Wrath of the Monsoons: Effect of Marketplace Evolution on Acquisition and Storage of Possessions in Recurring Natural Disasters

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Annual monsoon rains in India often cause disruption of normal lives due to flooding. Homes are inundated with flood waters and possessions destroyed. Loss of life is also not uncommon. This study explores how India’s radically evolving marketplace and economic opportunities influence consumers who draw on marketplace resources to define and establish identities. Specifically, the tensions and conflicts in the acquisition and storage of individual possessions in limited family space by those who experience the effects of monsoonal flooding on a recurring basis are examined.

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Every year, the monsoon season in India occurs approximately from June through September. People await its annual advent with a mix of anticipation and dread. Monsoons provide much needed water resource for the predominantly agricultural country. The rains bring respite from the fierce summer heat simultaneously causing floods and heavy loss of life and property. The United Nations claimed 2007 as “the worst year in living memory” as 2200 lives were lost across South-East Asia, leaving millions homeless and destitute due to Monsoon floods. In 2008, the Indian government sanctioned approximately $230 Million in aid to victims of Monsoonal floods which claimed 800 lives across the country (The Associated Press 2008).

India’s booming economy has led to unexpected windfalls for its middle class. With call centers and retail outlets (such as malls and shopping complexes) mushrooming in small towns, young people are in a position to earn money before finishing college. Therefore, despite living with their parents, adult children manifest their newfound independence in the acquisition of personal possessions. These consumption acts lead to conflicts and tensions in the family due to limited storage space in the house and is further intensified during the monsoon season. This study examines the interplay of family dynamics (between generations such as parents and adult children residing in the same household) and the role of an evolving marketplace in creating such tensions and how family members negotiate to resolve them.

To explore these issues, personal life-history interviews (Mick and Buhl 1992) of eighteen individuals are undertaken in a mid-size city in eastern India. Heads of families, their wives and adult children participated in the interview process which took place during a recent monsoon season. Participants were given a digital camera to take pictures of the storage spaces in their homes. They provided detailed description of the use of the storage spaces during the course of the interview process. All participants are from the lower middle class socio-economic stratum with annual incomes between Rs.25,000 to Rs.1,00,000 (approximately $530-$2130 earned by primary household earner). Their homes are located in low-lying areas and are prone to flooding. Almost every year they experience disruption of daily lives, loss of possessions and sometimes even human lives during the monsoon season. In order to understand how evolving marketplace conditions in recent times shape consumption practices, participants were asked to compare the current monsoon season with past experiences. Families with employed adult children living at home experience the most conflict with evolving marketplace conditions. With limited storage space in the house, new acquisitions posit a conflict of interest amongst the different generations of family members living under one roof. Some emergent themes are briefly highlighted and theoretical contributions of this study are discussed.

The EMI factor:

Indian banks experiencing rapid growth in recent years are more moderate in their lending conditions than in the past. With availability of relatively accessible credit, participants acquired televisions, motorbikes and other high-end products that are paid back in EMI-s or equal monthly installments. Fathers wield considerable power in the patriarchal society of India. Consequently, when the head of the household purchased an expensive product, he attributed it towards the benefit of the family. If a son acquired the same product with his own resources, there was conflict in the household as it was then considered an individual and not a family possession. For example, the head of the household purchased a television set which was kept in the family living area for everyone’s viewing purposes. However, if the father was present, everyone watched the channel of his choice. The adult son (residing in the household) purchased another television set (with credit) for his own viewing purposes and kept this set in a bedroom shared with other family members. This act of consumption created several sources of conflict amongst family members. Participants worried about keeping these newly acquired possessions safe from flooding during monsoon season. Burdened with paying back loans, participants reported mental stress and strain on finances to safeguard these expensive assets during monsoon season in addition to familial tensions.

References


[Accessed March 22, 2008].


Keeping up with the Joneses (or in this case, the Jhas)

Participant’s homes are surrounded by newly developed high-rise apartments where only a few short years ago there was nothing. The prosperity of their new neighbors often influenced them to investigate latest marketplace offerings. Participants, specifically young adult children in the family, visited newly built shopping complexes to purchase equivalent or close substitutes of clothing and accessories similar to their more privileged neighbors. Apart from additional drainage of monetary resources which is viewed as wastage (most parents want adult children to save as much of their earnings as possible) by the parents (typically the fathers), storing these possessions during the monsoon season became an issue of discontent in the family as it took up precious space in the house.

Consumer Culture theorists over the last two decades have examined numerous ways in which marketplace resources are used to construct, communicate and legitimize distinctive consumer identities (Arnould and Thompson 2005; Oswald 1999; Penaloza 1994; Schouten and McAlexander 1995). Although India is acknowledged as an emergent market with vast growth potentials, there is little understanding of how consumer identities are shaped and contested in the country’s present dynamic marketplace (Varman and Belk 2008). As marketers seek authentic “consumer experience” in consumer research (Richins 2005; Thompson, Locander, and Pollio 1989), this study draws attention to consumers who experience the impact of natural disaster on a recurring basis. It highlights previously unexplored ways in which such consumers; collectively and individually, navigate a radically evolving marketplace to offset challenges such as family role conflicts in storage of possessions during annual monsoon flooding in India.

References

The Influences of Price Dispersion and the Manufacturer’s Suggested Price on Consumers’ Boundaries of Acceptable Price: Expected Price as a Mediator
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Price dispersion is defined as the price variability across stores for a specific brand or product (Grewal and Marmorstein 1994; Pan, Ratchford and Shankar, 2004; Stigler 1961; Urbany 1986). The effect of price dispersion on the consumer’s internal reference price is most concerned of manufacturers. Therefore, many manufacturers use the suggested price on the package of a product or in advertising to prevent retailers from excessive mark ups or to counteract the negative impact of unexpected retailing prices. The manufacturer’s suggested price (MSP) as an anchor may assimilate the expected price under high price dispersion as well as the acceptable price. The boundaries of the expected price and the acceptable price are important for the consumer’s price judgment and purchase decision. However, the effect of price dispersion and the MSP on the consumer’s expected and acceptable prices are still unknown. Besides, the MSP of a prestige or an inferior brand may have differing impacts. The purpose of this study was to investigate the joint effects of price dispersion, the MSP, and the brand image on the expected price. Furthermore, the research demonstrated how the expected price mediated their effects on the acceptable price.

In this study, high price dispersion was defined as the market price range of a product that exceeded the consumer’s acceptable price range of that product category. The manipulation of price range for high price dispersion represented the noticeable price difference for consumers. Also, the highest market price was higher and the lowest market price was lower than those under low price dispersion. Past market prices and contextual factors that consumers encounter in their purchase experiences shape their price expectations (Jacobson and Obermiller 1990; Kalwani et al. 1990; Kopalle and Lindsey-Mullikin, 2003). Therefore, the boundaries of the expected price cannot avoid being influenced by the range effect from price dispersion (as predicted by Range Theory) and the anchoring effect of the MSP. The extreme range of the high price dispersion is expected to enlarge the distance of both boundaries of the expected price, while the MSP is expected to raise both upper and lower boundaries. Based on the assimilation effect (Sherif and Hovland 1961), one can further predict