

THE EMPLOYMENT OF CONSUMER AFFAIRS PROFESSIONALS--THE NATURE OF
THEIR EMPLOYMENT, FUTURE NEEDS, DESIRED TRAINING, AND EMPLOYER EXPECTATIONS

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Abstract

A study was conducted of firms employing consumer affairs professionals. The structure of those positions, the future employment needs, and the requirements for employment were investigated. It was determined that a need for consumer affairs professionals does exist, that students preparing for such positions may have to accept entry-level positions of other than consumer affairs, and the preparation program should be inter-disciplinary in nature.

I. Background to the Study

A Task Force of the Michigan Consumer Education Center was established to look into various areas of interest and concern. Among the areas of interest identified was the need to establish a direction for curriculum planners and developers in terms of preparing students for future careers in the area of consumer affairs.

A. The Questionnaire

A survey questionnaire was designed to get answers to questions which were raised by members of the Task Force. After several revisions of the questionnaire based on reactions and analyses by Task Force members, a final questionnaire was designed for mailing to personnel officers of selected companies.

Five demographic questions were included, and eight specific questions dealing with areas of concern comprised the remainder of the questionnaire. A five point Likert-type scale was used to facilitate responses to questions dealing with areas of study deemed important and for personal characteristics of applicants which were felt to be of importance when hiring for CAP positions. Two open-ended questions were included; one gave respondents an opportunity to identify specific courses of study thought to be important, and the other permitted respondents to make comments concerning employment opportunities for consumer affairs professionals. Respondents could request a copy of this report if they so desired.

B. The Population

A total of 891 firms were identified for inclusion in the study. Of the 891, 657 were firms in which members of the Society of Consumer Affairs Professionals (SOCAP) were employed; the remaining 234 firms were selected from among organizations doing business in Southeastern Michigan, a general "service area" for Eastern Michigan

University. Firms in the Southeastern Michigan area which were selected were those having 100 or more office employees and an annual volume of business that exceeded \$1,000,000 of sales. The source of names and addresses were various directories of business firms.

C. Questions Addressed By The Study

Among the questions to be answered through this study are the following:

1. What is the employment potential in Michigan and in other states for students who prepare for careers as Consumer Affairs Professionals?
2. Are Consumer Affairs Professionals' positions structured as distinct consumer affairs positions or are they combined with other organizational duties and responsibilities? If combined, what are the additional areas of responsibility?
3. What is the current and projected need for the employment of Consumer Affairs Professionals?
4. Are Consumer Affairs Professionals employed at threshold levels or at more advanced levels in employing firms?
5. What courses of study are seen as important by the employers of Consumer Affairs Professionals?
6. What do employers look for and emphasize when employing someone in a Consumer Affairs Professional position?
7. What general advice and suggestions do employers have for those who are interested in careers as Consumer Affairs Professionals?

D. Consumer Affairs Professionals Defined

The term "Consumer Affairs Professional" was defined for use in this survey. The definition as included on the survey instrument is as follows: "A Consumer Affairs Professional (CAP), for the purposes of this survey, (1) is a spokesperson for the firm who relates to the interests and concerns of consumers and consumer groups within the community, (2) represents consumer interests and concerns within the business enterprise, and (3) may be full or part time in this responsibility.

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II. THE FINDINGS

A. The Response

Of the 891 questionnaires which were mailed out, 241 were returned. Of the 241 returned questionnaires, 219 had usable data and were tabulated. Non-tabulated questionnaires included those which were returned without data other than demographic due to the fact that consumer affairs professionals were not employed in those particular firms. Of those returned without useful data, seven firms, all located in Michigan, requested a copy of the results of this study. A total of 142 firms asked for copies of this study.

The questionnaires were mailed to the attention of the personnel officers of the firms selected for the survey. Companies were not asked to identify themselves other than with basic demographic data, and it was not determined who in the business enterprises completed the questionnaire. It was assumed that individuals familiar with the employment practices, needs, and policies of the firm would be the persons to do so.

Return addresses of the questionnaires mailed back to the University indicate that 214 of the responding firms represent twenty-six states, the District of Columbia, and Canada. Eighteen of the responding firms are located in Washington, D.C. and three are in Canada. Seventy of the firms are located in eastern states, seventy-one in midwestern states, twenty-two in southern states, and thirty in western states. The twenty-six states encompass a wide geographic area of the nation. Of the seventy-one firms in midwestern states, seventeen are located in Michigan and most are members of SOCAP.

Due to time and budget constraints, no attempt was made to followup on the initial mailing of the questionnaire. It also was not possible to analyze non-respondents in this study. The sample of 219 firms, representing 25% of the total population, was deemed to be a valid sample which permitted further analysis of the data collected.

B. The Respondents

An analysis of descriptive data of respondents in this study reveals that the majority (70%) employ more than 350 office employees and most (80%) have an annual sales volume of over \$10 million.

Responding firms are classified according to six types of industry with the largest number of firms being either in manufacturing (43%) or service (25%). Almost half (46%) of the responding firms serve as the headquarters or main offices for their organizations, and almost all (95%) have been in business for five or more years.

C. Employment of CAPS

Of the responding firms, 139 (63%) employ one or more Consumer Affairs Professionals in full-time positions. In addition, 61 (29%) of the responding firms have CAPs employed in part-time positions.

Approximately 1,169 persons are employed in full-time CAP positions and 203 are employed in part-time CAP positions.

The levels of the positions in which CAPs are employed were categorized into four groups; of those groups, firms most frequently have CAPs employed in middle management positions. (This finding is substantiated in a study by Fritzsche and Ferrell study reported in the Summer 1980 issue of Journal of Consumer Affairs.) An analysis of employment practices according to type of industry indicates that relatively little variation exists among the industry types although manufacturing firms (79%) and retailers (82%) were more likely to have a CAP employed at a middle-management level.

D. Employment Needs for CAPs

Responding firms indicate few current openings for CAPs with only eight percent indicating any current openings. However, almost half of the firms had recruited for CAP positions within the past three years, and over half (53%) anticipate openings within the next three years.

E. Structure of CAP Positions

Over half of the responding firms (53%) report employment of CAPs in positions which are distinctly involved with consumer affairs. Almost half, or 45%, indicate that CAP positions are combined with other functions. The extent to which positions are distinct or combined does not appear to vary significantly among the industries.

When combining the CAP position with other responsibilities, the most frequent function involved is that of "public relations." Other most popular functions to become involved with that of consumer affairs are "customer service" and "marketing." Few firms combine the relatively technical functions of accounting, finance, personnel, and office management with consumer affairs.

In explaining "other" functions which are combined with CAP responsibilities, firms most often reported "education," "product analysis and testing," "government relations," "public affairs," and "legal matters." No other function was mentioned more than once by respondents. Functions listed only once included "product service," "advertising," "executive assistant," "technical services," "employee communications," and "forecasting," and "environmental affairs."

SOCAP STUDY

In employing persons for CAP positions, 31% of the responding firms indicate that employment is at the threshold level. Little variation to that is found among the various industries. Forty-five percent of the firms employ CAPs in management trained or advancement positions indicating that experience in the firm is necessary prior to assuming consumer affairs responsibilities.

F. Areas of Study Deemed Important

Responding firms provided an analysis of the relative importance of seventeen areas of study listed in the questionnaire. Of the seventeen areas, seven received a mean score of 3.5 or higher (on a five-point scale) indicating a high regard for those areas as being of considerable to extreme importance. The relatively small standard deviations indicate only a moderate dispersion of responses compared with the mean scores. In particular, the highest-rated area of study, "communications," had the smallest standard deviation of any of the areas. Other high-rated courses of study included Consumer Behavior, Consumer Law, Business, Public Relations, Consumer Economics, and Management. (Again, there was general agreement with the Fritzsche and Ferrell study.)

There is a consistent rating of the top-ranked areas of study among the five industries. Public utility respondents rate "community organizations" significantly higher than do any of the other industry respondents, retail and finance respondents gave "psychology" a rating of 3.56 and 3.50 respectively, and manufacturing respondents gave "marketing and advertising" a score of 3.61 and "government affairs" a score of 3.58. Consistency among the ratings also is seen in the low ranked areas of study.

In listing courses which were considered to be important when preparing for a CAP position, in response to open-ended question 6a, respondents provided an extensive array of courses spanning both general education and specific technical courses. In general, the specific courses listed by respondents reinforced the ranking of areas of study which was developed from responses to the list provided in the questionnaire.

G. Important Applicant Qualifications

In responding to a list of applicant qualifications in terms of those deemed important when considering individuals to be employed as Consumer Affairs Professionals, employers rated "writing ability" and "speaking ability" very high with mean scores of 4.66 and 4.43 respectively. The perception of the importance of these two qualifications was consistent among the five industries represented in this study. "Business experience" and "leadership ability" also rated highly with both receiving a mean score of better than 4.0 by all responding firms. "Government experience" was the only category not deemed important (mean score of less than 3.0) by the respondents. The relatively small standard deviations indicate a general consistency among respondents in terms of individual responses.

An alternative analysis of applicant qualifications also was performed using the same basis as that used with areas of study. One variation was found in the overall rankings of qualifications deemed important based on the weighted scores with "leadership ability" moving ahead of "business experience." "Writing ability" had a weighted score of 780, "speaking ability" scored 752,

"leadership ability" scored 639, and "business experience" scored 621. Scores for other qualifications were "consumer affairs experience," 554; "above-average grades," 502; and "government experience," 327.

In responding to the open-ended question concerning employment opportunities for those preparing for future employment as a CAP, respondents again provided a lengthy list of suggestions which span a wide range of ideas and perceptions. Noteworthy among the suggestions and observations were several cautions that this area will be one of slow growth as well as several comments that opportunities are present and will grow in the future. Although it is most difficult to summarize responses that include diversity such as those received in this instance it was evident from a study of the answers that some overall emphasis was placed on the following: (1) perceiving the CAP position as a professional one; (2) being active in professional consumer organizations, such as SOCAP; (3) gaining business and/or consumer affairs experience as part of a preparation program, (4) being willing to gain experience in a position other than consumer affairs as initial employment; (5) Learning about a firm's top-level commitment to consumer affairs; and (6) being ready to "sell yourself" to a prospective employer.

III. CONCLUSIONS AND RECOMMENDATIONS

Based on the data presented in this report and a careful analysis of questionnaire responses, the following conclusions and recommendations are presented for discussion and implementation.

A. Conclusions

1. Consumer affairs professional positions are available in firms located in Michigan mostly in firms already employing SOCAP members; some interest in consumer affairs is present in Michigan firms not employing SOCAP members.
2. Consumer affairs professionals are more likely to be employed in firms that are large than in those which are small.
3. Consumer affairs professionals are employed at a variety of levels within firms with the most common being middle management and only a relatively few CAP positions being available at the threshold position.
4. Employment opportunities are currently limited but do exist for CAPs now; the future need for CAPs on a national basis is good and employment opportunities should improve over the next three years.
5. Individuals employed in CAP positions assume responsibilities and duties other than, and in addition to, those in the consumer affairs area; the most common combinations are with public relations, customer service, and marketing.
6. Employers see preparation in communications as the most important area of study and generally rate studies specifically related to consumerism

(e.g., consumer law, consumer behavior, and consumer economics) as being more important than the more general study of related areas (e.g., business law, economics, psychology).

7. Although communications is deemed as the most important area of study, the related areas of journalism and of radio and television are not seen as being as important in preparing for CAP positions.

8. A consistency with the stressing of communications as an important area of study is found in qualifications deemed important in CAP position applicants--both writing ability and speaking ability are considered to be most important.

9. Business experience and leadership ability are deemed to be of importance by potential employers when considering applicants for CAP positions.

10. Gaining business and consumer affairs experiences as part of preparation for a consumer affairs career is important.

B. Recommendations

Based on the findings and conclusions of this study, the following recommendations are presented for discussion and consideration.

1. A need exists for providing consumer affairs professional preparation opportunities at the undergraduate and/or graduate levels; courses related to that program should be made available on a preservice and inservice basis.

2. Several colleges of the university, including Arts and Sciences, Business, Human Services, and Education, with appropriate departments identified in each, should become involved in planning and executing an interdisciplinary major in Consumer Affairs.

3. Areas of study and employment characteristics which are highlighted as important by this study should be given serious consideration in identifying courses and competencies for the consumer affairs major; students completing the program should be qualified to enter into threshold positions other than consumer affairs in addition to being qualified for CAP positions per se.

4. Additional attention should be given to the task of identifying employment opportunities for consumer affairs professionals in Michigan and non-SOCAP firms.

5. A survey similar to the one conducted in this study should be made of employment practices and needs in governmental agencies and organizations.

THE SHAPE OF FUTURE CONSUMER VALUES¹

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Abstract

Information from a three-year program at SRI International is used to develop a typology of consumer values and lifestyles. Descriptions of each lifestyle are presented, along with projections of the percentage of the population living that lifestyle. The typology does have an underlying pattern or structure in the form of a nested model. Two routes, or a double hierarchy, lead to the topmost profile--that of the integrated consumer.

Introduction

I want to share with you some ideas about the changing values and lifestyles of Americans. I will propose a framework within which to view the elusive subject of peoples' wants and needs. In so doing, I hope to identify one very basic development in our society that seems fundamental to our future. Drawing off of this basic concept, I shall suggest a series of trends in peoples' values and concerns that are likely to impact the qualities that people will increasingly want in the society in which they live and in the products and services they use.

Much of the material comes from a \$1 million, 3-year program on values and lifestyles now under way at SRI International. This is a program financed by over sixty companies. In it we are trying to provide fresh insights in what is happening in the field of American values and lifestyles and at the same time outline for our members truly useful ways of applying these insights in over a dozen specific areas of corporate decision-making.

Let me begin by outlining a typology of consumer values. The surmises for change in the next ten years reflect a reasonably prosperous world, but not one without its bad moments, turns, and peculiarities. What is said is specific to the United States, but it probably applies in a rough way to most of the developed nations, but not to the developing world.

Typology

From the standpoint of the motivations underlying consumer spending, we at SRI International think there are basically three different groups. These we call Money-Restricted, Outwardly Directed, and

¹Materials presented are from an SRI International Values and Lifestyles Program. Arnold Mitchell, Director, and other Program staff contributed to the contents of this paper.

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Inwardly Directed. I will discuss each in turn.

FIGURE 1. Money-Restricted Consumers

DEMOGRAPHICS	VALUES
•Low Income	•Survival
•Older	•Security
•Little Education	
	BUYING EMPHASIS
	•Basic Needs
	•Staples
	•Functional Items
	•Occasional Splurge

The first group is what we call Money-Restricted consumers. Figure 1 sketches their demographics, their values, and the emphasis of their buying patterns. These are households and individuals whose discretionary freedom in purchasing goods and services is severely restricted by lack of money. Hence, their buying is driven more by need than by choice. In general, these are the least psychologically free Americans and they are farthest removed from the cultural mainstream. Their demographics are well known. Purchases are dominated by survival and elemental security needs.

This kind of a consumer constitutes around 12 percent of the adult population today (that is, 18 million adults). This figure is estimated to drop to about 10 percent by 1988.

The second and third broad consumer groups are defined in terms of David Riesman's celebrated dichotomy of "outer-directed" (or "other-directed") and "inner-directed"--but I should warn you that our use of these terms is very different from that of Riesman. This very basic distinction, I think, goes to the heart of why people buy as they do. Further, as we shall see, I think it represents a critical line separating yesterday's consumers from tomorrow's.

Outer-Directed

Outwardly directed consumers make up middle America. It is a tremendously diverse group. On the whole, such consumers buy with an eye to appearances and to what other people think. Since externals are so important, they tend to buy in accord with established norms--in fact, what they do establishes national norms.

Our figures indicate that consumers motivated chiefly by outer-directed concerns today constitute 71 percent of Americans--that is, almost 110 million adults. If our surmises are anywhere near on target, there will be a considerable movement over the next ten years from the outer-directed orientation to the inner perspective.

FIGURE 2. Outwardly Directed Consumers

- Buy to Impress Others
- Middle Class America
- Diverse in Income and Education
- Important Subgroups with Different Values
- Set National Consumption Patterns Support Mass Markets

The number of outer-directed consumers might drop from 70 percent of the population to around 65 percent. Because the population will be expanding during this period, the drop in percentage indicates very little change in absolute numbers.

We suggest there are three major types of outwardly directed consumers: Belongers, Emulators, and Achievers.

Belonger

The Belongers span the ages; they tend to be strongly home-oriented and prefer the traditional. What about the characteristics of a Belonger as a consumer?

FIGURE 3. Belonger Consumer

<p>DEMOGRAPHICS</p> <ul style="list-style-type: none"> •Low to Middle Income •Slightly Older •Low to Average Education 	<p>VALUES</p> <ul style="list-style-type: none"> •Conforming, Conventional •Unexperimental •Formal, Puritanical •Sentimental •Traditional
<p>BUYING EMPHASIS</p> <ul style="list-style-type: none"> •Family •Home •Fads •Middle and Lower Mass Markets 	

The Belonger seeks to become part of the group via his or her purchases. The prime drive is to fit in, not stand out. Hence, this is a conforming, unexperimental kind of person. Many live in the country, many in the aging frame houses of small towns. These people tend to be puritanical, formal, matriarchal, suspicious of the new, dutiful, following, nostalgic, and sentimental. They are the heart of much family buying. Although they participate in fads, they are not the innovators: they join the fad in the third or fourth wave. Income, education, and social status tend to be middle or less. The group has about it an aura of old-fashionedness, reliability, and dependability--like a tree with a deep taproot. There are many who find this reassuring in a world of tumbling change.

The Belonger pattern accounts for the effectiveness of advertising appeals based on popularity. It makes a virtue of sameness. It says that the brand name is the best buy. It justifies appeals reflecting ethnic and national traditions.

About 38 percent of today's consumers are Belongers. This makes them the largest single

subgroup in our typology, numbering close to 60 million adults. We think the number of Belongers will shrink over time. Hence, we place the fraction of Belonger buyers at around 33 percent ten years from now.

Emulator

The emulator is spectacularly--indeed flamboyantly--outer directed. He emulates the buying patterns of those he considers more successful or richer than he. Such consumers buy for status and material conspicuousness. They put their money where it shows--on highly visible items such as clothes, autos, and office furniture. The nouveau riche is a standard stereotype. Male or female, they tend to be pretty macho. These are people on the climb, highly concerned with the impressions they make, and at the stage in life of high ambition and maximum social and job mobility.

FIGURE 4. Emulator Consumer

<p>DEMOGRAPHICS</p> <ul style="list-style-type: none"> •Good Income •Youngish •Middle Education 	<p>VALUES</p> <ul style="list-style-type: none"> •Ambitious •Upwardly Mobile •Status •Macho •Competitive
<p>BUYING EMPHASIS</p> <ul style="list-style-type: none"> •Display Oneself •Conspicuous Top of the Line •Highly Visible Items •Voguish Fashion 	

Emulation buyers tend to be aggressive, ostentatious, ambitious, active, status-conscious, manipulative. These people are often loud and blatant to cover up the uncertainty--in fact, insecurity--inherent in the act of emulating rather than being one's own self. Hence, they feverishly follow the current vogue. Many Emulators have good incomes (often of recent vintage) and are people who, as they say, "have come a long way."

Emulation buying appears to be a transition stage between the Belonging and Achieving modes. As such, it will never be as significant as the two more stable states on either side of it. Such people make up about 10 percent of the population. We think their numbers will slowly drop over time. In the past this has been a heavily male group, but this seems to be changing as large numbers of women move up career ladders. Blacks make up 23 percent of this ambitious, powerfully upwardly mobile group.

Achiever

The Achiever is the driving and driven person, oriented to success, who commonly expends much of his or her wealth, activity, and energy on the good things of life. Achievers want the best and are willing to work hard for it. Work and the Puritan ethic are central to this consumer to the point that leisure, too, must be busy and productive. This is a rugged individualist in the frontier tradition--competitive, self-confident,

FIGURE 5. Achiever Consumer

DEMOGRAPHICS	VALUES
•Excellent Income	•Success
•Wide Age Spectrum - Emphasis on Middle	•Materialism
•Good Education	•Fame, Status
	•Efficiency
	•Comfort

BUYING EMPHASIS

- Give Evidence of Success
- Top of the Line
- Luxury and Gift Markets
- "New and Improved"

and willing to try the new, especially if the newness smacks of technological innovation. At the same time, they do not want too much change because they are on top and really radical change might shake them off. The Achiever lives very much in a world designed to reflect his or her central drives. This means the home is a display place and the office is a symbol.

Most Achiever consumers are well educated. Their affluence--40 percent made over \$25,000 a year in 1977--enables them to support a large fraction of the high-profit luxury and gift markets. They are people of great influence in business, politics, and the professions. These people are the pace-setters for the Emulators and represent the "establishment" to social critics.

There is at least one thing about this effective and gifted group that is not widely appreciated. The older Achievers are the parents of many of the students who so vociferously and compellingly put forth the so-called "new values" a few years ago. These young people had a great influence indeed on their achieving parents. Think of it: the older generation learning from the younger! This type of situation is remarkably different from most social movements, such as the labor movement or civil rights, in which advocates had little direct access to the establishment. But in the case of the new values, fresh viewpoints were brought to the living room, the dinner table, and the family vacation. What I am saying is that Achievers are not only the builders of today's enormously successful corporate system and market economy, but have sired those who are creating the new waves of values.

Perhaps because of the phenomenon just mentioned, we have a strong sense that the standard stereotype of the Achiever is in many ways more a thing of yesterday than of the future. By this, we mean that the success symbols of the past seem to be giving way to new patterns. For example, symbols of success in the pre-war past included things like fame, being in Who's Who, and the rest shown in Figure 6. Today's success symbols include such items as an unlisted phone number, a Swiss bank account, a deskless office, and so on (Figure 7). It is our sense that tomorrow achievement is more likely to be measured in terms of freedom to take time off from work, recognition of one's creativity, a melding of work and play, and other factors shown in Figure 8. These are

important changes, perhaps suggesting the start of an inner orientation.

FIGURE 6. Past Symbols of Success

- Fame
- Being in Who's Who
- Five-Figure Salary
- College Degree
- Splendid Home
- Executive Position
- Live-in Servants
- New Car Every Year
- Membership in the Club

FIGURE 7. Present Symbols of Success

- Unlisted Phone Number
- Swiss Bank Account
- Connections with Celebrities
- Deskless Office
- Second and Third Home
- Owning a Rare Foreign Car
- Being a Vice President
- Being Published
- Frequent and Unpredictable
World Travel

FIGURE 8. Future Symbols of Success

- Free Time Anytime
- Recognition as a Creative Person
- Oneness of Work and Play
- Rewarded Less by Money than by Honor
and Affection
- Major Societal Commitments
- Easy Laughter, Unembarrassed Tears
- Wide-Ranging Interests and Actions
- Philosophical Independence
- Loving -- in Touch with Self

In terms of numbers, Achievers today represent about 24 percent of the population, making them the second largest consumer group in our typology at over 35 million. My guess for ten years hence is 22 percent. This represents very little change in absolute numbers.

Inner Directed

The third, and final, broad consumer type I have designated as inwardly directed consumers. As I hope the name implies, these people buy chiefly to meet their own inner wants and pleasures as opposed to responding primarily to the norms of others. To the extent these people form cliques, they create specialized mass markets, but the dominant feature of their buying is self-expressive diversity. We think this is the fastest growing consumer category--indeed the only expanding segment of the three main types. We look for the number of Inner-Directeds to rise from about 17 percent of adult Americans to over 25 percent in the late 1980s.

FIGURE 9. Inwardly Directed Consumers

- Buy to Satisfy Inner Needs
- Self-Expressive Diversity
- Highly Fragmented Markets
- Clique Buying
- Rapidly Expanding

We have divided the ranks of the Inner-Directed into four types: I-Am-Me, Experiential, Societally Conscious, and Integrated. I will touch on each.

I-Am-Me

The I-Am-Me consumer is narcissistic and fiercely individualistic, insisting on buying what appeals to his or her whim -- and the whim is made of iron! They are emphatic on buying things that are masculine or feminine, nostalgic or avant-garde, funky or classic. The I-Am-Me style seems to be strongly age-regulated, typifying relatively young people, often single, relatively well-educated, and commonly still in school or starting off in business or a profession. The mode seems to be an early stage in the development of inwardly oriented living still sharing many of the attributes of outer-directedness. As such, it is a stage through which many pass but few linger.

FIGURE 10. I-Am-Me Consumer

<p>DEMOGRAPHICS</p> <ul style="list-style-type: none"> •Student or Young Professional Incomes •Many Singles •Good Education 	<p>VALUES</p> <ul style="list-style-type: none"> •Fiercely Individualistic •Aggressive •Dramatic •Impulsive
<p>BUYING EMPHASIS</p> <ul style="list-style-type: none"> •Display One's Taste •Experimental Fads •Market Extremes •Volatile Buying Patterns •Source of Far-Out Trends 	

We think that no more than about 4 percent of consumers are I-Am-Me types. We do not expect this percentage to change greatly in the decade to come.

Experiential

An important emerging life pattern, we think, is that of the Experiential consumer. The Experiential consumer is a person who seeks direct experience, deep involvement, intense personal relationships, and a rich inner life. The second-hand, the vicarious, the nonparticipative is anathema. These kinds of people loom large in many of the avant-garde movements; they are active in "far-out" ideas ranging from astrology, to yoga, to transcendental meditation, to parapsychology. Their desire for direct, often unusual, experience leads them to such sports as hang-gliding, back-packing, and water beds; to such home pursuits as baking, wine making, gardening, and crafts; to such pastimes as meditation and study of the

occult; and to such activities as volunteer social work. Strongly person-centered, such consumers tend to be well-educated, somewhat intellectual, esthetically inclined, and with good financial prospects. They are highly experimental buyers in establishment terms but may be rather conforming in terms of their peers. About 6 percent of today's consumers are of this ilk -- a percentage we think could almost double in the next ten years as inward orientation becomes a more accepted and acceptable part of the national scene.

FIGURE 11. Experiential Consumer

DEMOGRAPHICS

- Bimodal: Low and Moderate Incomes
- Mostly Under 40
- Many Young Families
- Good Education

VALUES

- Participative
- Avant Garde
- Artistic
- Experimental
- Process over Product

BUYING EMPHASIS

- Obtain Direct Experience
- Interaction With People
- Vigorous Sports
- "Making" Home Pursuits
- Outdoor Activities

One aspect of the values of the Experiential group seems to be of great and unappreciated market significance. It is that, for many of these people, it is the process of activity rather than the associated product or means that is important. This means, for example, a motorcycle is bought not to gain acceptance from the gang -- that is Belonging buying -- not to have the most powerful sputter bike in town -- that is Emulation or Achievement buying -- but to get out where North is North and one can talk seriously about Zen and the Art of Motorcycle Maintenance. This says a lot about design and a lot about the properties wanted in the product. The Experiential motorcycle buyer, for example, would go for a nonfrill, quiet, gas-saving machine provided it has the low-speed power to take him -- and his girl, no doubt -- up the roadless canyon to the north of town.

Socially Conscious

A consumer segment which is probably slated for major increases is the Socially Conscious consumer. Societally Conscious would be a more precise term. This is a person acutely aware of societal issues, imbued with a "spaceship earth" philosophy, and adamant about living in a "socially responsible" way. Many are young, but there is a strong representation at all age levels. One expression of this life pattern is simple living or "voluntary simplicity."

We think the Socially Conscious consumer may turn out to be the fastest growing group in the next ten years. Growth from 5 or 6 percent to perhaps 12 percent of the population is projected. This is at the extraordinary rate of 8 or 9 percent per year. It will come, we think, both

from the push of events and the pull of what can be.

FIGURE 12. Socially Conscious Consumer

DEMOGRAPHICS	VALUES
<ul style="list-style-type: none"> •Bimodal: Low and Good Incomes •Mostly Under 50 •Excellent Education 	<ul style="list-style-type: none"> •Social Responsibility •Environmentalism •Global Philosophy •Smallness of Scale •Inner Growth •Simple Living
<p>BUYING EMPHASIS</p> <ul style="list-style-type: none"> •To Conserve, Protect, Heal •Many Specific Concerns 	

Integrated

The final consumer segment we call the Integrated consumer. By this, we mean consumers able to live in accord with an inner sense of what is fitting, self-fulfilling, releasing, and balanced. The image is of a fully mature person in a psychological sense, highly integrated in the various domains of life, and quite certain of what she or he likes. Such consumers are entirely free to try (or not try) anything that appeals. Self-actualizing, they tend to be indifferent to judgments of others. They swing easily in matters they consider inconsequential. In matters they consider important, however, they are likely to be strongly mission-oriented. Their global perspective makes them informed, ecologically alert consumers.

FIGURE 13. Integrated Consumer

DEMOGRAPHICS	VALUES
<ul style="list-style-type: none"> •Good to Excellent Incomes •Bimodal in Age •Excellent Education 	<ul style="list-style-type: none"> •Sense of Fittingness •Inner Assuredness •Psychological Maturity •Tolerant •Self-actualizing •World Perspective
<p>BUYING EMPHASIS</p> <ul style="list-style-type: none"> •Varied Self-expression •Esthetically Oriented •Ecologically Aware •One-of-a-Kind Items 	

Most such people are well-educated and many hold professional or managerial jobs and have good or excellent incomes. We surmise that their age level is bimodal. We place one cluster among relatively young people who have had the good fortune and the means to find themselves early in life. A second cluster appears among people of middle age and up who have "made it" in worldly terms and are now seeking other ways of life.

People of this level of development are rare and no doubt will always be unusual. Our guess is that only about 2 to 3 percent of today's consumers qualify as Integrated. My guess for 1988 is 5 percent. The living patterns established by this group are likely to set the standard for inner-oriented people, just as the styles of Achievement consumers tend to form the template for Emulation-type buyers.

Summary of Numbers

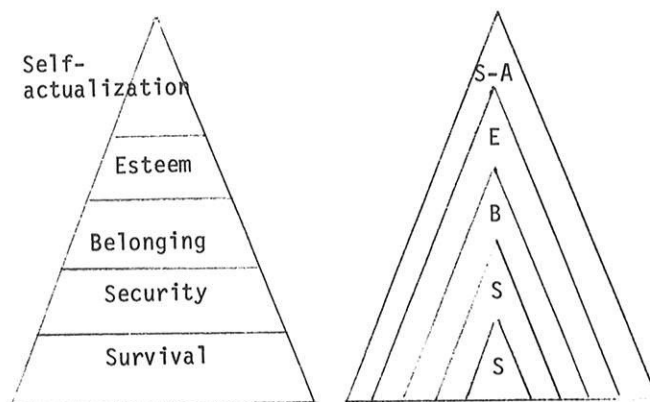
Now let's summarize some of our projections. We look for a mild decline in the percentage of Money-Restricted and Outer-Directed people in the next decade and a whopping increase in the ranks of the Inner-Directeds. If the future unfolds as we anticipate, the number of Inner-Directed consumers will grow at around 6 percent per year and hence will come close to doubling in the coming decade. In the late 1980s there will be close to 20 million additional inner-directed adult consumers. About a fourth of the population will be espousing Inner-Directed values. But note, too, that the nation ten years from now will still be dominated by Outer-Directedness at a ratio of about 2-1/2 to 1. In other words, the gyroscope of tradition will still be spinning 10 to 15 years from now.

Patterns

That is the typology in the well-known nutshell. Now I would like to look at some patterns underlying what I have been saying.

The first point is that the typology is a hierarchy. It traces psychological development from immaturity to full maturity. This means it is a nested model. For example, an individual can move "up" from the Belonger domain to the Emulator and from the Emulator to the Achiever. I am sure the audience is fully familiar with the concept of moving upwards in a series of phase changes as old needs are satisfied and new needs emerge.

FIGURE 14. Two Renditions of Maslow's Hierarchy



This illustration shows Maslow's needs hierarchy (Figure 14). The first sketch shows the usual way of thinking of a hierarchy. The second shows it as a nested model -- a more useful way of looking at things, we believe.

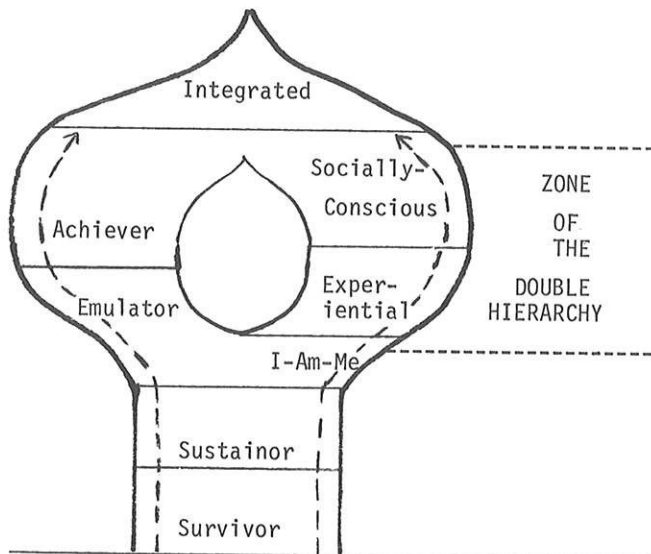
There are at least three important implications of the nested model:

1. All that has gone before is inside--and understood. You are all of these things.
2. What has not been attained is not understood and therefore is not reasonable. This is the source of much misunderstanding and agony at personal, corporate, national, and international levels. This is what gave Abraham Lincoln so much trouble. Today in Iran, the Shah's esteem-oriented regime has been felled by Belonger forces unable to view the world from the esteem perspective. And so it goes.
3. Because each step up adds new dimensions, each level is more complicated than before. This yields a "tree" of values and a more complex society.

Without going into details, I might say that the biggest single difference between our scheme and Maslow's is that we consider that self-actualization--which includes many of the attributes of what we call inner direction--marks many more people than Maslow thought. This makes inner direction in our view a far more powerful force than it could be in Maslow's scheme.

We eventually saw that we were implicitly suggesting something very different from Maslow's hierarchy or from those of the other personality and developmental theorists. We were suggesting a whole new avenue to the top that entirely skirts the traditional line of upward flow. Figure 15 shows what we mean. We're saying that the right-hand flow line of the figure is a contemporary alternative to the traditional left-hand pathway. This we call the "double hierarchy."

Figure 15. The Double Hierarchy



Those following the right-hand path are largely young--post-war generation--and almost all were brought up in favored economic circumstances. We estimate that about a fourth of the baby boom (80 million born between 1947 and 1967) are taking the inner path. The other 75 percent are either stuck at the Money-Restricted levels, are in the Belonger camp, or have elected the traditional route calling for the big life.

Given more time, I could show how each of these two routes serve maturing human needs in different ways. Toward the top they come together because Socially Conscious people usually come to appreciate the need for key elements of the traditional system just as advanced Achievers usually come to appreciate the need for acting in a socially responsible way. This approach is prelude to a full melding of the two ways at the lofty Integrated level.

A very significant implication of this double hierarchy is that it represents the two main leading-edge positions held by Americans. The traditional industrial values held by the Outer Directeds are in many ways opposed by the values held by the Inner Directeds. Many of the social movements of our times--such as consumerism, conservation, concern with safety, health and protection--have their origins in the Inner-Directed (especially the Socially Conscious) group. The double hierarchy thus affords us a holistic way of looking at what's happening in our country.

Implications

If you accept this way of looking at things, we believe a bit of thought will convince you that a lot of large and small implications can be deduced from the diagram. In our Values and Lifestyles Program at SRI, we have dealt in detail with many kinds of implications for broad social change, for markets and marketing, and for planning, among others. Here I shall limit myself to a handful of the major implications bearing on business and society.

- The marketplace will become even more segmented as Americans continue to move up both prongs of the hierarchy. Mass markets will split into specialized mass markets, and these will split into clique markets, and cliques will split into markets for the one-of-a-kind.
- There will be two elites in products and services--one serving the status needs of the Outer Directeds and the other the less visible drives of the Inner Directeds. The latter ask not what a product says about them but what it does for them. Theirs is the world of process over product.
- In a marketplace of such staggering diversity, the businessman would do well to emphasize the universal values. These are values that skewer the hierarchies vertically, so to speak. Examples are comfort, nostalgia,