations linked to tradition values are more abstract and absolute than the interaction-based expectations of conformity values. Tradition values therefore demand a stronger, explicit rejection of opposing values.

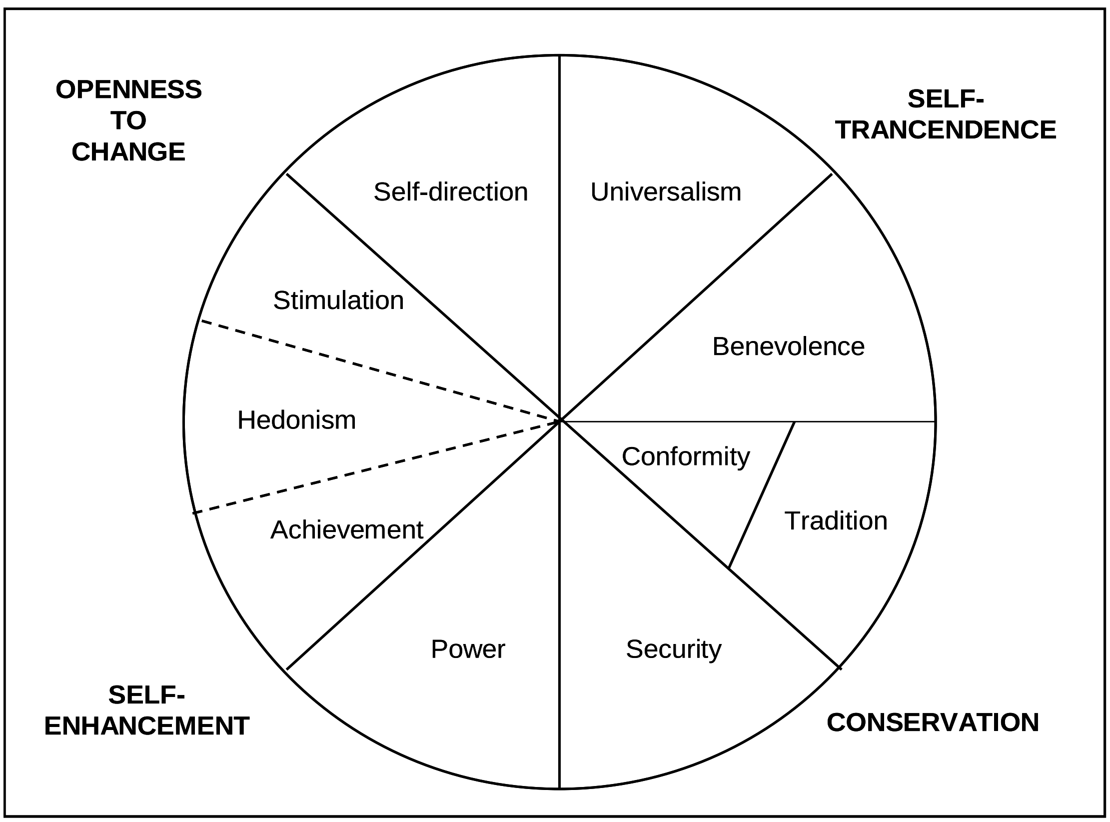


Figure 5.4 **Theoretical model of relations among motivational types of values, higher order value types, and bipolar value dimensions**
(Schwartz, 1994, p. 24)

Two basic dimensions organise value systems into an integrated motivational structure with consistent value conflicts and compatibilities. Schwartz (2006) views values as being organised along two bipolar dimensions. As Figure 5.4 shows, one dimension refers to ‘openness to change’ versus ‘conservation’ values. This dimension captures the conflict of an emphasis on one’s own independent thought and action and favouring change (self-direction and stimulation values), versus submissive self-restriction, preservation of traditional practices, and protection of stability (security, conformity, and tradition). The second dimension deals with ‘self-enhancement’ versus ‘self-transcendence’ values. This dimension captures the conflict of an emphasis on acceptance of others as equal and concern for their welfare (universalism and benevolence), versus pursuing one’s own relative success and dominance over others (power and achievement). Hedonism contains elements of both openness to change and self-enhancement.

Although the theory distinguishes ten values, it also postulates that values form a continuum of related motivations. This continuum explains the circular structure. Adjacent values share motivational emphases, for instance power and achievement share the emphases of social superiority and esteem. Regarding values as being organised in a circular motivational structure has an important implication for their relations to other variables – it implies that each value in the whole set of ten relates to any other variable in an integrated manner.

According to Schwartz (2006), associations of value priorities with other variables, such as attitudes, behaviour and demographics, tend to reflect this structure. If any variable associates most positively with one value type (for instance, age with conformity), its associations with the other tend to be progressively less positive as one moves around the circle, in either direction, towards the diametrically opposing type.

Schwartz (2006) regards values as goals and motivations which represent the interests of a particular person or group. He consequently divides values into two categories: values that serve individual interests and those that serve collective interests. Self-direction, stimulation, hedonism, achievement and power serve individual interests, while conformity, tradition and benevolence serve collective interests. Security and universalism are situated in the boundaries between these two categories and serve mixed interests (Puohiniemi, 1995).

As indicated earlier, the relation between consumers’ allocentrism and ideocentrism and SWB will be investigated as a possible pathway to SWB in this research. But, S.H.

Schwartz (personal communication, 26 September, 2006) indicates that the PVQ is not designed to measure idiocentrism and allocentrism. He does, however, indicate that measuring the higher order dimensions of self-enhancement and self-transcendence (as discussed above) may be an estimate of measuring idiocentrism/allocentrism with this instrument. This aspect will be investigated in this research, and also whether any higher-order factors reflect this dimension.

The various possible values pathways to SWB identified in earlier research will be addressed in more detail in Chapter 6.

5.3.3.4 Measurement of the SVS value types

Until recently, only one measure, namely the SVS, was used in all studies that were based on Schwartz's values theory (Schwartz et al., 2001). The SVS consists of 57 single-value items (e.g., wisdom, an exciting life, family security) which represent the 10 value constructs. Each of the 57 single-value items followed in parentheses by a phrase to clarify its meaning (e.g., social order [stability of society]). Respondents rate the importance of each value item as a guiding principle in their lives on a 9-point scale ranging from 7 (of supreme importance) to –1 (opposed to my values). This type of judgement requires a high level of abstract thinking. Furthermore, because people seldom evaluate and quantify the guiding principles in their life, most find being required to do so unusual and quite difficult (Schwartz et al., 2001).

Previous research using the SVS in South Africa indicated that Schwartz's values theory may not fit the value systems of the young, the less educated, the elderly or the illiterate. This also applies to black African, Indian, Malaysian and rural cultures in emerging consumer markets (ECMs). Groups like these normally find the SVS too abstract (Schwartz & Bardi, in Burgess & Harris, 1998).

Schwartz, Lehmann and Roccas (in Burgess & Harris, 1998) therefore developed the PVQ to measure value priorities in populations such as the above-mentioned. It measures the same 10 value constructs as the SVS (Schwartz et al., 2001), but the two questionnaires differ significantly in terms of their measurement approach. The PVQ is more concrete than the SVS, and requires a respondent to judge how similar persons presented in 29 brief textual 'portraits' are to him- or herself. The brief portraits describe 29 different people, such as "She seeks surprises and is always looking for new things to do. She thinks it is important to do lots of different things in life".

As indicated above, the SVS presents abstract, context-free values, while the PVQ presents people who are portrayed in terms of their goals, aspirations and wishes. The SVS uses a 9-point numerical response scale, while the PVQ requires respondents to indicate “How much like you is this person to you” by checking one of six boxes labelled as follows: “very much like me”, “like me”, “somewhat like me”, “a little like me”, “not like me” and “not like me at all”. SVS respondents usually indicate that completing the scale requires a high level of mental effort, while PVQ respondents typically complete the scale quickly (in about eight to ten minutes), and do not indicate that they find it difficult to make their judgements (Schwartz et al., 2001).

Brief scales such as the PVQ seem especially appropriate for ECM environments because they are less demanding and take less time to complete than more abstract questionnaires (Burgess & Harris, 1998). The PVQ and the reasons for its development and inclusion in this research will be discussed in more detail in Chapter 7.

5.3.3.5 Schwartz’s approach from the perspective of consumer research

According to Puohiniemi (1995), Schwartz’s approach offers numerous advantages in terms of consumer research, ranging from an improved theoretical analysis of values to improved measurement. In 1995, Puohiniemi pointed out that, although the SVS had not yet been extensively used in consumer research, there was definite interest in Schwartz’s theory in this field. Its gain in popularity is also evident in the fact that Schwartz and Bilsky’s definition of values has started replacing Rokeach’s definition in the field of consumer studies (Richins & Dawson, in Puohiniemi, 1995; Rajaniemi, in Puohiniemi, 1995; Burroughs & Rindfleisch, 2002). As pointed out in Chapter 3, Schwartz’s values model has in the meantime gained further popularity in consumer research.

In terms of the theory’s relevance to consumer research, Puohiniemi (1995) points out that its conceptual clarity contributes especially to value studies in this field. Although most of the domains that Schwartz defined are familiar to value researchers, he combined them in a comprehensive theory which considers the compatibilities and conflicts among them. A new element in his theory is the fact that tradition acts as guiding principle in people’s lives.

The main advantage of Schwartz’s theory in terms of consumer research is its focus on the motivational content of values. But, although the universals in terms of values identified in his theory facilitate cross-cultural comparisons, this cross-cultural perspective may be a limitation. Because the theory aims at encompassing the motivational types of value recognised in all societies, it may not include those which are unique to a particular society (Puohiniemi, 1995). This research will focus on those motivations, as determined by Schwartz's theory, which are characteristic of particular LSM groups in an ECM. It will further investigate how these motivations contribute towards consumers' SWB.

Puohiniemi (1995) further points out the possible constraint that Schwartz mainly validated the current version of his theory on university students and school teachers, while the samples studied in consumer research are mostly taken from society in general. But, Puohiniemi (1995) points out, since its original development, the theory's value structures have been validated in numerous countries with many different types of samples.

An aspect of Schwartz's theory (in Puohiniemi, 1995) which makes it especially useful to consumer researchers, is the fact that it provides guidelines for generating hypotheses. For instance, the fact that the value types in his theory represent a continuum of related motivations may imply that any outside variable should therefore be similarly associated with adjacent value types in the structure. Furthermore, associations with any outside variable should decrease monotonically as one goes around the circular structure in both directions. The relationships of different values to self-monitoring should also be taken into account – some values might correlate negatively with self-monitoring, while others show positive correlations.

All in all, it can be said that consumer researchers will value the theory because of its clarity and comprehensiveness. For instance, it enables researchers to measure the importance of values, to analyse their meaning and to compare individuals and groups in both respects. Furthermore, Schwartz's approach to measuring values largely combines the findings of value research until the time of its development, such as the ways in which scales can be used, the issue of whether ranking or rating methods should be applied in values surveys, as well as the use of value surveys in cross-cultural comparisons. But, it also offers new approaches such as using composite scales instead of single items (Puohiniemi, 1995).

5.4 VALUES IN CONSUMER BEHAVIOUR THEORY

As was evident in Chapter 1, consumer behaviour as a field of study investigates the process through which people decide to spend their resources such as time, money and effort on what Schiffman and Kanuk (2007) refer to as consumption-related items. Decision-making can thus be regarded as the essence of consumer behaviour. Personal values are relatively indirect, but potent causes of consumer behaviour (Schwartz, in Brangule-Vlagsma et al., 2002). It can therefore be expected that consumers' personal values will impact on their decision-making.

However, the fact that values are so abstract and fundamental makes it difficult to apply this concept to consumer decision-making. A single value may impact in intricate ways on various elements of the decision process. The same belief, attitudes, or behaviour may furthermore result from different values in different people. Personal values should consequently be regarded as abstract, intricate constructs which provide consistency to people's beliefs and behaviour. Values, however, only have an indirect effect on their attitudes, intentions and purchase behaviour (De Mooij, 2005). This may explain why personal values have not been included extensively in consumer behaviour models.

According to Engel, Blackwell and Miniard (in Erasmus, Boshoff & Rousseau, 2001), a model aims to replicate a particular phenomenon. It identifies the building blocks (the important underlying variables) of the phenomenon, the way in which these building blocks are organised, and the outcomes when the various forces set the model in action. Consumer behaviour models describe consumers' decision-making or their choice processes. Such models have a number of advantages. For instance, they provide explanations for consumer behaviour, may provide a frame of reference for research, and provide a basis for the management of information systems (these models thus provide an indication of the types of information needed to understand consumer decision processes and so provide the basis for marketing action).

Those comprehensive consumer behaviour models and theories that incorporate values will now be briefly discussed. They are the Nicosia model, the Howard-Sheth model, the Engel-Blackwell-Miniard (EBM) model, and the Consumption Value Theory (CVT).

5.4.1 The Nicosia model

The Nicosia model addresses the relationship between a firm and its potential consumers (Schiffman & Kanuk, 1991). It is based on the assumption that human beings are purposeful and goal-oriented, and driven by psychological processes to fulfil wants and needs. It presents the consumer as a dynamic being that searches for information and does not wait for marketers and advertisers to influence him or her (Jonkheid, 1998). The model has an interactive design: the firm tries to influence consumers, while consumers influence the firm by their actions, or by not responding (Schiffman & Kanuk, 1991).

The model presents a consumer's behaviour process in four fields (Nicosia, in Jonkheid, 1998). The complete version of the Nicosia model consists of an elaborate computer flowchart of the consumer decision-making process (Schiffman & Kanuk, 1991). Figure 5.5 presents a summary flowchart of this process.

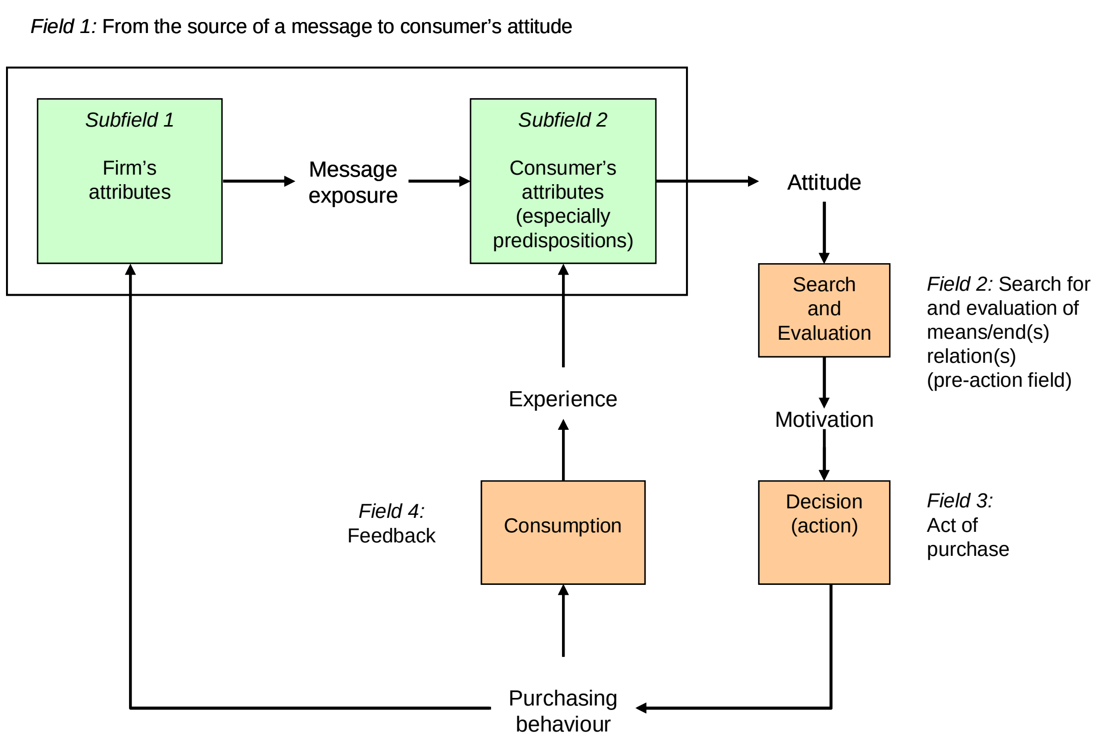


Figure 5.5 Summary flowchart of the Nicosia model of consumer decision processes (Schiffman & Kanuk, 1991, p. 577)

According to Nicosia (in Jonkheid, 1998), the consumer is influenced by variables which are ordered along two dimensions. The **first** are determinants of behaviour that are internal (such as impulses, motives, and habits) or external (such as geography, occupation, religion, race, advertising and price) variables. The **second** dimension refers to motives guiding purchases, and these are either primary motives or selective motives. Primary motives refer to orientations toward products or product categories, while selective motives refer to orientations towards specific brands.

As is evident in Figure 5.5, the first field constitutes the flow of the company's message to the consumer, and is made up of two sub-fields – the company's attributes and the consumer's attributes. The effectiveness of communication depends on whether a consumer sees the message, whether it is compatible with the consumer's existing belief systems, and whether messages address a recognised need that the consumer may have. If communication is effective, it may result in a favourable attitude with the consumer, in which case the consumer may continue solving the problem by means of search and evaluation. This makes up the second field of the model.

A decision consists of two options, namely to buy or not to buy (field 3). The option that is taken is fed back (field 4) into the consumer's attitudes in sub-field 2, and the firm's attitudes in sub-field 1.

In terms of its relevance to personal values, the Nicosia model includes values as part of a consumer's attributes. These attributes impact when the consumer is exposed to a message, decodes the message for selective perception, is involved in search and evaluation, as well as during purchase and the post-purchase period. According to Jonkheid (1998), the Nicosia model therefore provides a framework that acknowledges the centrality of personal values in consumer behaviour.

5.4.2 The Howard-Sheth model

Jonkheid (1998) indicates that, although the Howard-Sheth model ignores the concept of personal values, it acknowledges the influence of social values in consumer behaviour, as well as the idea of consumers being striving individuals who strive to achieve their motives and needs. The model depicts consumers as purposeful and goal-oriented individuals who are driven by psychological processes to fulfil particular wants and needs, and are influenced by internal and external variables. A simplified version of the basic Howard-Sheth model appears in Figure 5.6. The model consists of four major sets of variables: (1) inputs, (2) perceptual and learning constructs, (3) outputs, and (4) exogenous variables (not included in Figure 5.6).

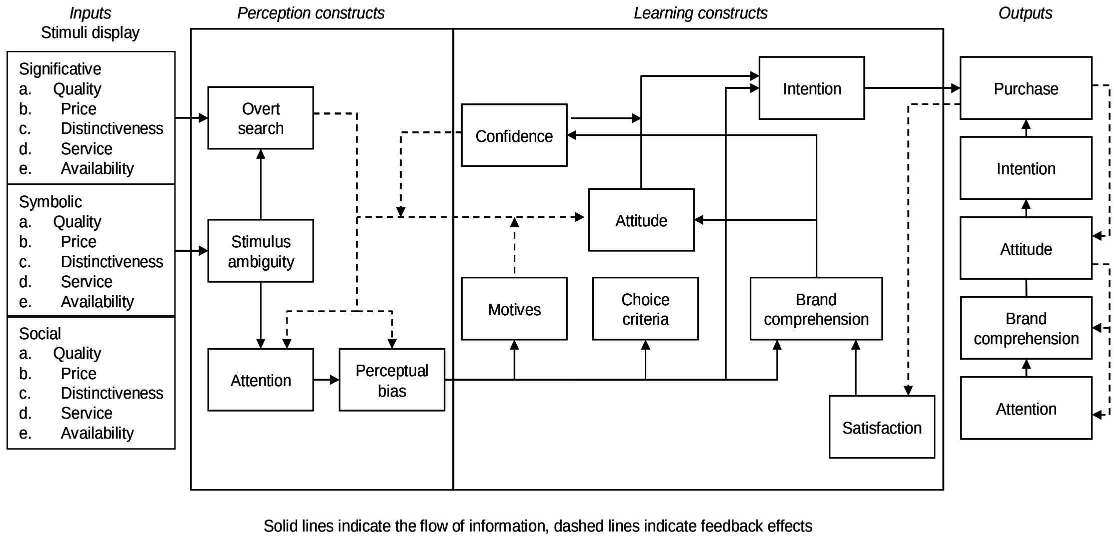


Figure 5.6 Simplified model of the Howard-Sheth model of buyer behaviour
(Schiffman & Kanuk, 1991, p. 579)

The model suggests that buying behaviour is caused by a stimulus either in the buyer, or in his or her environment. This stimulus acts as the input to the system. The outputs are a number of responses that the buyer may make, where buying the actual product or brand is the most important response.

The input variables consist of three distinct types of stimuli (information sources) in the consumer's environment. Marketers provide physical brand characteristics (*significative* stimuli) and verbal or visual product characteristics (*symbolic* stimuli), in the form of brand or product information. The third type of stimulus is provided by the consumer's social environment (family, reference group, social class), for instance by means of word-of-mouth. All three types of stimuli provide inputs concerning the product class or specific brands to the prospective consumer. In Figure 5.6, the rectangular box which combines perceptual and learning constructs identifies the various internal-state variables and processes that illustrate how the buyer responds to the three types of stimuli that have come from the environment. According to Schiffman and Kanuk (1991), the proposed interaction (linkages) between the various perceptual and learning variables and the variables in other segments of the model, give the Howard-Sheth model its distinctive character. The purchase of the product is the outcome of input stimuli.

The model distinguishes among three levels of learning (or stages of decision-making), namely, extensive problem solving (the product class is unfamiliar to the consumer), limited problem solving (the consumer is familiar with the product class, but not the brand), and routinised problem solving (the consumer has established knowledge and beliefs about the brand and its alternatives, and has a specific attitude towards the brand) (Schiffman & Kanuk, 1991).

Although the model recognises the influence of the social values concept as an aspect of culture, it does not address the role of personal values in consumer decision-making. In addition, the fact that the model depicts consumers as striving individuals, but does not acknowledge the role of personal values in this process, is a serious flaw (Burgess, in Jonkheid, 1998).

5.4.3 The Engel-Blackwell-Miniard model

The EBM model of consumer behaviour is the only major consumer behaviour model that recognises personal values and includes them as a central concept in its theory (Jonkheid, 1998). It corresponds to the Nicosia and Howard-Sheth models in the sense that it depicts the consumer as a goal-oriented person, who is driven by psychological processes to fulfil certain wants and needs, who responds to internal and external phenomena in everyday life, and who, because of the process of perception, distorts information and stimuli and responds to them in biased ways (Burgess, in Jonkheid, 1998).

Burgess (in Jonkheid, 1998) regards the model’s emphasis on the role of personal values, personality, and social factors, as well as the fact that it incorporates them into an easily understood and functional problem-solving process, as its greatest strengths. As is evident in Figure 5.7, the EBM model consists of four main areas, namely inputs, information processing, the decision process and the variables influencing the decision process.

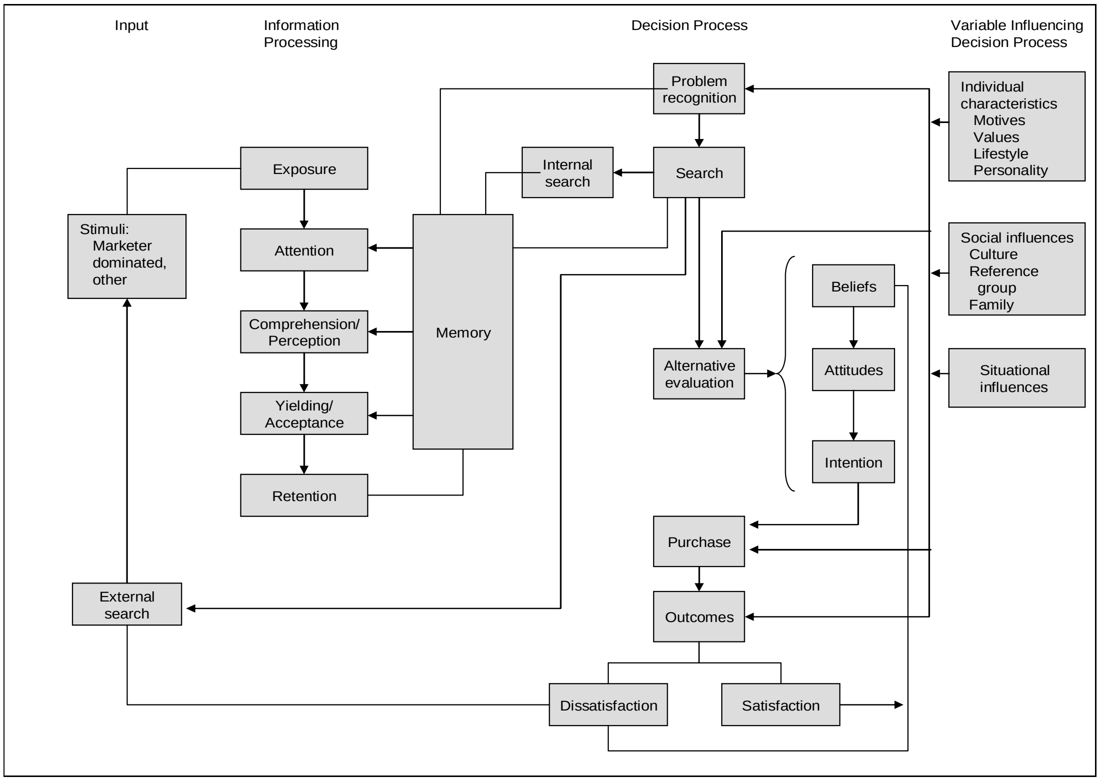


Figure 5.7 **The Engel-Blackwell-Miniard model of consumer behaviour**
(Schiffman & Kanuk, 1991, p. 580)

The **input** (consisting of marketer-dominated and other stimuli, as well as information obtained from an external search) is channelled into the **information processing** structure, which consists of exposure, attention, comprehension/perception, yielding/acceptance, and retention. The **decision process** consists of problem recognition, search, internal search, memory, alternative evaluation, beliefs, attitudes, intention, purchase, outcomes, satisfaction and dissatisfaction. The **variables influencing the decision process** include individual characteristics such as motives, values, lifestyle and personality, and also social influences such as culture, family and situational influences, which are determined by the context in which the behaviour is taking place (Engel et al., in Jonkheid, 1998).

According to Engel et al. (in Jonkheid, 1998), any consumer decision begins with problem recognition, which occurs when consumers compare their ideal state to the actual state of their existence. If they recognise a problem (discrepancy), the search process is activated, first via an internal search, then an external search. When they have identified enough information and alternatives to make a decision, given the circumstances in which the behaviour is occurring, they start evaluating alternatives.

When the information is processed, a change in beliefs about the product may take place, followed by a shift in attitude towards the purchasing of the particular alternative. This normally leads to an intention to act consistent with the consumer's attitude, and finally to purchase. The consumer evaluates his or her decision after buying the product. If the consumer is satisfied, his or her beliefs about the product usually change. If this does not happen, the process of external search will begin again (Engel et al., in Jonkheid, 1998).

The EBM model is relevant to this research in that it emphasises the role of personal values, personality and social factors in consumer behaviour. According to Jonkheid (1998), it can be described as one of the most comprehensive and useful theories to understand the role of personal values in consumer behaviour. Engel et al. (in Jonkheid, 1998) recognise the influence of personal values during the problem recognition stage, and indicate that values help answer the question, *"Is this brand for me?"* during this phase.

5.4.4 Consumption Value Theory

In 1991, Sheth, Newman and Gross (in Burgess, 1992) proposed the first consumer behaviour model based on values, which forms part of the CVT. It was developed to explain the reasons behind consumers' choices (Schiffman & Kanuk, 1991). It identifies consumption-relevant values that explain why consumers choose to buy or not to buy (or to use or not to use) a specific product, and why they choose a particular product type and brand over another.

According to this model, five values, which all centre on the perceived utility acquired by a particular product choice, determine consumption decisions (Sheth et al., in Jonkheid, 1998), namely the functional, conditional, social, emotional and epistemic values.

A number of empirical studies suggest that these value types in fact impact on consumers' choices (Burgess, 1992). Price (in Jonkheid, 1998) identified a sixth value, the significative value, which also centres around the perceived utility acquired by an alternative product choice. An advantage of the CVT is the fact that, although many other models and theories contain constructs similar to the values in it, none of them are as comprehensive (Sheth et al., in Jonkheid, 1998). But, the CVT model has little relevance to this research, because the values identified in the model centre on the product itself, and do not represent consumers' personal values.

5.4.5 Suggestions for improving consumer behaviour models in general

According to Erasmus et al. (2001), concerns have been raised about the indiscriminate use of consumer decision-making models since their inception. These models were, amongst others, criticised because they were not based on in-depth theory; mainly presented consumer decision-making as a rational process; presented it in too general a manner; and there was concern about the detail included in these models. The positivistic approach which underlies most consumer decision-making models, was also regarded as too limited.

During the 1980s, researchers particularly realised that traditional models of consumer decision-making do not necessarily serve as true reflections of the consumer decision-making process. They advised that alternative models should be developed because, for instance, the impact of external or environmental factors on consumer decision-making was exaggerated in existing models. Theorists further began questioning the rational approach to consumer decision-making presented in these models because in reality, for many products, consumers spend very little time on decision-making or do not follow the sequential activities suggested in the models.

Furthermore, consumer decision-making increased in complexity as time progressed due to the availability of a larger variety of products, technological developments, the impact of world events, and an increasing number of employed women who made their presence felt in family decision-making. The generalised decision-making processes presented in traditional decision-making models were consequently no longer a true reflection of the consumer's decision-making process.

Erasmus et al. (2001) recommend implementing a subjectivistic approach in studying consumer behaviour, as well as qualitative research techniques, which would allow consumers to formulate their ideas and opinions spontaneously. They suggest these improvements in light of the fact that positivism, the generally accepted perspective on consumer decision-making, could not explain this phenomenon sufficiently.

De Mooij (2004) further points out that culture is viewed as an environmental factor in many models of consumer behaviour, and textbooks on consumer behaviour tend to actually focus on the practices of culture when addressing culture. She points out that the true origin of cultural influence is situated in consumers' minds. She proposes structuring the various elements of consumer behaviour into a model that integrates culture into all aspects of the human being, in the self and in the personality. According to De Mooij (2004), cultural values are at the root of consumer behaviour. Culture is the most fundamental determinant of a person's wants and behaviour. Culture is pervasive in all aspects of consumption and consumer behaviour and should be integrated into all elements of consumer behaviour theory.

As indicated in Chapter 2, dramatic changes in society have created opportunities to develop and expand market research beyond product and service satisfaction, to include the concept of life satisfaction (Sirgy et al., 2008). As indicated earlier, most of the environmental influences, individual differences and psychological processes identified in the EBM model, for instance, have a cultural dimension. Furthermore, Schiffman and Kanuk (1991) point out that the last section of the model consists of individual and environmental influences that affect all five stages of the decision process. Individual characteristics include motives, values, lifestyle and personality; the social influences are culture, reference groups and family. Situational influences, such as a consumer's financial condition also influence the decision process. SWB, which appears to have a strong cultural dimension, may also impact on all these processes. And the more important consumers consider SWL to be, the more it may impact on their purchasing decisions.

According to Higgs (2003), people's well-being influences how they process information, make decisions and interact with others. And, as pointed out earlier, consumers may unconsciously evaluate products on whether they contribute towards their well-being, and consequently their QOL. Furthermore, according to Leelakulthanit, Day and Walters (in Sirgy et al., 2007), "having" and not "acquiring" is what matters to people. Most consumer behaviour research focuses on pre-purchase and actual purchase behaviour, but few models of consumer behaviour include post-purchase variables in their specifications. Inclusion of such variables where appropriate can result in more insightful models of consumer behaviour.

5.5 THE RELATIONSHIP BETWEEN PERSONAL VALUES AND CONSUMER BEHAVIOUR

It is almost a given in the social sciences that personal values to some degree impact on peoples' behaviour. In terms of consumer behaviour, values have been found to influence consumers' purchase and choice behaviour across several product categories (Henry, Homer & Kahle, in Shrum & McCarty, 1998; Pitts & Woodside, in Shrum & McCarty, 1998).

But, Shrum and McCarty (1998) believe that values have not yet been investigated to their fullest capacity in consumer research. They point out that empirical evidence on the relationship between consumer behaviour and values tend not to be convincing, as will be evident in the following discussion of limitations of previous values research.

5.5.1 Limitations of past values research

Although values and lifestyle concepts have been used extensively in consumer behaviour research, neither value inventories nor lifestyle typologies have proven very effective in predicting specific types of consumer behaviour. According to Grunert-Beckmann and Askegaard (1998), this can be ascribed to the difficulty in modelling the relationship between these highly abstract cognitive-emotive categories and the way in which people organise their lives, and in measuring the relationship between the two concepts. Limitations like these restrict the contribution that personal values theory can make to an understanding of behavioural antecedents, and limit the application of values theory in marketing (Shrum & McCarty, 1998).

Furthermore, although past values research covered quite a broad field in consumer behaviour, it lacks depth. The values construct has proven to be useful to marketers and advertisers to understand consumers' behaviour across various product categories. But, the process through which values impact on consumers' decisions needs to be investigated further.

Furthermore, most of the studies were descriptive and the relationship between values and behaviour was measured in a simple and direct way. Most studies investigated basic correlations between how important consumers feel specific values are and their intention, preference, or choice with respect to particular behaviours (Shrum & McCarty, 1998). By investigating only simple bivariate relationships, researchers limit their research in two respects:

1. The effect of other variables (both antecedents and intervening, such as attitudes, individual difference variables and demographics) is not considered when merely investigating the relation between consumers' behaviour and their values.

2. The possible inter-correlation among the values themselves is not considered, because the values are treated as separate, and basically independent, entities. This contradicts the general view that people's values form part of an integrated value system (Homer & Kahle, in Shrum & McCarty, 1998).

Although findings from research such as the above can be applied in practical situations, such as market segmentation and targeting, it can only make a limited contribution to theory. Furthermore, because relatively weak correlations were usually found between values and behaviour in existing research, only a limited amount of variance in consumer behaviour variables can be explained by personal values (Kahle & Xie, 2008). Findings such as these may have theoretical significance, but have limited practical relevance – if consumers' personal values have only a limited impact on their choice and use of products, it is not realistic to consider values in marketing strategy (Burgess, 1992).

Values have been investigated as independent variables in numerous studies on different aspects of consumer behaviour (Puohiniemi, 1995). But, this type of research overlooks the fact that values may act as both antecedents and consequences of human behaviour. Rokeach (in Puohiniemi, 1995) clearly indicates that values should also be regarded as dependent phenomena. Although some studies have compared consumers' value structures in terms of variables such as gender, education level, age and religion, they mainly focused on proving that values caused some specific attitude or behaviour.

More research on those factors which might cause the development and/or restructuring of the individual's personal value system is therefore necessary (Kahle & Xie, 2008). Possible antecedents can be categorised as either micro-individual or macro-social variables. Micro-individual factors would include variables such as age, education level, IQ, gender, self-image and perceived success, while macro-social factors would include variables such as population group, culture, subculture, reference group and family influence (Munson, in Hart & Rafiq, 2006). All in all, more research is needed on the factors which contribute to and/or govern how values develop, as well as research assessing the possible contributions to consumer research of viewing values as a consequence rather than as antecendents of particular variables.

Shrum and McCarty (1998) believe that values research is at a crucial point in terms of its contribution to both theory and practice. This field of study has already met the basic requirement of establishing a general relationship between consumers' values and their behaviour, but the nature of the effect, such as its strength, and whether it is global or situational, should now be considered. More complex theory building, more precise testing of these theories, and more varied applications of these theories to marketing problems are now required.

It is envisaged that this study will contribute in this regard, because it will determine the value priorities of different LSM groups, which are used extensively as a South African market segmentation base. It will further investigate the processes underlying the relation between consumers' personal value systems and their SWB. If significant differences are found among the different LSM groups, this knowledge can be applied in marketing to the various groups. It should further contribute to a knowledge base on value priorities of consumers in an emerging market. Rapid political and technological changes in South Africa may have resulted in unique value priorities among various LSM groups.

Shrum and McCarty (1998) propose three areas that should help improve values research in consumer behaviour, namely measurement issues, individual differences, and relationships among variables. Each of these issues and its implications for this research will now be briefly discussed.

5.5.2 Issues in the measurement of personal values

The current trend in values research is towards using some version of rating responses. Shrum and McCarty (1998) ascribe this to the fact that the interval level data obtained when respondents have to rate their responses, allow the use of more sophisticated statistical analyses, which can be used to demonstrate relationships among a number of variables.

But, rating methods also have limitations, especially a lack of differentiation and a restriction of range. Using standard rating methods tend to produce data which differentiate very little among the different values investigated. And because values are inherently positive entities, respondents tend to rate all values highly. Thus, important relationships between values and other variables may be concealed because of these two limitations (Wyer, Bodenhausen & Gorman, in Shrum & McCarty, 1998).

This research attempts to address these limitations by employing methods that have proven useful in previous research with the same measuring instrument (the PVQ), such as that of Burgess and Steenkamp (1999), Steenkamp and Burgess (2002) and Schwartz et al. (2001).

A further problem in values research is the fact that value constructs may have different meanings, and that they usually are presented unrelated to any context in surveys, which threatens the comparibility of data, or ecological validity (Grunert-Beckmann & Askegaard, 1998). The values questionnaire used in this study, the PVQ, has especially been developed to overcome this limitation, as discussed earlier.

Kahle and Xie (2008) express some concern about measuring values as one of the critical areas in value research that remains unsolved. Quantitative techniques using standardised measurement instruments, such as the RVS, VALS, the LOV or the SVI (all of which have been referred to in Chapter 3), are typically used in values and lifestyle research. But, considering how abstract the values and the concept of lifestyle are, Grunert-Beckmann and Askegaard (1998) even suggest using pictorial variables to represent abstract concepts, such as a value or a general idea. This approach may be quite innovative, but a questionnaire like the PVQ with its concrete approach of presenting verbal portraits of people which respondents have to compare themselves against, may overcome the above problem. It has even shown acceptable levels of reliability and validity with samples of 13- to 14-year-old Ugandan girls (Schwartz et al., 2001). Most of the issues discussed in this section, although essential, mainly apply to research in which the RVS and LOV have been used. They are probably not relevant to this study, especially because Schwartz's approach to measurement summarises earlier approaches to measurement, as pointed out earlier.

5.5.3 Individual differences

Past values research emphasises the idea that values tend to be more closely related to consumers' choices between product classes than their choices among the brands in a product category (Henry & Gutman, in Shrum & McCarty, 1998). The strength of the relationship between consumers' values and their behaviour may therefore depend on the behaviour involved. But, Shrum and McCarty (1998) propose that this relationship may also depend on the person involved, although this has not yet been investigated extensively in research. The fact that some people are more aware of their internal dispositions such as motivations, attitudes and values, than others, may result in them being more certain of their values, and more aware of how their internal dispositions link to their behaviour.

Understanding the impact of individual differences in value-behaviour consistency should furthermore help clarify the processes involved in this effect (Kahle & Xie, 2008). This research investigates one process which may link consumers' values to their behaviour, namely their value pathways to SWB. As will be evident in Chapter 6, SWB tends to be regarded as a consistent characteristic, related to people's personality and goals, which may explain individual differences in behaviour. Furthermore, another individual difference variable, namely consumers' individual-level culture (whether they can be characterised as allocentric or ideocentric) and its relation to SWB, will be investigated.

5.5.4 Relationships among variables

As indicated above, most previous values research studies were aimed at demonstrating simple bivariate relationships between particular personal values and specific behaviours. Although direct relationships between values and behaviour were indeed found in a small number of studies, the correlations among the variables were typically low. Shrum and McCarty (1998) ascribe this to the fact that the impact of other variables was not considered sufficiently in this process.

Shrum and McCarty (1998), however, point out that, if a weak direct effect between values and behaviour is found, it does not necessarily indicate no effect. Rokeach and Kahle (in Shrum & McCarty, 1998), for instance, believe that attitudes tend to play a mediating role in the value-behaviour relationship. Values may therefore indeed impact directly on behaviour, but indirect effects should also be considered. A better understanding of the interrelationship among variables should contribute towards insight into the antecedents to consumer behaviour (Kahle & Xie, 2008). In this research study, the interrelationship between values and SWB is investigated.

5.5.4.1 Antecedent variables

According to Shrum and McCarty (1998), some variables may act as precursors to the value-behaviour relation. In particular, the possibility that demographic variables may influence both values and behaviour has not been investigated sufficiently in research.

Consumers' demographic variables such as their income, age, or education may determine whether they engage in particular activities. But, these demographic variables may be related to values and attitudes, as well as the behaviour of interest. The extent to which they co-vary with both values and behaviour may impact on value-behaviour relationships. Factors that correlate with demographics may in turn impact on the value-behaviour relationship. This co-variation of other variables with both the independent variables (values) and the dependent variables (behaviour), may mask value-behaviour relationships. It may be difficult to control for these correlates because they are not known. But, by controlling for demographic variables, a consumer researcher may limit the impact of these potentially confounding variables.

The impact of various demographic variables on values and SWB will be investigated in this research, especially because it has been found repeatedly that particular demographic variables, such as income and marriage, correlate strongly with SWB (Diener, Lucas & Oishi, 2002). For instance, Joubert (2006) indicates that values tend to be associated with age groups, because people in particular age groups tend to have shared experiences, while Lucas and Gohm (2000) point out that the different components of SWB often have different demographic and psychological correlates. This study investigates a number of demographic and psychological correlates of the cognitive component of SWB, namely SWL.

Studies that considered the role of values as intervening and antecedent variables suggest that, in order to truly understand the relationship between personal values and behaviour, antecedent, moderating and mediating variables need to be considered. If this is not done, crucial relationships may be overlooked. The more variables entered into the research model, the more variance in behaviour will be explained, but only a limited number of variables can realistically be integrated (Shrum & McCarty, 1998).

All in all, it can be said that it is important to look beyond simple and direct value-behaviour relationships, and to also consider the impact of other variables in this process. This is why SWL, the cognitive component of SWB, has been included in the current research. It is envisaged that variance in consumers' value priorities, a cognitive construct, should help explain variance in their life satisfaction.

5.6 CHAPTER SUMMARY

In this chapter, the role of values in consumer behaviour has been conceptualised. The central role of people's culture in their behaviour was addressed, particularly the fact that values as motivations and cognitive phenomena impact on human behaviour. The impact of cultural values was briefly addressed because they may impact on people's perceptions of their well-being. The relevance of individual-level culture to SWB was briefly highlighted.

The theoretical foundations of the values construct were provided, including the different conceptualisations of the values construct found in the literature, as well as the main theorists in this field. The role of values in consumer behaviour theory was investigated, particularly those models that acknowledge the impact of values in this process. Some concerns about these models were mentioned, particularly the fact that the impact of culture on consumer behaviour is not addressed sufficiently. Some limitations of existing values research were pointed out, as well as how they are addressed in this study.

With this chapter, the third literature objective was reached, namely to investigate the role that values play in consumer behaviour in the literature. In Chapter 5, SWB will be investigated and a possible model that underlies this research will be presented.

CHAPTER 5 VALUES IN CONSUMER BEHAVIOUR

5.1 INTRODUCTION

According to Ueltzhoffer and Ascheberg (in Carson, Gilmore, Perry & Gronhaug, 2001), consumers' socio-cultural identity plays an increasingly important role in their selection of brands, products or services. This particularly applies to mature consumer societies, but is also increasingly true for evolving consumer goods markets globally. According to Burgess and Steenkamp (1998), consumers in an emerging economy such as South Africa may particularly show unique socio-cultural patterns, requiring consumer research with broad representative groups of consumers, such as this study.

In this chapter, the central role of people's culture in their behaviour will first be addressed – particularly the fact that values as motivations and cognitive phenomena impact on human behaviour. The impact of cultural values will be briefly addressed, particularly because they may impact on people's perceptions of their well-being. Culture, however, is not shared to the same extent by all members of a particular society. People's individual-level culture should consequently also be kept in mind. The relevance of this construct to SWB will be briefly investigated. This will be followed by a discussion of the theoretical foundations of the values construct, including the different conceptualisations of the values construct found in the literature, as well as the main theorists in this field. The role of values in consumer behaviour theory will further be investigated, particularly those models that acknowledge their impact in this process. Some concerns about these models will also be highlighted, particularly the fact that the impact of culture on consumer behaviour is not addressed sufficiently. The chapter concludes with an overview of some limitations of existing values research, and of how they are addressed in the current research.

5.2 THE CENTRALITY OF CULTURAL FACTORS IN HUMAN BEHAVIOUR

Potter (in Kanungu, 2006) has developed a model of self-concept, based on Dilt's unified field model of neuro-linguistic programming, which helps explain why cultural elements are so deeply rooted in human nature. As is evident in Figure 5.1, peoples' values lie at the centre of their self-concept.

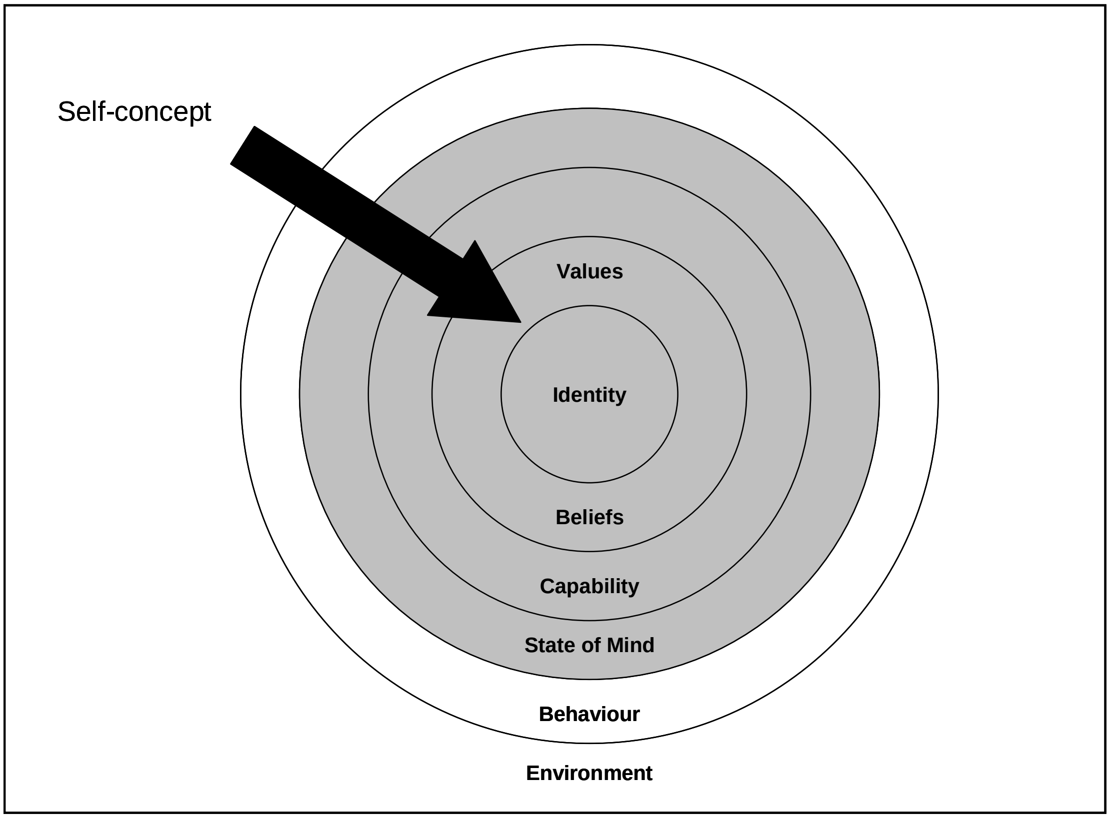


Figure 5.1 **Model of self-concept** (Darlington, 1996, p. 39)

This centrality may explain why Kotler (in Srnka, 2004) comments that cultural factors exert the widest and deepest influence on consumer behaviour. In a typical consumer behaviour model such as the model of Engel, Kollat and Blackwell (Engel, Blackwell & Miniard, in Baker, 2001), environmental influences, individual differences and psychological processes are identified as three key forces shaping consumer behaviour. The majority of variables identified under these three processes – such as social class, family, motivation, attitudes, values, lifestyle and learning – directly or indirectly have a strong cultural dimension. Cultural factors, of which values form an essential part, should therefore play a key role in the analysis of consumer behaviour.

Burgess and Steenkamp (1998) explain the relevance of values to consumer behaviour by classifying them as central dispositions. This type of disposition tends not to be limited to a particular behavioural domain such as consumer behaviour, but applies to a wide range of situations, contexts and behaviours.

Burgess (2002) refers to values as enduring central dispositions that are slow to change, but not fixed. In contrast, secondary dispositions are context specific. Consumers' lifestyle, for instance, is a secondary disposition that is especially important in the consumer context. Secondary dispositions, such as lifestyle and attitudes are affected by central dispositions. Furthermore, both central and secondary dispositions affect behaviour. In light of the facts that central dispositions affect secondary dispositions (Lastovicka, in Burgess & Steenkamp, 1998), and that values are important central dispositions (Homer & Kahle, in Burgess & Steenkamp, 1998), the influence of values can be felt in various domains and contexts.

5.2.1 Values as motivations

Grunert-Beckmann and Askegaard (in Christiansen & Hansen, 2001) point at that people use their values as criteria to select and justify their actions; thus, values can be regarded as motivations. Mills (in Zetterberg, 2008) points out in this regard that values belong to the "vocabulary of motives" and reveal mankind's aspirations. As will be evident in section 5.2.3, Schwartz (2006) regards values as social-cognitive representations of motivational goals. Values are desirable goals that vary in importance, and serve as guiding principles in people's lives (Rokeach, in Baourakis, 2004). Values therefore influence peoples' perceptions and direct their decisions, choices, and behaviour.

The above also applies to consumer behaviour. According to Solomon et al. (2006), consumers' motivations are often based on underlying values. Products have particular meanings to consumers because they regard products as a way to achieve some goal that is linked to a value, such as individuality or freedom. As is evident in Figure 5.2, values lie at the core of explaining the reasons behind consumption behaviour.

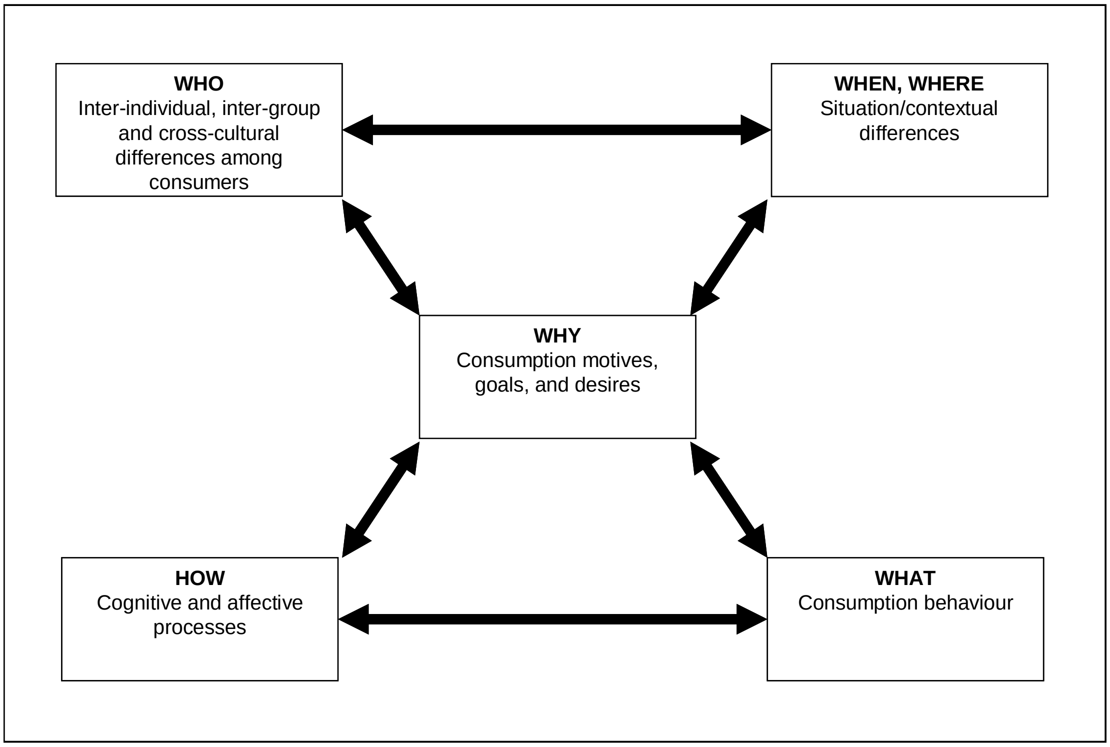


Figure 5.2 Contextualising the 'why' of consumption
(Solomon et al., 2006, p. 128)

But, Solomon et al. (2006) warn that there are numerous reasons for people's consumption activities. The 'why?' question cannot stand alone; all the other dimensions indicated in Figure 5.2 should also be considered. The 'why?' question should therefore also cover influences such as personal, group and cultural differences; situational and contextual differences; the reflexive and emotional processes involved; and the kinds of consumption item and consumer behaviour that are involved.

According to Feather (in Puohiniemi, 1995), there may be some motives that are not values, but there are no values that are not motives. As motives, however, values transcend specific situations. They are therefore not likely to have very concrete and straightforward influences on behaviour. The importance of values in the field of consumption should consequently not be overestimated. Consumers may indeed express their values in the choices they make, but other determinants of consumer behaviour should also be considered. Some values might also impact more strongly on consumer behaviour than others. People's values will only be reflected in their choices in the extent to which their values are involved in their decision-making (Puohiniemi, 1995). Personal values are therefore relatively distant but nevertheless powerful determinants of consumer behaviour (Schwartz, in Brangule-Vlagsma et al., 2002).

5.2.2 Values as cognitive phenomena

As is evident above, personal values are dominant forces in life and have a central position in the human cognitive system. In particular, values serve as cognitive frames that provide an influential context for choices among alternative behaviours (Cohen & Cohen, 2001).

According to Zetterberg (1998), consumers' values determine their priorities. Their values make them associate with particular people, products and services, and dissociate themselves from others. Values can be regarded as the most abstract type of social cognition, that help people to guide themselves in the interpersonal world (Grunert & Scherhorn, in Valette-Florence, Ferrandi, Odin, Odin & Usunier, 1999). Consequently, their primary function is to guide the individual's adaptation to the circumstances in his environment (Kahle & Goff Timmer, in Valette-Florence et al., 1999). According to Grunert-Beckmann and Askegaard (in Christiansen & Hansen, 2001), people organise knowledge and experience in memory. Furthermore, a basic goal of humans is adaptation (Kahle, in Grunert-Beckmann & Askegaard, 1998), and because of the human memory's limited capacity, abstractions such as attitudes and values help people summarise previous experience in order to help them adapt to their environment.

All in all, it can be said that, because of their pivotal role in consumer's cognitive structure, values provide a powerful basis for understanding their purchase and consumption behaviour (Burgess, 1992). Their relative stability not only contributes to their role in explaining and understanding consumer behaviour, but also makes it an attractive base for market segmentation (Brangule-Vlagsma et al., 2002).

5.2.3 Cultural values

Values are commonly regarded as the point of intersection between the individual and society, because they help to know and understand the interpersonal world and they guide the individual's adaptation to the surrounding conditions (Grunert-Beckmann & Askegaard, in Baourakis, 2004). According to Solomon et al. (2006), the specific values that motivate people vary across cultures, but there is usually a set of underlying goals in each culture that most of its members agree are important. Every culture therefore has a set of values, or core values, that it imparts to its members and from which cultural norms derive. Norms in turn operate to specify the boundaries within which the individual must behave. In their simplest form, cultural values can be viewed as beliefs that are widely held regarding what is desirable, and may also impact on an individual's activities (Munson, in Hofmeister Tóth & Simányi, 2006). These values therefore play an important role in maintaining a society (Jonkheid, 1998). Consumers' core values have a major influence on their cognitive processes and choice behaviours, which may explain why marketers are particularly interested in those core values (Peter & Olson, 2008).

In order to understand the role of values in South African consumers' behaviour, the distinction between a collectivist and individualistic culture should also be kept in mind. In an **individualistic** culture, people's self-interests are more important than group interests, while in a **collectivist** culture, group interests carry more weight than personal goals (Hofstede, in Blodgett, Bakir & Rose, 2008).

Generally, Eastern cultures tend toward collectivism and Western cultures focus on individualism. But, as people in eastern societies have become more affluent, they have become more individualistic. The same may apply to South African consumers. As some South African consumers have become more affluent, those who tended towards collectivism in the past may now tend more towards individualism. However, Schwartz and Ros (in Blodgett et al., 2008) argue that people's value structures are more complex than a mere distinction between individualism and collectivism. Although this distinction greatly contributes towards understanding and classifying a culture, many nations include different subcultures. This is where investigating two relatively new concepts, ideocentrism and allocentrism, as discussed in Chapter 2, may make a contribution.

According to Corder (in Joubert, 2006), South Africa is a diverse country, made up of a number of subcultures, which each interprets and responds to society's basic beliefs and values in a characteristic way. Many subcultures form important market segments, and marketers often target their products and marketing programmes at these subcultures' needs (Joubert, 2006). It may especially be prudent to target subcultures because these inherent values tend to change slowly, often only over generations (Jonkheid, 1998).

As pointed out earlier, the relative stability of values makes them an attractive base for market segmentation. But, Brangule-Vlagsma et al. (2002) found that, even though values are relatively stable, value systems of individuals may change. As pointed out in Chapter 4, they therefore distinguish between fixed and stable value systems. This distinction has important implications for market segmentation based on value systems. They believe that value systems are relatively stable at societal level, but that the value systems of individual society members vary over time within the overall system, because of the impact of factors such as technological changes. This distinction needs to be considered in multivariate segmentation of the South African market, especially because the value systems of groups with disparate affluence levels (as identified by LSMs) may have unique relations with SWB.

5.2.4 Culture and subjective well-being

As pointed out in Chapter 2, Ratzlaff et al. (2000) show that the impact of culture on SWB has recently become an important area of research. Culture shapes the self, which in turn influences how people feel and think about various aspects of their lives – the central research issue of SWB (Suh, 2000).

5.2.4.1 Personal values and subjective well-being

According to Sirgy, Lee and Rahtz (2007), the concept of consumer well-being is guided by the link between consumer satisfaction and their QOL. Consumers may unconsciously evaluate products on whether they contribute toward their well-being, and consequently their QOL.

As indicated in Chapter 1, this research aims to deepen an understanding of how consumers' personal values can contribute toward multivariate segmentation by exploring their relationship with SWB. And, as indicated in Chapter 2, Boehnke et al. (2001) point out that the belief in a decisive relationship between values and well-being has existed for more than two centuries. Values not only serve as guiding principles in individuals' lives, but are also central descriptors of a nation's cultural heritage. This dual nature of values may make them a promising construct to explain both individual and intercultural differences in SWB. Investigating values' role in consumers' quest for life-satisfaction may contribute towards an understanding of their role as motivators. This relation may also impact on people's consumption behaviour, and will be investigated in this study.

5.2.4.2 Cultural values and subjective well-being

But, studying SWB across cultures presents some challenges, such as the fact that cultures with widely divergent value systems probably do not define well-being in the same way. The majority of studies investigating cultural differences in SWB further examine differences among cultural groups defined by country, race or ethnicity, which do not allow for finer distinctions.

Most existing studies on culture and SWB therefore use aggregated cultural variables, such as individualism and power distance, in their analyses. But, this does not sufficiently explain the psychological mechanisms involved in the experience and judgement of SWB among different cultural members – findings on the relationship between national culture (measured at country level) and SWB may not truly reflect what individuals are experiencing. This may explain the more recent approach of investigating the relationship between SWB and culture as a psychological construct in individuals. Studies like these mainly focus on the dimension of individualism-collectivism, but also investigate other dimensions such as cultural or ethnic identity (Ratzlaff et al., 2000).

(a) Culture as an individual psychological construct

Ratzlaff et al. (2000) point out the common misconception that members of a particular culture are relatively homogeneous in terms of some or other psychological trait, characteristic or behaviour. But, it has become increasingly evident that culture exists at individual level, as well as a global social construct – within-culture variance on any given attribute may be equal to or larger than between-culture variance.

Triandis, Bontempo, Leung and Hui (in Ratzlaff et al., 2000) consequently distinguish among three levels of culture: the cultural level, which typically represents a particular nation or other grouping in terms of geographical proximity; the demographic level, based on demographic characteristics such as ethnicity, race or gender; and the individual level, which reflects a particular person's unique pattern of psychological constructs. Ratzlaff et al. (2000) use the term **ecological** culture to refer to the cultural context(s) of an individual (cultural and demographic levels), and **individual** culture to reflect an individual's degree of participation in the values, beliefs, and traditions of those cultural contexts. Because people in a particular culture may differ in the degree to which they adopt and engage in the attitudes, values, beliefs and behaviours representing that culture, their psychological culture may be either similar to or different from the larger ecological culture.

As pointed out in Chapter 2, the most widely investigated dimension of psychological culture is IC. Triandis (in Ratzlaff et al., 2000) labelled the individual levels of analysis of this construct idiocentrism and allocentrism. Generally, idiocentrics endorse values, behaviours and attitudes characteristic of individualistic or independent cultures, while allocentrics are people who endorse values, behaviours and attitudes common to collectivistic or interdependent cultures. Ideocentrism on individual level corresponds with individualism at cultural level, and allocentrism on the individual level corresponds with collectivism on the cultural level.

Although individualism and collectivism will probably be highly correlated at the ecological and individual levels, it cannot be assumed that they represent exactly the same construct. According to Ratzlaff et al. (2000), numerous studies demonstrate the importance of identifying IC as an individual-level construct as well as an ecological-level one. By doing so, individual differences on this cultural dimension can be distinguished in larger cultural groups, and relationships between it and other psychological constructs on the individual level can be investigated. Differences between groups can therefore be tested after the effects of IC have been statistically controlled for. Ultimately, this approach allows researchers to test the degree of contribution of individual-level IC to between-group differences on particular psychological constructs, and so help refine their knowledge about the relationship between IC and psychological variables. An understanding of IC at individual level may consequently also probably contribute towards an understanding of group differences in terms of market segmentation.

(i) Individual-level culture and subjective well-being

Increases in both the sophistication of methods to measure culture on an individual level and in the interest in psychological well-being have contributed to research on the relationship between the two constructs. The approaches used in this type of research range from simple correlational research to attempts to determine possible mediators of the relationship and the effect of discrepancies between individual and ecological levels of culture. Most of the existing research investigates individual levels of IC, but a few studies consider other cultural dimensions (Ratzlaff et al., 2000).

It appears that individual levels of culture, particularly IC, can have both positive and negative implications for SWB. Some studies have found a positive relationship between IC and SWB, with idiocentric individuals reporting higher degrees of well-being, while other studies have shown a negative correlation between these constructs. But, according to Ratzlaff et al. (2000), the relationship between individual-level culture and SWB is probably more complex than can adequately be accounted for in a single-dimension, direct relationship. Mediating variables may indeed be an important part of the relationship between individual levels of culture and SWB. Furthermore, Ratzlaff et al. (2000) believe that discrepancies between ecological and individual culture may help to explain the seemingly contradictory findings pointed out above. For example, if the larger cultural milieu is individualistic, idiocentric individuals may find it easier to achieve SWB. If, however, the larger cultural milieu is collectivistic, allocentric individuals may find it easier to achieve SWB.

Context issues are therefore especially important in the interpretation of results on individual-level culture and SWB. Defining the boundaries of the cultural context is also important. Within a nation, the culture of the smaller community, ethnic group, or subculture may also affect the relationship between individual culture and well-being.

As pointed out in chapter 2, Dutta-Bergman and Wells (2002) mention that, although idiocentrism and allocentrism have been studied in different areas of applied psychology, their relationship with consumer behaviour and individual lifestyle issues have not yet been investigated sufficiently. This research will investigate how allocentrism and ideocentrism impact on consumers' SWB.

The theoretical foundation of the values component of the current research will now be discussed (SWB will be addressed in Chapter 6). A brief theoretical consideration of the nature of values will first be provided. This will be followed by a discussion of two of the major theoretical contributors to an understanding of the values concept, as well as how each impacted on consumer research.

5.3 THEORETICAL FOUNDATIONS

A number of different conceptualisations of the values construct are found in the literature, as will be evident in the following discussion.

5.3.1 The values construct

Burgess (1992) construes a taxonomy of values, consisting of three categories. **Subjective** values refer to an object's worth. Some theorists regard **social** values as the sum of all personal values in a society, while others suggest that certain social values are characteristic of a particular society, irrespective of individuals' values. **Personal values** are end-states or modes of conduct which individuals consider desirable. The two latter types of values are of particular interest to this research, although its main focus is personal values.

Values are generally defined as closely held, abstract beliefs that occupy a central position in people's belief system (De Mooij, 2005). Using a facet theory approach, which provides a meta-theoretical framework for empirical research (Borg, in Grunert-Beckmann & Askegaard, 1998), values can formally be defined by the mapping sentence as shown in Figure 5.3.

A value is an individual's conceptualisation of a trans-situational GOAL (F1) that expresses INTEREST (F2) concerned with a MOTIVATIONAL DOMAIN (F3) and evaluated on a RANGE OF IMPORTANCE (R) as a guiding principle in her/his life, with F1: terminal or instrumental F2: individualistic, collectivistic, or both F3: ten to eleven different universal domains R: very important to very unimportant

Figure 5.3 Mapping sentence to define values formally
(Grunert-Beckmann & Askegaard, 1998, p. 167)

Some of the ideas of both Rokeach and Schwartz, two of the most important contributors to values theory, are reflected in the definition above, as will be evident in the following discussion.

Milton Rokeach has for a long time been regarded as the most influential contributor to values theory. In 1990, Engel, Blackwell and Miniard (in Burgess, 1992), for instance, pointed out that his work impacts most strongly on consumer research on personal values. But, the impact of a more recent theory, that of Shalom Schwartz, is also currently being felt in consumer research (Puohiniemi, 1995). Each of these theories will now be briefly discussed.

5.3.2 Rokeach's belief system theory

Rokeach's (in Puohiniemi, 1995) definition of values is one of the most quoted definitions in this field. He defines a value as an enduring prescriptive or proscriptive belief that a specific mode of behaviour or end-state of existence is preferred to an opposite mode of behaviour or end-state. He bases his definition on five assumptions about the nature of values (Burgess, 1992):

1. People only have a limited number of values.
2. People have the same values but place differing levels of importance on them.
3. Values are organised into value systems.
4. Human values are mainly rooted in culture, society and personality.
5. Human values impact on practically all phenomena that social scientists might consider worth investigating and understanding.

Rokeach (in Burgess, 1992) defines three types of beliefs. **Descriptive** or existential beliefs refer to beliefs that are true or false. **Evaluative** beliefs judge whether something is good or bad. **Prescriptive** and **proscriptive** beliefs judge how desirable a particular means or end-state is. Values are classified as very specific prescriptive or proscriptive beliefs.

Rokeach (in Burgess, 1992) believes that values have the capacity to both change and stay the same. Because of the ability of values to change, individual and social changes are possible, while the stability of values grants a measure of continuity to human personality and society.

Values fulfil affective, behavioural, cognitive, adjustive, ego-defensive and self-actualisation functions in maintaining and enhancing people's self-esteem. They determine people's positions on social issues, act as standards to evaluate and judge themselves and others against, and assist in comparing morality and competence.

Rokeach (in Kahle & Xie, 2008) identifies two types of personal values: terminal values and instrumental values. **Instrumental** or **doing** values refer to preferred modes of conduct, while **terminal** or **being** values are preferable end-states of existence.

Although terminal and instrumental values are related, they are separate concepts and function independently of each other. Instrumental values, for instance, tend to be less stable than terminal values. Rokeach (in De Mooij, 2004) is one of the theorists who regard social-oriented values as the sum of the importance of personal values to members of a society – the more members of a society who feel that a particular value is important, the more other members will feel they should also regard it as important.

Rokeach (in Burgess, 1992) believes that people's behaviour is seldom guided by a single value, but rather by a group or changing groups of values. After a value has been learned, it becomes part of the person's value system, in which values are kept in rank order.

Differences in the relative importance people attach to the personal values in their value systems lead to differences in their behaviour and personality. People's values change because a gradual process of growth and experience results in them reordering the values in this relatively stable system over time (Rokeach, in Burgess, 1992).

This value system helps people in situations of conflict resolution and decision-making. Because most situations in life tend to activate more than one value and often involve a conflict between values, people rely on their value system to resolve this conflict, in order to maintain or enhance their self-esteem. Therefore, the value system, instead of a single value, provides a more complete understanding of the motivational forces driving people's beliefs, attitudes and behaviour (Schwartz & Bilsky, 1987).

5.3.2.1 The Rokeach Value Survey

In 1992, Kamakura and Novak indicated that the RVS was the most commonly used instrument for measuring values. It includes 18 instrumental values (ideal modes of behaviour) and 18 terminal values (ideal end-states of existence). Typically, respondents are asked to rank each list of 18 values in order of importance as guiding principles in their lives. But, because ranking 18 values is difficult as well as time-consuming, rating scales have been explored as an alternative (Alwin & Krosnick, in Kamakura & Novak, 1992), as will be evident in the following evaluation of Rokeach's impact on consumer research.

5.3.2.2 Rokeach's impact on consumer research

Rokeach has had a significant influence on the study of consumer values. Many value-based segmentation and in-depth interview techniques, for instance, to some extent stem from his work. According to Puohiniemi (1995), Rokeach's main contributions to consumer research were the clear conceptual framework that his theory provided and the fact that the RVS could easily be applied in consumer research. Because the RVS was validated on the general population, it could easily be added to consumer surveys.

But, a number of problems in Rokeach's theory and methods were overlooked in the field of consumer values for a number of years (Puohiniemi, 1995), as will be evident in the following discussion.

(a) Controversial issues in Rokeach's theory

According to Puohiniemi (1995), controversial issues in Rokeach's theory include the comprehensiveness of the 36 values and some of these values' content, the distinction between terminal and instrumental values, the ranking method used in the RVS, and the structure of values. Each of these aspects will now be briefly addressed.

(i) The comprehensiveness of the 36 values in the RVS and some of their content

Opinions among consumer researchers about the above issue, range from regarding the 36 values as not being comprehensive enough (Puohiniemi, 1995), to being too comprehensive to be used in consumer research (Munson & McQuarrie, in Puohiniemi, 1995).

Those who believe that they are not comprehensive enough, point out that the RVS does not cover commonly held values such as physical attractiveness and power, which advertising often appeals to (Clawson & Vinson, in Puohiniemi, 1995). In contrast, it has been proven repeatedly (Beatty, Kahle, Homer & Misra, in Puohiniemi, 1995) that not all the values in the RVS are equally important in terms of consumer research. Beatty et al. (in Kamakura & Novak, 1992), for instance, point out that the RVS covers collective and societal domains that may not be of interest in consumer research. They suggest that "primarily person-oriented" values have more relevance to the consumer-behaviour context.

Furthermore, some of the values measured in the RVS have alternate meanings which may differ from their basic meaning (Russell, Sensing & Ashmore, in Puohiniemi, 1995). "Imaginative", for instance, can also mean daring and creative. Consumer researchers consequently demanded that both the content of the value lists and the meanings of some of the values be specified. Puohiniemi (1995) partly ascribes these demands to the superficial way in which Rokeach discusses the origin of values. Although he indicates how he determined the list of 36 values, he does not provide an elaborate analysis of each value.

(b) The distinction between terminal and instrumental values

Although some consumer researchers agreed with the distinction between terminal and instrumental values as being valid (Vinson, Munson & Nakanishi, in Puohiniemi, 1995), Schwartz's structural analysis of values (to be discussed in section 5.1.3.3) implies that this distinction does not truly reflect how people relate to values.

The impact of the terminal-instrumental distinction on consumer behaviour has, however, not been proven conclusively in consumer research. Although both instrumental and terminal values are linked in means-end applications (Reynolds & Gutman, in Veludo-de-Oliveira et al., 2006), terminal values play a more important role because they form the final abstraction in the means-end chain, as discussed in Chapter 2. This corresponds with the fact that terminal values appear to influence consumer behaviour at a more abstract level than instrumental values do. For example, Howard (in Puohiniemi, 1995) suggests that terminal values guide consumers' product category choice, while instrumental values guide their choices among brands. Furthermore, Pitts, Wong and Whalen (in Kamakura & Novak, 1992) note that consumers tend to be guided by instrumental values in specific situations. It will only be possible to truly determine how terminal and instrumental values impact on consumers' judgement and behaviour, by investigating how they correlate with different types of consumer behaviour (Puohiniemi, 1995).

(c) Limitations of the rank-ordering method

Although the concept of a value system that prioritises values, actually supports the method of ranking values (Kamakura & Novak, 1992), the main criticism of the RVS centres around the fact that respondents are required to rank-order values by evaluating their importance in their lives (Puohiniemi,1995).

Criticism on the use of rank-ordering in the RVS can be summarised in the following issues:

1. A ranking procedure is only appropriate for respondents whose value systems are already or largely arranged in a hierarchical format. If not, respondents are forced to rank-order values which may be equally important to them or to which they are indifferent (Ng, in Puohiniemi, 1995).
2. It is unrealistic to expect respondents to be able to rank a large number of values. This makes it impossible to extend Rokeach's list of values and still use rank-ordering effectively.

3. A ranking procedure is only suitable for comparing values held by a particular person. Although two persons, for instance, may rank the same value as the most important, this value may only be vitally important to one of them, while the other person may have other even more important values (Munson, in Puohiniemi, 1995). From a consumer perspective, it is not only important to know how important a particular value is to a consumer, but also its relation to other values for that consumer. The ranking procedure is therefore not suitable for consumer researchers who want to compare value priorities among different groups.
4. Although it may be easy to apply rank-ordering during data collection, it provides less useful information than interval or ratio scaling. It further limits the use of powerful parametric statistical operations (Clawson & Vinson, in Puohiniemi, 1995).

Because of issues such as the above, many consumer researchers started using Likert-type procedures instead of the ranking system, to determine the importance of consumers' values in their lives (Vinson et al., in Puohiniemi, 1995).

(d) The structure of values

Although Rokeach felt that it was unlikely that the 36 values could be reduced to a smaller number of factors, researchers such as Vinson et al. (in Puohiniemi, 1995) managed to do just that, but they could not specify what the kinds of differences in value structures among groups meant. This is an important issue, because variations in value structures across groups would suggest differences in the ways that these people organise their understanding of the world (Schwartz, in Puohiniemi, 1995).

All in all, Rokeach's theory revolutionised the study of consumer values, mainly because it offered a new way of measuring values. Within a few years, however, many consumer researchers found the rank-ordering method inadequate and did not regard the distinction between terminal and instrumental values as a central concern in consumer research. Despite this, Rokeach's methodology has been considered to some extent in almost all major approaches to the analysis of consumer values (Puohiniemi, 1995).

5.3.3 Schwartz's Values Theory

Schwartz's (1992) theory of the universal content and structure of values and the main questionnaire based on it, the SVS, have developed from Rokeach's rationale. Rokeach's thinking therefore also probably indirectly impacts on the values questionnaire used in this research, namely the PVQ, which also measures Schwartz's motivational types.

The main aim in developing his theory (Schwartz, 2006) was to establish whether values have universal meanings. It therefore presents the basic values that people in all cultures recognise. If particular values do not have universal meanings, no meaningful comparisons of value priorities can be made among people.

The main difference between Schwartz's values theory and its predecessors is that it considers the structural properties of values (Puohiniemi, 1995). Schwartz and Bilsky (in Puohiniemi, 1995) apply the structure of human values on two levels.

Firstly, it refers to the conceptual organisation of values, defined on the basis of their similarities and differences. Secondly, it identifies the relations among value types, which are either compatible or in conflict with one another.

The theory identifies ten motivationally distinct value orientations and specifies the dynamics of conflict and congruence among these values, as will be evident in the following exposition.

5.3.3.1 The nature of values

Values refer to what is important in people's lives. Each person holds numerous values which differ in terms of their importance to him or her. The values theory (Schwartz, 2006) identifies the following main features of values:

1. Values are beliefs. These beliefs, however, strongly relate to emotion. When values are activated, a person also experiences positive or negative feelings.
2. Values serve as a motivational construct. They refer to desirable goals that people want to achieve. Important values in a person will motivate him or her to take appropriate action.

3. Values go beyond specific actions and situations. They are abstract goals. Their abstractness distinguishes them from other concepts such as norms and attitudes, which usually refer to specific actions, objects, or situations.
4. Values guide people's selection or evaluation of actions, policies, other people, and events. Values therefore act as standards or criteria, and people may judge actions, policies, other people and events based on whether they facilitate or undermine the attainment of their values.
5. Values are ordered by importance in terms of one another. People's values form an ordered system of value priorities that characterise them as individuals. This hierarchical feature distinguishes them from norms and attitudes, which tend not to be arranged in a similar format.

Schwartz's definition of values therefore incorporates five features found in most definitions of values, namely that values are: (1) concepts or beliefs (2) about desirable behaviour(s) and/or end-states, (3) that transcend specific situations, (4) guide selection or evaluation of behaviour and events, and (5) are ordered by relative importance.

The above are formal features that define all values, but an essential feature, the motivational content of each value, distinguishes it from other values (Bilsky & Schwartz, 1994).

5.3.3.2 The contents of values

The values theory defines ten broad values according to the type of goal or motivation that underlies each of them. These values are probably universal because they are based on one or more of three universal requirements of human existence. All individuals and societies must respond to the following requirements: the needs of individuals as biological organisms, prerequisites for coordinated social interaction, and the survival and welfare needs of their particular group.

To cope with reality, all people need to recognise, think about and plan responses to all three requirements (Schwartz, 1992). In all groups, people need to formulate appropriate goals to cope with these requirements, to communicate with others about them, and to get cooperation to deal with them. Values are the socially desirable concepts that people use to represent these goals mentally, and the vocabulary they use to express them in social interaction.

Table 5.1 lists the value types, defined in terms of their central goals, and followed, in parentheses, by specific values that mainly represent them.

Table 5.1 Definitions of motivational types of values in terms of their goals and the single values that represent them
(Schwartz & Sagiv, 1995, p. 95)

Power:	Social status, and prestige, control or dominance over people and resources. (Social power, authority, wealth)
Achievement:	Personal success through demonstrating competence according to social standards. (Successful, capable, ambitious, influential)
Hedonism:	Pleasure and sensuous gratification for oneself. (Pleasure, enjoying life)
Stimulation:	Excitement, novelty and challenge in life. (Daring, a varied life, an exciting life)
Self-direction:	Independent thought and action-choosing, creating, exploring. (Creativity, freedom, independent, curious, choosing own goals)
Universalism:	Understanding, appreciation, tolerance and protection for the welfare of all people and for nature. (Broad-minded, wisdom, social justice, equality, a world at peace, a world of beauty, unity with nature, protecting the environment)
Benevolence:	Preservation and enhancement of the welfare of the people with whom one is in frequent personal contact. (Helpful, honest, forgiving, loyal, responsible)
Tradition:	Respect, commitment and acceptance of the customs and ideas that traditional culture or religion provide to the self. (Humble, accepting my portion in life, devout, respect for tradition, moderate)
Conformity:	Restraint of actions, inclinations and impulses likely to upset or harm others and violate social expectations or norms. (Politeness, obedient, self-discipline, honouring parents and elders)
Security:	Safety, harmony and stability of society, of relationships and of self. (Family security, national security, social order, clean, reciprocation of favours)

In an earlier version of the theory, Schwartz (1992) considered the possibility that spirituality may also be a universal value, but, cross-cultural research does not support the existence of a generally accepted, distinctive spiritual value (Schwartz, 1994).

The relative importance that each person ascribes to the above value types forms the person's value priorities (Schwartz & Bilsky, 1994). Schwartz and Bardi (2001) point out that researchers have focused almost exclusively on differences in people's value priorities. There is, however, surprisingly widespread consensus regarding the hierarchical order of values throughout the world. The authors base their conclusions on data from (near)-representative samples from 63 nations. Benevolence was the value type rated most important. Self-direction and universalism tied for second and third most important; security was fourth, and conformity was fifth. The five less important value types were, in order, achievement, hedonism, stimulation, tradition, and power. Self-direction, security, and universalism did not differ significantly from one another in importance, nor did achievement differ from hedonism. The differences among all other value types were significant ($p < 0.05$, two-tailed).

According to Schwartz and Bardi (2001), the above pan-cultural hierarchy points to the bases of values in shared human nature, and to the adaptive functions of values in maintaining societies. They found substantial consensus regarding the importance of the different types of values across all the nations they investigated, except for Black African nations, for whom they found a distinctive Black African value profile. Beyond the widely recognised cross-cultural differences in value priorities, there is consequently also a considerable degree of agreement on the relative importance of values.

Schwartz and Bardi (2001) indicate that several studies around the world reveal a great deal of variation in the value priorities of individuals within societies as well as of groups across nations. This is because people both within and across societies have quite different value priorities that reflect their different genetic heritage, personal experiences, social locations, and enculturation. Individual differences in the importance attributed to values reflect individuals' unique needs, temperaments, and social experiences. But, the pan-cultural similarities in value importance are likely to reflect the shared bases of values in human nature and also the adaptive functions of each type of value in maintaining societies. Differences help researchers to identify the influences of peoples' unique genetic heritage, personal experience, social structure, and culture on their value priorities.

5.3.3.3 The structure of value relations

People are mostly unaware of how values impact on their daily decisions. They become aware of their values when the actions or judgements they are considering may result in conflict among values which are important to them. Actions that result from particular values have psychological, practical and social consequences that may conflict or be compatible with actions that express other values. This results in a dynamic structure of relations among value types found across cultures (Schwartz, 2006), as presented in Figure 5.4.

The circular structure in Figure 5.4 presents the complete pattern of relations of conflict and congruity among values. The closer any two values are in either direction around the circle, the more their underlying motivations correspond. The more distant values are the more opposite their underlying motivations are. Some pairs of values therefore compete, while others are complementary. Benevolence and power, for instance, are contradictory, while others, such as conformity and security, are compatible.

Tradition and conformity are located in the same wedge because they share the same broad motivational goal. Conformity lies more toward the centre and tradition more toward the periphery. This signifies that tradition values conflict more strongly with the values opposing them. The expectations linked to tradition values are more abstract and absolute than the interaction-based expectations of conformity values. Tradition values therefore demand a stronger, explicit rejection of opposing values.

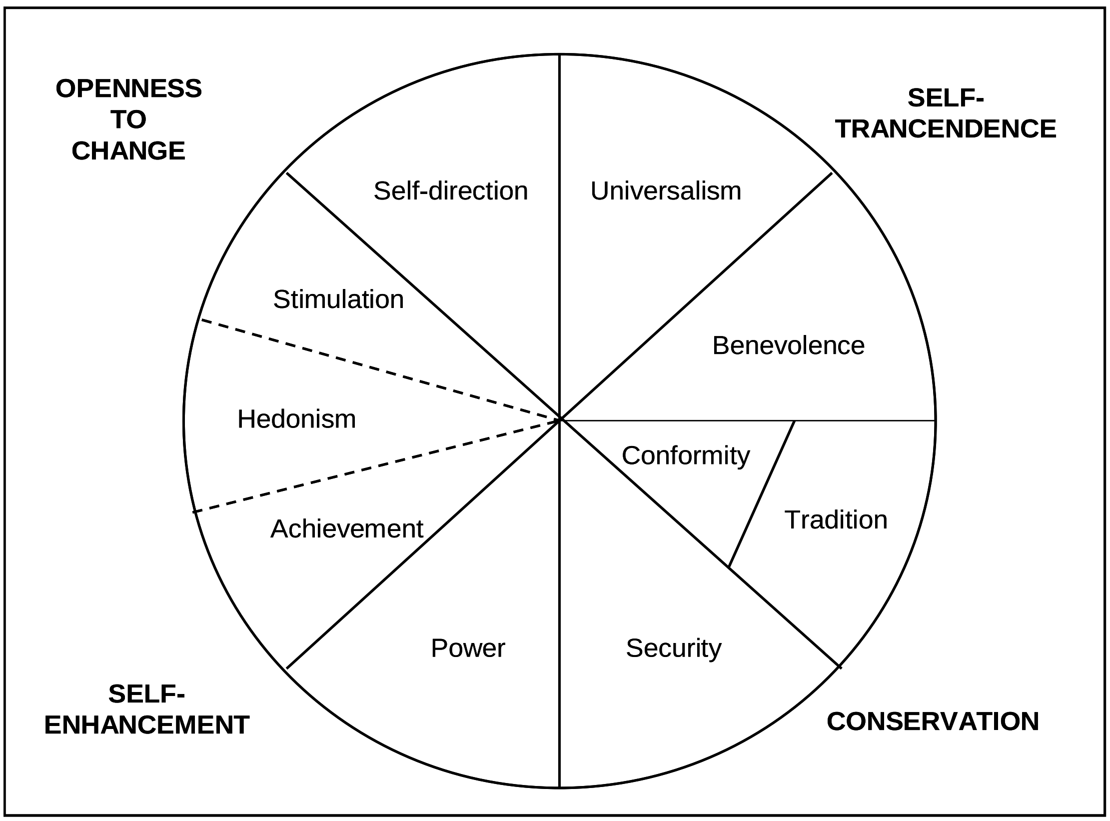


Figure 5.4 **Theoretical model of relations among motivational types of values, higher order value types, and bipolar value dimensions**
(Schwartz, 1994, p. 24)

Two basic dimensions organise value systems into an integrated motivational structure with consistent value conflicts and compatibilities. Schwartz (2006) views values as being organised along two bipolar dimensions. As Figure 5.4 shows, one dimension refers to ‘openness to change’ versus ‘conservation’ values. This dimension captures the conflict of an emphasis on one’s own independent thought and action and favouring change (self-direction and stimulation values), versus submissive self-restriction, preservation of traditional practices, and protection of stability (security, conformity, and tradition). The second dimension deals with ‘self-enhancement’ versus ‘self-transcendence’ values. This dimension captures the conflict of an emphasis on acceptance of others as equal and concern for their welfare (universalism and benevolence), versus pursuing one’s own relative success and dominance over others (power and achievement). Hedonism contains elements of both openness to change and self-enhancement.

Although the theory distinguishes ten values, it also postulates that values form a continuum of related motivations. This continuum explains the circular structure. Adjacent values share motivational emphases, for instance power and achievement share the emphases of social superiority and esteem. Regarding values as being organised in a circular motivational structure has an important implication for their relations to other variables – it implies that each value in the whole set of ten relates to any other variable in an integrated manner.

According to Schwartz (2006), associations of value priorities with other variables, such as attitudes, behaviour and demographics, tend to reflect this structure. If any variable associates most positively with one value type (for instance, age with conformity), its associations with the other tend to be progressively less positive as one moves around the circle, in either direction, towards the diametrically opposing type.

Schwartz (2006) regards values as goals and motivations which represent the interests of a particular person or group. He consequently divides values into two categories: values that serve individual interests and those that serve collective interests. Self-direction, stimulation, hedonism, achievement and power serve individual interests, while conformity, tradition and benevolence serve collective interests. Security and universalism are situated in the boundaries between these two categories and serve mixed interests (Puohiniemi, 1995).

As indicated earlier, the relation between consumers’ allocentrism and ideocentrism and SWB will be investigated as a possible pathway to SWB in this research. But, S.H.

Schwartz (personal communication, 26 September, 2006) indicates that the PVQ is not designed to measure idiocentrism and allocentrism. He does, however, indicate that measuring the higher order dimensions of self-enhancement and self-transcendence (as discussed above) may be an estimate of measuring idiocentrism/allocentrism with this instrument. This aspect will be investigated in this research, and also whether any higher-order factors reflect this dimension.

The various possible values pathways to SWB identified in earlier research will be addressed in more detail in Chapter 6.

5.3.3.4 Measurement of the SVS value types

Until recently, only one measure, namely the SVS, was used in all studies that were based on Schwartz's values theory (Schwartz et al., 2001). The SVS consists of 57 single-value items (e.g., wisdom, an exciting life, family security) which represent the 10 value constructs. Each of the 57 single-value items followed in parentheses by a phrase to clarify its meaning (e.g., social order [stability of society]). Respondents rate the importance of each value item as a guiding principle in their lives on a 9-point scale ranging from 7 (of supreme importance) to –1 (opposed to my values). This type of judgement requires a high level of abstract thinking. Furthermore, because people seldom evaluate and quantify the guiding principles in their life, most find being required to do so unusual and quite difficult (Schwartz et al., 2001).

Previous research using the SVS in South Africa indicated that Schwartz's values theory may not fit the value systems of the young, the less educated, the elderly or the illiterate. This also applies to black African, Indian, Malaysian and rural cultures in emerging consumer markets (ECMs). Groups like these normally find the SVS too abstract (Schwartz & Bardi, in Burgess & Harris, 1998).

Schwartz, Lehmann and Roccas (in Burgess & Harris, 1998) therefore developed the PVQ to measure value priorities in populations such as the above-mentioned. It measures the same 10 value constructs as the SVS (Schwartz et al., 2001), but the two questionnaires differ significantly in terms of their measurement approach. The PVQ is more concrete than the SVS, and requires a respondent to judge how similar persons presented in 29 brief textual 'portraits' are to him- or herself. The brief portraits describe 29 different people, such as "She seeks surprises and is always looking for new things to do. She thinks it is important to do lots of different things in life".

As indicated above, the SVS presents abstract, context-free values, while the PVQ presents people who are portrayed in terms of their goals, aspirations and wishes. The SVS uses a 9-point numerical response scale, while the PVQ requires respondents to indicate “How much like you is this person to you” by checking one of six boxes labelled as follows: “very much like me”, “like me”, “somewhat like me”, “a little like me”, “not like me” and “not like me at all”. SVS respondents usually indicate that completing the scale requires a high level of mental effort, while PVQ respondents typically complete the scale quickly (in about eight to ten minutes), and do not indicate that they find it difficult to make their judgements (Schwartz et al., 2001).

Brief scales such as the PVQ seem especially appropriate for ECM environments because they are less demanding and take less time to complete than more abstract questionnaires (Burgess & Harris, 1998). The PVQ and the reasons for its development and inclusion in this research will be discussed in more detail in Chapter 7.

5.3.3.5 Schwartz’s approach from the perspective of consumer research

According to Puohiniemi (1995), Schwartz’s approach offers numerous advantages in terms of consumer research, ranging from an improved theoretical analysis of values to improved measurement. In 1995, Puohiniemi pointed out that, although the SVS had not yet been extensively used in consumer research, there was definite interest in Schwartz’s theory in this field. Its gain in popularity is also evident in the fact that Schwartz and Bilsky’s definition of values has started replacing Rokeach’s definition in the field of consumer studies (Richins & Dawson, in Puohiniemi, 1995; Rajaniemi, in Puohiniemi, 1995; Burroughs & Rindfleisch, 2002). As pointed out in Chapter 3, Schwartz’s values model has in the meantime gained further popularity in consumer research.

In terms of the theory’s relevance to consumer research, Puohiniemi (1995) points out that its conceptual clarity contributes especially to value studies in this field. Although most of the domains that Schwartz defined are familiar to value researchers, he combined them in a comprehensive theory which considers the compatibilities and conflicts among them. A new element in his theory is the fact that tradition acts as guiding principle in people’s lives.

The main advantage of Schwartz’s theory in terms of consumer research is its focus on the motivational content of values. But, although the universals in terms of values identified in his theory facilitate cross-cultural comparisons, this cross-cultural perspective may be a limitation. Because the theory aims at encompassing the motivational types of value recognised in all societies, it may not include those which are unique to a particular society (Puohiniemi, 1995). This research will focus on those motivations, as determined by Schwartz's theory, which are characteristic of particular LSM groups in an ECM. It will further investigate how these motivations contribute towards consumers' SWB.

Puohiniemi (1995) further points out the possible constraint that Schwartz mainly validated the current version of his theory on university students and school teachers, while the samples studied in consumer research are mostly taken from society in general. But, Puohiniemi (1995) points out, since its original development, the theory's value structures have been validated in numerous countries with many different types of samples.

An aspect of Schwartz's theory (in Puohiniemi, 1995) which makes it especially useful to consumer researchers, is the fact that it provides guidelines for generating hypotheses. For instance, the fact that the value types in his theory represent a continuum of related motivations may imply that any outside variable should therefore be similarly associated with adjacent value types in the structure. Furthermore, associations with any outside variable should decrease monotonically as one goes around the circular structure in both directions. The relationships of different values to self-monitoring should also be taken into account – some values might correlate negatively with self-monitoring, while others show positive correlations.

All in all, it can be said that consumer researchers will value the theory because of its clarity and comprehensiveness. For instance, it enables researchers to measure the importance of values, to analyse their meaning and to compare individuals and groups in both respects. Furthermore, Schwartz's approach to measuring values largely combines the findings of value research until the time of its development, such as the ways in which scales can be used, the issue of whether ranking or rating methods should be applied in values surveys, as well as the use of value surveys in cross-cultural comparisons. But, it also offers new approaches such as using composite scales instead of single items (Puohiniemi, 1995).

5.4 VALUES IN CONSUMER BEHAVIOUR THEORY

As was evident in Chapter 1, consumer behaviour as a field of study investigates the process through which people decide to spend their resources such as time, money and effort on what Schiffman and Kanuk (2007) refer to as consumption-related items. Decision-making can thus be regarded as the essence of consumer behaviour. Personal values are relatively indirect, but potent causes of consumer behaviour (Schwartz, in Brangule-Vlagsma et al., 2002). It can therefore be expected that consumers' personal values will impact on their decision-making.

However, the fact that values are so abstract and fundamental makes it difficult to apply this concept to consumer decision-making. A single value may impact in intricate ways on various elements of the decision process. The same belief, attitudes, or behaviour may furthermore result from different values in different people. Personal values should consequently be regarded as abstract, intricate constructs which provide consistency to people's beliefs and behaviour. Values, however, only have an indirect effect on their attitudes, intentions and purchase behaviour (De Mooij, 2005). This may explain why personal values have not been included extensively in consumer behaviour models.

According to Engel, Blackwell and Miniard (in Erasmus, Boshoff & Rousseau, 2001), a model aims to replicate a particular phenomenon. It identifies the building blocks (the important underlying variables) of the phenomenon, the way in which these building blocks are organised, and the outcomes when the various forces set the model in action. Consumer behaviour models describe consumers' decision-making or their choice processes. Such models have a number of advantages. For instance, they provide explanations for consumer behaviour, may provide a frame of reference for research, and provide a basis for the management of information systems (these models thus provide an indication of the types of information needed to understand consumer decision processes and so provide the basis for marketing action).

Those comprehensive consumer behaviour models and theories that incorporate values will now be briefly discussed. They are the Nicosia model, the Howard-Sheth model, the Engel-Blackwell-Miniard (EBM) model, and the Consumption Value Theory (CVT).

5.4.1 The Nicosia model

The Nicosia model addresses the relationship between a firm and its potential consumers (Schiffman & Kanuk, 1991). It is based on the assumption that human beings are purposeful and goal-oriented, and driven by psychological processes to fulfil wants and needs. It presents the consumer as a dynamic being that searches for information and does not wait for marketers and advertisers to influence him or her (Jonkheid, 1998). The model has an interactive design: the firm tries to influence consumers, while consumers influence the firm by their actions, or by not responding (Schiffman & Kanuk, 1991).

The model presents a consumer's behaviour process in four fields (Nicosia, in Jonkheid, 1998). The complete version of the Nicosia model consists of an elaborate computer flowchart of the consumer decision-making process (Schiffman & Kanuk, 1991). Figure 5.5 presents a summary flowchart of this process.

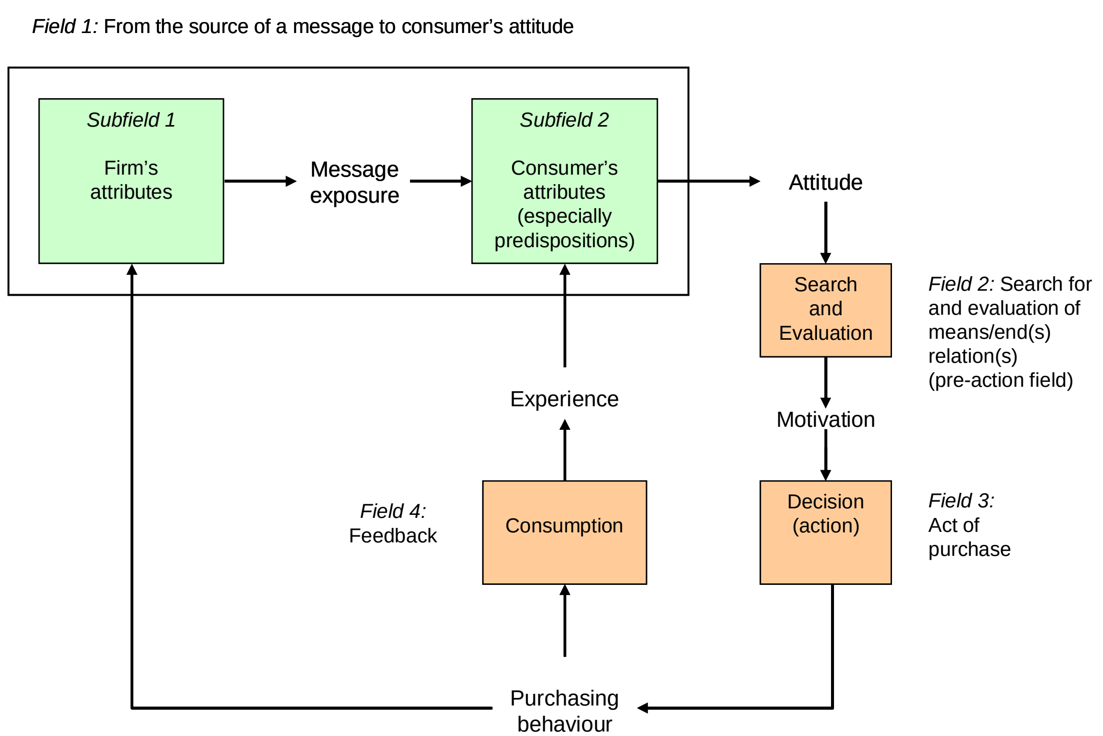


Figure 5.5 Summary flowchart of the Nicosia model of consumer decision processes (Schiffman & Kanuk, 1991, p. 577)

According to Nicosia (in Jonkheid, 1998), the consumer is influenced by variables which are ordered along two dimensions. The **first** are determinants of behaviour that are internal (such as impulses, motives, and habits) or external (such as geography, occupation, religion, race, advertising and price) variables. The **second** dimension refers to motives guiding purchases, and these are either primary motives or selective motives. Primary motives refer to orientations toward products or product categories, while selective motives refer to orientations towards specific brands.

As is evident in Figure 5.5, the first field constitutes the flow of the company's message to the consumer, and is made up of two sub-fields – the company's attributes and the consumer's attributes. The effectiveness of communication depends on whether a consumer sees the message, whether it is compatible with the consumer's existing belief systems, and whether messages address a recognised need that the consumer may have. If communication is effective, it may result in a favourable attitude with the consumer, in which case the consumer may continue solving the problem by means of search and evaluation. This makes up the second field of the model.

A decision consists of two options, namely to buy or not to buy (field 3). The option that is taken is fed back (field 4) into the consumer's attitudes in sub-field 2, and the firm's attitudes in sub-field 1.

In terms of its relevance to personal values, the Nicosia model includes values as part of a consumer's attributes. These attributes impact when the consumer is exposed to a message, decodes the message for selective perception, is involved in search and evaluation, as well as during purchase and the post-purchase period. According to Jonkheid (1998), the Nicosia model therefore provides a framework that acknowledges the centrality of personal values in consumer behaviour.

5.4.2 The Howard-Sheth model

Jonkheid (1998) indicates that, although the Howard-Sheth model ignores the concept of personal values, it acknowledges the influence of social values in consumer behaviour, as well as the idea of consumers being striving individuals who strive to achieve their motives and needs. The model depicts consumers as purposeful and goal-oriented individuals who are driven by psychological processes to fulfil particular wants and needs, and are influenced by internal and external variables. A simplified version of the basic Howard-Sheth model appears in Figure 5.6. The model consists of four major sets of variables: (1) inputs, (2) perceptual and learning constructs, (3) outputs, and (4) exogenous variables (not included in Figure 5.6).

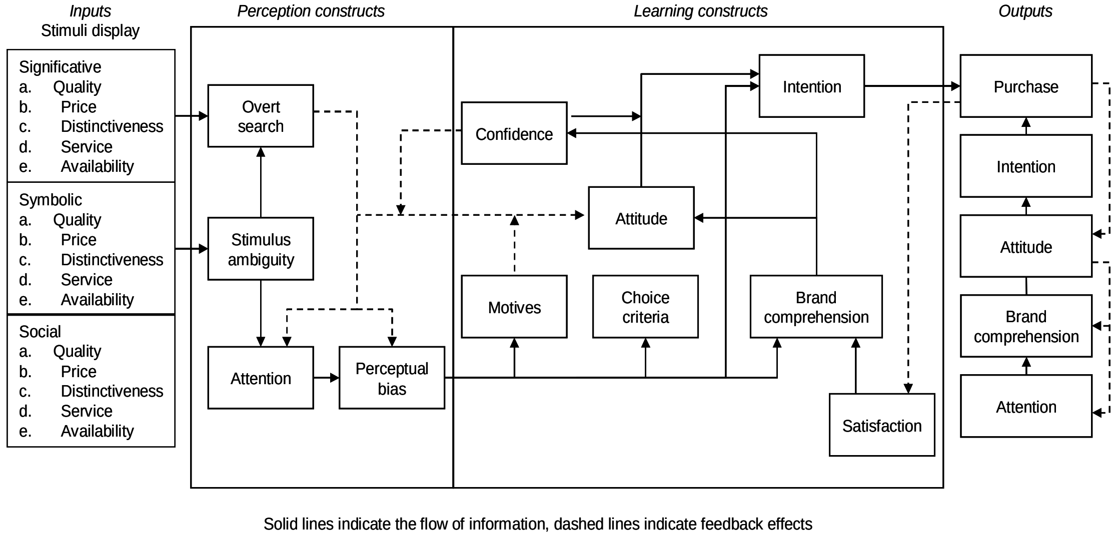


Figure 5.6 Simplified model of the Howard-Sheth model of buyer behaviour
(Schiffman & Kanuk, 1991, p. 579)

The model suggests that buying behaviour is caused by a stimulus either in the buyer, or in his or her environment. This stimulus acts as the input to the system. The outputs are a number of responses that the buyer may make, where buying the actual product or brand is the most important response.

The input variables consist of three distinct types of stimuli (information sources) in the consumer's environment. Marketers provide physical brand characteristics (*significative* stimuli) and verbal or visual product characteristics (*symbolic* stimuli), in the form of brand or product information. The third type of stimulus is provided by the consumer's social environment (family, reference group, social class), for instance by means of word-of-mouth. All three types of stimuli provide inputs concerning the product class or specific brands to the prospective consumer. In Figure 5.6, the rectangular box which combines perceptual and learning constructs identifies the various internal-state variables and processes that illustrate how the buyer responds to the three types of stimuli that have come from the environment. According to Schiffman and Kanuk (1991), the proposed interaction (linkages) between the various perceptual and learning variables and the variables in other segments of the model, give the Howard-Sheth model its distinctive character. The purchase of the product is the outcome of input stimuli.

The model distinguishes among three levels of learning (or stages of decision-making), namely, extensive problem solving (the product class is unfamiliar to the consumer), limited problem solving (the consumer is familiar with the product class, but not the brand), and routinised problem solving (the consumer has established knowledge and beliefs about the brand and its alternatives, and has a specific attitude towards the brand) (Schiffman & Kanuk, 1991).

Although the model recognises the influence of the social values concept as an aspect of culture, it does not address the role of personal values in consumer decision-making. In addition, the fact that the model depicts consumers as striving individuals, but does not acknowledge the role of personal values in this process, is a serious flaw (Burgess, in Jonkheid, 1998).

5.4.3 The Engel-Blackwell-Miniard model

The EBM model of consumer behaviour is the only major consumer behaviour model that recognises personal values and includes them as a central concept in its theory (Jonkheid, 1998). It corresponds to the Nicosia and Howard-Sheth models in the sense that it depicts the consumer as a goal-oriented person, who is driven by psychological processes to fulfil certain wants and needs, who responds to internal and external phenomena in everyday life, and who, because of the process of perception, distorts information and stimuli and responds to them in biased ways (Burgess, in Jonkheid, 1998).

Burgess (in Jonkheid, 1998) regards the model's emphasis on the role of personal values, personality, and social factors, as well as the fact that it incorporates them into an easily understood and functional problem-solving process, as its greatest strengths. As is evident in Figure 5.7, the EBM model consists of four main areas, namely inputs, information processing, the decision process and the variables influencing the decision process.

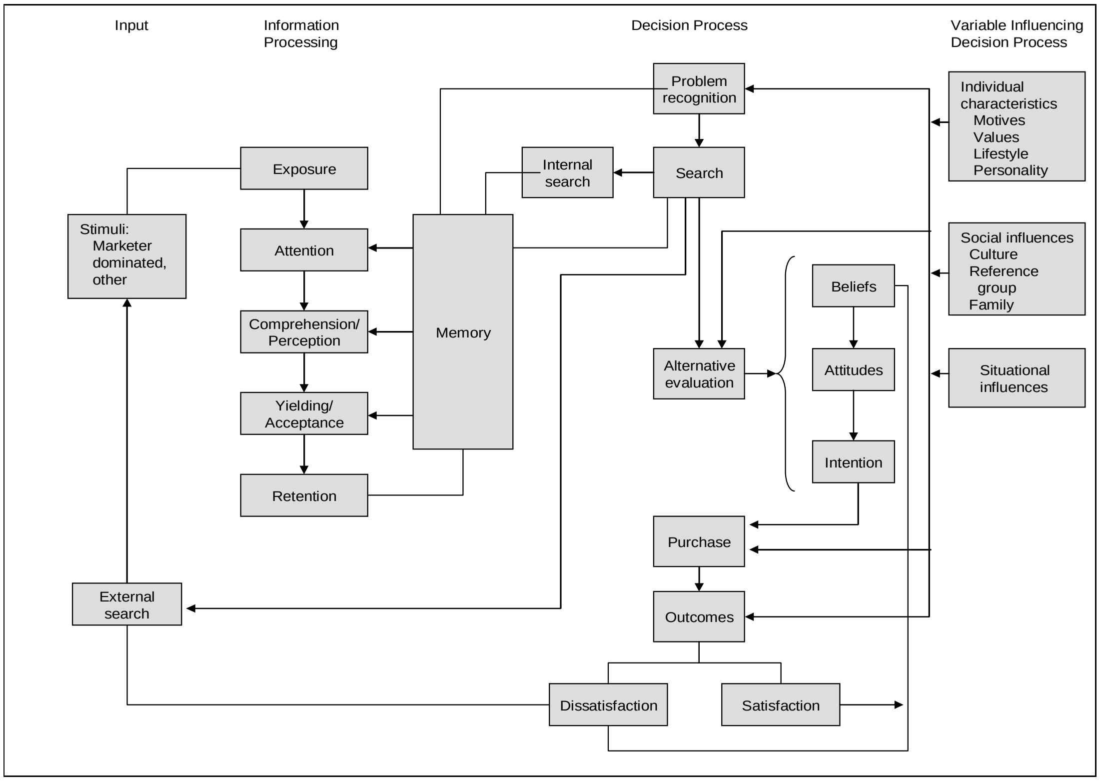


Figure 5.7 **The Engel-Blackwell-Miniard model of consumer behaviour**
(Schiffman & Kanuk, 1991, p. 580)

The **input** (consisting of marketer-dominated and other stimuli, as well as information obtained from an external search) is channelled into the **information processing** structure, which consists of exposure, attention, comprehension/perception, yielding/acceptance, and retention. The **decision process** consists of problem recognition, search, internal search, memory, alternative evaluation, beliefs, attitudes, intention, purchase, outcomes, satisfaction and dissatisfaction. The **variables influencing the decision process** include individual characteristics such as motives, values, lifestyle and personality, and also social influences such as culture, family and situational influences, which are determined by the context in which the behaviour is taking place (Engel et al., in Jonkheid, 1998).

According to Engel et al. (in Jonkheid, 1998), any consumer decision begins with problem recognition, which occurs when consumers compare their ideal state to the actual state of their existence. If they recognise a problem (discrepancy), the search process is activated, first via an internal search, then an external search. When they have identified enough information and alternatives to make a decision, given the circumstances in which the behaviour is occurring, they start evaluating alternatives.

When the information is processed, a change in beliefs about the product may take place, followed by a shift in attitude towards the purchasing of the particular alternative. This normally leads to an intention to act consistent with the consumer's attitude, and finally to purchase. The consumer evaluates his or her decision after buying the product. If the consumer is satisfied, his or her beliefs about the product usually change. If this does not happen, the process of external search will begin again (Engel et al., in Jonkheid, 1998).

The EBM model is relevant to this research in that it emphasises the role of personal values, personality and social factors in consumer behaviour. According to Jonkheid (1998), it can be described as one of the most comprehensive and useful theories to understand the role of personal values in consumer behaviour. Engel et al. (in Jonkheid, 1998) recognise the influence of personal values during the problem recognition stage, and indicate that values help answer the question, *"Is this brand for me?"* during this phase.

5.4.4 Consumption Value Theory

In 1991, Sheth, Newman and Gross (in Burgess, 1992) proposed the first consumer behaviour model based on values, which forms part of the CVT. It was developed to explain the reasons behind consumers' choices (Schiffman & Kanuk, 1991). It identifies consumption-relevant values that explain why consumers choose to buy or not to buy (or to use or not to use) a specific product, and why they choose a particular product type and brand over another.

According to this model, five values, which all centre on the perceived utility acquired by a particular product choice, determine consumption decisions (Sheth et al., in Jonkheid, 1998), namely the functional, conditional, social, emotional and epistemic values.

A number of empirical studies suggest that these value types in fact impact on consumers' choices (Burgess, 1992). Price (in Jonkheid, 1998) identified a sixth value, the significative value, which also centres around the perceived utility acquired by an alternative product choice. An advantage of the CVT is the fact that, although many other models and theories contain constructs similar to the values in it, none of them are as comprehensive (Sheth et al., in Jonkheid, 1998). But, the CVT model has little relevance to this research, because the values identified in the model centre on the product itself, and do not represent consumers' personal values.

5.4.5 Suggestions for improving consumer behaviour models in general

According to Erasmus et al. (2001), concerns have been raised about the indiscriminate use of consumer decision-making models since their inception. These models were, amongst others, criticised because they were not based on in-depth theory; mainly presented consumer decision-making as a rational process; presented it in too general a manner; and there was concern about the detail included in these models. The positivistic approach which underlies most consumer decision-making models, was also regarded as too limited.

During the 1980s, researchers particularly realised that traditional models of consumer decision-making do not necessarily serve as true reflections of the consumer decision-making process. They advised that alternative models should be developed because, for instance, the impact of external or environmental factors on consumer decision-making was exaggerated in existing models. Theorists further began questioning the rational approach to consumer decision-making presented in these models because in reality, for many products, consumers spend very little time on decision-making or do not follow the sequential activities suggested in the models.

Furthermore, consumer decision-making increased in complexity as time progressed due to the availability of a larger variety of products, technological developments, the impact of world events, and an increasing number of employed women who made their presence felt in family decision-making. The generalised decision-making processes presented in traditional decision-making models were consequently no longer a true reflection of the consumer's decision-making process.

Erasmus et al. (2001) recommend implementing a subjectivistic approach in studying consumer behaviour, as well as qualitative research techniques, which would allow consumers to formulate their ideas and opinions spontaneously. They suggest these improvements in light of the fact that positivism, the generally accepted perspective on consumer decision-making, could not explain this phenomenon sufficiently.

De Mooij (2004) further points out that culture is viewed as an environmental factor in many models of consumer behaviour, and textbooks on consumer behaviour tend to actually focus on the practices of culture when addressing culture. She points out that the true origin of cultural influence is situated in consumers' minds. She proposes structuring the various elements of consumer behaviour into a model that integrates culture into all aspects of the human being, in the self and in the personality. According to De Mooij (2004), cultural values are at the root of consumer behaviour. Culture is the most fundamental determinant of a person's wants and behaviour. Culture is pervasive in all aspects of consumption and consumer behaviour and should be integrated into all elements of consumer behaviour theory.

As indicated in Chapter 2, dramatic changes in society have created opportunities to develop and expand market research beyond product and service satisfaction, to include the concept of life satisfaction (Sirgy et al., 2008). As indicated earlier, most of the environmental influences, individual differences and psychological processes identified in the EBM model, for instance, have a cultural dimension. Furthermore, Schiffman and Kanuk (1991) point out that the last section of the model consists of individual and environmental influences that affect all five stages of the decision process. Individual characteristics include motives, values, lifestyle and personality; the social influences are culture, reference groups and family. Situational influences, such as a consumer's financial condition also influence the decision process. SWB, which appears to have a strong cultural dimension, may also impact on all these processes. And the more important consumers consider SWL to be, the more it may impact on their purchasing decisions.

According to Higgs (2003), people's well-being influences how they process information, make decisions and interact with others. And, as pointed out earlier, consumers may unconsciously evaluate products on whether they contribute towards their well-being, and consequently their QOL. Furthermore, according to Leelakulthanit, Day and Walters (in Sirgy et al., 2007), "having" and not "acquiring" is what matters to people. Most consumer behaviour research focuses on pre-purchase and actual purchase behaviour, but few models of consumer behaviour include post-purchase variables in their specifications. Inclusion of such variables where appropriate can result in more insightful models of consumer behaviour.

5.5 THE RELATIONSHIP BETWEEN PERSONAL VALUES AND CONSUMER BEHAVIOUR

It is almost a given in the social sciences that personal values to some degree impact on peoples' behaviour. In terms of consumer behaviour, values have been found to influence consumers' purchase and choice behaviour across several product categories (Henry, Homer & Kahle, in Shrum & McCarty, 1998; Pitts & Woodside, in Shrum & McCarty, 1998).

But, Shrum and McCarty (1998) believe that values have not yet been investigated to their fullest capacity in consumer research. They point out that empirical evidence on the relationship between consumer behaviour and values tend not to be convincing, as will be evident in the following discussion of limitations of previous values research.

5.5.1 Limitations of past values research

Although values and lifestyle concepts have been used extensively in consumer behaviour research, neither value inventories nor lifestyle typologies have proven very effective in predicting specific types of consumer behaviour. According to Grunert-Beckmann and Askegaard (1998), this can be ascribed to the difficulty in modelling the relationship between these highly abstract cognitive-emotive categories and the way in which people organise their lives, and in measuring the relationship between the two concepts. Limitations like these restrict the contribution that personal values theory can make to an understanding of behavioural antecedents, and limit the application of values theory in marketing (Shrum & McCarty, 1998).

Furthermore, although past values research covered quite a broad field in consumer behaviour, it lacks depth. The values construct has proven to be useful to marketers and advertisers to understand consumers' behaviour across various product categories. But, the process through which values impact on consumers' decisions needs to be investigated further.

Furthermore, most of the studies were descriptive and the relationship between values and behaviour was measured in a simple and direct way. Most studies investigated basic correlations between how important consumers feel specific values are and their intention, preference, or choice with respect to particular behaviours (Shrum & McCarty, 1998). By investigating only simple bivariate relationships, researchers limit their research in two respects:

1. The effect of other variables (both antecedents and intervening, such as attitudes, individual difference variables and demographics) is not considered when merely investigating the relation between consumers' behaviour and their values.

2. The possible inter-correlation among the values themselves is not considered, because the values are treated as separate, and basically independent, entities. This contradicts the general view that people's values form part of an integrated value system (Homer & Kahle, in Shrum & McCarty, 1998).

Although findings from research such as the above can be applied in practical situations, such as market segmentation and targeting, it can only make a limited contribution to theory. Furthermore, because relatively weak correlations were usually found between values and behaviour in existing research, only a limited amount of variance in consumer behaviour variables can be explained by personal values (Kahle & Xie, 2008). Findings such as these may have theoretical significance, but have limited practical relevance – if consumers' personal values have only a limited impact on their choice and use of products, it is not realistic to consider values in marketing strategy (Burgess, 1992).

Values have been investigated as independent variables in numerous studies on different aspects of consumer behaviour (Puohiniemi, 1995). But, this type of research overlooks the fact that values may act as both antecedents and consequences of human behaviour. Rokeach (in Puohiniemi, 1995) clearly indicates that values should also be regarded as dependent phenomena. Although some studies have compared consumers' value structures in terms of variables such as gender, education level, age and religion, they mainly focused on proving that values caused some specific attitude or behaviour.

More research on those factors which might cause the development and/or restructuring of the individual's personal value system is therefore necessary (Kahle & Xie, 2008). Possible antecedents can be categorised as either micro-individual or macro-social variables. Micro-individual factors would include variables such as age, education level, IQ, gender, self-image and perceived success, while macro-social factors would include variables such as population group, culture, subculture, reference group and family influence (Munson, in Hart & Rafiq, 2006). All in all, more research is needed on the factors which contribute to and/or govern how values develop, as well as research assessing the possible contributions to consumer research of viewing values as a consequence rather than as antecendents of particular variables.

Shrum and McCarty (1998) believe that values research is at a crucial point in terms of its contribution to both theory and practice. This field of study has already met the basic requirement of establishing a general relationship between consumers' values and their behaviour, but the nature of the effect, such as its strength, and whether it is global or situational, should now be considered. More complex theory building, more precise testing of these theories, and more varied applications of these theories to marketing problems are now required.

It is envisaged that this study will contribute in this regard, because it will determine the value priorities of different LSM groups, which are used extensively as a South African market segmentation base. It will further investigate the processes underlying the relation between consumers' personal value systems and their SWB. If significant differences are found among the different LSM groups, this knowledge can be applied in marketing to the various groups. It should further contribute to a knowledge base on value priorities of consumers in an emerging market. Rapid political and technological changes in South Africa may have resulted in unique value priorities among various LSM groups.

Shrum and McCarty (1998) propose three areas that should help improve values research in consumer behaviour, namely measurement issues, individual differences, and relationships among variables. Each of these issues and its implications for this research will now be briefly discussed.

5.5.2 Issues in the measurement of personal values

The current trend in values research is towards using some version of rating responses. Shrum and McCarty (1998) ascribe this to the fact that the interval level data obtained when respondents have to rate their responses, allow the use of more sophisticated statistical analyses, which can be used to demonstrate relationships among a number of variables.

But, rating methods also have limitations, especially a lack of differentiation and a restriction of range. Using standard rating methods tend to produce data which differentiate very little among the different values investigated. And because values are inherently positive entities, respondents tend to rate all values highly. Thus, important relationships between values and other variables may be concealed because of these two limitations (Wyer, Bodenhausen & Gorman, in Shrum & McCarty, 1998).

This research attempts to address these limitations by employing methods that have proven useful in previous research with the same measuring instrument (the PVQ), such as that of Burgess and Steenkamp (1999), Steenkamp and Burgess (2002) and Schwartz et al. (2001).

A further problem in values research is the fact that value constructs may have different meanings, and that they usually are presented unrelated to any context in surveys, which threatens the comparibility of data, or ecological validity (Grunert-Beckmann & Askegaard, 1998). The values questionnaire used in this study, the PVQ, has especially been developed to overcome this limitation, as discussed earlier.

Kahle and Xie (2008) express some concern about measuring values as one of the critical areas in value research that remains unsolved. Quantitative techniques using standardised measurement instruments, such as the RVS, VALS, the LOV or the SVI (all of which have been referred to in Chapter 3), are typically used in values and lifestyle research. But, considering how abstract the values and the concept of lifestyle are, Grunert-Beckmann and Askegaard (1998) even suggest using pictorial variables to represent abstract concepts, such as a value or a general idea. This approach may be quite innovative, but a questionnaire like the PVQ with its concrete approach of presenting verbal portraits of people which respondents have to compare themselves against, may overcome the above problem. It has even shown acceptable levels of reliability and validity with samples of 13- to 14-year-old Ugandan girls (Schwartz et al., 2001). Most of the issues discussed in this section, although essential, mainly apply to research in which the RVS and LOV have been used. They are probably not relevant to this study, especially because Schwartz's approach to measurement summarises earlier approaches to measurement, as pointed out earlier.

5.5.3 Individual differences

Past values research emphasises the idea that values tend to be more closely related to consumers' choices between product classes than their choices among the brands in a product category (Henry & Gutman, in Shrum & McCarty, 1998). The strength of the relationship between consumers' values and their behaviour may therefore depend on the behaviour involved. But, Shrum and McCarty (1998) propose that this relationship may also depend on the person involved, although this has not yet been investigated extensively in research. The fact that some people are more aware of their internal dispositions such as motivations, attitudes and values, than others, may result in them being more certain of their values, and more aware of how their internal dispositions link to their behaviour.

Understanding the impact of individual differences in value-behaviour consistency should furthermore help clarify the processes involved in this effect (Kahle & Xie, 2008). This research investigates one process which may link consumers' values to their behaviour, namely their value pathways to SWB. As will be evident in Chapter 6, SWB tends to be regarded as a consistent characteristic, related to people's personality and goals, which may explain individual differences in behaviour. Furthermore, another individual difference variable, namely consumers' individual-level culture (whether they can be characterised as allocentric or ideocentric) and its relation to SWB, will be investigated.

5.5.4 Relationships among variables

As indicated above, most previous values research studies were aimed at demonstrating simple bivariate relationships between particular personal values and specific behaviours. Although direct relationships between values and behaviour were indeed found in a small number of studies, the correlations among the variables were typically low. Shrum and McCarty (1998) ascribe this to the fact that the impact of other variables was not considered sufficiently in this process.

Shrum and McCarty (1998), however, point out that, if a weak direct effect between values and behaviour is found, it does not necessarily indicate no effect. Rokeach and Kahle (in Shrum & McCarty, 1998), for instance, believe that attitudes tend to play a mediating role in the value-behaviour relationship. Values may therefore indeed impact directly on behaviour, but indirect effects should also be considered. A better understanding of the interrelationship among variables should contribute towards insight into the antecedents to consumer behaviour (Kahle & Xie, 2008). In this research study, the interrelationship between values and SWB is investigated.

5.5.4.1 Antecedent variables

According to Shrum and McCarty (1998), some variables may act as precursors to the value-behaviour relation. In particular, the possibility that demographic variables may influence both values and behaviour has not been investigated sufficiently in research.

Consumers' demographic variables such as their income, age, or education may determine whether they engage in particular activities. But, these demographic variables may be related to values and attitudes, as well as the behaviour of interest. The extent to which they co-vary with both values and behaviour may impact on value-behaviour relationships. Factors that correlate with demographics may in turn impact on the value-behaviour relationship. This co-variation of other variables with both the independent variables (values) and the dependent variables (behaviour), may mask value-behaviour relationships. It may be difficult to control for these correlates because they are not known. But, by controlling for demographic variables, a consumer researcher may limit the impact of these potentially confounding variables.

The impact of various demographic variables on values and SWB will be investigated in this research, especially because it has been found repeatedly that particular demographic variables, such as income and marriage, correlate strongly with SWB (Diener, Lucas & Oishi, 2002). For instance, Joubert (2006) indicates that values tend to be associated with age groups, because people in particular age groups tend to have shared experiences, while Lucas and Gohm (2000) point out that the different components of SWB often have different demographic and psychological correlates. This study investigates a number of demographic and psychological correlates of the cognitive component of SWB, namely SWL.

Studies that considered the role of values as intervening and antecedent variables suggest that, in order to truly understand the relationship between personal values and behaviour, antecedent, moderating and mediating variables need to be considered. If this is not done, crucial relationships may be overlooked. The more variables entered into the research model, the more variance in behaviour will be explained, but only a limited number of variables can realistically be integrated (Shrum & McCarty, 1998).

All in all, it can be said that it is important to look beyond simple and direct value-behaviour relationships, and to also consider the impact of other variables in this process. This is why SWL, the cognitive component of SWB, has been included in the current research. It is envisaged that variance in consumers' value priorities, a cognitive construct, should help explain variance in their life satisfaction.

5.6 CHAPTER SUMMARY

In this chapter, the role of values in consumer behaviour has been conceptualised. The central role of people's culture in their behaviour was addressed, particularly the fact that values as motivations and cognitive phenomena impact on human behaviour. The impact of cultural values was briefly addressed because they may impact on people's perceptions of their well-being. The relevance of individual-level culture to SWB was briefly highlighted.

The theoretical foundations of the values construct were provided, including the different conceptualisations of the values construct found in the literature, as well as the main theorists in this field. The role of values in consumer behaviour theory was investigated, particularly those models that acknowledge the impact of values in this process. Some concerns about these models were mentioned, particularly the fact that the impact of culture on consumer behaviour is not addressed sufficiently. Some limitations of existing values research were pointed out, as well as how they are addressed in this study.

With this chapter, the third literature objective was reached, namely to investigate the role that values play in consumer behaviour in the literature. In Chapter 5, SWB will be investigated and a possible model that underlies this research will be presented.

CHAPTER 6 SUBJECTIVE WELL-BEING

6.1 INTRODUCTION

As was evident in Chapter 1, SWB covers a broad category of phenomena that includes people's emotional responses, their overall judgements of their SWL, as well as domain satisfactions – their satisfaction in important areas of their lives. Each one of the specific constructs needs to be understood in its own right, but the components often correlate substantially, suggesting the existence of a higher order construct – overall SWB (Diener & Suh, in Higgs, 2003). Diener (2006, p.400) defines SWB as an umbrella term for different valuations that people make regarding their lives, the events happening to them, their bodies and minds, and the circumstances in which they live. According to Camfield and Skevington (2008), this definition of SWB encompasses people's values and their life circumstances.

Diener et al. (1999) consequently define SWB as a general area of scientific interest rather than as a single specific construct. It is a vast field and because of its rapid growth, there has been a proliferation of studies on topics such as life satisfaction and happiness (Diener et al., 2004).

The development of this field will firstly be reviewed in this chapter. This will be followed by a discussion of the conceptual foundation of this field, particularly the top-down and bottom-up influences which are believed to impact on SWB. It will be shown how these processes may be incorporated to form a conceptual foundation for this research study. The description of how people's SWB can be measured will briefly refer to existing models of how people formulate their SWB judgements, but Schwarz and Strack's (1999) social judgement model in particular will be investigated, because it is quoted extensively in the SWB literature. Although self-reports, the most commonly used method to measure SWB, are often criticised because it is believed that they are susceptible to various biases, it will be evident that they appear to have acceptable psychometric properties. A single conceptual scheme that unites the field, especially at individual level, is not yet available. The two constructs that appear most relevant for explaining the relationship between consumers' values and their SWB in this study, namely personality and culture, will be addressed.

6.2 BRIEF HISTORICAL OVERVIEW OF THE DEVELOPMENT OF THE FIELD OF SUBJECTIVE WELL-BEING

Several different lines of research come together in the development of the field of SWB. A major influence came from sociologists and QOL researchers who conduct surveys to determine how demographic factors such as income and marriage may influence SWB (Andrews & Withey, in Diener et al., 2003).

Psychologists and other social scientists became especially interested in studying happiness during the 20th century. Using empirical methods, they wanted to determine what happiness is, whether it can be measured and what causes it. Another influence came from researchers in the area of mental health, who wanted to broaden their field to include positive aspects such as happiness and life satisfaction (Jahoda, in Diener, Oishi & Lucas, 2003). Instead of continuing their more traditional focus on negative or dysfunctional forces in people's lives, researchers attempted to understand how to make life better (Luthans, in Arthaud-Day, Rode, Mooney & Near, 2005). Personality psychologists who investigated personality differences between happy and unhappy people (Wessman & Ricks, in Diener et al., 2003) also contributed towards the field. Finally, social and cognitive psychologists investigated how adaptation and varying standards influence people's feelings of well-being (Parducci, in Diener et al., 2003). Because of the diverse influences on this field, a variety of methods such as surveys, laboratory experiments and intensive case studies of individuals have commonly been used to study this phenomenon.

The scientific discipline of SWB became established and was growing rapidly by the mid-1980s. Diener et al. (2002) identify a number of reasons for this growth, namely:

- Western societies have achieved levels of affluence and health that allow their citizens not to merely focus on survival, but to aspire to the good life. People globally are entering a "post-materialistic" world – they are concerned about broader issues of QOL than mere economic prosperity.
- SWB is popular because it acknowledges what people think and feel about their lives. People are not content to have experts evaluate their lives; they believe that their opinions matter.

- The study of SWB further expanded because of the growing trend globally towards individualism. Individualists are concerned with their own feelings and beliefs, and thus the study of SWB corresponds well with the Western ideas and spirit of the time.
- Researchers developed scientific methods for studying SWB.

For reasons such as the above, the scientific study of SWB is now ready to grow into a major scholarly and applied discipline (Diener et al., 2002). SWB, for instance, is frequently assessed as a major outcome variable in research on the elderly (George, in Diener et al., 2004), and on other target groups, because it is an important indicator of QOL and functioning. Pavot and Diener (2004a) even proposed national indices of SWB which could indicate a nation's psychological health, and could complement existing indicators of their citizens' physical and economic health.

6.2.1 Conceptual foundation

As was evident above, a number of theoretical traditions have contributed to an understanding of SWB. Humanistic psychology especially stimulated the interest in positive well-being. An important limitation, however, is that there is currently no single conceptual scheme that unites this field (Diener et al., 2003), as will be evident below.

6.2.1.1 Bottom-up versus top-down influences on subjective well-being

Neisser (in Diener & Fujita, 1995) points out the widely held distinction in psychology between bottom-up processes (what is out in the world influences people's perception), and top-down processes (a person's perceptual and cognitive structure influences what he or she will see). Diener (in Diener et al., 1999) applied this distinction to SWB. According to him, top-down influences refer to broad personality and cognitive factors that influence SWB, while bottom-up influences refer to events and circumstances that can influence SWB (Diener et al., 2003).

The major focus of early theoretical formulations and research was to identify the **bottom-up** factors that influence SWB – to determine how external events, situations and demographics influence this construct. This approach is based on the idea that there are basic and universal human needs, and if a person's circumstances allow him or her to fulfil these needs, he or she will be happy. Yet, researchers in most early studies were often disappointed by the relatively small effect sizes they found for the external, objective variables they explored. Campbell, Converse and Rodgers (in Diener et al., 1999) found that demographic factors such as gender, age, income, race, education and marital status accounted for less that 20% of the variance in SWB, while Andrews and Withey (in Diener et al., 1999) could only account for 8% of the variance by using demographic variables. Argyle (in Diener et al., 1999) further suggests that external circumstances account for about 15% of the variance in SWB reports.

In 1999, after reviewing the previous three decades of SWB research, Diener et al. (1999) concluded that it is evident that these external, bottom-up factors are often responsible for only a small part of the variance in SWB. People do not simply weigh the effects of various external circumstances when making SWB judgements – their SWB remains moderately stable despite changes in their circumstances and environments.

Researchers consequently turned their attention to **top-down** factors or structures within the person that determine how events and circumstances are perceived, in order to explain variability in SWB. Diener et al. (1999) point out that the fact that researchers have not yet identified resources that strongly affect people's SWB, motivates many of the studies about the processes underlying SWB. Researchers have begun to examine the context provided by people's experiences, values and goals when assessing the influence of external events on their SWB. Clearly, researchers should focus greater attention on the interaction between people's internal factors (such as personality traits) and their external circumstances. Theories should also be refined to make specific predictions about how input variables differently influence the components of SWB. In the past, many researchers have treated SWB as a monolithic entity, but it is now clear that there are separable components that exhibit unique patterns of relations with different variables. According to Diener and Lucas (1999), future research should aim at clarifying the interrelations among these factors.

Both top-down and bottom-up factors impact on consumer behaviour. According to Tatzel (2003), many basic social and psychological processes (e.g., motivation, cognition, socialisation, personality, socio-economic status and culture) are implicated in consumer behaviour. Consumer behaviour results from these influences as follows: from within, consumers bring subjective attitudes to their life situations; these attitudes are referred to as internal, top-down, or dispositional factors. From without, consumers are affected by objective circumstances, including their particular circumstances such as their personal income, and also by more general societal factors (e.g., national wealth, culture and political freedom), which are referred to as external, bottom-up, or situational factors. Tatzel (2003) points out that these internal and external influences converge and impact on the buying situation. They may, however, also converge and impact on other consumer behaviour domains such as decision-making, and consequently on consumers' SWB.

This research study mainly investigates top-down influences on consumers' SWB, but it also considers a bottom-up influence. As pointed out earlier, there is currently no single conceptual scheme that unites the field. The two constructs which appear most relevant for explaining the relationship between consumers' values and their SWB in this study, are personality and culture, which are both top-down influences. It further investigates the relationship between PDMs' LSM grouping, which reflects their standard of living (and may be regarded as a bottom-up influence), and their SWB. It should help determine why and how cultural differences in SWB occur, as well as how internal factors in consumers moderate and mediate the impact of the environment on their SWB.

(a) Conceptual framework for this research study

As pointed out earlier, the cross-cultural investigation of SWB has recently gained much interest. Suh (2000), however, points out that research should move from identifying cultural differences in SWB to finding more precise explanations for why and how cultural differences in SWB occur. Diener and Suh (1999), for instance, point to the often larger individual differences in SWB found *within* nations than the differences found *between* nations. Analyses of cultural sub-groupings within nations in terms of consumers' SWB are therefore probably advisable.

The above may also impact on South African consumers' SWB. South Africa's population is quite heterogeneous. De Mooij (2004) points out that consumer psychologists measure individual behaviour within social systems such as countries, cultures and states – they sample individuals from a population in order to reach conclusions on that population. But, in light of the fact that there are within-cultural variations among different consumer segments, cultural influences on consumer purchasing behaviour need to be investigated by examining the intervening psychological processes.

As pointed out in Chapter 2, Lyubomirsky (2001) proposes what she refers to as a construal theory of happiness, in which multiple cognitive and motivational processes moderate the impact of people's objective environment on their well-being. To understand why some people experience higher levels of SWB than others, the cognitive and motivational processes that maintain or enhance SWB therefore need to be understood.

An adapted version of the model that De Mooij (2004) created to structure the various components of the consumer behaviour process in a cross-cultural context, may serve to integrate the bottom-up and top-down influences on SWB in this researh study, and may also indicate their relevance to consumer behaviour.

De Mooij (2004) proposes that the contributions of psychology and sociology should be integrated to understand culture’s impact on consumer behaviour. She points out that psychology studies human behaviour at the individual level, while sociology studies human behaviour at group level, but that culture operates at both levels. Personality and culture are inextricably bound together. De Mooij (2004) proposes that cultural values should be included as an integral part of a consumer. Anthropologists no longer regard people as being in a cultural environment; they view culture as being in people’s minds (Munroe & Munroe, in De Mooij, 2004). See Figure 6.1.

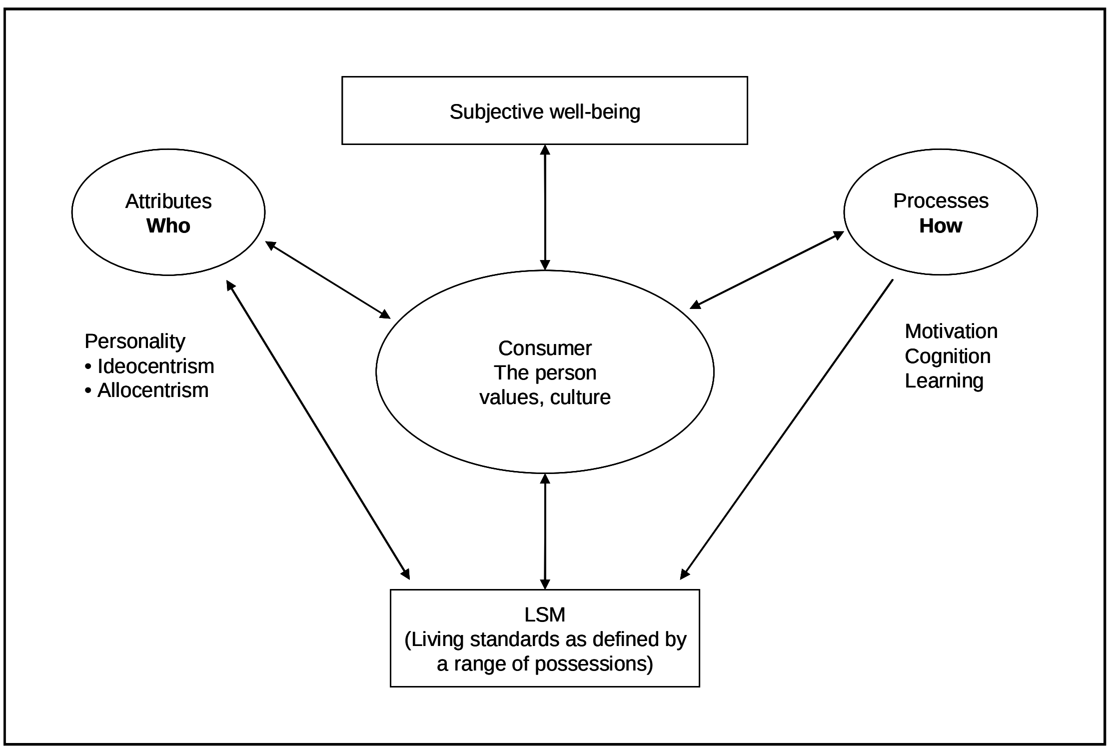


Figure 6.1 A conceptual framework of the individual-level relation between consumers’ LSM, their values and their subjective well-being
(Adapted from De Mooij, 2004, p.95)

This study aims to identify homogeneous groups of consumers in terms of their individual differences. PDMs' personal values are the main focus, particularly how they can enhance multivariate segmentation, and how this construct relates to SWB.

The traditional assumption that there will not be significant cultural variations among consumers within the same culture (Yang, 2004), cannot be automatically applied to South Africa with its diverse population. Culture is dynamic and will change over time due to socio-economic changes (De Mooij, 2004). Social changes such as rapid economic development, industrialisation and modernisation may have resulted in changes in the South African consumers' values. Changes at the personal level may consequently have occurred in the cultural value orientation of some South African consumers, which may provide valuable information to those interested in marketing to South African consumers.

According to De Mooij (2004), the mental and social processes that drive behaviour vary across cultures, and most motivations are formed by people's culture. Understanding the variation of what motivates people is important for explaining product behaviour and brand preference, and for developing effective advertising. Different cultural dimensions, for instance, explain specific buying motives for specific product categories.

According to De Mooij (2004), Hofstede's cultural dimensions such as power distance and IC, combined with national wealth, can explain more than half of the differences in consumption and consumer behaviour across countries. Researchers have studied the effects of IC not only at the cross-cultural (etic) level, but also at the individual (emic) level, measured in terms of ideocentricism and allocentricism (Sun, Horn & Merritt, 2004). (See also section 6.4.2.3.)

As pointed out earlier, a recent development in investigating the relationship between culture and people's SWB, is that of individual-level culture, particularly IC. The personality characteristics reflecting the individual-level analysis of this cultural dimension, ideocentrism-allocentrism, are investigated in this study. This may be particularly relevant to market segmentation, because Triandis et al. (in Sun et al., 2004) point out that people classified as idiocentric or as allocentric are found in different proportions in all cultures.

De Mooij (2004) believes that people's cognitive and motivational factors collaborate in creating cultural differences. In this research, it is assumed that cognitive factors and motivational factors jointly create consumers' SWB. Boehnke et al. (2001) propose a sociological individualisation model. According to them, personal values serve as an evaluative frame for each and every actual or anticipated event – and not so much the values of a social class or culture as a whole. Personal values set the goals that a person wants to attain in life.

Diener et al. (1999) point out that few existing theories attempt to explain why variables relate differentially to the separate components of SWB. The differential relations among most input variables and the components of SWB are poorly understood. The authors consequently recommend that the major components of SWB be assessed separately in future research.

The cognitive component of SWB, namely SWL, was chosen for investigation in this research study. As pointed out in Chapter 5, it is expected that consumers' values, which are cognitive constructs, would relate to this cognitive facet of SWB. An overall measure of life satisfaction was chosen for this research, because it serves as a cognitive evaluation of a person's life in total. It was expected that this type of judgement should correspond most closely with values, which are also mainly cognitive constructs. If significant differences in overall life satisfaction are found among PDMs from various LSM groups in terms of their value priorities, it may point to the need to investigate other components as well, especially in terms of their relation with consumer behaviour.

Finally, people largely use relevant and stable information when required to evaluate/judge their lives overall, resulting in stable and meaningful judgements (Diener et al., 2004). In all international studies of SWB, people's life satisfaction shows little, if any, change across their lifespan (Diener & Lucas, 1999). Values tend to be stable and to occupy a more central position than attitudes within a person's cognitive system. Values may therefore be regarded as determinants of attitudes and behaviour, and hence may provide a stable and inner-oriented understanding of consumers.

6.3 THE MEASUREMENT OF SUBJECTIVE WELL-BEING

According to Davern and Cummins (2006), SWB can be described as the product of people's cognitive evaluations of their life experience set against an affective background. The authors point out that questions of life satisfaction are commonly used to measure people's SWB. Typical studies of life satisfaction include surveys in which respondents are asked to assess how their lives have been going over some period such as the last few weeks, months or years (Sirgy, 2002).

Life satisfaction represents a broad, reflective judgement that the person makes on his or her life as a whole (http://www.psych.uiuc.edu/~ediener). According to Pavot and Diener (1993), when responding to the SWLS used in this research, the person is free to use his or her own standards of evaluation when forming a life satisfaction judgement. Furthermore, respondents rely on the particular domains of their lives, such as satisfaction with their job, which they may find relevant when formulating their judgement of overall life satisfaction.

The basic assumption underlying these cognitive judgements about the quality of their lives overall, is that people can examine the conditions in their lives, weigh their importance, and then evaluate their lives on a scale ranging from dissatisfied to satisfied (Diener et al., 2004), when required to do so. Because SWB measures should determine well-being from a respondent's own perspective, self-report measures of SWB constructs have been mostly used in this type of research. Some of the reasons for the popularity of self-reports are, according to Schwarz and Strack (1999), that they tend to be quick and easy to use, they are sensitive enough to capture the subtle differences between the various components of well-being, and they have considerable reliability and validity. It should, however, be kept in mind that self-reports are not perfect, and results which are obtained solely by means of self-report measures, should be interpreted with care, as will be evident in the following sections.

6.3.1 Models of subjective well-being judgements

According to Diener and Fujita (1995), researchers in the field of SWB should be aware of the various models of how people create satisfaction judgements when interpreting their data. Possibly the oldest and simplest model portrays satisfaction as a Platonic phenomenon, which exists independently of the measurement situation – people simply retrieve satisfaction judgements from memory and then report them accurately. But, biases such as social desirability may influence respondents' life satisfaction judgements in measurement situations such as personal interviews.

The second model of satisfaction judgements acknowledges that the judgements may also serve particular functions for respondents, which may motivate them to provide certain types of responses. People may appraise the testing situation in a particular way and respond accordingly (Council, in Diener & Fujita, 1995). Stating that they are satisfied with their lives may help people cope with their lives – it may actually increase their SWB because they publicly reaffirm that they are happy and doing fine. On the other hand, indicating that many elements of one’s life are dissatisfying may lead to unhappiness (Diener & Fujita, 1995). The person may experience cognitive dissonance, especially if he or she cannot easily change the situation.

Researchers consequently need to bear in mind that a number of motives may influence respondents’ satisfaction judgements. Their life satisfaction judgements are most probably not based on computations in which each element is objectively evaluated and weighted to create an overall judgement. Because such logical calculations require a large degree of effort and cognitive processing, respondents normally use heuristic shortcuts to formulate a response (Diener & Fujita, 1995).

According to the third type of model, people formulate their judgements when the question is asked, and usually do not recall them from memory. The research setting and other transient factors especially may impact on life satisfaction judgements. Schwarz and Strack’s (1999) social judgement model of life satisfaction judgement, as discussed in the following section, is based on this type of approach. This model, as well as the concerns it addresses, is quoted extensively in the SWB literature, probably because Schwarz and Strack criticise SWB measurement severely and substantiate their concerns with extensive research.

According to Schwarz and Strack (1999), reports of SWB should be regarded as based on a judgement process that is highly context dependent, as will be evident in the next section. Their model may be relevant to this research study, because the SWLS requires respondents to use their own standards when evaluating their lives, which may make their life satisfaction judgements susceptible to contextual effects.

6.3.1.1 A social judgement perspective on subjective well-being

Schwarz and Strack (1999) point out that their research focuses on the communicative and cognitive processes which are involved when people formulate life satisfaction judgements, and not on why they are satisfied. They believe that SWB does not reflect a stable inner state, which may also explain why they do not consider how personality differences influence people’s SWB judgements.

Schwarz and Strack (1999) primarily focus on how people evaluate their “life as a whole”, as they are often required to do in surveys. According to them, life satisfaction reports are in fact social judgements, which are susceptible to a number of momentary influences

(Schwarz & Strack, 1991). People often form such judgements at the moment when the question is asked (Sherman & Corty, in Schwarz & Strack, 1991), and both the information available at the time and the principle of judgement which is used at the particular moment, determine the nature of their answers.

According to Schwarz and Strack (1991), people face an extremely complex task when being required to evaluate their overall life satisfaction – they need to make a large number of comparisons along many dimensions with poorly defined criteria, and integrate them into a composite judgement. Asking respondents to consider whether their lives are close to their ideal (as in this research study), is a difficult mental task. In fact, requiring them to review their whole life and judge whether they are satisfied with their lives – as in this research study – demands something impossible from respondents, especially in a survey interview in which the average time to answer a question is frequently less than one minute (Groves & Kahn, in Schwarz & Strack, 1991). Therefore, people will certainly not consider all aspects of their life when evaluating their overall life satisfaction, and would probably want to formulate an answer with the minimum effort.

Schwarz and Strack (1999) provide a particularly detailed explanation of the process by which people evaluate their SWB, which is mainly an elaboration of their previous (Schwarz & Strack, 1991) model. They investigate the mechanisms of information processing that result in SWB reports, from a “social cognition” perspective. They first discuss a number of intra- and inter-individual comparisons that people make when required to evaluate their life as a whole, and then show how temporary mood states would influence this process. These authors believe that, under particular circumstances, people’s momentary feelings may impact more strongly on their life satisfaction judgements than any other more relevant information. They integrate these processes in a judgement model of SWB. The basic model is presented in Figure 6.2 and discussed below.

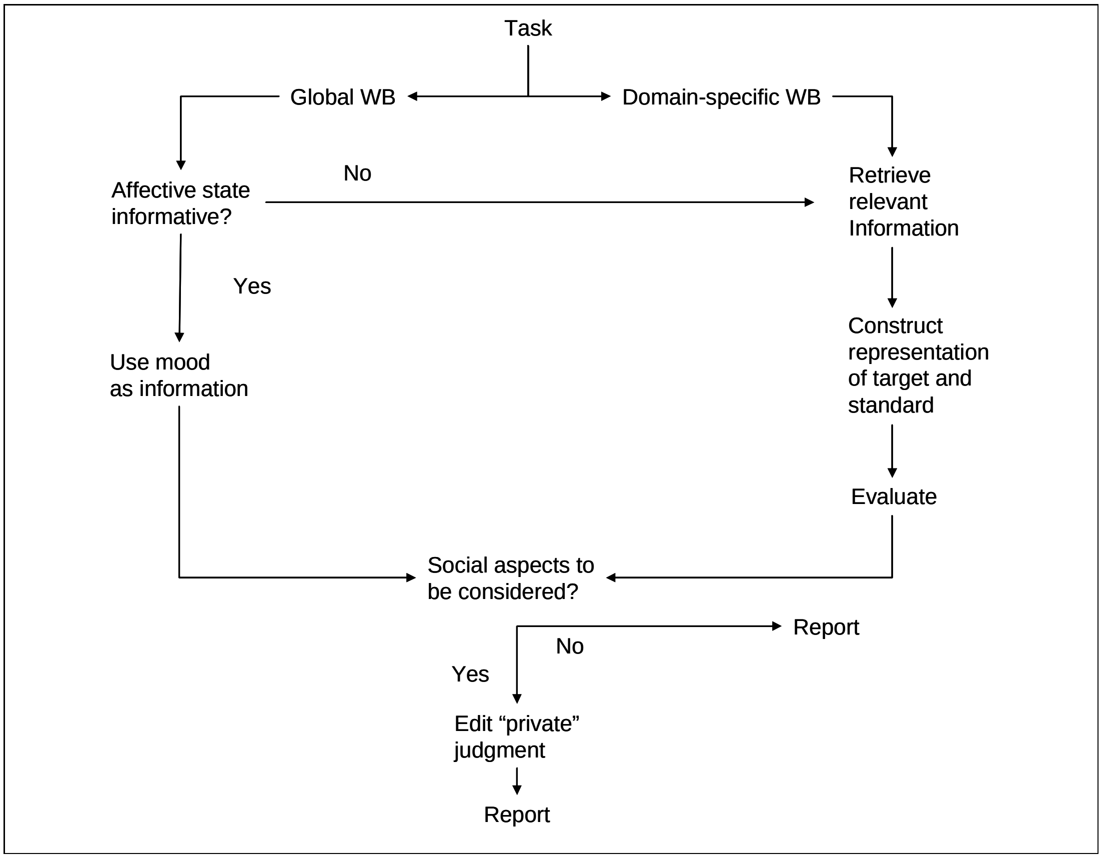


Figure 6.2 A judgement model of subjective well-being
(Schwarz & Strack, 1999, p. 78)

Figure 6.2 summarises Schwarz and Strack's (1999) view of how SWB reports are created. If respondents are asked to report their satisfaction with their "life as a whole," they will probably base their judgement on their current mood because this simplifies their task. If their attention is drawn to the cause(s) of their mood and the fact that it may not be accurate to base their judgement on this information, or if their mood is not very strong and other information is more relevant, they will probably use a comparison strategy. They also tend to use a comparison strategy when evaluating specific life domains, because doing so is less complicated than evaluating their overall life satisfaction.

When using a **comparison strategy**, people consider the information that is chronically or temporarily most accessible at that particular moment. If it is relevant to the particular judgement, they tend to use the information they think of first, unless it would be inappropriate to use such information in terms of conversational norms. Whether information that comes to mind is used in representing the **target** "my life now" or a representation of a relevant standard depends on the variables that govern the use of information in the mental construal (Schwarz & Bless, in Schwarz & Strack, 1999; Strack, in Schwarz & Strack, 1999). The same information (that comes to mind) may influence judgements in opposite directions, depending on how it is used in mental construals – information that is used to represent the target ("my life as a whole") results in assimilation effects, while information that is used in constructing a standard results in contrast effects, as will be evident in the discussion of intra-individual comparisons.

When temporary influences such as preceding questions in a questionnaire make information accessible, the judgement will not be stable over time. But, if constant influences such as the person's current concerns or life tasks, or stable characteristics of the social environment, come to mind, the judgement will probably be less context-dependent (Schwarz & Strack, 1999).

Some of the sources of information that people may use when evaluating their lives subjectively, include their future expectations, past events, social comparisons and their mood. When people make comparison-based evaluative judgements a mental representation of the object of judgement, known as the target, is necessary, as well as a relevant standard to which the target can be compared (Schwarz & Strack, 1999). The chosen standard may be **intra-individual** (for example, a previous state of one's life or one's expectations), or **inter-individual** (the situation of close others or a relevant reference group). The outcome of the comparison process depends on which information is used in constructing the target or the standard (Schwarz & Bless, in Schwarz & Strack, 1999).

Irrespective of whether their judgement was based on comparisons or on their mood, respondents need to report their judgement after forming it. They plan their answers according to the researcher's response alternatives, and may adapt their judgement according to social expectations, depending on the situation (Schwarz & Strack, 1999), as will be evident in the discussion on inter-individual comparisons.

Schwarz and Strack (1999) provide a particularly detailed discussion of the social judgement approach to people's life satisfaction judgements, and substantiate it with research results. The following discussion will focus on those aspects that are particularly relevant to this research study.

(a) Intra-individual comparisons

When asked to evaluate their life satisfaction overall, people tend to base their judgement on the information that is most accessible at that point in time, which would depend on how recently and frequently the information is used.

An aspect of Schwarz and Strack's (1999) model, which has particular relevance for this research study, is that of **question-order effects** – when information has been used to answer a preceding question in a questionnaire, it particularly tends to come to mind later, but only for a limited time. This type of temporarily accessible information leads to different judgements when the same question is asked at different times. Most context effects in survey measurement result from this type of influence.

In terms of question-order effects, Schwarz, Strack and Mai (in Schwarz & Strack, 1999), for instance, found that marital satisfaction correlated with overall life satisfaction ($r = 0.32$) when the life satisfaction item was asked before the item on marital satisfaction. But, when the question order was reversed, this correlation increased ($r = 0.67$). Preceding questions may therefore bring information to mind that respondents would otherwise not consider. If respondents include this information in the representation that they form of their lives, it results in an assimilation effect, which leads to higher correlations.

The impact of information brought to mind by previous questions is not as strong if it reminds respondents about information that they are concerned about already, or is mostly aware of. Its impact further decreases with the amount and extremity of competing information which is accessible. Question-order effects would then probably be quite small for respondents who are concerned about a chronic matter, but strong for respondents who are not. If this is the case, the discrepancy caused by context effects may blur true differences in SWB.

Other events that cannot be controlled for, such as news events, may also make information temporarily accessible and impact on people's SWB judgements (Iyengar, in Schwarz & Strack, 1999). From a methodological point of view, researchers should be more concerned about the impact of question-order effects than that of chance events, because these types of event mostly affect only a small subset of the sample. This is particularly true when data collection takes place over several weeks, as is the case in survey research. Question-order effects, however, may result in systematic bias, because it affects most members of the sample (Schwarz & Strack, 1999). When constantly accessible information or more frequently used information reflecting important aspects of respondents' lives, such as their current concerns (Klinger, in Schwarz & Strack, 1999) or life tasks (Cantor & Sanderson, in Schwarz & Strack, 1999), comes to mind, it leads to some stability in judgements over time.

Respondents, however, may not always use information that was brought to mind by a preceding question to form a life satisfaction judgement. **Conversational norms** require speakers not to repeat information unnecessarily (Grice, in Schwarz & Strack, 1999). If a respondent has just answered a question about satisfaction with her marriage, for instance, she may assume that a subsequent question about satisfaction with her life overall refers to new aspects of her life, excluding her marriage. According to Schwarz and Strack (1999), researchers can address this type of problem by providing lead-ins, to explain to respondents which aspects they should consider.

Accessible information may further influence a judgement in different ways. Schwarz and Strack (1999) discuss a number of intra-individual standards of comparison relating to what was, will be, or might have been. They also identify processes that determine whether a given piece of information is used in forming a representation of the target or of the standard. The way in which chronically or temporarily accessible information about people's lives affects their life satisfaction judgements, further depends on whether it results in assimilation or contrast effects (Tversky & Griffin, in Schwarz & Strack, 1999). If an extremely positive life event, for instance, comes to mind and is included in representing the **target** of their lives at the particular moment, it leads to a more positive assessment of SWB, or an assimilation effect. But, the same event may also be used as a **standard of comparison** and lead to a contrast effect. If an extremely positive life event comes to mind and respondents compare their lives overall to it, their lives may seem bleak.

Schwarz and Strack (1999) conclude that the relationship between life events and SWB judgements is typically weak, because it is not clear how respondents use accessible information, and it is consequently impossible to predict their SWB without considering the mental processes that determine how it is used. They further conclude that almost any aspect of a person's life can be used in constructing representations of his or her "life now" or a relevant standard, resulting in many unexpected findings. As a result of the construal processes discussed above, judgements of SWB are highly malleable and difficult to predict on the basis of objective conditions. Furthermore, people do not only consider intra-individual standards, or aspects of their own lives when forming life satisfaction judgements. Inter-individual standards provided by information about others' lives may also impact strongly on their SWB judgements.

(b) Inter-individual comparisons

According to Schwarz and Strack (1999), inter-individual comparison can be based on social comparisons, on standards provided by the social environment, or by standards implied by the research instrument.

The social comparison process refers to how people compare themselves with others, and focuses on who people choose as others for comparison. Schwarz and Strack (1999) point out that the impact of social comparison processes on SWB is more complex than previously suggested, or as has been found in research in naturalistic settings. In terms of judgements of global SWB, it can be expected that exposure to someone who is less well-off (a downward comparison) will usually result in more positive assessments of a person's own life, while exposure to someone who is better off (an upward comparison), will have a more negative effect. But, this may be an oversimplification. Although it has, for instance, been found that people report more satisfaction, the more they assume that their own living conditions are better than those of others (Carp & Carp, in Scwharz & Strack, 1999), this does not clearly explain the causal role of comparison processes.

In naturalistic settings, respondents may spontaneously engage in downward, upward, or lateral comparisons, and the impact of any comparison standard may change over time. This may be because spontaneous social comparisons may serve a variety of different functions such as self-assessment, self-enhancement, self-improvement and affiliation. Information about another person's situation will therefore not always be used as a comparison standard. Rather, relevant information about the other's situation may be used as a representation of the person's own future, for example, resulting in assimilation rather than contrast effects. Schwarz and Strack (1999) therefore emphasise that knowing **who** people compare themselves to does not allow predicting the impact of the comparison other on peoples' sense of SWB, unless it is known **how** this information is used in the relevant mental construals.

An aspect which may have particular relevance for this research is the fact that people's immediate environments may provide highly accessible standards, as well as socially shared norms which may impact on their judgements of life satisfaction. These standards may limit both their ability to make the social comparisons discussed above, and the impact of temporary influences. When the judgement refers to an attribute for which one's environment includes a range of comparison others with widely different standings, there will be a greater variety of construals of comparison standards. When the social environment is homogeneous in terms of a particular attribute such as income, it may lead to less variety in construal processes (Schwarz & Strack, 1999).

Morawetz (in Schwarz & Strack, 1999), for instance, found that people from a community with a relatively equal income distribution, reported higher well-being than those from a community in which there was an unequal income distribution, although the latter's absolute level of income was higher on average. This may suggest that the effect of income is largely relative, increasing people's sense of well-being if they earn more than others. But, Diener and Suh (in Schwarz & Strack, 1999) review evidence which contradicts this hypothesis.

According to Higgs (2003), South Africa has one of the highest Gini coefficients in the world, which reflects a very high degree of inequality in the income of its population. In this regard, Van Aardt (in Shevel & Klein, 2008) refers to South Africa's wealth distribution as a "recipe for disaster". He points out that, although there has been a significant increase in the wealth of black consumers, nearly 22.5 million South Africans live at the breadline or below it. Furthermore, Jammine (in Shevel & Klein, 2008) indicates that there are currently many more members of the black middle class, but there are relatively few black people who are extremely wealthy in South Africa. This may impact on their judgements of well-being.

A person's position in the social structure may further influence which comparison others he or she would regard as relevant, according to reference group theory (Hyman & Singer, in Schwarz & Strack, 1999). Thus, if a person classifies him- or herself in terms of a particular class or other relatively stable social attribute, he or she may only compare him- or herself to members of the same, or closely related, categories.

Importantly for this study, these self-categorisations are likely to change in cases of social mobility, and people may change the comparison group they regard as relevant. Such changes in the comparison standard may lead to decreased satisfaction, despite improved objective circumstances (Frederick & Loewenstein, in Schwarz & Strack, 1999). This process may particularly impact on people whose lives are characterised by high mobility, such as those in LSM groups 4 and 5. Although not addressed in this research, the fact that they had changed their comparison group may have impacted on their life satisfaction in this study.

Finally, socially shared norms may eliminate the need for specific comparison groups or individuals as relevant standards, because they may, for example, imply that every citizen is entitled to certain outcomes such as happiness. According to the United States' constitution, for instance, all its citizens are entitled to "pursue happiness" (Sheldon, 2001).

According to Schwarz and Strack (1999), the questionnaire used may further imply certain inter-individual standards, which would serve as a source of temporarily accessible comparison information. Researchers often assess respondents' experiences, their objective conditions of living, or the frequency with which they engage in a particular behaviour, by asking them to check the correct answer on a list of response alternatives. But, these response alternatives may convey comparison standards that may strongly impact on respondents' evaluations.

According to Schwarz (in Schwarz & Strack, 1999), respondents assume that the list of response alternatives provided reflects the researcher's knowledge of the distribution of the particular behaviour: they assume that the "average" or "usual" behavioural frequency is represented by values in the middle range of the scale, and that the extremes of the scale correspond to the extremes of the distribution. They therefore use the range of the response alternatives as a frame of reference within which to estimate their own behavioural frequency. This results in different estimates of how often they show particular behaviours. They further extract comparison information from their own location on the scale.

It was evident from the above that people use information about their own lives or the lives of others in comparison-based evaluation strategies, when making life satisfaction judgements. The use of both inter-individual comparison information and intra-individual comparison is based on the principle of cognitive accessibility, or how easily the information comes to mind.

People's SWB judgements, however, do not only result from what they think about, but also how they feel when making the judgement. Finding a coin on a copy machine (Schwarz, in Schwarz & Strack, 1999) may even result in increased reports of satisfaction with one's life as a whole, as will be evident in a discussion of the effect of mood state on life satisfaction judgements.

(c) The impact of mood states

According to Schwarz and Strack (1999), people's mood may impact both indirectly and directly on their judgements of life satisfaction. When in a good mood, people may be more likely to recall positive information from memory, which results in a positive evaluation of their life satisfaction, and vice versa. In terms of a more direct impact, people tend to use their mood at the time of judgement as a concise indicator of their well-being in general, and may evaluate their well-being more favourably when they feel good. But, if their attention is drawn to the possible causes of their current mood, for instance, the weather, they tend to rely less on their mood as an indicator of SWB.

According to Schwarz and Strack (1999), people's judgements of domain satisfaction (such as satisfaction with their marriage) tend to be based on inter- and intra-individual comparisons, as discussed above. But, because evaluations of overall life satisfaction can be a complex task, people may use their mood as a heuristic shortcut to form these judgements. Evaluations of specific life domains are often less complex, because comparison information tends to be available and the criteria for evaluation are well defined, for instance, comparing one's income to that of one's colleagues instead of one's "life as a whole".

As was evident in the section on intra-individual comparison processes, the same event may result in assimilation effects as well as contrast effects, depending on whether it is used to construct a representation of the target or a standard. These processes are further complicated by the degree to which the recall task is emotionally involving. When people are not highly involved emotionally, the impact of recalled events follows the mental construal logic described earlier. If recalling a happy or sad life event elicits a happy or sad mood at the time of recall, however, respondents are likely to rely on their feelings rather than on recalled content as a source of information. Their SWB judgements will then be based on their mood and not on the mental construal variables discussed earlier (Schwarz & Strack, 1999).

It is therefore not possible to predict the impact of an event in a person's life by merely knowing its hedonic quality, without considering other judgemental variables. When the questionnaire does not guide respondents' thought processes, different respondents are likely to draw on different information and to use the same information in different construals – resulting in the weak relationships between objective conditions and subjective evaluations that are typically obtained in survey research on SWB. Schwarz and Strack (1999) even believe that if strong relationships are found between objective events and SWB, they should be treated with suspicion.

In light of the above, it is expected that there will not be a strong relationship between consumers' level of LSM grouping and their SWB in this study. The fact that some respondents have a high objective living standard does not guarantee high SWB, because the construal processes they used are not known.

(d) Reporting the judgement

After forming a judgement, respondents have to communicate their judgement to the researcher. But, because of the impact of phenomena such as self-presentation and social desirability, they will probably "edit" their judgement before doing so. Social desirability – a belief that a higher score is a better score – tends to impact most strongly on people's responses in personal interviews, less strongly in telephone interviews, and least in the case of self-administered questionnaires.

Furthermore, it appears that the interviewer's characteristics moderate self-presentation effects. Strack, Martin and Schwarz (in Schwarz & Strack, 1991) found that respondents reported higher well-being in personal interviews than in self-administered questionnaires. This difference was stronger when the interviewer was of the opposite sex, but not when the interviewer was severely handicapped – respondents apparently did not feel comfortable about telling someone in an unfortunate condition that they were satisfied with their lives. But, when a handicapped person was present in the room and also completing a questionnaire, his presence increased subjects' reported SWB – the handicapped person probably served as a salient standard of comparison.

According to Schwarz and Strack (1999), available research indicates that people's public reports of SWB may be more favourable than the judgements they formed in private. On the other hand, individual differences in social desirability show a weak relationship with measures of SWB (r = 0.20) (Diener, in Schwarz & Strack, 1999). This suggests that respondents' "editing" of their reports is more strongly affected by the characteristics of the interview situation than by actual individual differences among respondents.

Schwarz and Strack (1999) conclude that there is little to be learned from self-reports of global well-being. Although they do reflect subjectively meaningful assessments, what is being measured, and how, appears to be too context-dependent to provide reliable information about people’s well-being, especially information that will be used to guide public policy, as is the case in social indicators research. The authors, however, point out that other experts have more positive opinions about people’s SWB judgements.

6.3.2 In defence of self-reports and overall measures of subjective well-being

Although Schwarz and Strack (1999) criticise self-reports of SWB severely, they indicate that their conclusions are based on experimental research, and that little is yet known about how people spontaneously form SWB judgements. Furthermore, Veenhoven (in Sirgy, 2002) argues that criticisms of self-reports of SWB, such as those discussed above, are not wholly justified. These reports tend to be quick to take down, non-response on them is low, and their temporal stability is high. Furthermore, Veenhoven believes that criticisms such as that people provide stereotypical responses to them and tend to overstate their level of happiness, are not substantiated.

6.3.2.1 Validity

One of the main concerns when using self-report measurements of SWB, is whether they are in fact valid – people may report that they are happy but do not truly experience high SWB (Diener et al., 2002). A further concern in terms of validity is that most people would not have a definite opinion at all about their life satisfaction. However, people appear quite aware of their enjoyment of life (Veenhoven, 1991). Furthermore, most self-report measures of well-being include items with clear face validity. Life satisfaction scales may, for example, require respondents to indicate the extent to which they agree with statements such as, “I am satisfied with my life” or “In most ways my life is close to my ideal”, as in this study. Diener et al. (2004), however, point out that despite their face validity, self-report responses should not necessarily be accepted as valid.

One reason for scepticism about the validity of self-reports of well-being, which may have particular relevance for this research, is the fact that a particular society may impose strong norms concerning the social desirability of happiness (Sandvik, Diener & Seidlitz, 1993). Research to date, however, does indicate that self-report measures of SWB possess substantial validity (Diener, in Diener & Fujita, 1995). Diener (in Sirgy, 2002) determined by means of a literature review that most SWB measures correlate as expected with personality measures, and show high convergent validity. Diener (in Sirgy, 2002) concludes that SWB measures appear to contain substantial amounts of valid variance.

6.3.2.2 Reliability

It appears that self-reports of SWB have sufficient reliability. Estimates of internal reliability of multi-item scales of life satisfaction usually exceed 0,80, while single-item indicators of well-being are less reliable (Pavot & Diener, in Keyes & Magyar-Moe, 2003).

In 1984, Glatzer (in Sirgy, 2002) found that measures of SWB have low test-retest reliability, ranging from 0.40 to 0.60 within an hour interval. However, in the same year, Diener (in Sirgy, 2002) reported that most studies on long-term reliability show values ranging from 0.55 to 0.70.

Diener et al. (2004) refer to considerable evidence that SWB constructs exhibit some degree of stability. Magnus and Diener (in Diener et al., 2004), for example, found stability coefficients of 0.58 in life satisfaction scores over a 4-year period. Even when they used different methods, such as self- and informant-reports, to measure life satisfaction, the scores' stability was still high ($r = 0.52$). Thus, there is considerable stability in life satisfaction scores over long periods of time, even in periods of over 10 years (Ehrhardt, Saris & Veenhoven, in Diener et al., 2004).

The stability of SWB constructs can further be explored by examining how they change in people across situations. Diener and Larsen (in Diener et al., 2004) found that people's positive affect, negative affect, and life satisfaction scores were very stable – even across diverse situations. But, this stability does not mean that well-being measures are insensitive to changing life circumstances. Lucas et al. (in Diener et al., 2004) and Clark, Georgellis, Lucas and Diener (in Diener et al., 2004) found that people's life satisfaction scores increased after marriage and decreased after widowhood or unemployment. Thus, life circumstances do influence life satisfaction scores.

6.3.2.3 Biases

Kammann (in Sirgy, 2002) presents evidence that counters the criticism that SWB measures are influenced by the questions preceding them. Eid and Diener (in Diener et al., 1999) found that in normal testing situations, the stable component of respondents' life satisfaction eliminated the influence of their current mood. Pavot and Diener (in Diener & Fujita, 1995), however, found that, although the effect of respondents' current mood on measures of long-term SWB may be small in many naturalistic measurement situations, their current mood at times may indeed influence their SWB reports beyond the effects of their long-term mood.

Furthermore, researchers have found that social desirability is not a major confound in the well-being literature (Diener, in Keyes & Magyar-Moe, 2003). Lopez et al. (2003) point out that the traditional view of social desirability as a confound is no longer widely held, and most scholars now believe that favourable self-presentation is part of the content that should not be taken out or corrected, because it can actually be regarded as a human strength.

Diener (http://www.psych.uiuc.edu/~ediener) further points out that, although social comparisons may influence people's SWB judgements, he and his colleagues found that these effects are much less common than is often presumed.

Diener and Suh (1999) conclude that, although SWB measures (based on self-reports) are often not as contaminated as commonly assumed, they can be influenced by measurement artefacts and momentary situational factors – but they do have a degree of validity. The SWLS, for instance, has been used extensively because of its demonstrated reliability and validity, as well as its brevity (Alfonso, in Pavot & Diener, 1993; Diener, Emmons, Larsen & Griffin, in Pavot & Diener, 1993). The psychometric properties of the SWLS will be investigated further in Chapter 8.

Diener et al. (2002) recommend using a multi-method battery to assess the multiple components of well-being separately, if possible. They point out that researchers who only focus on one component of well-being, will not be able to capture its complex nature. The different components, however, have different correlates, suggesting that distinct processes may underlie the various components. To develop a theory of these processes, researchers need to understand the various components separately, as was done in this research.

6.4 CONSTRUCTS THAT UNDERLIE THE RELATION BETWEEN VALUES AND SUBJECTIVE WELL-BEING

As pointed out earlier, two of the main constructs that appear to underlie the relation between people's values and their SWB, are personality and culture. Diener et al. (2003) point out that both personality and culture influence SWB. There are a number of similarities between these two domains – both are influenced by social learning and genetics, as well as by the interaction between these two processes, and both impact significantly on SWB. Furthermore, both constructs can influence mean levels of SWB across countries, and also moderate the factors that correlate with people's experiences of well-being. Lastly, these two domains are interrelated – culture can influence personality, and vice versa. Both levels of analysis therefore play a fundamental role in understanding SWB. As pointed out before, no integrative framework has yet been developed for all the factors impacting on SWB, especially at the individual level. In essence, the framework followed in this chapter consequently involves the following:

The basic premise is that culture impacts on SWB, but that psychological factors, and especially individual differences, intervene in this process. As one of its components, the concept of SWL is fully contained within the more extended construct of SWB. The formation and expression of SWB is primarily informed by value pathways (particularly healthy values) and moderated by culture-related influences (in both the environment and the individual), as is portrayed in Figure 6.3.

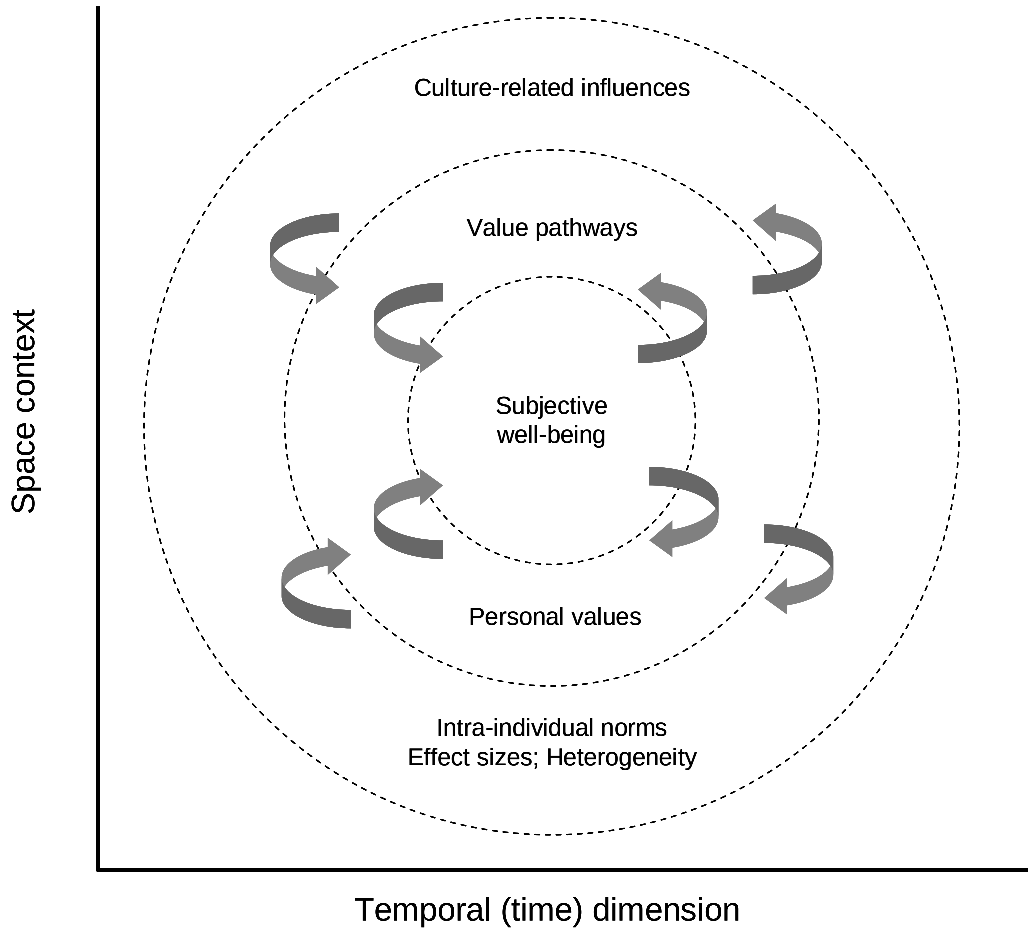


Figure 6.3 **Schematic representation of the relationship between subjective well-being, personality and culture**

The relation between both these constructs and SWB, and also how they relate to people's values, will now be investigated.

6.4.1 The relation between personality and subjective well-being

According to Diener et al. (1999), personality is one of the strongest and most consistent predictors of SWB. After reviewing the previous three decades of research on SWB, they conclude that SWB itself is not a trait. However, stable personality traits can influence SWB, and thus SWB has both trait-like and state-like properties – it consequently has the properties of a disposition. According to them, the current working model of researchers in the field is that personality predisposes people to certain affective reactions, but that current events also impact on their current levels of SWB. However, long-term life circumstances may also have a systematic influence on people's level of SWB.

The personality traits that have received most theoretical and empirical attention in relation to SWB, are extraversion and neuroticism. Costa and McCrae (in Diener et al., 1999) posited that extraversion influences positive affect, while neuroticism influences negative affect – two aspects of hedonic balance, as pointed out by Diener and Lucas (1999). Because research findings consistently confirmed this relation, many researchers have suggested that extraversion and neuroticism provide the primary links between personality and SWB (Diener et al., 2003).

The above two traits, however, mainly relate to the affective component of SWB, while its cognitive component is investigated in this research study. DeNeve and Cooper (in Diener et al., 2003) further point out that focusing solely on extraversion and neuroticism may oversimplify the complicated pattern of associations among personality and SWB.

According to Diener and Lucas (1999), the precise nature of the personality-SWB relationship still needs further investigation. Although it has been found that a number of traits such as locus of control and hardiness correlate moderately with SWB, the direction of causality has not been determined. And although other more specific, and more cognitive traits such as self-esteem and optimism, have been found to be related to SWB, the exact number of existing personality traits have not yet been determined, which further complicates a complete understanding of the relations between personality and SWB.

Furthermore, the effects of personality may extend beyond direct effects – people's personality may interact with their situations and their environment to influence their SWB. Research is needed that examines the interaction of personality and environmental factors, such as the role of personality in shaping people's life circumstances and how personality leads people to react differently to the same circumstances (Diener et al., 1999).

To sum up, identifying which personality traits are related to SWB, the direction of causality, and the mechanisms responsible for these relations, have emerged as important goals in personality and SWB research. Diener and Lucas (1999) point out that the processes underlying the personality-SWB relationship need to be explained, and that some non-trait features of personality may particularly explain the mechanisms involved in the relation between personality and SWB.

6.4.1.1 The processes involved in the personality-subjective well-being relationship

Some of the personality theories of SWB that contribute towards an understanding of the processes involved in the personality-SWB relationship, are covered in temperament models, congruence models, cognitive models, emotion socialisation models and goal models. The latter may have particular relevance to this study, because they inherently focus on cognitive constructs. Furthermore, according to Diener and Suh (1999), the central elements of well-being, namely a sense of satisfaction with one's life and positive affective experiences, are derived from the context of one's most important values and goals. People are most likely to experience a long-term feeling of satisfaction, or SWB, when they work for and make progress towards personal goals that derive from their important values. Goal models and their relevance to this research will now be briefly discussed.

(a) Goal models

Goal theorists believe that personality does not merely comprise traits, but also includes the goals for which people typically strive. According to researchers such as Cantor, Little, Klinger and Emmons (in Diener & Lucas, 1999), a person's personality can only be understood if one understands the things in life that motivate his or her behaviour. Goals can be examined at a broad level such as values, at a narrower level such as life tasks, or at an even narrower level such as a person's current concerns. At each level, the content of goals, the way in which goals are approached, and success or failure in attaining goals, may impact on people's well-being.

It is evident from extensive research that materialistic aspirations and goals may impact negatively on people's well-being (Sagiv et al., 2004). As indicated in Chapter 2, materialism is often a central value in Western society (Derber, in Sagiv et al., 2004). This may justify investigating whether holding this value, promotes or reduces well-being. But, a much broader issue, namely whether the content of people's values affect their well-being, or whether some values have a healthy or an unhealthy impact on well-being (Sagiv et al., 2004), should also be clarified. This issue may have particular relevance for the field of consumer psychology. If values are one of the core influences on consumer behaviour – and consumers are often promised well-being in their use of products and services – it may be valuable to investigate the relationship between these constructs in terms of consumer behaviour.

(i) The “Healthy Values” research perspective

Sagiv et al. (2004) point out that the potential links between people’s values and their SWB have been investigated from three research perspectives. The research perspective on this relationship which is particularly relevant to this study is the healthy values perspective.

According to the healthy values perspective, certain values or goals will lead to positive well-being, while other values or goals may undermine well-being. It further suggests a simple path toward positive well-being: values and strivings that can be characterised as intrinsic will probably lead to positive well-being, because they reflect self-actualisation needs that are inherent to human beings.

One line of research that explores the relations between values and well-being from the above perspective, as presented by Sagiv et al. (2004), is relevant to this research, namely research focusing on people’s personal values and their well-being. This will now be briefly discussed.

- **Personal values and well-being**

In this line of research, the direct relations between people’s personal values and their well-being are investigated.

Oishi, Diener, Suh, and Lucas (in Sagiv et al., 2004) investigated the direct relations between values and well-being, and found that the importance that a sample of American university students attributed to achievement and benevolence values, did not correlate with their SWB. In a second part of that study, achievement values correlated positively with both cognitive and affective SWB. No other value type correlated significantly with any indicator of well-being in their research.

Sagiv and Schwartz (in Sagiv et al., 2004) also investigated the relationship between Schwartz’s values hierarchy and SWB, by examining the relations of the 10 value types to measures of cognitive and affective aspects of well-being. They used three samples of university students and three adult samples from West Germany, the former East Germany, and Israel. Their findings were highly consistent across the three cultural groups, as well as the two age groups. However, their findings differed substantially for the cognitive and affective components of SWB.

Achievement, self-direction, and stimulation values correlated positively with the affective component of SWB, while tradition, conformity and security values correlated negatively with this component. The correlations were relatively weak (r = 0.25 or lower), but they were consistent across the six samples. However, they did not find any significant relations between value priorities and the cognitive component of SWB, namely SWL.

To further examine the relationship between people's values and their SWB, Sagiv and Schwartz (2000) classified Schwartz's values according to the needs identified by Self-determination theory (SDT). SDT identifies inherent and universal human needs required to achieve SWB. It posits three basic psychological needs – autonomy, competence, and relatedness – and predicts that fulfilment of these needs is essential for well-being (Diener et al., 2003).

Self-direction and achievement values, which emphasise **autonomy** and **competence**, respectively, correlated positively with well-being. Tradition and conformity values, which emphasise extrinsic motivation, correlated negatively with well-being. However, these correlations were relatively weak and were found only in terms of the affective component of well-being. Furthermore, in contrast to the healthy values perspective, benevolence and universalism values, which emphasise **relatedness**, and power values, which emphasise materialism, did not correlate with well-being at all. Clearly, different patterns of relations with values therefore emerged for the cognitive and the affective components of well-being (Sagiv et al., 2004).

Diener et al. (2003) point out a current debate in the field of SWB, namely on whether there are universal causes for SWB or whether its causes vary according to culture. They conclude that, although there is considerable support for the idea that the correlates of SWB vary across society, some evidence also supports the idea that there are certain variables that correlate with SWB across cultures. Some universal needs such as having basic physiological needs satisfied, health, environmental control, and social relationships, might be necessary for SWB. These needs are so likely to drive people's desires and goals that they almost inevitably have some impact on SWB. However, there also appear to be differences in goals and values between individuals, and between cultures, that lead to distinct predictors of SWB (Diener et al., 2002).

According to Oishi (2000), the SDT is a universalistic model of psychological well-being, because it presents an approach to SWB based on inherent and universal human needs. According to this theory, the "good life" is the life in which an individual strives for personal growth, independence, meaningful relationships with others and community service. As pointed out earlier, it posits three basic psychological needs – autonomy, competence, and relatedness – and predicts that fulfilment of these needs is essential for well-being.

Diener et al. (2003), however, warn that researchers, whether they focus on traits or non-trait personality factors, should be careful not to make inferences about the causal relationship between constructs from correlational data. Heady and Wearing (1992) further describe the lack of knowledge about which variables are causes of well-being and which are consequences, as a black hole in research. This relationship can be investigated by means of three possible models – cause, consequence and two-way causation. In this research, it will be assumed that consumers' SWL is predicted by their personal values, which reflects the first model. This approach also corresponds with the direct impact of values on SWB, as investigated in the "healthy values research perspective".

Lastly, as mentioned earlier, both personality and culture play a role in understanding people's SWB. But, although individual differences in culture can be influenced in part by personality, and personality development may be affected by culture, there are important differences between culture and personality. Culture is **learned**. The content of people's individual culture is derived directly from the values, beliefs, norms, traditions and customs of their larger culture(s). Though there are various theories of personality, it is usually seen as traits or attributes of individuals over their lifetime, and not as something developed through transmission of shared beliefs, values, attitudes and behaviours (Diener et al., 2002). People's shared cultural beliefs, values and attitudes, however, do impact on their SWB, as will be evident in the next section.

6.4.2 Culture and subjective well-being

According to Pavot and Diener (2004b), a person's socio-cultural environment has a pervasive influence on his or her behaviour and perceptual experience – and consequently also on the person's experience of SWB. Substantial cultural effects on SWB have been determined in cross-cultural comparisons. Culture appears to account for variance in all the major components of SWB (Diener et al., 2003).

6.4.2.1 Factors that influence cross-cultural relations between culture and subjective well-being

A number of factors have been identified as influences on the relation between culture and SWB. The relative wealth of a nation is often a strong predictor of the mean level of SWB reported by its citizens. A number of factors, including democratic governance, human rights and equality, tend to co-vary with national wealth, suggesting that the relation between national wealth and national SWB is determined by several factors, instead of by wealth alone. The income-SWB relation appears to be strongest when people's income is low, because small increments in their wealth can have a substantial impact on other aspects of their quality-of-life. The strength of the income-SWB relation is substantially diminished in economically developed nations (Biswas-Diener & Diener, in Pavot & Diener, 2004b).

Cultural differences in perceptual styles and self-serving biases also appear to impact on cross-cultural differences in SWB. Self-serving bias refers to a tendency to perceive oneself in a more favourable light than may be objectively warranted. Self-enhancement, or the tendency to rate oneself more positively than others, is an example of this. East Asians, for instance, are less prone to self-serving bias compared to other groups, and rather tend to be self-critical in their evaluations of themselves (Pavot & Diener, 2004b).

Perceptual biases and the pursuit of differing goals may contribute to cross-cultural differences in SWB. Cultural dimensions such as IC and differences in approach versus avoidance orientation, might also contribute to cross-cultural differences in SWB. Lee, Aaker and Gardner (in Pavot & Diener, 2004b) found that the collectivist tendency to think about one's group membership made people focus on negative consequences (an avoidance focus), while thinking about oneself, independent of others, led to a focus on positive consequences (an approach focus). This culturally-based approach versus avoidance orientations appear to also impact on people's SWB judgements.

Cross-cultural differences in SWB could also reflect differences in social priorities and values (Diener et al., 2003). Although respondents in all countries agreed that life satisfaction and happiness are important, Diener (in Pavot & Diener, 2004b) found that respondents from some countries, such as those in Asia or the Pacific Rim, assigned lower importance to SWB than did people in Latin American nations. In some cultures, the pursuit of positive emotions and SWB may consequently be sacrificed in order to achieve other more, valued goals (Diener et al., 2003).

In summary, there are unique predictors of SWB in different cultures (measured in terms of national comparisons). Furthermore, cultures differ in the degree of importance that they assign to being happy as compared to other values and goals. Diener et al. (2002) point out that there are major cultural differences in the causes of SWB and that people's cultural norms can change the correlates of SWB. These norms consequently also impact on people's life satisfaction judgements, as will be evident in the next section.

6.4.2.2 The impact of cultural norms on people's life satisfaction judgements

It seems that different criteria are used in different cultures to judge satisfaction with one's life, and these criteria are based on the value priorities of the culture being studied (Oishi, Diener, Suh & Lucas, 1999).

In making a life satisfaction judgement, the SWLS emphasises the person's own standards of evaluation. Furthermore, respondents draw on the domains that they find relevant in formulating their judgement of overall life satisfaction (Pavot & Diener, 1993). According to Diener (in Diener et al., 2002), people in cultures where SWB is valued are more likely to weight their most positive domains in calculating their global life satisfaction judgements, while people in cultures in which happiness is not an important value are more likely to weight their most negative domains in calculating their life satisfaction judgements. The relation between satisfaction with specific domains such as work and SWL as a whole, consequently appears to depend on people's beliefs about what types of information should be considered when judging their life as a whole.

Diener et al. (2003) indicate that reports of overall life satisfaction are further likely to reflect people's self-concepts and the normative value of particular experiences in that culture. People in individualistic nations may, for instance, base their life satisfaction judgements on the extent to which they have high self-esteem, while people in collectivistic cultures may base their judgements on the opinions of other people (Diener & Diener, in Diener et al., 2002). Thus, a person may use both situationally induced and chronically salient information to construct life satisfaction judgements, as discussed in Schwarz and Strack (1999). Cultural norms may form part of the chronically salient information, as categorised by these authors.

6.4.2.3 Within-culture variation

According to Diener et al. (2002), identifying variables that serve as universal versus culture-specific causes of SWB, and determining the degree to which universal needs are channeled by culture, would be an empirical challenge. There are multiple pathways to well-being that to some extent may differ across cultures, depending on internalised cultural values (Diener et al., 2003). Thus, what makes people happy might be the fulfilment of cultural values, which they do not necessarily endorse at the explicit level. The heterogeneity of cultural effects should thus be considered.

Diener et al. (2003) examined the amount of variance in the World Value Survey II (which consists of national probability samples from 43 nations) that was due to within-nation versus between-nation differences. Fifteen per cent (15%) of the variance in life satisfaction, 12% of the variance in satisfaction with health, and 12% of the variance in financial satisfaction were due to between-nation differences. Diener et al. (2003) therefore conclude that individual differences in societies apparently produce a large source of variance in SWB, but that between-nation differences are not insignificant.

Matsumoto (in Diener et al., 2003), however, regards the lack of attention to within-culture variation as a deficiency in existing cross-cultural research. In typical cross-cultural studies, researchers compare a sample from one nation or ethnic group with a sample from another nation or ethnic group. This rests on the assumption that members of a cultural group share important experiences that lead to psychological tendencies, although in varying degrees, in all or most members of the societies. This assumption may not be completely true, because in every culture there are people who deviate from the stereotype of their group. Surprisingly small differences, however, have been found among cultures in terms of their values (Oyserman, Coon & Kemmelmeier, in Diener et al., 2003). There may, however, be unique relations between values and SWB in particular cultures. Because of cultural differences, there may be unique patterns of relationships between consumers' values and their SWB in an emerging economy such as South Africa.

Sun et al. (2004) distinguish between emic and etic approaches to conducting cross-cultural research. In the emic approach, within-culture differences are investigated, because it is argued that theorising is culture-specific and as a result should be inductive. A structural pattern should consequently be identified during the analysis of a culture. In contrast, the etic approach advocates generalisation, and focuses on aspects universal to all cultures. Both emic and etic approaches are valid and contribute to an understanding of consumer behaviour. This research study is based on an emic approach to investigate cultural differences among South African consumers. An emic approach to culture does not intend to compare two or more differing cultures, but rather to promote a complete understanding of the culture of study through substantial description (Geertz, in Luna & Gupta, 2001).

Furthermore, three levels of culture were distinguished in Chapter 5 (Triandis et al., in Ratzlaff et al., 2000), namely the cultural, the demographic and the individual level. The term *ecological culture* refers to the cultural context(s) of the individual (cultural and demographic levels), while *individual culture* refers to the individual level of participation in the values, beliefs, and traditions of those cultural contexts. The relationship between consumers' culture and their SWB is analysed at this level in this study.

6.4.2.4 Individual-level culture and subjective well-being

As pointed out in Chapters 2 and 5, individual culture will particularly be investigated in this research. An understanding that culture exists at the individual level as well as at the ecological level, is important for practical reasons, such as applying this knowledge to improve market segmentation.

Culture at the ecological level describes mainstream average tendencies, it cannot describe all behaviours of all people in any culture. And, as pointed out in Chapter 3, market segmentation requires an in-depth knowledge of consumers' needs and characteristics. Certain groups of consumers may have characteristic patterns of relationships between their values and SWB, and knowledge of these unique patterns can be used to develop effective marketing strategies for groups who correspond in terms of these relations.

If individual differences in culture are not acknowledged sufficiently, it may contribute towards forming and maintaining stereotypes about particular cultures. Stereotypes, however, are often wrong because individuals in a particular culture may not all hold the cultural values and norms to the same extent that these exist within a larger or ecological culture. In light of the fact that the LSM groupings, for instance, do not include "stereotypical" categorisations such as cultural group and income, it can probably be improved by knowledge of the relation between consumers' individual-level culture and their SWB.

As pointed out in Chapters 2 and 5, the most widely used dimension of psychological culture is individualism-collectivism (IC). The two types of cultures prescribe different routes for achieving SWB. Collectivists are more likely to achieve SWB through activities that promote mastery and group harmony, while individualists are more likely to achieve well-being from activities that are pleasant and display their individual talents (Biswas-Diener, Diener & Tamir, 2004).

Individual levels of culture, particularly IC, can have both positive and negative implications for SWB. In some studies a positive relationship between IC and SWB was found, with ideocentric individuals reporting greater well-being, while some other studies, however, found a negative correlation between the constructs. The specific cultural environment in which the studies were conducted may offer a possible explanation for these seemingly contradictory findings – if the larger cultural milieu is individualistic, ideocentric individuals may find it easier to achieve SWB. However, if the larger cultural milieu is collectivistic, allocentric individuals may find it easier to achieve SWB.

According to Ratzlaff et al. (2000), most studies examining the relationship between IC measured on the individual level and SWB, have directly correlated the two constructs. Kasri (in Ratzlaff et al., 2000), for instance, attempted to address two of the most fundamental questions in the field:

1. whether or not people of different psychological cultures define and experience well-being in the same way, and
2. whether or not they report the same level of well-being.

The latter approach will be followed in this study. It investigates whether PDMs with different psychological cultures (in terms of ideocentrim versus allocentrism) report different levels of SWL.

In light of the above overview, the following model was conceptualised to investigate the possible relationship between the ***who*** (demographics), the ***how*** (values) and SWL. See Figure 6.4.

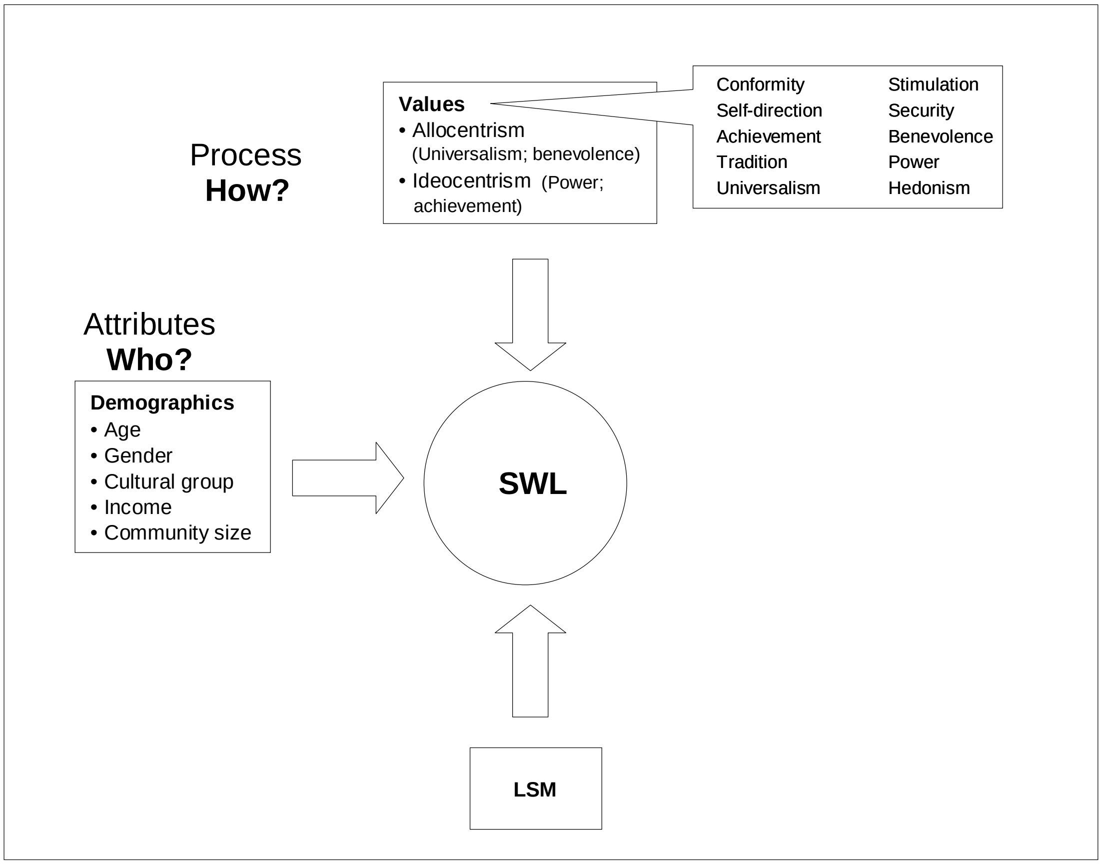


Figure 6.4 Satisfaction with life: Who? and How?

6.5 CHAPTER SUMMARY

In this chapter, SWB was conceptualised. The development of this field was reviewed, with the emphasis on the top-down and bottom-up influences that are believed to impact on SWB. It was pointed out how some of these influences can be combined to form a conceptual foundation for this research. Schwarz and Strack's (1999) social judgement model of how people formulate their SWB judgements, was elaborated upon, and the psychometric properties of self-reports were discussed. It was pointed out how the relationship between consumers' values and their SWB could be explained from a personality and culture perspective.

With this chapter, the final literature objective was reached, namely to investigate SWB, particularly the relationship between values and SWB, as identified in existing research.
In Chapter 7, the empirical research conducted in this study will be described.

CHAPTER 7 RESEARCH METHODOLOGY

7.1 THE RESEARCH PROCESS

This chapter describes the method used to arrive at the research results and meet the research aims. Figure 7.1 presents a model of the research process. The present chapter focuses specifically on the phases of describing the research strategy and the data collection process, and partly on the analysis and interpretation phase, as presented in Figure 7.1. The statistical techniques used to analyse the data will only be discussed in this chapter, while the results of this analysis will be presented in Chapter 8. Their interpretation will be presented in Chapter 9.

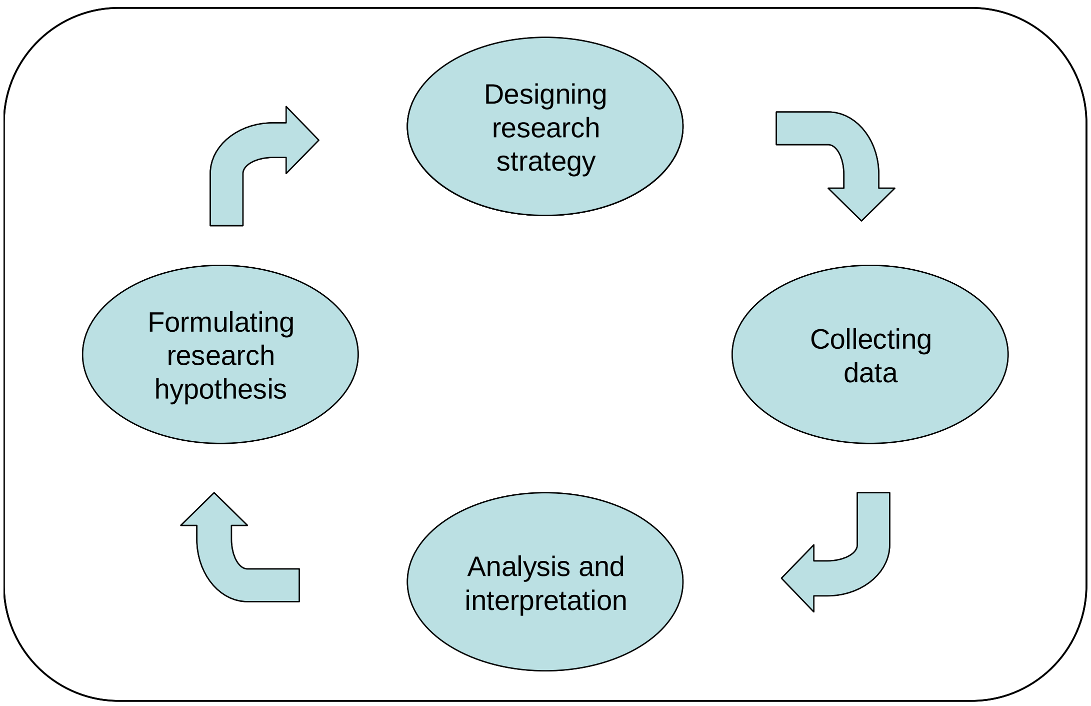


Figure 7.1 The deductive, empirical cycle in the scientific expansion of knowledge (Wellman & Kruger, 2001, p. 11)

For the sake of convenience and ease of reading, the research problem and sub-problems are presented again.

7.1.1 The research problem

The research problem investigated in this research study is whether consumer values as measured by Schwartz's (1992) values model, and SWL, as conceptualised by Diener (http://www.psych.uiuc.edu/~ediener), can be used as additional psychological segmentation variables in the widely accepted multivariate LSM segmentation approach used in South Africa, and whether certain values priorities and levels of SWL are more prevalent within broad groupings identified in this type of segmentation.

7.1.2 The sub-problems

The following sub-problems are investigated, that is whether:

1. Schwartz et al.'s (2001) PVQ is a valid and reliable measure across cultural groups within the South African context
2. the SWLS is a valid and reliable measure across cultural groups
3. the ten values as measured by Schwartz's (1992) values theory are more dominant in each of the broad segments of the multivariate LSM segmentation approach
4. there is a relationship between the ten values and SWL
5. there are different mean levels across major demographic groups with respect to the ten values and SWL
6. there are relationships between individual-level culture and Schwartz's values, and between individual-level culture and SWL.

7.2 THE PARADIGM PERSPECTIVE OF THE RESEARCH

According to Solomon et al. (2006), consumer research can be classified based on the fundamental assumptions that researchers make about what they are studying and how to study it. Such a set of beliefs is known as a paradigm. Paradigms are systems of interrelated ontological, epistemological and methodological assumptions, which serve as perspectives to provide a rationale for research. They further require researchers to keep to particular methods of data collection, observation and interpretation (Durrheim, 2002b).

Solomon et al. (2006) believe that the set of assumptions underlying the current dominant paradigm in consumer research reflect positivism. Some experts, however, believe it is experiencing a paradigm shift – a competing paradigm is challenging the dominant set of assumptions. Some of the other paradigms discussed below may be challenging it.

In positivism, the world is regarded as a rational, ordered place, and human reason is supreme. It is based on the assumption that there is a single objective truth that can be discovered by science. A criticism of this paradigm, however, is that it too strongly emphasises material well-being and that its dominating ideology stresses the homogeneous views of a predominantly Western and male culture.

A more recent paradigm, interpretivism, questions the above assumptions. Supporters of this perspective argue that society places too much emphasis on science and technology and that such an ordered, rational view of consumers does not acknowledge the complexity of the social and cultural world they live in. Interpretivists stress the importance of symbolic, subjective experience and the idea that people create their own meaning based on their unique and shared cultural experiences.

In general, positivists tend to be objective and empirical, to look for causes for behaviour, and to conduct research studies that can be generalised to larger populations. Interpretivists, on the other hand, tend to do qualitative research, based on smaller samples (Schiffman & Kanuk, 2007).

Solomon et al. (2006) point to a recent and more "bridging" perspective on the study of consumer research, according to which studying particular consumption contexts is not an end in itself, but studying human behaviour in a consumption context is useful for generating new constructs and theoretical insights. This approach, consumer culture theory (CCT), embraces a variety of methodological approaches (used by both positivist and interpretivist) and recognises that managers can make use of multiple methods to better understand trends in the marketplace (e.g., the complexities of lifestyle, multicultural marketing and how consumers use media as part of their lives).

Consumer research is constantly progressing. From its original emphasis on buying behaviour and the factors influencing the decision-making process, the field has gradually widened to become a study of consumer behaviour in a more general sense, taking into consideration what happened before and after the purchase. After the introduction of the interpretivist approach, a broader research perspective has included many new and non-psychological facets in the increasingly complex portraits of consumers. Research now increasingly looks beyond the single individual and his or her social background and environment, to describe and analyse the complex relationships that have led us to start characterising our present society as a consumer society living in a consumer culture.

Solomon et al. (2006) point out that a further paradigm, postmodernism, is one of the most widely discussed and disputed in consumer research. Postmodernists argue that we live in a modern era where we share beliefs in certain central values of modernism and industrialism – values such as the benefits of economic growth and industrial production, and the infallibility of science. Postmodernism questions the search for universal truths and values and the existence of objective knowledge. Thus a keyword is pluralism, indicating the existence of various truths, styles and fashions. Consumers (and producers) are relatively free to combine elements from different styles and domains to create their own personal experience, and their own truth.

Due to the nature of the research problem(s) of this study, a positivist approach to consumer research was followed. It applies quantitative techniques to investigate whether personal values and SWL discriminate among multivariate consumer segments such as LSM groups. The aim of the analysis is thus overall to predict consumer behaviour.

7.3 BASIC RESEARCH DESIGN

Research design is defined as “the specific methods and procedures for acquiring the information needed. It is a plan or organisational framework for doing the study and collecting the data” (Smith & Albaum, 2005, p.52). It consequently specifies the procedure to be used in seeking an answer to the research question, as well as how to collect and analyse the data. According to Mouton and Marais (1990), the objective of a research design is to plan and structure the research study in such a manner that the validity of the research findings is maximised. An initial step when deciding on which type of research would best address the research questions is to choose between experimental and non-experimental research.

According to Christensen (1991), a proper experimental research design would provide a researcher with control over the situation in terms of assignment of subjects to groups, in terms of who get the treatment condition and in terms of the treatment condition that subjects receive. A controlled experiment is consequently necessary to have confidence in the relations discovered between the independent variables and the dependent variable.

According to Kerlinger and Lee (2000), non-experimental research refers to systematic, empirical inquiry in which the scientist does not have direct control of the independent variable(s), because their manifestations have already occurred or because it is not possible to manipulate them.

Non-experimental research is used when a researcher wants to observe relationships between variables without controlling or manipulating them in any way. This research study can therefore be classified as non-experimental research, because no attempt was made at manipulating any variables – certain phenomena (PDMs' values and their SWL) were only measured at a particular time.

A further step is to choose between qualitative and quantitative research. According to Tredoux (2002), quantitative research collects data in the form of numbers and use statistical types of data analysis. Additional characteristics, according to Reid and Smith (in Fouché & Delport, 2002) include that the researcher is an objective observer, that studies are focused on relatively specific questions or hypotheses, that data collection procedures and types of measurement are constructed before the study and applied in a standardised manner, that measurement is focused on specific variables that are quantified through rating scales, and that frequency counts and other means and statistical methods are used to determine associations (or differences) between variables.

Mouton and Marais (in Fouché & Delport, 2002) point out that, in contrast to quantitative research, the procedure in qualitative research is not as strictly formalised, the scope is more likely to be undefined and a more philosophical mode of operation is adopted. Researchers further attempt gaining first-hand, holistic understanding of the phenomena of interest by means of a flexible strategy of problem formulation and data collection when using qualitative research methods. Methods such as participant observation and unstructured interviewing are used (Reid & Smith, in Fouché & Delport, 2002).

This research study can thus be classified as quantitative research, because a structured questionnaire was used to collect numeric data, which were then analysed by means of statistical procedures. The specific quantitative research design that was used is survey research. The survey methodology offers a fast, economical method to establish consumers' awareness and usage of products, services and ideas, their ownership and in-home incidence, as well as the perceptions consumers have of them.

7.4 THE RESEARCH INSTRUMENT

The questionnaire (see Appendices 1 and 2) consisted of three parts: demographic items, the PVQ and the SWLS. The three components of the questionnaire will now be briefly discussed.

7.4.1 The Portrait Values Questionnaire

As pointed out in Chapter 1, Schwartz et al. (2001) adapted the 29-item PVQ for South African conditions and this values measure was used in the current research (see Appendix 2, sections G.2.1 and G.2.2, items 1-29). Both the female and male versions of the questionnaire are included in this appendix. The two versions are basically identical – “she/her” is merely replaced with “he/him”. Although this may appear superfluous, S.H. Schwartz (personal communication, 20 August 2005) indicates that various forums agree that the two versions should be kept separate.

As pointed out in Chapter 5, the PVQ was developed because some respondents find the SVS too challenging. In order to explain the rationale behind the development of the PVQ, the SVS method of measuring values and the key findings obtained when using it to test Schwartz’s theory, will now be briefly described.

7.4.1.1 The SVS approach to measuring values

The SVS presents 57 single-value items (e.g., wisdom, an exciting life, family security) that were selected to represent the 10 motivationally distinct value constructs. Each is followed in parentheses by an explanatory phrase intended to clarify and/or narrow its meaning (e.g., social order [stability of society]). Respondents rate the importance of each value item as a guiding principle in their lives on a 9-point scale, which ranges from –1 *(opposed to my values)* to 7 *(of supreme importance).* This type of judgement requires respondents to think about and evaluate abstract concepts. It also does not provide them with specific life contexts within which they can weigh their application of such values. However, because most people do not often spend time evaluating and quantifying the guiding principles in their life, they find this task challenging.

Support for the distinctiveness of the 10 values and the prototypical circular structure of relations among them, as presented in Figure 5.4, was found in 95% of the samples in research from 63 nations, in which the SVS was used. According to Schwartz et al. (2001), it is therefore evident that, although people differ substantially in the importance they attribute to values, the values of most literate adults across cultures (nations) are organised according to the common structure of motivational oppositions and congruities, as proposed by Schwartz's theory.

7.4.1.2 The development of the PVQ

According to Schwartz et al. (2001), two objectives guided the development of the PVQ. It had to be more concrete and less cognitively demanding than the SVS, so that it could be used with populations for which the SVS appeared not to be suitable. It further had to differ substantially from the SVS in its format and judgement task, in order to serve as an independent test of the theory of value content and structure.

The PVQ includes short verbal portraits of 29 different people. Each one describes a person's goals, aspirations or wishes that imply the importance of a particular value. "Thinking up new ideas and being creative is important to him. He likes to do things in his own original way", for example, describes a person for whom self-direction values are important. "It is important to him to be rich. He wants to have a lot of money and expensive things" describes a person for whom power values are important. For each portrait, respondents are asked, "How much like you is this person?" They check one of six boxes labelled *very much like me, like me, somewhat like me, a little like me, not like me,* and *not like me at all,* as discussed in Chapter 5.

Respondents' values are inferred from how similar to themselves they regard the people who implicitly portray particular values. Respondents are asked to compare the portrait to themselves, instead of comparing themselves to the portrait. This approach is followed, because when people compare other people to themselves, they tend to direct attention only to the aspects of the other person that are portrayed, so their similarity judgement will tend to focus on the value-relevant aspects that are portrayed. On the other hand, when people compare themselves to other people, they could focus on themselves and may think about the wide range of characteristics they have (Holyoak & Gordon, in Schwartz et al., 2001; Scull & Gaelick, in Schwartz et al., 2001). If they do not find these characteristics in the portrait, respondents may overlook the fact that they are similar to the portrayed person in terms of values.

Each person in the verbal portraits is described in terms of what is important to him or her. This is intended to capture a person's values without explicitly referring to them as such.

The PVQ further requires respondents to rate their similarity to someone with particular goals and aspirations (values) and not their similarity to someone with particular traits. Schwarz et al. (2001) point out that the same term (e.g., ambition, wisdom and obedience) can refer both to a value and to a trait.

But, people to whom a particular value is important do not necessarily exhibit the same trait, and those who exhibit a particular trait do not necessarily regard the corresponding value as important. People for whom creativity is important as a guiding principle in their lives, for instance, may not be creative. Those who are creative, on the other hand, may not regard creativity as an important value that guides them. A respondent to the PVQ who indicates that a person for whom “thinking up new ideas and being creative is important” is very much like her or him, therefore indicates how important self-direction values are to him or her, although the person may not be creative.

The valued goals, aspirations, and wishes reflected in the portraits were selected in three ways during development of the PVQ:

1. Portraits were developed according to the conceptual definitions of the values (as reflected in Table 5.1), but not using terms in the SVS. The definition of achievement values, for instance, resulted in “It’s very important to him to show his abilities. He wants people to admire what he does”.
2. Items from the SVS were paraphrased, for example, the phrase describing the universalism value, “protecting the environment”, became “He strongly believes that people should care for nature”.
3. Abstract terms or phrases from the SVS were made more concrete. The conformity value, “politeness”, for instance became “It is important to him to be polite to other people all the time”.

Many items could actually be created for each value according to the above guidelines. Schwartz et al. (2001), however, limited the total number of portraits so that the questionnaire could be completed in 10 minutes at most. The number of portraits used to measure each value depended on the breadth of its conceptual definition (Schwartz, in Schwartz et al., 2001) – stimulation, hedonism, and power were each measured by two portraits; self-direction, achievement, security, conformity, and benevolence were each measured by three portraits; and tradition and universalism were each measured by four portraits.

The portraits were ordered randomly, but those intended to represent the same value had to be separated by at least three other portraits. The PVQ was developed in Hebrew and English in male and female versions. Its language level was simplified until 11-year-olds in Uganda, Canada, and Israel understood all the items.

7.4.1.3 Differences in measuring value priorities between the SVS and PVQ

Schwartz et al. (2001) advise that the PVQ and SVS methods for measuring value priorities differ significantly in the following respects:

1. The PVQ measures values indirectly, while the SVS obtains direct, personal reports of people's values. In the PVQ, respondents are required to judge how similar another person is to themselves, but in the SVS they are required to rate how important particular values are as guiding principles in their lives. Respondents' judgement tasks therefore differ considerably between the PVQ and the SVS.
2. The portraits presented in the PVQ consist of people who are presented in terms of their goals, aspirations and wishes, while the SVS presents abstract, context-free values. Respondents who complete both the PVQ and the SVS therefore tend to describe the PVQ as more concrete and context bound.
3. The SVS' rating scale consists of partially labelled, 9-point numerical response scales, which include positive and negative numbers. Respondents who are not familiar with numerical scales or negative numbers or who have limited numeracy skills may find this difficult. The PVQ merely requires respondents to check one of six labelled boxes.

To sum up, the PVQ does not require as many fine distinctions as the SVS, and respondents do not have to convert their judgements into numbers. Respondents typically indicate that they find completing the SVS a mentally challenging task, that requires careful thought and evaluating the relative importance of values. Respondents to the PVQ, on the other hand, tend to find it not difficult to form their judgements and rarely have any questions. They respond to it as a simple task, and even preadolescents complete the PVQ in 7 to 10 minutes (Schwartz et al., 2001). The 40-item PVQ requires about 10 minutes to be completed in face-to-face or telephone interviews (Schwartz, in Krystallis et al., 2008).

7.4.1.4 Scoring the PVQ

S.H. Schwartz (personal communication, 8 May 2008) points out that it is necessary to make a correction for individual differences when using the response scale, before performing analyses to investigate the relationship between people's value priorities and other variables.

People differ in the way they use the response scale for values. Some distribute their importance ratings across the whole rating scale. Others tend to rate most value items as quite important, while others tend to give lower ratings to most items. When using the PVQ, the aim is to investigate people's value priorities, or the relative importance of different values to them.

When relating value priorities to other variables, such differences in scale use should be controlled. This can be done statistically. For the PVQ, each person's mean score across all 29 items is computed. To compare group means, analysis of covariance with each person's mean rating as the covariate is used. To correlate value priorities with other variables, partial correlation is used on the mean rating. This does not serve as a form of standardising, but these procedures preserve real differences in the extent to which people discriminate among their values.

The score for each value consequently is the mean of the raw ratings given to the items comprising a particular value. S.H. Schwartz (personal communication, 7 November 2007) strongly warns that if the necessary corrections for scale use are not made, incorrect conclusions will be made. The following procedure is used to make this correction:

1. Scores for the 10 values are computed by taking the means of the items that index it.
2. Each individual's mean score is computed across all 29 value items.
3. A centred score is then computed for each of the 10 values by subtracting the mean score across all items (computed in step 2) from the mean score of a particular value (computed in step 1).

S.H. Schwartz (personal communication, 7 November 2007) suggests that these centred value scores be used in correlation analyses, t-tests, MANOVAs and ANOVAs. This approach was followed in this research study.

7.4.1.5 Reliability analysis of the PVQ

The reliability of a scale indicates the extent to which it is free from random error variance (Pallant, 2001). The reliability of the PVQ was established by means of Cronbach's alpha coefficient.

According to Pallant (2001), internal consistency, which measures the degree to which the items that make up a particular scale all measure the same underlying attribute, serves as one of the methods used to determine a survey's reliability. One of the most commonly used statistics to determine internal reliability is Cronbach's alpha.

Cronbach's alpha coefficients range from 0 to 1, where 0 indicates no internal consistency and 1 indicates maximum internal consistency. Although it is generally accepted (Peterson, 1994) that a Cronbach alpha of 0.7 indicates an acceptable level of internal consistency, Field (2005) mentions that there is support in the literature for accepting coefficients lower than 0.7, particularly when very diverse constructs are measured and few items are involved.

As indicated earlier, the PVQ requires respondents to indicate whether a particular portrait describes them well, or not. Response options range from 1 to 6, where "1" indicates that respondents regard the particular option as very much like themselves and "6" indicates that the person portrayed does not resemble them at all. Before statistical analyses were undertaken on the research data, respondents' values scores were reversed, so that high ratings indicated that values were highly important to them.

In this research study, a seventh response option labelled "do not know" was included in order to lessen the incidence of bias, and to enable respondents who found a particular scale item too challenging to respond accurately (Steenkamp & Burgess, 2002). These options were, however, not included when means were computed for the data. Because responses of "do not know" were allocated a score of 0, these responses could not be used in the statistical analyses and were regarded as missing values.

7.4.2 The Satisfaction with Life Scale

As pointed out in Chapter 1, people derive life satisfaction from different sources, depending on their life circumstances; to address this, Diener et al. (1985) constructed the SWLS, which measures life satisfaction overall. When responding to the SWLS, people therefore evaluate their life satisfaction subjectively by examining their life as a whole. With this subjective approach, respondents may use whatever sources they choose for evaluating how satisfied they are with their lives overall, as discussed in Chapter 1.

The SWLS consists of five items. In the original scale, respondents are required to indicate how strongly they agree with these items on a seven-point Likert scale. In this research, a five-point Likert scale was used.

The final section of the research instrument – consisting of items measuring respondents' living standards – were phrased in the same way as in AMPS research (see sections PD6, PD9C, PD10A, PD10B, PD14A, PD14A.2, PD14B and PD15 in Appendix 1). These items aim to measure respondents' access to particular services, and to durable, semi-durable and non-durable products.

7.5 POPULATION AND SAMPLE

According to Van Vuuren and Maree (2002), sampling is the process used to select cases for inclusion in a research study. The researcher should ensure that the sample is collected in a systematic manner, so that the sample members' impact on the results can be estimated and evaluated.

The population from which a sample is drawn affects the validity and generalisability of the results (Babbie, Mouton, Vorster & Prozesky, 2001). The population for this survey consisted of all South African adults. A stratified sample of 3 500 adults was selected for the survey. The primary stratification variable was geographical region, using the nine provinces as a basis, and the second stratification variable was community size, with categories cities, large towns, small towns, villages and rural areas. The metro sample was a stratified probability sample consisting of 2 000 adults (16 years and older) living in metropolitan areas. The non-metro sample also consisted of a stratified probability sample of 1500 adults (16 years and older), but living in non-metropolitan areas. Demographic variables that were recorded in addition to the research variables were cultural group, gender, age group and community size.

A screening question, asking whether respondents were wholly, mainly, partly or not responsible for the day-to-day purchases of the household, was included in the survey. It does not reflect in the appendices, but as is evident in Appendix 2, data on the section *personal opinion* were only obtained from respondents who were wholly, mainly or partly responsible for their households' purchases. The final sample consequently consisted of adult South African PDMs, as indicated in Chapter 1.

7.5.1 Sampling methodology

According to Clayton (in Wellman & Kruger, 2001), a sample refers to the subset of individuals drawn from a population in order to draw inferences about the population. A distinction is made between probability and non-probability samples. Probability sampling was employed in this research study. In probability sampling, every element in the population has an equal likelihood of selection, and the selection of a particular element does not influence the selection of any other element. Probability sampling is essential in order to be able to use statistical calculations on a sample to infer the values of parameters of a population (Howell, 2002). In this research, respondents were drawn by a sampling method used by one of the largest marketing research organisations in South Africa, using multi-stage probability sampling methods.

The sample included persons of 16 years and older living in multimember households. Squatters were included in the sampling frame. However, domestic workers residing at their place of work, hostel dwellers and persons younger than 16 years of age were excluded from the sample.

Enumeration areas were drawn from the 2001 Population Census. Within each of the sampled areas, a street was randomly selected using the Geographical Information System (GIS), which indicates all the streets within the boundaries of each area. The streets were listed and a street was then selected randomly from the list. In the selected street between four and six dwellings were selected using a random walk procedure.

If there was more than one household at a dwelling, one household was chosen using a random procedure. At every alternate dwelling, all the males or all the females over 16 years of age were listed in order of age and thereafter one of them was chosen using a random selection grid.

If interviewers found at their first visit that the qualifying person was not available during the fieldwork period because they were, for instance, on holiday, ill or not able to speak any of the South African official languages, interviewers were allowed to immediately substitute them with a suitable respondent. Three calls, however, had to be made to a particular dwelling, before it was substituted with the nearest dwelling.

The above sampling process resulted in 3,500 face-to-face, in-house interviews being undertaken with respondents 16 years and older in both metro and non-metro areas. In order to determine the appropriate respondents for this research, the questionnaire included a screening question requiring respondents to indicate whether they were the main purchasers for a particular household, as indicated earlier. This exclusion criterion resulted in a final sample of 2566 respondents for the current research.

7.6 DATA COLLECTION

The data was collected by a reputable marketing research organisation based in Johannesburg, mentioned above. The national (both metro and non-metro) surveys were conducted in October 2005.

The data collection method will now be explained.

7.6.1 Data collection method

Fieldwork for the survey commenced on the 26th of September 2005 and was concluded on the 19th of October 2005. The data was collected by means of a paper-based questionnaire administered through face-to-face interviews. The questionnaire was translated into isiZulu, isiXhosa, Setswana, Sesotho, Sepedi and Afrikaans. Interviews were conducted in respondents’ preferred language.

All interviewers had a Senior Certificate qualification and were trained and thoroughly briefed before they conducted any interviews. Their initial training took place by means of a training workshop, where interviewers each received a training manual. Before the fieldwork for the survey started, interviewers were briefed on the survey.

The interviewers were representative of South African society. All black interviewers were required to be proficient in four languages, while white, coloured and Indian interviewers were required to have command over at least two languages.

Although all interviews were conducted under the constant supervision of trained and experienced supervisors, a minimum of 20% back-check on each interviewer's work was conducted to ensure accuracy and consistency, for instance, to prevent falsification of information and to verify sampling accuracy.

7.7 STATISTICAL ANALYSIS

According to Howell (2002), the choice of appropriate statistics depends both on the type of measurement used to collect the data and the purpose of the analysis. In the current section, a theoretical description of the statistical techniques used to address the research aims (provided in Chapter 1 and section 7.1) will be presented, as well as an explanation why these techniques were used.

The statistical analysis of data is often split into two separate categories, namely descriptive and inferential statistics. These two categories will now be briefly discussed, as well as statistical significance and determining effect sizes.

7.7.1 Descriptive statistics

One of the first tasks researchers undertake when analysing data is to obtain graphic displays and calculate frequencies, means and standard deviations. An examination of the findings and the general tendencies in the data includes an evaluation of oddly shaped distributions of scores. These procedures are called descriptive statistics because they are primarily aimed at describing the data (Howell, 2002).

Descriptive statistics mainly refer to means, frequencies and standard deviations. The following descriptive statistics were used in this research: frequencies, for instance, were used to present the gender distribution in the sample (see Figure 8.1). Mean scores were calculated for each PVQ value across the LSM groups, which are displayed in Figure 8.15. The standard deviation serves as an indication of variability amongst scores.

7.7.2 Inferential statistics

After describing the data in detail and understanding what they mean, researchers are particularly interested in generalising and making inferences in order to address the research objectives. According to Howell (2002), when researchers design a research study, they acknowledge that it is not possible to obtain data from an entire population, and consequently draw samples from the particular population. Their basic questions, however, relate to the entire population. A measure such as an average self-esteem score, which refers to an entire population, is called a parameter. When the same measure is calculated from a sample of the research population, it is termed a statistic.

Parameters are the real entities of interest, while the corresponding statistics serve as estimates of reality. Researchers want to infer something about the characteristics of the population (parameters) from what they know about the characteristics of the sample (statistics). The sample mean consequently is aimed at estimating the population mean (Terre Blanche, 2002).

Analysis of variance (ANOVA), multivariate analysis of variance (MANOVA) and discriminant analysis, techniques used to infer something about the population from the sample, will now be briefly discussed.

7.7.2.1 ANOVA

In general, the purpose of ANOVA is to test for significant differences between means. According to Durrheim (2002a), ANOVA is a type of statistical analysis that is appropriate for research designs which have one independent variable consisting of two or more groups (one-way ANOVA), or more than one independent variable (factorial ANOVA).

The ANOVA computes the F ratio between the actual variation of the group averages and the expected variation, for example, F = (found variation of the group averages)/(expected variation of the group averages). As part of the analysis, a p-value (significance value) is calculated to help interpret the size of the F value.

7.7.2.2 MANOVA

The MANOVA procedure deals with multiple dependent variables simultaneously (Howell, 2002). In the most common type of MANOVA, researchers may, for instance, want to compare three groups differing in respect of four different measures of a particular construct. In this case, each respondent has scores on all four measures and researchers want to treat those four scores in the same analysis instead of running a separate analysis of variance on each measure.

As pointed out in Chapter 1, the South African population is particularly suited to market segmentation because of its diversity. Using MANOVA does not require compound symmetry, and consequently avoids many of the problems inherent in repeated measures of ANOVA (Tredoux, 2002), which makes it particularly suitable to investigate differences in this research.

(a) Test for homogeneity

Box's M tests the null hypothesis that the covariance matrices do not differ between groups formed by the dependent variable. This is an assumption of MANOVA as well as of discriminant analysis. Box's M is based on the F distribution. If $p(M) \leq 0.05$, then the variances are significantly different. Researchers want M **not** to be significant, rejecting the null hypothesis that the variances of the independents among categories of the categorical dependent are not homogenous. That is, a researcher wants this test **not** to be significant, in order to accept the null hypothesis that the groups do not differ. Thus, the probability value of F should be higher than 0.05 to demonstrate that the assumption of homoscedacity is upheld.

This test is also very sensitive to meeting the assumption of multivariate normality.

7.7.2.3 Discriminant analysis

Discriminant analysis is used to best separate (or discriminate) among a set of groups using several predictors (Field, 2005). It is a technique used for distinguishing two or more groups on the basis of a set of variables (Howell, 2002). It can basically be conceptualised as MANOVA in reversed format. In MANOVA, the independent variables serve as the groups and the dependent variables serve as the predictors, while in discriminant analysis, independent variables are the predictors and dependent variables form the groups.

Discriminant analysis takes place by means of a two-step process: (1) testing the significance of a set of discriminant functions, and (2) classification. The multivariate test is firstly performed, and, if it is statistically significant, it is determined which of the variables have significantly different means across the groups. Once group means are found to be statistically significant, the classification of variables takes place.

Discriminant analysis automatically determines the optimal combination of variables so that the first function obtained provides the best overall discrimination between groups, the second provides the second most, et cetera. Furthermore, the functions are independent or orthogonal, that is, their contributions to the discrimination between groups will not overlap. The first function explains the most variation.

Discriminant functions are interpreted by means of standardised coefficients and the structure matrix. Standardised beta coefficients are provided for each variable in each discriminant (canonical) function, and the larger the standardised coefficient, the greater the contribution of the particular variable to the discrimination between groups. However, these coefficients do not indicate among which of the groups the respective functions discriminate. The nature of the discrimination for each discriminant function can be identified by considering the means for the functions across groups.

Group means are centroids. Differences in location of the centroids point out dimensions along which groups differ. How the two functions discriminate between groups can consequently be presented visually by plotting the individual scores for the two discriminant functions.

Another way to determine which variables define a particular discriminant function is to consider the factor structure. The factor structure coefficients are the correlations between the variables in the model and the discriminant functions. The discriminant function coefficients denote the unique contribution of each variable to the discriminant function, while the structure coefficients denote the simple correlations between the variables and the functions.

To sum up then, when interpreting multiple discriminant functions, which arise from analyses with more than two groups and more than one continuous variable, the different functions are first tested for statistical significance. If the functions are statistically significant, the groups can be distinguished based on predictor variables. Standardised b coefficients for each variable are determined for each significant function. The larger the standardised b coefficient, the larger the respective variables' unique contribution to the discrimination specified by the respective discriminant function. In order to identify which independent variables contribute toward causing the discrimination between dependent variables, the factor structure matrix with the correlations between the variables and the discriminant functions can also be examined. Finally, the means for the significant discriminant functions are examined in order to determine among which groups the respective functions appear to discriminate (http://www.epa.gov/bioiweb1/statprimer /tableall.html).

S.H. Schwartz (personal communication, 7 November 2007) advises that the raw scores should be used when values are included in a discriminant analysis, not the centred scores (as explained in section 7.4.1.4).

7.7.3 Statistical significance

Test statistics such as the inferential techniques described above, are used to tell the researcher about the true state of the population – as inferred from the sample. According to Field (2005), there are two possibilities in the actual population:

1. there is, in reality, an effect in the population, or
2. there is no effect in the population.

Field (2005) explains that researchers have no way of knowing which the true situation is, but by looking at the test statistic and the associated probability, they can decide which of the two options is the **most likely**. A general decision rule is set, against which the p-value is evaluated when deciding whether the observed effect in the sample is true also for the population.

Stolzenberg (2004), however, points out that a significance coefficient is merely a non-zero estimated coefficient that is distinguishable from zero. Statistical significance does not serve as a measure of strength or importance. If a regression coefficient is distinguishable from zero (i.e., statistically significant), analysts should investigate the size of effects they find, in order to evaluate the practical significance of the finding. In this research, the significance of the findings will be indicated by using markers as follows: * when the results are significant at $\alpha = 0.05$, ** when the results are significant at $\alpha = 0.01$, and *** when the results are significant at $\alpha = 0.001$; where required, the practical significance of the results will be interpreted.

7.7.3.1 Effect size

According to Cortina and Nouri (2000), social scientists initially relied entirely on statistical significance to provide information on which conclusions were drawn. They, however, mention that although significance testing has many advantages, it has some limitations. Significance testing is affected greatly by sample size – even weak effects might become significant when the sample size is very large, and fairly strong effects might be overlooked when samples are small. Durrheim (2002b) further points out that if a researcher obtains significant differences between his or her treatment means, it does not mean that they are large or important.

Due to interpretational limitations such as the above, a standardised index of raw magnitudes can help to interpret the actual size of an effect. According to Howell (2002), psychologists have begun to require some measure of effect size, and some sort of confidence intervals when analyses are meaningful. The type of index used depends on the statistical test used.

Pearson's r is one of the most widely used effect sizes. It can be used when data are continuous or binary and is arguably the most versatile effect size. Cohen (in Lachenicht, 2002) provides the following guidelines for interpreting r in the social sciences: small effect size, r = 0.1; medium, r = 0.3; large, r = 0.5.

Some further guidelines for the interpretation of correlation (r) effect sizes are provided in Table 7.1.

Table 7.1 Guidelines for interpretation of a correlation
(Howell, 2002, p. 287)

Correlation	**Negative**	**Positive**
Small	−0.29 to −0.10	0.10 to 0.29
Medium	−0.49 to −0.30	0.30 to 0.49
Large	−1.00 to −0.50	0.50 to 1.00

To determine the effect size in the case of correlations, the r^2 value of the correlations can be used. It indicates the percentage of variance in the dependent variable that is accounted for by membership in the independent variable groups.

According to Lachenicht (2002), effect size is an estimate of the proportion of total variance explained by differences among the treatment means, and is thus an indication of the strength of the effect. When units have no intrinsic meanings in themselves, standardised measures such as *d* are appropriate. It is appropriate to use Cohen's *d* as an effect size measure in the context of a t-test on means. It is defined as the difference between two means, divided by the pooled standard deviation for those means.

Finally, Pallant and Pallant (2007) point out that *partial eta squared* also is a commonly used effect size statistic for comparing groups. SPSS (Statistical Package for the Social Sciences) can calculate this effect size as part of the output from some techniques such as analysis of variance. *Partial eta squared* effect size statistics indicate the proportion of variance of the dependent variable that is explained by the independent variable, while Cohen's *d* presents differences between groups in terms of standard deviation units (Pallant & Pallant, 2007:208), as is evident in Table 7.2.

Table 7.2 Effect sizes as determined by *Eta squared* and Cohen's *d*
(Pallant & Pallant, 2007, p. 208)

Size	***Eta squared*** **(% of variance explained)**	**Cohens' *d*** **(standard deviation units)**
Small	0.01 or 1%	0.2
Medium	0.06 or 6%	0.5
Large	0.138 or 13.8%	0.8

According to Cohen (in Lachenicht, 2002), d = 0.20 refers to an effect that is small, but probably meaningful, an effect size of d = 0.50 reflects a medium effect that most people would be able to notice, and an effect size of d = 0.80 is large.

7.7.4 Choosing statistical techniques to address the research aims

According to Howell (2002), the choice of appropriate statistics depends both on the **type of measurement** used to collect the data **and the purpose of the analysis.** In this study, the data was collected by means of quantitative measures. Although different procedures may be suitable to analyse the quantitative data, a set of rules could guide researchers' decision-making during this stage, as will be evident in the following discussion.

7.7.4.1 Type of data

The first decision is whether one is working with categorical (nominal and ordinal) interval or ratio data. In scientific research, variables must be measured (Graziano & Raulin, 1998). There are four basic types of measurement options. The different levels of measurement include:

- Nominal scales: this is the lowest level of measurement, the scale with the least matching to the number system. Classification of variables is into unordered qualitative categories; for example, the cultural group variable in the current study (Graziano & Raulin, 1998).
- Ordinal scales: Classification into ordered qualitative categories; for instance, social class (I, II, III, etc.), where the values have a distinct order, but their categories are qualitative in that there is no natural (numerical) distance between their positive values. An example of ordinal scales in the current study is the education level of respondents.
- Interval: When the measurement conveys information about the ordering of magnitude of the measurement and about the distance between the values (Graziano & Raulin, 1998). Although satisfaction-with-life ratings are strictly speaking ordinal in nature, researchers often consider them as interval scales in order to calculate means and parametric significance testing.
- Ratio: These are measurements where there is equal distance between the numbers, as with interval scales, yet it also has an absolute zero. No ratio variables were included in the current study.

In the case of categorical variables, an appropriate test of association is the Chi-square test of independence. In the case of ratio and interval data, further decisions need to be made before selecting the appropriate inferential procedure.

7.7.4.2 Research questions

Research questions can be broadly divided into two kinds, namely whether they are aimed at **determining relationships among variables,** or **differences between means** (Howell, 2002). The main purpose of this research was to investigate whether value-related variables and SWL can be used to further discriminate among multivariate consumer segments.

In this research study, the research questions can be grouped into two main types of statistical methods, as presented in Tables 7.3 and 7.4.

Table 7.3 Research questions determining differences between means

• Which value profiles are more dominant in broad groupings as classified according to the LSM multivariate consumer segmentation approach?
• Are there significant differences between the mean values of the ten PVQ values and in the SWL across major demographic groups?

Table 7.4 Research questions determining relationships

• Is Schwartz's (1992) values model valid and reliable within a very diverse population, such as the South African population, where several cultural groups are represented?
• Is the SWLS valid and reliable within the multi-cultural South African context?
• What is the nature of the relationships between the values of PDMs in various LSM groups and their SWL?
• Can individual-level culture be associated with some of Schwartz's values, and is there a relationship between individual-level culture and SWL?

Howell (2002) provides further guidelines on how to combine the information on the type of data and the research objective to find the appropriate technique:

- If the data consists of two or more continuous variables, correlation and regression analyses are appropriate. Correlations are used to determine whether two variables are related, while regression is used to determine whether predictor variables are related to dependent variables.
- When the interrelationships between several variables are investigated simultaneously, structural equation modelling is appropriate. When the interrelationships are investigated across different groups, multi-group structural equation modelling is necessary.

If the independent variables are categorical and the dependent variable is continuous, the aim of the analysis is to determine whether the subjects in the different categories have different mean scores on the dependent variable. In this situation, there are a number of procedures available, depending on the number of means. In this research, the dependent or research variables can be assumed to be continuous, and the independent variables (LSM grouping or demographical variables such as cultural group or gender) are categorical. In order to test the effect of the independent variable on the continuous variable, ANOVA or MANOVA is appropriate, and was used to evaluate the research questions.

As indicated earlier, South Africa is particularly suited to market research because of its multicultural diversity. In this study, the cultural group that respondents belong to is one of the most important variables investigated because people's values form part of their cultural heritage. When respondents' cultural group, however, is tightly confounded with a key research variable, such as their level of LSM classification, it becomes a crucial variable to consider in the analysis of research data, where the purpose is to explore differences among groups. In the current research, respondents' LSM grouping tends to be highly associated with their cultural group, or ethnicity, and this variable therefore receives special attention in the analyses presented in Chapter 8. In order to establish whether PDMs attach significantly different levels of importance to particular values across LSM groups, it is critical to first establish whether the instrument used to measure values is valid and equivalent across cultural groups. If this is not the case, any conclusions about differences between PDMs from various LSM groups could be attributed to differences between cultural groups. The most commonly used statistical method to test for invariance, is multi-group confirmatory factor analysis (MGCFA), which is described in more detail in the following section.

As indicated earlier, it was found in cross-national research that people may differ in the importance that they attribute to Schwartz's values, but the same motivational structure appears to organise these values across nations. Schwartz et al. (2001) found support for the structure of Schwartz's values model in South Africa, using the 29-item PVQ as measurement instrument. Schwartz et al.'s (2001) study, however, did not provide strict tests of measurement invariance. It is therefore crucial that this research investigates the validity of applying the 29-item PVQ in the South African context, where different cultural groups are represented in the sample.

As will be evident in the following section, the MGCFA model (Byrne, in Steenkamp & Baumgartner, 1998; Jöreskog, in Steenkamp & Baumgartner, 1998) represents the most powerful method for testing cross-cultural measurement invariance.

7.8 TESTING MEASUREMENT INVARIANCE ACROSS CULTURAL GROUPS USING MULTI-GROUP CONFIRMATORY FACTOR ANALYSIS

Research using the same set of items to measure a particular construct in different countries is of questionable validity in the absence of measures of invariance. Two seminal contributions to this field are Jöreskog's (in Steenkamp & Baumgartner, 1998) model: the MGCFA, and Steenkamp and Baumgartner's (1998) work on assessing measurement invariance in cross-national consumer research, which has heightened awareness of invariance in the marketing discipline.

Although Steenkamp and Baumgartner (1998) acknowledge Jöreskog's model as the most powerful and versatile approach to testing for cross-national measurement invariance, they point out that a lack of concern for measurement invariance in cross-national consumer research persist. They attribute this to confusion arising from the array of types of measurement invariance, a lack of agreement about terminology, researcher ignorance, methodological complexity, uncertainty about acceptable degrees of invariance and an absence of guidelines for assessing it. They consequently set out to provide a coherent conceptual framework to address these problems. The framework is based on the MGCFA model for determining the relationship between observed variables and the constructs assumed to underlie them.

The framework itself determines the relative invariance of a measuring instrument by applying various measures of invariance in sequence, each more exacting than the preceding one. These measures can also be viewed as a hierarchy of five increasingly restraining hypotheses, namely:

Hypothesis 1: Configural invariance (or similar factor structure);

Hypothesis 2: Metric invariance;

Hypothesis 3: Scalar invariance;

Hypothesis 4: Factor variance and covariance invariance; and

Hypothesis 5: Error variance invariance.

Each of these hypotheses will now be briefly explained.

7.8.1 Hypothesis 1: Configural invariance

The first hypothesis tests for *configural invariance* (Steenkamp & Baumgartner, 1998), by asking whether the different groups have a similar factorial structure.

At issue here is salience. Items that are salient in one culture may not be salient in another because the latent factor which the item purports to measure is salient in the one culture but not in the other. Unless the configuration of salient and nonsalient factor loadings is the same for the two cultures, the measuring instrument will not have configural invariance. In this case, the best option for the researcher is to analyse the results separately for each group. Only when the first hypothesis is tenable, would it make sense to move on to the hypothesis on metric invariance as referred to by Steenkamp and Baumgartner (1998).

7.8.2 Hypothesis 2: Metric invariance

The question implicit here is: “Do the items in a measurement instrument change by the same amount with an equal change in the latent variables?” Expressed as the second hypothesis, it corresponds to testing whether the values of the factor loadings are invariant; in other words, whether the descriptors and intervals on a scale are understood in the same way across groups. If so, observed item differences indicate real differences in the underlying construct and can be meaningfully compared across the groups.

To test this hypothesis, the factor loadings can be constrained to be equal for the groups. If the fit for this constrained model is poor, the hypothesis is rejected, from which it can be inferred that certain points or intervals on the scale in certain items are understood differently across groups and that comparisons between the groups would be invalid.

Modification indices of factor loadings or regression weights could, however, be examined to identify the specific factor loadings that are different. These parameters could be set free, and the model could be refitted. If the model fits well with some factor loadings or regression weights allowed to be unique across groups, the instrument could be seen as partially metric invariant. Byrne, Shavelson and Muthén (1989) provide an excellent guideline for testing partial metric or measurement invariance. If these efforts do not lead to a satisfactory fit, the last resort for the researcher is to analyse the groups separately.

7.8.3 Hypothesis 3: Scalar invariance

Configural and metric invariance provide confidence in the items across groups, but not necessarily in the means. Mean scores on an item can be vertically biased unless the item has been tested for consistency between latent and observed means across the groups. One potential source of such systematic bias could be differences in response styles as has been explained in some detail by Baumgartner and Steenkamp (2001). It may be necessary to correct the data for differences in the latent means, using standardisation or a data transformation method that removes the bias before level-oriented methods are used.

Scalar invariance requires the following constraint to be imposed on a measurement once its metric invariance has been established:

$$\tau^1 = \tau^2 = \ldots \tau^G$$

7.8.4 Hypothesis 4: Factor variance and covariance invariance

The first three hypotheses ensure that the set of items performs with invariance in the two groups and that the scale for each item is understood in the same way across the groups and yields the same means, other things being equal. The fourth hypothesis focuses on the correlations between items and factors by asking whether factor variances and covariances between the latent variables are equivalent. This level of invariance can be tested by setting the covariances and variances between the latent variables to be equal in the model.

If the fit for this very constrained model is poor for all groups, H4 is rejected, implying that at least one of the covariances or variances of the latent variances is not equal. In this case, it would be appropriate to identify the specific pair of latent variables for which the covariance or variance is different across groups. When these parameters are subsequently set free, and a good fit is obtained, it can be inferred that the instrument is partially structurally invariant.

7.8.5 Hypothesis 5: Error variance invariance

The final invariance test that can be applied to the structural model is whether measurement errors are invariant across groups. In this hypothesis, indicator error variances are set as equal across groups, which imply that the measurement errors of items are constrained to be equal for each variable across groups.

In this model, configural, metric, scalar, structural and error invariance are forced by means of imposed constraints. Complete invariance is supported if the model with equal error variances fits the data well in all groups.

When all five of these hypotheses are tenable, it can be concluded that the measurement instrument is completely structurally invariant (and by implication completely equivalent) across cultural groups. According to Steenkamp and Baumgartner (1998), it can then be inferred that it is equally reliable across groups.

Steenkamp and Baumgartner (1998) mention that, in any study that deals with cross-national consumer behaviour, sample comparability is assumed across cultural groups. If non-comparable samples are used, possible problems in measurement invariance are confounded with differences in the characteristics of the sample – and this may lead to ambiguous interpretations. As was explained above, Steenkamp and Baumgartner (1998) propose a step-wise procedure for testing measurement invariance – ranging from the least to the most demanding form of invariance – in cross-cultural research. In this research, Steenkamp and Baumgartner's (1998) method described above was followed in testing invariance across cultural groups, using MGCFA.

7.9 CHAPTER SUMMARY

In this chapter, the research strategy and data collection process were described. The research instrument was also described, including the PVQ and the SWLS, and the reasons why these measuring instruments were used in this study, were discussed. The statistical analyses conducted in the study were outlined, as well as the relevant measures of effect. It was evident that it is essential to first establish whether the PVQ and SWLS are valid and equivalent across cultural groups, in order to prevent erroneous conclusions resulting from differences between cultural groups. The most commonly used statistical method to test for invariance, MGCFA, was described, as well as the steps which will be followed during this process in this study.

Chapter 8 presents the findings of this research in an order that is congruent with the research questions. The statistical methods used in Chapter 8 build on the analytical methods described in this chapter.

CHAPTER 8 RESEARCH RESULTS

8.1 INTRODUCTION

This comprehensive chapter presents the research results in a sequence that is coherent with the research questions. It covers ten sections. In section 8.2, the descriptive statistics are presented, in order to describe the demographic profile of the respondents in this study. The psychometric properties of the PVQ and SWLS are covered in sections 8.3 and 8.4, which address sub-problems 1 and 2. Sub-problem 1 was to investigate whether Schwartz et al.'s (2001) PVQ is a valid and reliable measure across cultural groups within the South African context. To investigate this sub-problem, the Cronbach alpha of the instrument is reported, as well as invariance testing across cultural groups, following the MGCFA procedure outlined by Steenkamp and Baumgartner (1998), to determine whether the PVQ is valid and reliable, and invariant across four cultural groups. The second sub-problem was to investigate whether the SWLS is a valid and reliable measure across cultural groups. For this sub-problem, the Cronbach alpha was also calculated and the invariance testing method suggested by Steenkamp and Baumgartner (1998) utilised again. These two sub-problems could be regarded as prerequisite tests before being able to validly investigate sub-problems 3, 4 and 5.

Section 8.5 considers the primary purpose of this research, namely to establish whether there are differences in values across the four LSM super groups, using a number of different approaches. Sub-problem 3, which is the primary focus of this study, was to investigate which of the ten values as indicated by Schwartz's (1992) values theory are more dominant in each of the broad segments of the multivariate LSM segmentation approach. In section 8.5, the validity of the PVQ across the four LSM super groups is investigated, using MGCFA with LSM super group as grouping variable. In addition, discriminant analysis is used in order to develop discriminant functions that are able to distinguish between LSM super groups. Lastly, MANOVA is used to test whether the means of the ten values are significantly different across the four LSM super groups.

Sub-problem 4 is to investigate the nature of the relationships between the ten values and SWL within the South African context. These results are reported in section 8.6.

For sub-problem 5, it is of interest to investigate whether there are significantly different means as measured by the ten PVQ subscales as well as SWL, when comparing different demographic groups, such as gender, language, educational level and cultural groups.

This was the focus of sub-problems 5 and 6. These results are presented in section 8.7 for the PVQ and section 8.8 for the SWLS, and MANOVA is used on centred value mean scores in the analyses.

Section 8.9 presents a model of individual-level culture as higher order forces of four of the value subscales of the PVQ. The effect of individual-level culture on SWL is also explored in this section, and sub-problem 6 is addressed, which was to investigate whether there are relationships between individual-level culture and Schwartz's values, and between individual-level culture and SWL.

8.2 DESCRIPTION OF THE SAMPLE IN TERMS OF THE DEMOGRAPHIC PROFILE

A number of demographic items were included in the questionnaire in order to describe the sample and to be able to provide a detailed profile of the consumers in particular value segments. The sample will now be described in terms of the variables gender, age, marital status, home language, educational level, employment status, household income, cultural group and community size.

8.2.1 Gender

Table 8.1 and Figure 8.1 present the gender distribution in the general population older than 16, and the sample of respondents. The Chi-square goodness-of-fit statistic is also provided in Table 8.1, and the differences between the gender distribution and the sample are significant at the 5% level of significance, but not at the 1% level of significance (p = 0.043).

Table 8.1 Gender distribution in the sample

Gender	Percentage in population	Frequency in sample	Percentage in sample	Cell Chi-square
Male	47.4	1 475	57.5	2.15
Female	52.6	1 091	42.5	1.93
TOTAL	100.0	2 566	Total Chi-square	4.08
			p-value	0.043

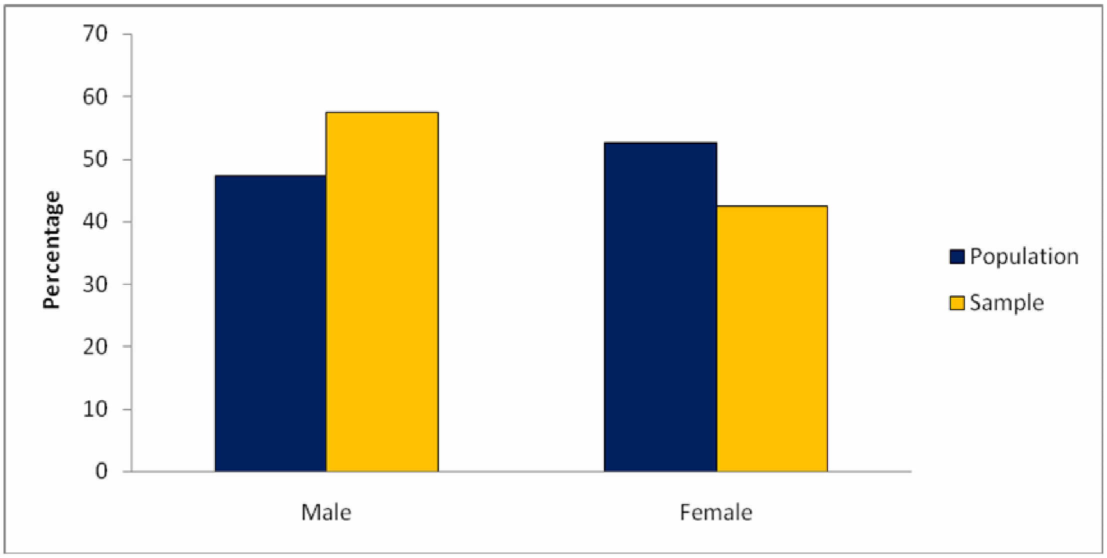


Figure 8.1 Gender distribution in general SA population and in sample

As is evident in Figure 8.1, males and females were almost equally distributed, with slightly more males (57%) in the sample. When these figures are compared to population estimates published by Statistics South Africa (2008), there are differences, but it is not significant at $\alpha = 0.01$.

8.2.2 Age

Respondents were required to indicate their exact age. The descriptive statistical measures of the sample in terms of this variable are presented in Table 8.2, and the frequency distribution in Table 8.3. The number of respondents that indicated their age were 2 497, as some respondents only provided an age range and not their exact age.

Table 8.2 Descriptive measures of respondents' age (n = 2497)

	Minimum	**Maximum**	**Mean**	**Std. Deviation**
Age	16	91	40.41	15.14

It is evident from Table 8.2 that the youngest respondent was 16 years old, while the oldest person interviewed was 91 years old. The average age of the respondents was 40.41 years, with a standard deviation of 15 years.

Figure 8.2 presents the sample in terms of age distribution. Since the mean is very sensitive to outliers (such as one respondent being 91 years old), this figure provides more insight and perspective with respect to the age distribution within the sample. When it is compared to the population distribution, using the Chi-square goodness-of-fit statistic, the differences between the age distributions in the general SA population estimates as provided by Statistics South Africa (2008) and the age distribution are not significant (p = 0.456).

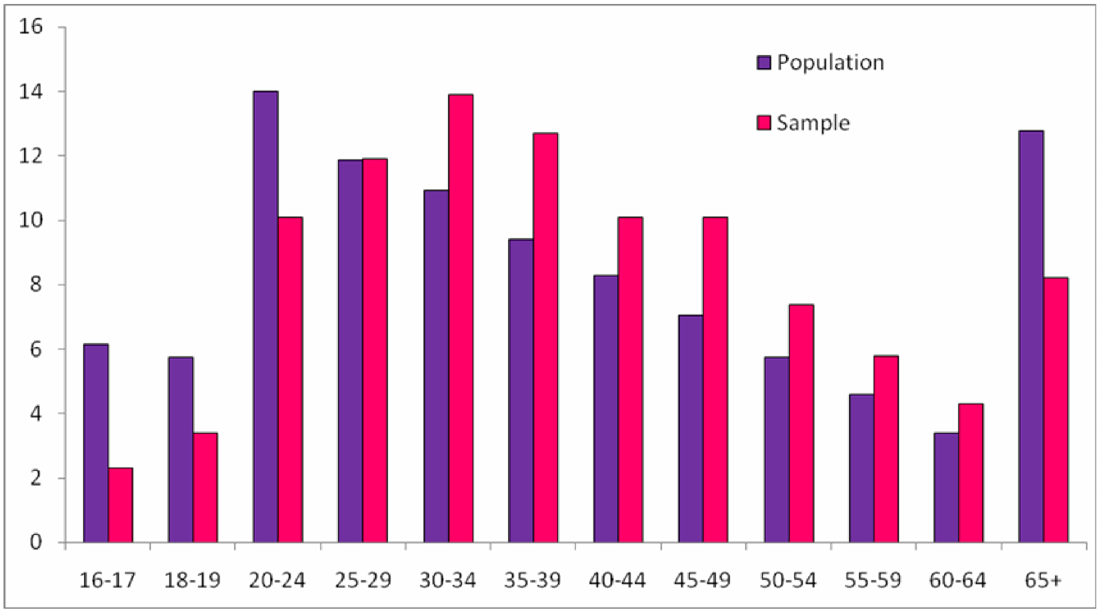


Figure 8.2 Age distribution in general SA population versus distribution in sample

Table 8.3 Age distribution in sample

Age group	**Estimated SA Population***	**Percentage in population**	**Frequency in sample**	**Percentage in sample**	**Cell Chi-square**
16 - 17 years	2 108 139	6.2	58	2.3	2.42
18 - 19 years	1 966 604	5.8	86	3.4	0.96
20 - 24 years	4 791 808	14.0	258	10.1	1.09
25 - 29 years	4 064 792	11.9	306	11.9	0.00
30 - 34 years	3 738 488	10.9	356	13.9	0.81
35 - 39 years	3 217 631	9.4	326	12.7	1.15
40 - 44 years	2 835 297	8.3	258	10.1	0.39
45 - 49 years	2 408 282	7.0	259	10.1	1.33
50 - 54 years	1 967 385	5.8	190	7.4	0.47
55 - 59 years	1 566 153	4.6	148	5.8	0.33
60 - 64 years	1 157 685	3.4	111	4.3	0.25
65 + years	4 375 667	12.8	210	8.2	1.65
TOTAL	34 197 931		2 566	Total Chi-square	10.85
				p-value	0.456

*Statistics South Africa (2008)

It is evident from Figure 8.2 that the sample follows an age distribution that resembles the age distribution in the South African population. It is expected that due to the screening question, and with most persons aged 16-19 usually being in adult care, whilst older persons are also generally more cared for, the age distribution in the sample seems to closely resemble the distribution of PDMs in South Africa.

8.2.3 Marital status

Figure 8.3 and Table 8.4 provide the marital status of the respondents in the sample.

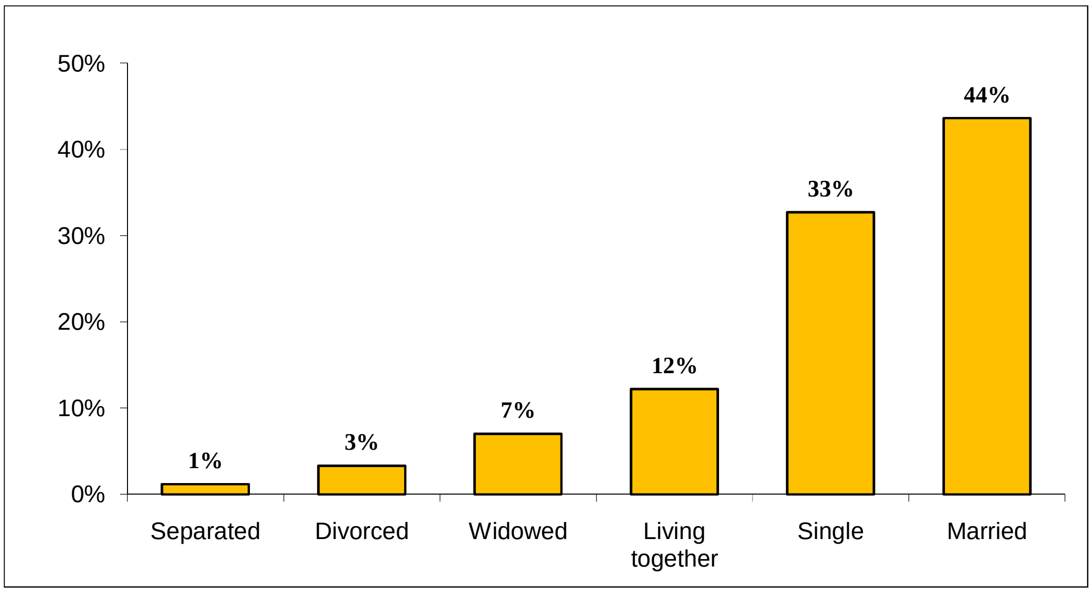


Figure 8.3 Marital status of respondents (n = 2566)

It is evident from Figure 8.3 that just over half of the respondents were in relationships where they shared a household – 44% were married, while a further 12% were cohabiting. In terms of being PDMs, this group of respondents would most probably be responsible for the purchases for their households, while those 44% who are single, widowed, divorced or separated, might typically only shop for themselves. Recent South African estimates of marital status in the population are not available.

Table 8.4 Marital status of the respondents in the sample

Status	Frequency	Percentage
Divorced	85	3.3
Living together	313	12.2
Married	1 119	43.6
Separated	30	1.2
Single	839	32.7
Widowed	180	7.0
Total	**2 566**	**100.0**

8.2.4 Home language

Table 8.5 presents a frequency and percentage distribution of respondents' home language.

Table 8.5 Language distribution of sample (n = 2566)

	Frequency	Percentage
isiZulu	552	22
Afrikaans	438	17
isiXhosa	406	16
English	376	15
Sesotho	202	8
Setswana	199	8
Sepedi	172	7
Tsonga/Shangaan	99	4
Venda	43	2
Swazi	40	2
Ndebele	27	1
Other	12	0

The main languages spoken in the sample were isiZulu, Afrikaans, isiXhosa and English, with the largest percentage being Zulu-speaking (22%).

8.2.5 Educational level

Table 8.6 presents respondents' highest educational level.

Table 8.6 Respondents' highest educational level (n = 2566)

Educational Level	Frequency	Percent
No schooling	122	5
Some primary school	289	11
Primary school completed	270	11
Some high school	948	37
Matric	605	24
Artisan's certificate obtained	21	1
Technical	16	1
Technikon diploma/degree completed	125	5
University degree completed	111	4
Professional	39	2
Secretarial	7	0
Other	13	1

The sample's general educational level was relatively high – 27% had at most completed primary school, and 37% only obtained some high school education. Twenty-four percent (24%) had completed Matric and 9% had completed a Technikon or a university degree. Broader classifications of the highest educational level are provided in Table 8.7.

Table 8.7 Respondents' highest educational level on broader classifications (n = 2566)

	Survey results		Census 2001
	Frequency	Percent	Percent
No schooling	122	5	17.9
Some primary school	289	11	16.0
Primary school completed	270	11	6.4
Some high school	948	37	30.8
Matric	605	23	20.4
Higher education	332	13	8.4

*Note: Higher education is defined in the sample as consisting of Artisan's certificate obtained, Technical, Technikon diploma/degree completed, University degree completed, Professional, Secretarial, Other. This definition might differ from Census data definitions.

In the sample, 5% of the respondents have had no schooling, 11% have had some primary school education, and a further 11% had completed primary school. Respondents with higher levels of education (e.g. some high school through to higher education) make up 73% of the sample. This sample of consumers is therefore better educated than the South African population in general when compared to the Census 2001 data, which indicates that 17.9% of the population have no schooling at all, 16% has some primary schooling and 6.4% completed primary education. According to the Census data, in the broad population, 59.6% of the population have some high school education or higher levels of education.

8.2.6 Employment status

Figure 8.4 and Table 8.8 present the employment status in the sample.

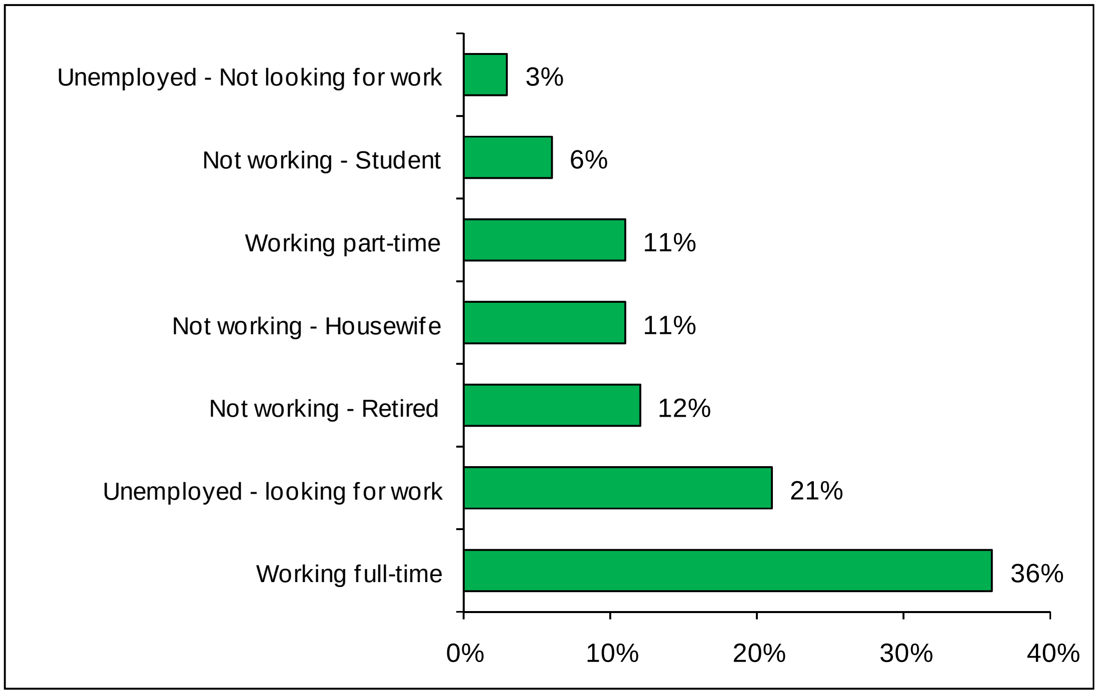


Figure 8.4 Employment status of respondents in the sample (n = 2566)

Table 8.8 Employment status of respondents in the sample

Employment status	Frequency	Percentage
Not working – Housewife	282	11.0
Not working – Retired	314	12.2
Not working – Student	153	6.0
Unemployed – not looking for work	76	3.0
Unemployed – looking for work	550	21.4
Working full-time	911	35.5
Working part-time	280	10.9
Total	**2566**	**100.0**

It is evident from Figure 8.4 that 47% of the sample was employed – 36% were working full-time and 11% were employed on a part-time basis.

8.2.7 Household income

As the focus of this research study is consumer behaviour, respondents' household incomes are presented in Figure 8.5. According to De Mooij (2004), more discretionary income gives people more freedom to express themselves and that expression will be based in part on their value system.

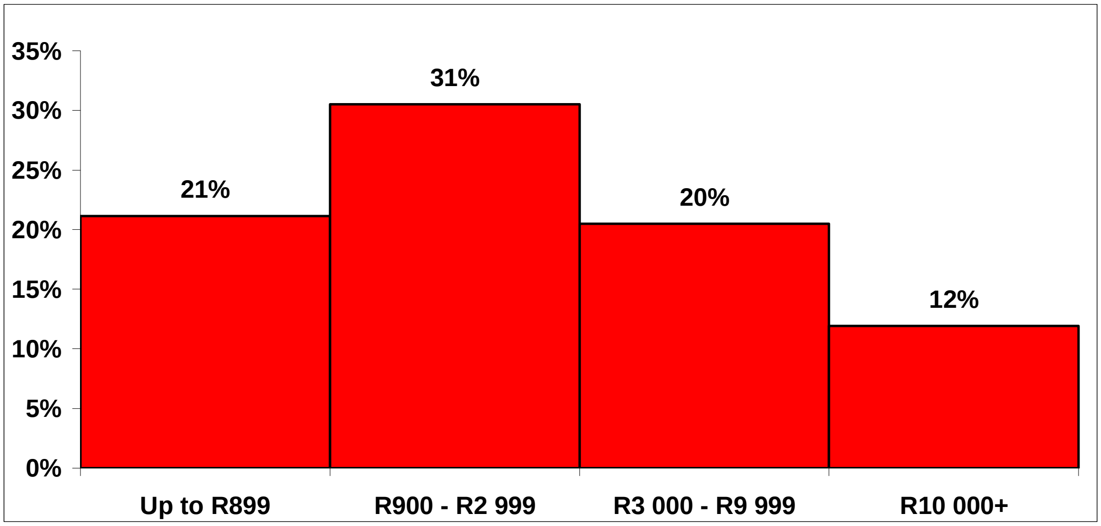


Figure 8.5 Household income groups (n = 2156)

The household income data of only 2156 respondents is presented in Figure 8.5, because some refused to provide this information. Nearly a third of respondents' monthly household income was between R900 and R2999, while a further third earned between R3000 and R10000+.

8.2.8 Cultural group

It is expected that the main construct investigated in this research study, namely consumers' values, is strongly linked to individuals' culture. Figure 8.6 presents the distribution in the sample according to South Africa's main cultural groups.

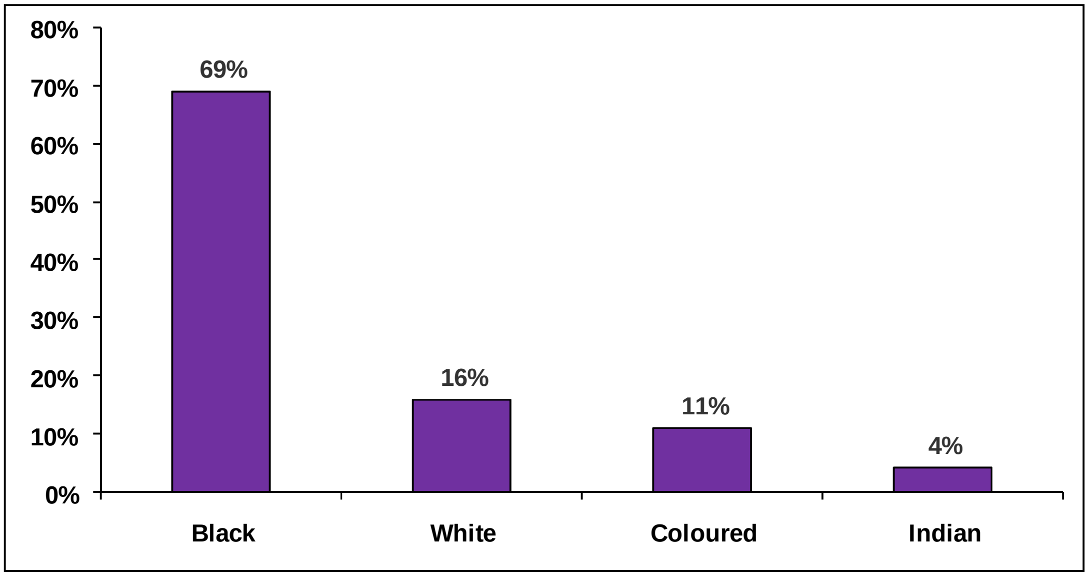


Figure 8.6 Composition in terms of cultural group within the sample (n = 2566)

It is evident that the sample mainly consisted of black people, while the other cultural groups were not represented as strongly – 69% of respondents were black, 16% white, 11% coloured and 4% were Indian.

8.2.9 Community size

The distribution in the sample in terms of the size of the community in which respondents resided, is presented in Figure 8.7.

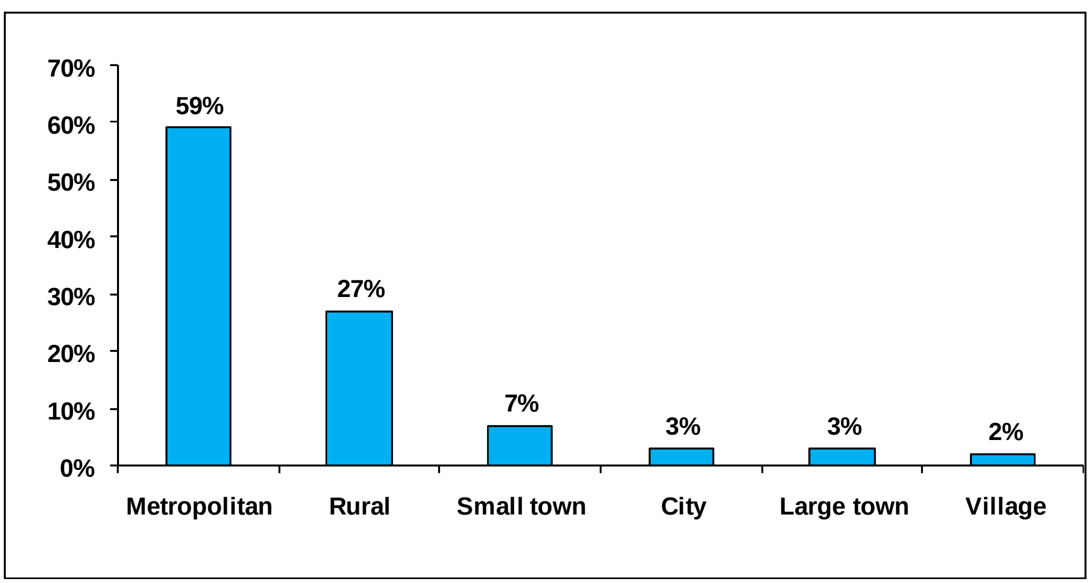


Figure 8.7 Distribution of sample in terms of community size (n = 2566)

It is evident from Figure 8.7 that the majority of the respondents were from metropolitan areas. Nearly 60% of the sample lived in metropolitan areas, while almost 30% resided in rural areas.

This fact may have important implications for this research, because marketers have found differences in consumer purchasing patterns among urban, suburban, and rural areas (Schiffman & Kanuk, 2007), as pointed out in Chapter 3. Consumers' degree of urbanisation is therefore an important segmentation variable that influences what products are distributed, how they are distributed and how they are priced and promoted; it may, in fact, impact on the full marketing mix (Arnould et al., 2004). The degree of urbanisation is also an important descriptor in the current research, because people from the lower LSM groups tend to be found in rural areas, while those in higher LSM groups tend to reside in urban areas.

As pointed out in Chapter 4, the South African market is segmented into 10 LSM groups. These groups, however, are sometimes combined for marketing research and targeting purposes. There appear to be no hard and fast rules for combining LSM groups. Groups 7-10 are often grouped together, while groups 1-3 are often not considered for targeting purposes, since this segment has very little or even no disposable income.

In light of the fact that creating a distinct value profile for each of the 10 LSM groups is a fairly complex task involving large data tables, and that some of the 10 LSM groups share common features, it was considered appropriate to reduce the number of LSM groups in this research before creating a distinct value profile for them. The collapsing of ordinal and higher level taxonomies into larger groups also is standard practice in analytical empirical research where it enhances the statistical interpretability of the research data. In deciding which groups to combine for further analyses, general market practice was taken into consideration, and the following super groups were created: LSM super group 1 (PDMs from LSM1-3), LSM super group 2 (PDMs from LSM 4-5), LSM super group 3 (PDMs from LSM 6-7), and LSM super group 4 (PDMs from LSM 8-10).

Figure 8.8 presents the LSM super groups and their corresponding percentages as represented in the sample. These four groups are used for assessing the key research questions in this research.

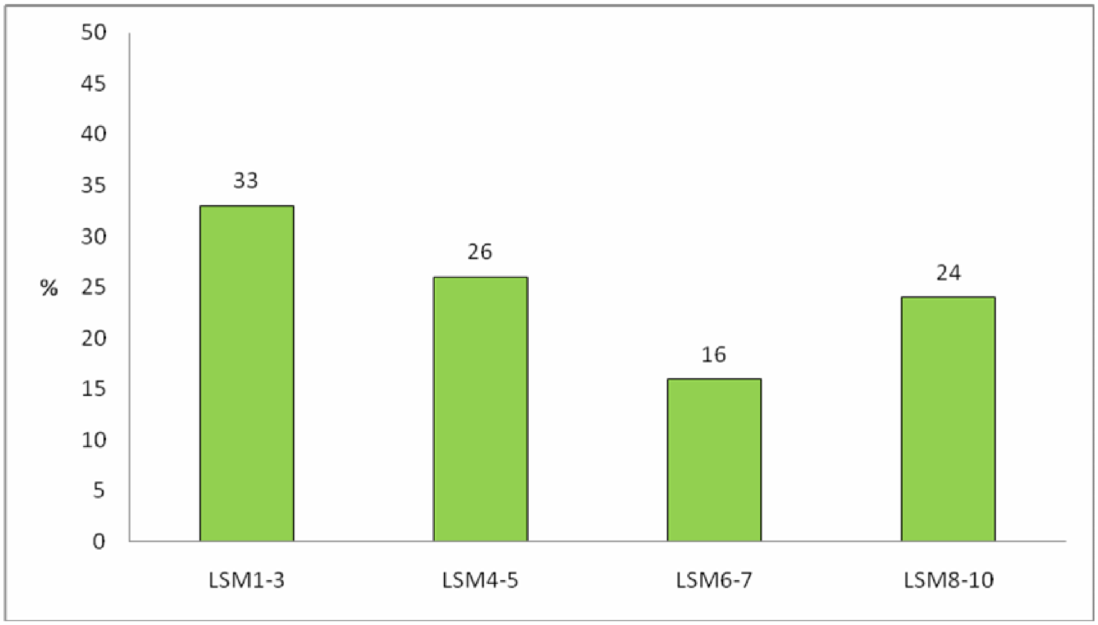


Figure 8.8 LSM super groups for current research (n = 2 566)

Because of South Africa's political history, people from black and coloured cultural groups, and to a lesser extent also the Indian/Asian cultural group, are generally still struggling economically. Since it is well-known that cultural groups may exhibit response patterns that bias results, and since the cultural group variable is so strongly associated with the LSM super group variable, it is essential to first establish whether the PVQ and SWLS are valid and reliable across cultural groups, before an attempt is made to compare whether there are differences across LSM groups on the PVQ and SWLS. Table 8.9 and Figure 8.9 demonstrates how strongly cultural group and LSM grouping are related in the sample.

Table 8.9 Distribution of cultural groups across LSM super groups

LSM super group	Cultural group frequencies Black	Coloured	Indian/Asian	White	Total
LSM 1-3	813	33	2	4	852
LSM 4-5	600	63	4	1	668
LSM 6-7	284	84	31	24	423
LSM 8-10	72	102	70	379	623
Total	1769	282	107	408	2566
	Row percentages				
LSM 1-3	95.4	3.9	0.2	0.5	100.0
LSM 4-5	89.8	9.4	0.6	0.1	100.0
LSM 6-7	67.1	19.9	7.3	5.7	100.0
LSM 8-10	11.6	16.4	11.2	60.8	100.0
Total	68.9	11.0	4.2	15.9	100.0

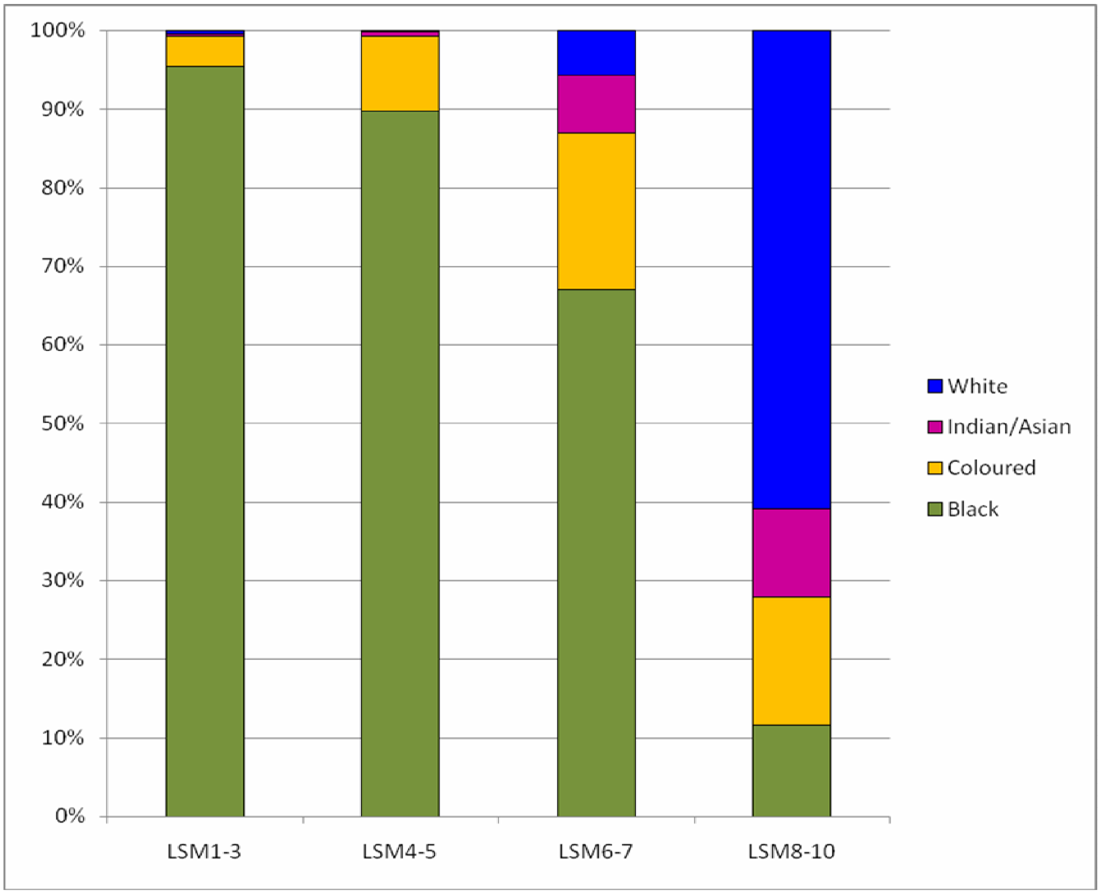


Figure 8.9 Distribution of cultural groups across LSM super groups

8.3 PSYCHOMETRIC PROPERTIES OF THE PVQ

The psychometric properties of the PVQ will now be presented, in terms of its reliability and validity as determined in this research.

8.3.1 The reliability of the PVQ

Table 8.10 presents the Cronbach alpha coefficients computed for the PVQ in total, as well as the various values it measures. The range of Cronbach alpha coefficients found in various studies (based on the SVS), as summarised by Schwartz (1992) are also presented in this table. As pointed out in Chapters 1 and 5, the SVS is regarded as a more complex and complete measurement of values. It has been used most frequently in international research, and results based on this measurement may serve as an indicator of acceptable internal consistency for the PVQ.

Table 8.10 Cronbach Alpha coefficients of the PVQ

	Current Study		Summary from Schwartz et al. (2001)		Summary from Schwartz (2005b)	
	Cronbach Alpha	**Number of items**	**Cronbach Alpha**	**Number of items**	**Cronbach Alpha**	**Number of SVS items**
All items	**0.87**	**29**		**29**		
Conformity	0.47	3	0.48	3	0.55 - 0.79	4
Self-direction	0.55	3	0.53	3	0.49 - 0.76	5
Achievement	0.61	3	0.52	3	0.61 - 0.78	4
Tradition	0.43	4	0.37	4	0.47 - 0.67	5
Universalism	0.57	4	0.57	4	0.68 - 0.84	8
Stimulation	0.53	2	0.76	2	0.66 - 0.78	3
Security	0.64	3	0.64	3	0.45 - 0.80	5
Benevolence	0.63	3	0.61	3	0.59 - 0.81	5
Power	0.50	2	0.50	2	0.54 - 0.76	4
Hedonism	0.64	2	0.79	2	0.68 - 0.84	2-3

Schwartz et al. (2001, p. 531); Schwartz (2005b, p. 70).

With an overall Cronbach alpha of 0.87, the reliability of the scale overall appears to be very high. Although lower reliabilities were found for the individual values, they are within or close to the range of coefficients reported with the same instrument by Schwartz et al. (2001) and those summarised by Schwartz (1992), based on previous research with the SVS.

Adequate reliability (Cronbach alpha) coefficients of above 0.6 were found for the values, achievement, security, benevolence and hedonism. Coefficients of above 0.5 only were found for self-direction, universalism, stimulation and power. Field (2005), however, indicates that the number of items in a scale can impact on the Cronbach alpha – the fewer the number of items, the lower the alpha. The low reliabilities obtained for these values need to considered in this light, as a relatively small number of items are used to measure them.

Very low reliability coefficients (below 0.5), however, were found for two values from Schwartz's model, namely conformity and tradition, which may point to the need to further investigate these values, or to develop items that are more suitable for the South African context in future research. Schwartz (1992) also reports a range of low reliability coefficients for tradition. He points out that the low reliability coefficient obtained for this value suggests that it includes diverse components. An inspection of his data indeed suggested two components to this value: faith (devout, respect tradition) and self-restriction (moderate, humble, accepting portion in life).

8.3.2 Validity of the PVQ

In order to assess the validity of the PVQ, confirmatory factor analysis (CFA) was used in order to assess the dimensionality of the PVQ (whether 10 factors can provide a plausible explanation of the covariances between the measured items). Using Amos 17, the CFA model fitted to the data is provided in Figure 8.10. The items (see Appendix 2, section G2.1 and G2.2, items 1-29), and their corresponding latent constructs, which are the ten values proposed by Schwarz (1992), and their corresponding items are shown in this figure. The initial model had no covariances between error terms, and no cross-loading to other latent variables. However, an inspection of the modification indices indicated that path coefficients could be included between the latent variable “hedonism” and PVQ18; between “security” and PVQ6; and between “benevolence” and PVQ10. Since the addition of these path coefficients could be justified from the item content, and since Schwartz (in Davidov et al., 2008) also indicated that cross-loadings in applying CFA to the PVQ is possible, the addition of these parameters to the model improved the fit. Error covariances for which large modification indices were indicated, were between the error terms e27 and e28, e28 and e29, as well as between e10 and e11. Including these covariance parameters between model terms could be justified from the item content, and since these statements were all next to each other in the administered instrument, there could be a “carry-over effect” of errors from one item to the next. Inclusion of these error covariance parameters in the model improved the fit.

The parameter estimates of the regression coefficients are provide in Table 8.11. All the coefficients are positive and significant, indicating that a high level on the latent variable is associated with a higher level on the item. For each latent variable, one of the regression paths was constrained equal to one, in order to set the scale for the latent variable and in order for the model to be identified. This method to constrain one indicator path for each latent variable equal to unity is widely recommended in the structural equation modelling (SEM) literature (Steenkamp & Baumgartner, 1998). Table 8.12 presents the estimated covariances between the latent variables, as well as between the error terms. Table 8.13 provides a summary of the most important fit measures for the PVQ model in Figure 8.10.

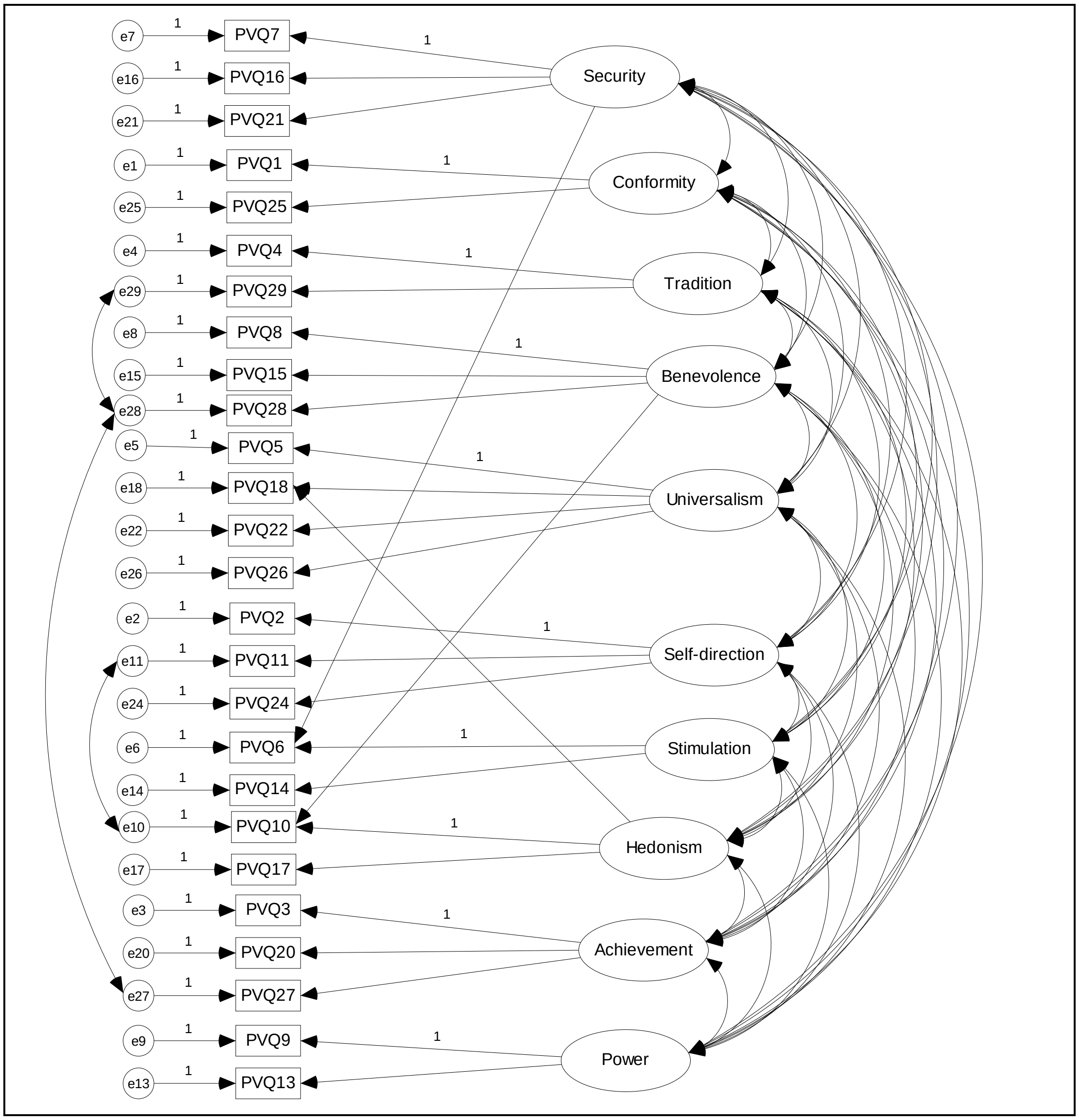


Figure 8.10 Confirmatory Factor Analysis of the PVQ

Table 8.11 Maximum Likelihood Estimates of Regression Weights for model in Figure 8.10

			Estimate	S.E.	C.R.	P
PVQ25	←	Conformity	1.361	0.068	20.108	***
PVQ29	←	Tradition	1.009	0.068	14.751	***
PVQ15	←	Benevolence	0.996	0.037	26.888	***
PVQ8	←	Benevolence	1.000			
PVQ26	←	Universalism	1.117	0.042	26.745	***
PVQ22	←	Universalism	0.852	0.042	20.402	***
PVQ18	←	Universalism	0.835	0.043	19.635	***
PVQ5	←	Universalism	1.000			
PVQ11	←	Self-direction	1.107	0.056	19.674	***
PVQ2	←	Self-direction	1.000			
PVQ24	←	Self-direction	1.247	0.062	20.241	***
PVQ20	←	Achievement	1.018	0.047	21.536	***
PVQ3	←	Achievement	1.000			
PVQ27	←	Achievement	1.026	0.048	21.381	***
PVQ16	←	Security	1.090	0.044	24.640	***
PVQ7	←	Security	1.000			
PVQ21	←	Security	1.068	0.043	24.866	***
PVQ14	←	Stimulation	1.640	0.077	21.259	***
PVQ6	←	Stimulation	1.000			
PVQ13	←	Power	1.000	0.048	20.803	***
PVQ9	←	Power	1.000			
PVQ17	←	Hedonism	1.274	0.051	24.990	***
PVQ10	←	Hedonism	1.000			
PVQ28	←	Benevolence	0.944	0.039	24.075	***
PVQ1	←	Conformity	1.000			
PVQ4	←	Tradition	1.000			
PVQ18	←	Hedonism	0.250	0.030	8.277	***
PVQ6	←	Security	0.510	0.049	10.407	***
PVQ10	←	Benevolence	0.450	0.044	10.300	***

Most of the covariances between the latent variables are significant. It is, however, interesting to note that all the insignificant covariances, apart from the covariance between “power” and “security”, are situated in opposite quadrants in the circular values model proposed by Schwartz (1992; 2006). This may be attributed to particular circumstances in the South African context, and should therefore be interpreted with caution.

Table 8.12 Estimated Covariances for Model 1 in Figure 8.10

			Estimate	S.E.	C.R.	P
Conformity	↔	Tradition	0.217	0.016	13.807	***
Conformity	↔	Benevolence	0.274	0.015	18.096	***
Conformity	↔	Universalism	0.267	0.015	18.131	***
Conformity	↔	Self-direction	0.183	0.013	14.148	***
Conformity	↔	Achievement	0.187	0.015	12.501	***
Conformity	↔	Security	0.242	0.014	16.895	***
Conformity	↔	Stimulation	0.004	0.012	0.288	0.773
Conformity	↔	Power	–0.011	0.017	–0.633	0.526
Conformity	↔	Hedonism	0.036	0.014	2.472	0.013
Tradition	↔	Benevolence	0.305	0.020	15.546	***
Tradition	↔	Universalism	0.299	0.019	15.761	***
Tradition	↔	Self-direction	0.160	0.016	10.097	***
Tradition	↔	Achievement	0.248	0.021	11.800	***
Tradition	↔	Security	0.280	0.019	14.951	***
Tradition	↔	Stimulation	0.020	0.017	1.147	0.252
Tradition	↔	Power	0.059	0.024	2.489	0.013
Tradition	↔	Hedonism	0.022	0.020	1.106	0.269
Benevolence	↔	Universalism	0.380	0.019	20.428	***
Benevolence	↔	Self-direction	0.261	0.016	15.972	***
Benevolence	↔	Achievement	0.254	0.018	13.841	***
Benevolence	↔	Security	0.401	0.020	20.094	***
Benevolence	↔	Stimulation	0.025	0.015	1.646	0.100
Benevolence	↔	Power	0.003	0.020	0.149	0.882
Benevolence	↔	Hedonism	0.048	0.018	2.668	0.008
Universalism	↔	Self-direction	0.257	0.016	16.102	***
Universalism	↔	Achievement	0.276	0.018	14.936	***
Universalism	↔	Security	0.367	0.019	19.570	***
Universalism	↔	Stimulation	0.032	0.015	2.192	0.028
Universalism	↔	Power	–0.018	0.019	–0.936	0.349
Universalism	↔	Hedonism	0.059	0.017	3.428	***
Self-direction	↔	Achievement	0.357	0.022	16.102	***
Self-direction	↔	Security	0.229	0.015	14.948	***
Self-direction	↔	Stimulation	0.233	0.018	12.723	***
Self-direction	↔	Power	0.252	0.022	11.572	***
Self-direction	↔	Hedonism	0.252	0.020	12.596	***
Achievement	↔	Security	0.270	0.019	14.563	***
Achievement	↔	Stimulation	0.308	0.023	13.211	***
Achievement	↔	Power	0.417	0.030	14.039	***
Achievement	↔	Hedonism	0.379	0.026	14.554	***
Security	↔	Stimulation	0.016	0.014	1.160	0.246
Security	↔	Power	–0.015	0.019	–0.811	0.417
Security	↔	Hedonism	0.049	0.017	2.892	0.004
Stimulation	↔	Power	0.561	0.035	16.164	***
Stimulation	↔	Hedonism	0.503	0.030	16.642	***
Power	↔	Hedonism	0.614	0.036	17.228	***
e29	↔	e28	0.137	0.024	5.821	***
e11	↔	e10	0.159	0.022	7.061	***
e27	↔	e28	0.202	0.020	9.943	***

8.3.2.1 Measures of fit

When CFA is performed in a SEM framework, several measures of fit are important to consider. Apart from the fit measures, it is imperative that the researcher uses his/her substantive knowledge about the theory tested in the model at all times during model specification. Furthermore, once the model has converged and parameter solutions are obtained, each estimate should be examined. The magnitude and the signs of the parameters should be as expected in terms of theory. Also, the standard errors of the parameters and the significance of the estimates should be evaluated (Raykov & Marcoulides, 2000). The Chi-square statistic for the PVQ model in Figure 8.10 is 1157.7 with 248 degrees of freedom. A problem with this figure is that it is usually too sensitive to deviations from the model when large samples are involved, and even when the model is only slightly inconsistent with the data, the model will be rejected. One solution proposed by Byrne (1998) as well as Raykov and Marcoulides (2000), is to divide the statistic by its degrees of freedom. If this is less than 5, it can be assumed that the model provides a reasonable approximation of fit to the data. As shown in Table 8.13, the CMIN/DF for model 1 is 4.668, which is below the appropriate level, indicating good fit.

In the initial development of SEM software, before fit indices were developed, the Chi-square statistic of the model was often compared to those of two extreme models. The first extreme model is the “Saturated model”, which has many parameters as unknowns, and which always fits the data perfectly, and will therefore have a Chi-square of zero. From a practical perspective, the saturated model does not make sense since it boils down to interpreting each individual element in the covariance matrix, and the model therefore does not present a simplified explanation of relationships in the data. The other model that is used to compare the results, the “Independence or null model”, is also impractical, because it assumes that there are no interrelationships between the variables in the data, and provides a Chi-square value of the worst possible fit. However, these two extreme models provide two opposite extremes against which the model under consideration can be evaluated (Byrne, 1998; Raykov & Marcoulides, 2000).

Since the Chi-square statistic is not always suitable in the case of large samples, other fit indices should also be considered. The first that was proposed in the SEM literature was the goodness-of-fit index (GFI). It can be interpreted as the proportion of variance and covariance that the model is able to explain. This is very similar to R-square in regression analysis. The adjusted goodness-of-fit index, (AGFI), which is similar to the adjusted R-square in regression, takes model complexity into account. GFI and AGFI range between

0 and 1, and when models fit well, these indices will be closer to 1. The cut-off point for when a model is regarded as fitting well is when these values are 0.90 or above (Hu & Bentler, 1999). For Model 1, the GFI is 0.966 and AGFI is 0.951, which are very acceptable levels of fit.

Two other fit indices that are useful are the incremental fit index (IFI), and the non-normed fit index (NNFI), which is also known as the Tucker and Lewis Index (TLI). These indices are compared to a model in which absolutely no interrelationships are assumed among any of the variables. This model where there is no relationship between variables is referred to as the independence or null model. It is evident in Table 8.13 that the PVQ model had an IFI of 0.947 and a TLI of 0.930. The NNFI or TLI takes model complexity into account. The cut-off point for when a model is regarded as fitting well is when these values are 0.90 or above (Hu & Bentler, 1999), and a very good fit can be assumed if these indices are above 0.95 (Bollen, 2007). Against this background it is clear that Model 1 fits the data fairly well. A problem with all these indices is that they are some form of function of the Chi-square value, and therefore could be overly strict. This has triggered the development of the alternative fit indices (Raykov & Marcoulides, 2000).

An increasingly popular and widely accepted index of model fit was proposed by Browne and Cudeck (1993). The Root Mean Square Error of Approximation (RMSEA), which is based on the non-centrality parameter (NCP), takes model complexity into account, but has less rigid requirements for degree of fit. The primary principle of the RMSEA is that it evaluates the extent to which the model fails to fit the data. Another reason for the support in the literature for the RMSEA is that the sample size does not have an effect on the RMSEA. Also, the RMSEA is not dependent on characteristics of the sample distribution. It is generally recommended that RMSEA should be less than 0.05 for a model to fit the data well (Raykov & Marcoulides, 2000). RMSEA should be less than 0.05 for the fitted model to indicate a good approximation. Values between 0.05 and 0.08 indicate acceptable fit, values between 0.08 and 0.10 marginal fit, and values above 0.10 poor fit. A very useful aspect of the RMSEA is that confidence intervals for the measure can be calculated. If the confidence interval is not too wide, and both limits are below 0.05, it can be argued that the model is a very plausible means of describing the data (Fabrigar, Wegener, MacCallum & Strahan, 1999). Raykov and Marcoulides (2000) indicate that it is important that the lower limit of the RMSEA confidence interval be considerably less than 0.05 for a very good fit. In the PVQ model, the RMSEA is 0.038, with a lower limit equal to 0.036 and an upper limit of 0.040, which indicates very acceptable levels of fit for the PVQ model.

Table 8.13 Summary of important fit measures for the PVQ model in Figure 8.10

CMIN

Model	NPAR	CMIN	DF	P	CMIN/DF
Default	103	1157.736	248	0.000	4.668
Saturated model	351	0.000	0		
Independence model	26	17380.261	325	0.000	53.478

RMR, GFI

Model	RMR	GFI	AGFI	PGFI
Default	0.045	0.966	0.951	0.682
Saturated model	0.000	1.000		
Independence model	0.329	0.410	0.363	0.380

Baseline Comparisons

Model	NFI Delta1	RFI rho1	IFI Delta2	TLI rho2	CFI
Default	0.933	0.913	0.947	0.930	0.947
Saturated model	1.000		1.000		1.000
Independence model	0.000	0.000	0.000	0.000	0.000

RMSEA

Model	RMSEA	LO 90	HI 90	PCLOSE
Default	0.038	0.036	0.040	1.000
Independence model	0.143	0.141	0.145	0.000

AIC

Model	AIC	BCC	BIC	CAIC
Default	1363.736	1365.927	1966.296	2069.296
Saturated model	702.000	709.468	2755.386	3106.386
Independence model	17432.261	17432.814	17584.364	17610.364

8.3.3 Invariance of the PVQ across cultural groups

In order to further investigate the validity of the PVQ within the South African context, it is necessary to test whether Model 1 is invariant across cultural groups. For this purpose, the method prescribed by Steenkamp and Baumgartner (1998) is used, where the same model is specified for each of the four cultural groups in the study, namely 1769 black respondents, 408 white respondents, 107 Indian/Asian respondents, and 282 coloured respondents. This was done using the multiple group feature in Amos 17. The hypotheses were limited to the covariance structures, and the plausibility of increasingly restrictive models was evaluated, with H1: the unconstrained model; H2: the model where measurement or regression weights are constrained equally across groups; H3: the model where regression intercepts as well as the regression weights in H2 are constrained equally across groups. H4: tests whether the latent means are equal across groups, in addition to the constraints posed in H3. H5 releases the constraints in H4 on the latent means, but includes constraints across groups on all the covariances in the model. H6 includes a constraint on equal latent means across groups in addition to the constrains in H5. H7 is generally regarded as overly strict (Byrne, 1998), since it constrains all parameters, including the error variances, equally across groups.

When the fit measures summarised in Table 8.14 are considered, it is clear that Models 1, 2 and 3 are tenable models, but for H4, the fit measures start to drop to just below levels of acceptable fit, especially when the TLI is considered. This result indicates that the same form (H1), same regression weights (H2), and same regression intercepts (H3) are tenable models. However, a model with equal latent means across groups is marginally not tenable. This is an important finding, indicating that configural invariance and metric invariance are tenable hypotheses, consequently making it valid to compare means across groups, and pointing to the validity of Schwartz et al.'s (2001) PVQ scale within a cross-cultural context in South Africa.

The estimated latent mean values are provided in Table 8.15.

Table 8.14 Summary of fit measures for multi-group CFA of Model 1 in Figure 8.10

CMIN

Model	NPAR	CMIN	DF	P	CMIN/DF
H1: Unconstrained	516	2282.720	992	0.000	2.301
H2: H1+ Equal regression weights	459	2441.628	1049	0.000	2.328
H3: H2 + Equal regression intercepts	411	2790.872	1097	0.000	2.544
H4: H3 + Equal latent means	381	3179.263	1127	0.000	2.821
H5: H3 + Equal variances and covariances	246	3188.565	1262	0.000	2.527
H6: H5 + Equal latent means	216	3626.106	1292	0.000	2.807
H7: H6 + Equal error variances	129	4712.254	1379	0.000	3.417
Saturated model	1508	0.000	0		
Independence model	208	19153.37 0	1300	0.000	14.733

Baseline Comparisons

Model	NFI Delta1	RFI rho1	IFI Delta2	TLI rho2	CFI
H1: Unconstrained	0.881	0.844	0.929	0.905	0.928
H2: H1+ Equal regression weights	0.873	0.842	0.923	0.903	0.922
H3: H2 + Equal regression intercepts	0.854	0.827	0.906	0.888	0.905
H4: H3 + Equal latent means	0.834	0.809	0.886	0.867	0.885
H5: H3 + Equal variances and covariances	0.834	0.829	0.892	0.889	0.892
H6: H5 + Equal latent means	0.811	0.810	0.869	0.868	0.869
H7: H6 + Equal error variances	0.754	0.768	0.812	0.824	0.813
Saturated model	1.000		1.000		1.000
Independence model	0.000	0.000	0.000	0.000	0.000

Table 8.14 (cont.)

RMSEA

Model	RMSEA	LO 90	HI 90	PCLOSE
H1: Unconstrained	0.023	0.021	0.024	1.000
H2: H1+ Equal regression weights	0.023	0.022	0.024	1.000
H3: H2 + Equal regression intercepts	0.025	0.023	0.026	1.000
H4: H3 + Equal latent means	0.027	0.026	0.028	1.000
H5: H3 + Equal variances and covariances	0.024	0.023	0.025	1.000
H6: H5 + Equal latent means	0.027	0.026	0.028	1.000
H7: H6 + Equal error variances	0.031	0.030	0.032	1.000
Independence model	0.073	0.072	0.074	0.000

AIC

Model	AIC	BCC	BIC	CAIC
H1: Unconstrained	3 314.720	3 455.932		
H2: H1+ Equal regression weights	3 359.628	3 485.241		
H3: H2 + Equal regression intercepts	3 612.872	3 725.349		
H4: H3 + Equal latent means	3 941.263	4 045.530		
H5: H3 + Equal variances and covariances	3 680.565	3 747.887		
H6: H5 + Equal latent means	4 058.106	4 117.218		
H7: H6 + Equal error variances	4 970.254	5 005.557		
Saturated model	3 016.000	3 428.690		
Independence model	19 569.370	19 626.292		

Table 8.15 Estimated latent mean values of Schwarz's values model across four cultural groups for Models H3 and H4

Latent Variable	H3: Latent means not constrained equal				H4: Constrained equal across groups
	Black	Coloured	Indian/Asian	White	
n	1769	282	107	408	2566
Conformity	1.663	1.503	1.555	1.631	1.648
Tradition	2.056	1.833	1.778	2.239	2.025
Benevolence	2.044	1.576	1.681	1.767	1.946
Universalism	1.897	1.549	1.617	1.766	1.848
Self-direction	2.138	1.983	2.187	1.945	2.096
Achievement	2.385	2.528	2.576	2.575	2.396
Security	2.027	1.664	1.598	1.817	1.948
Stimulation	1.621	1.781	1.801	1.660	1.639
Power	3.155	3.896	3.757	3.575	3.254
Hedonism	1.499	1.759	1.917	1.653	1.575

An inspection of the latent means across cultural groups indicates that there are relatively small, and not very significant, differences between the means of the latent variables.

8.4 THE SATISFACTION WITH LIFE SCALE

As pointed out in Chapter 7, the SWLS consists of five items. In the original scale, respondents are required to indicate how strongly they agree with these items on a seven-point Likert scale. In this research study, a five-point Likert scale was used (see Appendix 2, section G4, items 1-5 for the adapted version of the SWLS used in this research).

Sirgy (2002) distinguishes between reflective and formative indicators of SWB. Reflective indicators of SWB, such as the SWLS, are measures designed to capture the construct directly, while formative indicators capture it indirectly through other constructs believed to play a significant role in the formation of the particular construct. Researchers consequently attempt to capture SWB holistically and globally by means of reflective indicators.

Sirgy (2002) advises researchers to select a reflective measure that fits an overall nomological network of concepts grounded in one theory (or theories consistent with one another at a meta-conceptual level). As pointed out in Chapter 5, the SWLS was chosen as an indicator of SWB in this research, because it reflects the cognitive component of SWB. Values, the main construct under investigation, are also cognitive constructs and consequently form part of the nomological network in this research.

The items of the SWLS are general rather than specific in nature, allowing respondents to weight domains of their lives in terms of their own values, in order to form a general judgement of their life satisfaction (Pavot & Diener, 1993). However, as pointed out in Chapter 6, Schwarz and Strack (1999) identified a number of artifacts that could threaten the validity of people’s self-reports of their life satisfaction. Context effects, as reviewed by Schwarz and Strack (1999), may limit the comparability of results across time and studies, which is a key prerequisite for the valid application of research.

8.4.1 Reliability of the Satisfaction with Life Scale

According to Pavot and Diener (1993), the SWLS can easily be incorporated into an assessment battery because it will not take long to complete. Burgess (2002) believes it is advisable to use brief scales in surveys in emerging societies.

Pavot and Diener (1993) point out that the SWLS is a valid and reliable scale for measuring life satisfaction. One of the issues in cross-cultural research, however, is whether measures standardised in Western nations are valid in non-Western cultures. Vitterso, Roysamb and Diener (in Diener et al., 2003), for example, found that reports of life satisfaction were less reliable in poorer nations. Furthermore, Vitterso et al. (in Diener et al., 2003) found a slightly different structure for life satisfaction items across cultures. Results such as these indicate that researchers investigating SWB at cross-cultural level should examine the factor structure of their scales in different cultures, as well as the reliability of the scale. More sophisticated methods of examining participants' responses, such as item-response theory (Byrne & Campbell, in Diener et al., 2003), can also be used to examine whether people respond to items in a similar way across cultures.

It may also be valuable to consider the instructions at cross-cultural level. In this research study, for instance, the response options were adapted, based on previous research, as will be evident below.

8.4.1.1 Measures to ensure reliability in measuring satisfaction with life in this research

Gregg and Salisbury (2001) point out an active debate about the most reliable and valid ways of applying the Likert scale. When pre-testing the SWLS, they found that respondents had difficulty in choosing responses when they used the seven-point Likert scale. Nunally (in Finchilescu, 2002), however, argues that the reliability of the (full, summated) scale increases with the number of scaling points used, levelling off at 7 points. Measures with fewer points are easier to complete, but are also less reliable. Ultimately, researchers should decide which format best suits their research requirements.

Gregg and Salisbury (2001) further points out that reducing the "width" of the SWLS response scale from seven to five points could affect the scale's reliability and validity. The value of using five-point scales has been confirmed by Likert and Murphy (in Gregg & Salisbury, 2001). Furthermore, a pre-test of the SWLS with low income respondents indicated that they had difficulty choosing their responses on a seven-point scale. The broad South African population probably does not have the test-taking skills of the original sample of college students which Diener et al. (1985) used when developing the SWLS. A five-point scale was consequently used in this research survey, with the response scale ranging from 1 (strongly disagree) to 5 (strongly agree). Its factor structure was, however, investigated as will be discussed later.

If respondents cannot understand the items of a particular scale, the reliability and validity of their scores are questionable. Alfonso and Allison (in Pavot & Diener, 1993) found that the SWLS is at a reading level of grade 6 to 10 (depending on the rating system used) and is thus suitable for use with most adults. The readability level of the SWLS consequently may make it suitable for use with a broad range of South Africa's population. It is useful for the assessment of people across a wide range of educational levels and ages (Pavot, 2008).

As pointed out earlier, the reliability of the SWLS was established in this research by means of Cronbach alpha and item-total correlations. Table 8.16 presents the results obtained in the item analysis that was undertaken on the scale.

Table 8.16 Item analysis of the SWLS

Item	Corrected item-total correlation	Cronbach Alpha if item is deleted
All items		0.83
swl01	0.56	0.81
swl02	0.71	0.77
swl03	0.72	0.76
swl04	0.65	0.78
swl05	0.48	0.83

Both the item-total correlation and the scale's Cronbach alpha are presented as part of the item analysis. The overall scale has an alpha value of 0.83. It is evident from Table 8.16 that each of the items correlates highly with the total ($r > 0.5$). In the current research, the last item ("If I could live my life over, I would change very little") also appears to be weakest in terms of its convergence with other items, which may be because it mainly refers to the past, as pointed out by Pavot and Diener (1993).

The above results confirm Oishi's (2000) observation that the SWLS has adequate psychometric properties. It has demonstrated validity among Korean (Suh, in Oishi, 2000), mainland Chinese (Shao, in Oishi, 2000), and Russian samples (Balatsky & Diener, in Oishi, 2000. In these studies, the obtained Cronbach alpha ranged from 0.41 to 0.94, with a mean of 0.78 (SD = 0.09). Pavot and Diener (1993), however, point out that the true meaning of high life satisfaction will not be fully understood before the cognitive processes involved in arriving at life satisfaction judgements have been determined. A crucial aspect in developing the construct validity of the SWLS will consequently be to understand the processes involved in arriving at a life satisfaction judgement.

8.4.2 Validity of the SWLS

The factor structure of the SWLS was assessed by means of using both exploratory factor analysis and confirmatory factor analysis, as will be shown in the following discussion.

8.4.2.1 Using Exploratory Factor Analysis to assess the factor structure of the SWLS

According to Pavot and Diener (1993), life satisfaction often forms a factor separate from affective indices of well-being. One of the reasons for this is that a person's conscious evaluation of his or her life circumstances may reflect conscious values and goals.

Diener et al. (in Pavot & Diener, 1993) conducted a principal-axis factor analysis on the SWLS, from which a single factor emerged, accounting for 66% of the variance of the scale. This single-factor solution has since been replicated (Arrindell, Meeuwesen & Huyse, in Pavot & Diener, 1993; Blais, Vallerand, Pelletier & Briere, in Pavot & Diener, 1993; Pavot, Diener, Colvin, & Sandvik, in Pavot & Diener, 1993). The consistent factor pattern across samples was found despite the fact that translations of the SWLS into French and Dutch, as well as the original version, were used. The SWLS therefore appears to measure a single dimension. Pavot and Diener (1993) point out that the item-total correlations and factor loadings for the SWLS they obtained suggest that the last item is the weakest in terms of convergence with other items. According to them, this may be because most of the items mainly refer to the present, while the fifth item mainly refers to the past, but they suggest that this interpretation should be investigated in further research. The factor structure of the SWLS was examined in this research study, by using a principal-axis factor analysis.

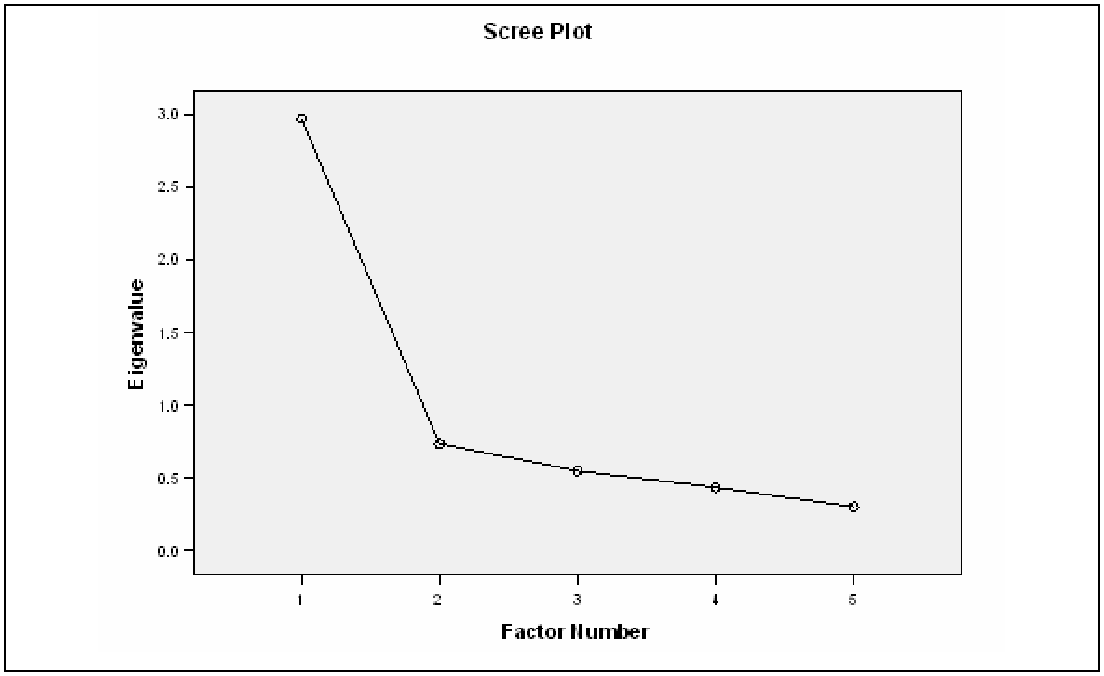


Figure 8.11 Scree plot for exploratory factor analysis of the SWLS

It is clear that the scree plot as shown in Figure 8.11 supports the existence of a single factor. In addition, only one factor is extracted when using the criteria of *eigenvalues* higher than 1. Table 8.17 presents the factor loadings obtained using exploratory factor analysis. Consistently with the item-total correlations, item 5 seems to be slightly problematic, due to the low factor loading evident in Table 8.17.

Table 8.17 Single factor solution for SWLS

	Factor 1
swl01	0.624
swl02	0.813
swl03	0.822
swl04	0.722
swl05	0.518

It is clear that the remaining four items load relatively highly on the single factor (as reflected by values of above 0.6).

The findings above serve as a confirmation of the usefulness of the five-point scale in this research study, as well as in future research. It confirms the value of simplifying the survey instrument by reducing the Likert scale from seven to five. It further appears that life satisfaction may be a meaningful and useful psychological construct. The SWLS' items appear to hold together in a unified factor, suggesting that there is coherence to this measurement of life satisfaction (Pavot & Diener, 1993).

8.4.2.2 Using Confirmatory Factor Analysis to assess the dimensionality of the SWLS

The validity and dimensionality of a measure such as the SWLS can be evaluated using CFA within in an SEM framework. The model depicted in Figure 8.11 gives a path diagram of a single factor model. Fitting this model to the data implies that the plausibility of a single factor solution to the model is investigated. The results presented in Tables 8.18 to 8.21 indicate that the five-item model does present a satisfactory fit to the data, but when item swl05 is excluded from the model, a slightly improved fit is obtained.

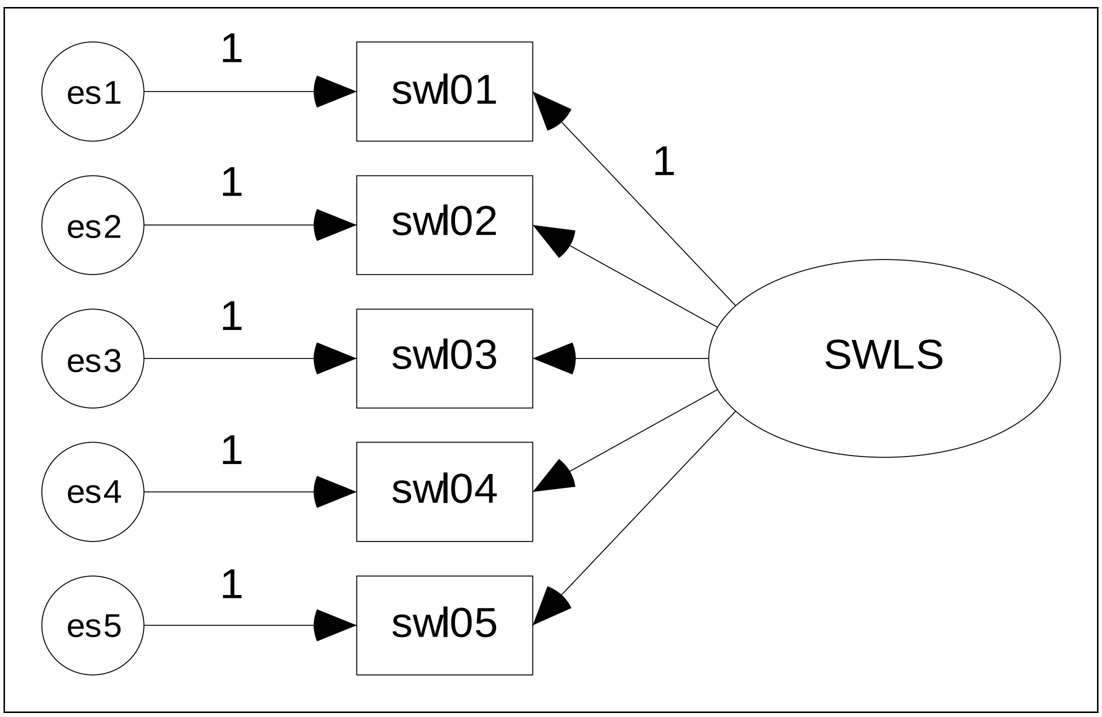


Figure 8.12 Model 2: Confirmatory Factor Analysis of SWLS

As noted before, the regression coefficient of one of the paths is set to unity in order to set the scale of the SWLS latent variable, and in order to identify the model. The resulting estimated regression weights are provided in Table 8.18. In this table, it is clear that the regression weight of swl05 is much smaller than those of the other items, and its estimated variance in Table 8.19 is considerably larger. The squared multiple correlations in Table 8.20 also support the exclusion of swl05 in the final model measuring SWLS.

Table 8.18 Maximum Likelihood Estimates of Regression Weights for model in Figure 8.12, as well as 4-item model with item swl05 removed

Model with 5 items			Estimate	S.E.	C.R.	P
swl05	←	SWLS	0.843	0.038	22.258	***
swl04	←	SWLS	1.251	0.043	28.965	***
swl03	←	SWLS	1.396	0.044	31.939	***
swl02	←	SWLS	1.356	0.043	31.673	***
swl01	←	SWLS	1.000			
Model with 4 items						
swl04	←	SWLS	1.217	0.043	28.515	***
swl03	←	SWLS	1.390	0.044	31.846	***
swl02	←	SWLS	1.360	0.043	31.725	***
swl01	←	SWLS	1.000			

Table 8.19 Maximum Likelihood Estimates of Variances for model in Figure 8.12, as well as 4-item model with item swl05 removed

Model with 5 items	Estimate	S.E.	C.R.	P
SWLS	0.528	0.032	16.582	***
es5	1.058	0.031	33.742	***
es4	0.808	0.027	29.678	***
es3	0.467	0.021	22.208	***
es2	0.490	0.021	23.502	***
es1	0.808	0.025	31.954	***
Model with 4 items				
SWLS	0.534	0.032	16.642	***
es4	0.842	0.028	29.865	***
es3	0.464	0.022	21.003	***
es2	0.472	0.022	21.802	***
es1	0.802	0.025	31.653	***

Table 8.20 Squared Multiple Correlations for model in Figure 8.12, as well as 4-item model with item swl05 removed

	Model with 5 items	Model with 4 items
swl01	0.395	0.400
swl02	0.664	0.677
swl03	0.688	0.690
swl04	0.505	0.484
swl05	0.262	

The measures of fit are summarised in Table 8.21, and show that the Chi-square measure drops considerably when the 4-item model is chosen over the 5-item model. This finding is supported by all other measures of fit, except the RMSEA, which increases slightly with the 4-item model. However, the majority of the evidence supports the 4-item model over the 5-item model.

Table 8.21 Summary of fit measures for SWL model in Figure 8.12

CMIN

Model with 5 items	NPAR	CMIN	DF	P	CMIN/DF
Default model	10	107.033	5	0.000	21.407
Saturated model	15	0.000	0		
Independence model	5	4699.224	10	0.000	469.922
Model with 4 items	NPAR	CMIN	DF	P	CMIN/DF
Default model	8	54.714	2	0.000	27.357
Saturated model	10	0.000	0		
Independence model	4	4000.393	6	0.000	666.732

RMR, GFI

Model with 5 items	RMR	GFI	AGFI	PGFI
Default model	0.041	0.983	0.950	0.328
Saturated model	0.000	1.000		
Independence model	0.602	0.502	0.253	0.335
Model with 4 items				
Default model	0.029	0.989	0.947	0.198
Saturated model	0.000	1.000		
Independence model	0.642	0.517	0.194	0.310

Baseline Comparisons

Model	NFI Delta1	RFI rho1	IFI Delta2	TLI rho2	CFI
Model with 5 items	0.977	0.954	0.978	0.956	0.978
Model with 4 items	0.986	0.959	0.987	0.960	0.987
Saturated model	1.000		1.000		1.000
Independence model	0.000	0.000	0.000	0.000	0.000

RMSEA

Model	RMSEA	LO 90	HI 90	PCLOSE
Default model	0.089	0.075	0.104	0.000
Independence model	0.428	0.417	0.438	0.000
Model	RMSEA	LO 90	HI 90	PCLOSE
Default model	0.101	0.079	0.125	0.000
Independence model	0.509	0.496	0.523	0.000

AIC

Model	AIC	BCC	BIC	CAIC
Default model	127.033	127.080	185.534	195.534
Saturated model	30.000	30.070	117.752	132.752
Independence model	4 709.224	4 709.248	4 738.475	4 743.475
Default model	70.714	70.745	117.515	125.515
Saturated model	20.000	20.039	78.501	88.501
Independence model	4 008.393	4 008.409	4 031.793	4 035.793

8.4.3 Invariance of the Satisfaction with Life Scale across cultural groups

In order to further assess the validity of the model in Figure 8.12, with swl05 excluded, invariance testing was performed as outlined by Steenkamp and Baumgartner (1998). The first hypothesis H1 was left unconstrained across the four cultural groups in the sample, and H2 tested whether the regression weights were equal across groups. H3 constrained the intercepts to be equal across groups, in addition to the equal regression weights. Only if H3 is tenable, it would be valid to test H4, that the latent means are equal across groups, since H3 tests for metric invariance, a model that posits that the measurement instrument operates equivalently across cultural groups. H4 therefore has the constraints in model H3, but also constrains the latent mean values equal across groups. In H5, the constraint of equal latent means is relaxed, but the variance of the latent variable SWLS is constrained equal across groups. H6 keeps the constraints in H5, and add the constraints of equal means of SWLS across groups. In H7, the error variances are also constrained equal. This model is the most restrictive, since it posits that all model parameters are equal across groups. This model is usually overly strict, and not required for group comparisons to be valid (Byrne, 1998; Steenkamp & Baumgartner, 1998).

An evaluation of the fit measures in Table 8.22 indicates that H3 is reasonably tenable, and H5 is also tenable, but both H4 and H6 are rejected. It can therefore be said that the SWLS has metric invariance and structural invariance across the four cultural groups in this study, and that it is therefore valid to compare the means. However, a model where the means are constrained equal across cultural groups is not plausible.

Table 8.22 Model Fit Summary for Multi-group confirmatory factor analysis of the SWLS over cultural groups

CMIN

Model	NPAR	CMIN	DF	P	CMIN/DF
H1: Unconstrained	48	54.052	8	0.000	6.756
H2: H1+ Equal regression weights	39	63.542	17	0.000	3.738
H3: H2 + Equal intercepts	30	136.889	26	0.000	5.265
H4: H3 + Equal latent means	27	418.927	29	0.000	14.446
H5: H3 + Equal variances	27	175.571	29	0.000	6.054
H6: H5 + Equal latent means	24	425.387	32	0.000	13.293
H7: H6 + Equal error variances	12	705.338	44	0.000	16.030
Saturated model	56	0.000	0		
Independence model	32	3764.235	24	0.000	156.843

Table 8.22 (cont.)

Baseline Comparisons

Model	NFI Delta1	RFI rho1	IFI Delta2	TLI rho2	CFI
H1: Unconstrained	0.986	0.957	0.988	0.963	0.988
H2: H1+ Equal regression weights	0.983	0.976	0.988	0.982	0.988
H3: H2 + Equal intercepts	0.964	0.966	0.970	0.973	0.970
H4: H3 + Equal latent means	0.889	0.908	0.896	0.914	0.896
H5: H3 + Equal variances	0.953	0.961	0.961	0.968	0.961
H6: H5 + Equal latent means	0.887	0.915	0.895	0.921	0.895
H7: H6 + Equal error variances	0.813	0.898	0.822	0.904	0.823
Saturated model	1.000		1.000		1.000
Independence model	0.000	0.000	0.000	0.000	0.000

RMSEA

Model	RMSEA	LO 90	HI 90	PCLOSE
H1: Unconstrained	0.047	0.036	0.060	0.614
H2: H1+ Equal regression weights	0.033	0.024	0.041	1.000
H3: H2 + Equal intercepts	0.041	0.034	0.048	0.987
H4: H3 + Equal latent means	0.072	0.066	0.079	0.000
H5: H3 + Equal variances	0.044	0.038	0.051	0.922
H6: H5 + Equal latent means	0.069	0.063	0.075	0.000
H7: H6 + Equal error variances	0.077	0.072	0.082	0.000
Independence model	0.247	0.240	0.253	0.000

AIC

Model	AIC	BCC	BIC	CAIC
H1: Unconstrained	150.052	152.286		
H2: H1+ Equal regression weights	141.542	143.357		
H3: H2 + Equal intercepts	196.889	198.286		
H4: H3 + Equal latent means	472.927	474.184		
H5: H3 + Equal variances	229.571	230.828		
H6: H5 + Equal latent means	473.387	474.504		
H7: H6 + Equal error variances	729.338	729.897		
Saturated model	112.000	114.606		
Independence model	3 828.235	3 829.725		

The estimated means in Table 8.23 indicate that life satisfaction, as measured on the SWLS is the lowest for the black cultural group, then for the coloured group, then the white group and lastly, life satisfaction is the highest for Indians/Asians, within the SEM model. This implies that when SWLS is used to compare LSM groups, the results may be confounded with differences across cultural groups.

Table 8.23 Estimated means of the latent variable SWLS across cultural groups

Latent Variable	H3: Latent means not constrained equal				H4: Constrained equal across groups
	Black	Coloured	Indian/Asian	White	
n	1769	282	107	408	2566
SWLS	3.213	3.495	3.866	3.777	3.377

The results presented so far indicate that both the PVQ and the SWL scales are reliable and valid within the context of this study, and that it would be appropriate to address the key research problem in this study, namely to assess whether the latent means in the PVQ are equal across LSM super groups. When it comes to the SWLS, more caution is needed in the interpretation of the results. It was found that the latent means are significantly different across cultural groups, and since this variable corresponds so closely with LSM grouping, comparisons on the LSM grouping should be interpreted with caution.

8.5 LSM AND VALUE SEGMENTATION

An investigation of differences across the ten values as measured by the PVQ is the most pertinent research question in this research. This aspect receives considerable attention as detailed below.

8.5.1 Living standards indicators

As was evident throughout the discussion in the preceding chapters, consumers' values impact on their consumer behaviour – differences in their preferences, for instance, tend to be related to differences in their values (De Mooij, 2004). Results on the relationship between PDMs' LSM grouping and their values will firstly be reported. This is done using three different approaches. In sections 8.5.2 and 8.5.3, the LSM super groups are compared using a MGCFA approach for the ten PVQ subscales and the SWLS. In section 8.5.4, Pearson correlation coefficients between LSM group and PVQ subscales are reported. In section 8.5.5, MANOVA is used to compare LSM super groups in terms of the ten PVQ value subscales, and finally, in section 8.5.6 discriminant analysis is used to ascertain whether the ten PVQ values can be used to classify individuals in their LSM super group segment.

8.5.2 Multi-group confirmatory factor analysis over LSM super groups

The most crucial research problem in this research study is to establish whether there are differences across LSM super groups with respect to values. If this is true, it would imply that marketers can utilise this information to target consumers in these multivariate segments more effectively in marketing communications. Similar to previous sections, a hierarchical set of increasingly restrictive models are tested, using the multiple-group feature in AMOS 17. Model H1 states that the PVQ model, as shown in Figure 8.10, is similar across the four LSM super groups, with no restrictions across groups. This is the model required to test for configural invariance (Steenkamp & Baumgartner, 1998). Model H2 restrains the regression weights equally across groups, and model H3 adds a further restriction to H2, that the regression intercepts are equal across groups. When model H3 is tenable, it implies that the model has metric invariance, and then it is valid to compare means across groups. H4 therefore tests whether the latent means are equal across groups, in addition to the constraints posed in H3. H5 relaxes the constraint of equal means, but tests whether the variances of the latent variables as well as the covariances between the latent variables are equal across groups. H6 includes the constraints in H5 and tests for equal latent means.

H7 is the most restricted model with all parameters constrained equally across groups, including the error variances. When this model is tenable, it implies that all parameters can be assumed to be equal across groups. A summary of the fit measures for all the models H1 to H7, as well as the saturated and the independence model, are provided in Table 8.24.

Table 8.24 reveals somewhat contradictory evidence. When the RMSEA is considered, it seems that all the models H1 to H7 are tenable. However, when the IFI, TLI and CFI are considered, it seems that models H1 to H3 are tenable, with H4 marginally tenable. H5 is more tenable, and H6 is slightly less tenable. It seems therefore that overall, in the MGCFA approach, there are slight differences between the mean values across LSM groups, but these differences are relatively small.

Since H5 is a plausible model in which configural, metric and structural invariance can be assumed, the estimated parameters for this model are reported in Tables 8.25 to 8.28.

Table 8.24 Summary of fit measures for multi-group confirmatory factor analysis of the model in Figure 8.10 across four LSM super groups

CMIN

Model	NPAR	CMIN	DF	P	CMIN/DF
H1: Unconstrained	516	2241.154	992	0.000	2.259
H2: H1+ Equal regression weights	459	2379.267	1049	0.000	2.268
H3: H2 + Equal regression intercepts	411	2659.786	1097	0.000	2.425
H4: H3 + Equal latent means	381	2992.112	1127	0.000	2.655
H5: H3 + Equal variances and covariances	246	3039.098	1262	0.000	2.408
H6: H5 + Equal latent means	216	3384.530	1292	0.000	2.620
H7: H6 + Equal error variances	129	4135.736	1379	0.000	2.999
Saturated model	1508	.000	0		
Independence model	208	18705.467	1300	0.000	14.389

Baseline Comparisons

Model	NFI Delta1	RFI rho1	IFI Delta2	TLI rho2	CFI
H1: Unconstrained	0.880	0.843	0.929	0.906	0.928
H2: H1+ Equal regression weights	0.873	0.842	0.925	0.905	0.924
H3: H2 + Equal regression intercepts	0.858	0.831	0.911	0.894	0.910
H4: H3 + Equal latent means	0.840	0.815	0.894	0.876	0.893
H5: H3 + Equal variances and covariances	0.838	0.833	0.898	0.895	0.898
H6: H5 + Equal latent means	0.819	0.818	0.880	0.879	0.880
H7: H6 + Equal error variances	0.779	0.792	0.841	0.851	0.842
Saturated model	1.000		1.000		1.000
Independence model	0.000	0.000	0.000	0.000	0.000

RMSEA

Model	RMSEA	LO 90	HI 90	PCLOSE
H1: Unconstrained	0.022	0.021	0.023	1.000
H2: H1+ Equal regression weights	0.022	0.021	0.023	1.000
H3: H2 + Equal regression intercepts	0.024	0.022	0.025	1.000
H4: H3 + Equal latent means	0.025	0.024	0.027	1.000
H5: H3 + Equal variances and covariances	0.023	0.022	0.025	1.000
H6: H5 + Equal latent means	0.025	0.024	0.026	1.000
H7: H6 + Equal error variances	0.028	0.027	0.029	1.000
Independence model	0.072	0.071	0.073	0.000

AIC

Model	AIC	BCC	BIC	CAIC
H1: Unconstrained	3273.154	3321.951		
H2: H1+ Equal regression weights	3297.267	3340.674		
H3: H2 + Equal regression intercepts	3481.786	3520.654		
H4: H3 + Equal latent means	3754.112	3790.142		
H5: H3 + Equal variances and covariances	3531.098	3554.362		
H6: H5 + Equal latent means	3816.530	3836.957		
H7: H6 + Equal error variances	4393.736	4405.935		
Saturated model	3016.000	3158.608		
Independence model	19121.467	19141.137		

Table 8.25 Maximum Likelihood Estimates of Regression Weights for H5

			Estimate	S.E.	C.R.	P
PVQ25	←	Conformity	1.383	0.069	20.155	***
PVQ29	←	Tradition	0.932	0.062	15.069	***
PVQ15	←	Benevolence	0.993	0.036	27.524	***
PVQ8	←	Benevolence	1.000			
PVQ26	←	Universalism	1.107	0.041	27.193	***
PVQ22	←	Universalism	0.875	0.041	21.186	***
PVQ18	←	Universalism	0.875	0.042	20.923	***
PVQ5	←	Universalism	1.000			
PVQ11	←	Self-direction	1.105	0.055	20.101	***
PVQ2	←	Self-direction	1.000			
PVQ24	←	Self-direction	1.257	0.060	20.791	***
PVQ20	←	Achievement	1.038	0.048	21.453	***
PVQ3	←	Achievement	1.000			
PVQ27	←	Achievement	1.036	0.049	21.296	***
PVQ16	←	Security	1.074	0.042	25.381	***
PVQ7	←	Security	1.000			
PVQ21	←	Security	1.028	0.040	25.832	***
PVQ14	←	Stimulation	1.661	0.077	21.533	***
PVQ6	←	Stimulation	1.000			
PVQ13	←	Power	1.080	0.051	21.050	***
PVQ9	←	Power	1.000			
PVQ17	←	Hedonism	1.301	0.051	25.527	***
PVQ10	←	Hedonism	1.000			
PVQ28	←	Benevolence	0.933	0.038	24.285	***
PVQ1	←	Conformity	1.000			
PVQ4	←	Tradition	1.000			
PVQ18	←	Hedonism	0.214	0.029	7.305	***
PVQ6	←	Security	0.519	0.047	10.946	***
PVQ10	←	Benevolence	0.470	0.042	11.077	***

Table 8.26 Estimated Intercepts for model H5

	Estimate	S.E.	C.R.	P
PVQ25	–0.203	0.115	–1.755	0.079
PVQ29	0.327	0.130	2.521	0.012
PVQ4	0.000			
PVQ15	–0.098	0.072	–1.356	0.175
PVQ8	0.000			
PVQ26	–0.083	0.077	–1.072	0.284
PVQ22	0.621	0.078	7.934	***
PVQ18	0.184	0.087	2.114	0.034
PVQ5	0.000			
PVQ11	–0.075	0.117	–0.640	0.522
PVQ2	0.000			
PVQ24	–0.185	0.129	–1.439	0.150
PVQ20	–0.188	0.122	–1.539	0.124
PVQ3	0.000			
PVQ27	–0.044	0.123	–0.363	0.717
PVQ16	–0.202	0.085	–2.378	0.017
PVQ7	0.000			
PVQ21	–0.300	0.079	–3.794	***
PVQ14	0.521	0.193	2.707	0.007
PVQ6	0.000			
PVQ13	–0.334	0.175	–1.908	0.056
PVQ9	0.000			
PVQ17	0.714	0.130	5.505	***
PVQ10	0.000			
PVQ28	0.214	0.077	2.776	0.005
PVQ1	0.000			

Table 8.27 Estimated Covariances for model H5

			Estimate	S.E.	C.R.	P
Conformity	↔	Tradition	0.223	0.016	14.347	***
Conformity	↔	Benevolence	0.262	0.014	18.122	***
Conformity	↔	Universalism	0.257	0.014	18.109	***
Conformity	↔	Self-direction	0.172	0.012	14.011	***
Conformity	↔	Achievement	0.179	0.014	12.372	***
Conformity	↔	Security	0.233	0.014	16.949	***
Conformity	↔	Stimulation	0.003	0.012	0.258	0.796
Conformity	↔	Power	–0.009	0.016	–0.548	0.584
Conformity	↔	Hedonism	0.035	0.014	2.492	0.013
Tradition	↔	Benevolence	0.316	0.019	16.463	***
Tradition	↔	Universalism	0.308	0.019	16.518	***
Tradition	↔	Self-direction	0.163	0.016	10.406	***
Tradition	↔	Achievement	0.237	0.020	11.603	***
Tradition	↔	Security	0.290	0.018	15.721	***
Tradition	↔	Stimulation	0.008	0.017	0.441	0.659
Tradition	↔	Power	0.033	0.023	1.424	0.154
Tradition	↔	Hedonism	0.007	0.020	0.340	0.734
Benevolence	↔	Universalism	0.355	0.017	20.359	***
Benevolence	↔	Self-direction	0.239	0.015	15.778	***
Benevolence	↔	Achievement	0.250	0.018	14.041	***
Benevolence	↔	Security	0.379	0.019	20.345	***
Benevolence	↔	Stimulation	0.020	0.014	1.349	0.177
Benevolence	↔	Power	0.019	0.019	1.046	0.296
Benevolence	↔	Hedonism	0.044	0.017	2.626	0.009
Universalism	↔	Self-direction	0.246	0.015	16.194	***
Universalism	↔	Achievement	0.274	0.018	15.085	***
Universalism	↔	Security	0.351	0.018	19.779	***
Universalism	↔	Stimulation	0.037	0.014	2.638	0.008
Universalism	↔	Power	0.005	0.018	0.264	0.791
Universalism	↔	Hedonism	0.069	0.017	4.177	***
Self-direction	↔	Achievement	0.350	0.022	16.210	***
Self-direction	↔	Security	0.213	0.014	14.833	***
Self-direction	↔	Stimulation	0.224	0.017	12.819	***
Self-direction	↔	Power	0.257	0.021	12.265	***
Self-direction	↔	Hedonism	0.248	0.019	12.942	***
Achievement	↔	Security	0.269	0.018	14.782	***
Achievement	↔	Stimulation	0.300	0.023	13.204	***
Achievement	↔	Power	0.391	0.028	13.800	***
Achievement	↔	Hedonism	0.362	0.025	14.416	***
Security	↔	Stimulation	0.013	0.014	0.913	0.361
Security	↔	Power	0.007	0.018	0.419	0.675
Security	↔	Hedonism	0.043	0.016	2.649	0.008
Stimulation	↔	Power	0.536	0.033	16.011	***
Stimulation	↔	Hedonism	0.490	0.029	16.695	***
Power	↔	Hedonism	0.570	0.034	16.812	***
e29	↔	e28	0.139	0.044	3.193	0.001
e11	↔	e10	0.182	0.044	4.183	***
e27	↔	e28	0.312	0.037	8.526	***

In Table 8.28 it is interesting to note the progression of means across the ten different values. The last column in Table 8.28 provides the estimated mean of each of the ten PVQ value subscales, which should be interpreted on a six-point scale, with 6 as the maximum and 1 as the minimum score. The PVQ subscale which had the highest mean overall is power, and the lowest mean was for conformity and hedonism. The ten PVQ value subscales are ordered in Table 8.28 from the highest to the lowest mean. For five of the ten value subscales there was a small, but steady, decline in the mean value as one moves from the lower LSM super group 1 (LSM1-3) towards the highest LSM super group 4 (LSM8-10). These five subscales were self-direction, security, benevolence, universalism and conformity. None of the value dimensions showed a steady rise across the super groups; however, if the first super group could be ignored, there was a steady increase in the mean levels across LSM super groups 2, 3 and 4 for power and hedonism. But, it should be noted that the differences across the LSM groups are relatively small, and are overshadowed by the fact that across these groups the main trend was small and almost non-substantial differences across the four super groups. Figure 8.13 supports the observations made on Table 8.28.

Table 8.28 Estimated means of latent variables for H5

Latent variable	H5: Latent means not constrained equal				H6: Constrained equal across groups
	LSM 1-3	LSM 4-5	LSM 6-7	LSM 8-10	
n	852	668	423	623	2 566
Power	3.278	3.152	3.379	3.564	3.329
Achievement	2.488	2.390	2.373	2.477	2.439
Self-direction	2.219	2.173	1.987	1.904	2.087
Tradition	2.052	2.102	1.916	2.062	2.031
Security	2.107	2.021	1.779	1.737	1.933
Benevolence	2.085	2.046	1.796	1.700	1.928
Universalism	1.927	1.898	1.739	1.656	1.824
Stimulation	1.743	1.572	1.603	1.616	1.665
Conformity	1.679	1.664	1.588	1.594	1.644
Hedonism	1.723	1.476	1.568	1.688	1.644

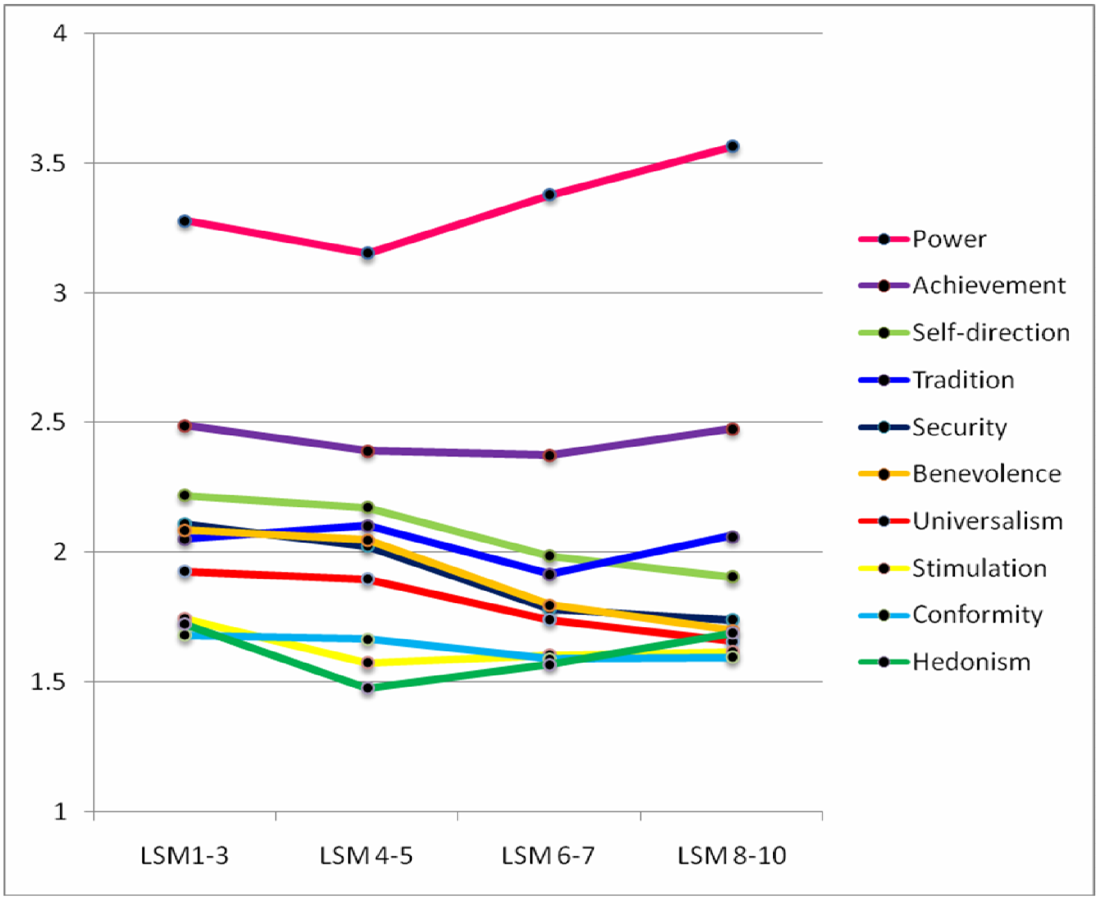


Figure 8.13 **Latent mean values of PVQ subscales across four LSM super groups**

8.5.3 Multi-group confirmatory factor analysis over LSM super groups for the Satisfaction with Life Scale

The MGCFA over LSM super groups followed the same procedure as outlined in section 8.5.2. Seven models were fitted, with H1 the unconstrained model, H2 the model with regression weights constrained equal, H3 with intercepts constrained equal, H4 with latent means constrained equal, H5 with latent means unconstrained and the latent variable variance constrained equally, and finally, H6 with latent means equal and H7 with error variances equal.

The regression weight estimates in Table 8.29 are all significant and positive. The results indicate acceptable levels of fit for all model where the latent means were not constrained equally, as shown in Table 8.33, indicating that across LSM super groups, it can be assumed that response bias is negligible, whilst there are substantial differences in the mean levels of satisfaction with life as measured by the four item SWLS across the four LSM super groups. Table 8.32 provides the estimates of the latent mean scores. As one would expect, the lower LSM super groups reported lower average life satisfaction levels and the higher the super group, the higher the mean levels of satisfaction with life. The estimated error variances in Table 8.31 are not excessively large, and therefore the model seems plausible. These average satisfaction levels are also closely related to the estimated means found across cultural groups, reported in Table 8.23. Therefore, the differences in SWL are not only due to differences in LSM grouping, but also due to cultural differences.

Table 8.29 Maximum likelihood estimates of Regression Weights for H5 of 4-item SWLS model

			Estimate	S.E.	C.R.	P
swl04	←	SWLS	1.262	0.043	29.533	***
swl03	←	SWLS	1.418	0.043	32.941	***
swl02	←	SWLS	1.382	0.043	32.435	***
swl01	←	SWLS	1.000			

Table 8.30 Estimated Intercepts for H5 of 4-item SWLS model

	Estimate	S.E.	C.R.	P
swl04	–1.023	0.150	–6.821	***
swl03	–1.518	0.151	–10.058	***
swl02	–1.562	0.149	–10.479	***
swl01	0.000			

Table 8.31 Estimated Variances for H5 of 4-item SWLS model

	Estimate	S.E.	C.R.	P
SWL	0.404	0.024	16.530	***
es4	1.059	0.059	17.947	***
es3	0.511	0.038	13.379	***
es2	0.541	0.038	14.077	***
es1	1.021	0.054	18.893	***

Table 8.32 Estimated latent mean of the latent variable SWL in the 4-item SWL model

Latent variable	H5: Latent means not constrained equal				H6: Constrained equal across groups
	LSM 1-3	**LSM 4-5**	**LSM 6-7**	**LSM 8-10**	
N	852	668	423	623	2566
SWLS Mean	2.982	3.304	3.555	3.810	3.371

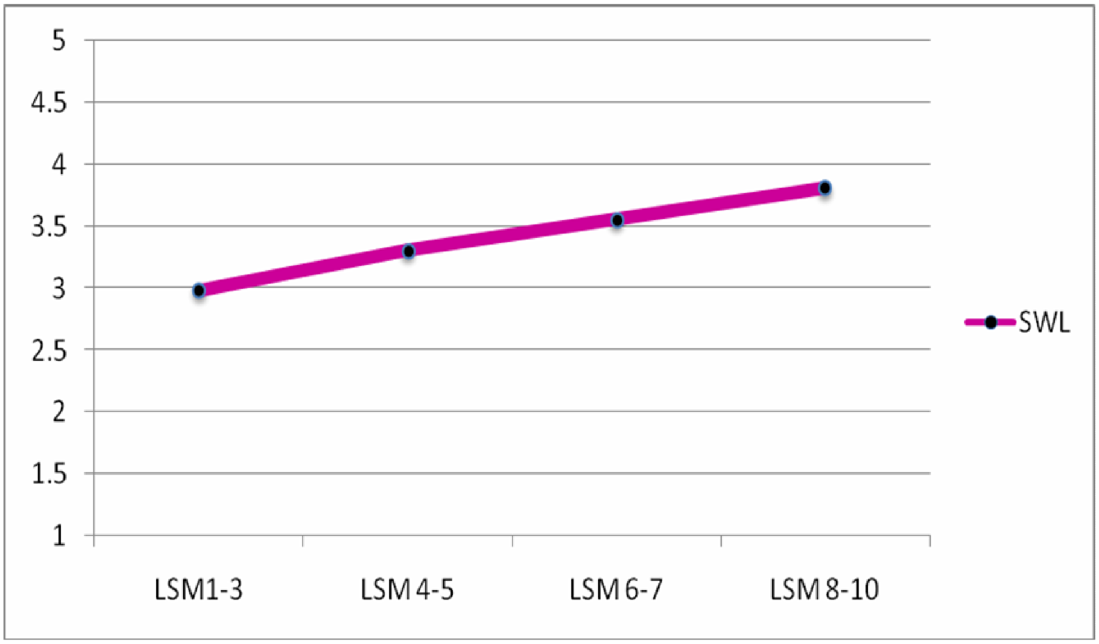


Figure 8.14 **Latent mean values of SWL scale across LSM super groups**

Table 8.33 **Model Fit Summary for multiple group analysis of SWL model across LSM super groups**

CMIN

Model	NPAR	CMIN	DF	P	CMIN/DF
H1: Unconstrained	48	73.611	8	0.000	9.201
H2: H1+ Equal regression weights	39	80.561	17	0.000	4.739
H3: H2 + Equal intercepts	30	123.534	26	0.000	4.751
H4: H3 + Equal latent means	27	622.197	29	0.000	21.455
H5: H3 + Equal variances	27	160.654	29	0.000	5.540
H6: H5 + Equal latent means	24	658.554	32	0.000	20.580
H7: H6 + Equal error variances	12	936.026	44	0.000	21.273
Saturated model	56	0.000	0		
Independence model	32	3 356.684	24	0.000	139.862

Baseline Comparisons

Model	NFI Delta1	RFI rho1	IFI Delta2	TLI rho2	CFI
H1: Unconstrained	0.978	0.934	0.980	0.941	0.980
H2: H1+ Equal regression weights	0.976	0.966	0.981	0.973	0.981
H3: H2 + Equal intercepts	0.963	0.966	0.971	0.973	0.971
H4: H3 + Equal latent means	0.815	0.847	0.822	0.853	0.822
H5: H3 + Equal variances	0.952	0.960	0.960	0.967	0.960
H6: H5 + Equal latent means	0.804	0.853	0.812	0.859	0.812
H7: H6 + Equal error variances	0.721	0.848	0.731	0.854	0.732
Saturated model	1.000		1.000		1.000
Independence model	0.000	0.000	0.000	0.000	0.000

Table 8.33 (cont.)

RMSEA

Model	RMSEA	LO 90	HI 90	PCLOSE
H1: Unconstrained	0.057	0.045	0.069	0.165
H2: H1+ Equal regression weights	0.038	0.030	0.047	0.989
H3: H2 + Equal intercepts	0.038	0.032	0.045	0.998
H4: H3 + Equal latent means	0.089	0.083	0.096	0.000
H5: H3 + Equal variances	0.042	0.036	0.049	0.978
H6: H5 + Equal latent means	0.087	0.082	0.093	0.000
H7: H6 + Equal error variances	0.089	0.084	0.094	0.000
Independence model	0.233	0.226	0.239	0.000

AIC

Model	AIC	BCC	BIC	CAIC
H1: Unconstrained	169.611	170.426		
H2: H1+ Equal regression weights	158.561	159.224		
H3: H2 + Equal intercepts	183.534	184.044		
H4: H3 + Equal latent means	676.197	676.656		
H5: H3 + Equal variances	214.654	215.112		
H6: H5 + Equal latent means	706.554	706.962		
H7: H6 + Equal error variances	960.026	960.230		
Saturated model	112.000	112.951		
Independence model	3 420.684	3 421.228		

8.5.4 Pearson correlation between LSM and values

In order to analyse the relationship between PDMs' LSM classification and their values, the correlation between their scores on each of the values and their LSM grouping was computed by means of the Pearson correlation coefficient. The ten LSM groups are strictly speaking not continuous variables, but can be treated as scale data to simplify analyses. This, for instance, makes a correlation analysis between them and other continuous data possible, as indicated in Chapter 7.

Table 8.34 presents the Pearson correlations obtained between PDMs' values and their LSM groupings. The centred value scores (as explained in section 7.4.1.4) were used for the correlation analysis.

Table 8.34 Correlation between values and LSM

	Pearson correlation with LSM segment	p-value
Conformity	0.13	0.000***
Self-direction	–0.14	0.000***
Achievement	0.08	0.000***
Tradition	0.11	0.000***
Universalism	–0.06	0.002**
Stimulation	–0.05	0.013*
Security	–0.13	0.000***
Benevolence	–0.15	0.000***
Power	0.15	0.000***
Hedonism	0.01	0.514

*** significant at $\alpha = 0.001$
** significant at $\alpha = 0.01$
* significant at $\alpha = 0.05$

It is clear from Table 8.34 that there are significant correlations between PDMs' values and their LSM classification. The correlation between stimulation and LSM was significant at the 5% level of significance, but not at the 1% level. The correlation between hedonism and LSM was not significant, whilst significant negative correlations were found for self-direction, universalism, security and benevolence. The higher the PDMs were in terms of their LSM classification, the less important these values tended to be to them. Positive correlations were found for conformity, achievement and power, indicating that the higher PDMs' level of LSM classification, the more likely they were to associate with these values.

Although the correlations are significant, they are low (a correlation of 0.2 and below is considered low – see Table 7.1). As indicated in Chapter 7, in a large sample, such as in this research, even low correlations among variables may be found to be significant (Stolzenberg, 2004). Using the correlation coefficient as effect size measure, it can consequently be concluded that there is only a weak statistically significant linear relationship between PDMs' values and their LSM classification.

The mean scores of each of the four LSM super groups are graphically depicted in Figure 8.15. The centred value scores (as indicated in section 7.4.1.4) are plotted in this figure. Negative scores therefore indicate that the value is lower, while positive scores indicate a higher than average score relative to the overall average score. The scores are centred around zero since the scores plotted are centred scores, as recommended by S.H. Schwartz (personal communication, 8 May 2008).

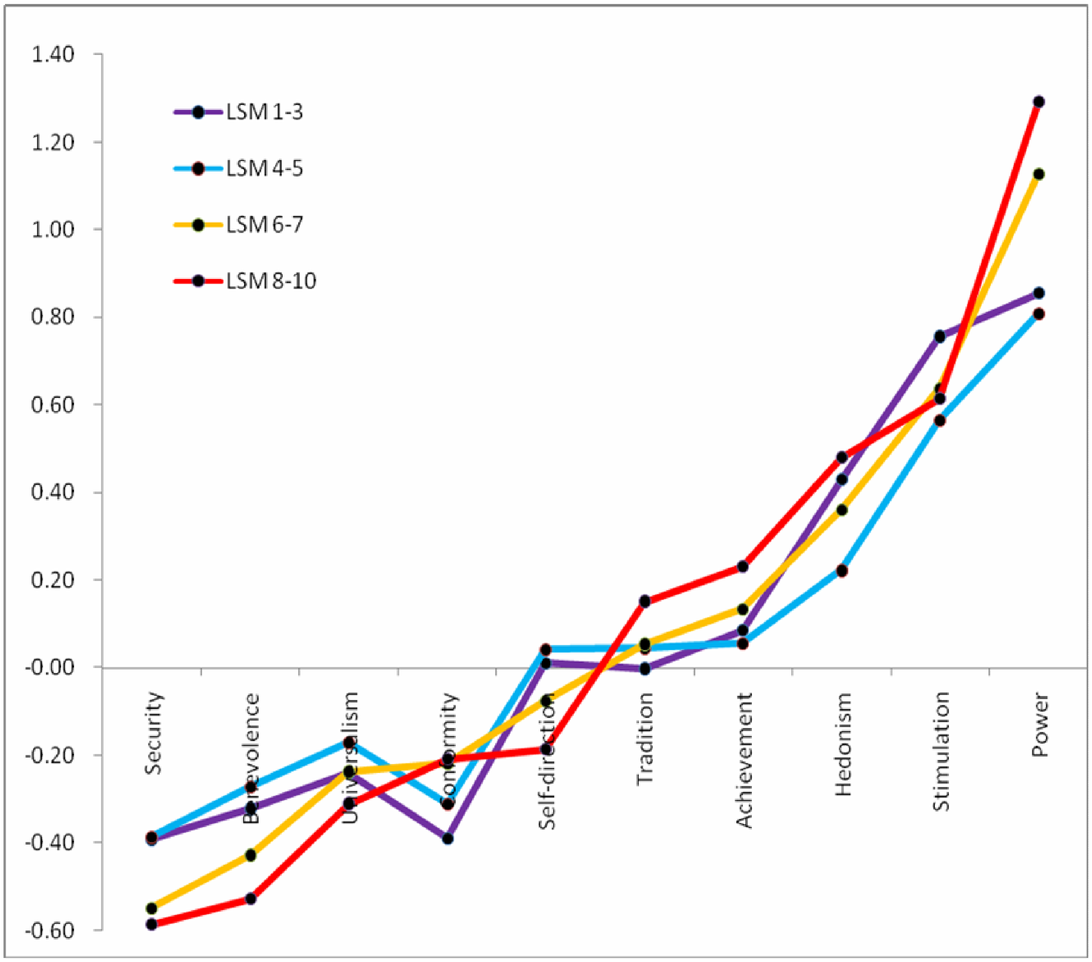


Figure 8.15 Centred value scores for LSM super groups

Although there were differences in the centred value mean scores of the LSM super groups, their overall profile of scores on values were very similar. It is evident that the scores of LSM super groups 1 and 2 corresponded, while those of super groups 3 and 4 were similar. This especially applies to self-direction, security, benevolence, power and hedonism. This trend emerges graphically and it is, for example, evident that PDMs from LSM super groups 3 and 4 attached more importance to power and hedonism (highly significant positive correlations), while they attached less importance to security and benevolence. PDMs from LSM super groups 1 and 2 attached more importance to these two values. Table 8.35 provides respondent-level centred value scores for PDMs in each LSM super group.

Table 8.35 Centred value scores per LSM super group

Value	Super group 1	Super group 2	Super group 3	Super group 4
	LSM 1-3	**LSM 4-5**	**LSM 6-7**	**LSM 8-10**
Conformity	–0.39	–0.31	–0.22	–0.21
Self-direction	0.01	0.04	–0.08	–0.19
Achievement	0.09	0.06	0.13	0.23
Tradition	–0.00	0.05	0.05	0.15
Universalism	–0.24	–0.17	–0.24	–0.31
Stimulation	0.76	0.57	0.64	0.61
Security	–0.39	–0.39	–0.55	–0.59
Benevolence	–0.32	–0.27	–0.43	–0.53
Power	0.85	0.81	1.13	1.29
Hedonism	0.43	0.22	0.36	0.48

According to Schwartz (2005a), people's life circumstances provide them with opportunities to follow or express some values more easily than others. Wealthy persons can, for example, pursue power values more easily. Because PDMs in LSM 8-10 are classified at the highest level of a wealth measure, their pursuit of power is consistent with this expectation – as is evident in Figure 8.15.

Self-direction may be worthy of investigation, because the findings for PDMs from the two lowest LSM super groups contrast with those of the findings for PDMs from the two highest LSM super groups. According to Schwartz (2005a), people who occupy professional positions may be able to express self-direction values more easily. Despite the fact that PDMs from LSM super groups 1 and 2 are not likely to occupy professional positions, they showed higher levels of identification with self-direction values. This value's defining goal is independent thought and action, and choosing, creating and exploring on one's own. According to Schwartz (2005a), related value concepts to self-direction are creativity, freedom, choosing one's own goals, being curious and independent. Their conditions may cause them to desire to be able to express this value and its related concepts. Furthermore, Schwartz (2005a) points out that the sources of low reliability in measuring self-direction, (found with the 40-item PVQ) are unclear, which may suggest that this value requires further conceptual analysis and refinement.

The consistent pattern observed in PDMs' values in Figure 8.15 may not only present an investigation of LSM groups, but may also serve as a broad description of adult South African consumers' values. They may characteristically pursue power, hedonism, stimulation and achievement quite strongly, while they do not pursue benevolence and security as strongly. According to Schwartz's theory, hedonism contains elements of both openness to change and self-enhancement, and PDMs can be expected to attach importance to these values. Furthermore, although the theory distinguishes ten values, it also postulates that values form a continuum of related motivations, which explains the circular structure. Adjacent values share motivational emphases, for instance power and achievement share the emphases of social superiority and esteem. South African PDMs, for instance, may be motivated by social superiority and esteem.

The profile above differs vastly from the pan-cultural hierarchy, identified by Schwartz and Bardi (2001) (as pointed out in Chapter 5). There may be unique circumstances in South Africa leading to the differing profile, as reflected in Figure 8.15. The South African society consists of a racially highly divergent community, is undergoing a process of transformation and, as indicated earlier, there is great disparity between the rich and the poor. Furthermore, respondents in the current research consisted of people who were responsible for household purchases. These respondents may be motivated by hedonism, or the goal of pleasure or sensuous gratification for themselves, which may be one of the reasons for their purchases. Hedonism values derive from organismic needs and the pleasure associated with satisfying them. They focus on pleasure, enjoying life and being self-indulgent (Schwartz, 2005a), which may explain why this value may be particularly relevant for people who are interested in buying products for themselves and others.

Stimulation values derive from the organismic need for variety and stimulation in order to maintain an optimal, positive level of activation. According to Deci (in Schwartz, 2005a), this need is probably related to the needs underlying self-direction values. People may have different physiological needs for stimulation and arousal and different social experiences in terms of stimulation, which may produce individual differences in the importance of stimulation values. The defining goal of stimulation values include excitement, novelty, and challenge in life, and related values include a varied and exciting life and being daring, which may particularly impact on people’s consumer behaviour.

In the pan-cultural hierarchy (discussed in Chapter 5), hedonism and stimulation values are regarded as two of the least significant values in maintaining smoothly functioning societies. These two values are social transformations of the needs of the individual, as a biological organism, for physical gratification and optimal arousal (Schwartz, in Schwartz & Bardi, 2001). They mainly serve individual interests and satisfy self-oriented desires.

The defining goal of power is social status and prestige, and control or dominance over people and resources. In this research, respondents had some control over household resources because they were responsible for their purchases. The defining goal of stimulation is excitement, novelty, and challenge in life. Power values are located at the bottom of the pan-cultural hierarchy, with very high consensus regarding their relatively low importance. Power values emphasise dominance over people and resources. On the other hand, power values are congruent with the gratification of self-oriented desires, as is the case with stimulation and hedonism, and it can be expected that PDMs would attach importance to these desires.

Individual differences in the importance attributed to values reflect people's unique needs, temperaments and social experiences, while the pan-cultural similarities in value importance tend to reflect the shared bases of values in human nature and the adaptive functions of each type of value in maintaining societies (Schwartz & Bardi, 2001). This research study aimed at identifying PDMs' values, and investigated them at individual level, while the pan-cultural hierarchy reflects value importance at societal level.

South African PDMs generally attached little importance to benevolence and security, as is evident from Figure 8.15. Benevolence values emphasise concern for others' welfare and provide the internalised motivational base for cooperative and supportive social relations. Benevolence values are therefore of the utmost importance in maintaining societies and is usually rated as most important in all cultures. The heterogeneous South African population and PDMs from the various cultural groups may not be driven to the same extent by these values, compared to nationally representative samples from countries with more homogeneous populations.

Security's defining goal is safety, harmony, and stability of society, of relationships, and of self. There are two subtypes of security values, namely individual and group security. The latter, however, expresses to a significant degree the goal of security for self (or those with whom one identifies).The two subtypes can therefore be unified into a more encompassing value. The value types which support it are social order, family security, national security, cleanliness, reciprocation of favours and being healthy. South African PDMs in general did not appear to give high priority to maintaining a safe social and physical environment. This may be because the country is known for its high levels of crime and violence and their life circumstances may have constrained them from pursuing this value.

But, there are many possible influences on people's value priorities. According to Schwartz (2005b), any aspect which affects the life circumstances to which people have to adapt, can influence their value priorities. This may result in differences in value priorities among groups. Some differences among PDMs from the different LSM super groups are also evident in Figure 8.15. A MANOVA was performed to investigate whether the value differences among PDMs from various LSM super groups were significant.

8.5.5 MANOVA: testing for value differences among LSM super groups

A multivariate analysis of variance or MANOVA (as discussed in Chapter 7) was initially performed, in order to investigate the differences among the LSM groups (the independent variable) in terms of the various values (the dependent variables). Only the LSM super groups were included in the MANOVA reported in Table 8.36.

Table 8.36 Multivariate tests statistics

Effect		F	Significance
LSM group	Pillai's Trace	12.4	0.000***
	Wilks' Lambda	12.8	0.000***
	Hotelling's Trace	13.3	0.000***
	Roy's Largest Root	35.1	0.000***

*** Significant at $\alpha = 0.001$

The multivariate statistics in Table 8.36 indicate that overall there were highly significant differences among the LSM groups in terms of their value priorities. The "tests of between-subjects effects" table following the overall multivariate tests provides significance levels for each dependent variable (Garson, 2008). The between-subject effects, presented in Table 8.37, indicate that there were significant differences among LSM groups in terms of the specific values.

Table 8.37 Between-subject differences on all values for LSM groups

Dependent Variable	Df	F	Sig.
Conformity	3	15.41	0.000***
Self-direction	3	21.06	0.000***
Achievement	3	8.17	0.000***
Tradition	3	7.78	0.000***
Universalism	3	9.02	0.000***
Stimulation	3	4.65	0.003**
Security	3	20.20	0.000***
Benevolence	3	25.85	0.000***
Power	3	26.20	0.000***
Hedonism	3	8.62	0.000***

*** significant at $\alpha = 0.001$
** significant at $\alpha = 0.01$

As is evident from Table 8.37, highly significant differences were found on all ten values. To establish among which of the LSM groups the significant differences exist, a post hoc test for differences was performed. The second step in MANOVA is that, if the overall F-test shows that the centroid of means of the ten values (dependent variables) is not the same for all the LSM super groups (independent variables), post hoc univariate F-tests of group differences are used to determine which LSM group means differ significantly from others. This helps to specify the exact nature of the overall effect determined by the F-test. Pair-wise multiple comparison tests test each pair of groups to identify similarities and differences (Garson, 2008). Duncan's multiple comparison procedure based on the Studentised range is the specific test used in this study to test for these pairs of groups, as described by Garson (2008).

Duncan's post hoc tests not only present homogenous subsets but also the means for groups in each homogeneous subset. Both the actual mean scores and the homogeneous subset they fall into, assist in the interpretation of the results. Table 8.38 presents the homogeneous subsets as created by Duncan's multiple comparison procedure, as well as the means for groups in each homogeneous subset.

Table 8.38 Homogeneous sub-sets for LSM super group comparisons on values

Achievement			
		Subset	
LSM super group	n	1	2
2	668	0.06	
1	850	0.09	
3	423	0.13	
4	623		0.23
Tradition			
		Subset	
LSM super group	n	1	2
1	850	–0.01	
2	668	0.05	
3	423	0.05	
4	623		0.15
Stimulation			
		Subset	
LSM super group	n	1	2
2	668	0.57	
4	623	0.61	
3	423	0.64	
1	850		0.76

Table 8.38 (cont.)

Security			
LSM super group	n	Subset 1	Subset 2
4	623	–0.59	
3	423	–0.55	
1	850		–0.39
2	668		–0.39

Conformity				
LSM super group	n	Subset 1	Subset 2	Subset 3
1	850	–0.39		
2	668		–0.31	
3	423			–0.22
4	623			–0.21

Self-direction				
LSM super group	n	Subset 1	Subset 2	Subset 3
4	623	–0.19		
3	423		–0.08	
1	850			0.01
2	668			0.04

Universalism				
LSM super group	n	Subset 1	Subset 2	Subset 3
4	623	–0.31		
1	850		–0.24	
3	423		–0.24	
2	668			–0.17

Benevolence				
LSM super group	n	Subset 1	Subset 2	Subset 3
4	623	–0.53		
3	423		–0.43	
1	850			–0.32
2	668			–0.27

Power				
LSM super group	n	Subset 1	Subset 2	Subset 3
2	668	0.81		
1	850	0.85		
3	423		1.13	
4	623			1.29

Hedonism				
LSM super group	n	Subset 1	Subset 2	Subset 3
2	668	0.22		
3	423		0.36	
1	850		0.43	0.43
4	623			0.48

From a review of the subsets and the means for groups in each homogeneous subset, the following is evident from Table 8.38:

For achievement, LSM super groups 1, 2, and 3 do not fall into different homogeneous subsets and are therefore statistically similar. Group 4, however, has a significantly higher score with a centred value mean of 0.23. PDMs in LSM super group 4 therefore pursued this value significantly more strongly than PDMs from the other super groups.

A similar profile is evident for tradition – LSM super group 4 is significantly higher than LSM super groups 1, 2, and 3, with a centred value mean score of 0.15 (versus –0.01 for LSM 1, 0.05 for LSM group 2 and 0.05 for LSM group 3). PDMs in this higher LSM group attached significantly more importance to the tradition value, compared to the other groups.

In terms of stimulation, two subsets are evident – LSM super groups 2, 3 and 4 do not differ significantly in terms of their centred value mean scores (centred value mean scores of 0.57, 0.61 and 0.64). These three LSM super groups, however, differ from LSM super group 1, which has a statistically significantly higher score on stimulation (centred value mean score of 0.76). PDMs from super group 1 therefore attached particular importance to this value.

Both LSM super groups 3 and 4 are significantly lower on their mean centred value scores on security than groups 1 and 2. Groups 1 and 2 do not differ significantly on these values, but their centred value mean scores are significantly higher than those of LSM super groups 3 and 4 (the centred value mean score of –0.39 is larger than –0.55 and –0.59 for LSM super groups 3 and 4 respectively). PDMs from LSM super groups 1 and 2 therefore pursued security more strongly than PDMs from LSM super groups 3 and 4.

In terms of conformity, the centred value mean score for LSM super group 1 is significantly lower than that of group 2 (–0.39 versus –0.31), while super groups 1 and 2 also have a lower centred value mean score than groups 3 and 4. Groups 3 and 4 do not differ from one another. Therefore PDMs in LSM super groups 3 and 4 can be characterised as attaching significantly higher importance to conformity, while PDMs in super group 1 characteristically attach little importance to conformity.

In terms of self-direction, LSM super groups 1 and 2 do not differ from one another (they are in the same subset), but they are both significantly higher than group 3 (with its centred value mean score of –0.08), which in turn is significantly higher than group 4 (centred value mean score of –0.19). Therefore it is clear that super group 4 can especially be characterised as attaching a relatively low degree of importance to self-direction, while PDMs in super groups 1 and 2 attach a higher level of importance to this value.

LSM super group 2 shows the highest score of all groups on universalism (with a centred value mean score of –0.17). LSM super groups 1 and 3 do not differ significantly from each other on this value. They are, however, significantly lower than LSM super group 2 and significantly higher than group 4. With a centred value mean score of –0.31, LSM super group 4 scored significantly lower than any of the other groups on this value. PDMs from LSM super group 4 therefore did not attach much importance to universalism.

LSM super groups 1 and 2 have centred value mean scores of –0.32 and –0.27 respectively, which place them in the same homogeneous subset for benevolence. These centred value mean scores are significantly higher than those of LSM super group 3 (with its centred value mean score of –0.43), which, in turn, is significantly higher than the centred value mean score for LSM super group 4 (–0.53). PDMs from LSM super groups 1 and 2 therefore pursued benevolence more strongly than PDMs from the other super groups.

In terms of power, LSM super group 4 has a significantly higher centred value mean score (1.29) than all other LSM super groups. Although LSM super group 3 also has a significantly higher centred value mean score than LSM super groups 1 and 2, it is not as high as that of LSM super group 4.

In terms of the last value, hedonism, LSM super group 2 is particularly low on this value (centred value mean of 0.22), compared to the other LSM super groups. LSM super groups 1 and 4 are significantly higher than LSM super group 2 on this value, while LSM super group 1 does not differ significantly from LSM super group 3. This is one of the few instances where LSM super group 1's score corresponds with LSM super group 4, and it therefore is an interesting value characterising PDMs in LSM super group 1.

Table 8.39 summarises the above discussion on the interpretation of the homogeneous subsets and centred value means by summarising the values characterising each super group, or the values that were important to them.

Table 8.39 Characteristic or dominant values of LSM super groups

LSM super group 1	LSM super group 2	LSM super group 3	LSM super group 4
Stimulation Hedonism benevolence self-direction security	self-direction universalism security benevolence	power conformity	power hedonism achievement tradition conformity

It is evident from Table 8.39 that PDMs from LSM super groups 1 and 2 corresponded in terms of the values that they characteristically regard as important. The same applies to PDMs from LSM super groups 3 and 4. Some differentiators among the super groups are, however, also evident. PDMs from LSM super group 1 regarded stimulation as more important than all the other groups. Although PDMs from all LSM groups regarded stimulation as important, PDMs in this group attached significantly more importance to this value, compared to PDMs from all the other groups. PDMs from LSM super group 2 attached particular importance to universalism, compared to the other groups. PDMs from LSM super group 4 attached above average importance to hedonism, achievement and tradition.

People typically adapt their values to their life circumstances. They increase the importance that they attribute to values which they can readily attain, and decrease the importance of values which they cannot easily pursue (Schwartz & Bardi, in Schwartz, 2005b). People in jobs that offer them freedom of choice, for example, increase the importance of self-direction values at the expense of conformity values (Kohn & Schooler, in Schwartz, 2005b). However, the opposite trend in terms of self-direction and conformity was found in this research study. PDMs from LSM super group 3 are more likely than PDMs from LSM super group 1 to be employed, yet they attached more importance to conformity, while PDMs from LSM super group 2 regarded self-direction as particularly important. According to Schwartz and Bardi (2001), self-direction values have strong implications for meeting the functional requirement of motivating individuals to work productively.

Schwartz (2005b) points out that people's tendency to increase the importance of attainable values and decreasing thwarted values applies to most, but not all, values. This may explain why PDMs from LSM super group 1 corresponded to those in LSM super group 4 in terms of hedonism. PDMs from the lower LSM super groups may have attached particular importance to this value because they were not able to attain it.

PDMs from LSM super group 4 attached significantly less importance than other groups to universalism, and PDMs from LSM super group 3 attached the highest level of importance to this value, compared to all the groups. As indicated before, the findings for LSM super groups 3 and 4 tended to correspond. According to Schwartz and Bardi (2001), universalism values and their related values such as social justice, equality and broad-mindedness, contribute to positive social relations. But, universalism values focus mostly on those outside people's in-group. Universalism values are functionally important primarily when group members must relate to those with whom they do not readily identify. Commitment to the welfare of non-primary group members is critical in schools, workplaces, and other non-family settings. Universalism values are less crucial when most interaction is limited to the primary group. PDMs from LSM super group 4 did not show a high level of concern for people who are different from them, and did not give a great deal of priority to those outside the in-group. PDMs in this group tend to be mostly white, which may indicate an individualistic trend among them.

PDMs from LSM super groups 1 and 2 differed significantly from those from LSM super groups 3 and 4 on security – they attached significantly more importance to this value. As pointed out earlier, people tend to increase the importance they attribute to values that they can readily attain, and to downgrade the importance of values which their circumstances restrain them from pursuing. The reverse occurs with values that concern material well-being and security. When such values are blocked, their importance increases, but when they are easily attained, their importance decreases. People who suffer economic hardship and social upheaval, for example, attribute more importance to power and security values than those who live in relative comfort and safety (Inglehart, in Schwartz, 2005a). This may explain why PDMs from LSM super groups 1 and 2 ascribed significantly more importance to security.

PDMs from LSM super group 4 appear to be power-driven. The above explanation may also apply to this finding. They may tend to be power-driven, because of their wealth – their circumstances allow them to pursue power values more readily. Schwartz's (1992; 2006) conceptualisation of values as organised in a circular motivational structure (as was discussed in Chapter 5), has important implications for their relations to other variables – it implies that the whole set of ten values relates to any other variable in an integrated manner. The interrelationship is confirmed by the fact that PDMs from LSM 4 attached most importance to power, which lies opposite universalism on the circular model, while PDMs from LSM group 2 attached most importance to universalism.

Figure 8.16 depicts the values which were most important to PDMs in the four LSM super groups, based on the circular motivational structure of relations among the ten value constructs.

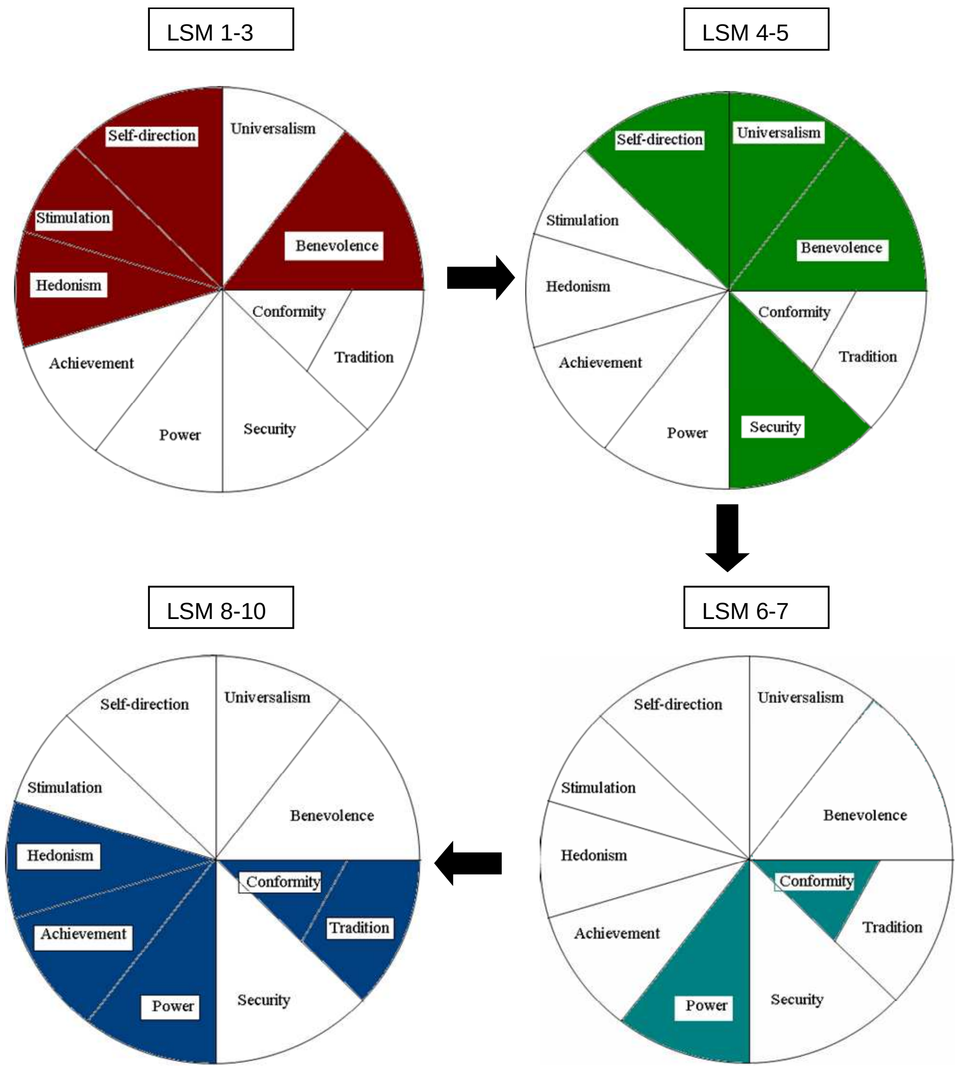


Figure 8.16: Values that are important to LSM super groups presented on Schwartz's circular model

There is some indication in Figure 8.16 that the higher their level of LSM classification, the more importance PDMs attach to values towards the left of the circular model (reflecting the self-enhancement dimension).

8.5.6 Discriminant analysis

As indicated in Chapter 7, discriminant analysis was undertaken to further investigate which set or sets of values discriminate among the LSM super groups. Discriminant analysis has two steps: (1) an F-test (Wilks' lambda) is used to test whether the discriminant model as a whole is significant, and (2) if the F-test shows significance, then the individual independent variables are assessed to see which would differ significantly in means by group, and these are used to classify the dependent variable (Garson, 2008).

Wilks' Lambda test is used to determine whether the discriminant model is significant. See Table 8.40.

Table 8.40 Wilks' Lambda test results for discriminant analysis between values and LSM super groups

Test of Function(s)	Wilks' Lambda	Chi-square	Df	Sig.
1 through 3	0.890	297.737	24	0.000***
2 through 3	0.983	43.987	14	0.000***
3	0.999	3.688	6	0.719

*** significant at α=0.001

It is evident from Table 8.40 that two discriminant functions are significant at $\alpha = 0.001$.

Tables 8.41 and 8.42 respectively present the structure matrix and the standardised canonical discriminant function coefficients determined by means of discriminant analysis. Meaningful labels were assigned to the two discriminant functions by means of a structure matrix. This can be undertaken because the structure matrix reflects the simple correlations between the values and the discriminant function – it is similar to a factor analysis.

Table 8.41 Structure matrix of the discriminant analysis between values and LSM super groups

	Function	
	1	**2**
Benevolence	**0.63**	0.07
Self-direction	**0.56**	0.12
Universalism	**0.43**	–0.00
Hedonism	0.04	**0.80**
Stimulation	0.23	**0.63**
Achievement	0.00	**0.45**
Power	–0.33	**0.40**
Security	**0.61**	0.32

Function 1 (formed by benevolence, self-direction and universalism) discriminates best among the four LSM super groups. To further discriminate among the groups, a second definition can be added, which results in a second function (formed by hedonism, stimulation, achievement and power). The functions obtained by the discriminant analysis again validate Schwartz's values model to some extent, as well as the results obtained by the MANOVA. PDMs from the lower LSM groups tend to characteristically attach importance to values on the self-transcendence dimension of the circular model, while PDMs in higher LSM groups tend to be characterised by values on the self-enhancement dimension of the model. It is evident that the first discriminant function reflects the dimensions self-transcendence/conservation, while the second function corresponds to self-enhancement/ openness to change.

The relationship under investigation in the current research is how accurately PDMs' LSM group can be predicted using a discriminant function, based on their values. Standardised canonical discriminants can be employed to determine the importance of the unique contribution of each independent variable to the discriminant function. This approach is similar to regression analysis and the unique explanation of each independent is considered, whilst shared explanations are excluded. See Table 8.42.

Table 8.42 Standardised canonical discriminant function coefficients

	Function	
	1	**2**
Benevolence	**0.39**	–0.11
Self-direction	**0.60**	**–0.38**
Universalism	–0.14	**–0.39**
Hedonism	–0.07	**0.72**
Stimulation	**0.41**	**0.36**
Achievement	**–0.50**	0.20
Power	**–0.49**	–0.04
Security	**0.37**	**0.54**

In the first function, termed self-transcendence, self-direction provides the largest unique contribution to the formula (0.60). The negative coefficients for achievement and power indicate that they are subtracted and consequently contribute negatively to this function. This corresponds with the dimensions identified in Schwartz's theory. The self-enhancement versus self-transcendence dimension captures the conflict between, and the emphasis on, acceptance of others as equals and concern for their welfare (universalism and benevolence), versus pursuing one's own relative success and dominance over others (power and achievement). Power and achievement values are classified as self-enhancement values and should contribute negatively to self-transcendence.

Hedonism contributes most strongly (0.72) to the second function, self-enhancement. Security also impacts strongly (0.54), while self-direction and universalism contribute negatively to this function. It again makes sense that these values have negative coefficients, because they are situated on opposing sides of the circular model. The self-enhancement dimension deals with pursuing one's own success and dominance over others. It is incompatible with accepting others as equals and having concern for their welfare (universalism and benevolence). The fact that hedonism contains elements of both openness to change and self-enhancement, explains its contribution to self-enhancement.

Schwartz and Bilsky (in Puohiniemi, 1995) and Schwartz (in Puohiniemi, 1995) regard values as goals and motivations which represent the interests of a particular person or group. They divide values into two categories: values that serve individual interests and those that serve collective interests. Self-direction, stimulation, hedonism, achievement and power serve individual interests. Conformity, tradition and benevolence serve collective interests. Security and universalism are situated in the boundaries between these two categories and serve mixed interests.

A classification matrix can be used to assess the performance of the discriminant analysis. It consists of a table in which the rows indicate the observed categories of the dependent variable, while the columns indicate the predicted categories. If prediction is perfect, all cases lie on the diagonal. The percentage of cases on the diagonal is the percentage which has been classified correctly, often referred to as the hit-ratio. See Table 8.43.

Table 8.43 Classification of group membership of discriminant analysis

LSM super group	**Predicted group membership**			
	1	**2**	**3**	**4**
1	**39%**	28%	15%	18%
2	28%	**33%**	19%	21%
3	20%	20%	**26%**	34%
4	16%	12%	21%	**50%**

The hit-ratio is not compared to 0, but to the percentage that would have been classified correctly, based on chance alone. SPSS was used to calculate these probabilities, as shown in Table 8.44.

Table 8.44 Prior probabilities for groups

LSM super group	Prior probability
1	33%
2	26%
3	17%
4	24%

By comparing Tables 8.43 and 8.44, it is evident that all the percentages in the classification table are higher than would have been obtained if a chance assignment of cases were made. This especially applies to LSM super group 4, where 50% of cases were correctly classified by means of the discriminant analysis. It was least successful in classifying LSM super group 1 – 39% correct versus 33% chance effect. This could be expected in light of the fact that some unexpected values scores were found for PDMs in LSM super group 1, such as a relatively high score on hedonism. There was no strong discrimination among these PDMs' values, and a function would not be able to predict this level of LSM group membership.

Schwartz (2005b) points out that the value profiles reflected in Schwartz's values model were found across cultures, irrespective of which values questionnaire (the SVS or the 40-item PVQ) was used. The fact that PDMs' membership to LSM super group 4 could be predicted best by means of the discriminant analysis in this research, may indicate that the 29-item PVQ discriminates better among white PDMs and is consequently more valid for this group, because whites are still represented strongly in LSM groups 8 to 10. Furthermore, although Schwartz and Bardi (2001) report on data that was collected in 1994 and 1996 with student samples, as well as with a nationally representative sample in 1992, and by using the SVS, they found the strongest correlation with the values profile for white South Africans (0.97), which indicates a substantial degree of agreement as to which value types are relatively important and which are relatively unimportant among white South Africans.

8.6 THE RELATIONSHIP BETWEEN VALUES AND SATISFACTION WITH LIFE

In order to address sub-problem 4, the relationships between the ten PVQ values subscales and SWL are examined, using different approaches.

Schwartz (2005a) points out that happiness (which is usually conceived as part of the affective component of SWB) is not included in his values model, although it is an important value that some people may associate with hedonism. Happiness can, however, be linked to all the values, because people achieve happiness through attaining the outcomes they value (Sagiv & Schwartz, in Schwartz, 2005a). Sagiv and Schwartz (2000), however, did not find any significant relations between the values in Schwartz's model and SWL, as will be evident in the following discussion.

As part of the examination of SWL, PDMs' SWL scores were correlated with all 10 values in Schwartz's model in this research study, as will be shown in the following section.

8.6.1 The relationship between purchase decision-makers' values and their satisfaction with life

Table 8.45 presents the correlations that were obtained between PDMs' values and their SWL.

Table 8.45 Correlation between values and satisfaction with life

(n = 2566) **Values**	**Satisfaction with life Pearson Correlation**	**Significance (2-tailed)**
Conformity	0.13	0.000***
Self-direction	–0.06	0.004**
Achievement	0.04	0.055
Tradition	0.01	0.512
Universalism	0.00	0.961
Stimulation	–0.10	0.000***
Security	0.02	0.255
Benevolence	–0.01	0.664
Power	0.03	0.099
Hedonism	–0.04	0.023*

*** Significant correlation using $\alpha = 0.001$
** Significant correlation using $\alpha = 0.01$
* Significant correlation using $\alpha = 0.05$

Using the centred value scores, only a few statistically significant, negative correlations between PDMs' values and their SWL were found. Significant correlations were found among SWL and self-direction (r = –0.06), conformity (r = –0.13) and stimulation (r = –0.1). This may indicate that the less importance PDMs attached to self-direction, stimulation, and conformity, the more satisfied they were with their lives. However, it should be noted that although these correlations are statistically significant, they are practically speaking not strong correlations, especially when the guidelines of Howell (2002) as summarised in Table 7.1 are taken into account.

Bilsky and Schwartz (in Sagiv & Schwartz, 2000) provide an orderly foundation for relating values to needs. Using Maslow's needs hierarchy (in Sagiv & Schwartz, 2000), they classified the ten value types as representing growth versus deficiency needs. Values that represent growth needs such as self-actualisation become more important, the more a person attains the goals toward which the values are directed. Bilsky and Schwartz (in Sagiv & Schwartz, 2000) classified self-direction, universalism, benevolence, achievement, and stimulation as representing growth needs. People who endorse such self-direction values as curiosity, independence, and creativity are likely to increase the importance they attribute to these values when they successfully realise these values in their lives. On the other hand, people will tend to reduce the importance of these values if they are unable to realise them. The finding that PDMs were more satisfied with their lives, the less importance they attached to self-direction, stimulation, benevolence and universalism – values reflecting growth needs – may indicate that they have reduced the importance of these needs, which may have contributed to them being satisfied with their lives.

As pointed out before, in a large sample, such as the sample in this research, even small differences among variables may be found to be significant (Stolzenberg, 2004). All the above correlations are low, and when the r-coefficient is used as an estimate of effect size, they may have little practical significance. This finding may also further be explained by the fact that, although Schwartz's value model appears to have considerable empirical validity, his value typology is intentionally broad. Due to this breadth, it has been found in previous values research that Schwartz's value typology is weakly related to indicators of SWB (Oishi, Diener, Lucas & Suh, in Burroughs & Rindfleisch, 2002).

As indicated previously, Sagiv and Schwartz (2000) did not find significant correlations between people's values and their satisfaction with life – they found that values (as measured by the SVS) did not relate directly to the cognitive component of SWB (as measured by the SWLS). Peoples' values, however, did correlate significantly with the affective indices of SWB that they investigated. A possible explanation which they offer for this finding is the fact that the cognitive component of well-being refers to satisfaction. Peoples' satisfaction with their lives may be determined primarily by the extent to which they realise the values that are important to them, rather than by the importance they attribute to particular values.

Sagiv and Schwartz (2000) further point out that the above explanation is consistent with the content of the SWLS' items. Expressing SWL on the SWLS largely reflects a sense of goal attainment. Two of the five items suggest this directly ("In most ways my life is close to my ideal" and "So far I have gotten the important things I want in life"), while two others imply goal attainment ("I am satisfied with my life" and "If I could live my life over, I would change very little"). A high level of cognitive well-being may therefore depend not on what people value, but on their success in attaining what they value.

A separate Pearson correlation analysis of Schwartz's values with SWL was further undertaken for PDMs within each cultural group. This appeared advisable in light of the previous finding that PDMs from particular cultural groups appeared to have characteristic value patterns. The results are presented in Table 8.46.

Table 8.46 Correlations between satisfaction with life and values for cultural groups

Correlation with satisfaction with life	Black (n = 1769)		Coloured (n = 249)		Indian (n = 107)		White (n = 408)	
	r	p-value	r	p-value	r	p-value	r	p-value
Conformity	0.14	0.000***	0.10	0.082	0.16	0.107	0.05	0.300
Self-direction	–0.01	0.632	–0.19	0.002**	–0.04	0.671	0.01	0.811
Achievement	–0.01	0.578	0.07	0.263	–0.21	0.029*	0.05	0.327
Tradition	0.00	0.958	–0.05	0.437	–0.04	0.649	0.01	0.857
Universalism	0.06	0.061	–0.02	–0.024*	0.07	0.069	–0.06	0.229
Stimulation	–0.13	0.000***	–0.09	0.128	–0.10	0.330	–0.01	0.841
Security	0.11	0.000***	0.06	0.322	0.14	0.155	–0.07	0.178
Benevolence	0.07	0.005**	0.07	0.253	0.21	0.027*	–0.04	0.429
Power	–0.06	0.017*	0.14	0.016*	–0.12	0.217	0.03	0.609
Hedonism	–0.10	0.000***	–0.07	0.268	0.03	0.787	0.05	0.300

As is evident from Table 8.46, low to medium significant correlations were found between the SWL and some values of PDMs from the various cultural groups. For white respondents, all r-coefficients were very low (lower than 0.1).

Coloured PDMs' SWL correlated significantly with power (r = 0.14), indicating that there is a linear relationship between the two constructs. This association between coloured PDMs' power values and their SWL corresponds with findings in studies based on self-determination theory, namely that emphasising extrinsic, instead of intrinsic, life goals associates negatively with SWB. For coloured PDMs, self-direction and universalism had the highest correlations with their SWL – the less importance that coloured PDMs attached to these two values, the more satisfied they were with their lives. This means that, the lower coloured PDMs were on independent thought (as reflected by self-direction), the more satisfied they were with their lives.

For Indian PDMs, only achievement and benevolence correlated significantly with their SWL (r-coefficients higher than 0.2). These correlations indicate that the less importance they attached to achievement and the more importance they attached to benevolence, the more satisfied they were with their lives. This corresponds with the fact that power and achievement, the self-enhancement value types, conflict with benevolence and universalism values that emphasise concern for the welfare of others.

For black PDMs, significant positive correlations between their values and their SWL were found with conformity ($r = 0.14$) and security ($r = 0.11$). This implies that the more strongly they pursued these two values, the more satisfied they were with their lives. The significant correlation between their SWL and benevolence probably has little practical significance because the r-coefficient is very low (0.07). Negative correlations were found between their SWL and stimulation ($r = –0.13$) and hedonism ($r = –0.1$), pointing to the possibility that, the less important these values were to them, the more they were satisfied with their lives. This may reflect Higgs' (2007) observation that low SWB tend to result from a boring life. Because these PDMs did not attach much importance to stimulation and hedonism, they could achieve some degree of SWL.

8.6.2 Investigating which values best predict satisfaction with life

A regression analysis was performed to determine how well PDMs' values predict the dependent variable, SWL. A regression analysis was first performed on the sample in total, followed by a regression analysis for each cultural group. S.H. Schwartz (personal communication, 7 November 2007), however, cautions that, when performing regression analysis, results should be interpreted with care due to a high multi-colinearity between the values. He suggests that all values should be included when a researcher is interested in the degree of total variance explained and not particularly interested in regression coefficients.

It was decided to include all 10 values in the analysis in this research in order to determine the degree of variance explained. No coefficients are consequently provided. Ordinary multiple regression, in which all values are entered directly into the equation, was applied. See Table 8.47.

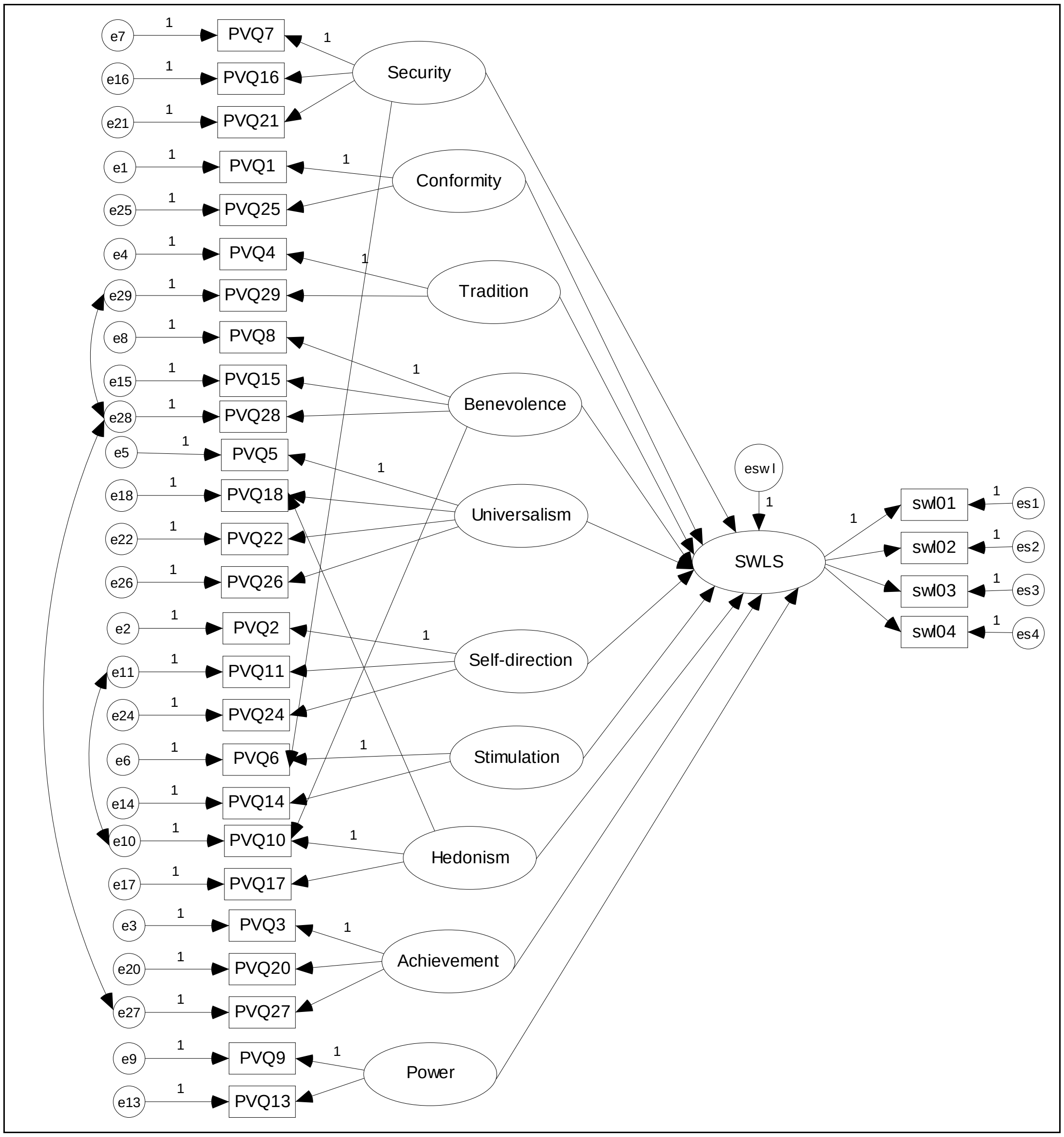
Table 8.47 Model summary for regression between satisfaction with life and values

R	R Square	Adjusted R Square	Std. Error of the Estimate
0.187	0.035	0.031	0.917

It is clear that only 3.5% of the variance in PDMs' SWL could be explained from their values. It can thus be concluded that there is no substantive relationship between values and SWL.

8.6.3 Using Structural Equation Modelling to investigate the relationships between the ten PVQ value subscales and satisfaction with life

In order to investigate whether there are any relationships between the PVQ subscales and SWL, using the powerful analytical methods available in a structural equation model, the model with the path diagram depicted in Figure 8.17 was investigated.



*For the sake of simplicity, covariances between the ten value dimensions are not shown in the path diagram, although they were included in the model.

Figure 8.17 SEM model evaluating the effect of PVQ values on SWL

From the regression weights presented in Table 8.48 it is clear that none of the path coefficients from any of the ten PVQ value subscales pointing to SWL are significant. The smallest p-value is 0.084, which is only significant if α is increased to 0.10, which implies that there is a small positive relationship between hedonism and SWL. Since this model is not useful, none of the other parameters are reported. The fit measures in Table 8.49 indicate that the model fits the data well, and this fit is primarily attributable to the measurement part of the model, which is the ten dimensional CFA part of the model, as shown in Figure 8.10.

Table 8.48 Maximum likelihood estimated regression weights for model in Figure 8.17

			Estimate	S.E.	C.R.	P
SWLS	←	Security	–0.271	0.491	–0.552	0.581
SWLS	←	Benevolence	0.485	0.806	0.602	0.547
SWLS	←	Power	–0.170	0.517	–0.329	0.742
SWLS	←	Achievement	0.132	0.363	0.364	0.716
SWLS	←	Hedonism	0.368	0.213	1.727	0.084
SWLS	←	Self-direction	0.752	0.535	1.405	0.160
SWLS	←	Stimulation	–0.840	0.531	–1.584	0.113
SWLS	←	Universalism	–1.074	1.393	–0.771	0.441
SWLS	←	Conformity	–0.844	0.899	–0.939	0.348
SWLS	←	Tradition	0.788	0.576	1.368	0.171
PVQ25	←	Conformity	1.361	0.068	20.119	***
PVQ29	←	Tradition	1.053	0.071	14.889	***
PVQ15	←	Benevolence	0.996	0.037	26.903	***
PVQ8	←	Benevolence	1.000			
PVQ26	←	Universalism	1.118	0.042	26.717	***
PVQ22	←	Universalism	0.852	0.042	20.388	***
PVQ18	←	Universalism	0.838	0.043	19.673	***
PVQ5	←	Universalism	1.000			
PVQ11	←	Self-direction	1.091	0.055	19.835	***
PVQ2	←	Self-direction	1.000			
PVQ24	←	Self-direction	1.229	0.060	20.425	***
PVQ20	←	Achievement	1.022	0.047	21.558	***
PVQ3	←	Achievement	1.000			
PVQ27	←	Achievement	1.028	0.048	21.381	***
PVQ16	←	Security	1.090	0.044	24.642	***
PVQ7	←	Security	1.000			
PVQ21	←	Security	1.068	0.043	24.870	***
PVQ14	←	Stimulation	1.621	0.075	21.553	***
PVQ6	←	Stimulation	1.000			
PVQ13	←	Power	1.006	0.048	20.808	***
PVQ9	←	Power	1.000			
PVQ17	←	Hedonism	1.272	0.051	25.017	***
PVQ10	←	Hedonism	1.000			
PVQ28	←	Benevolence	0.945	0.039	24.111	***
PVQ1	←	Conformity	1.000			
PVQ4	←	Tradition	1.000			
PVQ18	←	Hedonism	0.254	0.030	8.397	***
PVQ6	←	Security	0.510	0.049	10.372	***
PVQ10	←	Benevolence	0.449	0.044	10.283	***
swl01	←	SWLS	1.000			
swl02	←	SWLS	1.360	0.042	32.055	***
swl03	←	SWLS	1.374	0.043	32.038	***
swl04	←	SWLS	1.207	0.042	28.636	***

Table 8.49 Fit measures of the SEM model

CMIN

Model	NPAR	CMIN	DF	P	CMIN/DF
Default	121	1449.475	344	0.000	4.214
Saturated model	465	0.000	0		
Independence model	30	21767.225	435	0.000	50.040

RMR, GFI

Model	RMR	GFI	AGFI	PGFI
Default	0.046	0.963	0.949	0.712
Saturated model	0.000	1.000		
Independence model	0.307	0.413	0.372	0.386

Baseline Comparisons

Model	NFI Delta1	RFI rho1	IFI Delta2	TLI rho2	CFI
Default	0.933	0.916	0.948	0.934	0.948
Saturated model	1.000		1.000		1.000
Independence model	0.000	0.000	0.000	0.000	0.000

RMSEA

Model	RMSEA	LO 90	HI 90	PCLOSE
Default	0.035	0.034	0.037	1.000
Independence model	0.138	0.137	0.140	0.000

AIC

Model	AIC	BCC	BIC	CAIC
Default	1691.475	1694.435	2399.337	2520.337
Saturated model	930.000	941.377	3650.298	4115.298
Independence model	21 827.225	21 827.959	22 002.728	22 032.728

8.6.4 Summary of findings regarding the relationship between values and satisfaction with life

All the findings in section 8.6 support the argument that there are very little or no relationships between the ten PVQ subscales and SWL. Although it was evident in Chapters 2 and 6, that experts seem to believe that there is an implicit relationship between values and SWL, for instance that SWL is a terminal value that people aspire to, it was not evident in this study.

As pointed out earlier, Oishi et al. (in Burroughs & Rindfleisch, 2002) suggest that Schwartz's value typology may indeed be too broad to reveal strong relationships with indicators of SWB. The findings in this section correspond with Sagiv and Schwartz's (2000) suggestion that peoples' satisfaction with their lives may be determined primarily by the extent to which they realise the values that are important to them, rather than by the importance they attribute to particular values. As Sagiv and Schwartz

(2000) point out, cognitive well-being as measured by the SWLS may not depend on what people value, but on their success in attaining what they value.

As mentioned in Chapter 6, Camfield and Skevington (2008) believe that Diener's (2006) definition of SWB as an umbrella term for different valuations that people make regarding their lives, embraces people's values and their life circumstances. Diener (2006), however, regards life satisfaction as a component of SWB and therefore subordinate to it. It would thus be advisable for researchers investigating the relationship between values and SWB to include both cognitive and affective indices of this construct in their research.

8.7 MANOVA: INVESTIGATING MEAN DIFFERENCES IN VALUES USING FURTHER DEMOGRAPHIC VARIABLES

According to Schwartz (2005a), characteristics such as people's age, education, and gender contribute to explaining individual differences in value priorities because they represent different sets of life experiences. To further investigate differences among PDMs in terms of their values, a MANOVA was again performed, but also incorporating the effect of basic demographic variables, namely their age, gender and cultural group.

The MANOVA procedure automatically accommodated for any differences that may result from age, because as a continuous variable, it was included as a covariate. The results are presented in Table 8.50.

Table 8.50 Wilk's Lambda results from the MANOVA with LSM, gender, age and cultural group on values

Effect	F	Significance
Age	18.55	0.000***
Gender	2.64	0.003**
Cultural group	4.58	0.000***
LSM group	0.93	0.582
Gender * cultural group	1.13	0.286
Gender * LSM group	0.81	0.760
Cultural group * LSM group	1.13	0.185
Gender * cultural group* LSM group	1.20	0.109

*** significant at $\alpha = 0.001$
** significant at $\alpha = 0.01$
* significant at $\alpha = 0.05$

There appears to be differences among PDMs in terms of their values, based on their age, gender and cultural groups. However, when these variables were added to the LSM grouping variable, PDMs from the various LSM groups did not differ significantly any more (p = 0.582). No significant interaction effects were found in terms of PDMs’ cultural group and their LSM classification, between their gender and their cultural group, or between their gender and their LSM classification – male and female PDMs in a particular LSM group, for instance, did not differ significantly in terms of their values.

The significant relationships between PDMs’ LSM group and their age, gender and cultural group are examined further below. Each variable is examined independently because it was evident in Table 8.50 that there are no significant interaction effects between these variables.

8.7.1 The effect of age on values

The way in which PDMs’ age was measured in the current research, strictly speaking classifies it as ordinal variables, comprising 12 age categories. However, for practical and analysis purposes, these 12 categories were regarded as an interval variable. In light of this fact, a Pearson correlation analysis was first undertaken to examine the effect of the age of the PDMs on their values. See Table 8.51.

Table 8.51 Correlation between age and value scores (n = 2495)

	Pearson correlation	Sig. (2-tailed)
Conformity	–0.09	0.000***
Self-direction	0.01	0.568
Achievement	0.17	0.000***
Tradition	–0.16	0.000***
Universalism	–0.12	0.000***
Stimulation	0.15	0.000***
Security	–0.15	0.000***

*** significant at $\alpha = 0.001$
** significant at $\alpha = 0.01$
* significant at $\alpha = 0.05$

As is evident from Table 8.51, statistically significant, but generally very low correlations were found between PDMs’ age and their values. There is some indication that the older PDMs were, the more importance they attached to achievement, stimulation, power and hedonism values. The younger PDMs were, the more strongly they pursued conformity, tradition, universalism, security and benevolence values.

Schwartz (2005b) points out that as children grow up their central task is to move from dependence toward independence. This shift implies that conformity and tradition values decrease in importance, and self-direction values increase. Self-enhancement (power/achievement) and self-transcendence (benevolence/universalism) values express goals related to self versus others' interests. Adolescents' increasing contact with others beyond their family may affect these values. Findings from this research are therefore fairly consistent with Schwartz's theory.

A young person would typically be classified as belonging to the lower LSM groups and, as was evident in Figure 8.16, PDMs from the lower LSM groups were positioned on the self-transcendence side of the circular model in terms of their values. Furthermore, according to Schwartz (1995), associations of value priorities with other variables, such as attitudes, behaviour and demographics, tend to reflect this structure. If any variable associates most positively with one value type (for instance, age with conformity), its associations with the other tend to be progressively less positive as one moves around the circle in either direction towards the diametrically opposing type.

As people grow older, they tend to become more embedded in social networks, more committed to habitual patterns, and less exposed to arousing and exciting changes and challenges (Glen; Tyler & Shullet, in Schwartz et al., 2001). Schwartz et al. (2001) point out that it has been found in past research that age correlates most positively with conservation (tradition, conformity, security) and most negatively with openness to change (self-direction, stimulation) and with hedonism values.

As people get their own families and attain stable job positions, they tend to become less preoccupied with their own strivings and more concerned with the welfare of others (Veroff, Reuman & Feld, in Schwartz et al., 2001). Schwartz et al. (2001), however, found that age correlated positively with self-transcendence (benevolence, universalism) and negatively with self-enhancement (power, achievement) values.

8.7.2 The effect of gender on values

Table 8.52 presents the ANOVA results for gender differences in terms of PDMs' values.

Table 8.52 Gender differences on values

	F-value	p-value	Cohen's *d*
Conformity	18.04	0.000***	0.17
Self-direction	19.71	0.000***	–0.18
Achievement	8.09	0.004**	–0.11
Tradition	62.26	0.000***	0.31
Universalism	2.01	0.156	0.06
Stimulation	10.60	0.001**	–0.13
Security	2.99	0.084*	0.07
Benevolence	22.18	0.000***	0.19

*** significant at α = 0.001
** significant at α = 0.01
* significant at α = 0.05

Male and female PDMs differed significantly on all values, except universalism and security, as reflected by p-values below 0.05 in Table 8.52. Figure 8.18 graphically presents the means of the ten PVQ value subscales. Broadly speaking, males and females have very similar profiles. Males have significantly higher mean values.

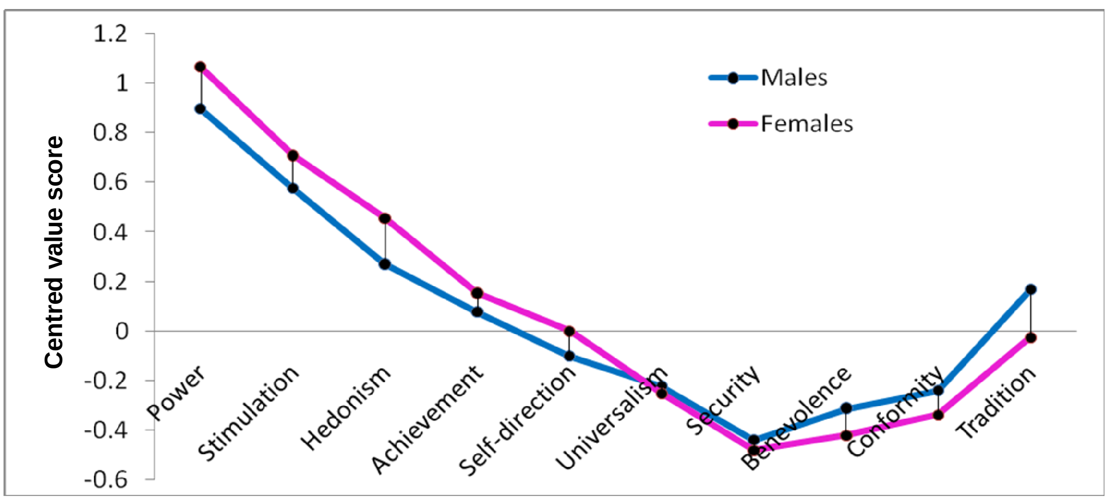


Figure 8.18 Gender differences on values

As is evident from Figure 8.18, male and female PDMs' values corresponded in terms of most values, which may point to the need to consider the practical significance of any gender differences. As indicated in Chapter 6, according to Cohen (in Lachenicht, 2002), an effect size of 0.2 is small, 0.5 is considered a medium effect, and 0.8 upwards reflects a large effect size. The only gender difference in terms of PDMs' values which may consequently be considered a medium effect is that on tradition (Cohen's *d* > 0.3).

Table 8.53 provides the centred value scores for gender presented graphically in Figure 8.18.

Table 8.53 Centred value scores for gender

Values	Males	Females
Conformity	–0.24	–0.34
Self-direction	–0.10	0.00
Achievement	0.08	0.15
Tradition	0.17	–0.03
Universalism	–0.22	–0.25
Stimulation	0.57	0.71
Security	–0.44	–0.48
Benevolence	–0.31	–0.42
Power	0.90	1.07
Hedonism	0.27	0.46

Interactionist theorists such as Deaux and Major (in Schwartz et al., 2001) postulate that males and females do not differ consistently in terms of their values. Schwartz (in Schwartz et al., 2001) points out that studies across many cultures indeed reveal small gender differences that are reliable only in large samples.

Schwartz et al. (2001) found that women in Israel gave higher priority than men to benevolence values ($r = 0.14$, $p < 0.05$), and in South Africa to tradition values ($r = 0.20$, $p < 0.01$), while men in Italy gave higher priority to stimulation values ($r = 0.17$, $p < 0.01$). The current research supports Schwartz’s findings (in Schwartz et al., 2001) because female PDMs only differed significantly from males in terms of the importance they attached to one value, namely tradition.

8.7.3 The effect of cultural group on values

The relationship between cultural group and values was also investigated by conducting a MANOVA. Table 8.54 presents the "Tests of Between-Subjects Effects" that provides significance levels for each dependent variable (Garson, 2008).These results are for differences obtained for the whole sample, irrespective of their LSM classification.

Table 8.54 Between-subject differences on all values for cultural groups

	F-value	p-value
Conformity	3.74	0.011*
Self-direction	16.40	0.000***
Achievement	19.12	0.000***
Tradition	8.68	0.000***
Universalism	18.02	0.000***
Stimulation	3.40	0.017*
Security	39.64	0.000***
Benevolence	56.14	0.000***
Power	61.60	0.000***
Hedonism	12.44	0.000***

*** significant at α = 0.001
** significant at α = 0.01
* significant at α = 0.05

It is evident that there were very significant differences among PDMs from the various cultural groups on all values, except conformity and stimulation.

Figure 8.19 presents the importance ratings PDMs from different cultural groups ascribed to the various values.

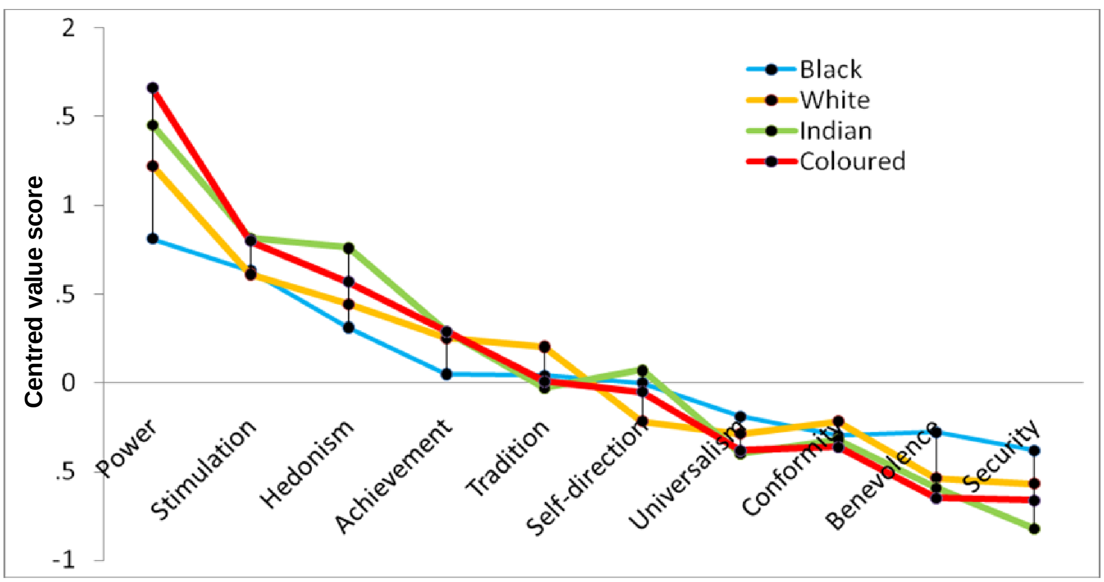


Figure 8.19 Centred value scores across cultural groups

It is evident from Figure 8.19 that, compared to PDMs from all other cultural groups, white PDMs attached least importance to self-direction and most importance to tradition. Black PDMs pursued security and benevolence more strongly, and attached less importance to power and hedonism. Table 8.55 presents the centred value scores per cultural group that are represented in Figure 8.19.

Table 8.55 Centred value scores per cultural group

Value	Black	White	Indian	Coloured
Conformity	–0.30	–0.22	–0.32	–0.36
Self-direction	0.00	–0.22	0.07	–0.05
Achievement	0.05	0.25	0.29	0.29
Tradition	0.04	0.20	–0.03	0.01
Universalism	–0.19	–0.29	–0.40	–0.38
Stimulation	0.63	0.61	0.81	0.80
Security	–0.38	–0.57	–0.82	–0.66
Benevolence	–0.28	–0.54	–0.59	–0.65
Power	0.81	1.22	1.45	1.66
Hedonism	0.31	0.44	0.76	0.57

A post hoc analysis helps to create subsets to assist in identifying where significant differences occur among PDMs from different cultural groups. The post hoc analysis presented in Table 8.56 presents the results from Duncan's multiple comparison procedure used for detecting homogeneous subsets.

Table 8.56 Homogeneous sub-sets for cultural group comparisons on values

Conformity			
Cultural group	n	Subset	
		1	2
Coloured	282	–0.36	
Indian	107	–0.32	–0.32
Black	1,769	–0.30	–0.30
White	408		–0.22
Achievement			
Cultural group	n	Subset	
		1	2
Black	1,769	0.05	
White	408		0.25
Coloured	282		0.29
Indian	107		0.29
Tradition			
Cultural group	n	Subset	
		1	2
Indian	107	–0.03	
Coloured	282	0.01	
Black	1,769	0.04	
White	408		0.20

Table 8.56 (cont.)

Stimulation			
Cultural group	n	Subset	
		1	2
White	408	0.61	
Black	1,768	0.63	0.63
Coloured	282		0.80
Indian	107		0.81

Benevolence			
Cultural group	n	Subset	
		1	2
Coloured	282	–0.65	
Indian	107	–0.59	
White	408	–0.54	
Black	1,769		–0.28

Self-direction				
Cultural group	n	Subset		
		1	2	3
White	408	–0.22		
Coloured	282		–0.05	
Black	1,769		–0.01	–0.01
Indian	107			0.07

Universalism				
Cultural group	n	Subset		
		1	2	3
Indian	107	–0.40		
Coloured	282	–0.38		
White	408		–0.29	
Black	1,769			–0.19

Security				
Cultural group	n	Subset		
		1	2	3
Indian	107	–0.82		
Coloured	282		–0.66	
White	408		–0.57	
Black	1,769			–0.38

Hedonism				
Cultural group	n	Subset		
		1	2	3
Black	1,769	0.31		
White	408	0.44	0.44	
Coloured	282		0.57	
Indian	107			0.76

Table 8.56 (cont.)

Power					
Cultural group	n	Subset			
		1	2	3	4
Black	1,767	0.81			
White	408		1.22		
Indian	107			1.45	
Coloured	282				1.66

It is evident from Table 8.56 that coloured and white PDMs differed significantly in terms of the importance they attached to conformity, but that Indian and black PDMs did not differ significantly from coloured or white PDMs (they are in the same subset as coloured and white PDMs). According to the MANOVA results (see Table 8.54), the cultural groups actually do not differ at the 99% level on this value, and therefore it cannot be used to differentiate among the cultural groups.

In terms of self-direction, some clear differences are evident between PDMs from the various cultural groups. White PDMs attached significantly less importance to self-direction than Indian and black PDMs (centred value means of –0.22 for PDMs, versus –0.01 and 0.07 for Indian and black PDMs, respectively). Black PDMs' centred value mean score of 0.01 does not differ significantly from that of coloureds (0.05). It consequently appears as if Indian PDMs characteristically pursued this value strongly, while white PDMs did not attach much importance to it.

Black PDMs' centred value mean score of 0.05 for achievement was significantly lower than that of white, coloured and Indian PDMs. Black PDMs consequently attached particularly little importance to this value, compared to PDMs from all the other cultural groups.

White PDMs attached particular importance to tradition – their centred value mean score for this value (0.20) formed its own subset. Indian, coloured and black PDMs' centred value mean value scores did not differ significantly on tradition. White PDMs consequently appeared to attach particular importance to tradition, compared to PDMs from other cultural groups.

For universalism, black PDMs' centred value mean score of –0.19 is significantly higher than those of white PDMs (–0.29), coloured (–0.38) and Indian PDMs (–0.40). White PDMs also attached significantly more importance to this value than coloured and Indian

PDMs, whose centred value mean scores did not differ significantly. It can consequently be concluded that black PDMs characteristically attach particular importance to universalism, but white PDMs also attach some importance to this value.

With a centred value mean of –0.82, Indian PDMs attached significantly less importance to security than PDMs from all the other cultural groups. Black PDMs attached significantly more importance to this value with a centred value mean score of –0.38. Coloured and white PDMs did not differ significantly in terms of how strongly they pursued this value (centred value mean scores of –0.66 and –0.57 respectively). Black PDMs can consequently be characterised as strongly pursuing security, while Indian PDMs pursued it least strongly.

Coloured, Indian and white PDMs did not differ significantly in terms of the importance they attached to benevolence – they were all in the same homogeneous subset on this value. Black PDMs characteristically pursued this value more strongly than PDMs from all the other cultural groups. Their centred value mean score was higher (–0.28) than those of PDMs from all the other cultural groups, placing them in their own subset.

In terms of power, PDMs from all the cultural groups differed significantly from one another in terms of the importance they attached to this value – each cultural group falls into its own subset. Black PDMs attached least importance to this value (0.81), followed by white PDMs (1.22), and Indian PDMs (1.45). Coloured PDMs pursued this value most strongly (1.66).

Black and white PDMs attached the same level of importance to hedonism, while white and coloured PDMs also did not differ significantly in terms of the importance they attached to this value. Coloured and black PDMs, however, differed significantly in terms of how strongly they pursued this value, while Indians PDMs attached significantly more importance to this value than PDMs from all the other cultural groups – they formed a subset of their own (0.76). Hedonism thus is a value that typifies Indian PDMs in particular.

The post hoc results indicate that a few values characterised PDMs from particular cultural groups more strongly than others, as summarised in Table 8.57.

Table 8.57 Purchase decision-makers from particular cultural groups' characteristic values

Black	White	Indian	Coloured
Low on achievement, higher on universalism, security and benevolence.	Low on self-direction, high on tradition and universalism.	Low on security, high on power, hedonism and self-direction.	High on power, low on universalism.

Based on the results above, it would probably be advisable to not only compile value profiles for PDMs in the various LSM groups, but to also compile value profiles for each cultural group in light of the interaction effect between PDMs' LSM classification and their cultural group. Yet, despite the strong correlation between PDMs' LSM and their cultural group, the actual values that characterise each group differ in terms of their LSM profiling and their cultural group profiling. It may therefore be necessary to investigate both types of classification.

8.8 DIFFERENCES BETWEEN GROUPS ON SATISFACTION WITH LIFE

Diener, Suh and Oishi (in Higgs, 2003) suggest that the extent to which people's external circumstances and socio-economic resources meet human needs only partly determine their SWB. People's needs and the resources they have to meet these needs, should be examined in the context of their lives, goals, values and personalities, as in this research study.

PDMs' SWL will firstly be investigated in terms of their demographic variables such as gender, age, cultural group, income, and the area in which they live. It will then be investigated in terms of the LSM super groups created in this research. Finally, the relationship between SWL and values will be investigated.

8.8.1 The relation between purchase decision-makers' satisfaction with life and their demographic characteristics

As pointed out in Chapter 6, the relationship between people's demographic characteristics and their satisfaction with life has been investigated extensively. According to Diener and Lucas (1999), demographic factors such as people's health, income, educational background and marital status account for only a small amount of the variance in well-being measures. This is partially due to the fact that the effects of demographic variables are probably mediated by psychological processes such as people's goals and coping abilities. A person's gender and age may, for instance, influence his or her goals and objective life circumstances, but there probably is no direct path from these variables to well-being. Furthermore, there are many different resources that are related to people's goals, and these resources only moderately correlate with each other (Diener & Fujita, in Diener et al., 1999). Therefore, any single resource is unlikely to have a strong effect when analysed across different people. In light of this, experts focused their attention on alternative explanations for variations in well-being, as pointed out in Chapter 6.

The relationship between PDMs' SWL and some of their demographic characteristics, however, had to be confirmed in this research, because a person's demographic profile may influence his or her SWB to some degree, which means that demographic data can potentially add to the overall understanding of the person's subjective experience (Pavot & Diener, 2004b). Furthermore, these characteristics are often used as segmentation bases, or combined with other segmentation bases, which may point to the need to investigate their relationship with PDMs' SWL.

8.8.2 Gender effects on satisfaction with life

In order to determine whether there were significant differences among PDMs in terms of their SWL, a t-test for independent means, as presented in Table 8.58, was performed.

Table 8.58 T-test for independent means to compare males and females on satisfaction with life

T-test	Df	T-value	Significance
Gender	2564	–1.43	0.151

The p-value of 0.151 indicates that male and female PDMs did not differ significantly in terms of their SWL.

La Barbara and Gurhan (1997) point out that no significant gender differences in SWB were found in several classic studies. In those studies where significant gender differences in SWB are indeed found, definitive answers regarding the causes of these differences are seldom provided. Nolen-Hoeksema and Rusting (in Lucas & Gohm, 2000) reviewed a number of possible mechanisms for these differences and conclude that personality explanations and social context explanations are most promising. They conclude that the issue whether gender differences in SWB exist cannot be answered with a simple yes or no. It depends on the component of SWB which is measured and the way these components are measured. In light of the fact that gender as such appears to have marginal significance in predicting SWB, La Barbera and Gurhan (1997) suggest that people's gender and their perceived gender roles, for instance, should rather be investigated in SWB research.

8.8.3 Age effects on satisfaction with life

Table 8.59 presents the results of the investigation whether PDMs' age and their SWL were related.

Table 8.59 Correlation between satisfaction with life and age

		Age
Satisfaction with life	Pearson Correlation	0.09
	Sig. (2-tailed)	0.000***
	n	2497

There appears to be some relation between PDMs' age and their SWL – the older PDMs were, the more satisfied they were with life. This correlation, however, is quite low (r = 0.09) and may consequently have little practical significance.

Although a small decline in life satisfaction is occasionally found with age, the relation is eliminated when other variables such as income are controlled (Shmotkin, in Diener et al., 1999). In other studies, it was found that life satisfaction often increases, or at least does not drop with age (Horley & Lavery, in Diener et al., 1999; Stock, Okun, Haring & Witter, in Diener et al., 1999). In several studies, there were little difference in terms of SWB between black and white older people (Argyle, 1999), although people from various cultural groups tend to differ in terms of SWL earlier in their lives, as will be evident below.

8.8.4 The effect of purchase decision-makers' cultural group on their satisfaction with life

In light of the fact that significant differences were found among the various cultural groups in terms of their values, and the fact that some experts regard SWL as a value, PDMs from different cultural groups were also compared in terms of their SWL scores. See Table 8.60.

Table 8.60 ANOVA results comparing cultural groups on SWL

	df	F	Significance
Cultural groups	3	78.8	0.000***

It is evident from Table 8.60 that there were significant differences among PDMs in terms of their SWL, based on their cultural group. A *partial Eta* was calculated for the ANOVA to determine the effect size of this relationship. A value of 0.086 was found which, according to Pallant and Pallant (2007), represents a medium effect. Although significant, the effect size of this relationship was weak, as indicated by *partial eta-squared* = 0.11.

A post hoc test was undertaken to determine among which of the cultural groups significant differences existed, and these results are presented in Table 8.61.

Table 8.61 Post hoc comparisons for differences in cultural groups on SWL

	n	Subsets		
Cluster		**1**	**2**	**3**
Black	1769	3.02		
Coloured	282		3.33	
White	408			3.67
Indian	107			3.77

It is evident from Table 8.61 that black PDMs were least satisfied with their lives, followed by coloured PDMs. White and Indian PDMs, who did not differ significantly in terms of their SWL scores, were most satisfied with their lives.

According to Argyle (1999), there have been many American studies in which the happiness of blacks and whites were compared. Blacks were always found to be less happy, but most of these studies were undertaken three decades ago. Argyle (1999) quotes research by Møller, done in South Africa and published in 1989, in which it was found that white South Africans were happiest, followed by Indians, coloureds, and blacks. Møller (2007b), however, points out that black South Africans' improved living standards under democracy resulted in an increase in their life satisfaction. She points out that their SWL increased drastically after the first democratic elections, but this trend faded rapidly and in later surveys blacks scored significantly lower than other South Africans on SWL. An explanation she offers is that their material aspirations have not been met. All in all, Kingdon and Knight (in O'Leary, 2007) indicates that South Africans' life satisfaction is not related to their cultural group as such; it is rather related to their varying circumstances.

Veenhoven and his colleagues (in Argyle, 1999) postulate that ethnic minorities' lower happiness, as identified in some studies, are mainly due to their lower incomes, education, and job status. When these variables are controlled, the effect of ethnicity is reduced, and in some studies removed completely. Taking this into consideration, it was attempted in this research study to control for PDMs' income to test whether the differences between the various cultural groups would be still evident if this is the case. A two-way analysis of variance was performed and the results are provided in Table 8.62.

Table 8.62 MANOVA results for the effect of cultural group and income on satisfaction with life

Source	Df	F	Significance
Corrected Model	15	27.311	0.000***
Intercept	1	4648.887	0.000***
Income group	3	19.424	0.000***
Cultural group	3	2.697	0.044*
Income group * cultural group	9	0.950	0.480

It is evident from Table 8.62 that PDMs' income had an independent effect from their cultural group ($p < 0.01$) on their SWL. There was thus no interaction effect between their cultural group and their income ($p = 0.480$). Notably, the independent effect of PDMs' cultural group is now not significant at the 99% level ($p = 0.044$). The effect of PDMs' income on their SWL therefore did not depend on the cultural group to which they belonged. PDMs across all cultural groups were less satisfied with their lives, the lower their incomes were. See Figure 8.20.

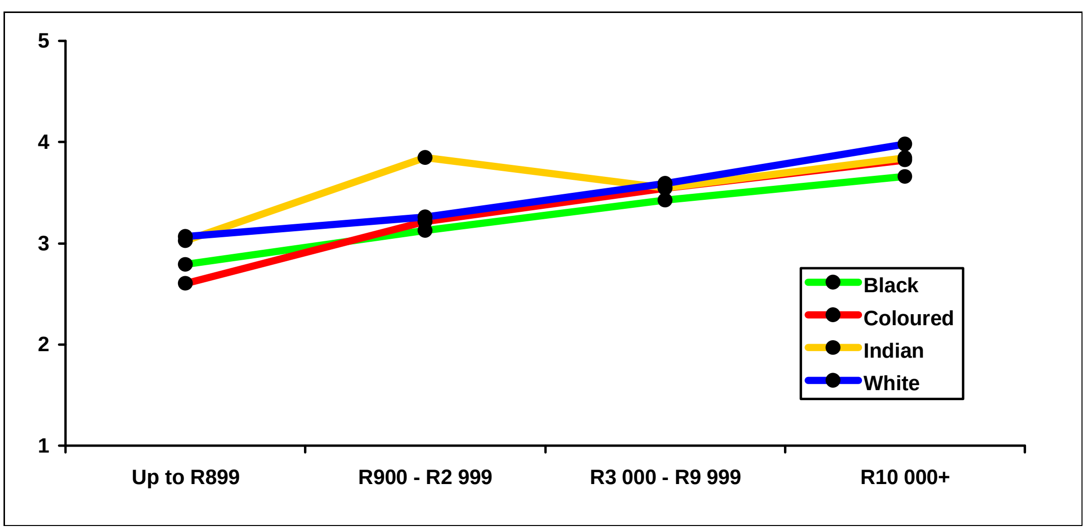


Figure 8.20 Satisfaction with life of purchase decision-makers in terms of cultural group and income group

It is evident from Figure 8.20 that the SWL scores of PDMs from all cultural groups did not differ significantly, especially those from the R900-R2999 group and upwards. The only anomaly was that Indian PDMs who earned between R900-R2999 had an unexpectedly high score on SWL, which could be due to random variation.

It appears as if PDMs' income has a noteworthy effect on SWL and this is discussed further in the following section.

8.8.5 The effect of income on satisfaction with life

The relationship between people's income and their SWL has been investigated extensively in previous research and a number of theories have been developed to explain the relationship between these two variables. According to Cummins (2000), there appears not to be a strong causal link between people's income and their SWB, and more complex models are probably required to explain the relationship between these two constructs.

As was evident in Figure 8.20, there appears to be a linear relationship between PDMs' income and their SWL. An ANOVA was performed to confirm that the various income groups differ from one another as the income variable is not continuous, yet the linear relationship is undeniably clear. Table 8.63 presents the results from the investigation whether PDMs from different income groups differed in terms of their SWL.

Table 8.63 ANOVA results comparing purchase decision-makers in terms of income groups and SWL

	Df	F	Significance
Income groups	3	131	0.000***

It is evident from Table 8.63 that PDMs differed significantly in SWL, based on their income group. To determine among which groups these differences existed, a post hoc test was performed. See Table 8.64.

Table 8.64 Post hoc comparisons on SWL between income groups

		n		Subsets	
Income groups		**1**	**2**	**3**	**4**
Up to R899	542	2.67			
R900 - R2 999	783		3.05		
R3 000 – R9 999	526			3.43	
R10 000+	306				3.79

It is clear from Table 8.64 that all the income groups differed significantly in terms of their SWL. PDMs in the lowest income group were most dissatisfied with their lives and those in the highest income group were most satisfied. Therefore, the lower their income, the less satisfied PDMs were with their lives.

Frisch (in Sirgy, 2002, p. 4) defines life satisfaction as how one feels one's most important needs, goals and wishes are being met in important life domains. The above finding may be explained in terms of PDMs' need satisfaction (Maslow, in Sirgy, 2002). When a person's basic needs are satisfied, he or she can focus on higher-order needs. The greater their need gratification, the more people tend to move into the higher stages of cognitive moral development. PDMs from the higher income group may have been in a better position than those in lower groups to meet their basic needs, which may explain their higher level of SWL. Furthermore, QOL researchers have identified income as one of the most useful resources to enable people to fulfil a variety of ambitions beyond material possessions (Diener & Biswas-Diener, in Møller, 2007b; Cummins, in Møller, 2007b).

It has been found in international studies that people's well-being correlates with their wealth up to a point where greater wealth yields considerable improvements in people's feelings of well-being. But, beyond that point, additional wealth has little incremental effect on SWB (Higgs, 2007). Higgs (2007) points out that there is a point where increasing income does not produce any increase in well-being (as measured by the four components that he identified in his research, namely the cognitive component, two affective components and what he refers to as a striving component). For South Africa, this point occurs at an income of about R8 000. He bases this finding on an Omnibus survey in July 2002, which covered the major metropolitan areas of South Africa, included adults over the age of 18 years and was stratified by cultural group, gender, language and formal/informal housing type. The total sample size was 2 000.

Higgs (2007) points out that he found that happiness and QOL measures flatten out at monthly household incomes of R3000 for health, R6500 for happiness and R11 500 for overall QOL. He points out, however, that self-reported income data in South Africa is extremely unreliable. Furthermore, the minimum income needed to survive, or to attain a reasonable QOL, depends on where a person lives (in terms of product purchasing parity), the size of his or her family, other dependants, for instance, the extended family in black cultures and other monetary assets. He bases these finding on a metropolitan areas survey of 2000 South African adults in winter 2002, summer 2003 and a national study in all areas of 3500 adults in winter 2003.

In the current study, PDMs' SWL appeared to rise consistently in terms of their income. To investigate whether there is a point where SWL flattens out, all groups' average SWL scores were plotted, as presented in Figure 8.21.

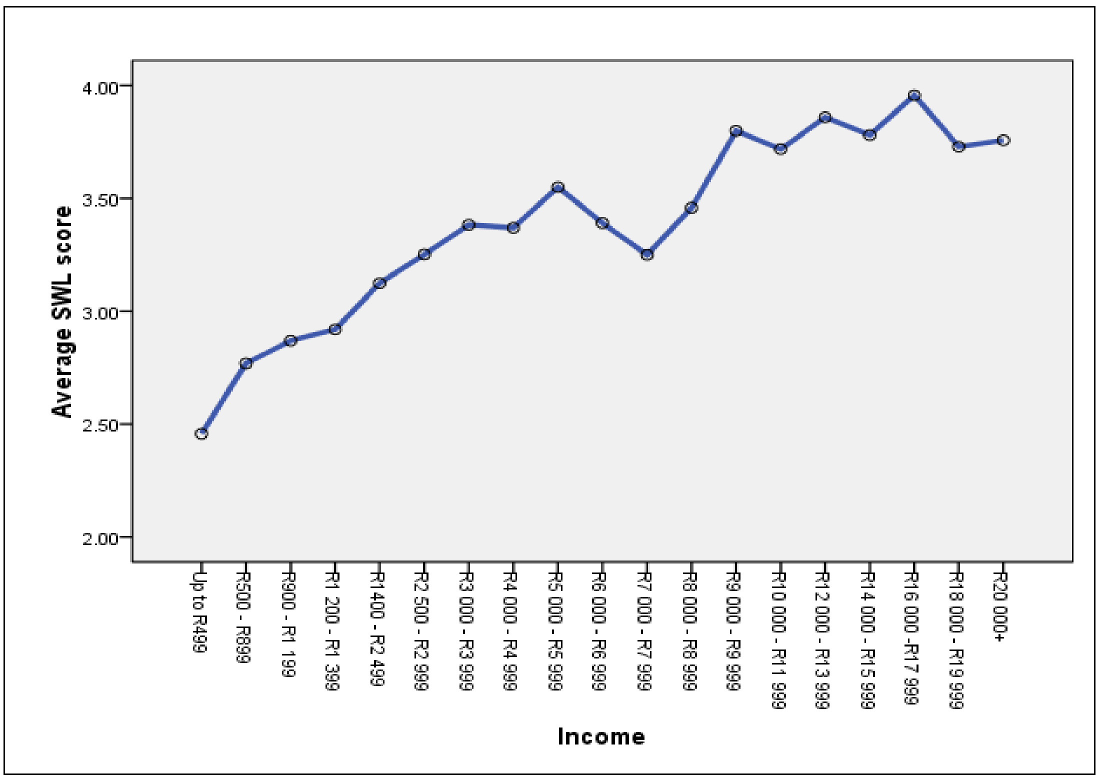


Figure 8.21 Purchase decision-makers' satisfaction with life in terms of income groups

It indeed appears as if PDMs' SWL scores flattened out from around R9 000 – their income consequently appeared not to have a significant impact on their SWL from this level of income upwards.

8.8.6 The relationship between purchase decision-makers' community size and their satisfaction with life

In light of the fact that the data in the current research was collected from a nationally representative sample, respondents resided in rural areas, villages, small towns, large towns, cities and metropolitan areas. In South Africa, the demographic profiles of people from different communities tend to differ drastically. A MANOVA was consequently performed to determine the combined impact of PDMs' cultural group and their community size on their SWL. See Table 8.65.

Table 8.65 MANOVA: Effect of community size and cultural group on satisfaction with life

Source	Df	F	Significance
Corrected Model	20	16.290	0.000***
Intercept	1	3746.952	0.000***
Community Size	5	1.147	0.333
Cultural group	3	24.980	0.000***
Community Size * Cultural group	12	2.485	0.003***

The significance value of p = 0.33 in Table 8.65 indicates that PDMs' community size did not impact significantly on their SWL, when the impact of their cultural group was controlled. However, there appears to be an interaction effect between PDMs' cultural group and their community size in terms of their SWL.

The above finding may require further investigation. A factor which may have contributed to this relationship is whether PDMs were employed, because people in rural areas are often unemployed. Unemployed people experience higher distress, lower levels of life satisfaction and show higher rates of suicide than employed people (Oswald, in Diener et al., 1999; Platt & Kreitman, in Diener et al., 1999).

Furthermore, some people in rural areas live at a subsistence level (Higgs, 2003). Higgs (2007) points out that here is a strong correlation (in metropolitan areas) between stress on the one hand, and unfulfilled needs and having a boring life on the other. He found that a more varied life correlates strongly with happier, fitter and more fulfilled people. The lowest SWB scores are linked to poor personal safety, insufficient food, stress and depression, a lack of money for basic needs, a boring life, and a number of negative physical health symptoms. These personal problems play a larger role in creating low SWB than people's degree of urbanisation.

Basing her conclusions on the 2002 General Household Survey in South Africa, Møller (2007b) points out that 52% of black South Africans were satisfied with life, while 36% were dissatisfied. She found that black people's lifestyles in urban and rural areas appeared to mediate their life satisfaction to some degree, but that people's income and possessions impacted on their life satisfaction in both rural and urban areas.

People from households which had a higher standard of living were generally more satisfied. In rural areas, assets such as cattle, sheep and poultry contributed to people's SWB. Those who were satisfied with their lives came from households that earned more and spent more than others. People who were satisfied with their lives also tended to be better educated.

Those who were dissatisfied came from household in less favourable circumstances and had lower standards of living than others. People who were dissatisfied with their lives were mainly rural and shack dwellers. Their low household income allowed few possessions and assets. Dissatisfaction was also associated with illiteracy and lower levels of education. They admitted that they suffered from loneliness, did not enjoy work, and felt that life was overcomplicated.

According to Møller (2007b), affirmative action and equity measures such as Black Economic Empowerment have only benefited a small, very affluent, black minority. She points out that where the major social segregation in the past was between a rich white minority and a poor black majority, black economic empowerment and an emergent black middle class have increased the gap between rich black urban dwellers and their poorer rural counterparts. Furthermore, according to Martins (in Møller, 2007b), the increase in prosperity that poor South Africans hoped to experience under democracy has particularly not been achieved by poor people in rural areas. Møller (2007b) further points out that black people's life satisfaction is partly dependent on different reference standards in rural and urban areas. According to her, blacks may attach particular symbolic significance to material factors which enhance their QOL. Their income and assets may mean more to them than a comfortable lifestyle – it may improve their self-respect and social prestige, based on their previous life experiences. Their material progress may prove their personal worth in a global society that values consumerism.

8.8.7 Satisfaction with life of LSM super groups

An ANOVA was performed to determine whether PDMs from the various LSM super groups differed significantly in terms of their SWL scores. See Table 8.66.

Table 8.66 ANOVA results comparing LSM super groups on satisfaction with life

	Df	F	Significance
LSM groups	3	164	0.000***

It is evident that the LSM super groups differed significantly in terms of their SWL. A post hoc test was performed to determine among which of the four LSM groups the differences existed. See Table 8.67.

Table 8.67 Post hoc test for differences in LSM super groups on satisfaction with life

LSM super group	n	Subsets 1	2	3	4
1-3	852	2.76			
4-5	668		3.12		
6-7	423			3.39	
8-10	623				3.73

It is evident from Table 8.67 that there were significant differences among the four LSM super groups in terms of their SWL. These differences are presented graphically in Figure 8.22.

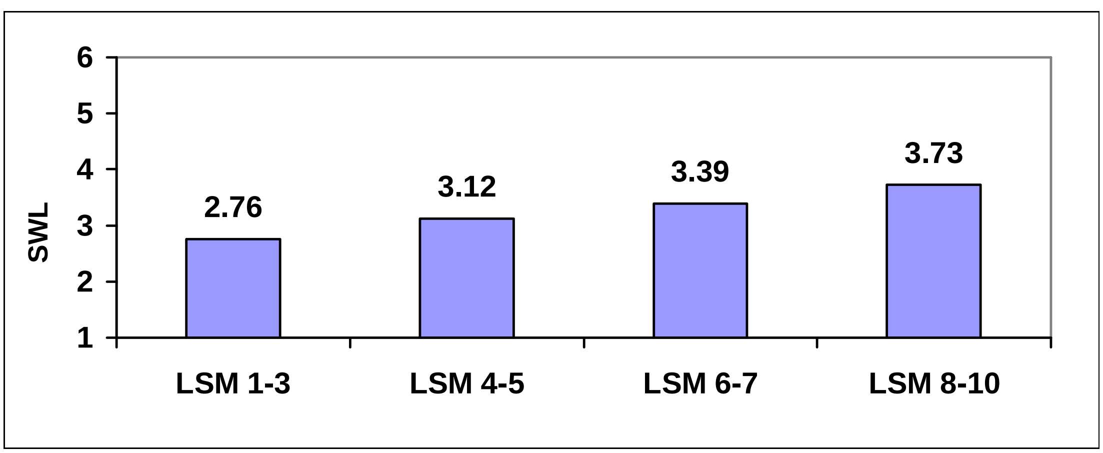


Figure 8.22 Satisfaction with life of LSM super groups

It is evident from Figure 8.22 that there appears to be a linear relationship between PDMs' level of LSM classification and their SWL, indicating that the lower PDMs' LSM level was, the less satisfied they were with their lives.

Higgs (2003) points out that, because the LSM is a wealth measure based on standard of living, it can be regarded as a measure of SES. The above corresponds with a finding by Staudinger, Fleeson and Bates (in Triandis, 2000) that people's well-being could be predicted from their socio-economic level, both in Germany and the USA. It also corresponds with Møllers' (2007b) observation that a consistent, positive relationship was found between people's life satisfaction and their material standard of living in earlier South African research. Investigating the link between people's wealth and their SWB at the individual level, however, is complicated. This is because peoples' wealth is closely linked to other objective variables that may also influence their SWB. Determining the relative degree of impact of each of these variables can be very complex (Cummins, 2000).

Although the LSM segmentation does not include income as an indicator, La Barbara and Gurhan (1997) mention that in terms of indirect effects, absolute levels of income or wealth have the potential to affect people's SWB by impacting on how successful they feel, their self-esteem and ability to care for themselves and their family – irrespective of their potential for comparison with others. Higher incomes, for example, make better health care affordable, which, in turn, results in greater SWB for wealthier individuals (Riddick, in La Barbera & Gurhan, 1997). Furthermore, the link between people's objective conditions and SWB is mediated by their expectations (Diener et al., 1999). Education may contribute to people's SWB by allowing them to make progress toward their goals or to adapt to changes in the world around them. On the other hand, education may raise people's aspirations and may be detrimental to their SWB if it leads to unrealistic expectations.

Although it was envisaged in Chapter 6 that there would probably not be a significant relationship between PDMs' level of LSM and their SWL, because the mental construals that they used to arrive at their SWL judgements were not known, this was not found. Although there may be a myriad of intervening variables, PDMs who had higher objective living standards, reported higher SWL in this research.

8.9 INDIVIDUAL - LEVEL CULTURE

As explained in Chapter 2, Ratzlaff et al. (2000) highlight the importance of considering the significant degree of individual variation that exists within all cultures. Culture exists on multiple levels, across individuals within groups, and across groups within larger groups. The most widely investigated dimension of psychological culture is IC and Triandis (in Ratzlaff et al., 2000) labelled the individual levels of analysis of this construct ideocentrism and allocentrism.

Diener et al. (in Triandis, 2000) found that individualism and SWB are positively related at cultural level, but that they may be negatively related at individual level. Although individualism and collectivism at cultural and individual level will probably be highly correlated, one cannot assume that they represent exactly the same construct. According to Ratzlaff et al. (2000), it is clearly important to identify IC as an individual-level construct and a cultural-level one. By doing so, individual differences on this cultural dimension can be distinguished in larger cultural groups, and relationships between IC and other psychological constructs on the individual level can be investigated. In this research study, the relationship between culture as an individual psychological construct and PDM' SWL was investigated.

8.9.1 The relationship between purchase decision-makers' individual-level culture and their satisfaction with life

As pointed out in Chapter 6, a dimension of culture that has been particularly useful in identifying systematic differences in the processes underlying SWB constructs is individual- level culture or IC (Triandis, in Diener et al.,1999) or independent-interdependent concepts of the self (Markus & Kitayama, in Diener et al., 1999). This dimension mainly relates to the degree to which people view the self as an autonomous, self-sufficient entity.

In individualist cultures, people typically attempt to distinguish themselves from others. Consequently, feelings and emotions – phenomena that are considered unique to the individual who experiences them – weigh heavily as predictors of life satisfaction (Suh, Diener, Oishi, & Triandis, in Diener et al., 1999). In collectivist cultures, however, people's central goal tends to be not to distinguish themselves from others but to maintain harmony with them – and their own desires are often subordinated to those of the group.

Consequently, feelings about the self and its emotions weigh less heavily in satisfaction judgements in members of collectivist cultures.

As pointed out in Chapter 2, being able to measure IC on the individual level (as indicated by allocentrism and ideocentrism) is beneficial for a variety of reasons such as enabling researchers to characterise the IC nature of different groups within or across nations. It ultimately allows researchers to test the degree of contribution of individual-level IC to between group differences on their psychological constructs of interest, which further refines their knowledge about the relationship between IC and psychological variables.

According to Ratzlaff et al. (2000), a relatively wide range of measurement tools are currently available to measure IC on the individual level. These measures allow researchers to examine the relationship between people's individual-level culture and other constructs, such as between PDMs' IC and their SWL in this research study. As pointed out in Chapter 5, Schwartz indicated that the PVQ has not been developed to measure ideocentrism and allocentrism. However, he indicated that it may be possible to measure this dimension by comparing people on the self-transcendence and self-enhancement dimensions of the values model. Universalism and benevolence are classified as reflecting self-transcendence, while power and achievement reflect self-enhancement. Table 8.68 presents the correlations among PDMs' allocentrism and ideocentrism, determined in this way, and their SWL, as investigated in the whole sample in this research study.

Table 8.68 Correlation between allocentrism, ideocentrism and SWL

		SWL
Ideocentrism (Self-enhancement)	Pearson Correlation Sig. (2-tailed) n	–0.005 0.785 2566
Allocentrism (Self-transcendence)	Pearson Correlation Sig. (2-tailed) n	0.046 0.020* 2566

* significant at $\alpha = 0.05$

There were no statistically significant correlations between ideocentrism and SWL, but there was a significant correlation between SWL and allocentrisim at $\alpha = 0.05$. This contrasts with a finding by Dutta-Bergman and Wells (2002), who explored the values and lifestyles of ideocentric and allocentric consumers within an individualistic culture (the USA). They found that compared to allocentric consumers, ideocentric consumer were more satisfied with their lives. When the practical significance of these correlations are considered, they are very low, and for all practical purposes close to zero.

Diener, Diener and Diener (in Triandis, 2000) suggest that there is a positive connection between individualism and SWB at the cultural (national) level, but it may be negative at the individual level. This may be because the more allocentric a person is, the more social support he or she is likely to receive, and the more satisfaction that person will derive from close social relationships, which should increase his or her SWB. Verkuyten and Lay (in Triandis, 2000) indeed found that allocentrism is related to SWB and that relationships at the cultural level are not always consistent relationships at the individual level.

The various cultural groups were compared in terms of their allocentrism and ideocentrism to determine whether they differed significantly on this construct. See Table 8.69.

Table 8.69 ANOVA results comparing cultural groups on allocentrism and ideocentrism

	Df	**F**	**Significance**	***Partial Eta***
Allocentrism	3	59.881	0.000***	0.06
Ideocentrism	3	76.697	0.000***	0.08

It is evident from Table 8.67 that there were statistically significant differences among the cultural groups on both allocentrism and ideocentrism – the *partial Eta* values indicate medium effect sizes (Pallant & Pallant, 2007). The exact differences among the cultural groups on these two variables are presented in Tables 8.70 and 8.71.

Table 8.70 Post hoc results for differences among cultural groups on allocentrism

		Subsets		
Cultural groups	**n**	**1**	**2**	**3**
Coloured	282	–0.51		
Indian	107	–0.50		
White	408		–0.42	
Black	1 769			–0.24

Black PDMs had a significantly higher level of allocentrism than PDMs from other cultural groups. Although lower than black PDMs, white PDMs showed a higher level of allocentrism than coloured and Indian PDMs.

Table 8.71 Post hoc results for differences among cultural groups on ideocentrism

Cultural groups	n	Subsets 1	Subsets 2	Subsets 3
Black	1 769	0.43		
White	408		0.74	
Indian	107			0.87
Coloured	282			0.98

It is evident from Table 8.71 that black PDMs showed the lowest level of ideocentrism, followed by whites, while Indian and coloured PDMs showed the highest level of ideocentrism. This is an exact mirror image of the results for allocentrism.

The differences in allocentrism and ideocentrism among PDMs from different cultural groups are graphically presented in Figure 8.23.

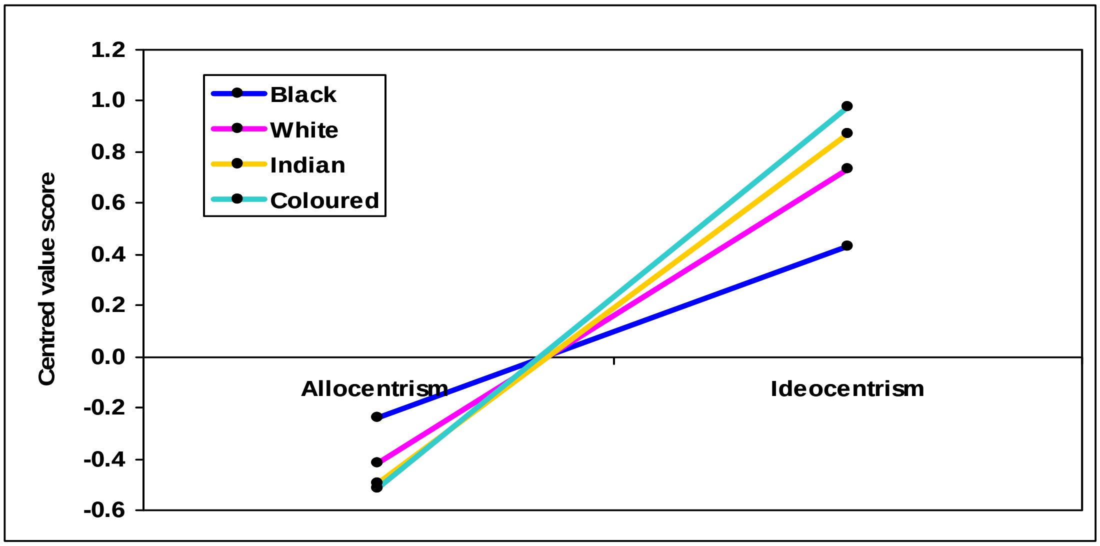


Figure 8.23 Differences among cultural groups on individual-level culture

In terms of ideocentrism, only black PDMs differed significantly from the rest of the sample, as they scored lowest on this variable. Black PDMs thus had a contrasting profile to the rest of the sample on allocentrism and ideocentrism.

According to Sun et al. (2004), idiocentrics emphasise self-reliance, competition, uniqueness, hedonism, and emotional distance from in-groups, while allocentrics emphasise interdependence, sociability, and family integrity – they take into account the needs and concerns of in-group members. The findings on whether PDMs from different cultural groups tended towards allocentrism or ideocentrism correspond with the general idea that black people tend to be more universalistic, while white people tend to be more individualistic. This again indicates the need to investigate consumers' behaviour in terms of the cultural group they belong to.

Triandis (2000) identifies allocentrism (in terms of receiving social support from many close friends) as a force that increases SWB at the individual level. At the individual level, ideocentrism, which is associated with loneliness, social disruption (e.g., frequent divorce, job insecurity, high crime rates) decreases SWB. To sum up then, it appears that at the individual level, allocentrism is positively related to SWB, while at the cultural level, individualism is positively related to SWB.

A number of theories such as those by Feather, Furnham and Bochner, and Segall (in Sagiv et al., 2004) propose that the degree to which people's value hierarchies correspond to the dominant values in their social environments, improves their well-being. People who support the established values in consensual environments are reasonably certain of social support and may feel that their values are validated and that their opinions are justifiable. People whose value hierarchies contradict those mainly held in a particular environment will probably face social sanctions – they may be ignored, ostracised, or punished (Holland & Gottfredson, in Sagiv et al., 2004).

Measures of people's individual-level IC alone may, however, not be sufficient predictors of well-being. According to Ratzlaff et al. (2000), the relationship between people's individual-level culture and their SWB is probably more complex than a single-dimension direct relationship. Mediating variables may, for instance, impact on this relationship. Future research should consequently explicitly examine SWB at both the cultural and individual levels.

8.9.2 Individual-level culture, PVQ value subscales and satisfaction with life in a higher-order SEM model

As pointed out above, S.H. Schwartz (personal communication, 8 May 2008) suggested that it may be possible to measure allocentrism versus ideocentrism by comparing people on the self-transcendence and self-enhancement dimensions of the values model. Universalism and benevolence are classified as reflecting self-transcendence, while power and achievement reflect self-enhancement. Sub-problem 6 addresses the research question of whether individual-level culture can be associated with some of Schwartz's values, and to investigate whether there is a relationship between individual-level culture and SWL.

In order to investigate the plausibility of modelling allocentrism and ideocentrism as higher order forces of the PVQ values, a second order CFA was investigated. Allocentrism was modelled as having a higher-order effect on the values of benevolence and universalism, whilst ideocentrism was modelled as having a higher order effect on the values of achievement and power. This part of the model is a second-order CFA, which forms part of the measurement model, depicted on the left side of Figure 8.24.

The model was further expanded and the effects of allocentrism and ideocentrism on SWL were also investigated in the structural part of the model. The estimated regression weight parameters are given in Table 8.71, and the estimated covariances and variances are provided in Tables 8.72 and 8.73.

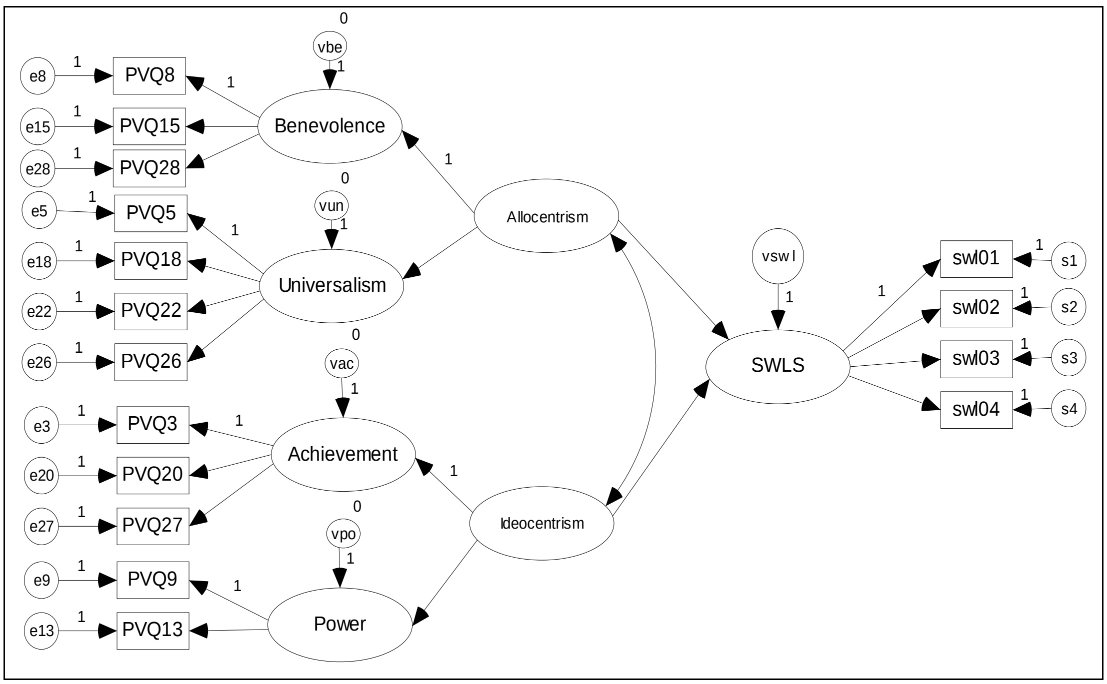


Figure 8.24 **A second-order CFA and SEM model of individual-level culture and satisfaction with life**

The estimated regression weights are all significant on the measurement part of the model. On the structural part of the model, the regression coefficient between ideocentrism and SWL is not significant, whilst the path between allocentrism and SWL is highly significant. The negative sign of the coefficient implies that in this model, the higher the level of allocentrism, the lower the SWL.

The covariance between allocentrism and ideocentrism is significant, but not very high; therefore, modelling them as separate constructs is a plausible model. Furthermore, the paths between the second-order latent variables, namely allocentrism and ideocentrism, and the first-order latent variables, namely benevolence, universalism, achievement and power, are all highly significant, indicating the plausibility of modelling allocentrism and ideocentrism as higher-order constructs of these value dimensions.

The measures of fit provided in Table 8.73 provide further evidence that the model in Figure 8.24 is a plausible means of describing the relationships between four of the PVQ subscales and SWL, incorporating aspects of individual-level culture as higher-order forces of four of the PVQ value subscales.

Table 8.72 Maximum likelihood estimated regression weights for model in Figure 8.24

			Estimate	S.E.	C.R.	P
Benevolence	←	Allocentrism	1.000			
Universalism	←	Allocentrism	0.955	0.043	21.982	***
Power	←	Ideocentrism	0.730	0.057	12.784	***
Achievement	←	Ideocentrism	1.000			
SWLS	←	Allocentrism	–0.207	0.039	–5.347	***
SWLS	←	Ideocentrism	–0.022	0.034	–0.644	.519
PVQ15	←	Benevolence	0.982	0.043	22.598	***
PVQ8	←	Benevolence	1.000			
PVQ26	←	Universalism	1.179	0.050	23.660	***
PVQ22	←	Universalism	0.876	0.048	18.325	***
PVQ18	←	Universalism	0.970	0.050	19.427	***
PVQ5	←	Universalism	1.000			
PVQ20	←	Achievement	1.046	0.056	18.809	***
PVQ3	←	Achievement	1.000			
PVQ27	←	Achievement	1.178	0.061	19.270	***
PVQ13	←	Power	1.063	0.097	10.931	***
PVQ9	←	Power	1.000			
PVQ28	←	Benevolence	1.082	0.048	22.717	***
swl02	←	SWLS	1.360	0.043	31.874	***
swl03	←	SWLS	1.382	0.043	31.930	***
swl04	←	SWLS	1.212	0.042	28.568	***
swl01	←	SWLS	1.000			

Table 8.73 Estimated Covariances

			Estimate	S.E.	C.R.	P
Allocentrism	↔	Ideocentrism	0.233	0.017	13.839	***

Table 8.74 Estimated Variances

	Estimate	S.E.	C.R.	P
Allocentrism	0.372	0.025	14.591	***
Ideocentrism	0.513	0.043	11.800	***
Vbe	0.000			
Vun	0.000			
Vac	0.000			
Vpo	0.000			
Vswl	0.519	0.031	16.638	***
e15	0.641	0.021	30.480	***
e8	0.699	0.023	30.741	***
e26	0.601	0.021	28.304	***
e22	0.976	0.029	33.285	***
e18	0.982	0.030	32.729	***
e20	0.919	0.035	26.154	***
e3	1.339	0.045	29.872	***
e27	0.858	0.038	22.820	***
e13	2.084	0.062	33.564	***
e9	2.133	0.063	33.871	***
e28	0.760	0.025	30.346	***
e5	0.686	0.022	31.100	***
s2	0.467	0.022	21.691	***
s3	0.470	0.022	21.336	***
s4	0.844	0.028	29.920	***
s1	0.799	0.025	31.635	***

Table 8.75 Model Fit Summary of model in Figure 8.24

CMIN

Model	NPAR	CMIN	DF	P	CMIN/DF
Default model	35	859.210	101	0.000	8.507
Saturated model	136	.000	0		
Independence model	16	10010.730	120	0.000	83.423

RMR, GFI

Model	RMR	GFI	AGFI	PGFI
Default model	0.087	0.957	0.942	0.711
Saturated model	0.000	1.000		
Independence model	0.299	0.563	0.505	0.497

Baseline Comparisons

Model	NFI Delta1	RFI rho1	IFI Delta2	TLI rho2	CFI
Default model	0.914	0.898	0.923	0.909	0.923
Saturated model	1.000		1.000		1.000
Independence model	0.000	0.000	0.000	0.000	0.000

Table 8.75 (cont.)

RMSEA

Model	RMSEA	LO 90	HI 90	PCLOSE
Default model	0.054	0.051	0.057	0.021
Independence model	0.179	0.176	0.182	0.000

AIC

Model	AIC	BCC	BIC	CAIC
Default model	929.210	929.677	1133.963	1168.963
Saturated model	272.000	273.815	1067.614	1203.614
Independence model	10042.730	10042.944	10136.332	10152.332

8.10 CHAPTER SUMMARY

In this chapter, the results of the empirical study were reported and discussed. It was shown that both the PVQ and the SWL are reliable and valid questionnaires within the South African context. Results on segmenting South African PDMs according to their values were presented and discussed. It was explained how four LSM super groups were created for the current research. These groups were then mainly used in further analyses. The values which characterised the LSM super groups were pointed out. To further investigate differences among PDMs in terms of their values, the effect of demographic variables, particular their cultural group, were reported. This was followed by a presentation of results on the relationship between PDMs' values and their SWL, as well as some interpretation of these results. The relationships among PDMs' demographic characteristics, their LSM groupings and their SWL were reported. The results on the relationship between PDMs' individual-level culture, where ideocentrism and allocentrism were measured as higher-order forces impacting on four of the PVQ subscales, and their effect on SWL were further presented and discussed.

In Chapter 9, conclusions will be made on the basis of the literature findings and the empirical investigation. Recommendations for future research are also provided.

CHAPTER 9 CONCLUSIONS, LIMITATIONS AND RECOMMENDATIONS

9.1 INTRODUCTION

As pointed out in Chapter 1, this research contributes to the literature on values and consumer behaviour in South Africa because it specifically investigated the value priorities of South African PDMs who are responsible for their households' purchases, and particularly how these consumers' values relate to their SWB, as measured by SWL.

It supports a within-cultural approach to studying consumer behaviour, which corresponds with De Mooij's (2004) observation that within-cultural differences and their effects on consumer behaviour need to be examined thoroughly. It was evident, for instance, that consumers' behaviour in South Africa should also be investigated in terms of the population or cultural group they belong to. This corresponds with Durgee et al.'s (in Lages & Fernandes, 2005) observation that, although values are utilised at the personal level, they are socially constructed and inherently cultural. People therefore are not born with values – they learn them through socialisation.

All in all, it can be said that, although objective factors indeed have a tremendous impact on people's SWB, this research supports Lyubomirsky's (2001) belief that they do so through the operation of multiple cognitive and motivational processes. This research study supports the possible worth of further research on the relation between consumers' values and their well-being. In order to discover the full relevance of consumers' values to their well-being, the degree of congruity between their values and those of their environment(s) should be considered, as will be evident in section 9.5.

In the following two sections – sections 9.2 and 9.3 – conclusions are made concerning the literature and empirical objectives of this study. Furthermore, the limitations of the study are discussed and recommendations are presented for future research. Figure 9.1 provides a diagrammatic representation of the focus of this study.

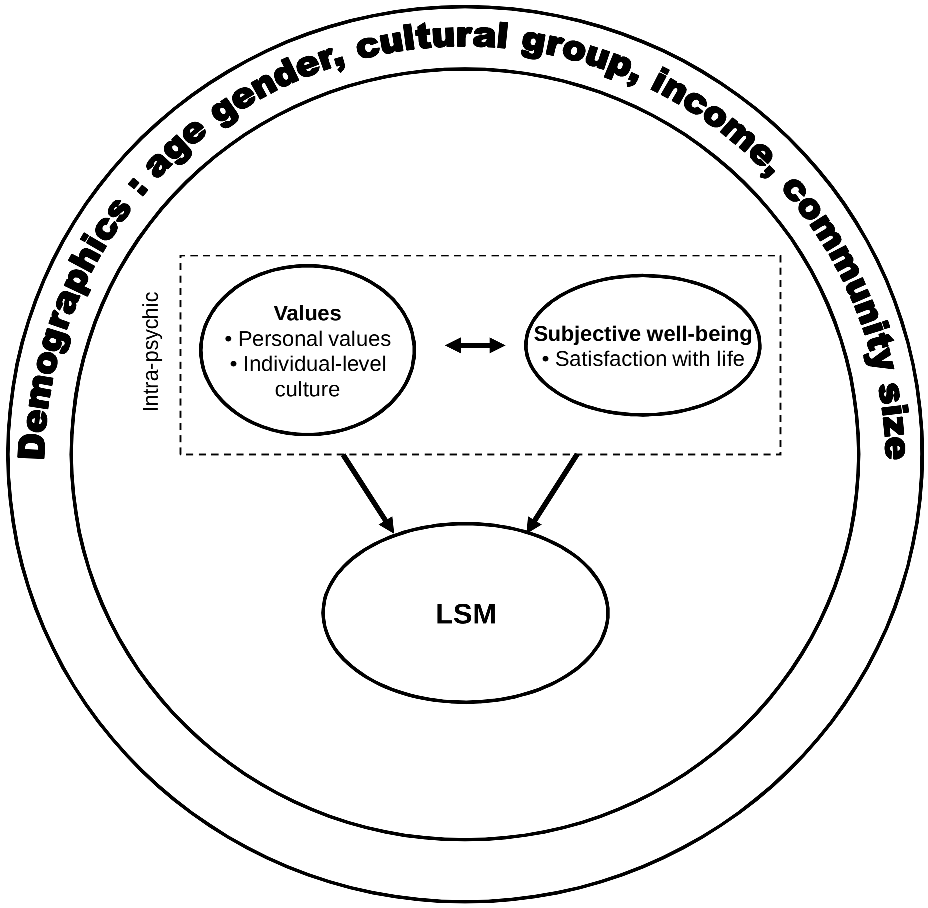


Figure 9.1 Diagrammatic representation of the research

9.2 CONCLUSIONS ON LITERATURE OBJECTIVES

The literature objectives for this study were to:

- discuss the principles of market segmentation and their relation to consumer behaviour,
- investigate the role of values in market segmentation,
- evaluate multivariate segmentation in South Africa,
- investigate the role of values in consumer behaviour, and
- investigate how the concept of SWB evolved in academic literature and how values interrelate with SWB.

Some conclusions are as follows:

9.2.1 Market segmentation

Market segmentation is the division of the market into groups of consumers with shared characteristics relevant to their consumer behaviour, in order to effectively target each segment with an appropriate marketing mix. It is a central strategic decision area for companies in all industries. The underlying logic is that customers differ in terms of their product preferences and buying behaviour, and groups of customers with similar characteristics will tend to respond similarly to marketing programmes. Market segmentation helps companies to deal with diverse customer needs by focusing their resources on customer groups with relatively similar preferences (Dibb & Simkin, 2008; McDonald & Dunbar, 2004).

The basis selected for segmenting a consumer market is extremely important, but no single acceptable way of selecting a market segment is available. Different segmentation variables, alone and combined, therefore need to be investigated to select the most appropriate market segment to be targeted (Michman et al., 2003). To be an effective target, a market segment should be identifiable, large enough, stable or growing, and reachable in terms of media and cost (Evans, 2003).

The market segmentation process consists of three stages, namely segmenting, targeting and positioning. During the segmentation phase, customers are grouped according to certain base variables to form homogeneous customer segments. During targeting, the company decides where to focus its resources, while positioning involves designing marketing programmes that will match customer requirements in targeted segments (Dibb & Simkin, 2008). The company’s product should have a clear, unique and desirable image in the minds of targeted customers (Peter & Olson, 2008).

Market segmentation justification lies in identifying sufficient behavioural differences to constitute a distinguishable market segment; market segments should be able to contribute to additional profits or increased market share (Arnould et al., 2004). A complicating factor in terms of using values as segmentation base, is that consumers’ values are not necessarily strongly related to their behaviour. This area, however, requires further attention, especially as the literature suggests that values determine product class and brand choice and brand image perceptions (Puohiniemi, 1995). Some experts indicate that values are the ultimate source of choice criteria that drive buying behaviour, while others even indicate that consumer are not mainly interested in products, but in values. Because values drive much of consumer behaviour, it could be said that virtually all consumer research is ultimately related to the identification and measurement of values (Solomon et al., 2006). But, despite their importance, values have not been examined as widely in consumer research as might be expected. One reason for this is that many values are very general or relative by nature, such as freedom, security and inner peace.

Some may find investigating differences among people according to their cultural group offensive, but if consumers' values are not analysed according to this demographic variable, an important perspective on research data may be missed (Evans, 2003). Furthermore, the implications of value change for segmentation need to be considered because values are assumed to be stable, and stability is an important reason for their prominent use as a segmentation basis (Brangule-Vlagsma et al., 2002). Consumers' quest for well-being may be a value that is gaining importance and may justify further investigation.

In the macro-approach to market segmentation, standard survey research methodology is combined with a classification scheme to categorise respondents into predetermined clusters or groups. In this way, a classification system or taxonomy is developed which can be used to segment consumers into qualitative groups, based on their value orientations. Products and their positioning are then directed to appeal to these general target groups. A limitation of the macro-approach to market segmentation is that it provides composite profiles of a particular market segment and not individual profiles (Valette-Florence & Rapacchi, in Manyiwa, 2004).

Market segmentation offers companies a range of potential and relevant benefits – a properly segmented consumer market can improve marketing, distribution, and manufacturing efficiency and generate additional profits and/or market share. Effective market segmentation usually results in the company satisfying customer needs better, creating competitive advantage, more effective application of resources, and ensures that companies' products are better targeted (Arnould et al., 2004).

But, this process may sometimes fail because it has certain limitations, amongst which are misconceptions among the people involved and research limitations. Difficulty in implementing segmentation appears to be the main reason why it fails. This may result from a poor understanding of segmentation principles or unfamiliarity with handling the segmentation process. Academic literature also tends to mainly focus on segmentation variables and techniques and does not offer sufficient guidelines on handling the segmentation process and its application. To be implementable, segmentation programmes should suit a company's characteristics, as well as realistically provide for the existing market situation. Market segmentation further requires a major corporate commitment. It should be supported by consistent product, promotional, pricing and distribution strategies that are regularly evaluated and revised. Finally, although segmentation research provides meaningful marketing information, it explains only expected purchasing behaviour at segment level (Andrews & Currim, 2003; Dibb & Simkin, 2008; Neal, 2000; Weinstein, 2004).

9.2.2 Multivariate segmentation

As pointed out above, market segmentation can be a highly profitable strategy if it is based on the most relevant information about market segments. Combining several segmentation variables may provide marketers with richer and more accurately defined consumer segments than can be derived from using a single segmentation variable (Michman et al., 2003). More complex or sophisticated segmentation approaches appear to provide an understanding of consumer behaviour that would not otherwise be available. That is why multivariate segmentation, in which consumer markets are segmented by combining a number of bases, has gained popularity. South Africa's most popular multivariate segmentation approach, the LSM, is basically a wealth measure based on standard of living (Haupt, 2001; http:www.saarf.co.za).

The LSM might be enhanced by adding psychographic variables as a segmentation base. Psychographic variables describe consumers mainly according to psychological and social psychological factors such as values, beliefs and attitudes. Although a variety of these variables can be used to segment consumer markets, they all aim at understanding consumers' real motivations for purchasing and using products (Solomon et al., 2006).

Marketing theorists today are especially interested in the concept of personal values because it is believed that they dictate consumers' beliefs, attitudes and lifestyles (Gunter & Furnham, in Vyncke, 2002). Using values as a segmentation base can improve segmentation by linking consumption-related variables to core consumer values. Some value segmentation typologies are theory based, while others follow a more ad hoc approach (Zetterberg, 2008). The VALS 2-programme, one of the most popular theory-based, commercial value segmentation typologies, is used mainly in the USA. The rationale behind this system is that a wide range of constraints can keep people from expressing their values in the way they live (Hawkins et al., 2004).

There appears to be a need for further research on psychographic segmentation of the South African consumer market. A number of psychographic segmentation approaches, such as Sociomonitor, the 4Cs approach, Rousseau's psychographic segmentation of the South African furniture market and Reaching Critical Mass, which were based mainly on values, have been used in South Africa (Corder, 2001; Rousseau, 1990; Williams, 1991). Most of these approaches are no longer used or their relevance to South African conditions has not been extensively explored.

Although some psychographic variables may help describe particular segments vividly, they do not necessarily predict consumer behaviour well. One of the main reasons for this is the fact that a comprehensive model of consumers' attitudes, values and lifestyle characteristics has not yet been developed (Gunter & Furnham, in Vyncke, 2002; Arnould et al., 2004). Some marketers currently rather regard lifestyles as a way of thinking about the market and as a basis for creative strategies, instead of descriptions of consumer segments which explain their consumer behaviour (Solomon et al., 2006).

One may safely assume that a person's lifestyle is determined by his or her values. A more recent approach, investigating consumers' individual-level culture, may also contribute towards psychographic segmentation, because a person's lifestyle within a culture is often related to this cultural level. Individuals within cultures vary largely in their attitudes, opinions and behaviours, and idiocentric and allocentric predispositions play a central role in this variation (Dutta-Bergman & Wells, 2002).

9.2.3 The role of values in consumer behaviour

Cultural factors, and particularly values, appear to exert a significant influence on human behaviour (Kotler, in Srnka, 2004). Because of values' central role in the human cognitive structure, they serve as motivators (Schwartz, 2006). This is also evident in consumer behaviour. But, because they are highly abstract concepts, they tend to impact only indirectly on consumer behaviour (Schwartz, in Brangule-Vlagsma et al., 2002).

In order to understand consumers' motivations, various other influences also need to be considered. For instance, there appears to be a link between people's individual-level cultural values and their SWB. Culture at the ecological level refers to average tendencies and do not represent the values of all people in a particular culture. People's individual-level cultural values therefore also need to be investigated (Ratzlaff et al., 2000)

Two experts who significantly contributed towards a theoretical base for understanding values, were Milton Rokeach and Shalom Schwartz. Rokeach's theory and his RVS have made a substantial contribution to consumer research, but Schwartz's theoretical approach and measurement methods have gradually started replacing his impact in consumer research. The main limitation of the RVS appears to be the fact that it requires respondents to rank-order values to evaluate their importance in their lives – a difficult and unreliable process. Despite this shortcoming, Rokeach's methodology has impacted on most major approaches to the analysis of consumer values (Puohiniemi, 1995).

Schwartz's classification of goals and motives is widely accepted as the most detailed model currently available. He identified 10 basic motivational goals that are relevant to all people in all societies. They reflect the basic needs of the individual as a biological organism, the requirements of successful interaction among people, and the requirements for the survival of groups and societies. Schwartz derived 10 distinct value types (or categories) that represent the 10 basic motivations. His theory also explains dynamic relations among the values it identifies, and is depicted by means of a circular structure of values. Conflicting value types are situated opposite one another on the circle, while matching types tend to be situated close to one another around the circle (Schwartz, 2006).

There appears to be widespread consensus regarding the hierarchical order of values throughout the world. People all over the world rate benevolence, self-direction, and universalism values consistently as most important; power, tradition, and stimulation values are least important; and security, conformity, achievement, and hedonism tend to lie in between in terms of their importance (Schwartz & Bardi, 2001). However, this reflects a (national) culture-level finding and not an individual-level finding.

Personal values have not been included extensively in consumer behaviour models, probably because of the fact that they only have an indirect effect on consumers' attitudes, intentions and purchase behaviour (De Mooij, 2005). A number of consumer psychology theorists have, however, acknowledged values' role in consumer behaviour.

The Nicosia model depicts humans as purposeful and goal-oriented and driven by certain psychological processes to fulfil their wants and needs. Consumers are dynamic, and look for information instead of waiting for marketers and advertisers to influence them. Consumers carry out their purchasing activities within a number of fields. The first field constitutes the flow of the company's message to the consumer, and is made up of two sub-fields: the company's attributes and the consumer's attributes. The model identifies values as part of a consumer's attributes. These attributes are involved when the consumer is exposed to a message, during the decoding of the message for selective perception, during the search for and evaluation of a product, during the act of purchase and during the post-purchase period. The model therefore provides a framework that acknowledges the operation of personal values (Jonkheid, 1998).

The Howard-Sheth model recognises values' influence on consumer behaviour as an aspect of culture, while the EBM model of consumer behaviour is the only major model of consumer behaviour to recognise the role of personal values substantially and to include values as a central concept in its theory. It proposes that consumers' personal and social values influence their problem recognition during decision-making, and also during the resulting search, the evaluation of alternatives, the purchase and its outcomes. This model's greatest strength has been described as its emphasis on personal values, personality, and social factors, as well as the fact that it incorporates these factors into an easily understood, functional problem solving process (Jonkheid, 1998; Schiffman & Kanuk, 1991).

According to the CVT, five categories of values determine consumption decisions, namely functional, conditional, social, emotional and epistemic values. Research identified a sixth type of value, namely significative values but, these values centre on the perceived utility of particular products and are not consumers' personal values (Burgess, 1992; Schiffman & Kanuk, 1991).

Some criticisms aimed at consumer decision-making models include the fact that such models are based on the assumption that consumer decision-making is a rational process. These models did not keep up with changes in society and consumer behaviour, and the positivist approach underlying most of them should be replaced by a more subjectivistic approach (Erasmus et al., 2001). One change in society, the quest for well-being, may be particularly worthy of investigation in consumer behaviour. Also, consumers' culture may impact on how they strive to achieve well-being, and on how important they believe it to be. It indeed appears as if consumers' culture impact on all aspects of their consumer behaviour.

The relationship between consumers' values and their behaviour requires further investigation. The low correlations found in existing research may not indicate a truly weak effect – the independent variables may not have been measured properly, or other variables may have suppressed the effect. Higher correlations between consumers' values and their behaviour may be obtained by improving measuring methods and by further investigating individual differences in value-behaviour consistency, as well as the entire process by which values impact on behaviour (Kahle & Xie, 2008; Shrum & McCarty, 1998). Investigating the relationship between consumers' personal values and their SWB may contribute towards a better understanding of this process.

9.2.4 Subjective well-being

Although SWB can be defined simply as the way that people evaluate their lives, this simple definition does not reflect the complex and multi-faceted nature of this construct. SWB appears to be multi-factorial and multidimensional and there is no single index that can capture it. Instead, SWB reflects a broad collection of distinct components, and to get a more complete picture of subjective well-being, researchers should understand the various ways in which people can evaluate their lives (Diener, 2006; Diener et al., 2004). Their personal and cultural values may impact on this process (Camfield & Skevington, 2008).

There is currently no single conceptual scheme that unites the entire field of SWB. Both top-down and bottom-up influences may impact on people's SWB. Top-down influences refer to broad personality and cognitive factors that influence SWB, while bottom-up influences refer to events and circumstances that can influence SWB (Diener et al., 2003). The two constructs which appear most relevant for explaining the relationship between consumers' values and their SWB in this research study are personality and culture, which are both top-down influences. This study further investigated the relationship between consumers' LSM grouping, which reflects their standard of living (and may be regarded as a bottom-up influence), and their SWB.

There are various models of how people create their life satisfaction responses. The social judgement model of SWB focuses on the cognitive and communicative processes underlying people's reports of satisfaction with their lives as a whole. It addresses how people determine their life satisfaction judgements, and not why they are satisfied with their lives (Schwarz & Strack, 1999).

SWB ratings reflect a stable and consistent phenomenon that is theoretically and empirically related to personality constructs. Personality dispositions such as extraversion, neuroticism and self-esteem can markedly influence people's level of SWB (Diener et al., 2003). The presence and characteristics of the goals that people strive for in their lives are also related to their well-being. Furthermore, a number of theories explaining these personality-SWB relations have been proven empirically, namely temperament, cognitive and goal models (Diener & Lucas, 1999). However, all the constructs that correlate with well-being should not be assumed to be its causes; its consequences should also be investigated (Diener et al., 2003).

Cultural variables explain differences in mean levels of SWB and appear to be due to objective factors such as wealth and to norms indicating how important SWB should be. Systematic cultural differences in descriptors of people who report high levels of SWB indicate that different cultures and social environments have different modes of behaviour and values that are suited for adjustment in particular societies. This may imply that people's social contexts should also be incorporated when investigating their well-being. To be able to do so, however, the role of culture in individuals' well-being should be clearly understood (Pavot & Diener, 2004a; Pavot & Diener, 2004b).

There has been an increasing awareness that culture exists in individuals as much as it exists as a global social construct – on any given attribute, the within-culture variance may be as large as or larger than the between-culture variance. Culture then, exists on multiple levels, across individuals within groups and across groups within larger groups (Diener et al., 2003). This may have important implications for market segmentation, especially in terms of differences in consumers' SWB.

9.3 CONCLUSIONS ON EMPIRICAL OBJECTIVES

In this research, the sample of 2566 respondents could be viewed as broadly representative of the South African PDM population. Although the sample included more males than females, the difference is not significant at the 1% level of significance when compared to the general adult population of South Africa.

In terms of age, the distribution in the sample of respondents closely resembled that of the general adult population in South Africa using the latest available information from Statistics South Africa (2008), with population estimates based on the Community Survey conducted in 2007.

Although the figures were not compared to official statistics, the representation using marital status, home language, educational level, community size, employment status and household income, reveals that the sample represents a broad range of individuals, as may be expected from a representative sample of the South African population.

An important demographic variable in this research is the cultural group that PDMs belong to, because this variable proved to be strongly associated with their LSM grouping. In the sample, 70% of the respondents were black, 16% were white, 11% coloured and 4% Indian.

9.3.1 The reliability and the validity of the research instruments

In light of the fact that cultural groups may exhibit response patterns that may bias results, and since the cultural group variable was so strongly associated with the LSM super group variable in this study, it was essential to firstly establish whether the PVQ and SWLS were valid and reliable across cultural groups, before investigating whether there were differences across LSM super groups on the PVQ and SWLS. The strong association between respondents' cultural grouping and their LSM grouping is reflected in the fact that more than 95% of PDMs in LSM super group 1 were black; within LSM super group 2, this percentage was almost 90%; in LSM super group 3, it was 67% or two-thirds; while only 11.6 % of PDMs in LSM super group 4 were black.

Ignoring the effect of PDMs' culture would therefore be a serious threat to the validity of the findings. It was therefore essential to establish whether the instruments used were invariant across cultural groups, before an attempt was made to use the instruments and compare LSM super groups.

The psychometric properties of the PVQ were investigated, and it was found that the PVQ is a reliable and valid instrument in the South African context. The instrument was also found to be invariant across cultural groups, with no strong evidence of response bias problems, rendering it valid to compare the values of PDMs in particular LSM super groups on the PVQ.

When the estimates of the latent means across LSM super groups were compared, the latent means of the ten PVQ values were not very different across cultural groups. Instead, the similarities were more striking than the differences. Some differences were found among LSM super groups, for instance, the higher LSM super groups had higher means on the subscale of the PVQ that measures the value "power".

The SWL was found to have configural and metric invariance across cultural groups. However, when the latent means were constrained equal across cultural groups, the model did not fit very well. This implies that when the SWLS is used to compare LSM groups, the results may be confounded with differences across cultural groups.

It was evident that both the PVQ and the SWLS were reliable and valid within the context of this study, and that it would be appropriate to address the key research problem, namely assessing whether the latent means in the PVQ are equal across LSM super groups. In terms of the SWLS, some caution is necessary in the interpretation of results. It was found that the latent means were significantly different across cultural groups, and since this variable corresponds so closely with LSM grouping, comparisons on the LSM grouping should be interpreted with caution.

As pointed out earlier, marketing theorists are especially interested in the concept of personal values because it is believed that they dictate consumers' beliefs, attitudes and lifestyles. The general aim of this research was to investigate whether value-related variables and SWL can be used to make finer distinctions among multivariate consumer segments. Using MGCFA, it was evident that there were not very significant differences among PDMs across the LSM super groups. In respect of SWL, significant differences were found across cultural groups, as well as over LSM groups. Since these variables are tightly confounded, it is not very clear which of the two variables, at least from the MGCFA analysis, was the more important variable in explaining the differences, and further research is required in this regard.

As S.H. Schwartz had advised (personal communication, 15 January 2009), in all the analyses discussed in this section, respondents' values scores on the PVQ were not centred. This was also the procedure followed by Davidov et al. (2008) in an SEM analysis of the PVQ. Somewhat different insights were obtained when investigating differences among PDMs from the various LSM super groups in analyses in which centred value scores were applied, as will be evident in the following section.

9.3.2 The centred value score approach in comparing LSM groups on values

As explained in Chapter 7, S.H. Schwartz (personal communication, 8 May 2008) recommends that it is necessary to make a correction for individual differences in using the response scale of the PVQ, before performing particular further analyses, for instance, correlation analyses, t-tests, MANOVAs and ANOVAs. Individual differences in people's use of the PVQ's response scale are therefore controlled statistically when relating value priorities to other variables – each person's centred value score across all 29 items is computed to maintain real differences in the extent to which people discriminate among their values.

When investigating differences in value priorities among PDMS from the various LSM super groups by means of MANOVA (incorporating the centred value scores), characteristic value patterns were found among PDMs from particular cultural groups, irrespective of their LSM group. In general, South African adult PDMs appeared to pursue power, hedonism, stimulation and achievement values quite strongly, while they attached little importance to benevolence and security values.

There appears to be only a weak, consistent linear relationship between PDMs' values and their LSM classification. PDMs in the different LSM groups did not differ significantly in terms of the importance they attached to stimulation and hedonism, but the higher PDMs were in terms of their LSM classification, the less importance they attached to self-direction, universalism, security and benevolence. Furthermore, the higher consumers' level of LSM classification, the more they associated with conformity, achievement and power.

Among the four LSM super groups that were created, a number of values profiles were very similar – PDMs from LSM super groups 1 and 2 corresponded in terms of their value priorities, while those of super groups 3 and 4 were similar. This is especially true for self-direction, security, benevolence, power and hedonism. PDMs from the higher LSM groups – LSM super groups 3 and 4 – attached more importance to power and hedonism, while they attached less importance to security and benevolence. PDMs from LSM super groups 1 and 2 attached more importance to the latter two values.

Some differentiators among the groups were, however, also evident. PDMs from LSM super group 1 regarded stimulation as more important than all the other groups. PDMs from LSM super group 2 in particular attached importance to universalism, compared to the other groups, while PDMs from LSM super group 3 characteristically attached more importance to benevolence, compared to the other groups. PDMs from LSM super group 4 attached particular importance to hedonism, achievement and tradition.

PDMs from the lower LSM groups tend to characteristically attach importance to values on the self-transcendence dimension of the circular model, while PDMs from higher LSM groups tend to be characterised by values on the self-enhancement dimension of the model.

9.3.3 The relationship between subjective well-being and values

Only a few significant negative correlations were found between PDMs' values and their SWB, as measure by SWL, which may indicate that the less importance PDMs attached to self-direction, stimulation, and conformity, the more satisfied they were with their lives. These relations may have little practical significance because in a large sample, such as in this research study, even small differences among variables may be found to be significant.

In terms of differences in relationships between SWL and values among PDMS from various cultural groups, some interesting relationships were found, although none of them were very strong. The more strongly black PDMs pursued conformity and security, the more satisfied they were with their lives. They were more satisfied with their lives when they attached less importance to stimulation and hedonism. The more strongly coloured PDMs pursued power, the more they were satisfied with their lives, and similarly, the less importance they attached to self-direction and universalism – implying that the lower they were on independent thought, the more satisfied they were with their lives. The less importance Indian PDMs attached to achievement and the more importance they attached to benevolence, the more satisfied they were with their lives. There were no significant relationships between any values and SWL for white respondents.

9.3.4 The effect of demographic variables on subjective well-being and values

Male and female PDMs did not differ significantly in terms of their SWB, as measured by SWL. This relation may, however, be an oversimplification. Additional variables need to be considered in this regard such as gender roles, people's age and which particular component of SWB is addressed. The older PDMs were, the more satisfied with life they appeared to be.

In terms of differences among cultural groups, coloured and Indian PDMs, who were about equally satisfied with their lives, showed the highest level of satisfaction with their lives. Black PDMs were least satisfied with their lives, followed by coloured PDMs. White and Indian PDMs, who did not differ significantly in terms of SWL, were most satisfied with their lives. PDMs across all cultural groups were less satisfied with their lives, the lower their income were. PDMs from different cultural groups who lived in different communities further differed in terms of their levels of satisfaction with their lives.

PDMS from the various LSM super groups differed significantly in terms of their SWL. The higher PDMs' level of LSM classification, the higher was their SWB, as measured by SWL. Although Diener et al. (2002) point out that it appears that the way people perceive the world is much more important to their happiness than their objective circumstances, it appears from this research that PDMs' objective circumstances indeed impact on their SWL. It should, however, always be kept in mind that this relationship is also strongly associated with a person's cultural group.

9.3.5 The relationship between individual-level culture and subjective well-being

It was found that individual-level culture (as measured by ideocentrism and allocentrism) are forces impacting on four of the subscales of the PVQ, and that one of these, allocentrism, had a weak negative relationship with SWL. Furthermore, black PDMs had a contrasting profile on individual-level culture compared to PDMS from all the other cultural groups.

A common thread in the discussion above is that consumers' behaviour should also be investigated in terms of the cultural group that they belong to. Although considering consumers' behaviour based on their cultural group may be a contentious issue, it does appear as if consumers' cultural group should be considered in typologies and that values can to some degree differentiate among LSM groups – corresponding with Higgs' (2007) observation that marketers who are especially striving to serve the needs of an ethnic group in market segmentation, will need to properly understand the behaviour, expectations, needs and perceptions' of their target market's customers. It further indeed appears as if culture (in terms of consumers' values and their individual-level culture) could be applied subtly as a psychological segmentation variable.

9.4 LIMITATIONS IN TERMS OF EMPIRICAL OBJECTIVES

A strong point of this research study is the fact that a large, nationally representative sample was used and respondents were randomly sampled. However, it does have a number of limitations, including the way in which the main constructs were measured and the fact that, in certain instances, this research study only provides preliminary findings on particular relationships.

9.4.1 Limitations in terms of measurement

A general limitation in terms of measurement is that only self-report questionnaires, which are characterised by particular methodological limitations, were used in the present study.

As pointed out in Chapter 6, self-report measures of SWB have been criticised extensively because they are prone to particular biases and methodological artefacts, or defects. Although an SWB approach underlies this research, SWB is a multidimensional construct which is far more complex than could be measured by a single cognitive measure, as was done in this research.

Social desirability may particularly have impacted on respondents' response, although the MGCFA approach used in this research largely showed that this effect was negligible. Because values are inherently positive entities, respondents tend to rate all values highly. Important relationships between values and other variables may be concealed because of this limitation. The instrument used to measure values may also have limitations, as will be evident in the following discussion.

9.4.1.1 The PVQ

As pointed out in Chapter 7, Schwartz et al. (2001) indicate that the 29-item PVQ is particularly useful in populations such as non-literate groups, where research with the SVS yielded little support for the theory. S.H. Schwartz (personal communication, 11 October 2005), however, advises that the 40-item PVQ (a later development) should rather be used in future research. According to him, the 29-item version should only be used in studies that have to drastically reduce the time taken to complete a values questionnaire. He claims that the saving in time is less than five minutes and researchers may sacrifice reliability by using the 29-item PVQ.

In previous research with the 29-item PVQ, such as that of Burgess and Steenkamp (1998), Steenkamp and Burgess (2002) and Schwartz et al. (2001), those respondents who could be regarded as non-respondents were eliminated before undertaking any statistical analyses. This approach was not followed in this research study, and this may be regarded as an additional limitation.

9.4.1.2 The Satisfaction with Life Scale

As pointed out earlier, the SWLS allows respondents to evaluate their lives according to their own criteria. Although this may be regarded as a strong point because respondents may use their own standards, it may limit the unambiguous interpretation of test scores – researchers do not know to what standard the person has compared the conditions of his or her life. As pointed out in Chapter 8, a crucial aspect in developing the construct validity of the SWLS will be to understand the processes in arriving at a life satisfaction judgement (Pavot & Diener, 1993).

It is further probably unrealistic to measure SWB with a five-minute overall assessment as in this study. As pointed out earlier, respondents can consciously distort their responses to self-report measures. It is consequently advisable to supplement the SWLS with assessments from external sources, such as informant or interviewer ratings, if possible. Also, the SWLS is a narrow-band instrument, intended to assess the cognitive component of SWB. Instruments with an affective focus should be included in research aimed at obtaining data on overall SWB (Pavot & Diener, 1993). A thorough understanding of SWB consequently requires more in-depth measurement.

Diener (in Arthaud-Day et al., 2005), however, points out that the almost exclusive use of self-report measures in SWB research means that both affect and cognition are involved to some degree. A question such as “How satisfied are you with your life?” requires a cognitive evaluation, but people are evaluating their overall life experiences, which are loaded with emotion (Crooker & Near, in Arthaud-Day et al., 2005). Scales have been developed to measure both cognition and affect, but because they interact in human thought processes, achieving a “pure” self-report measure of either affect or cognition is unlikely.

Furthermore, it is still unclear to what extent individual and cultural differences found in general reports of SWB are accurate reflections of differences in people’s life experiences or manifestations of processes related to holistic ways people see themselves. Finally, well-being research thus far has mainly been based on large surveys, as in this research. Broad, representative samples are mostly used in this type of research, but although this methodology may be useful in providing general descriptions of people, it has inherent limitations. Cultural practices and conventions are a significant contributor to SWB. Cultural meanings, however, are often implicit – people do not necessarily realise their impact and they may therefore not be revealed in survey data.

9.4.1.3 Measuring individual-level culture

As pointed out in Chapter 6, a relatively wide variety of measurement tools are currently available to assess IC on the individual level. In this study, respondents were merely classified as being allocentric or ideocentric, based on whether they were mainly characterised by values on the self-enhancement versus the self-transcendence dimension of Schwartz's values model.

9.4.2 Limitations in terms of the relationships investigated

Based on the above limitations in terms of the measurement instruments used and the way in which consumers' individual-level culture was measured, this research study can be regarded as only a preliminary investigation of the relationship between consumers' individual-level culture and their SWL.

The relationship between culture and SWB in particular is more complex than portrayed in this research study. Ratzlaff et al. (2000) point out that it is important to know what respondents' ecological culture is when interpreting results, because this provides the context within which the individual level of culture exists and could impact on the interpretation. The possible effects of a discrepancy between ecological culture and people's individual-level culture should be investigated. The degree of congruence between consumers' ecological and individual culture could not be investigated in this research, because the research instrument contained a screening question which resulted in only PDMs who were responsible for their households' purchases being included. Their results could consequently not be compared to those of the broader society.

As pointed out in Chapter 6, whether researchers focus on traits or on other non-trait personality factors, they have to be careful not to make inferences about causal priority from correlational data. Most studies of personality and well-being are correlational, and although researchers often assume that stable personality traits must influence what they regard as the more fleeting experience of well-being (Eysenck & Eysenck, in Diener et al., 2003), the reverse causal direction may be true. Researchers should therefore focus attention on determining the causal direction of the observed personality and SWB associations. This will require developing strong theories about the processes underlying the relations (Diener et al., 2003).

Finally, the relationship between PDMs' values and a single component of SWB was investigated in this research. This may explain why no practically significant relationships between PDMs' SWL and their values were found.

9.5 RECOMMENDATIONS FOR FUTURE RESEARCH

In light of the preceding conclusions and limitations, a number of recommendations can be made for future research. This includes suggestions in terms of segmentation, values and SWB research, as well as methodological issues in each area, as will be evident below.

9.5.1 Values research

Focusing on consumers' culture, including their values and their individual-level culture, may be useful as part of psychological segmentation. However, according to Lindridge and Dibb (2002), cultural variables can be measured readily, but their link with product usage cannot be automatically assumed.

Furthermore, a macro-survey provides only information on the overall value orientation of particular target segments. The general classifications provided in the macro-approach do not provide a specific understanding of how the concrete aspects of a product fit into consumers' lives. The essential components of a positioning strategy – the linkages between the product and the personal relevance it has to the consumer – are, however, missing. Behaviour differences among segments are a key principle of market segmentation.

It is challenging to establish a meaningful relationship between consumers' values and their behaviour. As pointed out in Chapter 2, the micro-approach may also aid in understanding the role of consumers' values in their consumer behaviour. In such an approach, in-depth qualitative methods are used to understand consumer motivations, instead of pre-established lists of values. It especially focuses on the linkages between products' attributes, the consequences which these attributes hold for the consumer and the personal values the consequences reinforce. These linkages are usually determined by means of laddering interviews, where consumers' means-end chains are elicited (Reynolds & Gutman, in Veludo-de-Oliveira et al., 2006) by means of a series of "why" probes. Such an analysis leads to a hierarchical value map, which represents the associations across specified levels of abstraction (attributes-consequences-values)

(Valette-Florence & Rapcchi, in Manyiwa, 2004). This approach should provide more in-depth information on the true relation between consumers' product choices and their values.

Future research needs to address the cultural context and meaning of specific values. The impact of social values on consumer behaviour also requires further investigation.

Researchers interested in measuring consumers' values in depth, are advised to use the SVS, which lends itself to measuring values in more depth, providing that their target populations can comprehend its abstract approach. Researchers who face similar constraints to those in this research study are advised to use the 40-item PVQ. It is further advisable to rather investigate values embedded in concrete contexts, especially consumer behaviour contexts, which will require developing new values measures.

9.5.2 Subjective well-being research

A number of general methodological issues should be addressed in future research. Although SWB measures show substantial validity and reliability, there are a number of potential measurement and interpretative problems in measuring this construct (Diener & Fujita, 1995). Because of the importance of life satisfaction findings, it is essential to control all possible measurement artefacts in order to create unambiguous results when measuring them. Researchers interested in using the SWLS in emerging economies, should further investigate its readability.

Ideally, to reach convincing conclusions, several types of measurement methods should be used (Diener & Suh, 1999). According to Arthaud-Day et al. (2005), cognitive and affective measures of well-being are not equivalent, and measuring the one without the other may ignore significant interactions between the two, potentially skewing results. Furthermore, other constructs (e.g., personality) tend to relate differently to the well-being dimensions. Important relationships might be overlooked if the dimensions are not considered simultaneously.

According to Diener (in Diener et al., 2002), people in cultures where SWB is valued are more likely to weight their most positive domains in calculating their overall life satisfaction judgements, while people in cultures in which SWB is not an important value are more likely to weight their most negative domains in calculating life satisfaction judgements. It may therefore be advisable to investigate how important SWB is to South Africans in general.

Recommendations will now be made for future research on the relations between consumer's values and their SWB, individual-level culture and SWB, as well as consumer well-being.

9.5.2.1 The relationship between consumers' values and their subjective well-being

The relationship between consumers' values and their SWB requires further investigation. In particular, a conceptual scheme that unites the various constructs which impact on the relation between people's values and their SWB at an individual level, needs to be developed.

In this research, the direct impact of PDMs' values on their SWL was investigated, and no relationship was found. Some studies, however, indicate that indirect effects are also possible, particularly the extent to which people are able to attain the goals, motives, and values that are important to them will affect their well-being (Sagiv et al., 2004). This needs to be investigated in future research.

Furthermore, the relations between consumers' value priorities and other components of SWB such as affective SWB and domain satisfactions, need to be investigated. The moderating role of personal values in the relations between satisfaction with specific life domains and general satisfaction, as investigated by Diener et al. (1999), may also shed light on the relation between consumers' values and their SWB.

Materialism may be considered a general value underlying other consumer values, implying that consumers realise their values through consumption. Consumer's degree of materialism should consequently be considered in future research, especially its relation to their values and its impact on their well-being.

Value pathways to consumers' well-being could be investigated. Different types of values may be relevant to consumers' SWB, depending on the value environment. The person-environment congruency perspective, according to which people's chances at positive well-being are better when they emphasise the values that prevail in their environment, consequently needs to be considered.

Furthermore, the value congruency between a person's values and any particular environment will probably not impact equally on well-being. Sagiv and Schwartz (in Sagiv et al., 2004), for instance, propose that the impact of value congruency with any environment depends on the relevance of the environment to the person's self-identity. The more important a given environment is for the person's self-identity, the stronger the impact that congruency with this environment will have on that person's well-being. The impact of consumer groups could be investigated in this regard.

Furthermore, values are regarded as stable characteristics, while SWB also tends to be regarded as a relatively stable disposition. Longitudinal studies should also be used to study these phenomena. The complex relations between personality traits, goals, resources and SWB should consequently be examined in depth, with longitudinal and causal modelling designs, before definite causal conclusions can be made.

9.5.2.2 Consumers' individual-level culture and their subjective well-being

This research provided evidence that individual-level culture as a higher-order force of values may impact to some extent on SWB, as measured by SWL. Irrespective of its impact on SWB, consumers' individual-level culture and its relation to consumption motives and other dimensions in consumer behaviour need to be addressed in future research, especially in light of the fact that allocentric and ideocentric consumers may differ in their buying motives and the advertising appeals they prefer (Yang, 2004). If significant differences among consumers are found in terms of individual-level cultural dimensions, these cultural dimensions can be used as a segmentation tool for marketers to better target their customers.

This study serves as a preliminary investigation of the relationship between consumers' individual-level culture and their SWL. No single individual-level cultural dimension can, however, explain consumer's lifestyle fully. Other individual-level cultural dimensions should consequently be investigated. Researchers who are interested in the relationship between these constructs need to employ measures which have been developed to specifically measure them, for example measures developed to measure individual-level culture.

The relationship between individual-level culture and SWB may further be more complex than can adequately be accounted for in a single-dimension, direct relationship. Mediating variables may impact on the relationship between individual levels of culture and SWB.

Defining the boundaries of the cultural context is also important. Within a nation the culture of the smaller community, ethnic group, or subculture may, for instance, also affect the relationship between individual culture and well-being. All in all, a wide variety of cultural contexts should be included in future research. This may lead to finding new dimensions of individual culture, new mediators, different relationships between culture and SWB, and even new models.

In general, the relevance of all the above-mentioned constructs in terms of consumer behaviour needs to be investigated in more depth in future research. A final general suggestion is that subjective measures of variables such as consumers' health, age, and ethnic identity should be included in future research, because these subjective measures should relate to SWB – people's subjective experience of their lives. Investigating the degree of discrepancy between people's individual-level culture and their perceptions of the larger cultural environment in which they live may, for instance, contribute towards an understanding of this relationship. And, although value differences were found among cultural groups in this research, subjective measures such as ethnic identity will probably provide a deeper understanding of the relation between consumers' values and their cultural group.

9.5.2.3 Consumer well-being

In light of the fact that a high level of SWB is a desirable condition that produces positive outcomes for both individuals and society, it appears advisable to investigate this construct further, and in particular how it relates to consumer behaviour. Diener and Fujita (1995), for instance, point out that, as overall life satisfaction is likely to influence lower-order satisfaction responses to products, people who buy certain products or use certain services may be more satisfied with them simply because they are more satisfied with their lives. This can be explained by the process of top-down spill-over, as identified by Sirgy (2002), where affect in people's super-ordinate domains (such as their life overall) influences their sub-ordinate domains.

Sirgy (2002) points out that the bottom-up spill-over process, as explained in Chapter 2, can be used to enhance SWB, by helping people control how they feel about their life in general. He points out that the means-end approach can be used to achieve this – a means-end chain can help identify how evaluations of concrete events occurring in the context of a life domain can affect evaluations of a person's life overall.

According to Diener (in Alfonso et al., 1996), the domains that are closest and most immediate to people's personal lives, most strongly influence their SWB. The impact of the consumer domain on people's SWB may require further investigation, particularly how processes such as top-down and bottom-up spill-over impact on consumer well-being. As pointed out in Chapter 2, consumers' emotional involvement in the consumer/marketing life domain affects the spill-over effect of satisfaction in the consumer/marketing life domain to their overall life, thus affecting their QOL. Identifying the nature and determinants of involvement in the consumer/marketing domain should contribute towards an understanding of this relationship.

As pointed out earlier, consumer well-being is based on the link between consumer satisfaction and consumers' QOL. The more companies are expected to act in a socially responsible manner, the more important it may become to determine how their marketing activities impact on consumers' well-being. Furthermore, different segments (for example, the elderly and the poor) in a particular population are influenced in different ways by marketing activities. Marketers should be encouraged to determine the impact of their marketing programmes on consumer well-being, such as changes in cultural and sub-cultural traditions and behaviour. Companies may also benefit by this type of research because it may help them understand how their marketing activities impact on human values.

As pointed out in Chapter 2, marketers are increasingly required to understand the "whole person" and not to merely regard people as "consumers in a market". Investigating which of the existing models of consumer well-being and marketing ethics (as identified by Sirgy et al., 2008) are particularly relevant to South African conditions, therefore appears warranted.

9.6 CHAPTER SUMMARY

In this the final chapter, consideration was given to the conclusions of the research; firstly with regard to the literature review, followed by conclusions on the empirical research. Thereafter, some limitations of the present study were pointed out. Finally, recommendations were provided for future research.

REFERENCE LIST

Alfonso, V.C., Allison, D.B., Rader, D.E. & Gorman, B.S. (1996). The Extended Satisfaction with Life Scale: Development and psychometric properties. *Social Indicators Research, 38* (3), 275-301.

Allen, M.W. (2001). A practical method for uncovering the direct and indirect relationships between human values and consumer purchases. *Journal of Consumer Marketing*, *18* (2), 102-120.

Al-Wugayan, A.A. & Suprenant, C.F. (2006). Examining the relationship between personal, cultural values and desired benefits: A cross-national study. In C.P. Rau (Ed.), *Marketing and multicultural diversity* (pp. 31-52). Hampshire: Ashgate Publishing Limited.

Andrews, R.L. & Currim, I.S. (2003). Recovering and profiling the true segmentation structure in markets: an empirical investigation. *International Journal of Research in Marketing, 20* (2), 177-192.

Argyle, M. (1999). Causes and correlates of happiness. In D. Kahneman, E. Diener & N. Schwarz (Eds.), *Well-Being: the foundation of hedonic psychology* (pp. 353-373). New York: Russell Sage Foundation.

Armstrong, G. & Kotler, P. (2000). *Principles of marketing* (12th ed.). New York: Prentice-Hall.

Arnould, E., Price, L. & Zinkhan, G. (2004). *Consumers* (International ed.). New York: McGraw-Hill/Irwin.

Arthaud-Day, M.L., Rode, J.C., Mooney, C.H. & Near, J.P. (2005). The subjective well-being construct: a test of its convergent, discriminant and factorial validity. *Social Indicators Research*, *74* (3), 445-476.

Babbie, E., Mouton, J., Vorster, P. & Prozesky, B. (2001). *The Practices of Social Research.* New York: Oxford University Press.

Baker, M.J. (2000). *Marketing strategy and management* (3rd ed.). London: MacMillan Press Ltd.

Baker, M.J. (2001). *Marketing: Critical perspectives on business and management.* London: Routledge.

Baourakis, G. (2004). *Marketing trends for organic food in the 21st century.* River Edge, NJ: World Scientific.

Baumgartner, H. & Steenkamp, J-B.E.M. (2001). Response Styles in Marketing Research: A Cross-National Investigation, *Journal of Marketing Research, 38* (2), 143-156.

Berry, J.W., Poortinga, Y.H., Segall, M.H. & Dasen, P.R. (2002). *Cross-cultural psychology: Research and applications* (2nd ed.). Cambridge: Cambridge University Press.

Bilsky, W. & Schwartz, S.H. (1994). Values and personality. *European Journal of Personality, 8*, 163-181.

Biswas-Diener, R., Diener, E. & Tamir, M. (2004). The psychology of subjective well-being. *Daedalus*, *133* (2), 18-36.

Blodgett, J.G., Bakir, A. & Rose, G.M. (2008). A test of the validity of Hofstede's cultural framework. *Journal of Consumer* Marketing*, 25* (6), 339-349.

Boehnke, K., Fuss, D. & Rupf, M. (2001). Values and well-being: The mediating role of worries. In P. Schmuck & K.M. Sheldon (Eds.), *Life goals and well-being – Towards a positive psychology of human striving* (pp. 85-101). Göttingen: Hofgrefe & Huber Publishers.

Bollen, K.A. (2007). Course notes in Structural Equation Models: 11th Course of the ECAS (European Courses in Advanced Statistics) Programme, Grenoble France, September 24-28.

Brangule-Vlagsma, K., Pieters, R.G.M. & Wedel, M. (2002). The dynamics of value segments: modeling framework and empirical illustration. *International Journal of Research in Marketing*, *19* (3), 267-285.

Brown, K.B. & Kasser, T. (2005). Are psychological and ecological well-being compatible? The role of values, mindfulness, and lifestyle. *Social Indicators Research 74* (2), 349-368.

Browne, M.W. & Cudeck, R. (1993). Alternative ways of assessing model fit. In K.A. Bollen & J.S. Long (Eds.), *Testing Structural Equation Models* (pp.136-162). Newbury Park, CA: Sage.

Burgess, S.M. (1990). *Personal values, consumer behaviour and brand image perceptions.* Unpublished D Litt et Phil dissertation, University of the Witwatersrand, Johannesburg.

Burgess, S.M. (1992). Personal values and consumer research: an historical perspective. In J.N. Sheth (Ed.), *Research in Marketing* (pp. 35-79). Greenwich: JAI Press Inc.

Burgess, S.M. (2002). *SA Tribes – who we are, how we live and what we want from life in the new South Africa*. Claremont: David Philip.

Burgess S.M. & Blackwell, R.D. (1994). Personal values and South African financial services brand preference. *Suid-Afrikaanse Tydskrif vir Bedryfsielkunde, 25* (1), 22-29.

Burgess, S.M.& Harris, M. (1998). Values, optimum stimulation levels and brand loyalty: new scales in new populations. *South African Journal of Business Management, 29* (4), 142-157.

Burgess, S.M.& Steenkamp, J.E.M. (1998). Value priorities and consumer behavior in a transitional economy: The case of South Africa. The William Davidson Institute Working Paper No. 166. Ann Arbor: University of Michigan Business School.

Burroughs, J.E. & Rindfleisch, A. (2002). Materialism and Well-being: A conflicting values perspective. *Journal of Consumer Research, 29* (3), 348-370.

Busseri, M.A., Sadava, S.W. & DeCourville, N. (2007). A hybrid model for research on subjective well-being: Examining common and component-specific sources of variance in life satisfaction, positive affect, and negative affect. *Social Indicators Research, 83* (3), 413-445.

Byrne, B.M. (1998). *Structural equation modeling with LISREL, PRELIS and SIMPLIS: Basic concepts, applications and programming*, London: Lawrence Erlbaum Associates.

Byrne, B.M., Shavelson, R.J. & Muthén, B. (1989). Testing for the equivalence of factor covariance and mean structures: The issue of partial measurement invariance, *Psychological Bulletin, 105* (3), 456-466.

Cahill, D.J. (2006). *Lifestyle market segmentation.* New York: Haworth Press, Inc.

Camfield, L. & Skevington, S.M. (2008). On subjective well-being and quality of life. *Journal of Health Psychology, 13* (6), 764-775.

Cant, M.C. (2006). Introduction to consumer behaviour. In M.C. Cant, A. Brink & S. Brijball (Eds.), *Customer behaviour – A South African perspective* (pp. 1-26). Landsdowne: Juta.

Carson, D., Gilmore, A., Perry, C. & Gronhaug, K. (2001). *Qualitative marketing research*. Thousand Oaks, CA: Sage Publications.

Christensen, L.B. (1991). *Introduction to statistics for the social and behavioral sciences.* Pacific Grove, CA: Brooks/Cole Publishing Company.

Christiansen, C.P. & Hansen, F. (2001). The use of social psychological and applied value research for the measurement of cultural differences among consumers. *Asia Pacific Advances in Consumer Research, 4*, 5-22.

Cleaver, M. & Muller, T.E. (2002). I want to pretend I'm eleven years younger: Subjective age and seniors' motives for vacation travel. *Social Indicators Research, 60* (1-3), 227-241.

Cohen, P. & Cohen, J. (2001). Life values and mental health in adolescence. In P. Schmuck & K.M. Sheldon (Eds.), *Life goals and well-being – Towards a positive psychology of human striving* (pp. 167-181). Göttingen: Hofgrefe & Huber Publishers.

Corder, C.K. (1996). Ten advertising myths. *Proceedings of the Seventh National Marketing Educators' Conference* (pp. 1-23). Johannesburg: Institute of Marketing Management.

Corder, C.K. (2001). *The identification of a multi-ethnic South African typology.* Unpublished DLitt et Phil dissertation, University of Pretoria.

Cortina, J.M. & Nouri, H. (2000). *Effect size for Anova designs*. Thousand Oaks, CA: Sage Publications.

Cross, G.S. (2004). *The cute and the cool: wondrous innocence and modern American children's culture*. New York: Oxford University Press.

Cui, G. & Choudhury, P. (2002). *Marketplace* diversity and cost-effective marketing strategies. *Journal of Consumer Marketing. 19* (1), 54-73.

Cummins, R.A. (2000). Personal income and subjective well-being: A review. *Journal of Happiness Studies*, *1* (2), 133-158.

Darlington, G. (1996). Culture: a theoretical review. In P. Joynt & M. Warner (Eds.), *Managing across cultures: Issues and perspectives* (pp. 33-55). London: International Thomson.

Davern, M. & Cummins, R.A. (2006). Is life dissatisfaction the opposite of life satisfaction? *Australian Journal of Psychology, 58* (1), 1-7.

Davidov, E., Schmidt, P. & Schwartz, S.H. (2008). Bringing values back in – the adequacy of the European Social Survey to measure values in 20 countries. *Public Opinion Quarterly, 72* (3),420-445.

De Mooij, M.K. (2004). *Consumer behaviour and culture – Consequences for global marketing and advertising.* Thousand Oaks, CA: Sage Publications, Inc.

De Mooij, M.K. (2005). *Global marketing and advertising: understanding cultural practices* (2nd ed.). Thousand Oaks, CA: Sage Publications, Inc.

Dibb, S. & Simkin, L. (2001). Market segmentation: diagnosing and treating the barriers. *Industrial Marketing Management, 30* (8), 609-625.

Dibb, S. & Simkin, L. (2008). *Market segmentation success: making it happen!* New York: Haworth Press.

Dibb, S., Stern, P. & Wensley, R. (2002). Marketing knowledge and the value of segmentation. *Marketing Intelligence & Planning, 20* (2), 113-119.

Diener, E. (1994). Assessing subjective well-being: Progress and opportunities. *Social Indicators Research*, *31* (2), 103-157.

Diener, E. (s.a). Contributions of the Ed Diener laboratory to the scientific understanding of well-being. Accessed from http://www.psych.uiuc.edu/~ediener.

Diener, E. (2006). Guidelines for national indicators of subjective well-being and ill-being. *Journal of Happiness Studies, 7* (4), 397-404.

Diener, E., Emmons, A., Larsen, R.F. & Griffin, S. (1985). The Satisfaction with Life Scale. *Journal of Personality Assessment*, *49* (1), 71-75.

Diener, E. & Fujita, F. (1995). Methodological pitfalls and solutions in satisfaction research. In M.J. Sirgy & A.C. Samli (Eds.), *New dimensions in marketing/quality-of-life research* (pp. 27-46). Westport, CT: Quorum Books.

Diener, E. & Lucas, R.E. (1999). Personality and subjective well-being. In D. Kahneman, E. Diener & N. Schwarz (Eds.), *Well-being: the foundations of hedonic psychology* (pp. 213-229). New York: Russel Sage Foundation.

Diener, E., Lucas, R.E. & Oishi, S. (2002). Subjective well-being: The science of happiness and life satisfaction. In C.R. Snyder & S.J. Lopez (Eds.), *Handbook of Positive Psychology* (pp. 63-73). New York: Oxford University Press.

Diener, E. & Oishi, S. (2000). Money and happiness: Income and subjective well-being across nations. In E. Diener & E. Suh (Eds.), *Culture and subjective well-being* (pp. 185-218). Cambridge, Massachusetts: The MIT Press.

Diener, E., Oishi, S. & Lucas, R.E. (2003). Personality, culture and subjective well-being: emotional and cognitive evaluations of life. *Annual Review of Psychology*, *54,* 403-425.

Diener, E., Sandvik, E., Pavot, W. & Gallagher, D. (1991). Response artifacts in the measurement of subjective well-being. *Social Indicators Research, 24* (1), 35-56.

Diener, E., Scollon, C.N. & Lucas, R.E. (2004). The evolving concept of subjective well-being: the multifaceted nature of happiness. In P.T. Costa & I.C. Siegler (Eds.), *Recent advances in psychology and aging* (pp. 187-219). Amsterdam: Elsevier.

Diener, E. & Suh, E. (1997). Measuring quality of life: economic, social and subjective indicators. *Social Indicators Research, 40* (1-2), 189-216.

Diener, E. & Suh, E. (1999). National differences in subjective well-being. In D. Kahneman, E. Diener & N. Schwarz (Eds.), *Well-Being: the foundation of hedonic psychology* (pp. 434-452). New York: Russell Sage Foundation.

Diener, E. & Suh, E.M. (2000). Measuring subjective well-being to compare the quality of life of cultures. In E. Diener & E. Suh (Eds.), *Culture and subjective well-being* (pp. 3-12). Cambridge, MA: The MIT Press.

Diener, E., Suh, E.M., Lucas, R.E. & Smith, H.L. (1999). Subjective well-being: Three decades of progress. *Psychological Bulletin*, *125* (2), 276-302.

Du Preez, R., Visser, E.M. & Zietsman, L. (2007). Profiling male apparel consumers: Lifestyle, shopping orientation, patronage behavior and shopping mall behavior. *Management Dynamics, 16* (1), 2-19.

Durrheim, K. (2002a). One-way analysis of variance. In C. Tredoux & K. Durrheim (Eds.), *Numbers, hypotheses and conclusions – A course in statistics for the soial sciences* (pp. 271- 288). Cape Town: UCT Press.

Durrheim, K. (2002b). Research design. In M. Terre Blanche & K. Durrheim (Eds.), *Research in practice: Applied methods for the social sciences* (pp. 29-53). Cape Town: UCT Press.

Dutta-Bergman, M.J. & Wells, W.D. (2002). The values and lifestyles of idiocentrics and allocentrics in an individualistic culture: A descriptive approach. *Journal of Consumer Psychology, 12* (3), 231-242.

Erasmus, A.C., Boshoff, E. & Rousseau, G.G. (2001). Consumer decision-making models within the discipline of consumer science: a critical approach. *Journal of Family Ecology and Consumer Sciences, 29*, 82-90.

Evans, M. (2003). Market segmentation. In M.J. Baker (Ed), *The marketing book* (5th ed) (pp. 246-284). Oxford: Butterworth-Heinemann.

Evans, M., Jamal, A. & Foxall, G.R. (2006). *Consumer behaviour*. Hoboken, NJ: John Wiley & Sons, Ltd.

Fabrigar, L.R., Wegener, D.T., MacCallum, R.C. & Strahan, E.J. (1999). Evaluating the use of Exploratory Factor Analysis in psychological research. *Psychological Methods, 4* (3), 272-299.

Field, A.P. (2005). *Discovering statistics using SPSS: (and sex, drugs and rock 'n roll)*. London: Sage.

Finchilescu, G. (2002). Measurements. In C. Tredoux & K. Durrheim (Eds.), *Numbers, hypotheses and conclusions – A course in statistics for the social sciences* (pp. 201-229). Cape Town: UCT Press.

Fouché, C.B. & Delport, C.S.L. (2002). Introduction to the research process. In A.S. de Vos, H. Strydom, C.B. Fouché & C.S.L. Delport (Eds.), *Research at grass roots for the social sciences and human service professions* (2nd ed.) (pp. 77-91). Pretoria: Van Schaik Publishers.

Friestad, M. (2001). What is consumer psychology? *Eye on Psi Chi, 6* (1), 28-29.

Garson, G.D. (2008). Multivariate GLM, MANOVA, and MANCOVA. Accessed from http://faculty.chass.ncsu.edu/garson/PA765/manova.htm.

González Gutiérrez, J.L., Jiménez, B.M., Hernández, E.G. & Puente, C.P. (2005). Personality and subjective well-being: Big five correlates and demographic variables. *Personality & Individual Differences, 38* (7), 1561-1569.

Goosen, D. & Rossouw, J. (2006). Gefrustreerde begeertes. *Rapport*, 5 November, p. 23.

Graziano, A.M. & Raulin, M.L. (1998). Research *methods: a process of inquiry.* New York: Harper and Row.

Gregg, P.M. & Salisbury, P.S. (2001). Confirming and expanding the usefulness of the Extended Satisfaction with Life Scale (ESWLS). *Social Indicators Research, 54* (1), 1-16.

Grob, A. (2000). Perceived control and subjective well-being across nations and across the life span. In E. Diener & E. Suh (Eds.), *Culture and subjective well-being* (pp. 320-339). Cambridge, MA: The MIT Press.

Grunert-Beckmann, S.C. & Askegaard, S. (1998). "Seeing with the mind's eye": On the use of pictorial stimuli in values and lifestyles research. In L.R. Kahle & L. Chiagouris (Eds.), *Values, lifestyles and psychographics* (pp. 161-181). Mahwah, New Jersey: Lawrence Erlbaum Associates, Inc.

Hart, C. & Rafiq, M. (2006). The dimensions of assortment: A proposed hierarchy of assortment decision making. *The International Review of Retail, Distribution and Consumer Research, 16* (3), 333-351.

Haupt, P. (2001). The SAARF Universal Living Standards Measure (SU-LSM™) - 12 years of continuous development. Retrieved from: http://www.saarf.co.za/lsm-article.htm.

Hawkins, D.I., Best, R.J. & Coney, K.A. (2004). *Consumer behavior: building marketing strategy* (9th ed.). Boston: McGraw-Hill/Irwin.

Heady, B. & Wearing, A. (1992). *Understanding happiness – a theory of subjective well-being.* Melbourne: Longman Cheshire.

Higgs, N.T. (2003). Are you in (future) shock? The link between well-being and perceptions of the future. Retrieved from http://www.researchsurveys.co.za/research-papers/pdf/03_futureshock.pdf.

Higgs, N.T. (2007). Measuring and understanding the well-being of South Africans: everyday quality of life in South Africa. *Social Indicators Research, 81* (2), 331–356.

Higgs, N.T. (2008). The role of race in the South African research landscape. Retrieved from http://www.researchsurveys.co.za/news-centre/pdf/RoleofRace-2Apr08.pdf.

Hofmeister Tóth, Á. & Simányi, L. (2006). Cultural values in transition. *Society and Economy, 28* (1), 41-59.

Howell, D.C. (2002). *Statistical methods for psychology* (5th ed). Pacific Grove, CA: Wadsworth Group.

Hu, L.-T. & Bentler, P.M. (1999). Cut-off criteria for fit indices in covariance structure analysis: Conventional criteria versus new alternatives. *Structural Equation Modeling, 6* (1), 1-55.

Inglehart, R. & Klingemann, H. (2000). Genes, culture, democracy and happiness. In E. Diener & E. Suh (Eds.), *Culture and subjective well-being* (pp. 165-184). Cambridge, MA: The MIT Press.

Jonkheid, K. (1998). *Applying a psychodynamic approach to the means-end chain: implications for advertising theory and practice.* Unpublished DCom dissertation, Rand Afrikaans University, Johannesburg.

Joubert, J.P.R. (2006). Culture and subculture. In M.C. Cant, A. Brink and S. Brijball (Eds.), *Consumer behaviour* (pp. 55-72). Cape Town: Juta & Co. Ltd.

Joubert, J.P.R. & Mabunda, M.D. (2007). The decision to visit a wilderness area. *South African Business Review, 11* (2), 39-55.

Kahle, L.R., Rose, G.M. & Shoham, A. (2000). Findings of LOV throughout the world, and other evidence of cross-national consumer psychographics: Introduction. In L.R. Kahle (Ed.), *Cross-national consumer psychographics* (pp. 1-13). New York: International Business Press.

Kahle, K.R. & Xie, G. (2008). Social values in consumer psychology. In C.P. Haugtvedt, P.M. Herr & F.R. Kardes (Eds.), *Handbook of consumer psychology* (pp. 573-588). New York: Lawrence Erlbaum Associates Inc.

Kamakura, W.A. & Novak, T.P. (1992). Value-system segmentation: exploring the meaning of LOV. *Journal of Consumer Research*, *19* (1), 119-133.

Kanungu, R.P. (2006). Cross-culture and business practice: are they coterminous or cross-verging? *Cross-Cultural Management: An International Journal, 13* (1), 23-31.

Kasser, T. (2004). The good life or the goods life? Positive psychology and personal well-being in the culture of consumption. In P.A. Linley & S. Joseph (Eds.), *Positive psychology in practice* (pp. 55-67). Hoboken, NJ: John Wiley & Sons, Inc.

Kerlinger, F. & Lee, H. (2000). *Foundations of Behavioral Research.* Orlando, FA: Harcourt College Publishers.

Keyes, C.L.M. (2006). The subjective well-being of America's youth: Toward a comprehensive assessment. *Adolescent & Family Health, 4* (1), 3-11.

Keyes, C.L.M. & Magyar-Moe, J.L. (2003). The measurement and utility of adult subjective well-being. In S.J. Lopez & C.R. Snyder (Eds.), *Positive psychological assessment – A handbook of models and measures* (pp. 411-424). Washington, DC: American Psychological Association.

Kihlberg, I. & Risvik, E. (2007). Consumers of organic foods – value segments and liking of bread. *Food quality and preference, 18* (3), 471-481.

Kim, J., Forsythe, S., Gu, Q. & Moon, S.J. (2002). Cross-cultural consumer values, needs and purchase behavior. *Journal of Consumer Marketing, 19* (6), 481-502.

Kingdon, G.G., & Knight, J. (2007). Community, comparisons and subjective well-being in a divided society. *Journal of Economic Behavior & Organization, 64* (1), 69-90.

Kitayama, S. & Markus, H.R. (2000). The pursuit of happiness and the realisation of sympathy: cultural patterns of self, social relations and well-being. In E. Diener & E. Suh (Eds.), *Culture and subjective well-being* (pp. 113-161). Cambridge, MA: The MIT Press.

Krueger, A.B. & Schkade, D.A. (2008). The reliability of subjective well-being measures. *Journal of Public Economics, 92* (8-9), 1833-1845.

Krystallis, A., Vassallo, M. & Chryssohoidis, G. (2008). Societal and individualistic predictors of organic purchasing revealed through a portrait value questionnaire (PVQ)-based inventory. *Journal of Consumer Behavior, 7* (2), 164-187.

La Barbara, P.A. & Gurhan, Z. (1997). The role of materialism, religiosity, and demographics in subjective well-being. *Psychology and Marketing, 14* (1), 71-97.

Lachenicht, L. (2002). Correlation. In C. Tredoux & K. Durrheim (Eds.), *Numbers, hypotheses and conclusions – A course in statistics for the social sciences* (pp. 181-200). Cape Town: UCT Press.

Lages, L.F. & Fernandes, J.C. (2005). The SERPVAL scale: a multi-item instrument for measuring service personal values. *Journal of Business Research*, *58* (11), 1562-1572.

Lee, J.A. & Kacen, J.J. (2000). The relationship between independent and interdependent self-concepts and reasons for purchase. In L.R. Kahle (Ed.), *Cross-national consumer psychographics* (pp. 83-99). New York: International Business Press.

Lee, D. & Sirgy, M.J. (1995). Determinants of involvement in the consumer/ marketing life domain in relation to quality of life: a theoretical model and research agenda. In H.L. Meadow, M.J. Sirgy & D. Rahtz (Eds.), *Developments in quality-of-life studies in marketing* (vol. 5) (pp. 13-18), Coral Gables, FL: Academy of Marketing Science.

Lee, D., Sirgy, M.J., Larsen, V. & Wright, N.D. (2002). Developing a subjective measure of consumer well-being. *Journal of Macromarketing*, *22* (2), 158-169.

Lee, J.S., Yau, O.H.M., Chow, R.P.M., Sin, L.Y.M. & Tse, A.C. (2004). Changing roles and values of female consumers in China. *Business Horizons, 47* (3), 17- 23.

Lindeman, M. & Verkasalo, M. (2005). Measuring values with the short Schwartz's value survey. *Journal of Personality Assessment, 85* (2), 170-178.

Lindridge, A. & Dibb, S. (2002). Is 'culture' a justifiable variable for market segmentation? A cross-cultural example. *Journal of Consumer Behavior*, *2* (3), 269-286.

Locke, E.A. (2002). Setting goals for life and happiness. In C.R. Snyder & S.J. Lopez (Eds.), *Handbook of Positive Psychology* (pp. 299-312), New York: Oxford University Press.

Lopez, S.J., Snyder, C.R. & Rasmussen, H.N. (2003). Striking a vital balance: Developing a complementary focus on human weakness and strength through positive psychological assessment. In S.J. Lopez & C.R. Snyder (Eds.), *Positive psychological assessment – A handbook of models and measures* (pp. 3-22). Washington, DC: American Psychological Association.

Lucas, R.E. (2008). Personality and subjective well-being. In M.E. Eid & R.J. Larsen (Eds.), *The science of subjective well-being.* (pp. 171-194). New York: The Guilford Press.

Lucas, R.E. & Gohm, C.L. (2000). Age and sex differences in subjective well-being across cultures. In E. Diener & E. Suh (Eds.), *Culture and subjective well-being* (pp. 291-317). Cambridge, MA: The MIT Press.

Luna, D. & Gupta, S.F. (2001). An integrative framework for cross-cultural consumer behavior. *International Marketing Review*, *18* (1), 45-69.

Lyubomirsky, S. (2001). Why are some people happier than others? – The role of cognitive and motivational processes in well-being. *American Psychologist*, *56* (3), 239-249.

Manyiwa, S. (2004). Controversies in values research: Methodological implications. Discussion paper: http://www.middlesex.ac.uk/bs/departments/Marketing/Mkt_Paper-.asp

McDonald, M. & Dunbar, I. (2004). *Market segmentation – How to do it, how to profit from it.* Amsterdam: Elsevier Butterworth-Heinemann.

Meyers, J.H. (1996). *Segmentation and positioning for strategic marketing decisions.* Chicago: American Marketing Association.

Michman, R.D., Mazze, E.M. & Greco, A.J. (2003). Lifestyle marketing: reaching the new American consumer. Westport, CT: Praeger Publishers.

Møller, V. (2007a). Quality of life in South Africa – the first ten years of democracy. *Social Indicators Research, 81* (2),181-201.

Møller, V. (2007b). Satisfied and dissatisfied South Africans: Results from the General Household Survey – an international comparison. *Social Indicators Research, 81* (2), 389-415.

Morgan, C.M. & Levy, D.J. (2002). Psychographic segmentation: how to increase communication ROI by examining values, beliefs and motivation. *Communication World*, *20* (1), 22-26.

Morritt, R. (2005). Niche marketing for hotel managers. In T. Dalgic (Ed.). *Handbook of niche marketing: principles and practice* (pp. 191-210). New York: Haworth Reference Press.

Mouton, J. & Marais, H.C. (1990). Basic concepts in the methodology of the social sciences. Pretoria: Human Sciences Research Council.

Neal, W.D. (2000). Market segmentation. In C. Chakrapani (Ed.), *Marketing research: state-of-the-art perspectives: handbook of the American Marketing Association & Professional Marketing Research Society* (pp. 375-399). Chicago, Ill: American Marketing Association.

Nwanko, S., Aiyeku, J. & *Ogbuehi*, A. (2006). The marketing challenge of multiculturalism: An exploratory study. In C.P. Rau (Ed.), *Marketing and multicultural diversity* (pp. 215-237). Hampshire: Ashgate Publishing Limited.

Odin, Y., Vinais, J. & Valette-Florence, P.S. (1998). Towards a revision of Schwartz's Values Inventory: some exploratory findings. In I. Balderjahn, C. Mennicken & E. Vernette (Eds.), *New developments and approaches in consumer behaviour research* (pp. 35-52). London: MacMillan Press Ltd.

Oishi, S. (2000). Goals as cornerstones of subjective well-being: linking individuals and cultures. In E. Diener & E. Suh (Eds.), *Culture and subjective well-being* (pp. 87-112). Cambridge, MA: The MIT Press.

Oishi, S., Diener, E., Suh, E. & Lucas, R.E. (1999). Values as a moderator in subjective well-being. *Journal of Personality*, *67* (1), 157-184.

Oishi, S., Schimmack, U. & Diener, E. (2001). Pleasures and subjective well-being. *European Journal of Personality*, *15* (2), 153-167.

O'Leary, B. (2007). Changes in the quality of life of Durban's people. *Social Indicators Research, 81* (2), 357-373.

Oropesa, R.S. (1995). Consumer possessions, consumer passions and subjective well-being. *Sociological Forum*, *10* (2), 215-244.

Pallant, J. (2001). *SPSS survival manual: a step-by-step guide to data analysis using SPSS for Windows* (Version 10). Buckingham: Open University Press.

Pallant, J. & Pallant, J.F. (2007). *SPSS Survival Manual: A step-by-step guide to data analysis using SPSS*. Sydney: Allen & Unwin.

Pavot, W. (2008). The assessment of subjective well-being: successes and shortfalls. In M.E. Eid & R.J. Larsen (Eds.), *The science of subjective well-being* (pp. 124-140). New York: The Guilford Press.

Pavot, W. & Diener, E. (1993). Review of the Satisfaction with Life Scale. *Psychological Assessment*, *5* (2), 164-172.

Pavot, W. & Diener, E. (2004a). Findings on subjective well-being: Applications to public policy, clinical interventions and education. In P.A. Linley & S. Joseph (Eds.), *Positive psychology in practice.* (pp. 679-692). Hoboken, New Jersey: John Wiley & Sons, Inc.

Pavot, W. & Diener, E. (2004b). The subjective evaluation of well-being in adulthood: Findings and Implications. *Ageing International*, *29* (2), 113-115.

Peiró, A. (2007). Happiness, satisfaction and socio-economic conditions: some international evidence. In L. Bruni & P.L. Porta (Eds.), *Handbook on the economics of happiness* (pp. 429-446). Cheltenham: Edward Elgar Publishing, Inc.

Peter, J.P & Donelly, J.H. (2003). *A preface to marketing management* (9th ed.). Boston: McGraw-Hill/Irwin.

Peter, J.P. & Olson, J.C. (2008). *Consumer behavior and marketing strategy* (International edition). New York: McGraw-Hill/Irwin.

Pires, G.D. & Stanton, J. (2005). *Ethnic marketing: Accepting the challenge of cultural diversity*. London: Thomson Learning.

Podoshen, J.S. (2008). The African American consumer revisited: brand loyalty, word-of-mouth and the effects of the black experience. *Journal of Consumer Marketing, 25* (4), 211-222.

Powdthavee, N. (2007). Happiness and the standard of living: the case of South Africa. In L. Bruni & P.L. Porta (Eds.), *Handbook on the economics of happiness* (pp. 447-486). Cheltenham: Edward Elgar Publishing, Inc.

Puohiniemi, M. (1995). *Values, consumer attitudes and behaviour – An application of Schwartz's value theory to the analysis of consumer behaviour and attitudes in two national samples.* Unpublished doctoral dissertation, University of Helsinki, Finland.

Ratzlaff, C., Matsumoto, D., Kouznetsova, N., Raroque, J. & Ray, R. (2000). In E. Diener & E. Suh (Eds.), *Culture and subjective well-being* (pp. 37-60). Cambridge, MA: The MIT Press.

Raykov, T. & Marcoulides, G.A. (2000). *A first course in structural equation modeling.* Mahwah, NJ: Lawrence Erlbaum Associates.

Richins, M.L. (2004). The Material Values Scale: Measurement properties and development of a short form. *Journal of Consumer Research*, *31* (1), 209-219.

Rose, G.M. & Shoham, A. (2000). The values of American and Japanese mothers: An application of LOV in the US and Japan. In L.R. Kahle (Ed.), *Cross-national consumer psychographics* (pp. 45-62). New York: International Business Press.

Rousseau, D. (1990). Developing and testing a model of psychographic market segmentation. *South African Journal of Psychology, 20* (3), 184-194.

South African Research Foundation (SAARF). http://www.saarf.co.za

Sagiv, L., Roccas, S. & Hazan, O. (2004). Value pathways to well-being: Healthy values, valued goal attainment and environmental congruence. In P.A. Linley & S. Joseph (Eds.), *Positive psychology in practice* (pp. 68-85). Hoboken, New Jersey: John Wiley & Sons, Inc.

Sagiv, L. & Schwartz, S.H. (2000). Value priorities and subjective well-being: direct relations and congruity effects. *European Journal of Social Psychology*, *30* (2), 177-198.

Salmela-Aro, K., Pennanen, R. & Numi, J-E. (2001). Self-focused goals: what they are, how they function and how they relate to well-being. In P. Schmuck & K.M. Sheldon (Eds.), *Life goals and well-being – Towards a positive psychology of human striving* (pp. 148-166). Göttingen: Hofgrefe & Huber Publishers.

Sandvik, E., Diener, E. & Seidlitz, L. (1993). Subjective well-being: The convergences and stability of self-report and non-self-report measures. *Journal of Personality*, *61* (3), 317-342.

Schiffman, L.G. & Kanuk, L.L. (1991). *Consumer behavior* (4th ed). Englewood Cliffs, NJ: Prentice-Hall Inc.

Schiffman, L.G. & Kanuk, L.L. (2007). *Consumer behavior* (9th ed). Upper-Saddle River, NJ: Pearson Prentice-Hall.

Schimmack, U. (2008). The structure of subjective well-being. In M.E. Eid & R.J. Larsen (Eds.), *The science of subjective well-being* (pp. 97-123). New York: The Guilford Press.

Schimmack, U., Radhakrishnan, P., Oishi, S., Dzkoto, V. & Ashadi, S. (2002). Culture, personality, and subjective well-being: integrating process models of life satisfaction. *Journal of Personality and Social Psychology*, *82* (4), 582-593.

Schmuck, P. & Sheldon, K.M. (2001). Life goals and well-being: To the frontiers of life goal research. In P. Schmuck & K.M. Sheldon (Eds.), *Life goals and well-being – towards a positive psychology of human striving* (pp. 1-17). Göttingen: Hofgrefe & Huber Publishers.

Schoeman, L. (2006). Market characteristics. In M.C. Cant, A. Brink & S. Brijball (Eds.), *Customer behaviour – A South African perspective* (pp. 41-54). Landsdowne: Juta.

Schwartz, S.H. (1992). Universals in the content and structure of values: Theory and empirical tests in 20 countries. In M. Zanna (Ed.), *Advances in experimental social psychology* (vol. 25) (pp. 1-65). New York: Academic Press.

Schwartz, S.H. (1994). Are there universal aspects in the structure and contents of human values? *Journal of Social Issues,* 50 (4), 19-45.

Schwartz, S.H. (1995). Values. In A.S.R. Manstead & M. Hewstone (Eds.), *The Blackwell Encyclopaedia of Social Psychology* (pp. 665-667). Oxford: Basil Blackwell.

Schwartz, S.H. (1996). Value priorities and behavior: Applying a theory of integrated value systems. In C. Seligman, J.M. Olson and M.P. Zanna (Eds.), *The psychology of values: The Ontario symposium,* (vol. 8) (pp. 1-24). New Jersey: Lawrence Erlbaum Associates.

Schwartz, S.H. (1997). Values and culture. In D. Munro, S. Carr & J. Schumaker (Eds.), *Motivation and culture* (pp. 69-84). New York: Routledge.

Schwartz, S.H. (2005a). Basic human values: Their content and structure across countries. In A. Tamayo & J.B. Porto (Eds.), *Valores e comportamento nas organizações* [Values and behavior in organizations] (pp. 21-55). Petrópolis, Brazil: Vozes.

Schwartz, S.H. (2005b). Robustness and fruitfulness of a theory of universals in individual human values. In A. Tamayo & J.B. Porto (Eds.), *Valores e comportamento nas organizações* [Values and behavior in organizations] (pp. 56-95). Petrópolis, Brazil: Vozes.

Schwartz, S.H. (2006). Les valeurs de base de la personne: Théorie, mesures et applications [Basic human values: Theory, measurement, and applications]. *Revue française de sociologie, 45* (4)*,* 926-968.

Schwartz, S.H. & Bardi, A. (2001). Value hierarchies across cultures. *Journal of Cross-cultural Psychology, 32* (3), 268-290.

Schwartz, S.H. & Bilsky, W. (1987). Toward a universal psychological structure of human values. *Journal of Personality and Social Psychology, 53* (3), 550-562.

Schwartz, S.H. & Bilsky, W. (1990). Toward a theory of the universal content and structure of human values: Extensions and cross-cultural replications. *Journal of Personality and Social Psychology*, *58* (5), 878-891.

Schwartz, S.H. & Bilsky, W. (1994). Values and personality. *European Journal of Personality*, 8 (3), 163-181.

Schwartz, S.H., Lehmann, A. & Roccas, S. (1999). Multimethod Probes of Basic Human Values. In J. Adamopoulos & Y. Kashima (Eds.), *Social psychology and cultural context* (pp. 107-124). Thousand Oaks: Sage Publications.

Schwartz, S.H. & Melech, G. (2000). National differences in micro and macro worry: Social, economic, and cultural explanations. In E. Diener & E. Suh (Eds.), *Culture and subjective well-being* (pp. 219-256). Cambridge, Massachusetts: The MIT Press.

Schwartz, S.H., Melech, G., Lehmann, A., Burgess, S.M., Harris, M. & Owens, V. (2001). Extending the cross-cultural validity of the theory of basic human values with a different method of measurement. *Journal of Cross-Cultural Psychology, 32* (5), 519-542.

Schwartz, S.H. & Sagie, G. (2000). Value consensus and importance – a cross-national study. *Journal of Cross-Cultural Psychology, 31* (4), 465-497.

Schwartz, S.H. & Sagiv, L. (1995). Identifying culture specifics in the content and structure of values. *Journal of Cross-Cultural Psychology, 26* (1), 92-116.

Schwarz, N. & Strack, F. (1991). Evaluating one's life: a judgment model of subjective well-being. In F. Strack, M. Argyle & N. Schwarz (Eds.), *Subjective well-being: an interdisciplinary perspective* (pp. 27-48). Oxford: Pergamon.

Schwarz, N. & Strack, F. (1999). Reports of subjective well-being: Judgmental processes and their methodological implications. In D. Kahneman, E. Diener & N. Schwarz (Eds.), *Well-being: the foundations of hedonic psychology* (pp. 61-84). New York: Russel Sage Foundation.

Shalock, R.L. & Felce, D. (2004). Quality of life and subjective well-being: conceptual and measurement issues. In E. Emerson, C. Hatton, T. Thompson & T.R. Parmenter (Eds.), *Applied research in intellectual disabilities* (pp. 261-279). West Sussex, England: John Wiley & Sons Ltd.

Sheldon, K.M. (2001). The self-concordance model of healthy goal striving: When personal goals correctly represent the person. In P. Schmuck & K.M. Sheldon (Eds.), *Life goals and well-being – Towards a positive psychology of human striving* (pp. 18-36). Göttingen: Hofgrefe & Huber Publishers.

Shevel, A. & Klein, M. (2008). SA's wealth distribution 'is a timebomb'. *Sunday Times Business Times*, 24 February, p. 8.

Shrum, L.J. & McCarty, J.A. (1998). Issues involving the relationship between personal values and consumer behaviour: Theory, Methodology and Application. In L.R. Kahle & L. Chiagouris (Eds.), *Values, lifestyles and psychographics* (pp. 138-159). Mahwah, New Jersey: Lawrence Erlbaum Associates, Inc.

Sinclair, R. & Barenblatt, M. (1997). *The South African Advertising Book – make the other half work too* (4th ed). Johannesburg: International Thompson Publishing (Southern Africa) (Pty) Ltd.

Sirgy, M.J. (2002). *The psychology of quality of life.* Dordrecht: Kluwer Academic Publishers.

Sirgy, M.J., Lee, D. & Rahtz, D. (2007). Research on consumer well-being (CWB): Overview of the field and introduction to the special issue. *Journal of Macromarketing*, *27* (4), 341-349.

Sirgy, M.J., Lee, D. & Rahtz, D. (2008). Well-being marketing: An ethical business philosophy for consumer goods firms. *Journal of Business Ethics*, *77* (4), 377-403.

Smith, S.M & Albaum, G.S. (2005). *Fundamentals of marketing research.* Thousand Oaks, CA: Sage.

Solomon, M.R. (1999). The value of status and the status of value. In M.B. Holbrook (Ed.), *Consumer value – a framework for analysis and research* (pp. 63-84). London: Routledge.

Solomon, M.R., Bamossy, G., Askegaard, S. & Hogg, M.K. (2006). *Consumer behaviour – a European perspective* (3rd ed.). Essex: Pearson Education Limited.

Spence, J., Abratt, R. & Malabie, B.A. (1997). Use of psychographics in consumer market segmentation: the South African experience. *South African Journal of Business Management*, *28* (2), 33-41.

Srnka, K.J. (2004). Culture's role in marketers' ethical decision making: An integrated theoretical framework. *Academy of Marketing Science Review, 8* (3), 1-35.

Statistics South Africa. (2008). Community Survey 2007, Interactive data in SuperCROSS, ISBN 978-0-621-37743-9.

Steenkamp, J-B.E.M. & Baumgartner, H. (1998). Assessing measurement invariance in cross-national consumer research. *Journal of Consumer Research, 25* (1), 78-90.

Steenkamp, J-B.E.M. & Burgess, S.M. (2002). Optimum stimulation level and exploratory consumer behaviour in an emerging consumer market. *International Journal of Research in Marketing, 19* (2), 131-150.

Stolzenberg, R.S. (2004). Multiple regression analysis. In M. Hardy & A. Bryman (Eds.), *Handbook of Data Analysis* (pp. 165-208). London: SAGE Publications Limited.

Stromberg, C. & Boehnke, K. (2001). Person/society value congruence and well-being: The role of acculturation strategies. In P. Schmuck & K.M. Sheldon (Eds.), *Life goals and well-being – Towards a positive psychology of human striving* (pp. 37-57). Göttingen: Hofgrefe & Huber Publishers.

Suh, E.M. (2000). Self, the hyphen between culture and subjective well-being. In E. Diener & E. Suh (Eds.), *Culture and subjective well-being* (pp. 63-86). Cambridge, MA: The MIT Press.

Sun, T., Horn, M. & Merritt, D. (2004). Values and lifestyles of individualists and collectivists: a study on Chinese, Japanese, British and US consumers. *The Journal of Consumer Marketing, 21* (5), 318-331.

Tatzel, M. (2003). The art of buying: coming to terms with money and materialism. *Journal of Happiness Studies*, *4*, 405-435.

Taylor, H. (2008). Marketing research. In W. Donsbach & M.W. Traugott (Eds.), *Handbook of Public Opinion Research* (pp. 417-425). London: Sage Publications Ltd.

Terre Blanche, M. (2002). Variability. In C. Tredoux & K. Durrheim (Eds.), *Numbers, hypotheses & conclusions – A course in statistics for the social sciences* (pp. 52 - 69). Cape Town: UCT Press.

Tranter, K.A., Stuart-Hill, T. & Parker, J. (2009). *An introduction to revenue management for the hospitality industry – Principles and practices for the real world.* Upper Saddle River, NJ: Pearson Education, Inc.

Tredoux, C. (2002). Numbers, variables and measures. In C. Tredoux & K. Durrheim (Eds.), *Numbers, hypotheses and conclusions – A course in statistics for the social sciences* (pp. 2-17). Cape Town: UCT Press.

Triandis, H.C. (2000). Cultural syndromes and subjective well-being. In E. Diener & E. Suh (Eds.), *Culture and subjective well-being* (pp. 13-36). Cambridge, MA: The MIT Press.

Triandis, H.C., Chan, DK-S., Bhawuk, D.P.S., Iwao, S. & Sinha, J.B.P. (1995). Multimethod probes of allocentrism and idiocentrism. *International Journal of Psychology*, *30* (4), 461-480.

Trott, P. (2001). The role of market research in the development of discontinuous new products. *European Journal of Innovation Management*, *4* (3), 117-126.

Tucker, K.L., Ozer, D.J., Lyubomirski, S. & Boehm, J.K. (2006). Testing for measurement invariance in the Satisfaction with Life Scale: a comparison of Russians and North Americans. *Social Indicators Research, 78* (2), 341-360.

Valette-Florence, P., Ferrandi, J., Odin, N., Odin, Y. & Usunier, J. (1999). Personal value systems and time-style orientations: a cross-cultural comparison. Retrieved from http://marketing.byu.edu/htmlpages/ccrs/proceedings99/valette. htm.

Van Vuuren, D. & Maree, A. (2002). Survey methods in market and media research. In M. Terre Blanche & K. Durrheim (Eds.), *Research in practice: Applied methods for the social sciences* (pp. 269-286). Cape Town: University of Cape Town Press.

Veenhoven, R. (1991). Questions on happiness: Classical topics, modern answers, blind spots. In F. Strack, M. Argyle & N. Schwarz (Eds.), *Subjective well-being: an interdisciplinary perspective* (pp. 7-26). Oxford: Pergamon.

Veludo-de-Oliveira, T.M., Ikeda, A.A. & Campomar, M.C. (2006). Laddering in the practice of marketing research: barriers and solutions. *Qualitative Market Research: An International Journal, 9* (3), 297-306.

Vyncke, P. (2002). Lifestyle segmentation: From attitudes, interests and opinions, to values, aesthetic styles, life visions and media preferences. *European Journal of Communication, 17* (4), 445-463.

Wedel, M. (2001). Is segmentation history? *Marketing Research, 13* (4), 26-29.

Wedel, M. & Kamakura, W.A. (2000). *Market segmentation: Conceptual and methodological foundations* (2nd ed.). Boston: Kluwer Academic.

Weinstein, A. (2004). Handbook *of market segmentation: Strategic targeting for business and technology firms.* New York: The Haworth Press.

Wellman, C. & Kruger, S.J. (2001). Research methodology for the business and administrative sciences (2nd ed.). Cape Town: Oxford University Press.

Williams, J. (1991). Constant questions or constant meanings? Assessing intercultural motivations in alcoholic drinks. *Marketing and Research Today*, *19* (3), 169-177.

Worsley, A. & Lea, E. (2008). Consumer concerns about food and health: Examination of general and specific relationships with personal values and demographics. *British Food Journal, 110* (11), 1106-1118.

Wu, S. (2007). The influence of personal character on information communication and activity effect: An examination of non-profit cultural activities. *Marketing Intelligence & Planning, 25* (7), 746-771.

Yang, K.C.C. (2004). The effects of allocentrism and idiocentrism on consumers' product attribute evaluation: an exploratory research from Taiwan's cellular telephone users. *Journal of International Consumer Marketing*, *16* (4), 63-84.

Yeshin, T. (2006). *Advertising.* London: Thomson Learning.

Zetterberg, H.L. (1998). Cultural values in marketing and opinion research. In C. McDonald & P. Vangelder (Eds.), *The ESOMAR handbook of marketing and opinion research* (4th ed.) (pp. 995-1013). Amsterdam: European Society for Opinion and Marketing Research.

Zetterberg, H.L. (2008). Identifying value clusters in societies. In W. Donsbach & M.W. Traugott (Eds.), *Handbook of Public Opinion Research* (pp. 417-425). London: Sage Publications Ltd.

APPENDIX 1

PERSONAL DETAILS

D.	**GENDER:**	
1.	Male	2501-1
2.	Female	-2

E. **LANGUAGE:**

E1. **SHOW CARD:** Can you please tell me what your home language is, i.e. the language that you personally speak **most** often at home?

E2. Which languages can you understand ?

E3. Which languages can you read?

		OMO E1 HOME	MMP E2 UNDER-STAND	MMP E3 Card 2 READ
1.	English	2502-01	2504-1	2521-1
2.	Afrikaans	-02	2505-2	2522-2
3.	Zulu	-03	2506-3	2523-3
4.	Xhosa	-04	2507-4	2524-4
5.	North. Sotho (Pedi)	-05	2508-5	2525-5
6.	South. Sotho (seSotho)	-06	2509-6	2526-6
7.	Tswana	-07	2510-7	2527-7
8.	Tsonga/Shangaan	-08	2511-8	2528-8
9.	Venda	-09	2512-9	2529-9
10.	Swazi	-10	2513-0	2530-0
11.	Ndebele	-11	2514-1	2531-1
12.	Other	-12	2515-2	2532-2
13.	None			2533-8

F. **EDUCATION:**

SHOW CARD: What is the highest level of education you personally have achieved? Just give me the number. ONE MENTION ONLY.

1.	No schooling	2540-01
2.	Some primary school	-02
3.	Primary school completed	-03
4.	Some high school	-04
5.	Matric / Grade 12	-05
6.	Artisan's certificate obtained	-06
	POST-MATRIC (DEGREES/DIPLOMAS/ CERTIFICATES)	
7.	Technikon diploma/degree completed	-07
8.	University degree completed	-08
9.	Professional	-09
10.	Technical	-10
11.	Secretarial	-11
12.	Other (STATE)	-12

➔ **IF OTHER, PROBE THOROUGHLY AND FIND OUT WHETHER MATRIC OR NOT**

WORKING STATUS:

G. Which of these statements best describes your working life?

ONE MENTION ONLY.

1.	Working full-time	2542-1
2.	Working part-time	-2
3.	Not working:	
	3.1 Housewife	-3
	3.2 Student	-4
	3.3 Retired	-5
	3.4 Unemployed	
	- looking for work	-6
	- not looking for work	-7

H. At present are you self-employed?

1.	Yes	2543-1
2.	No	-2

I. **IF WORKING: OCCUPATION:**

What is your occupation i.e. what type of work do you do?

--- 2544-

J. **AGE:**

SHOW CARD: Into which age group do you fall? Just give me the number.

1.	16 – 17 years	2545-01
2.	18 – 19 years	-02
3.	20 – 24 years	-03
4.	25 – 29 years	-04
5.	30 – 34 years	-05
6.	35 – 39 years	-06
7.	40 – 44 years	-07
8.	45 – 49 years	-08
9.	50 – 54 years	-09
10.	55 – 59 years	-10
11.	60 – 64 years	-11
12.	65+ years	-12

K. **MARITAL STATUS:**

SHOW CARD: What is your marital status? ONE MENTIION ONLY.

1.	Single	2547-1
2.	Married	-2
3.	Living together	-3
4.	Widowed	-4
5.	Divorced	-5
6.	Seperated	-6

PERSONAL DETAILS

L.. **TYPE OF DWELLING: (BY OBSERVATION)**

ONE MENTION ONLY.

1.	Informal dwelling/shack, not in a back yard	2548-01
2.	Informal dwelling/shack in a back yard	-02
3.	Caravan or mobile home	-03
4.	Traditional hut	-04
5.	Matchbox-type house on a separate stand/yard	-05
6.	Improved matchbox-type house on a separate stand/yard	-06
7.	Suburban-type house (2 or more bedrooms, inside bathroom) on a separate stand/yard	-07
8.	Second house/cottage on this property	-08
9.	Granny flat on this property/flatlet	-09
10.	Garage/modified garage/rooms in the back	-10
11.	Rondavel/Zozo hut	-11
12.	Part of a house/share a house	-12
13.	Townhouse or cluster house in complex	-13
14.	Semi-detached or joint house	-14
15.	A unit in a block of flats	-15
16.	RDP house	-16
17.	Hostel	-17
18.	Hotel/Boarding House	-18
19.	Compound	-19
20.	Other **(SPECIFY)**	-20

M. **TOTAL MONTHLY HOUSEHOLD INCOME:**

Purely for statistical purposes, could I ask how many people in your household **earn money**?
Please **include** those who have an income from pensions and investments, but **exclude** children's part-time earnings.

Number of people earning money:

Total: [ ] 2550- ⇦

SHOW CARD: What is the total monthly household income before tax or deductions? Please include all sources of income i.e. salaries, pensions, income from investments, etc. Just give me the number.

1.	R40 000 +	2552-01
2.	R30 000 – R39 999	-02
3.	R25 000 – R29 999	-03
4.	R20 000 – R24 999	-04
5.	R16 000 – R19 999	-05
6.	R14 000 – R15 999	-06
7.	R12 000 – R13 999	-07
8.	R 11 000 – R11 999	-08
9.	R 10 000 – R10 999	-09
10.	R 9 000 – R9 999	-10
11.	R 8 000 – R8 999	-11
12.	R 7 000 – R 7 999	-12
13.	R 6 000 – R 6999	-13
14.	R 5 000 – R 5 999	-14
15.	R 4 000 – R 4 999	-15
16.	R 3000 – R3 999	-16
17.	R 2500 – R 2 999	-17
18.	R 2000 – R2499	-18
19.	R 1600 – R1 999	-19
20.	R 1400 – R 1599	-20
21.	R 1200 – R 1399	-21
22.	R 1100 – R1199	-22
23.	R 1000 – R1099	-23
24.	R 900 – R 999	-24
25.	R 800 – R899	-25
26.	R 700 – R799	-26
27.	R 600 – R 699	-27
28.	R 500 – R 599	-28
29.	R400 – R 499	-29
30.	R300 – R399	-30
31.	R200 – R 299	-31
32.	R 1 – R199	-32
33.	No household income	-98
34.	Refused	-96

PERSONAL DETAILS

PDX1 **SHOW CARD:** What is your personal total monthly income before tax or deductions? Please include all sources of income i.e. salaries, pensions, income from investments, etc. Just give me the number

1.	R40 000 +	2554-01
2.	R30 000 – R39 999	-02
3.	R25 000 – R29 999	-03
4.	R20 000 – R24 999	-04
5.	R16 000 – R19 999	-05
6.	R14 000 – R15 999	-06
7.	R12 000 – R13 999	-07
8.	R 11 000 – R11 999	-08
9.	R 10 000 – R10 999	-09
10.	R 9 000 – R9 999	-10
11.	R 8 000 – R8 999	-11
12.	R 7 000 – R 7 999	-12
13.	R 6 000 – R 6999	-13
14.	R 5 000 – R 5 999	-14
15.	R 4 000 – R 4 999	-15
16.	R 3000 – R3 999	-16
17.	R 2500 – R 2 999	-17
18.	R 2000 – R2499	-18
19.	R 1600 – R1 999	-19
20.	R 1400 – R 1599	-20
21.	R 1200 – R 1399	-21
22.	R 1100 – R1 199	-22
23.	R 1000 – R1099	-23
24.	R 900 – R 999	-24
25.	R 800 – R899	-25
26.	R 700 – R799	-26
27.	R 600 – R 699	-27
28.	R 500 – R 599	-28
29.	R400 – R 499	-29
30.	R300 – R399	-30
31.	R200 – R 299	-31
32.	R 1 – R199	-32
33.	No personal income	-98
34.	Refused	-96

			GO TO:
PD1.	Which one of these phrases best describes your own case? Are you a person who is ….? READ OUT.		
1.	Wholly or mainly responsible for day-to-day purchases of the household	2556-1	PD2
2.	Partly responsible for day-to-day purchases of the household	-2	PD2
3.	Not responsible for the day-to-day purchases of the household	-3	PD4
PD2.	**IF MAINLY/PARTIALLY IN PD1:** **SHOW CARD:** Here is a list of shops. Please tell me at which shop or shops you usually do your **BULK** shopping.		PD3
PD3.	**IF MAINLY/PARTIALLY IN PD1:** **SHOW CARD:** At which ONE food and grocery store do you estimate that you spend the MOST money?		PD5
PD4.	**IF NOT AT ALL IN PD1:** **SHOW CARD:** Where does the person who is responsible for the day-to-day purchases for your **household** shop for food and groceries? (We are NOT talking about DAILY purchases, such as bread and milk.)		PD5

PD5. **ASK ALL:** **SHOW CARD:** Please tell me which one(s) of these shops you usually buy your toiletries from.

		PD2 MMP	PD3 OMO	PD4 MMP	PD5 MMP
1.	BP Express	2561-1	2607-01	2611-1	2661-1
2.	Buy Rite	2562-2	-02	2612-2	2662-2
3.	Caltex Star Mart / Star Shop	2563-3	-03	2613-3	2663-3
4.	Checkers	2564-4	-04	2614-4	2664-4
5.	Checkers Hyper / Hyperama	2565-5	-05	2615-5	2665-5
6.	Clicks	2566-6	-06	2616-6	2666-6
7.	Diskom	2567-7	-07	2617-7	2667-7
8.	Engen Quick Shop	2568-8	-08	2618-8	2668-8
9.	Friendly 7 Eleven	2569-9	-09	2619-9	2669-9
10.	Friendly Everyday	2570-0	-10	2620-0	2670-0
11.	Friendly Grocer	2571-1	-11	2621-1	2671-1
12.	Friendly Shoppe	2572-2	-12	2622-2	2672-2
13.	Friendly Supermarket	2573-3	-13	2623-3	2673-3
14.	Kwikspar	2574-4	-14	2624-4	2674-4
15.	Lucky Seven	2575-5	-15	2625-5	2675-5
16.	Makro	2576-6	-16	2626-6	2676-6
17.	Metro Cash & Carry	2577-7	-17	2627-7	2677-7
18.	Multisave	2578-8	-18	2628-8	2678-8
19.	OK Foods	2579-9	-19	2629-9	2679-9
20.	OK Grocer	2580-0	-20	2630-0	2680-0
21.	OK Mini Mark	2581-1	-21	2631-1	2681-1
22.	Pick ‘n Pay Family Store	2582-2	-22	2632-2	2682-2
23.	Pick ‘n Pay Hypermarket	2583-3	-23	2633-3	2683-3
24.	Pick ‘n Pay Minimarket	2584-4	-24	2634-4	2684-4
25.	Pick ‘n Pay Supermarket	2585-5	-25	2635-5	2685-5
26.	Pop-In	2586-6	-26	2636-6	2686-6
27.	Rite Valu	2587-7	-27	2637-7	2687-7
28.	Score Supermarket	2588-8	-28	2638-8	2688-8
29.	Sentra Stores	2589-9	-29	2639-9	2689-9
30.	Shell Select	2590-0	-30	2640-0	2690-0
31.	Shoprite	2591-1	-31	2641-1	2691-1
32.	Spar	2592-2	-32	2642-2	2692-2
33.	Super Value	2593-3	-33	2643-3	2693-3
34.	SuperSpar	2594-4	-34	2644-4	2694-4
35.	Total La Boutique	2595-5	-35	2645-5	2695-5
36.	Trade Centre	2596-6	-36	2646-6	2696-6
37.	Trador	2597-7	-37	2647-7	2697-7
38.	U Save	2598-8	-38	2648-8	2698-8
39.	Woolworths	2599-9	-39	2649-9	2699-9
40.	Chemist / Pharmacy	2600-0	-40	2650-0	2700-0
41.	Local / Neighbourhood Supermarket	2601-1	-41	2651-1	2701-1
42.	Spaza shop	2602-2	-42	2652-2	2702-2
43.	Township Supermarket	2603-3	-43	2653-3	2703-3
44.	Any other outlet	2604-7	-97	2654-7	2704-7
45.	None	2605-8	-98	2655-8	2705-8
46.	Don’t know	2606-9	-99	2656-9	2706-9

PD6. **SHOW CARD:** The following questions are of a personal nature but the information is only going to be used for noting different trends in different parts of the country. Your name will never be related to your answers or given to anybody else. Could you please tell me which of the following, if any, you have in **your home**? Just give me the number/s.

		YES	NO
1.	Electricity in home	2711-1	-2
2.	Tap water in house / on plot	2712-1	-2
3.	Motor vehicle	2713-1	-2
4.	Flush toilet in / outside house	2714-1	-2
5.	Hot running water from a geyser	2715-1	-2
6.	Microwave oven	2716-1	-2
7.	Refrigerator or combined fridge/freezer	2717-1	-2
8.	Free standing deep freezer	2718-1	-2
9.	Vacuum cleaner / floor polisher	2719-1	-2
10.	Washing machine	2720-1	-2
11.	Tumble dryer	2721-1	-2
12.	Television set	2722-1	-2
13.	Hi-fi / music centre	2723-1	-2
14.	Access to the Internet on your PC at home	2724-1	-2
15.	Personal computer / personal laptop in home	2725-1	-2
16.	M-Net / DSTV subscription	2726-1	-2
17.	Built-in kitchen sink	2727-1	-2
18.	Dishwashing machine	2728-1	-2
19.	Electric stove / hotplate	2729-1	-2
20.	Sewing machine – electric or manual	2730-1	-2
21.	Video cassette recorder / VCR	2731-1	-2
22.	Home security service	2732-1	-2
23.	DVD player	2733-1	-2

PD7 **RACE (BY OBSERVATION:**

1.	White	2734-1
2.	Black	-2
3.	Coloured	-3
4.	Indian	-4

PERSONAL DETAILS

PD8. **SHOW CARD:** Here is a list of different types of policies and investment plans which you can take out with a financial services company. Can you please tell me which, if any you **PERSONALLY** have? This excludes any cover or benefits provided by your employer/company.

1.	Life Cover Policy	2741-1
2.	Endowment, Investment, Savings or Education plan/policy with life cover	2742-2
3.	Endowment, Investment, Savings or Education plan/policy with no life cover	2743-3
4.	Retirement annuity/personal pension policy or plan	2744-4
5.	Funeral insurance	2745-5
6.	Medical insurance	2746-6
7.	Short-term insurance (motor vehicle/household contents insurance)	2747-7
8.	Other **(Specify)** ……………………………………………………..	2748-8
9.	None of these	2749-9

PD9. **SHOW CARD:** Here is a list of different financial services. Which services, if any, do you **PERSONALLY** have or make use of?

1.	Cheque/current account	2751-1
2.	Savings account/book	2752-2
3.	Transmission account	2753-3
4.	Investments/sub/paid-up shares	2754-4
5.	Credit card	2755-5
6.	Petrol/garage card	2756-6
7.	ATM card	2757-7
8.	Mzansi	2758-8
9.	Debit card	2759-8
10.	Home loan/mortgage bond	2760-0
11.	Vehicle finance with a financial institution	2761-1
12.	Other personal loan or overdraft	2762-2
13.	None of these	2763-8

PD10A **TELEPHONE INCIDENCE:**
Do you have a telephone/landline (excluding cellular phone)

	READ OUT:	**YES**	**NO**
1a.	In-home	2764-1	-2
1b.	At work	2765-1	-2
	IF YES IN PD10.1A:		
2.	Operating/working	2766-1	-2
	IF YES IN PD10.1A:		
3.	Standard	2767-1	-2
4.	Prepaid	2768-1	-2
	IF YES IN PD10.1A:		
5.	In directory/telephone book	2769-1	-2

PD10.B How many cellphones are there in your household? Please include cellphones that are owned, rented or used by anyone in your household, including your own. **ONE MENTION ONLY**

1.	None	2770-0
2.	One	-1
3.	Two	-2
4.	Three	-3
5.	Four or more	-4

PD9.C Do you personally own, rent or have the use of a cellphone?

Yes	2771-1
No	-2

PD10. How many domestic workers or household helpers are there working for your household?

1.	None	2772-0
2.	One	-1
3.	Two	-2
4.	Three or More	-3

PD12 Would you mind telling me your exact age?

2773- 2774-

Refusal -99

PD13A Are there any children 15 years or younger, living in this household?

1.	Yes	2775-1
2.	No	-2

PD13B. How many people, excluding domestic workers and household helpers, but including yourself are there in each of the following groups, currently living in this household?
RECORD BELOW BY CATEGORY

		MALES	**FEMALES**
1.	**Under 12 months**	**2780-**	2810-
2.	12-23 months	2782-	2812-
3.	24 – 35 months	2784-	2814-
4.	36 – 47 months	2786-	2816-
5.	4 – 6 years	2788-	2818-
6.	7 – 9 years	2790-	2820-
7.	10 – 11 years	2792-	2822-
8.	12 years	2794-	2824-
9.	13 – 14 years	2796-	2826-
10.	15 years	2798-	2828-
11.	16 – 18 years	2800-	2830-
12.	19 – 24 years	2802-	2832-
13.	25 – 34 years	2804-	2834-
14.	35+ years	2806-	2836-

PD14A How many motor cars, station wagons, bakkies and mini-buses/kombis, including company cars, are there in your household? Please exclude motor bikes, scooters or trucks.

1.	None	2840-1
2.	One	-2
3.	Two	-3
4.	Three or more	-4

PD14A.2 Do you **PERSONALLY** own, use or maintain a motor car, station wagon, bakkie or minibus/kombi? It can be your own or a company car.

1.	Yes	2841-1	**PD14B**
2.	No	-2	**PD15**

PD14B **IF YES IN PD14.2** What type of vehicle is it?

1.	Car/sedan	2842-1
2.	Hatchback	2843-2
3.	Beach Buggy	2844-3
4.	2-seater coupe /Sports car	2845-4
5.	Station Wagon	2846-5
6.	4-wheel drive	2847-6
7.	2-wheel drive bakkie/panel van	2848-7
8.	Minibus / Combi	2849-8
9.	Other (Specify)	2850-9

PD15 Excluding radios in motor cars and other vehicles, how many, if any, radio sets which are in working order, are there in your household? Please include all radios sets in your household i.e. radios in hi-fi's bedside clocks, walkmans, etc. **ONE MENTION ONLY**

1.	None	2860-1
2.	One	-2
3.	Two	-3
4.	Three or more	-4

PERSONAL DETAILS

Q1	To which religious denomination or group do you belong?	1.	Buddhist	2861-1
		2.	Christian: Roman Catholic	-2
		3.	Christian: Protestant	-3
		4.	Hindu	-4
		5.	Jewish/ Judaism	-5
		6.	Muslim/ Islam	-6
		7.	ZCC/Zion Christian Church/ Church of Shembe/ Other African Independent Church	-7
		8.	Other (SPECIFY):	-8
		9.	None	-9
		10.	Refused	-0

INTERVIEWER TO COMPLETE:

Z.1 In which language did the **RESPONDENT** complete this interview?
NOTE: If respondent chose to switch languages during the interview, please code for language in which **MOST OF THE QUESTIONS** were asked and answered.

Z.2 Did you at any time during the interview have to explain anything to the **RESPONDENT** in a language other than the one in which he or she wanted to do the interview?
EXAMPLE: Respondents sometimes choose to use a language because they feel it is prestigious to use that language, or because they think their own language is inadequate. Unfortunately, such a person could often have difficulty expressing him or herself in the chosen language or the interview could prove to be difficult to understand. If the respondent was answering the questions in another language than the one chosen or if you had to help the respondent understand by using another language to explain things (even if it was just one question), please tell us by indicating it on the right.

		Z.1 OMO	Z.2 MMP
1.	English	2862-01	2864-1
2.	Afrikaans	-02	2865-2
3.	Pedi	-03	2866-3
4.	Sotho	-04	2867-4
5.	Tswana	-05	2868-5
6.	Xhosa	-06	2869-6
7.	Zulu	-07	2870-7
8.	Tsonga	-08	2871-8
9.	Venda	-09	2872-9
10.	Ndebele	-10	2873-0
11.	Swati	-11	2874-1
12.	Other (Specify) ……………………………………………….	-12	2875-2
13.	None		2876-3

Z3.	Could we maybe contact you again about the topics we talked about today?	1.	Yes	2877-1
		2.	No	-2

OFFICE USE ONLY

TOTAL MALES: 2900

TOTAL FEMALES 2902

APPENDIX 2

EXEC: MARI 05/593

SECTION G – PROJECT PERSONAL OPINION

REFER BACK TO DEMO'S (QPD.1). IF RESPONDENT IS MAINLY OR PARTIALLY RESPONSIBLE FOR HOUSEHOLD PURCHASES (CODE 1 OR 2 ASK THIS SECTION.

► Now I would like to ask you a few questions on how your personal views and opinions impact on your purchasing behaviour.

SECTION 1

2(A) TO BE COMPLETED IN RESPECT OF FEMALE RESPONDENT

G.2.1 Here we briefly describe some people. Please listen to each description and think about how much each person **is or is not** like you.

		VERY MUCH LIKE ME	LIKE ME	SOME-WHAT LIKE ME	A LITTLE LIKE ME	NOT LIKE ME	NOT AT ALL LIKE ME	DO NOT KNOW
1.	It is important to her to be polite to other people all the time. She believes she should always show respect to her parents and to older people							
2.	Thinking up new ideas and being creative is important to her. She likes to do things in her own original way							
3.	Being very successful is important to her. She likes to stand out and to impress other people							
4.	She thinks it is important to do things the way she learned from her family. She wants to follow their customs and traditions							
5.	She thinks it is important that every person in the world should be treated equally. She wants justice for everybody, even for people she does not know							
6.	She likes surprises and is always looking for new things to do. She thinks it is important to do lots of different things in her life							
7.	The safety of her country is very important to her. She wants her country to be safe from its enemies							
8.	She always wants to help the people who are close to her. It is very important to her to care for the people she knows and likes							
9.	She likes to be in charge and tell others what to do. She wants people to do what she says							
10.	She really wants to enjoy life. Having a good time is very important to her							
11.	She likes to make her own decisions about what she does. It is important to her to be free to plan and to choose her activities for herself							
12.	She thinks it is important not to ask for more than what you have. She believes that people should be satisfied with what they have							
13.	It is important to her to be rich. She wants to have a lot of money and expensive things							
14.	She looks for adventure and likes to take risks. She wants to have an exciting life							
15.	Honesty is very important to her. She believes she must be honest in any situation and always tell the truth							
16.	It is important to her that everything is clean and in order. She does not want things to be a mess							

CONTINUED OVERLEAF…/

		VERY MUCH LIKE ME	LIKE ME	SOME-WHAT LIKE ME	A LITTLE LIKE ME	NOT LIKE ME	NOT AT ALL LIKE ME	DO NOT KNOW
	17. She looks for every chance she can to have fun. It is important to her to do things that gives her pleasure							
	18. She strongly believes that people should care for nature. Looking after an environment is important to her							
	19. She believes that people should do what they are told. She thinks people should follow rules at all times, even when no one is watching							
	20. She likes people to know that she can do well. She is ambitious and ready to work hard to get ahead							
	21. Her family's safety is extremely important to her. She would do anything to make sure her family is always safe							
	22. It is important to her to listen to people who are different from her. Even when she disagrees with them she still wants to understand them and to get along with them							
	23. She does not like to boast or draw attention to the things she does. She wants to be modest							
	24. She thinks it is important to be interested in things. She is curious and tries to understand everything							
	25. She wants to avoid doing anything people would say is bad or wrong. It is important to her to do things the right way							
	26. She thinks everyone should work to get people in the world to live together peacefully. Peace everywhere in the world is important to her							
	27. It is very important to her to show her abilities. She want people to admire what she does							
	28. It is important to her that her friends can always trust her. She wants to be loyal to them and always to look out for their interests							
	29. Being religious is important to her. She tries hard to follow her religious beliefs							

2(B) TO BE COMPLETED IN RESPECT OF MALE RESPONDENT

G.2.2 **SHOW CARD**: Here we briefly describe some people. Please listen to each description and think about how much each person is or is not like you.

		VERY MUCH LIKE ME	LIKE ME	SOME-WHAT LIKE ME	A LITTLE LIKE ME	NOT LIKE ME	NOT AT ALL LIKE ME	DO NOT KNOW
1.	It is important to him to be polite to other people all the time. He believes she should always show respect to her parents and to older people							
2.	Thinking up new ideas and being creative is important to him. He likes to do things in his own original way							
3.	Being very successful is important to him. He likes to stand out and to impress other people							
4.	He thinks it is important to do things the way he learned from his family. He wants to follow their customs and traditions							
5.	He thinks it is important that every person in the world should be treated equally. He wants justice for everybody, even for people he does not know							
6.	He likes surprises and is always looking for new things to do. He thinks it is important to do lots of different things in his life							
7.	The safety of his country is very important to him. He wants his country to be safe from its enemies							
8.	He always wants to help the people who are close to him. It is very important to him to care for the people he knows and likes							
9.	He likes to be in charge and tell others what to do. He wants people to do what he says							
10.	He really wants to enjoy life. Having a good time is very important to him							
11.	He likes to make his own decisions about what he does. It is important to him to be free to plan and to choose his activities for himself							
12.	He thinks it is important not to ask for more than what you have. He believes that people should be satisfied with what they have							
13.	It is important to him to be rich. He wants to have a lot of money and expensive things							
14.	He looks for adventure and likes to take risks. He wants to have an exciting life							
15.	Honesty is very important to him. He believes he must be honest in any situation and always tell the truth							
16.	It is important to him that everything is clean and in order. He does not want things to be a mess							

CONTINUED OVERLEAF…/

	VERY MUCH LIKE ME	LIKE ME	SOME-WHAT LIKE ME	A LITTLE LIKE ME	NOT LIKE ME	NOT AT ALL LIKE ME	DO NOT KNOW
17. He looks for every chance he can to have fun. It is important to him to do things that gives him pleasure							
18. He strongly believes that people should care for nature. Looking after an environment is important to him							
19. He believes that people should do what they are told. He thinks people should follow rules at all times, even when no one is watching							
20. He likes people to know that he can do well. He is ambitions and ready to work hard to get ahead							
21. His family's safety is extremely important to him. He would do anything to make sure his family is always safe							
22. It is important to him to listen to people who are different from him. Even when he disagrees with them he still wants to understand them and to get along with them							
23. He does not like to boast or draw attention to the things he does. He wants to be modest							
24. He thinks it is important to be interested in things. He is curious and tries to understand everything							
25. He wants to avoid doing anything people would say is bad or wrong. It is important to him to do things the right way							
26. He thinks everyone should work to get people in the world to live together peacefully. Peace everywhere in the world is important to him							
27. It is very important to him to show his abilities. He wants people to admire what he does							
28. It is important to him that his friends can always trust him. He wants to be loyal to them and always to look out for their interests							
29. Being religious is important to him. He tries hard to follow his religious beliefs							

	ASK ALL MALES AND FEMALES
G.4	**SHOW CARD:** I am going to read five statements with which you may agree or disagree. Please tell me how much you disagree or agree with each statement by using this card. Please respond as accurately as possible and share you opinion about your life.

	STRONGLY DISAGREE 1	2	3	4	STRONGLY AGREE 5
1. In most ways, my life is close to my ideal					
2. The conditions of my life are excellent					
3. I am satisfied with my life					
4. So far I have got the important things I want in life					
5. If I could live my life over, I would change very little					