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Low-Income Consumers in Brazil: Nuances of a Market That Can No Longer Be Ignored

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Abstract

The main goal of this paper is to better understand the low income Brazilian market, supported by two basic concepts: price unfairness and perceived product value. In order to meet the research objective a qualitative approach, based on two methodological procedures – observation and in-depth interviews –, was used. The findings indicate that small neighborhood retailers, despite lacking adequate physical infrastructure and management skills, play an important role in meeting the needs of low-income consumers. They offer convenience, personalized services, easy and uncomplicated credit (on an informal basis), and a product mix that matches the needs and desires of their customers. It was also found that although these small retailers charge higher prices than large supermarket chains, their customers still see value in their offerings and do not consider the prices asked to be unfair: they recognize that the benefits they receive outweigh the higher prices they pay. It was also found that low-income consumers relate with neighborhood retail stores in a basis that goes beyond the mere business, but in a cultural basis too. These small stores function not only as points of sale, but also as places where people can meet and discuss issues related to the local community. The principal contribution of this paper is in providing substantive information about the nuances of a market that has hitherto not been adequately explored but that holds a potential that can no longer be ignored. In Brazil, this market contains nearly 90 million consumers, eager to be included in the world of consumption. The findings presented by this study are of relevance not only to academic organisations and businesses, but also to social organizations and public policymakers responsible for improving the quality of life of the poor.

Keywords: Low-income market; Perceived value; Perception of price unfairness; Small retail firms.

1. Introduction

The exploration of new markets and the development of organizational capabilities have historically been two recurring and exciting themes for both entrepreneurs and researchers. In order to achieve competitive advantages, firms are stimulated to diversify their markets and build capabilities. Although extant research identifies various avenues for the exploration of new markets, major emphasis in the literature has so far been placed on the identification and exploitation of markets that can be classified as the middle market, for mass-produced goods, and the high-end market, for exclusive designer goods. However, business scholars now contend that the pursuit of these two markets, although highly rewarding, has sidelined a promising latent market: the low-end. From the researchers' perspective, understanding the role such markets and the consumers in them can play in contributing to the profitability of companies. This has become a top priority.

Researchers such as Hitt et al. (2000), Lindquist-Fladmoe and Tallman (2002), London and Hart (2004) and Wright et al. al. (2005) argue that firms may feel it is easier to identify growth opportunities in distant markets and develop new and innovative products than to find ways to apply their capabilities and resources to exploring markets that are closer to home and readily available. This oversights mostly noticeable in

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companies that operate in undeveloped or emerging countries that have large numbers of low-income consumers who hold great potential but remain ignored and neglected.

In poor or emergent countries, billions of consumers remain on the margins of the consumption economy because in the eyes of the vast majority of businesses their needs are beyond their economic means and, as such, do not merit consideration. Blame for this is placed on the lack of demand, not on the lack of initiatives on the part of businesses to develop feasible offerings. Nevertheless, Seelos and Mair (2006) postulate that even in the context of profound misery, the large population living below the poverty line (i.e. with a daily income of less than US$2.00) in poorly developed economies has a plethora of problems waiting for viable solutions and thus may represent worthwhile opportunities for businesses.

A three-year study carried out by Seelos and Mair (2006) showcases the desirable social and economic effects that can result when companies identify opportunities and succeed in low-income markets. In Bangladesh, for example, the Norwegian company Telenor reduced the prices of its products to fit the budget of the low-income market; Map Agro Company turns garbage into a compound that replaces chemical fertilizers, an inexpensive and environmentally friendly alternative for the small farmers of the region, and Aurolab produces low-priced, high-quality intraocular lenses that benefit low-income patients, returning to them not only their vision, but also the opportunity to return to work and improve the economic conditions of the country.

In Brazil, studies conducted by researchers such as Castillos (2007), Parente and Barki (2010), and Rocha and Silva (2008) have stimulated ongoing research in this area. The first two of these discussed economic and behavioral aspects of the low-income consumer group, while the third invited further research, presenting an agenda with a range of research alternatives which whetted the academic curiosity of those with an interest in the topic.

What is evident from the findings of the studies conducted so far is that low-income markets are complex, and present numerous challenges to both businesses and researchers. However, despite the strong relevance of these markets, more information is still needed in order to better understand them from both a social and an economic point of view.

This paper attempts to contribute to filling this gap in the literature. As part of a comprehensive research project, this paper presents an in-depth exploration of the economic and social dimensions of a low-income market in Brazil and presents the findings of a qualitative study conducted in the south of the country in 2013. The specific goal of the study was to understand how low-income consumers in poor neighborhoods perceive the value offered by three categories of essential products they buy: food, hygiene products, and cleaning products. Additionally, as a complement to the central question of perceived value, the study aimed to identify the perception of price unfairness among these consumers. The results of the study show that, for a variety of reasons, low-income consumers generally pay higher prices for essential products than high-income consumers.

The rest of the paper is divided into five sections. In the first section, we cover the development of the Brazilian economy, the prevailing income divide in the country and the main characteristics of its low-income markets. In the second, we present and discuss a conceptual framework that incorporates two key constructs, perception of value and price unfairness. In the third, we cover the approach we adopted in collecting data, and discuss issues related to sampling and interview protocol. In the fourth, we present the findings of the study. In the fifth section, we cover the theoretical and strategic implications of the findings and recommend topics for future research.

Low-Income Markets in Brazil

In the last two decades, Brazil has achieved great success in terms of economic growth and development. Its gross domestic product (GDP) increased from $465 billion in 1990 to $2.2 trillion in 2012, making it the 8th largest economy in the world. Its exports during the same period increased from $31 billion to $243 billion and its imports from $23 billion to $223 billion. The influx of foreign direct investments (FDI) was $989 million in 1990 and $65 billion in 2012 (Euromonitor International, 2013).Overall, the country has increased income, reined in inflation, expanded domestic demand, and begun to develop a mass consumer market. These new developments are similar to those seen in more advanced societies. Kakwani et al. (2006) noted that during the past 25 years changes in social indicators and per capita income in Brazil reflect significant improvements in the country's macroeconomic environment.

Data published by IBGE (2011) show a significant increase in the pool of consumers who have increased their purchasing power. The contribution made by these consumers has been the largest in the group, amounting to approximately US$600 to US$1,150 per month. It is estimated that this group has gained 30 million new members in the last five years, making it the largest segment, with a population approaching 90 million people. In 2007, this segment, according to IBGE (2008), represented a potential market of US$ 400 billion, or about 25% of the total purchasing capacity of all the families living in urban areas of the country.

While the economic performance of Brazil in the last two decades has been impressive, the gap between the rich and the poor persists (Neri, 2006). The presence of low-income population groups still constitutes the main distinguishing characteristic of the economic scenario. Despite the efforts of recent Brazilian governments to build a more egalitarian society based on a fairer distribution of income, Brazil is still deeply marked by social inequality. In spite of the various social programs implemented to aid the poor, such as the "BolsaFamília"[4] which has decreased poverty in the country and benefitted approximately 12 million households, representing about 50 million people, the inequality in income distribution is still immense. According to the latest census published by IBGE (2011), the richest 10% of people have an average monthly income that is thirty-nine times greater than that of the poorest 10%. Furthermore, in 17 of the 26 state capitals, half of the households earn less than US$311 per month. The income disparity is worse in the Northern and Northeastern states of Brazil, compared to the Southern region of the country.

According to Parente and Barki (2010), inequality in income distribution has created a range of opportunities for businesses able to understand the quirks of the market. Castillos (2007) provides useful insights into low-income markets in the state of Rio Grande do Sul. Although the study was limited to a neighborhood in Porto Alegre, its findings reveal a market with distinct characteristics which is largely unknown to large mainstream businesses. Neighborhood retailers, located far away from the glamour of shopping malls, have their own personality and remain the preferred (and sometimes only) means of shopping for thousands of people living and working in poor neighborhoods. These retailers provide different types of service to the local population, such as customized products and credit, making life easier for those who cannot go "down the hill" to take advantage of the major retail chains designed for the wealthier sections of society.

Although formal research on the involvement of large businesses in poor markets remains inadequate, one can find information in popular news media, advertising materials, and company websites indicating that some of the large companies have begun to seize the available opportunities by selling specially designed products to these markets in Brazil. For example, there is information that Johnson & Johnson have launched dental brushes, body moisturizer, shampoo and disposable diaper sat prices reduced by up to 30%. Unilever and Nestlé are opening new factories in the North East, which has the highest concentration of low-income families in the country. The Bank of Brazil has established credit lines specifically aimed at low-income clients and Unimed Porto Alegre (a doctor's cooperative) has launched health care plans by reducing premiums by 50%[5].

Though the formal studies mentioned above, in addition to the informal reports available, have already shed some light on the nature of low-income markets, more rigorous and in-depth investigations of the retail environment and consumer orientation are arguably necessary in order to provide a strong theoretical basis

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[4]"BolsaFamília" is a program implemented by the Brazilian Government for direct transfer of income that benefits families in poverty, and extreme poverty, characterized by a*per capita* income of less than US$ 70.00 per month (MDS, 2012).

[5]Folha de São Paulonewspaper, 07/16/2009; www.jnjbrasil.com.br; www.unilever.com.br; www.nestle.com.br; www.bb.com.br; www.unimedpoa.com.br

for a better understanding and description of the real situation of low-income markets in Brazil. The studies hitherto conducted also point out the need for a more rigorous examination of low-income markets. There is thus ample evidence to suggest that low-income markets in Brazil are deserving of more attention from academic researchers in the field of business, in particular from those interested in marketing research – hence the need for the present study.

2. Conceptual Framework

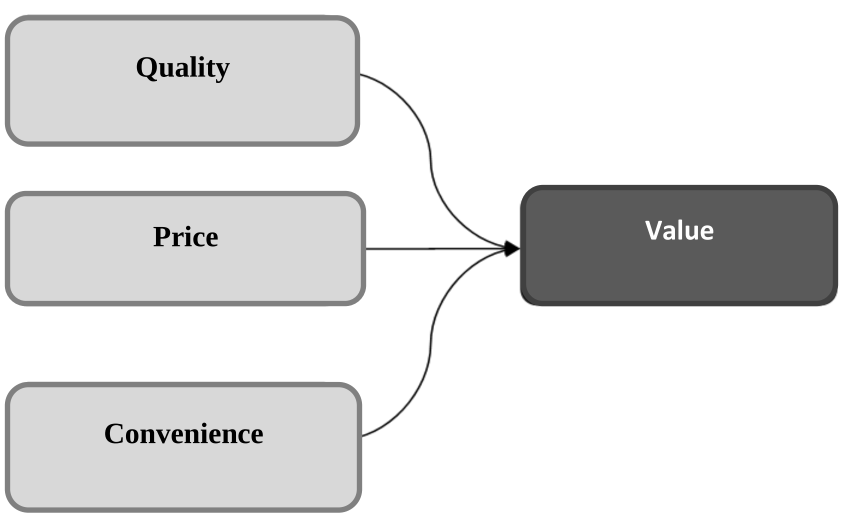
The theoretical framework developed for this study is based upon two key concepts: perceived value and perception of price unfairness. These two concepts also guided the formulation of questions for the interviews conducted, as well as the interpretation of all findings.

- **Perceived Value**

The perceived value model was initially based on economic theory and on the relevance of monetary value to consumers in selecting products (Hauser and Urban, 1986). Later it evolved to cover other aspects of consumption experience and included convenience, after-sale service, and relationship with suppliers (Santos, 2005).According to Holbrook (1999), value is mainly a relative and interactive phenomenon and is the consequence of the evaluation of a product. The measurement of value incorporates both objective factors (product characteristics) and subjective factors (the involvement of the individual). The perceived value involves comparative experiences (between one product and another) that vary between consumers (one individual to another) and situations (one context to another).Thus, the concept of value for consumers is not only related to the product purchased, but also to the consumer's experience as a whole. This concept is in accordance with a more recent model, wherein the idea of value transcends the product itself (Vargo and Lusch, 2004). In this new vision of value, the intangible aspects, previously considered as "untouchable," are also viewed as determinants of consumer preferences as well as satisfaction.

As the concept of perceived value guided the development of management models, allowing for the development of frameworks for measuring and evaluating it (Ravald and Grönroos, 1996; Rust, 2000), the first step was to try to understand the key dimensions of perceived value, i.e., how consumers form their evaluation and how it can be measured in order to be used as a management tool. Zeithaml (1988) suggests that perceived value can be taken as "an overall assessment of the utility of a product (or service) based on perceptions of what is received and what is given in return."The most common definition of value, then, is that of value for money.

Figure 1 – Main Drivers of Value Equity



Source: Rust, Zeithaml& Lemon, 2000, p.74.

Another approach to the measurement of perceived value is known as *equity value*, which derives from the concept of consumer value and is recognized as a basis for corporate strategies (Parasuraman and Greenhaus, 1997; Woodruff, 1997), and hence a source of potential competitive advantages. Zeithaml (1988) points out that, as the perception of what is received, as well as the perception of what is offered, varies from client to client, value represents a trade-off between what is received and what is given in return. Thus, value would be the result of perceptions, not of emotions, implying the application of rationality and objectivity in performing an assessment. This notion of rationality is supported by later empirical and experimental works (Bolton and Drew, 1991; Dodds, Grewal and Monroe, 1991).

In defining the factors that influence equity value, Rust, Zeithaml and Lemon (2000) suggest that the goal is to incorporate the main antecedents of perceived value and at the same time focus on the items which the company controls and in relation to which it can take action. Thus, the authors define quality, price and convenience as the primary drivers of value equity (Figure 1). However, they also point out that for some specific products or services, in addition to these antecedents, other factors such as location, availability and ease of use mayalso influence the perception of value.

Other authors also suggest that viewing value solely as the outcome of the trade-off between quality and price is highly simplistic (Bolton and Drew, 1991). Given that perceived value is considered an important indicator of repurchase intentions (Petrick, 2002), a valid and reliable measure of this concept would be a powerful marketing tool, allowing firms to identify the reasons behind both positive and negative performances.

Specifically in relation to perceived value among low-income consumers, a recent study conducted in Brazil(Parente and Barki, 2010) points out some peculiarities that seem to indicate significant differences from more affluent consumers:

"… there is a different configuration of perceived value, which is determined not only by the lowest price, but also by a strong need to compensate for a deficit of dignity and self-esteem, a preference for personalized relationships, a high aspiration to be included in social groups, and preference for shopping in stores where there are many people and an apparent abundance of products."

This study used the concept of perceived value discussed above to develop the interview scripts for data collection. The aim was to gain a more comprehensive understanding of the perception of perceived value among low-income consumers. Given the qualitative nature of the study, this approach was considered an appropriate guide for the data collection procedure.

- **Perception of Price Unfairness**

One of the goals of this study was to understand the behavior of low-income consumers in terms of their perception of price unfairness, given that the circumstances in which they live and consume tend to mean that they pay higher prices than those charged by large retail chains for a given product.

The idea of fairness and unfairness has a long heritage: concepts related to it date back to ancient Greece. Aristotle, in Book V of his work *Nicomachean Ethics* (Caeiro, 2009), introduces the concept of fairness or unfairness by saying:

"All men understand by fairness that kind of state of character which makes them disposed to do what is just and makes them act justly and wish for what is just; likewise, unfairness is that state of character which makes them act unjustly and wish for what is unjust."

In addition, he notes:

"He who violates the law is held to be unjust, as also is he who grasps at more than his share, and he who violates equality (taking of what is regarded as bad, less than his share). And hence it is clear that he will be just who observes the law, and who aims at equality, and he will be unjust who violates the law and does not aim at equality."

Over the last 20 years, marketing researchers have attempted to discover how consumers determine if a price is unfair, and what the consequences of this decision are for their behaviors and for companies that establish pricing practices perceived as unfair by consumers. Campbell (1999) demonstrated that when a company realises a higher profit than what the consumer determines as ideal, or when the consumer infers that a higher price is being charged due to a desire to achieve high profits, the price will be perceived as unfair. Consequently, consumers' perception of price unfairness can cause changes in their behavior, such as complaints, demands for reimbursement of money, negative word-of-mouth communication, and protests to consumer protection agencies (Xia, Monroe and Cox, 2004). In some instances consumers may feel powerless against the perceived price unfairness. This occurs when they are unable to find alternative suppliers and consequently remain dependent on companies charging unfair prices. Such a situation, though it may not result in any immediate consequences for the company, causes a state of emotional instability in consumers, and may trigger emotions such as sadness, anger, frustration and anxiety (Kahneman, Knetsch and Thaler, 1986).

While the concept of fairness has a well-established history in marketing, some issues need to be clarified. It is important to note from the outset that fairness and unfairness are conceptually different. It is possible to have a clear definition of one, without having a strong conviction about the other (Franciosi et al. 1995). The notion of unfairness, being more concrete, is typically easier to understand than that of fairness. People are able to define accurately what is unfair when they encounter an unjust situation, but do not have the same clarity of definition when the situation is fair. The assessment of justice and injustice are two separate constructs and not opposite poles of the same continuum one-dimensional

In addition, all price assessments, including the consideration of unfairness, are comparative. The theory of distributive justice was developed from the equity theory, introduced by Adams (1965), who proposes that individuals involved in different transactions compare the results obtained to determine whether a transaction is fair or not. Thus, it follows that the evaluation of unfairness is based on a comparison to a point of reference, which may be either another person, group of people, an organization, or the individual himself with respect to his own past experience (Monroe and Lee, 1999).

Finally, it is important to emphasize that although initial research on the topic focused on the cognitive aspects of perceptions of unfairness (Kahneman, Knetsch and Thaler, 1986), the affective dimension also plays an important role (Xia, Monroe and Cox, 2004). A buyer may feel guilt when unfairness is in his favor, and angry when inequality is favorable to the company. The Lazarus model of emotions (1991) infers that cognition precedes emotion and thus the feeling acts as a mediator between perceived unfairness and behavioral responses to it (i.e., complaining, changing company, demanding reimbursement of the money paid).

For the purposes of this study, the perception of price unfairness among low-income consumers was based on the following three main determinants: (1) perceived price; (2) level of relationship between consumer and company; and (3) frequency of purchase.

(1) Perceived Price (Vanhuele and Dreze, 2002; Thaler, 1985; Kalyanaram and Winer, 1995; Slongo and Fernandes, 2008). The underlying finding from the literature is that price unfairness is perceived via comparison of prices offered by competitors operating in the market and is constructed from the purchasing processes experienced by consumers in the past. Although this assumption about price perception is criticized by some authors (Dikson and Sawyer, 1990), it is the one most commonly found in the literature, since it provides a basic reference for the purpose of a coherent judgment by the consumer (Kalyanaram and Little, 1994).

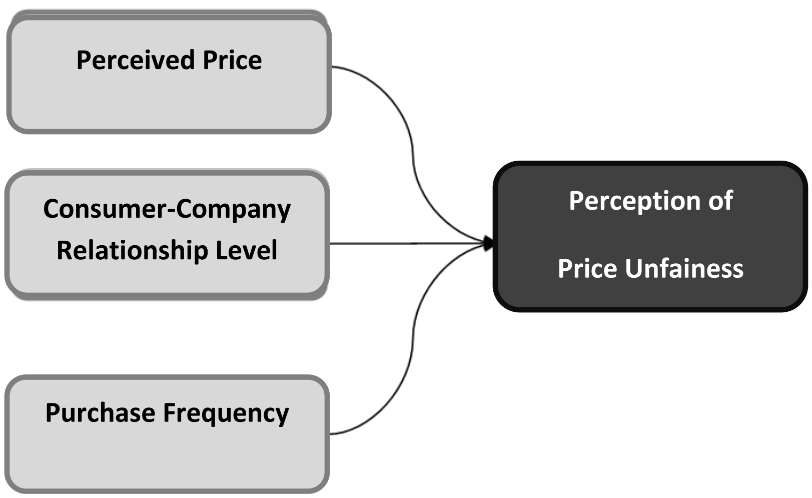
(2) Consumer-Company Relationship Level (Dwyer, Schurr and Oh, 1987; Grönroos, 1994; Garbarino and Johnson, 1999; Sirdeshmukh, Singh and Sabol, 2002).Some specific relationship marketing activities have been identified in the literature as being able to strengthen and improve relationships between customers and suppliers. These actions relate to the engagement of the parties in regular dialogues through frequent communication, which leads to a better understanding of customer needs and thus a better-adjusted offer being made by the firm. This encourages cooperation in solving problems as well as creating value for the

consumer, removing the focus on price by consumers, as well as ensuring fair treatment of consumers by the company in the long term. It can thus be inferred from this theory of consumer-company relationships that, given good relations between companies and consumers, price can be relegated to the background, reducing the perception of price unfairness by consumers.

(3) Purchase Frequency (Xia, Monroe and Cox, 2004; Bolton, Warlop and Alba, 2003). The literature also points out that frequency of purchase may also influence perception of price unfairness. The factor underpinning such influence is the experience gained by consumers as a result of repeated purchases. The knowledge generated from this provides consumers with an understanding of the tactics practiced by companies and sharpens their perception about possible price changes and their perception of price unfairness. It can be inferred, therefore, that increasing frequency of purchases within the same category of supplier (for example companies selling groceries) increases consumers' ability to perceive price unfairness.

Thus, based on the recommendations in the literature, data regarding perceived price unfairness among low-income consumers was collected by combining the three factors mentioned above, as shown in Figure 2.

Figure 2 – Main Drivers of Perception of Price Unfairness



Source: Prepared by the authors based on literature (Vanhuele and Dreze, 2002; Kalyanaram and Winer, 1995; Fernandes and Slongo, 2008; Dwyer, Schurrand Oh, 1987; Grönroos, 1994; Sirdeshmukh, Singh andSabol, 2002; Xia, Monroe and Cox, 2004; Bolton, Warlop e Alba, 2003).

3. Method

The method used to conduct the study was predominantly qualitative and consisted of four steps: (1) Choice of geographical areas and of small retail stores in which to carry out research; (2) Observation; (3) In-depth interviews with consumers; and (4) Comparison of prices charged by small neighborhood stores and by large chain stores.

- **Choice of Geographical Areas and of Small Retail Stores In Which To Carry out Research**

The following criteria were adopted in choosing the geographical areas and small retail stores in which to carry out research:

○ **Choice of Geographical Areas**

According to data from the Porto Alegre Municipality (PMPA, Department of Urban Planning, 2012) the city has 81 neighborhoods, duly demarcated and registered. The average income per household in these neighborhoods ranges from 1.51 to 37 minimum wages (MW)[6] per month (IBGE, 2010).

From the socioeconomic mapping of each neighborhood population, it was possible to identify specific areas where low-income populations predominated. This mapping consisted, therefore, of a two-step procedure: in the first step, low-income neighborhoods were selected, and in the second a single typical low-income area was identified within each neighborhood. Using these criteria, three specific areas were chosen as research locations: “Vila Campo da Tuca”, located within the Parthenon neighborhood on the East side of the city; “Vila Mário Quintana”,in Northern Porto Alegre, which itself has the status of neighborhood, according to data from the Porto Alegre Municipality (2012); and “Vila Ingá”, not registered as an official neighborhood in the Porto Alegre Municipality, but spoken of as such by the people who live there. “Vila Ingá” is part of a complex of small urban conglomerates of very poor people located in the South part of Porto Alegre, within Teresópolis neighborhood.

○ **Choice of Small Retail Stores**

The following criteria were used to select the small retail stores in each geographical area: the activities of the stores should be restricted to the low-income area previously selected; the stores should deal with a product mix related to the research proposal (food, hygiene products, and cleaning products); and the stores should be located at least 2 kilometers away from stores of large supermarket chains.

- **Observation**

Given the exploratory nature of the study and the absence of previous parameters to guide data collection, it was considered critical, initially, to gain preliminary knowledge of the environment that was being studied. The purpose of observation was thus to become acquainted with and understand the “stage” where exchanges take place between the target population of the study and the small retail stores in question. Such observation was necessary in order to master the vocabulary used in communication between the parties involved, as well as to understand, albeit on a cursory level, the living conditions and behaviors of the target population. Data collection in the observation phase was carried out personally by one of the authors of this study. Observation was carried out for three days in each of the three selected small retail stores, amounting to a total of 23 hours of observation in each store (see Table 1).

In summary, this personal observation made it possible to define the six main features that characterize the relationship between consumers and the small retail stores where they shop, namely: (1) strong cultural identification with the store environment; (2) informal credit; (3) confidence in the retail store; (4) practical and convenient purchase; (5) the role of the store as a socialization environment; and (6) the perceived value of available offers. The main characteristics of the three stores where the observation took place are summarized in Table 1.

- **In-Depth Interviews With Consumers**

The in-depth interview phase was conducted with the support of an interview guide (see Appendix), drawn from three sources: literature on perception of value, literature on perception of price unfairness, and findings made during the observation phase.

Fourteen in-depth interviews were conducted with customers of the three small stores chosen for the research. The responders were selected randomly on three different days of the week and at different times of the day during their shopping. The interviews were conducted inside the stores or in the consumers’ houses, if they so wished. Following this procedure, six interviews were conducted inside the stores, and eight in the consumers’ houses. The time duration of each interview ranged from 40 minutes to 90 minutes, according to

[6] MW (Minimum Wage): By the time of completion of research, one MW in Brazil was around US$ 311.00 per month.

the speed of response of each interviewee, as well as their willingness to provide details in the narrative sections.

Table 1 - Summary of the Key Characteristics of the Small Stores Observed

Information	Small Stores		
	A	**B**	**C**
Location	Campo da Tuca	Vila Ingá	Vila Mário Quintana
Store size	240 m2 (787 ft2)	180 m2 (590 ft2)	280 m2 (919 ft2)
Nº of employees	3	2	3
Nº of product items sold	+/- 8 k	+/- 2 k	+/- 6 k
Customers served/day	Weekdays: 260 Weekends: 360	Weekdays: 180 Weekends: 300	Weekdays: 250 Weekends: 420
Average receipt value	Between US$ 5.14 and US$ 8.00	Between US$ 4.55 and US$ 5.91	Between US$ 3,82 and US$ 6.27
Observation dates	Sunday, Monday and Thursday (Oct.21, 22 and 23, 2012) 23 observation hours	Sunday, Monday and Thursday (Nov.11, 12 and 13, 2012) 23 observation hours	Sunday, Monday and Thursday (Mar.10, 11 and 12, 2013) 23 observation hours

Source: Prepared by the authors.

Most interviewees had a high school-level education. However, four had not finished elementary school, and only one was in college; their age ranged from 33 to 63 years old; and their monthly family income ranged from 1 to 5 minimum wages (approximately from US$ 311.00 to US$ 1,555.00).

- **Comparison of prices charged by small neighborhood stores and by large chain stores**

In order to compare the prices charged by the small neighborhood stores with those charged by the major supermarket chains in the city, a price analysis was conducted. Prices were surveyed in at least three stores owned by large supermarket chains in each of the three areas studied.

To select the product group for the price analysis (food, hygiene products and cleaning products) the DIEESE[7](2013) basket, which is widely referenced throughout the country, was considered. The same products were examined in all the large supermarket stores surveyed, noting brand, size, and packaging type.

Altogether 68 product items were included in the price survey, 47 of which were food products and 21 hygiene and cleaning products. Overall, the price of the basket of products considered in the study was 10.4% higher in the small neighborhood stores serving low-income consumers than the price charged by the major supermarket chains. This difference was 6.8% for food items and 18.8% for hygiene and cleaning items.

4. Findings

Guided by the conceptual framework used to carry out the study, the findings presented in this section are divided into 5 parts: (1) Offer quality, (2) Perceptions of price, (3) Convenience, (4) Consumer-store relationship, and (5) Purchase frequency.

- **Offer Quality**

Although the concept of quality is highly complex and sometimes erroneously restricted to the intrinsic features of a product, it is, in fact, strongly related to the nature of the overall market. According to Ishikawa

[7] DIEESE: Inter-Union Department of Statistics and Socioeconomic Studies.

(1986), for example, the meaning of quality implies developing, designing, producing, and commercializing products in an way that is economical, useful and always satisfactory to the consumer. Similarly, Deming (1993) postulated that quality is everything that improves the supply of a product from the consumer's viewpoint. Crosby (1994), another well-known author in the field of quality, defines it as providing customers with exactly what has been promised.

Findings from this study corroborate what is postulated by the theory of quality perception. Despite the simplicity of the retail environment where products are sold –an environment devoid of luxury or comfort - consumers judge the quality of the offering as being adequate to their needs and desires. This is not due only to the intrinsic quality of the product, since, physically, the vast majority of the products bought by consumers in small neighborhood retail stores are the same those sold in any large supermarket store. The perceived quality of products is determined, above all, by the good fit between the lifestyle of consumers and the environment they find in the small neighborhood stores. The overall offering (not only the product) is tailored to their expectations, and it is this which is of true importance to them.

The findings of this paper show that there is a set of elements that coalesce to elevate small neighborhood stores to a level that is not only acceptable to consumers, but also properly adjusted to their socioeconomic and behavioral profile. These elements include the fact that the neighborhood store is a placefor socialization, the cultural identification of consumers with the store environment, the availability of credit on an uncomplicated basis, the ability of children to make purchases on behalf of their family, the fact that customer service activities are performed by the owners, and the fact that the product mix meets their needs and desires. Each of these elements is briefly described below.

a) Small neighborhood stores as socialization environment. In contrast with the situation in large grocery stores, in the small neighborhood stores customers know each other as well as the store owner and employees. Owners, employees and customers usually call each other by their first names. Also, consumers hold conversations with each other, as well as with owners and employees, while they are shopping. Store owners reported knowing the names of between 80% and 90% of all customers visiting their stores on a given day.

Although consumers do not remain inside the stores for a particularly long time on a single occasion– staying around 6 to 10 minutes on average – the conversations between them while they shop are ongoing. The content of these conversations ranges from the merely trivial, such as their families, the weather and the prices of the products they are buying, to more substantial ones, such as issues relating to the interests of the community, including church, school, politics and sports.

Some testimonials collected from the customers interviewed provide illustration of this:

"I usually go to major supermarket stores once a month, but I much prefer coming here. I even come to this shop for fun. I meet friendly people here that I can talk to. I feel more human when I come here."

"Here, in this small store, people have a better relationship; more friendly. People know each other and know the owners and all the staff. That doesn't happen in big supermarkets. There it's all colder. I don't like it there."

Other studies conducted in Brazil confirm these findings. Parente and Barki (2010), for example, found that low-income consumers have a strong need to improve their self-esteem, which makes them highly predisposed to appreciating personalized relationships as well as the feeling of social inclusion in neighborhood stores.

b) Cultural Identification. In this study the term "cultural identification" refers to the physical environment of the stores, the way people dress, the vocabulary they use, and topics of common interest addressed in conversations between people.

The simple environment of the small stores located in poor neighborhoods is a kind of an extension of the customers' houses. Inside the stores people move in a relaxed way and are more likely to engage in conversations and socialization. In this environment it is easier for them to play the role of customer; here, they can be themselves, without hiding anything. In contrast, in the large supermarket chain stores, where a more sophisticated and formal environment predominates, these same customers feel displaced, as if they were living in a different reality which is not really their own.

All customers of the small neighborhood stores dress very simply and casually. This simplicity is even more pronounced on weekends. Hardly anyone wears shoes: it is much more common to wear sandals. On weekdays, especially in the late afternoon and early evening, customers are seen wearing the uniforms of the companies where they work, clearly identified by brands and logos.

The vocabulary used in communication between customers, as well as between customers and owners and employees, is simple and straightforward. There seems to be a tacit agreement among all involved that communication should be simplified. There is no concern about the correct pronunciation of words or the formation of sentences; nor is there any correction of errors. Everyone speaks without inhibition and seems confident that they will not be corrected or reprimanded for any lapses in the expressions they use. Communicating in this way, they talk about things that relate to the interests of their families, their community, or their social situation.

Some excerpts from respondents' answers serve to illustrate the cultural context described above:

"When I come here I dress more casually."

"This environment looks much more like my own home."

"I know people here won't worry about the way I dress or talk."

"I can always find someone here to chat to for a bit. I can talk to the store owners and employees, or with neighbors and friends who live nearby."

c) Forms of payment and credit terms. Generally, people enter the neighborhood store with a limited amount of money and then need to make choices about what to buy. The decision to take or leave something is often made at the moment of payment, in front of the store cashier. When this happens, the payment process is slowed down, meaning a longer waiting time for other customers standing in the line. However, this does not bother the other customers: that is, no pressure is exerted to expedite the process. This seems to be treated as a normal procedure peculiar to this shopping environment. This finding is supported by Parente and Barki (2010), who reported the feelings of low-income consumers in large supermarkets when they do not have enough money to pay the merchandise bought:

"I feel ashamed when I'm in front of the cashier and realize that I don't have enough money to pay for all the things I put in the cart and I have to select which items I need to leave. I feel like I was from another planet."

Of the different forms of payment used by the low-income consumers, cash is the most common, but it is also possible to observe the use of various types of electronic cards, for example, debit cards, payroll cards, and food cards[8]. The use of electronic modes of payment, according to the testimony of the owners of the small stores surveyed, has grown considerably among customers in recent times. Though the use of credit cards has been increasing, a highly informal means of credit is still in use: it is known as the "passbook". These are usually made in duplicate, with the store keeping one copy and the customer the other. The debt is paid monthly, at the end of the month, or at the beginning of the next one.

There is also another kind of credit extended to consumers that is even more informal than the passbook. It is used only for small amounts, in cases where the money available for one specific purchase is not enough. In this case the payment is made "afterwards", without a term being specified, although there is an implicit understanding that this term should be short. For this type of credit, often there are not even records kept; the debt remains "on trust", according to the expression used by a consumer who was interviewed.

[8]This is a card given by Brazilian firms to employees to pay for foods.

This informal credit practice is illustrated by the testimony given by some of the consumers interviewed:

"I like shopping here because if I have money I buy things, and if I don't have any, I can still buy things."

"You don't have to leave a product behind here when you don't have enough money to pay,

for example, when you're short R$ 5.00 or R$ 10.00. When you don't have enough money, you can take things anyway and pay later, without any stress."

d) Children can shop on behalf of their family. Among the customers of small neighborhood stores there are also children who play the role of family purchasers. They assume the role of adults in selecting products and making payments. Although the proportion of children in these environments cannot be precisely stated, the estimate made during the observation phase, corroborated by the estimate of the owners of the stores surveyed, was that "child shoppers" make up between 15% and 25% of the daily influx of customers. The number of children increases at weekends and falls on weekdays.

Although common sense suggests it is not acceptable for children to perform such roles, families in the poor neighborhoods consider this a highly positive feature of the small neighborhood stores. Parents feel secure sending their children to these stores to shop because they believe that they will meet people whom they know and can trust. Some of the statements made by interviewees are illustrative:

"I wouldn't let my children go to a large grocery store on their own, but I don't see a problem with them coming here alone."

"Sometimes I'm not at home and something needs buying: the kids can come by themselves to get it. Even if they have no money, they can come and then I pay afterwards. There's no problem."

e) Customer service activities performed by the owners. A recurrent feature in the small neighborhood stores is the role of the family in managing the business and maintaining contact with clients. In a given family, the husband, wife, sons, nephews and brothers-in-law all play some role in the store. These family members usually do not have a specific function to perform: they do everything from customer service and store organization to replacing products on the shelves and cleaning the store. The position of cashier is the only one that tends to be more fixed, though even this can pass between family members and even among employees who do not belong to the family.

Family involvement in the business provides the customers with the feeling that they are being served by the owners. Any request, complaint or suggestion may be addressed directly to them. Moreover, there is a friendly relationship between the owners of the business and their customers. This kind of relationship conveys confidence and, at the same time, a feeling of distinction. According to some of the consumers interviewed:

"I know the owner by name and talk to him directly."

"Here, there's no risk of being cheated. My children can come on their own and shop here, and there's no risk of them being cheated either."

f) Product mix. All leading brands of the types of product found in the basic basket analyzed in this study can be found, with some rare exceptions, at the small neighborhood stores surveyed. On the other hand, there are also unknown brands that are targeted by the small neighborhood stores at their customers in particular, representing an offering tailored for the target market.

Another distinguishing feature of the product mix is the range of products sold. Despite their small size, the neighborhood stores offer a wide range of products, including up to 8000 items (see Table 1). The product mix includes foodstuffs, hygiene products and cleaning products, electrical goods, tools and fittings and pet products. Regarding the last item, the volume of purchases related to pet foods and other products for pet care is surprising, highlighting the fact that well-cared-for pets are no longer a privilege exclusive to the wealthier consumer classes.

In summary, the product mix offered by the stores is considered by the consumers as fully satisfactory for meeting their daily needs, a fact illustrated by the following statement from one interviewee:

"I can find everything I need here. If they had the same prices as the large supermarkets on all products, I'd buy everything here. The price of fruit is similar to what you pay at the major supermarkets, but it's not the same for most kinds of food: it's cheaper at the supermarkets. So I do my main shopping for the month there and my day-to-day purchases here."

- **Perceptions of Price**

It would be incorrect to suppose that low-income consumers are unaware that they pay higher prices for goods such as food, hygiene products and cleaning products when they buy such items at small neighborhood stores. There is a clear understanding among these consumers about the higher prices they pay for products in such shops. It can therefore be concluded that although these customers pay more, they feel comfortable in doing so. Even though they are aware that the prices they pay for the products at the small stores in the neighborhood where they live are higher, some believe that they end up paying less in relative terms when the benefits they receive are taken into account. This is illustrated by the following statements from two of the customers interviewed:

"I don't use the deals that the large supermarkets put on, because they're only for big amounts of things. The products end up reaching their expiry date and going in the garbage. It's better to buy small quantities of things here, so you can get good quality products and not waste anything."

"The lower prices in the large supermarkets are sometimes only an illusion. They lower the price of some goods to make you buy more of the others. I prefer to buy only what I need. So the small neighborhood store is a better choice."

Perhaps this is why the practice of offering promotional prices is rare in small stores located in poor neighborhoods. When it is employed it basically applies to fruits and vegetables in a clear attempt to avoid loss by spoilage. The same principle is used for meat, especially for inferior cuts at weekends.

Regarding the pricing issue once more, it is important to draw attention to some peculiarities. Firstly, the pricing of red meat deserves attention. The small stores surveyed charge lower prices – on average 15% lower – than the big supermarket chains. This difference can reach up to 43% if certain cuts are considered. It is speculated that this situation is due to the informal way in which products are placed on offer. For various reasons(issues related to animal origin, condition of facilities and irregularities in tax and labor issues, for example), beef producers do not have their product approved by official inspectors and supervisors. As a result, they are unable to sell to large distribution networks and instead end up selling to small neighborhood stores like those examined by this study.

A second important point to highlight is the strategy of discounting prices, sometimes used as a form of promotion, for imported drinks or branded items such as toilet paper. The motivation for this strategy, as illustrated by the testimony of the owners interviewed, is a desire to acknowledge customers' loyalty and provide them with the opportunity to consume unusual products which are clearly differentiated from those which they habitually use.

- **Convenience**

The question of convenience is one of the most important aspects of the relationship between low-income consumers and neighborhood stores. Issues related to physical proximity, familiarity with the store environment, ease of purchase and transportation, informal credit, the ability to send children to shop, and product mix are strong indicators of convenience perceived and appreciated by low-income consumers in small neighborhood stores.

The stores surveyed can be reached without driving and in most cases without taking a bus. Most consumers go there on foot, or else by bicycle or motorbike. On weekdays, especially late in the afternoon, a large number of workers and students finish their journeys on public transport and visit the neighborhood stores to do their daily shopping before going home.

Another factor that makes shopping in these small neighborhood stores convenient is the challenge of reaching the stores of major supermarket chains. Attempting to travel from any of these poor neighborhoods to one of the large stores involves various difficulties. Many of the consumers do not own cars; they also have to contend with the poor condition of the streets and sidewalks. The unreliability of public transport links to the large stores is a further problem. The lack of a convenient mode of transportation, in addition to the low frequency of public transport services, makes it impossible to travel on a daily basis to the large supermarkets where prices are generally lower. A search of relevant websites (see, for example, www.poatransporte.com.br) showed that none of the three areas investigated were on direct bus routes to large supermarkets.

The difficulties faced by consumers in reaching large supermarket stores and bringing their purchases home can thus be easily understood. Therefore, consumers usually only visit large supermarket stores to make their major purchases for the month. Due of the volume of goods they buy at such times, it becomes feasible for them to pay for a taxi or to have their purchases delivered to them at home by the supermarket itself. Day-to-day purchases, which are low unit value and high-frequency, are made at the small neighborhood stores. According to data provided by the owners of the small stores surveyed, the average amount spent by consumers varies from US$ 4.20 to US$ 6.50 for each set of purchases.

Some of the testimonials provided by the consumers interviewed illustrate the convenience of shopping in the neighborhood stores:

"It's true that the prices are a little higher here than in the large supermarket stores, but here I can buy any amount of things at any time. If I'm out of something at home it takes me a few minutes to get here."

"The problem is that shopping in a large supermarket store means paying for a taxi. So, considering the total cost, it's more expensive to shop there."

"If I shop in a large supermarket, I have to go by taxi. Sometimes my dad or my brother lends me his car, but that means I start getting dependent on them. It's not good for me. I feel bad. So, I prefer to shop here; it's easier for me."

- **Consumer-Store relationship**

There are various factors that form the basis for good relations between the small neighborhood stores and their consumers. The findings of this study are supported by the theory of relationship marketing in consumer markets. According to Sheth and Parvatiyar (1995), consumers show a strong tendency to buy the same products in the same places, engaging in the same purchasing process, and purchasing from the same suppliers or service providers. This behavior, according to these authors, is motivated by issues that go beyond mere logistical factors or limitations in options. It involves aspects of individuals' personal nature, as well as their social and institutional setting, and is driven by the aim of simplifying the purchasing process and increasing psychological comfort when shopping.

In the case of the neighborhood stores and their customers, there is clear evidence that the different aspects of their relationship (personal, social, and institutional),as mentioned above, all play an important role. With respect to personal motivation, the choice of neighborhood stores can be explained by the ease of communication observed among consumers, storeowners, and employees. Furthermore, this choice is influenced by the desire to reduce purchase risk and minimize post-purchase dissonance, factors which are present when shopping in large supermarket stores, due to consumers' fear of not having enough money to pay selected items, or of buying goods in excess of their needs due to promotional deals or other selling strategies used by large supermarket chains.

Social motivations for frequenting neighborhood stores arise, on the other hand, from the opportunity to engage with other community members. At these stores, customers usually engage in friendly conversations and exchanges of information with each other concerning various topics relating to family, religion, school, or sports. Furthermore, the storeowners and their employees know their customers by name and treat them as equals. This provides consumers with a feeling of distinction and social inclusion which visiting large supermarket stores does not offer them.

Concerning the institutional influences mentioned by Sheth and Parvatiyar (1995), the cultural identification that low-income consumers have with the small neighborhood stores plays a major role in their acceptance and approval of them. The store physically constitutes a “stage” where consumers, storeowners, and employees share the same values and the same beliefs and feelings. It is as though all those frequenting this environment share the same civic feelings, the same moral values, the same principles of equality and fairness, and the same set of rules and procedures pertaining to the socioeconomic conditions in which they live.

Some statements from the customers interviewed illustrate the institutional influences mentioned above:

“I feel like I'm in my own home here.”

“Nobody bothers me here if I take some time deciding what I'm going to take or leave when I’m paying for things.”

“No one leaves something behind here if they don’t have enough money when they’re paying. You can take it with you and pay afterwards.”

“Nobody here pays attention to the way I speak or how I dress.”

“I trust people here.”

- **Purchase frequency**

Based on the data collected during the observation phase and during the in-depth interviews, it can be concluded that purchase frequency among low-income consumers in small neighborhood stores is high. Most interviewees stated that they shop every day in the small stores surveyed. In addressing the issue of purchase frequency it was possible to observe in the responses of consumers the *sui generis* relationship that exists between them and the neighborhood stores where they shop. Whether as a result of cultural identification, the role of the stores as socialization environments, or the differentiated services which customers receive personally from the owners, it becomes clear that the frequency with which consumers purchase goods in these stores is motivated by factors that go beyond the mere act of purchasing. A statement made by one of the interviewees sums up this relationship:

“It's nice getting out of the house and meeting people I know and like. In fact, when I have to come and buy something here, I guess I don’t buy everything at once so I have a reason to come back again.”

5. Discussion

- **Discussion of Findings**

The findings presented in this paper suggest that price is of minimal importance in shaping perception of value among low-income consumers. While this conclusion may be at odds with conventional thinking, the beliefs, attitudes and values of low-income consumers, as elicited by this study, provide compelling evidence for it. Firstly, the role of price is minimized because of consumers’ strong preference for stores that are easily accessible and where personalized relationships can be maintained. Consumers also feel socially included as a result of frequenting these stores, which serve as meeting places where they can discuss matters of common interest with acquaintances. While shopping, low-income customers are looking for recover a deficit of self-esteem and dignity, being not the price the main issue in this case (Parente and Barki, 2010). Furthermore, the product mix offered by the small neighborhood stores, where these consumers shop, is well adjusted to their expectations.

The consumers interviewed expressed a clear awareness of the fact that the prices they pay for products in small neighborhood stores are higher than those offered by large supermarket chains. However, this does not make them feel angry or as though they have been cheated. They demonstrate a sound understanding of this issue, acknowledging that the benefits they receive outweigh the higher prices they pay. Rather than complaining about high prices, they express a clear preference for the local stores. They like the friendly environment, the social interactions, the greetings they receive from shop owners and staff and the comfortable and familiar feeling of their experience at these shops.

The low-income consumers also understand, though it is not always easy for them to verbalize, that there is a set of factors which make it difficult for them to access the large supermarket chains where the prices of essential goods are lower. These include lack of infrastructure and public transportation, safety concerns and credit issues. Accordingly they view the small neighborhood retailers as providing a solution to these problems, and reciprocate with their loyalty and trust, allowing such businesses to continue to exist.

In summary, the results of this study demonstrate that small neighborhood stores play important social and economic roles in accommodating and satisfying the needs of their target markets. It can thus be said that, despite the difficulties they face – principally due to their size and informal management style – these small businesses have succeeded in continuing to add value to their offerings. This may explain why they are able to survive despite charging higher prices than the large supermarket chains.

- **Conclusions and Implications**

The findings of the study may be considered disconcerting in as much as they shed light on the precarious socioeconomic conditions in which live the individuals surveyed; at the same time they raise a number of provocative questions about the challenges and complexities encountered in this type of market. The study reveals a complex and vibrant market made up of people who, despite facing huge economic limitations, are eager to be included in a better consumption environment. The main question to be answered is how this aspiration can be met. Arguably, planning and creativity are required from the entire supply chain and not – as at present – solely from the small neighborhood retailers themselves. It will be necessary to develop a dedicated offering for this market, rather than simply attempting to adjust those which already exist in the middle-and high-income markets. This will be the main challenge.

Although small neighborhood retailers have been successful so far in adjusting their offerings to the socioeconomic and behavioral profiles of their low-income market, they continue suffering from many structural and management constraints. Such constraints prevent them from improving services as well as from reducing final prices. They lack scale in buying, have low bargaining power vis-à-vis strong suppliers, and face high risk in selling on credit to consumers with low purchasing power and, frequently, with uncertain income. The consequences of these constraints place low-income consumers served by small neighborhood retailers in a position of inequality compared to those consumers with access to large supermarkets chains.

The integration in the supermarket sector in Brazil has increased, bringing about a corresponding increase in the bargaining power of large retailers. The consequence of this has been a reduction in acquisition costs, leading in turn to a reduction in the final price paid by customers, removing any possibility of small retailers competing with larger companies on price. According to data published by ABRAS[9] (2013), the four largest supermarket chains operating in Brazil control almost 50% of the country´s food market. In response to this situation, associations of small retailers and public policymakers have attempted to strengthen the bargaining power of small retailers, but so far they have not been successful.

In the small retailers sector, initiatives to organize associations have historically been sparse and incomplete, and in addition have faced resistance from the owners of small neighborhood stores themselves. Such resistance can be attributed to owners' generally low level of education and lack of management knowledge in particular, preventing them from understanding or enjoying the benefits of such associations. As a result, most owners of small stores continue to operate their businesses in an intuitive and independent manner.

In the public sector, in 2001 the state government of Rio Grande do Sulcreated the Cooperation Networks Program, in recognition of the importance of small retailers in serving low-income consumers. This program involved joint action by the state Department of Development and International Affairs

[9]ABRAS: Brazilian Supermarkets Association.

(SEDAI) and six state universities, and resulted in the creation of the Redeforte, an association that now covers around 30 municipalities and involves approximately 90 small businesses.

Although such initiatives are commendable, they have not been able to produce the desired effects. Aside from the low rate of uptake among small retailers, this type of organization has not proven effective against the power of the larger suppliers, in part because these suppliers work in partnership with the large supermarket chains. It would therefore be beneficial creating new suppliers and integrate them into low-income markets. Moreover, the horizontal integration, approach which has so far been adopted by associations of small retailers, is in itself insufficient to cope with the magnitude of the problem. It is necessary to encourage the participation of partners at all levels of the supply chain, with special attention to areas such as finance, logistics, training, and credit.

Another means of improving the performance of small retailers would be to improve their managerial skills, focusing on issues related to management training, employee training, and information technology. Lack of managerial know-how is noticeable upon first contact with small business owners. The difficulties they face with regard to cost control, pricing, inventory management and customer management are evident. The little they are able to do at moment, they achieve on the basis of the intuition and the trial-and-error experience. With respect to information technology, they rarely use computers as a management tool. It is imperative, therefore, that business schools develop programs specifically targeted at the needs of small businesses of the type examined by this study, and – in cooperation with other institutions that support small businesses, such as SEBRAE[10] – find ways of imparting managerial skills to them.

Considering the importance of the roles performed by small businesses in low-income markets and the difficulties they face in fulfilling such roles, an integrated approach seems to be required, formed through collaboration between a range of stakeholders, including class organizations, professional bodies, business schools and public policymakers. Put simply, the creation of a new chain, specifically dedicated to serving low-income markets, should be considered.

- **Research Directions**

This study raises a number of substantive questions that call for further investigation. The low-income market represents fertile ground for future marketing research. Despite the contributions that this work may have made to unveiling previously unknown peculiarities of consumption behavior among low-income populations, it represents nothing more than a brief glimpse into a world of consumption about which very little is as yet known, but which is in need of greater attention – not only from an economic and social perspective, but also from the viewpoint of academic marketing research.

In particular, issues relating to cultural identification with small neighborhood stores by low-income consumers, as well as the socialization environment that these stores represent for their customers, represent worthwhile opportunities for further investigation. Such studies may be of interest not only to researchers in the field of marketing, but also to those working in sociology and anthropology.

Another issue which may attract the attention of marketing researchers relates to the loyalty of low-income consumers towards the neighborhood stores where they do their daily shopping. Models exist for measuring loyalty which could potentially be applied to these low-income markets, making it possible – for example – to draw comparisons with high-income markets.

A further exciting area of investigation for academic marketing researchers would be the examination of the effects of forming integrated supply networks dedicated to serving low-income markets. To accomplish this it would be necessary to configure and describe optimal integration structures for these markets, a proposition which itself presents attractive options for further research.

[10]SEBRAE: Brazilian Service of Support for Micro and Small Businesses – a private, non-profit organization established in 1972 to promote competitiveness and sustainable development of micro and small firms in Brazil.

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Appendix: In-Depth Interview Guide

1. Purchasing habits:
- Who makes the purchase (buying agents--who buys for the family)
- What is purchased
- When is the purchase made
- Where is the purchase made (kind of stores)
- Why is the purchase made in these stores

2. Purchasing in small neighborhood stores, specifically:
- Purchase attributes
- Purchase motivations
- Comparison of small neighborhood stores with large supermarket stores, according to the low-income consumer's point of view (highlighting the tangible and intangible aspects)

3. Perceived value:
- Product quality
- Product price
- Cost-benefit ratio
- Convenience of purchasing
- Objective aspects of value
- Subjective aspects of value

4. Perception of price unfairness:
- Awareness of price levels
- Consumer-company relationships
- Purchase frequency
- Impact of price awareness, consumer-company relationships and purchase frequency on perception of (un)fairness