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**Value internalization and role-enactment as a model toward consumption : a comparative study between the U.S.A. (Hartford) and China (Shangai).**

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VALUE INTERNALIZATION AND ROLE-ENACTMENT  
AS A MODEL TOWARD CONSUMPTION:  
A COMPARATIVE STUDY BETWEEN  
THE U.S.A. (HARTFORD) AND CHINA (SHANGHAI)

A Dissertation Presented

By

Bennett T. Tsou

Submitted to the Graduate School of the  
University of Massachusetts in partial fulfillment  
of the requirements for the degree of

DOCTOR OF PHILOSOPHY

May 1986

School of Management

Bennett T. Tsou

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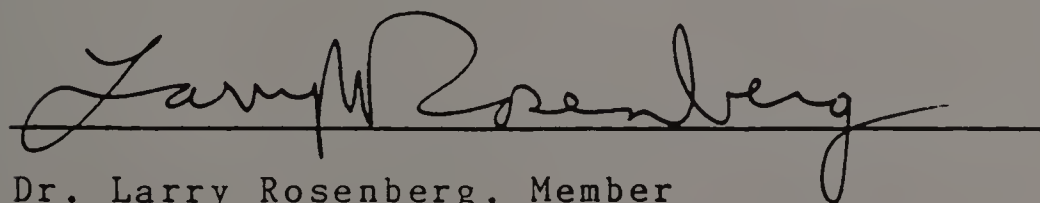
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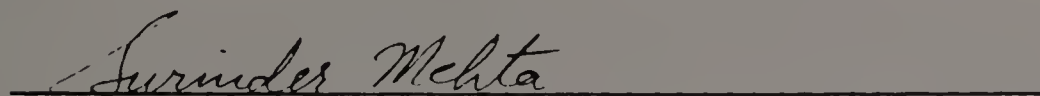
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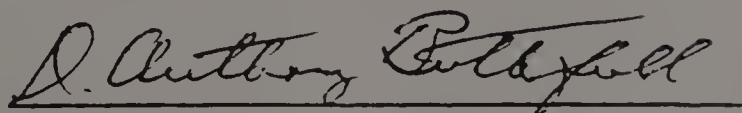
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## ACKNOWLEDGEMENT

Time it was,  
And what a time it was,  
It was...  
A time of innocence,  
A time of confidences.  
Long ago,  
It must be...

Bookends,  
Simon and Garfunkel

This is dedicated to the memories of those whose paths and mine crossed throughout the years since the very first day I cried hopelessly and refused to go to kindergarten and everyday inevitably found myself lost in the shuffle standing alone without a partner while everyone sang and danced at ten o'clock to these last few years pursuing a degree that I often wondered whether I should have kept on crying that very first day. I am wiser nonetheless, I learned. Much was forgotten, most of the memories were blurred. Some were happy some bitter, all were fond memories, that I believe.

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only by your meticulous ability to thoroughly cleanse out your innards. Thanks for your support throughout the years, Bill, you have won my respect. Kathy, your Greek letters may not taste as good as your GERMAN CHOCOLATE CAKE or your MACADAMIA NUT BAR, but they all LOOK exquisite. Ben, without your gritty tenacity, my trip to China would have truly been on a slow boat; I am grateful. To my loving parents, who in their own ways had been, and I'm sure will always be, by me, in all of my ups and downs, round-about, and in and out of things. To my brother Brian, you truly never questioned or doubted what I had to do and achieve. Thanks for always backing me up 100%. This acknowledgement would not be complete without a special thanks to Paul, who has provided that special something to help me through the life of a doctoral student -- by being a true friend. This friendship would now charter new grounds and circumstances, that I am certain. Besides, your "Beef Stroganoff" is now fit for "recipe", don't you know? You ain't bad when it comes to proofreading either. Thanks, you've been terrific.

To all of you who will be a part of my memories:

Long ago,  
It must be...  
I have a photograph  
Preserve your memories;  
They're all that's left you.

THANK GOD FOR WORD PROCESSORS!!!

ABSTRACT

VALUE INTERNALIZATION AND ROLE-ENACTMENT  
AS A MODEL TOWARD CONSUMPTION:  
A COMPARATIVE STUDY BETWEEN  
THE U.S.A. (HARTFORD) AND CHINA (SHANGHAI)

May 1986

Bennett T. Tsou, B.A., M.A., University of Massachusetts

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Directed by: Dr. Bertil Liander

A cross-cultural study was conducted during the summer of 1985. Data concerning American values, roles, and consumption patterns were collected in the Hartford area, Connecticut. The Chinese data were collected in Shanghai, People's Republic of China. The theoretical framework is one in which the constructs of value internalization and role-enactment are posited to influence patterns of consumption behavior.

Preliminary results show significant variations between the two cultures; but not significant when compared among individuals within each of the two cultures. Recently developed computer program, LISREL, was then used to isolate the direction of influence between the



theoretical constructs of value internalization, role-enactment, and consumption pattern. The hypothesized model that value internalization affects consumption behavior as well as role-enactment, and that role-enactment further affects consumption behavior, has been shown to be invariant for the two cultures. In other words, while the expressions of values, role-expected behaviors, and consumption patterns may be different between the U.S. and China, the motivating forces or the direction of influence between such constructs are the same.

The aim of this study is to compare and understand the prevailing forces that motivate consumption patterns in two cultures quite different in their socioeconomic structures. The study also delineates various inventory of cultural and social issues as they relate to consumption in the U.S. and in China. Some basic marketing guidelines are generated that may be of use to American marketers doing business with China.

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C H A P T E R I  
THE MACRO APPROACH TO CONSUMPTION

Introduction

Consumption behavior has been studied by marketing scholars predominantly in terms of its relationship to other variables posited at the level of the individual. These variables have been borrowed outright, or in certain instances with modification, from related disciplines such as psychology and social psychology. Most research undertaken in this tradition yielded results which were far from satisfactory. The disenchantment following poor results have led marketing scholars to explore other avenues of research which might prove to be more fruitful.

Though many marketing scholars have advocated a macro approach, few have conducted or even constructed a feasible model to study consumption behavior from this perspective. Notably, the apparent need for a macro approach to consumption centers on the use of value internalization (Nicosia & Mayer 1976; Glock & Nicosia 1964; Carman 1978), social roles and group behavior (Zaltman & Wallendorf 1977; Mayer & Nicosia 1974; Haug 1973), demographic variables such as age, income, and geographic locations (Zaltman & Wallendorf 1977; Myers & Mount 1973; Myers, Stanton & Haug 1971; Sheth 1977), and psychographic indicators (Zablocki &

Kanter 1975).

This study is an attempt to examine the forces directing the consumer market through a comparative study between the U.S. and China. The comparison between the patterns of consumption in the U.S. and China presents a rare opportunity to study the motivations behind consumption needs and wants and also to operationalize the sociological constructs elusive to marketers. As pointed out by Nicosia and Witkowski (1975), the above mentioned variables exist merely as labels and very few efforts were made to "translate them into constructs and then to operationalize them as measurable entities" (p. 18).

#### Recent Developments in Value Studies

Recently, a small number of consumer behaviorists have suggested the use of personal values to explain and predict consumers' consumption choices and their attitudes toward products (Gutman 1982; Howard 1977; Howard & Sheth 1969; Lessig 1976; Vinson, et al 1976; Young & Feigin 1975). Empirical studies, on the other hand, are rare. They, however, do provide some evidence that personal values may be a useful avenue in reaching an understanding of consumption behavior.

In general, consumer behaviorists studying the relationship between value systems and consumption choices have relied upon Rokeach's "two value model" (Rokeach 1969,

1973). For example, Howard (1977) postulated a two level model of value influence for "extensive problem solving". His model, on which Pitts and Woodside (1983), based their study, utilized Rokeach's "terminal values" -- preferred "end-state of existence" -- as guiding choices among product classes and "instrumental values" -- preferred "modes of conduct" -- as guiding choices among brands.

Closely aligned with Howard's model is Gutman's (1982) means-end chain model. Gutman also utilizes Rokeach's value system to establish "the distinctions consumers use in grouping objects by virtue of the objects' similarity and in distinguishing among them by virtue of how they vary along common dimensions" (p. 71). The model is hierarchical in that it links values that are ends with basic feature components of product/brands representing the means (Figure 1). Gutman, however, offers only a conceptual approach without empirical evidence or feasible research methodologies.

Young and Feigin (1975), on the other hand, use means-end model as a method for linking emotional or psychological benefits to product claims or product attributes. An example of their means-end linkage (p. 73) is to identify the product (hair spray that holds and leaves hair soft), the functional benefit (leaves hair easier to manage), the practical benefit (I don't need to spend so much time on hair), and the emotional pay-off (I



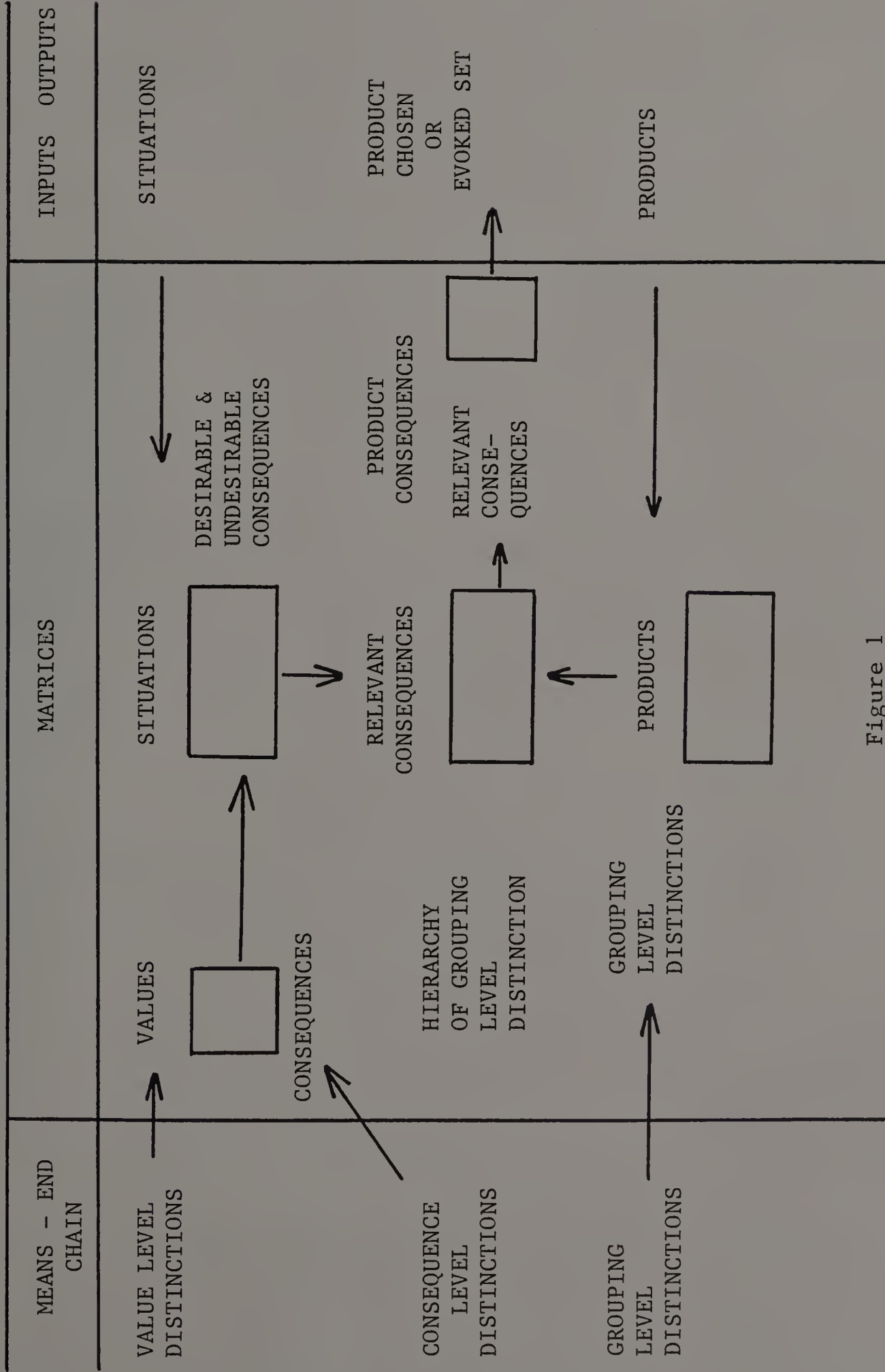


Figure 1

MEANS - END CHAIN MODEL

could feel good about my appearance). The conceptual attempt by Young and Feigin is to link surface attributes of products to benefits that closely relate to the core values of the consumer.

Perhaps the most comprehensive conceptualization of how values are related to consumer behavior is Vinson, Scott and Lamont's (1977) centrality model. Their model stays closest to Rokeach's formulation of value. Values are defined as "centrally held cognitive elements that stimulate motivation for behavioral response" (p. 15), that "exist in an interconnected hierarchical structure in which global values are related and connected to generalized consumption-related values, which are, in turn, similarly associated with product attributes" (p. 49).

As with Howard, Gutman, and Young and Feigin, Vinson, Scott and Lamont offer no empirical evidence. Conceptual models are few, but empirical studies are even fewer.

Pitts and Woodside (1983), utilizing Howard's (1977) model, hypothesized that consumers with different value structures will: "(1) use different criteria in selecting products; (2) exhibit different product preferences; (3) state different purchase intentions toward product class and brands" (p. 39). They were able to demonstrate the influence of personal value systems on product class and brand preferences. Limited support, however, was found for hypothesis 2, and hypothesis 3 was not supported.

Two additional hypotheses were supported: (4) groups of consumers with similar choice criteria (benefit segments) can be differentiated in terms of their values, and (5) groups of consumers with similar product class/brand preferences can be differentiated in terms of their values. They argue that value segments lead to choice criteria segments, and they appear to be a function of the generalized value system of individuals.

Scott and Lamont (1973), on the other hand, utilize the familiar value-expectancy model based on the cognitive theory of Fishbein (Cohen, et al. 1972). The focus here, however, concentrated on the generalized values to predict brand preference rather than on product attributes. Scott and Lamont (1973) were able to show that automobile attributes (excitement and style) and global values (comfortable life, exciting life, and pleasure) were related.

Empirical studies are few in marketing, but they do appear to be an exciting and promising venture. It is not surprising that all of the conceptual models in marketing have been based on Rokeach's formulation since the work by Rokeach (1973) resulted in the most complete portrait of American values, their ties to class, age, race, religious affiliation, and various subcultures. Rokeach's and others' work does not, however, provide conceptual clarification and is in essence ad hoc in nature. These studies thus are

in general incomparable.

To date, only Parsons has provided the set of propositions about the nature of values and the role these values play in social structures and behavior. Even Rokeach (1973) suggested that more work is needed in relating values to behavior. Although Parsons' conception on values has been criticized on the grounds of being: (1) in need of empirical support; (2) deductive in nature; and (3) abstract to the extent verification is dubious. Nonetheless, recent development in more sophisticated methodology warrants a second look into Parsons' conceptualization of the value construct.

#### Concepts of Value Internalization

Quite typically trained and well-versed in philosophy, early social scientists often wrote of "values" in a manner that reflected its etymological origin in Latin - *valere*: to be worth (Case 1939). For example, Adam Smith in The Wealth of Nations (1863) referred to "value" as determined by labor, and Marx (1968 reprint), in "Wages, Labour, and Capital" put forth the famous labor theory of value. As pointed out by Spates (1983), the first sociological definition of value first appeared in Thomas and Znaniecki's "Methodological Note" to The Polish Peasant (1921): a value was "any datum having an empirical content accessible to the members of some social group and a

meaning with regard to which it is or may be an object of activity" (p. 21). Examples of values may be "a food-stuff, an instrument, a coin, a piece of poetry, a university, a myth, or a scientific theory" (p. 21).

Parsons categorically rejects such a formulation of values. For Parsons, values are cultural notions, not objects. Kluckhohn (1951) describes such a formulation as "conceptions of the desirable" that influences human choice and action. For Parsons, values are those beliefs to which people appeal for the ultimate rationales of action.

Though Parsons was the first to bring prominence to values from a cultural perspective, there are prior to Parsons a number of thinkers who wrote from this perspective. Small and Vincent (1848) wrote on the "common will that may, under certain conditions, characterize a whole population" (p. 350). Giddings (1907) wrote of a "social mind that is manifested in the close resemblance between the ideas, emotions, and preferences of any given individual and those of other individuals who live in the same group with him" (p. 20). Even more closely aligned with Parsons was Sumner's (1906) writing, that "mores as the ways of doing things which are current in a society to satisfy human needs and desires, together with the faiths, notions, codes, and standards of well living that inhere in these ways" (p. 59).

It can be clearly seen that Parsons' work echoed

Sumner's notion that mores "pervade and control the ways of thinking in all the exigences of life, returning from the world of abstractions to the world of actions, to give guidance and to win revivification" (p. 59).

Parsons, however, drew his inspirations mainly from the European tradition of Weber and Durkheim. From Durkheim's "conscience collective" and Weber's "protestant ethic and spirit of capitalism," Parsons asserts that values are sanctions to which people appeal, and are transmitted through socialization.

According to Parsons and Smelser (1957), a social system is always characterized by an institutionalized value system. A social system's first and foremost function (functional imperative) is to secure and maintain its value system and its institutionalization. Hence, the success in changing and varying any permanent institutionalization depends on the degree of value alteration. The success of altering a value system appears to stem from two primary sources of pressure to change: cultural and motivational sources.

The cultural source of change may mean "that cultural changes taking place outside the value system relevant to the social system in question (e.g., changes in the belief system) may generate pressure to change important values within the social system" (Parsons and Smelser 1957, p. 17). There are always pressures to maintain stability, and

the tendency to stabilize the system under pressure to change may be called the "pattern-maintenance function." The strength of this function of pattern-maintenance may be detected in the willingness of the members of the system to alter and shift existing values. For example, modern day Asia's embracement of the western cultures can be reflected in its willingness to gradually extricate values of antiquity and internalize shifting dynamics of values.

The degree of willingness to accept changes creates a motivational tension, "arising from strains in any part of the social situation or from organic or other intra-personal sources, (which) may threaten individual motivation to conformity with institutionalized role expectations" (Parsons and Smelser 1957, p. 18). This form of stabilization may be called "tension-management." Again, the indicators of the strength of this tension can be reflected not only in values and cultural changes, but also in behavioral changes.

The second functional imperative concerns the interaction between system and situation such as to facilitate goal attainment. Hence, highly efficient and beneficial interactions between various institutions in a social system will generally have higher rates of success in attaining goal objectives, national and/or system specific. The third functional imperative deals with the problem of controlling the environment for purposes of

attaining goal states. Whenever the mutually beneficial interactions are disrupted between various institutions so as to detain goal attainment, there are institutions designed to alleviate the detainment and to restore the state of mutual agreement. China, in its infant struggle to compete in the world economy, has allowed a destabilization of institutional maintenance in order to achieve its new goal orientation. This is perhaps best seen in China's unpredictable and sudden changes in not only economic policies but also cultural directions.

As stated, the first three imperatives may pertain to potentially supportive actions between units of a system or to mutually obstructive and conflicting actions. The fourth functional imperative for a social system is to "maintain solidarity" between units; this is the imperative of "system-integration." Any system that experiences an injection of foreign ingredients must learn to integrate them into the main stream institutions. Failing to do so will result in disharmony and the disruption of the flow of interaction between units of a system.

This solidarity maintenance reflects perfectly the paradoxical nature of China's situation in welcoming foreign investments, and therefore necessitating the acceptance of the foreign cultures, usually deemed unhealthy while attempting to control and maintain social cohesion. A comparison between the new China and the U.S.



presents a fertile ground for studying the causal relationships between values and behavior; specifically, values and consumption behaviors.

The development of functional imperativism, which replaces Parsons' earlier work characterized as "social activism," has three conceptual units: (1) the recognition that the social system has holistic properties rather than being the aggregate of individual social acts; (2) a shift in emphasis from the individual's meanings of actions to characteristics of the system as a whole; and (3) a stress on the choices available to a participant in a particular social order rather than the individual's interpretive or decisional processes (Wallace 1969).

These developments suggest that "social norms" are necessary and are caused by the integrative imperative in structuring the alternative acts available to the members of a society. Parsons (1937) asserts that a particular relationship between acts and ends "cannot, in general, be conceived as chosen at random or as dependent exclusively on the conditions of action, but in some sense be subject to the influence of an independent, determinate selective factor, a knowledge of which is necessary to the understanding of a concrete course of action" (p. 45).

The explanation of this process prominently features the term "norms," but it has changed from an earlier emphasis on voluntarism," or a rejection of external

sanctions as explanations for normal behavior, to a subsequent stress on the "internalization" of norms produced by inherent social processes at the systemic level.

#### Role-Enactment

Parsons makes a distinction between the role of consumer and the role of producer. The role of the producer is inside the economic sub-system to that of the total society and the role of the consumer is outside of the economic sub-system. But these roles are inter-related; they are connected through the institutionalized value system. And it is in this general value system that we have to look for the reason for economic values and not to individuals as in utilitarianism.

Parsons and Smelser's criticism does not imply a denial of the relevance of the individual level, it only indicates that this level can never be primary. As such, it is first the internalization, by the individual, of a general system of norms and values; and secondly, it is the role-specific system that makes the individuals capable of adjusting themselves to different degrees and aspects of needs according to the various statuses the individuals hold.

Individuals in the sub-system of a social order such as consumers (and producers) must also be imposed upon by

the functional imperatives. The internalized value system and the role-specific behaviors are the guiding and sanctioning posts that lead the individuals through the maze of competing market offerings (Gutman, 1982). We, however, all hold more than one status, and hence are engaged in enacting more than one role. In understanding the importance of the effects of role-enactment, one must observe the "saliency" of one status over the other or statuses that are equally salient. Saliency of role-enactment pertains to the relative importance or dominance of one status over the other. For example, is one foremost a parent or a career person?

Social interaction, such as between the sub-system of the producers and the sub-system of the consumers, is the process by which "behavior" influences (1) the state of the system and (2) each other's states and relations. Every concrete act thus originates in a unit (member) and has effects upon the state of the system and its other component units (Parson and Smelser 1957). In the process of interaction, an act analyzed in terms of its direct meaning for the functioning of the system, "contributing" to its maintenance or task performance, is called a performance. On the other hand, an act analyzed in terms of its effect upon the state of the actor toward whom it is oriented is called a sanction. Every concrete act has both a performance aspect and a sanction aspect. For example, a

parent who dutifully nurses a sick child back to health has not only contributed to the performance of being a "good" parent, but has also condoned his/her sanction toward parenthood.

The idea of "contribution" or "legitimization" will be returned to later. The main focus is that in every act, even in the mundane aspects of consumption, the performance contribution is a function of the expectation of sanction. Conversely, the sanction is a function of the performance contribution.

Closely aligned with and in support of the structural-functional analysis of the economy and society is the systematic exposition of the "symbolic interactionism," which frames an explanation for human action; specifically consumption behaviors, as purposive and situated. The term "purposive" differs from the typical psychological usage in its context and meaning as one might expect. Actors enact a role or perform specific behaviors "purposively" as a confirmation in the legitimization of the role and the capability of self-management (i.e., acting). The metaphor of the theater, as it is derived out of the symbolic interactionism, identifies behavior as a "dramatic expression, an enactment of roles by individuals who seek to identify with each other in their search to create and affirm social order" (Duncan 1968, p. 5). Not at all differently, consumption behavior not only dictates but also contributes

to the performance and sanctioning aspect of being a good parent, a conscientious employee, a caring spouse, a serious athlete, etc. Consumption contributes to and legitimizes the fulfillment of a status occupation.

The explanation of the social order thus becomes one of identifying and describing the acts within society and of explicating the social processes by which the symbols in those acts are developed and employed. The assumption is that, while contexts continually evolve through negotiations, the social order consists of the availability of previously defined episodes. A clear delineation of these ideas was given by Duncan, who describes society as produced by the skillful performance of social actors: "We argue here that human interaction in society is an attempt to create symbols whose use is believed to uphold social order. Social order is considered here as a drama of social hierarchy in which we enact roles as superiors, inferiors, and equals. We enact roles through social interaction, and when we enter a group to interact, we enter hierarchical relationships which are determined by the consensually validated symbols of the group in which we seek to play our part" (Duncan 1968, pp. 10-11).

The idea of performing social roles as being that with which to uphold social order is clearly explained in Parsons' system. Parsons (1951) stresses that "the specifically sociological problem focus with reference to a

sub-system of social action concerns the kinds of value-orientations which are institutionalized in it, and the degree to which and ways in which they are institutionalized to define the roles of the component actors. It concerns the mechanisms of learning of these patterns, and of social control" (p.74).

Parsons presumes that with respect to the role-specification mechanisms as with respect to those value-acquisitions, there is, in a given social role-system, a "hierarchy of learning stages." Thus from a variety of points of view, our societal experience is to be regarded as a series of "apprenticeships" for adult occupational roles. Consequently, it is the individual in the first place who has internalized a general system of norms; in the second place, it is the specific role system in accordance with this general system of norms and values which makes it possible for the individual to adjust to the various roles in the system.

Similarly, Berger and Luckman (1967) make an analysis of what they call "society as objective reality." They see an increasing institutional segmentation in modern industrial society. They postulate two forms of socialization processes which clearly upgrade the internalization sequence to more specificity to comply with today's fast changing society and individuality.

Berger and Luckman argue that primary socialization

consists of the upbringing of the child and its acquisition of a world view. Secondary socialization is the internalization of a reality that is segmented into different institutions. The extent and character of this internalization is dependent on the various socio-economic factors which define the institutional segmentation; such as the division of labor and class. The process of secondary socialization is role-specific. It is the learning of a reality that is segmented into different institutions.

#### Consumption Behaviors as Consequences

Consumption behavior viewed from the perspective of role-enactment derives from the realization that the role as a consumer encompasses and permeates all other roles a person may occupy. At the risk of being redundant, this point needs to be stressed. The focus is not on the primary behaviors which serve to define the status of a person; rather, it is on those consumption-related aspects which accompany the primary behaviors (e.g., the implicit dress codes for the corporate executives or the Mao uniform worn by citizens of China at large). It is a realization that every decision and behavior (performed in any role occupation) reinforces the "contribution" and "legitimization" of the actor's performance within the context of a social system.

This is a time where most societies transact exchanges in a marketplace; the market is the stage on which actors (be they mothers, teachers, or athletes) meet and channel all forms of social interactions through their roles as consumers. In every status an actor occupies, there is a simultaneous acceptance or occurrence of the role as a consumer.

In the U.S., we are in an era where most everything can be and is perceived as a "commodity." Every aspect of an individual's daily life -- whether it is entertainment, recreation, transportation, or even loving -- can in many instances be expressed and satisfied through commodity purchase. There are greeting cards for every occasion, bread must be bought (even if homemade, flour and other ingredients must be bought), pleasures of music appreciation must be bought, even the simple act of jogging must be purchased (everything from running shoes to joining a health club). Does China experience similar conditions? How does China's market condition reflect its socio-political control?

The focus here is on actors who are faced with a myriad of choices, and select from the variety of product offerings those which would legitimize their salient role status with their peculiar value system. From the types and brands of fashion, to choices of energy and heating alternatives, to as mundane a thing as in the brand of



paper towel selected (be it for reasons of deal proneness or brand images), all these contribute and legitimize the linkage between one's value system and the manifest (external) behaviors. Parents interact with their children through consumption (or the manifestation of the values held concerning the role of parents being externalized through material exchanges); whether it be preparing a meal, buying clothes, nursing a child's fever, or sending children to college. Vacation sites and entertainment choices also reflect internalized value systems.

More importantly, the value system in an existing social structure, apart from mere acts of consumption, dictates selection and choice through socially structured goals such as (fleeting though some of them might be) energy conservation, social welfare, socialism, consumerism, family structure, co-op ideology, etc., even something as mundane as being a good parent, or being a hedonist. As such, the consummation of this process of being in a specific social structure and the subsequent value and role socialization is manifested in consumption choices such as modes of transportation, brand selection, vacation sites, entertainment and/or the likes of competing alternatives.

#### Summary

Value internalization and role-enactment provide the

individual with a strategy for coping with a recurrent type of situation: consumption. Most human rituals -- as in consumption behavior -- have more than just an immediate signal value (Wilson 1978); rituals not only label but reaffirm and rejuvenate the values of the social system.

These acts of commodity exchange are within the confines of role-specificity and are, in turn, framed by values where legitimization and consistency are established. Deviations from such consistency and legitimization do exist, and society has its means for enforcing the social order. The persistency of the role of the consumer prepares the stage for comparing the forces driving the patterns of consumption between two opposite societies. The world is rapidly approaching a structure where all needs, physical and otherwise, must be transacted through the common stage of a market.

## C H A P T E R I I

### THE U.S.A. AND CHINA'S TRADE RELATIONS

#### Introduction

In emphasizing a macro approach, no attempt is intended to undermine the utility of other approaches. Macro level constructs, viewed upon as sociological, by themselves can at best explain only very broad patterns of consumption behavior. A sociological construct can be viewed as assigning individuals to categories on the basis of certain attributes or characteristics, which together indicate the construct. In a similar manner in marketing, potential market segments may be found where the individuals can be assigned to categories of behavioral patterns on the basis of a specified set of behavioral responses. It is thus possible to obtain a significant relationship between the sociological construct and the behavioral construct. It is evident that the explanation and prediction of global patterns of behavior are of value to the practitioner.

However, within each category of the social grouping, it might be possible to explain specific behaviors in terms of behavioral covariations with psychological or social-psychological constructs. Thus, sociological constructs can be viewed as enabling the researcher to partition the population of interest into meaningful groups, such that

within each group variables relating to the individual can explain and predict behavior fairly well. The combined use of sociological and psychological constructs in this case implies a hierarchical rather than additive approach.

The following is an attempt to link and extrapolate such constructs as "value internalization" and "role-enactment" in comparative social systems to the consumption behaviors exhibited between them. Value internalization and role-enactment will be presented, and will be related to behaviors exhibited by individuals in given social structures.

The postulate here is to observe individuals socialized under diversely different structures, such as the U.S. and China, and compare how consumption behaviors are exemplified. As such, the results should contribute to the decision process leading to investment opportunities for the U.S. companies in China as related to Chinese people's consumer values, the extent of consumerism, consumption needs, whether role fulfillments are satisfied through consumption, and whether values affect consumption. In comparison to the U.S., the above information may be of importance in gauging China as a potential market.

As political and economic experts fret over the dangers that potentially exist in China's economic reform, Parsons readily offers a look into the workings of a social system. If economics and politics go hand in hand, what

happens to the resolution between capitalism and communism? Even Communist Party theoreticians concede that the communist ideology is in flux, and that Marx unequivocally predicted the collapse of capitalism (Wren 1984b). The Chinese now imply that the outer crust may rot away, leaving a productive core for the foundation of communism. In October of 1984, an article in People's Daily by Li Honglin (as reported by Wren) said that people need not fear capitalism, "In reality, there are many things in capitalism that are useful to socialism, we only want to reject the decadent and reactionary things."

The issue remains whether western consumerism, the kind U.S. companies are wishing and building for, is down the road "reactionary" and "stuff of decadence." When economic and political systems are in flux, value acculturation and role-specific behaviors lose their quality as guiding posts and sanctions. The Chinese officials have criticized the "unhealthy tendencies" incubated by the reforms of the Chinese economic system (Pringle 1985). Such unhealthy tendencies include disco dancing, rock music and even premarital sex. Chairman Deng thus called for an attack on "capitalist thinking" and reminded the public that the ultimate goal is to implement communism. A slowdown in China's economic expansion appears to be in order. Similarly, this phenomenon also surfaced under the guise of "entrepreneurship." No more than ten

years ago, private enterprise and personal wealth were condemned as "tails of capitalism" that must be cut off. They are now showered with honor. Consequent to such shifty policies, stability of a social and political system and the consequences of such stability are top priorities in any investment decisions, domestic or foreign, in need of close examination.

#### Consumerism in China

Visions of a lucrative market in China have been playing on the fancy of American business people since the normalization process between the two countries began in 1972. Bilateral trade has expanded from a \$5 million level in 1971 to a high of \$4.5 billion in 1984. 1983's figure of \$4.4 billion was hampered due to a dispute over the textile trade which led to a Chinese boycott of American agricultural products. Consequently, the U.S. suffered its first trade deficit with China since 1977 (Table 1).

Since the rise to power in 1977 of the party moderates under the leadership of Deng Xiaoping, China's goals have been to modernize its economy and to quadruple the nation's gross national product by the year 2000 to \$1 trillion, approximately the size of Japan's economy today. In achieving its goals, China is courting foreign investment for help. Conversely, U.S. President Ronald Reagan's trip to China in April, 1984 was the third by an American chief

U.S. - China Trade, 1971-1985 (To date)  
(in \$ millions)

	U.S. Exports	U.S. Imports	Total Trade	U.S. Balance
1985	2,700	3,108	5,808	-408
1984	2,016	2,611	4,627	-595
1983	2,173	2,244	4,417	-71
1982	2,912	2,284	5,196	628
1981	3,603	1,895	5,498	1,708
1980	3,749	1,058	4,807	2,691
1979	1,717	592	2,309	1,125
1978	818	324	1,142	494
1977	171	203	374	-32
1976	135	202	337	-67
1975	304	158	462	146
1974	819	115	934	704
1973	740	65	805	675
1972	64	32	96	32
1971	0	5	5	-5

Source: U.S. Department of Commerce  
Bureau of the Census  
FT990/September, 1985

TABLE 1

of state since 1972, illustrating the importance that the U.S. places in establishing a working relationship with China.

As a result of its aggressive reform policies, China's economy has outpaced expected growth rate. Chinese per capita income rose by 6 percent in 1983, to \$350 per annum, boosting demand for color televisions, bicycles, refrigerators, electric fans, and other consumer goods considered luxury items only a few years ago (Cooper 1984). In particular, theater, music, and the graphic arts have experienced a surge of activities; and young people are being encouraged to experiment with Western modes of dress and recreation (Burns 1985). This opens the door to a staggering population of over one billion in China, which has always been merely a dream of fortune to many companies as a source of untapped consumer market.

While size alone makes China a presumed economic power (it is the world's ninth-largest economy), its huge population may only undermine its economic significance in relative terms. Although China's per capita income rose to \$350 in 1983, it is only about the same as that of Haiti or Guinea, far behind that of Taiwan's (Jones 1985).

This dream of fortune in the potential of China's consumer market, however, is fast waning for some companies. When asked, "How about the consumer market in China?", Clay Timon of Doyle Dane Bernbach answered, "Don't



forget that products like Coca-Cola, Polaroid, Kodak, Chivas Regal, and Bic pens are all in China, but they are available only in hotels and tourist spots where they can only be bought, in effect, with hard currency" (Chase 1981). In response to the level of advertising activity, Timon replied, "At a very small level there is advertising that can be done for these products; it would say, if your relatives from Hong Kong come to visit, have them bring you a Shaeffer pen. But that is not a massive market."

Perhaps the most lucrative business is to help sell Chinese products abroad. This business was expected to increase from around \$5 million in 1982 to \$1 billion in 1985 (Chase 1981). McCann-Erickson Jardine began working with the Guangdong Advertising Corp. in 1981, which handles the export advertising for southern China, to develop products, marketing and media research in the U.S. McCann-Erickson billed more than \$200,000 worth of business in 1981, half of it export, compared to \$54,000 the year before. Many U.S. officials already see cheap Chinese imports as the new battle ground for the U.S.; as it was summed up by William T. Archey, acting Assistant Commerce Secretary for International Trade: "By the turn of the century, the big question will not be China as a military threat to the U.S. but China as a major economic competitor" (Jones 1985).

Others are more optimistic, however, about China as a

fertile land for U.S. exports. As reported by a staff writer for Business Week (June 4, 1984), Ogilvy & Mather, for one, projects that its China business will leap by 50 percent in 1985, and that Frankie Cadwell of New York's Cadwell Davis Partners who recently addressed advertising officials in Beijing, Shanghai, and Xian declared, "Until now, there hasn't been a consumer market in China, but it's going to grow so fast that we won't recognize it in three years" (p. 62). U.S. companies are indeed flocking into the China market as never before. Shops have sprung up all over China selling anything from computers, softwares, manpower services, automobiles, satellites, and advice on improving telephone services, to snack foods, soft drinks, and baby foods.

#### China's Turn Down Capitalist Road

U.S. and China's political and trade relationships have undergone many changes and developments, but none so sweeping as China's new plan for introducing capitalist-style market forces and the reduction of governmental control over select industries and businesses (Wren 1984a). The new measures will give greater independence to a million state-owned enterprises and make them compete to survive. The plan also pledged to expand foreign trade, promote younger government technical experts, retire old managers in key industries, and effect more increases in

urban wages contingent on greater productivity.

As restrictions on the entrepreneurial spirit are lifted, foreign business people are being courted as never before. The government is encouraging individual initiative and entrepreneurism, and putting purchasing power into the hands of those who never had it before. Foreign business people hope to translate these activities into more business, albeit with caution.

Business people and politicians alike are aware of Beijing's history of sudden and shifty changes. Optimism is mixed with an expectation of a possible downturn (Bennett 1984). For the moment, however, everyone is ready to do business. Enthusiasm is on the rise again for the largest single untapped consumer market in the world.

#### The Issues of Consumerism in China

As China takes a giant step towards building a supply and demand market structure, it has not abandoned its adherence to communist principles. Although an editorial appearing in the Chinese Communist Party newspaper, People's Daily, stated that "We cannot expect the works of Marx and Lenin in their day to solve all the problems of today," Deng Xiaoping was quick to address the issue by announcing that China is not heading for a restoration of capitalism, but "perfecting communism through capitalism," or, "who cares what color the cat is so long as it catches

mice" (Jones 1985). However, if economics and politics go hand in hand, there may be far reaching consequences. Even Marxists contend that "moral values change and they change in accordance with society's productive forces and its economic relations (Selsam 1943, p.52).

The issues of consumerism in China, therefore, need to be evaluated. While the central government of China is making moves to strengthen its industry, agriculture, science and technology, as well as defense, the question remains as to whether the by-product of a capitalistic system, consumerism, will necessarily be the case for China. There has never been, in China's recent history, free enterprise. As was commented on by a Business Week reader, "Even were it to take 200 years, that (free enterprise) would be sudden in terms of 4,000 years of history. But it is taking place in a few years" (Averill 1985).

#### Summary

Is there an inherent contradiction between the patterns of consumption in a capitalistic society and a socialistic one? What are the governing forces behind the patterns of consumption? China, a nation transformed from a feudalistic society shrouded in western consumerism to a Marxist socialism, is about to emerge as a socialistic society fueled by capitalistic entrepreneurship. It offers,

as never before, an opportunity to compare and study the nature of consumption behavior between two diverse and opposite cultures, the U.S. and China.

The focus of this study is not on political, or economic factors. Rather, the approach is based upon the impetus of social functions and socially structured goals and values in understanding consumption behavior. Recent understanding of consumption behavior has gone far beyond the simple delineation between conspicuous consumption of the rich and the poverty of the proletariat, issued forward by Marxist thinkers as a process of manipulation and indoctrination. Many now address consumption as socially functional and governed by socially structured goals. Further, consumption behavior, as it is intrinsically related to the consumers, is also role-specific.

According to Durkheim (1964), human nature itself sets a limit to the happiness that man is able to feel. If economic development had taken place with the sole aim of satisfying the need for happiness, it would have been much slower than was the case during the period of industrialization. Along with Durkheim, structural-functional sociology holds consumption to be less and less an expression of essential values or wants relevant to individual satisfaction, and objects to a utilitarian economic theory that places the origin of utility within the individual himself.

Parsons and Smelser (1957) in their book, Economy and Society, criticize the bias (as with Durkheim) in individual utilitarianism in that "The goal of the economy is not simply the production of income for the utility of an aggregate of individuals. It is the maximization of production relative to the whole complex of the institutionalized value system and function of the society and its sub-systems. As a matter of fact, if we view the total of the economy as defined strictly by socially structured goals, it becomes inappropriate even to refer to utility at this level in terms of individual preference list or indifference curves" (p. 22).

In light of China as an emerging social system in flux between old and new values, the study's implications are important for U.S. firms in a wide range of corporate policy, managerial, and marketing decision areas. From the corporate policy perspective, decisions must be made regarding the viability of China as a trading partner and feasibility of China as a plant site. Often, success of such decisions depend upon the prevailing atmosphere of the acceptability of the foreign companies by the local people. Furthermore, once a company has decided to venture into China, understanding of the Chinese culture, its mores, ways of living and systems of beliefs, is paramount to the success of effective management. Lastly, the understanding of the forces that shape the patterns of consumer behavior

and the knowledge of the foreign culture is fundamental in the marketing discipline, such as in the design of various products to be offered in China, the level and amount of service and warranty of the products, and the promotional tools to be used.

## C H A P T E R   I I I

### THE MODEL

#### CRITICISMS OF PARSONS' CONCEPT OF VALUE

##### The Lack of Empirical support

One of the main criticisms against Parsons' value system is the fact that relatively few empirical studies support his conceptions. Prior to 1967, only Kluckhohn and Strodtbeck (1961) and Whiting (1966) comprehensively collected data on value-orientations and value-socialization. A few selected studies appeared (Smelser 1959; Lipset 1963; Parsons 1966) thereafter. The results were quite unsatisfactory. As Dennis Wrong (1961) stated, "It is certainly not my intention to criticize the findings of such studies. My objection is that their particular selective emphasis is generalized -- explicitly, or more often, implicitly -- to provide apparent empirical support for an extremely one-sided view" (p. 150).

Such criticisms, however, were met with a recently renewed interest in the field of sociology in Parsons' work. Fallding (1965) issued a reconceptualization of Parsons' approach to values, Baum (1968) examined the cultural values of Germany, Namenwirth and Bibbee (1976) looked into Parsons' concept of value change by analyzing



American political party platforms from 1844-1964, and Spates (1976) studied value differences in dominant and countercultural media in the U.S. and Canada. Even more recently, other studies related to Parsons' conception of values have also begun to appear (Jackson 1974; Dearman 1974; Christenson and Yang 1976; Crawford and Curtis 1979; Christenson 1979). Even though no new studies have appeared on Parsons' functionalism since 1979, it is evident that a close look at Parsons' conception of values is in order for the field of marketing.

#### The Problem of Deduction

The criticism that Parsons' value system stems from an imposition of deductive logic can best be summed up in Wrong's (1961) argument about the "oversocialized conception of man in modern sociology." The core of the argument is that functionalists, such as Parsons, assume the existence of "values" and "norms" which determine and influence actions in life; they fail to consider other "causal" factors such as politics or economics. It is argued that due to such deductive imposition, researchers impose certain categories upon the world. Unobservable reality is forced into a preconceived model. Recent theoretical and methodological development, such as LISREL (Linear Structural Relations), specifically addresses this issue.

The main tenet of LISREL is in the acceptance of unobservable phenomena or constructs. Value, as being criticized, is indeed an unobservable construct. The approach in LISREL is in the systematic gathering of observable factors in that the behavioral manifestations will combine to indicate the elusive (unobservable) constructs such as values. LISREL will be discussed in detail in the methodology section.

#### The Problem of Abstraction

Blake and Davis (1964) contend that Parsons' concept of values is intrinsically a statement of causal relationship which can never be tested. Blake and Davis (1964) argue that, "In other words, unless we have evidence independent of the norms themselves, we cannot logically derive norms from values. Independent evidence, if obtainable, may show that the so-called values are non-existent, that they are consequences of the norms, or that they derive from a third factor which is also responsible for the norms" (p. 461).

LISREL, whose design is intended specifically to ascertain causal relationships, refers to Blake and Davis' caution against the possibility of a third variable contributing to being the cause as an intervening and/or spurious causation. It is important, however, to "understand that no statistical methodology is capable, by

itself, of 'proving' cause and effect" (Dillon & Goldstein 1984, p. 432). Causal relations are derived from theory, i.e., a priori. Detailed discussion of this issue will be in the methodology section.

Recent development in methodology has advanced social scientists' capacity to deal with the abstract and causal nature of many long considered interesting but elusive subjects, including the concept of values. A rekindling of a comprehensive application of Parsons' insightful contribution is due and an acknowledgement in place.

## STATISTICAL METHOD

## Introduction

The structural equation model (Dillon & Goldstein 1984; Heise 1975; Duncan 1975; Goldberger 1972; Blalock 1971), has been referred to as simultaneous equation system, linear causal analysis, path analysis, dependence analysis, etc. It is useful in dealing with many substantive areas in the social and behavioral sciences, including marketing. The structural equation model deals with the phenomenon being studied in terms of cause and effect variables and their indicators.

Causal modeling has as its basic tenet the realization that many constructs being studied in the social sciences, particularly in marketing, such as consumer motivation and attitudes, are in reality unobservable. Typically in marketing, measurements of consumer information seeking, brand or advertising recall, and even such behaviors as product trials, are taken to indicate a direct measurement of the construct being studied, such as consumer motivation.

Causal analysis, in contrast, deals with causal factors as unobservable phenomena. These unobservable causal factors are manifested in ways and events that are observable. The cautionary note is that the observable manifestations are only indicators of the unobservable

constructs and not the constructs themselves. Hence, the more multiple indicators that attest to the unobservable event, the higher the confidence one attributes to the causal linkage. For example, consumer motivation as an unobservable construct can be seen to be manifested in consumers' search for product/service information, attention and recall of advertisements, and/or sending away for product/service brochures; but recall of advertisements or reading of brochures by themselves may not necessarily indicate strong motivation.

Similar to the traditional correlational and variance-covariance studies, causal analysis utilizes the independent (or exogenous) and the dependent (or endogenous) variables. They are, however, the unobservable cause and effect variables. Each of the unobservable exogenous and endogenous variables is associated with a set of observable indicators. The structural parameters represent relatively unmixed, invariant, and autonomous features of the mechanism that generate the observable variables.

LISREL (Linear Structural RELations) is a general computer program developed by Joreskog (1973) for estimating the causal effects of unknown coefficients in a set of linear structural equations. The variables in the equation system may be directly observed variables, unobserved hypothetical construct variables, or latent

variables which are not observed but are related to other observed variables. The model allows for both errors in equations, such as residuals and disturbances, and errors in the observed variables, such as error of measurement and observational errors. The latter is typically assumed to be error-free in traditional variance-covariance analysis. LISREL yields estimates of the residual covariance matrix and the measurement error covariance matrix, as well as estimates of the causal effects in the structural equations.

LISREL assumes that there is a causal structure among a set of latent variables or hypothetical constructs of independent and dependent variables. These latent variables are not directly observed, but there is a set of observed variables that are related to the latent variables. Thus, the latent variables are construed as underlying causes of the observed variables.

#### The Model

The LISREL model consists of two parts: the measurement model and the structural equation model. The measurement model specifies how the latent variables or hypothetical constructs are measured in terms of the observed variables and is used to describe the measurement properties of the observed variables, i.e., validities and reliabilities. The structural equation model specifies the

causal relationships among the latent variables and is used to describe the causal effects and the amount of unexplained variance (Figure 2).

The measurement part of the model consists of the following two systems of equations:

$$Y = \Lambda(y) \eta + \epsilon$$

$$X = \Lambda(x) \xi + \delta$$

The structural equation part of the model consists of the following system of structural relations:

$$\beta \eta = \Gamma \xi + \zeta$$

The  $\beta$  ( $m \times m$ ) and  $\Gamma$  ( $m \times n$ ) are coefficient matrices and

$$\zeta = (\zeta_1, \zeta_2, \dots, \zeta_m)$$

is a random vector of residuals (errors in equations, random disturbance terms). The vectors  $\xi$  and  $\eta$  are not observed, but instead, vectors

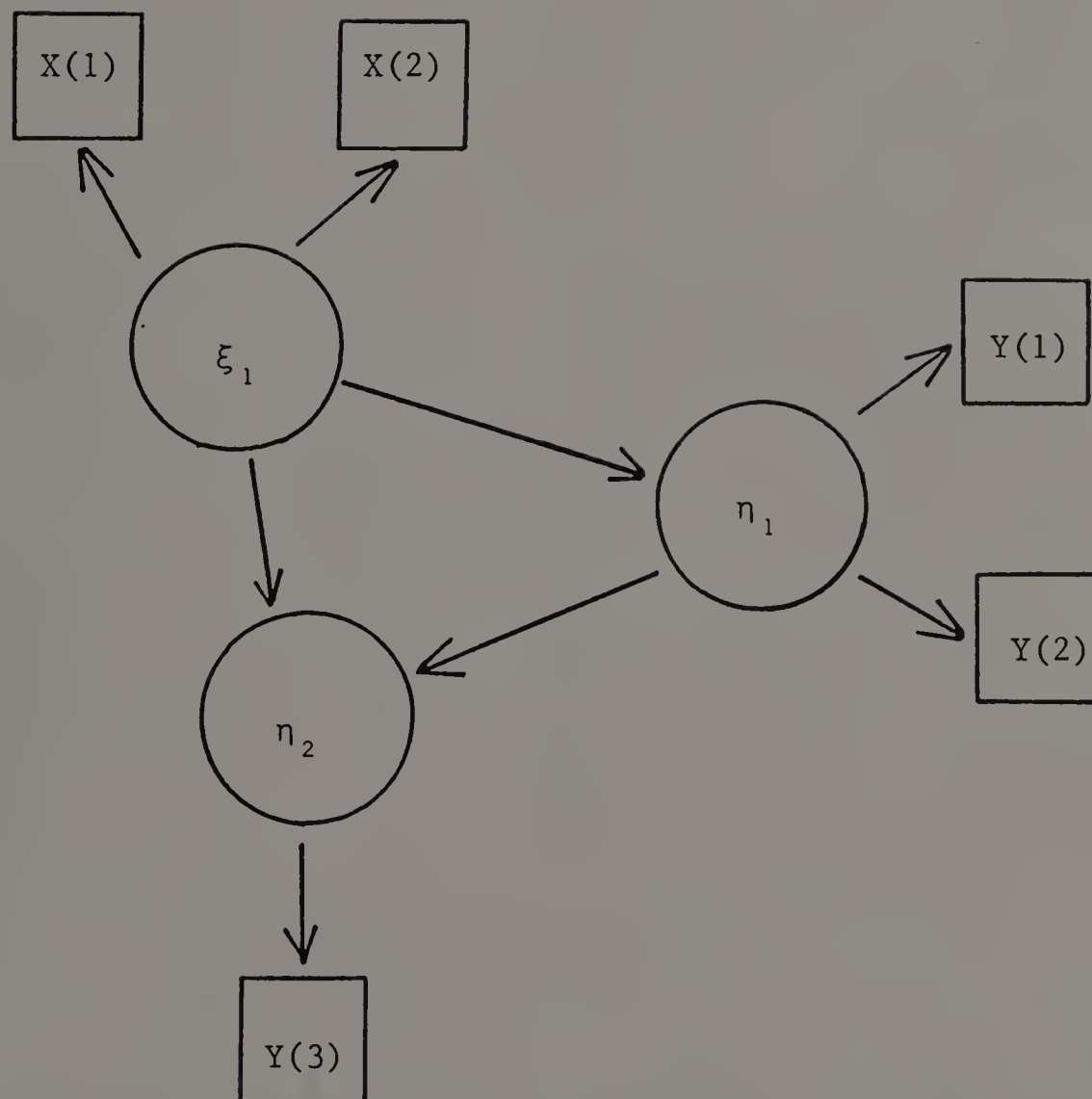
$$Y = (Y_1, Y_2, \dots, Y_p) \text{ and } X = (X_1, X_2, \dots, X_q)$$

are observed.  $\epsilon$  and  $\delta$  are vectors of errors of measurement in  $Y$  and  $X$ , respectively. The matrices

$\Lambda_y$  ( $p \times m$ ) and  $\Lambda_x$  ( $q \times n$ ) are regression matrices of  $Y$  on  $\eta$  and of  $X$  on  $\xi$ , respectively.  $Y$  and  $X$  are referred to as the observed variables and  $\xi$  and  $\eta$  as the latent variables.

#### The Hypothesized Model and Analysis

The proposed model consists of two parts. The first part encompasses the construct of value internalization,



$\xi_1$  = Value Internalization

$\eta_1$  = Role-Enactment

$\eta_2$  = Consumption Behavior

X(1) = General Value,  
VALUE

X(2) = Consumption Value,  
CONVAL

Y(1) = Role-Enactment,  
ROLE

Y(2) = Types of Shopper,  
SHOP

Y(3) = Behavior,  
BEHAVE

Figure 2

CONSUMPTION MODEL



and its relationship to role-enactment and a behavioral construct, consumption. The tolerance for the variety of role occupation ( $\eta_1$ ) and consumption choice ( $\eta_2$ ) are hypothesized to be caused by value internalization ( $\xi$ ). Role-enactment ( $\eta_1$ ) affects and dictates consumption choice ( $\eta_2$ ). The structure of a social system and its value system ( $\xi$ ) should show dissimilar mean differences but similar structural patterns. Thus the two parts of the model are analogous to the structural equation part and the measurement equation part of the general model for the analysis of covariance structures where the variables are continuous. The model in its entirety is presented in Figure 2.

C H A P T E R   I V  
R E S E A R C H   M E T H O D O L O G Y

Data Collection

The data for the American sample were collected in the Hartford area in Connecticut in the summer of 1985. The respondents for the American sample were selected through solicitation at various locations in the Hartford area. Permission was given by the appropriate authorities to allow a research assistant to distribute and solicit respondents to participate in the survey study at two insurance firms (Travelers and Aetna), Holiday Inn, Southern New England Telephone Co., Design Group One (an architectural firm), Continental Cable Co., University of Hartford's Physical Plant, Westfarms Mall, and students in one summer course at the University of Hartford. A total of 153 completed questionnaires were collected for the U.S. sample with various socioeconomic and demographic characteristics (Table 2).

The data for the Chinese sample were collected in Shanghai, People's Republic of China, also in the summer of 1985. Due to Shanghai's historical status prior to the communist regime, it still flourishes today as the center of trade and the mecca of consumer goods. In particular, since Shanghai is not one of the seven privileged special economic zones (where special economic incentives are

## DEMOGRAPHIC BREAKDOWNS OF THE TWO SAMPLES

	U.S.	Chinese
Sex:		
Male	71	124
Female	81	66
Non-response	1	0
Marital Status:		
Single	59	70
Married	76	120
Divorced/Widowed	18	0
Age:		
X < 25	43	36
25 < X < 40	69	98
40 < X < 65	36	40
X > 65	2	16
Non-response	3	0
Education:		
Elementary	0	3
Junior High	0	83
High School	61	52
Trade School/College Trade	6	23
College	74	17
Master Degree	6	0
Ph.D.	6	12
Occupation:		
Professionals/Managers	64	67
Sales/Clerical	42	45
Tradesmen/Laborers/Farmers	26	70
Others (Services)	6	0
Students	14	6
Non-response	1	2

Table 2

## DEMOGRAPHIC CHARACTERISTICS OF THE TWO SAMPLES

		U.S.	Chinese
Annual Income:			
Low:	X < \$20,000	28	
	X < Y600		150
Medium:	\$20,000 < X < \$50,000	64	
	Y600 < X < Y950		30
High:	X > \$50,000	30	
	X > Y950		10
Non-response		31	0
Children:			
Yes		60	105
No		90	85
Non-response		3	0

Table 2 - Continued

attracting investments from the west and experimental policies are allowing local Chinese to own private businesses), its trends in the market dynamic more accurately reflect changing consumer values, needs, wants, and demands in China as a whole without the often accelerated, albeit, superficial influences of the Westerners and people of Hong Kong in the special privileged economic zones. Due to the large influx of foreigners (especially people of Hong Kong in which the local Chinese can easily identify with) in the special economic zones, many western styled entertainment and retail businesses exist catering solely to the foreigners. Such establishments would often give the local Chinese false and unreal expectations of their own wants and needs. On the other hand, because the type of entertainment and retail stores that flourish in Shanghai are for the Chinese, and only limited major foreign hotels provide entertainment strictly for the foreigners, Shanghai represents a more realistic outlook in terms of consumption choices.

The Chinese are always wary and suspicious of any strangers prying into their homes and their private lives with queries. More so still when a stranger who represents any form of established agency, governmental or civilian, is conducting the questioning. This suspicion is generally received or met by politely obliging to the requests while

disguising their responses to fit what they perceive to be the expected or acceptable answers. Such behavior stems from a suspicion of inquiries that is inherently clannish; the Chinese are in general very private and like to keep opinions and feelings within the households.

Such suspicion is especially heightened in the People's Republic of China where people are afraid that any slight abnormality may be interpreted as a form of defiance and/or disloyalty to the party. Hence, everyone has a prepared answer of conformity. On the other hand, once a new acquaintance has been formally introduced (through proper means), the Chinese are quick to establish friendship and will generously open their homes to the new acquaintance.

It was after consultation with several Chinese, the decision was made to enter and collect the data in China through private means as opposed to government or agency sponsorship. The establishment of proper acquaintanceship was through being introduced to close and trusted friends of a few contacts in Shanghai. Note that this introduction does not necessarily obligate the new acquaintances to continue to socialize, but that by obliging to the requests of the new acquaintance, one is "giving face" to a trusted friend who made the introduction. Proper gifts were given to those who made the connections.

Careful and strong assurances were promised that

anonymity would be guaranteed. In fact, once the questionnaire was completed, the responses were transformed to a coding sheet immediately and the original questionnaire returned to the respondent as a show of good faith and anonymity. Of all the people requested to participate, only two showed signs of discomfort and felt pressured. This discomfort was sensed by the researcher and the sessions were terminated in both cases. More often than not, most respondents showed genuine enthusiasm and continued to converse with the researcher on the topic of interest. A total of 190 completed questionnaires were collected in China with various socioeconomic and demographic characteristics represented (Table 2).

## THE SCALES OF MEASUREMENT

### The Value Scales

The construct of overall value ( $\xi_1$ ) is reflected by two indicators, Rokeach's (1973) terminal or end-state values (VALUE) and Vinson, Scott, and Lamont's (1977) valence of consumption demand scale (CONVAL, for consumer value). Each of the two sets of value scales consists of several items; the two indicators, VALUE and CONVAL, result in the summation of their respective terms to form single indicators.

The VALUE scales were constructed by Rokeach (1973) as

an inventory of cultural values. It is a well established and documented instrument which has been used extensively. Rokeach's original intention was to have the value items rank ordered. In this study, the respondents were asked to first rank order the items in terms of preferences (Appendix A) and then indicate the importance of each of the value items in order to utilize the advantage of interval scaled data (Appendix A"). The final score is derived by multiplying the level of importance with the respective rank. This process also eliminates the problem of respondents indicating that all the value items are important.

The valence of consumption related values scales (CONVAL), were derived by Vinson, Scott, and Lamont (1977). The scales tap those consumption specific values. Again, the respondents were asked to rank order the consumption value items first (Appendix B) and then indicate the level of importance (Appendix B"). The final score is derived by multiplying the level of importance with the respective rank.

#### Role-Enactment Scales

The scales for consumption related role performance (ROLE, Appendix C) and the kinds of shopper one is most likely to be (SHOP, Appendix D) form the two indicators for the construct role-enactment ( $\eta_1$ ). The scales for



consumption related role performance (ROLE) were constructed by Schiffman and Kanuk (1978). The scales tap those role performances that are especially relevant for buying behavior. The assumptions are that core values are expressed through some manifestations in life and can be satisfied by many product classes. For example, the task is to identify the individuals who attach a high priority to achievement and success and who believe, or can be convinced to believe, that the seller's product expresses that particular value.

The scales for the psychographic segments that form the types of shoppers (SHOP, Appendix D) were derived through a national study conducted by the Newspaper Advertising Bureau with 4,000 respondents who completed questionnaires containing 300 psychographic questions, several dozen questions about product use, and questions about exposure to various media. The psychographic questions were reduced to a smaller set of scales by R-type factor analysis, and the resulting factor scores were placed into Q-type factor analysis to categorize the respondents into relatively homogeneous groups. The 8 groups formed 8 psychographic segments where each segment's associated product usage questions formed the scales for SHOP. Each of the two sets of scales is summed over its respective items to form single indicators.

### Consumption Behavior Scales

The behavior construct ( $\eta_2$ ) is indicated by the consumption choice scales (BEHAVE, Appendix E). The scales are behavioral items that tap into a person's likelihood to act in a certain manner in a given situation. The items were generated by a group of judges who read the value items and indicated their intended behavioral manifestations of the values. As with the other scales, the items are summed to form a single indicator for BEHAVE.

### The Translation of the Measurement Scales into Chinese

The consumption choice (BEHAVE) scales were chosen to indicate generalized activities and product classes rather than specific product items. This is in accord with Douglas and Craig's (1983) suggestion that in measuring product or consumption importance in cross-cultural surveys, the researcher should utilize global product classes rather than specific product items in order to prevent the problem of product equivalence between societies. In other words, It is better to speak of activities of "home entertainment" rather than to try to establish functional equivalency between a "color TV" for the Americans with perhaps a "radio" for the Chinese when surveying consumption needs.

A multi-stage translation process of the survey questionnaire was adopted (Douglas and Craig, 1983). The English version of the questionnaire was first translated

into Chinese by the researcher and a Chinese Ph.D. (foreign) student in the business school at the University of Massachusetts, Amherst. The final version of this collaboration was then consulted with and edited by a visiting journalist of the China Daily Newspaper from Beijing, China. All the while, the different drafts were closely scrutinized to prevent conceptual deviation from the original English version of the questionnaire.

The final version of the translation was then brought into Shanghai where a group of four local Chinese worked independently with the researcher in editing the idioms and syntactical structures of the translation. Often, entire phrases had to to be rewritten. The four local Chinese then met with the researcher together in one sitting to arrive at the final Chinese version of the questionnaire where all five people agreed (Appendix G). This final version was taken to a print shop where it was professionally typed and printed according to Chinese standards and format.

C H A P T E R V  
ANALYSIS AND RESULTS

INTRODUCTION

The data from the two samples will first be examined for their degree of association by using the Chi-square test. The straightforward look at the distribution of the frequencies of responses for each of the variables between the two samples would lend initial insight and direction for further investigation. Mean difference tests will then be performed in order to inspect response variations between the two samples. The last section of this chapter will deal with the main issues at hand by examining the LISREL findings.

MEASURES OF ASSOCIATION

The Chi-square Test Statistics

The Chi-square goodness-of-fit test concerning  $k$  specified cell probabilities may be summarized as follows:

Null hypothesis: Each of  $k$  cell probabilities is specified.

Alternative hypothesis: At least one of the cell probabilities differ from the hypothesized value.

$$\text{Test statistics: } \chi^2 = \sum_{i=1}^k \left| \frac{(O_i - E_i)^2}{E_i} \right|$$

Where  $O_i$  = observed frequencies and  
 $E_i$  = expected frequencies.

Some researchers such as Siegel (1959) and Dixon and Massey (1969) suggest that the Chi-square test concerning  $k$  specified cell probabilities be used only when all the expected frequencies ( $E_i$ ) exceed five or more. This requirement is perhaps too stringent. Cochran (1954) indicates that the test statistics should be quite good if no  $E_i$  is less than one and approximately 20% of the  $E_i$ 's are less than five. Further, Ott (1977) recommends combining categories (with care) in order to achieve Cochran's guidelines. Following Cochran and Ott's recommendation, a three level score for each of the five constructs (VALUE, CONVAL, ROLE, SHOP, and BEHAVE) is formed for the purpose of the Chi-square tests of independence only. The combining of categories appears appropriate here because the cell frequencies are below the standard specified, and that the Chi-square test is utilized only as a preliminary and directional procedure.

### Measures of Association Between the Two Samples

The frequencies of responses were compared for each of the five constructs (VALUE, CONVAL, ROLE, SHOP, and BEHAVE) between the two samples. Every one of the five variables shows significant association with respect to membership within the two groups. In other words, the frequencies of responses show more than mere chance distribution by the two groups insofar as the patterns of response distributions are concerned.

As a result, the frequencies of response for VALUE by the U.S. sample show distribution patterns distinctively different ( $p = .00$ ) than the responses for VALUE by the Chinese sample with  $\chi^2 = 160.18$  and  $df = 2$ . Similarly, the results show a significant association ( $p = .00$ ) between the responses of CONVAL and their respective samples ( $\chi^2 = 102.605$  and  $df = 2$ ). Subsequent Chi-square tests for the remaining three variables show similar results; with

$\chi^2 = 27.03$ ,  $df = 2$ , and  $p = .00$  for ROLE,  $\chi^2 = 8.41$ ,  $df = 2$ , and  $p = .02$  for SHOP, and  $\chi^2 = 109.91$ ,  $df = 2$ , and  $p = .00$  for BEHAVE. Table 3 gives a summary of the results for the above Chi-square tests between the five constructs and the two samples. Results here demonstrate the differences in association as attributed to between-group variation rather than within-group variation.

Having shown through the above tests that the

Measures of Association  
Between the 5 Constructs and Culture

	$\chi^2$	df	p
VALUE by Culture	160.18	2	.00(*)
CONVAL by Culture	102.60	2	.00(*)
ROLE by Culture	27.03	2	.00(*)
SHOP by Culture	8.41	2	.02(*)
BEHAVE by Culture	109.91	2	.00(*)

Culture: The U.S. vs. China

(\*): Significant Association

Table 3

frequencies of responses were statistically associated with the membership in a particular sample, the next task is to show (within each of the two samples) whether there will be significant associations between the responses and the respondents' demographic characteristics.

#### Measures of Association Between Occupations

The occupational category consists of (1) professionals and managers; (2) clerical and sales workers; (3) tradesmen, laborers, farmers, and other service workers. The student group is not included due to cell size limitations in this instance. Chi-square tests were performed to look for association of responses for each of the five constructs with the three occupational categories. The U.S. sample and the Chinese sample were examined separately for the Chi-square tests. The approach here is to look for within-group associations rather than the across-group associations as discussed in the earlier sections.

Not surprisingly, according to the theoretical framework, at the macro level people's concepts of such constructs as VALUE, CONVAL, ROLE, SHOP, and BEHAVE are very much similar and homogeneous within a given society. As much as one would like to think that occupational status contributes greatly to our values and concepts of being, people in one society are indeed more homogeneous than



those from a diversely different society. The results for the Chi-square tests between the five constructs and the three levels of occupational categories are summarized in Table 4. The implication here is that, within each of the two samples, no statistical association is observed to indicate that there are any relationships between frequencies of responses and job occupation.

The only exception here is in the U.S. sample. The evaluation of the kind of shopper one is is significantly related to occupational differences. It appears that occupational status contributes more than the other four constructs to an American's self perception of the kind of shopper one is. It seems reasonable to argue that for an American, different occupational status places greater diversity in purchase demands than for a Chinese (whose occupational status does not depend on purchase patterns such as apparel, home furnishings, make of transportation vehicle, etc.). The proverbial image of a Chinese is one in which every one, man or woman, wears a white shirt, a pair of dark colored pants, and rides a bicycle, regardless of occupational differences.

#### Measures of Association Between Salary Levels

To continue the examination, that within each of the two samples, various demographic backgrounds do not illustrate associational relationships with the five

Measures of Association  
Between the 5 Constructs and Occupation

	U.S.			Chinese		
	$\chi^2$	df	p	$\chi^2$	df	p
VALUE by Occupation	1.86	4	.76	1.95	4	.74
CONVAL by Occupation	8.91	4	.06	9.11	4	.06
ROLE by Occupation	.92	4	.92	1.38	4	.85
SHOP by Occupation	11.50	4	.02(*)	3.58	4	.46
BEHAVE by Occupation	5.98	4	.20	1.74	4	.78

(\*): Significant Association

Table 4

constructs, the next demographic variable is salary level. Due to the diversely different standards of living, income is categorized into low, medium, and high in order to make meaningful comparisons. For the U.S. sample, the low income category has been chosen to be persons with an annual income of less than \$20,000, medium income to be greater than \$20,000 but less than \$50,000, and high income to be greater than \$50,000. In the Chinese sample, annual income of less than Y(Yuan)600 will be considered low, income of greater than Y600 but less than Y950 will be considered medium, and income of greater than Y950 will be considered high. At the time of data collection, the exchange rate is approximately Y2.50 to \$1.00. Due to the small number of high income respondents, only low and medium income categories are used for the Chinese sample.

Once again, within each of the two samples, no statistically significant associations were observed to indicate that different levels of income resulted in diversely different responses associated with the five variables. Hence, there appears to be homogeneous responses concerning the constructs across all income levels within each of the two samples. The results are summarized in Table 5.

#### Measures of Association Between Marital Status

It may be conjectured that being married or being

Measures of Association  
Between the 5 Constructs and Income

	U.S.			Chinese		
	$\chi^2$	df	p	$\chi^2$	df	p
VALUE by Income	2.98	4	.56	2.75	2	.25
CONVAL by Income	4.12	4	.39	1.45	2	.48
ROLE by Income	5.92	4	.20	.24	2	.88
SHOP by Income	4.43	4	.35	.20	2	.90
BEHAVE by Income	2.29	4	.68	2.43	2	.29

(\*): Significant Association

Table 5

single would significantly alter a person's outlook on life, his/her values and purchase behavior, etc. Thus, Chi-square tests were conducted to investigate the responses to the five constructs as they associate with marital status. Divorced and widowed category is dropped due to inadequate cell size for both samples. The results as indicated by Table 6 show little significant association between marital status and the responses to each of the five constructs within each of the two samples.

Even though the Chinese show no statistically significant dependence between marital status and role expectation, the Americans, show significant association between marital status and role expectation. Seemingly, the Americans alter quite significantly their role expectations after marriage. For the Chinese, role expectations being well defined, getting married means doing what one has always been prepared to do. The difference in role performance is not necessarily manifested through marital status. For both samples, however, purchase demands are affected by marital status. Once again, within each of the two samples, the responses appear to show basically little variations that may indicate one category of people to respond differently than another category of people.

#### Measures of Association Between Family Size

The next category to be examined is whether having

Measures of Association  
Between the 5 Constructs and Marriage

	U.S.			Chinese		
	$\chi^2$	df	p	$\chi^2$	df	p
VALUE by Marriage	1.71	2	.42	.45	2	.79
CONVAL by Marriage	2.19	2	.33	2.20	2	.33
ROLE by Marriage	14.26	2	.00(*)	3.55	2	.17
SHOP by Marriage	15.96	2	.00(*)	10.55	2	.00(*)
BEHAVE by Marriage	3.74	2	.15	.95	2	.62

(\*): Significant Association

Table 6

children or not will have significant association with the responses. Results show some significant associations between frequencies of responses and having children (Table 7). It appears that child rearing is an important stage in the lives of Americans. For the Americans, general life values and consumer values are not related or altered by having children, but role expectation, the kinds of shopper, and consumption behavior are significantly related to having children.

For the Chinese sample, only the types of shoppers one identifies with (SHOP) show significant association with having children. Births have always been very significant events in Chinese families. Recent attempts to curb China's birth rate, recommending only one child per family (Banister 1984), would no doubt influence the identification with the kinds of shopper one is.

The above significant association appears to indicate that for a Chinese, who by strict family planning guidelines may have only one child, appears to significantly alter one's concept of oneself as a shopper. For a Chinese who finds him/herself between the traditional familial ideals and the legality of having only one child, he/she may significantly alter his/her life pattern as a shopper. Having a child is perhaps the greatest and most significant event for a person in China today. Other constructs are not varied in that value choices, role

Measures of Association  
Between the 5 Constructs and Child

	U.S.			Chinese		
	$\chi^2$	df	p	$\chi^2$	df	p
VALUE by Child	.87	2	.64	.90	2	.63
CONVAL by Child	.02	2	.99	.71	2	.70
ROLE by Child	10.79	2	.00(*)	3.40	2	.18
SHOP by Child	8.57	2	.01(*)	16.70	2	.00(*)
BEHAVE by Child	6.64	2	.04(*)	4.13	2	.13

(\*): Significant Association

Table 7



perception, and behavior alternatives are quite limited to effectively show any differences in purchase outcome and life style having a child or not may bring.

#### Measures of Association Between Age Groups

Having shown that within the different demographic categories examined thus far of each of the two samples there is, in general, little significant association between the frequencies of responses and the demographic factors, the next factor to consider is that of age. Age has been broken down into three categories: (1) less than 25 years old; (2) greater than 25 but less than 40; (3) greater than 40 but less than 65. The results are summarized in Table 8.

Age appears to have significant association with only the responses for ROLE for the U.S. sample. It is understandable that the apparent heterogeneity of life styles in the U.S. are affected or manifested more through the age group than other demographic factors in what we generally refer to as "acting our age"; whereas the concepts of life styles in China are far more homogeneous across diverse age groups to affect differences in behavior and perception. Further, in the U.S., age and having a family in general are more likely determinants of role statuses and therefore, are logical derivatives of role concepts.

Measures of Association  
Between the 5 Constructs and Age

	U.S.			Chinese		
	$\chi^2$	df	p	$\chi^2$	df	p
VALUE by Age	5.15	4	.27	1.41	4	.84
CONVAL by Age	3.09	4	.54	4.54	4	.33
ROLE by Age	21.13	4	.00(*)	8.06	4	.09
SHOP by Age	8.89	4	.06	6.09	4	.19
BEHAVE by Age	8.29	4	.08	1.81	4	.77

(\*): Significant Association

Table 8

### Measures of Association Between Educational Levels

Lastly, educational levels are examined for their association with the five constructs. Education has been broken down into categories according to the highest degree attained. Once again, within each of the two samples with the exception of education and consumer value (CONVAL) in the Chinese sample, no significant association was found between levels of education and frequencies of responses regarding the five variables (Table 9). In the case of the Chinese, as a person becomes more educated, there may be greater tendencies to become more aware of consumption values. The diversity and awareness of consumption values therefore vary according to the diverse educational opportunities. On the other hand, consumer awareness appears to be better ingrained in the minds of Americans across all levels and classes of people to the extent education does not appear to be an influential factor in determining the Americans' sensitivity to consumerism.

### Summary

In summary, the Chi-square tests show that when compared across the two samples, there is a distinct and significant association between the measurement of responses and the sample from which the responses are drawn. On the other hand, when compared within each of the

Measures of Association  
Between the 5 Constructs and Education

	U.S.			Chinese		
	$\chi^2$	df	p	$\chi^2$	df	p
VALUE by Education	2.33	4	.67	3.23	4	.52
CONVAL by Education	5.89	4	.21	10.08	4	.04(*)
ROLE by Education	1.29	4	.86	3.10	4	.54
SHOP by Education	5.00	4	.29	2.89	4	.57
BEHAVE by Education	6.10	4	.19	8.49	4	.07

(\*): Significant Association

Table 9

two samples, there is in general little overall association between the measurement of responses and the demographic factors. Thus, it can be seen that the macro level constructs measured here appear to be very homogeneous within the confines of the society; but heterogeneous when compared across two diversely different societies.

#### TESTS OF MEAN DIFFERENCES

Having established that there is a significantly distinct pattern of association between the two samples and the frequencies of responses regarding the five constructs but not within each of the two samples, the next set of tests examines the mean differences. T-tests are to be used to examine the differences of means between the two samples regarding the five constructs and the set of items which make up the five constructs.

As expected, the mean differences between the two samples of the five constructs (VALUE, CONVAL, ROLE, SHOP, and BEHAVE) are all significantly different (Table 10). As was described earlier in the chapter, each of the five observable constructs is the summated result of several items; the next set of tables (Tables 11-15) are summaries of the mean difference results for each of the items as compared between the two samples.

There are a total of 67 items that respectively sum up

## Mean Differences Between the U.S. and Chinese

	U.S.	Chinese	t	p
VALUE	25.988	30.61	16.09	.000(*)
CONVAL	18.480	15.80	10.64	.000(*)
ROLE	3.20	2.82	6.23	.000(*)
SHOP	2.96	2.81	2.91	.004(*)
BEHAVE	3.24	2.77	12.15	.000(*)

(\*): Significant Differences

Table 10

to form the five constructs, and 55 out of the 67 items show significant mean differences when compared between the two cultures. In terms of the general values, all 12 value items show significant differences between the two groups (Table 11). It is interesting to note that aside from "having an exciting and active life" and "being mindful of religious teachings", all the other value items were rated as more important by the Chinese than by the Americans. The Chinese show, to some extent, incompatible values such as being very career-minded as well as very family-oriented and willing to give up career advancement. One could only surmise that for the modern day Chinese, as opposed to the Americans, each individual in China must conform to two sets of value systems. On the one hand, the Chinese are traditionally very family and socially oriented, but on the other hand, the communist doctrine dictates a set of achievement and accomplishment oriented values.

Consumer value (CONVAL) appears to demonstrate the state of consumerism that exists in China (Table 12). Other than wanting courteous and helpful services (as with the Americans), the Chinese lag in clearly defined consumer values. The Americans, over and above the Chinese, demand more accurate information regarding products, warranty service or replacement, product related services, and reliability in advertising claims.

In terms of role-specific consumption demands, the two

Mean Differences Between the U.S. and Chinese  
Items From the VALUE Scales (Appendix A")

	U.S.	Chinese	t	p
Sociable	3.12	3.78	5.76	.000(*)
Active	3.71	2.77	7.46	.000(*)
Friendly	4.02	4.72	8.21	.000(*)
Pleasure	3.68	4.85	11.29	.000(*)
Respect	3.20	5.02	15.49	.000(*)
Family	4.46	5.36	10.31	.000(*)
Freedom	4.01	4.24	1.94	.050(*)
Religious	2.73	2.12	4.72	.000(*)
Nature	3.08	3.77	5.65	.000(*)
Achieve	4.22	5.20	9.38	.000(*)
Comfort	3.92	4.68	7.34	.000(*)
Energy	2.93	3.45	4.07	.000(*)

(\*): Significant Differences

Table 11



Mean Differences Between the U.S. and Chinese  
Items From the CONVAL Scales (Appendix B")

	U.S.	Chinese	t	p
Information	4.12	3.42	7.23	.000(*)
Protection	3.60	4.46	7.16	.000(*)
Warranty	3.92	1.94	17.70	.000(*)
Service	4.07	3.66	4.06	.000(*)
Convenience	3.26	4.07	7.47	.000(*)
Need	3.72	1.39	24.49	.000(*)
Courteous	4.02	4.03	.12	.900
Reliable	3.78	3.32	3.68	.000(*)

(\*): Significant Differences

Table 12

cultures show distinct variations (Table 13). The Americans and the Chinese are very function-oriented in that they seek time-saving products and services and things that are functional. The Americans, on the other hand, are practical as well as more likely to purchase a product simply as a reward for self-worth, more luxury oriented, seek uniqueness and youth-enhancing products and services.

Table 14 shows the comparison regarding the types of shoppers between the people of the two cultures. Once again, as expected, the two groups show significant differences in all the types other than being price conscious. The Americans are more fashion conscious, self-expressive, impulsive when buying, and quality oriented. The kind of shopper the Chinese most identifies with is the person who is a very practical shopper, and the person is interested in real needs, not unnecessary things.

Lastly, behavioral patterns also show significant differences between the two cultures (Table 15). Only seven out of 31 behavioral items show non-significant differences. Since the behavioral patterns are the manifestation or the expression of values, the variations between the two cultures follow similar patterns as with value items.

Mean Differences Between the U.S. and Chinese  
Items From the ROLE Scales (Appendix C)

	U.S.	Chinese	t	p
Reward	2.80	1.77	7.36	.000(*)
Time	3.59	3.61	.26	.790
Function	4.08	4.07	.05	.960
Satisfying	3.63	4.31	5.00	.000(*)
Luxury	3.61	2.40	10.23	.000(*)
Uniqueness	3.08	2.02	7.91	.000(*)
Trendy	2.34	2.25	.64	.530
Youthful	2.43	2.12	12.31	.020(*)

(\*): Significant Differences

Table 13

Mean Differences Between the U.S. and Chinese  
Items From the SHOP Scales (Appendix D)

	U.S.	Chinese	t	p
Fashionable	2.78	1.93	6.34	.000(*)
Expressive	3.56	2.32	10.33	.000(*)
Status	2.64	3.43	6.30	.000(*)
Impulsive	3.18	1.85	10.75	.000(*)
Quality	3.99	2.87	10.06	.000(*)
Pricing	3.55	3.56	.05	.960
Conservative	1.79	2.65	7.56	.000(*)
Practical	2.07	3.84	14.98	.000(*)

(\*): Significant Differences

Table 14

Mean Differences Between the U.S. and Chinese  
Items From the BEHAVE Scales (Appendix E)

	U.S.	Chinese	t	p
Providing	4.12	3.09	8.69	.000(*)
Socialize	3.75	3.29	4.25	.000(*)
Meet	3.29	2.26	8.53	.000(*)
Basic	3.90	3.75	1.43	.150
Urbanval	2.94	3.99	8.11	.000(*)
Leisurely	3.23	2.69	3.72	.000(*)
Trying	2.46	2.47	.10	.920
Manage	2.70	1.93	5.02	.000(*)
Charity	2.91	2.12	6.37	.000(*)
Owning	2.69	1.42	9.42	.000(*)
Religion	2.67	1.69	7.41	.000(*)
Healthy	4.07	3.06	8.49	.000(*)
Touch	3.42	2.85	4.64	.000(*)
Stranger	2.92	1.95	7.79	.000(*)
Regularity	3.04	2.93	.840	.400

(\*): Significant Differences

Mean Differences Between the U.S. and Chinese  
Items From the BEHAVE Scales (Appendix E)

	U.S.	Chinese	t	p
Outdoor	3.61	2.61	8.41	.000(*)
Relax	3.42	2.24	9.36	.000(*)
Travel	3.51	2.26	8.41	.000(*)
Goal	3.92	3.15	6.61	.000(*)
Approval	3.44	3.58	1.32	.180
Speak	3.78	3.69	.96	.340
Observe	2.57	1.82	5.91	.000(*)
Whim	2.87	2.20	5.03	.000(*)
Grooming	4.22	2.85	11.88	.000(*)
Fashion	2.58	1.55	8.48	.000(*)
Pollution	2.89	3.56	5.40	.000(*)
Conserve	3.72	4.03	2.78	.000(*)
Public	2.05	3.86	14.13	.000(*)
Museum	3.03	2.27	5.47	.000(*)
Skip	3.11	3.35	1.70	.090
Sales	3.38	3.17	1.70	.090

(\*): Significant Differences

## MODEL TESTING WITH LISREL

## Introduction

As discussed earlier, value internalization, role-enactment, and consumption patterns are notions that exist in our abstract mind. One cannot literally see and measure such abstract constructs, they exist as descriptors to explain behavioral phenomena. The attempt to illustrate the existence of such notions as value internalization and role-enactment and their relationship to behavioral patterns is through the gathering of observable manifestations that may exemplify such abstract notions and test for the significance of the relationship. Hence, the relationship between the abstract, unobservable constructs is the "factor structure" that link the observable behavioral manifestations together. Further, the goodness of "fit" is the degree of closeness between the theoretical or hypothesized relationship of the abstract unobservable constructs with the actual observed and collected data.

## Factor Invariance Tests

According to Joreskog's (1979) suggestion regarding the comparison between two samples, the U.S. and Chinese samples are tested to ascertain the degree to which they exhibit similar factor structure. Thus, prior to testing any specific model, a sequence of tests needs to be conducted to demonstrate whether there is a similar or

invariant factor structure underlying the U.S. and Chinese groups.

The LISREL model can be used to test equality of covariance matrices of the observed variables. The goodness of fit of the whole model may be judged by means of the overall  $\chi^2$  measure and its associated degrees of freedom and probability level. If the model is correct and the sample size sufficiently large, the  $\chi^2$  measure is the likelihood ratio test statistic for testing the model against the alternative that the variance-covariance matrix (  $\Sigma$  ) is unconstrained. The degrees of freedom for  $\chi^2$  are

$$df = K(K+1)/2 - t$$

where  $K$  is the number of observed variables analyzed and  $t$  is the total number of independent parameters estimated. The probability level of  $\chi^2$  is the probability of observing a value larger than the value actually obtained given that the model is correct.

Although the  $\chi^2$  measure may be derived theoretically as a likelihood ratio test statistic for testing the hypothesis that  $\Sigma$  is of the form implied by the model against the alternative that  $\Sigma$  is unconstrained (Joreskog, 1977), it should be emphasized that such a use of  $\chi^2$  is not valid in most cases for several reasons. First, in most empirical work the model is only tentative and is regarded as an approximation to reality. From this



point of view the statistical problem is not one of testing a given hypothesis (which "a priori" may be considered false) but rather one of fitting the model to the data and to decide whether the fit is adequate or not. Instead of regarding  $\chi^2$  as a test statistic, one should regard it as a goodness (or badness) of fit measure in the sense that large  $\chi^2$  values correspond to bad fit and small  $\chi^2$  values to good fit. The degrees of freedom serve as a standard by which to judge whether  $\chi^2$  is large or small. Other indices and measures of overall fit such as the goodness-of-fit index (GFI) and the root mean square residual (RMR) are discussed in the next section.

The first test consists of testing that the population covariance structure is invariant across the two populations from which the samples are drawn. The acceptance of this hypothesis implies the invariance of the population covariance structure where any factor model that fits one group will fit the other as well (within sampling error). The test of the hypothesis of equal variance-covariance matrices between the two samples:

$\Sigma(1) = \Sigma(2)$  yielded:

a  $\chi^2$  value of 44.80 with  $df = 15$  and  $p = .000$ .

Hence, the variance-covariance matrices for the U.S. and the Chinese are different. Further testing is required to ascertain structural variations. As will be seen, subsequent tests do indicate factor invariance between the

two samples. The inability to accept the first test of variance-covariance invariance, however, does not preclude the possibility of observing similarities in the structural relationships between the two samples (to be discussed later).

The next test is to test the invariance of the number of factors, the loadings, and the structural patterns between the two groups. In other words, the structural model was set fixed while the measurement model was set free between the two samples. The test yielded:

a  $\chi^2$  value of 17.93 with  $df = 12$  and  $p = .118$ .

Hence, the number of factors were the same for the U.S. and Chinese even though the variance-covariance matrices were different between them; and the loadings were also invariant.

The next test of factor invariance is to fix the equation errors of the structural model while letting the measurement errors be free. Here, the structural model is still fixed but the equation errors of the structural model are now fixed with only the measurement errors set free. This more restricted test yielded:

a  $\chi^2$  value of 19.65 with  $df = 14$  and  $p = .142$ .

Once again, the overall model is still a fitting one with the restrictions added that only the measurement errors be allowed to vary between the two samples. In other words, the model is still invariant.

The last test of factor invariance is the most restrictive whereby every aspect of the structural and measurement models is fixed to be invariant between the two samples. The test yielded:

a  $\chi^2$  value of 22.38 with  $df = 18$  and  $p = .216$ .

It can be concluded that the U.S. and the Chinese groups show invariant factor structure, i.e., the factor model that fits one group fits the other as well. Specific testing of the goodness (or badness) of fit of the theoretical model is conducted by using LISREL and discussed in the next section.

#### Model Testing

As was discussed in Chapter III, LISREL is a general computer program for estimating the unknown coefficients in a set of linear structural equations. The variables in the equation system may be either directly observed variables or unmeasured latent variables (hypothetical construct variables) which are not observed but related to observed variables. The computer program is based on a general model which is particularly developed to handle models with latent variables and measurement errors.

It is assumed that the distribution of the observed variables can be described, at least approximately, by the mean vector and the covariance matrix. The mean vector is unconstrained; so the estimation is essentially that of

fitting the covariance matrix  $\Sigma$  implied by the model to the sample covariance matrix  $S$ . The Maximum Likelihood estimates (utilized by LISREL) are obtained by means of an iterative procedure which minimizes a definite fitting function, by successively improving the parameter estimates starting with the initial estimates (provided by LISREL, which uses the Least Squares methods).

An important part in the application of LISREL is the assessment of the fit and the detection of lack of fit of the model. LISREL provides several tools for this purpose. The assessment of the overall fit of the model to the data concerns such diagnostic indicators as the  $\chi^2$  measure and its associated degrees of freedom and probability level, the goodness-of-fit index (GFI), and the root mean square residual (RMR). The details of the  $\chi^2$  measure were discussed earlier. Suffice it to say that if the model is correct, the  $\chi^2$  measure is the likelihood ratio test statistic for testing the model against the alternative that the  $\Sigma$  is unconstrained, i.e., the theoretical (or fitting covariance) matrix  $\Sigma$  equals the sample covariance matrix  $S$ .

The goodness-of-fit index (GFI) is a measure of the relative amount of variances and covariances jointly accounted for by the model. Unlike  $\chi^2$ , GFI is independent of the sample size and relatively robust against departures from normality. Unfortunately, however, its statistical

distribution is unknown, even under idealized assumptions, so there is no standard with which to compare it. Thus, the measure for GFI should be between zero and one; where the closer to one the measure is, the more variance and covariance the model can account for.

The root mean square residual (RMR) is a measure of the average of the residual variances and covariances. This is interpreted in relation to the sizes of the observed variances and covariances in  $S$ . It should be emphasized that the measure of  $\chi^2$ , GFI, and RMR are only measures of the overall fit of the model to the data.

Other indicators of a good model are squared multiple correlations and coefficients of determination. LISREL gives squared multiple correlations for each observed variable separately and coefficients of determination for all the observed variables jointly. It also gives squared multiple correlations for each structural equation and coefficients of determination for all structural equations jointly.

The squared multiple correlation is a measure of the strength of relationship, and the coefficient of determination is a measure of the strength of several relationships jointly. The measures show how well the observed variables serve, separately or jointly, as measurement instruments for the latent variables. These coefficients are between zero and one, large values being

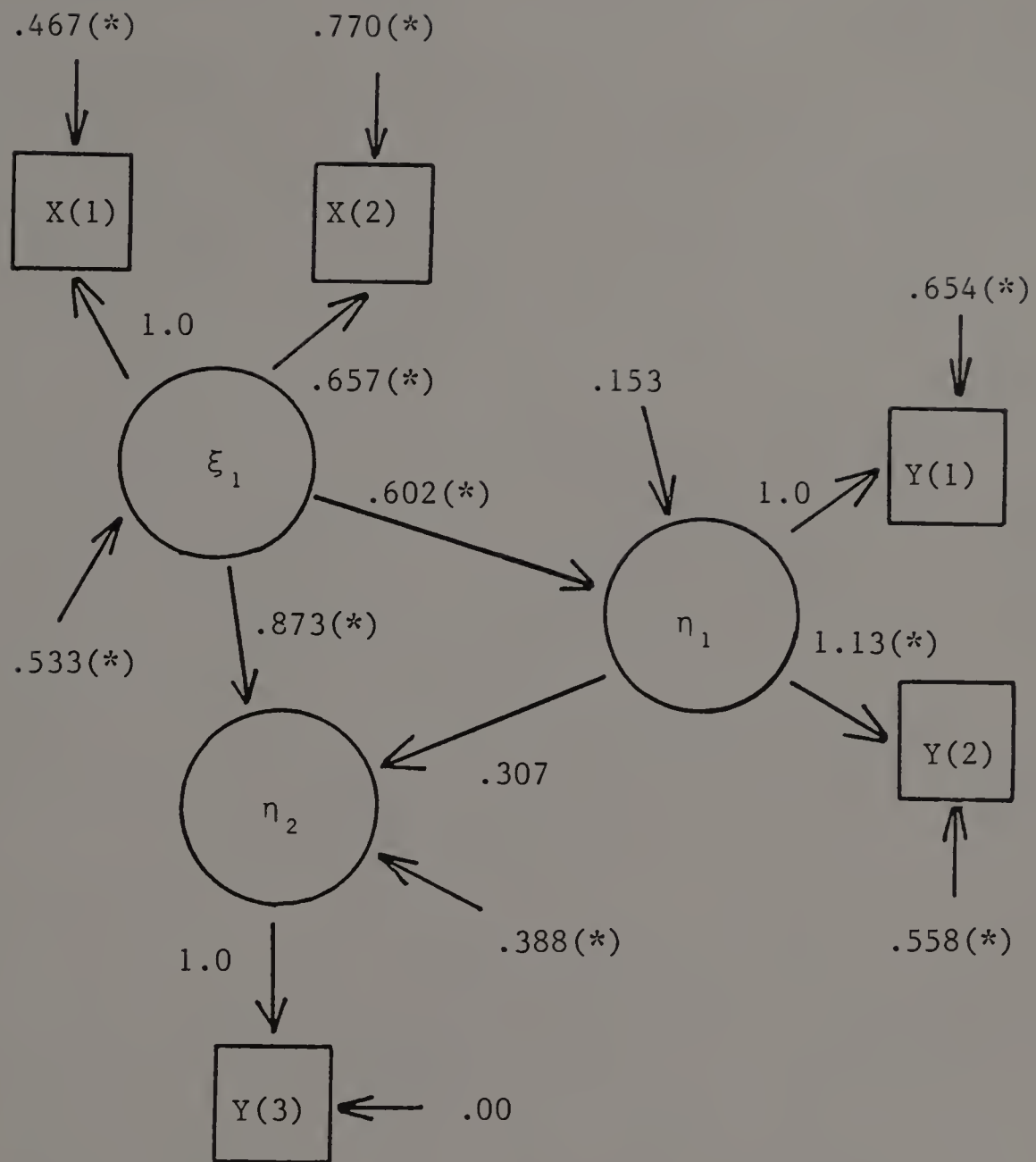
associated with good models. Other indices for interpreting the results will be discussed at the relevant time.

The theoretical model as illustrated earlier (Figure 2) was first analyzed for the U.S. sample. The  $\chi^2$  measure showed a fitting model (Figure 3) with:

$$\chi^2 = 6.90, df = 3, \text{ and } p = .075.$$

The probability level of .075 demonstrates an acceptable fit between the theoretical model and the observed structure. Although the fit is marginal, the implication is insightful. This point shall be returned to after the results from the Chinese sample have been analyzed.

The index for the relative amount of variances and covariances accounted for by the model is high and robust (GFI=.982), and the average of the residual variances and covariances is low (RMR=.036). The two indices point to an overall good fitting model. To further demonstrate the fit of the observed data to the theoretical model, the matrix of differences between the observed variance-covariance matrix as subtracted from the theoretical variance-covariance matrix (  $S - \hat{\Sigma}$  ) is illustrated in Table 16. Results indicate close association between the observed and the theoretical. As noted earlier, the size of these residuals must always be judged relative to the size of the elements of  $S$  . Hence, normalized residuals are used to decipher relative strength (Table 17). Each normalized residual is approximately a standard normal variable and is



(\*): Significant Estimates

- |                                 |                                  |
|---------------------------------|----------------------------------|
| $\xi_1$ = Value Internalization | X(1) = General Value, VALUE      |
| $\eta_1$ = Role-Enactment       | X(2) = Consumption Value, CONVAL |
| $\eta_2$ = Consumption Behavior | Y(1) = Role-Enactment, ROLE      |
|                                 | Y(2) = Types of Shopper, SHOP    |
|                                 | Y(3) = Behavior, BEHAVE          |

Figure 3

LISREL ESTIMATES FOR THE U.S. SAMPLE

Fitted Residuals  
(for the U.S. Sample)

	VALUE	CONVAL	ROLE	SHOP	BEHAVE
VALUE	.000		.		
CONVAL	.000	.000			
ROLE	.044	.049	.000		
SHOP	.002	.116	.000	.000	
BEHAVE	.008	.020	.031	.023	.000

Table 16



Normalized Residuals  
(for the U.S. Sample)

	VALUE	CONVAL	ROLE	SHOP	BEHAVE
VALUE	.000				
CONVAL	.000	.000			
ROLE	.505	.579	.000		
SHOP	.022	1.357	.000	.000	
BEHAVE	.082	.221	.346	.257	.000

Table 17

useful in judging the fit of the model and in detecting any lack of fit. The normalized residuals indicate that the model does not account for the variances well when the residuals exceed the magnitude of two. Also, no residuals were over the magnitude of two.

The LISREL estimates and the associated significance for the relationship between the exogenous and endogenous unobservables and the relationship between the unobservables and the observables are depicted in Figure 3. Standardized solutions which illustrate the correlations between the constructs are shown in Table 18. Lastly, the squared multiple correlations to indicate reliability measures for the Y-variables and the X-variables are as follows:

Y-variables:

ROLE = 0.346

SHOP = 0.442

BEHAVE = 1.000

X-variables:

VALUE = 0.533

CONVAL= 0.230

where the generalized measure of reliability indicated by the total coefficient of determination for the measurement model is .591. The squared multiple correlation for the structural equations are as follows:

Role-enactment (  $\eta_1$  ) = 0.559

Consumption Behavior (  $\eta_2$  ) = 0.612

and the generalized measure of reliability indicated by the total coefficient of determination for the structural model

Standardized Solutions  
(for the U.S. Sample)

	Value Internalization		Role Enactment	Consumption Behavior
VALUE	.730	ROLE	.588	
CONVAL	.480	SHOP	.665	
		BEHAVE		1.00

	Value Internalization		Role Enactment	Consumption Behavior
Role Enactment	.747	Role Enactment		
Consumption Behavior	.638	Consumption Behavior	.181	

Table 18

is .698. Hence the analysis of the U.S. data shows a generally fitting model. The reliability measures, however, are not as robust as one would like to see.

The theoretical model (Figure 2) was then analyzed for the Chinese sample. The  $\chi^2$  measure shows a well-fitting model with:

$$\chi^2 = 2.49, df = 3, \text{ and } p = .477.$$

The probability level of .477 demonstrates a good fit between the theoretical model and the observed structure, an improvement over the U.S.

The index for the relative amount of variances and covariances accounted for by the model is high and robust (GFI=.995). The average of the residual variances and covariances is low (RMR=.024). The fitted residuals, the matrix of differences between the observed variance-covariance matrix subtracted from the theoretical variance-covariance matrix (  $S - \hat{\Sigma}$  ), also indicate close association between the observed and the theoretical (Table 19). Further, the normalized residuals used to indicate relative strength (Table 20) also indicate that the fit is good.

The LISREL estimates and the associated significance for the relationship between the exogenous and endogenous unobservables and the relationship between the unobservables and the observables are depicted in Figure 4. Table 21 shows the standardized solutions for the

Fitted Residuals  
(for the Chinese Sample)

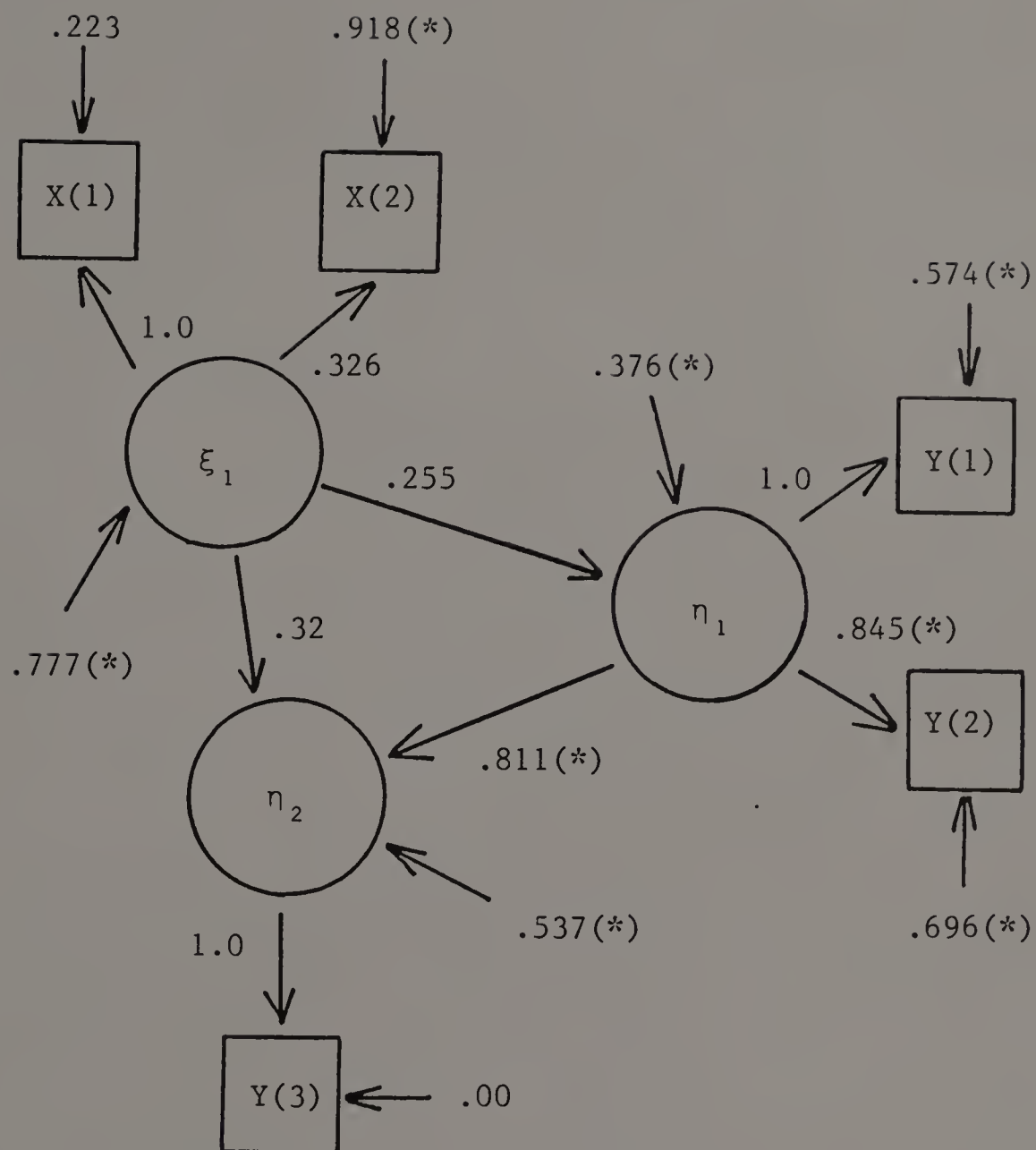
	VALUE	CONVAL	ROLE	SHOP	BEHAVE
VALUE	.000				
CONVAL	.000	.000			
ROLE	.003	.094	.000		
SHOP	.005	.006	.000	.000	
BEHAVE	.001	.007	.000	.001	.000

Table 19

Normalized Residuals  
(for the Chinese Sample)

	VALUE	CONVAL	ROLE	SHOP	BEHAVE
VALUE	.000				
CONVAL	.000	.000			
ROLE	.043	1.272	.000		
SHOP	.073	.088	.000	.000	
BEHAVE	.007	.096	.005	.007	.000

Table 20



(\*): Significant Estimates

$\xi_1$  = Value Internalization

$\eta_1$  = Role-Enactment

$\eta_2$  = Consumption Behavior

X(1) = General Value,  
VALUE

X(2) = Consumption Value,  
CONVAL

Y(1) = Role-Enactment,  
ROLE

Y(2) = Types of Shopper,  
SHOP

Y(3) = Behavior,  
BEHAVE

Figure 4

LISREL ESTIMATES FOR THE CHINESE SAMPLE

Standardized Solutions  
(for the Chinese Sample)

	Value Internalization		Role Enactment	Consumption Behavior
VALUE	.882	ROLE	.653	
CONVAL	.287	SHOP	.552	
		BEHAVE		1.00

	Value Internalization		Role Enactment	Consumption Behavior
Role Enactment	.344	Role Enactment		
Consumption Behavior	.282	Consumption Behavior	.529	

Table 21



correlations between the constructs.

Lastly, the squared multiple correlations to indicate the reliability measures for the Y-variables and for the X-variables are as follows:

Y-variables:

ROLE = 0.426

Shop = 0.304

BEHAVE = 1.000

X-variables:

VALUE = .777

CONVAL = .082

The generalized measure of reliability indicated by the total coefficient of determination for the measurement model is .782. The squared multiple correlations for the structural equations are as follows:

Role-enactment (  $\eta_1$  ) = .502

Consumption Behavior (  $\eta_2$  ) = .759

and the generalized measure of reliability indicated by the total coefficient of determination for the structural model is .806. Hence, the analysis of the Chinese data show a good fitting model as hypothesized.

The fit of the theoretical model with the observed structure indicated a marginal fit for the U.S. sample, whereas a strong fit for the Chinese sample was found. In other words, the observed data from the Chinese group show a closer and stronger alliance with the theoretical or hypothesized model than the data from the American group. In particular, for the U.S. group, the model indicate a non-significant linkage between role-enactment and consumption

behavior; while in the Chinese group, role-enactment and consumption pattern indicate a strong and significant link. On the other hand, for the U.S. group, value internalization strongly affects role-enactment and consumption pattern; but not so for the Chinese group.

The results seem to indicate a strong adherence to role determined behaviors for the Chinese, while the Americans showed stronger adherence to being dictated by generalized values rather than role-specific behaviors. In other words, the Americans appear to be less influenced by status related role behaviors and are more apt to follow the generalized ideals of internalized values, and the Chinese are more conscious of expected behaviors associated with status. It may be safe to conclude that the value system for the Chinese is in close alliance with behavioral manifestations such that adherence to expected role behaviors alleviates value conflicts and ensures harmony. In particular, as members of a developing nation, the Chinese are not afforded the luxury of evaluating and assessing internalized values.

In the following section, a modified model will be tested for both samples in light of the above discussion as related to the non-significant relationship between role-enactment and consumption pattern (  $\eta_1$  and  $\eta_2$  ) discovered in the U.S. sample.

### Testing an Alternative Model

Results from the earlier model testing necessitates a modification of the original model in order to better understand possible underlying hidden dimensions. An alternative model (Figure 5), without the linkage between role-enactment (  $\eta_1$  ) and consumption behavior (  $\eta_2$  ), needs to be tested.

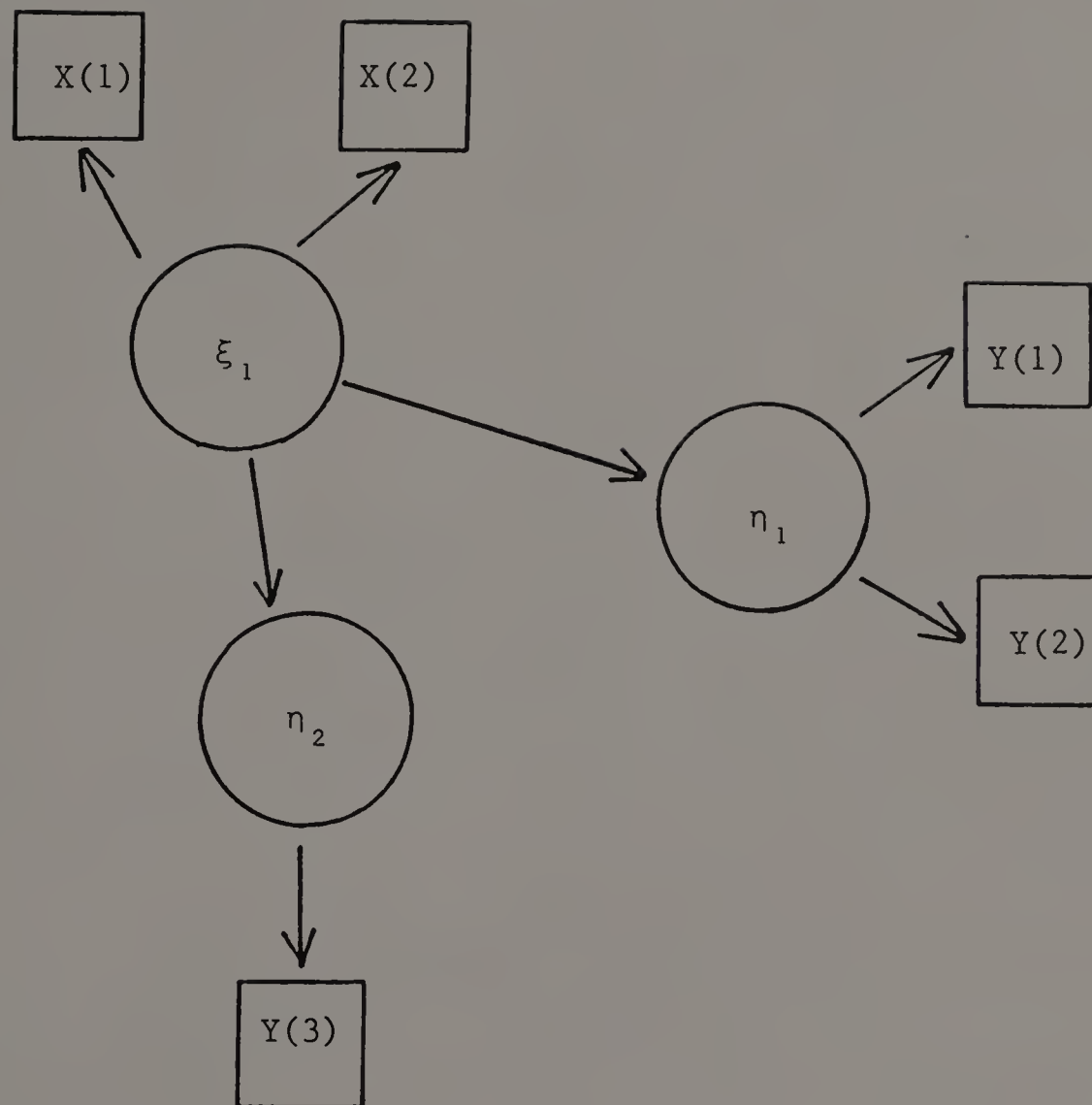
The American sample was analyzed first. The overall fit of the model shows an improved fitting model with:

$$\chi^2 = 7.25, df = 4, \text{ and } p = .123.$$

The index for the relative amount of variances and covariances accounted for by the model is high and robust (GFI=.981). The average of the residual variances and covariances is low (RMR=.037). Additional indices for checking on the goodness of fit of the model such as the fitted residuals and the normalized residuals are illustrated in Table 22 and Table 23 respectively.

The LISREL estimates and the associated significance for the relationship between the endogenous and exogenous unobservables and the relationship between the unobservable and the observables are depicted in Figure 6. Standardized solutions illustrating the correlations between the constructs are in Table 24.

Lastly, the squared multiple correlations to indicate the reliability measures for the Y-variables and for the X-variables are as follows:



$\xi_1$  = Value Internalization

$\eta_1$  = Role-Enactment

$\eta_2$  = Consumption Behavior

X(1) = General Value,  
VALUE

X(2) = Consumption Value,  
CONVAL

Y(1) = Role-Enactment,  
ROLE

Y(2) = Types of Shopper,  
SHOP

Y(3) = Behavior,  
BEHAVE

Figure 5

AN ALTERNATIVE CONSUMPTION MODEL

Fitted Residuals  
For the Alternative Model  
(for the U.S. Sample)

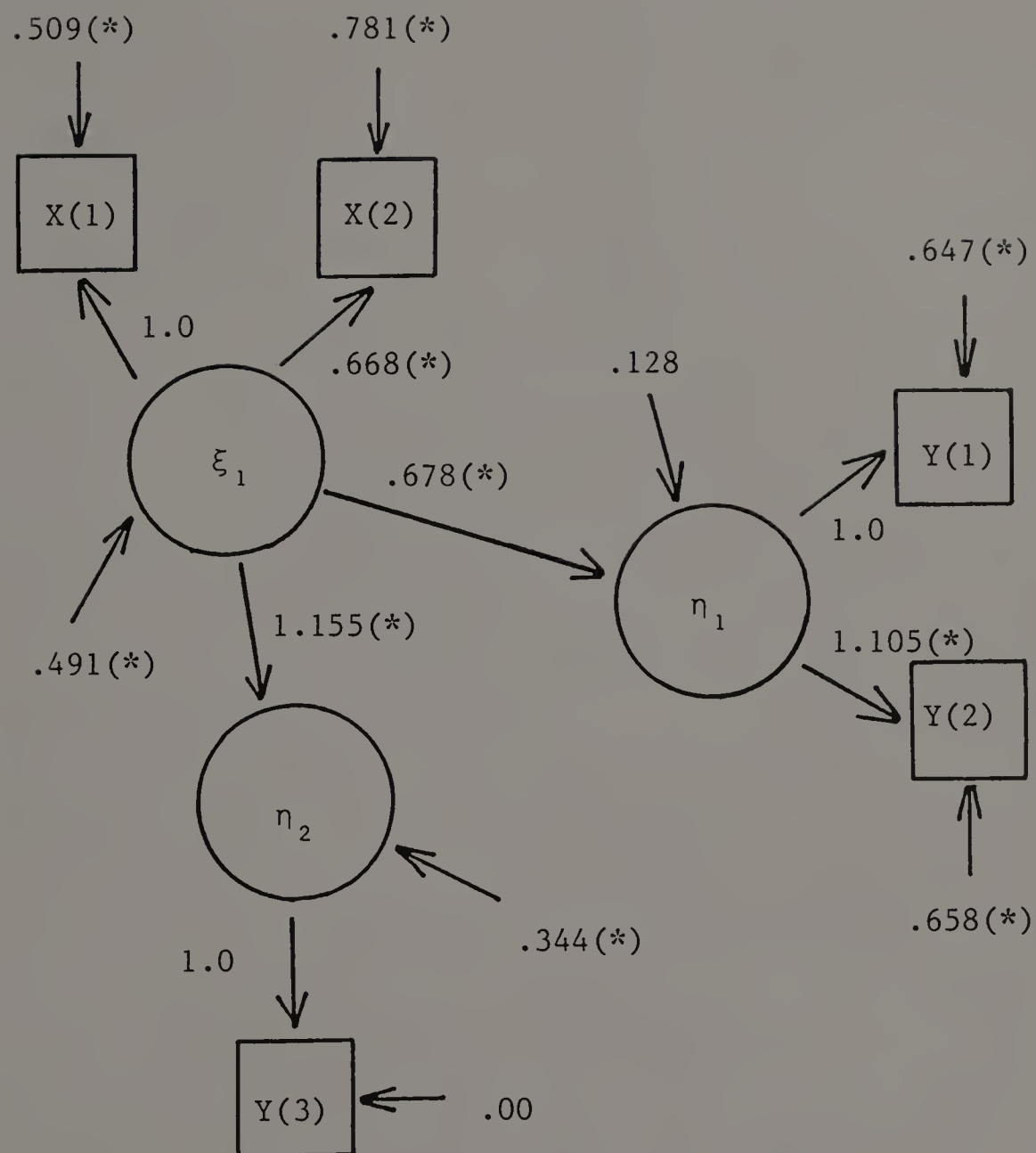
	VALUE	CONVAL	ROLE	SHOP	BEHAVE
VALUE	.000				
CONVAL	.023	.000			
ROLE	.032	.038	.000		
SHOP	.007	.123	.000	.000	
BEHAVE	.011	.012	.029	.035	.000

Table 22

Normalized Residuals  
For the Alternative Model  
(for the U.S. Sample)

	VALUE	CONVAL	ROLE	SHOP	BEHAVE
VALUE	.000				
CONVAL	.257	.000			
ROLE	.370	.446	.000		
SHOP	.077	1.438	.000	.000	
BEHAVE	.113	.130	.321	.392	.000

Table 23



(\*): Significant Estimates

$\xi_1$	= Value Internalization	X(1)	= General Value, VALUE
$\eta_1$	= Role-Enactment	X(2)	= Consumption Value, CONVAL
$\eta_2$	= Consumption Behavior	Y(1)	= Role-Enactment, ROLE
		Y(2)	= Types of Shopper, SHOP
		Y(3)	= Behavior, BEHAVE

Figure 6

ALTERNATIVE LISREL ESTIMATES FOR THE U.S. SAMPLE

Standardized Solutions  
(for the Alternative U.S. Sample)

	<u>Value Internalization</u>		<u>Role Enactment</u>	<u>Consumption Behavior</u>
VALUE	.701	ROLE	.595	
CONVAL	.468	SHOP	.657	
		BEHAVE		1.00

	<u>Value Internalization</u>		<u>Role Enactment</u>	<u>Consumption Behavior</u>
Role Enactment	.798	Role Enactment		
Consumption Behavior	.810	Consumption Behavior	.000	

Table 24



Y-variables:

ROLE = 0.354

SHOP = 0.432

BEHAVE = 1.000

X-variables:

VALUE = .49

CONVAL = .219

and the generalized measurement of reliability indicated by the total coefficient of determination for the measurement model is .547. The squared multiple correlation for the structural equations are as follows:

Role-enactment (  $\eta_1$  ) = .637

Consumption behavior (  $\eta_2$  ) = .656

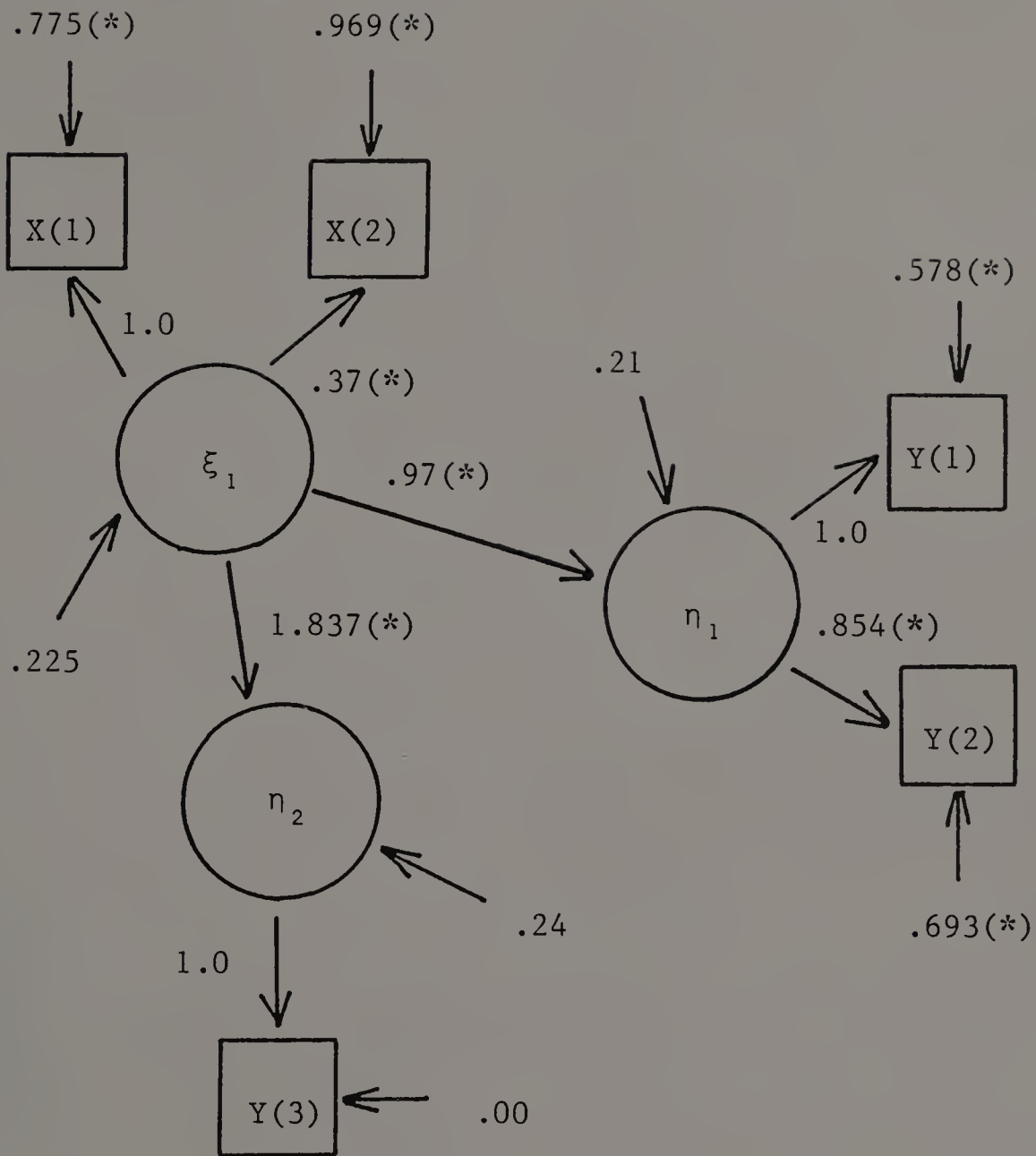
and the generalized measurement of reliability indicated by the total coefficient of determination for the structural model is .785.

As can be seen, the alternative model for the U.S. sample shows relatively improved solutions over the original model with more robust indicators.

The alternative model was analyzed for the Chinese sample. The  $\chi^2$  measure shows a non-fitting model with:

$\chi^2 = 10.46$ ,  $df = 4$ , and  $p = .033$ .

Although the alternative model did not fit the observed structure, it is interesting to note the LISREL estimates as depicted in Figure 7. By removing the linkage between role-enactment and consumption pattern, the model failed to fit the observed data. The linkage between value internalization and role-enactment and consumption behavior, however, are now significantly related. It can



(\*): Significant Estimates

$\xi_1$  = Value Internalization

$\eta_1$  = Role-Enactment

$\eta_2$  = Consumption Behavior

X(1) = General Value, VALUE

X(2) = Consumption Value, CONVAL

Y(1) = Role-Enactment, ROLE

Y(2) = Types of Shopper, SHOP

Y(3) = Behavior, BEHAVE

Figure 7

ALTERNATIVE LISREL ESTIMATES FOR THE CHINESE SAMPLE

now be seen that as the dominance of role construct is removed, the effects of value internalization is unveiled.

#### SUMMARY

The Chi-square measures of association were first utilized to gain insights regarding the differences between the two samples. Results showed patterns of association in cross-group differences but not within-group differences. Even by comparing across the different demographic factors, people in each of the respective samples show little variations.

Mean differences of the individual items were performed by using t-tests to compare the two groups. The results consistently showed significant differences between the two groups.

The next set of tests was performed by using LISREL. The first set of tests consisted of examining the invariance of factor structure between the two samples. Resulting measures indicated that the two samples were indeed invariant in their factor structure, i.e., the factor model that fits one sample will also fit the other.

As theorized, specific model testing in LISREL confirmed the hypothesis that both of the samples conform to an underlying factor structure consisting of value internalization, role-enactment, and consumption behavior.

An alternative model was tested to examine variations in the relationships between the three constructs. Results uncovered lead to insightful understanding of the similarities and differences between the two diverse cultures regarding consumption patterns.

## C H A P T E R VI

### A CROSS CULTURAL STUDY OF VALUES, ROLES, AND CONSUMPTION

#### SUMMARY AND CONCLUSIONS

##### An Overview

The most informative and tantalizing yet elusive question for a marketer may very well be: What makes a person buy what he/she buys? Most research undertaken in the tradition of psychology and social psychology by marketers in the area of consumer behavior have yielded far from satisfactory results. This being the case, many marketing scholars are advocating a more macro approach to understanding the phenomenon of consumption behavior.

Various attempts in marketing, albeit limited, do illustrate promising findings on the macro level for explaining patterns of buying behavior as related to some underlying constructs such as internalized values, social roles, and group dynamics. Empirical works in consumer behavior to date in macro research, however, do not provide conceptual clarification. They are ad hoc in nature thus rendering comparisons between them difficult.

The present study finds its theoretical tenets in the works of Parsons and associates where value internalization and role-enactment provide the individual with a strategy for coping with one of many recurrent types of situations:

consumption. This recurring pattern signifies an almost ritualistic behavior; consumption as a ritual not only labels but reaffirms and rejuvenates the values of the social system and legitimizes role adequacy.

To operationalize the theoretical framework, China was selected to be compared with the U.S. The U.S. and China's political and trade relationships have undergone many changes and developments, but none so sweeping as in China's new plan to introduce capital-style market forces and to reduce government control. It offers a rare opportunity to study and compare, between two countries of diverse backgrounds, the existence of a dynamic yet stable force in behavioral manifestation.

China has become the "hot bed" of research for economists and political scientists in gauging the country's potential as a trade partner for the U.S. Political decisions, however, are notorious for their unpredictable surges making economic forecasts difficult and uncertain. Any permanent change in a culture, political or otherwise, must be rooted in the ultimate force of the way of life. In other words, while values may change, they change slowly and are more stable and permanent than political and economic thoughts. Thus, in order to gauge China as a potential consumer market for U.S. firms, the values and role-specific behaviors must be classified and studied. As an exploratory study, this study's scope of

focus is on the identification of the underlying forces behind behavior, specifically consumption oriented behaviors. The study has not concerned itself with the identification of manifest behaviors or product-specific needs and wants in China. The study presented here is an attempt to link and extrapolate such macro level constructs as "value internalization" and "role-enactment" in two diverse societies in order to compare and observe the nature of the forces behind the consumption motivations exhibited between them. This comparison affords a rare opportunity to study the underlying structure behind consumption needs and wants and an attempt to operationalize the macro level constructs elusive to marketers. Value internalization and role-enactment are postulated to influence and direct the patterns of consumption behavior.

#### Summary of Research Approach and Findings

Data concerning general values and consumption values, general role-expected behaviors and consumption related role performances, and consumption patterns were collected in the U.S. (Hartford area in Connecticut) and in People's Republic of China (Shanghai area) during the summer of 1985. T-tests and chi-square tests indicated distinct variations in the responses when compared between the two samples, but not when compared within each of the two

samples. It is apparent that at the societal level, individuals exhibit incredible similarities within a given society over their values, role-expected behaviors and consumption patterns, regardless of such demographic characteristics as socio-economic status, sex, education, and professional/career choice, etc. When compared between the two cultures, however, distinct differences are observed over the two cultures' values, role-expected behaviors, and consumption patterns.

It is evident from the results that the Americans and the Chinese are distinctively different with respect to their values. While the overall consumer related values are obviously not as important to the Chinese as they are to the Americans, the Chinese attach more importance to more generalized values such as being respected, caring for the family, achievement minded, pleasure seeking, comfort in life and being more sociable than the Americans. This is not to say that the Americans do not value the above mentioned things, but that the Chinese rated them significantly higher than the Americans. The social structure of modern day China has produced a large segment of the masses where contradictory values prevail. On the one hand, no real opportunities exist for advancement in life; but on the other hand, communist doctrine dictates everyone to strive and achieve for the perfection of the country and the improvement of the self.



Certain developments in recent years in China also contributed to the value ratings of low importance for "being mindful of religious teachings" and "having an exciting and active life". Religion has always been scorned upon since the inception of the communist rule. Even though public worship is allowed in China, the general public still shies away from acknowledging religious beliefs, and therefore, the low ratings for "mindful of religious teachings." For the Chinese to rank "having an exciting life" low comes as no surprise. In a recent effort to caution against westerners' spiritual pollution, the Chinese government has issued a call of temperance in overstimulating one's life. Traditionally, too much excitement in one's life has never been highly regarded in China under the influence of Confucianism and Taoist teachings. The surprising issue, however, is that the Chinese place more importance on energy conservation and environmental protection than do the Americans.

Energy conservation has apparently been interpreted by the Chinese to be an issue or idea less global than the notion of resource and energy/fuel depletion on a national or world wide level, as normally assumed by Americans. For the Chinese, energy conservation is equivalent to the economy of household budgeting. Conservation of coal burning and electricity for lighting and refrigeration means money saved. In fact, during the winter months, most

families who own refrigerators will shut down the use of them until the summer season. Certain items such as soft drinks are refrigerated only for special guests, and the refrigerator is kept at a minimal usage to conserve electricity.

Environmental protection has also been rated as far more important by the Chinese than by the Americans. In recent months, the Chinese government has been tackling the problem of environmental pollution in the form of controlling automobile exhaust fumes, littering, spitting in public, and children urinating - even defecating - in public places such as in the movie houses and on the streets. Acknowledging the extent of such environmental pollution, the government has been promoting and educating intensively to bring this problem to the awareness of the people and to eliminate the public's general apathy and indifference toward environmental cleanliness. The Chinese ratings in this study may have been biased by the public's presumed heightened awareness and sensitivity regarding environmental pollution.

In the realm of the abstraction of values, contradictory indications exist in China. The Chinese strive simultaneously for advancement in life while embracing the all-importance of family orientation. Further, having had all of the essential needs such as food, shelter, and employment satisfied by the state, the

only real excitement is to look for pleasure, as limited as they might be in the westerners' eyes. Between the conflicting messages from the state and the real life situation, the Chinese have adapted exceedingly well.

The younger generation is now given more opportunities than ever through education. Further studies in China must tap into the value structure of the new generation. On a more somber note, however, the Chinese may have regarded achievement and respect as mutually important because of the party doctrine, and regard pleasure seeking, comfort in life, and freedom as important because of the very lack of them.

Consumer values, on the other hand, seem to be less important to the Chinese than to the Americans. The culture of consumerism has not quite reached the Chinese market place. The Chinese, as evident in the shopping arena, are not particularly choice conscious when it comes to demanding better service; and product warranty is almost unheard of. It is simply the "luck of the draw" when it comes to defective products. This is not to say that the Chinese are not aware of nor want consumer protection, but that China is deeply entrenched in the stage where demand far exceeds supply. Most people are happy just being able to get their hands on some products regardless of the product quality. The Chinese consumers are far from making demands regarding product quality and warranty, and the

Chinese manufacturers are far from noticing the needs and wants of the consumers.

As each person in any society would simultaneously occupy several statuses and with them diverse roles, the Americans and the Chinese again showed significant differences. Aside from wanting convenience and properly functioning products, people of these two countries differed significantly in their expression of role-enactment as related to consumption. In general, the Americans are more luxury and quality oriented, seek uniqueness in self-expression, more youth-oriented in product selection and more impulsive in making purchases. The Chinese, on the other hand, are more practical, more conservative when trying new things, and less frivolous. Surprisingly, the Chinese are more status oriented than their counterparts.

When asked to rate the likelihood of performing certain behaviors, the Americans and the Chinese differ significantly. Out of 31 items, only seven items show no difference in the ratings. Basically, people of both nationalities seek regularity in their lives without many surprises, having the basic needs and wants fulfilled. Neither cared much about trend setting or being out-spoken, both are concerned with the approval of others, and both are prone to hunt for a good bargain.

It is quite safe to conclude that both Americans and

Chinese follow an almost stereotypical behavioral pattern. The Americans are more apt to engage in conversation with strangers than the Chinese. The Chinese are more interested in dwelling closer to the urban centers (since China's suburbs generally consist of farming communities). The Americans are more health, sports and outdoor oriented and would travel alone to new places. The Americans are more whimsical, impulsive, and fashion conscious. The Chinese are less prone to seek cultural or fine arts entertainment. For a marketer, the first step of selling in a foreign land is the accumulation of such an inventory of knowledge about cultural variations. The structural variations (as opposed to the mean differences discussed above) between values, role and behavior are supportive of the hypothesized model as illustrated by LISREL.

#### Summary of LISREL Findings

As discussed in the earlier chapter, value internalization, role-enactment, and consumption patterns are unobservable notions that exist as descriptors to explain behavioral phenomena. The attempt to illustrate the existence of such unobservable notions and their relationships is through the gathering of observable and measurable manifestations that may exemplify such abstract constructs. Moreover, a set of theoretical relationships between these constructs must be stated and their

significance tested. Consequently, the set of relationships between the unobservable constructs is the factor structure that link the observable behavioral manifestations together. The degree of closeness between the theoretical structure and the observed structure is the fit of the model.

The newly developed computer program LISREL was utilized to ascertain the invariance of factor structures for the two groups and to test the consumption model postulated. Results indicated an invariant factor structure, i.e., even though measures of association and mean comparisons between the two groups indicated significant differences, the underlying factor structure appeared to be the same. Hence, specific model testings supported the theoretical notion that as diverse as the U.S. is from China, there exists an underlying dimension, the factor structure, that dictates patterns of influence over consumption behaviors as hypothesized.

Not surprisingly, however, given that the Chinese society has always been a relatively closed society (more so since the communist regime) and thus more homogeneous in its shared mores and cultural codes, the Chinese sample was found to exhibit a stronger alliance with the theoretical model than the U.S. sample. Furthermore, while the Chinese showed a strong relationship between role-expectancy and consumption behavior, the Americans did not. By removing

the linkage between role-expectancy and consumption behavior, the fit of the U.S. sample became stronger while the model failed for the Chinese group.

The results seem to indicate a strong adherence to role determined behaviors for the Chinese, while the Americans show stronger adherence to being dictated by generalized values rather than role-specific behaviors. Parsons' notion (as applied to consumption) that value system in an existing social structure, apart from the mere acts of consumption, dictates selection and choice through socially structured goals appears to ring true. As consumption behaviors are within the confines of role-specificity they are, therefore, framed by values where legitimization and consistency are established.

#### IMPLICATIONS AND LIMITATIONS

##### The Relationships Between Values, Roles, and Consumption

Is there an inherent contradiction between the patterns of consumption in a capitalistic society and a socialistic one? Results of this study show the governing forces behind the patterns of consumption to be similar between the two cultures; but the manifestation of the forces were quite dissimilar. Culturally, however, each of the two societies demonstrated consumption as socially functional and governed by socially structured goals.

Hence, for marketers trying to understand consumption behavior, especially in China as a potential consumer market, the proposed model serves as a viable approach in determining consumption behavior. The difference between The U.S. and China lies not in the abstraction of buyer behavior but in the manifestation of such abstractions. Within the scope of the present study, the results supply ample evidence in the comparative examination of the forces that are channeling and shaping the patterns of consumer behavior, both in the U.S. and China. In particular, China as an emerging social system in flux between old and new values clearly indicates how the value system and role-enactment dictate behavioral patterns. Beyond the scope of the study, however, there is the need to investigate further the manifestation of the values and role-specific behaviors as they dictate everyday patterns of consumption-specific behaviors and products.

Clearly demonstrated for the American marketers is the fact that what is valued in the U.S. does not necessarily hold true for the Chinese. Furthermore, manifestation of the role-specific behaviors are quite different between the two cultures. The American marketers must define and understand the form of consumerism appropriate for the value system that is emerging in China as the dust of its cultural transition is settling. In particular, role-specific behaviors are more strongly tied to consumption



behavior for the Chinese than for the Americans. Role behavior acts more as the link that appeases conflicts which may arise due to incompatible actions and values for the Chinese. The Americans are more free to act as related to generalized values and do not see conformity to accepted societal role-behaviors as necessarily model behaviors. Given the volatile nature of the Chinese political policies and economic practices, the equilibrium that would prompt a marketer to pursue China as a consumer market may not necessarily be found in the political and/or economical arena but in the more basic underlying structure of internalized values and role-enactment as they unfold in the people of China. To be sure, investment decisions must be based not in isolation but in alliance of political, economical, and cultural factors.

#### The Need for Cross-Cultural Marketing Studies

Companies seek businesses across national boundaries when these ventures are economically important to the company. Analysis of the differences among nations regarding economic conditions, cultural circumstances, and political and legal climates helps marketers determine the most favorable markets and the obstacles standing in the way of success. Economically, some nations provide better marketing opportunities than others because they have developed infrastructures and higher levels of income.

Culturally, however, all nations pose problems because of wide variations in languages, aesthetic perceptions, social structures, and values. These variations may require only minor changes in marketing strategy, or they may entirely block entrance to a market. The political climate of nations and the laws governing marketing practices may be either minor stumbling blocks or major obstacles. As an exploratory study, the aim here has been centered around the cultural issues - an area deserving some attention in light of the well-publicized issues of the political and economic relationships between the U.S. and China.

From a marketing standpoint, products may require only slight modifications, or they may have to be re-designed altogether. Prices may be adjusted upward to cover special costs, or downward to stimulate more demand. Distribution channels may need to be short and direct for control purposes, or long and indirect to conform to the traditional wholesale and retail structure. Lastly, promotional methods and messages may require fine tuning or a major overhaul from country to country. The choice of market and marketing strategy should be made on the basis of solid research, even though circumstances may often make research difficult.

Even though the aim of this study is on the prevailing forces that motivate consumption patterns, it provides some conceptual abstractions on the inventory of cultural issues

in China. Some basic guidelines may be generated. The Chinese are very practical minded, they look for things that provide the most value for their money. Products and/or services that provide pleasure or relaxation are in demand, but must be modified to fit the limitations of the Chinese economy and political atmosphere. Products must have low maintenance needs and require little energy input such as electricity and /or the use of batteries. Product quality appears to be less important as long as it is affordable and available. The Chinese are much less sports and activities oriented; when engaging in such activities, the involvement of families and friends is important. The Chinese are less prone to engage in individual activities.

From the promotional perspective, the Chinese are very "deal" prone and enjoy shopping for a bargain. The Chinese value the approval of their decisions by family and friends. Self-expression through products such as fashion, and rewarding oneself through commodity purchase is less likely to be motivating factors for the purchase of goods as compared to the Americans. Youthfulness is not something highly valued by the Chinese. Unique products, and products intended to enhance youthfulness through product claims and advertising, will most likely be perceived as being for the frivolous and the immature. Products and promotions that express achievement are highly regarded.

Product warranty and guarantee against defective

products are not necessarily selling points. Convenience of product distribution is important to the Chinese. And service with a friendly smile appears to be common courtesy enjoyed by all consumers, Chinese and American. Although, the Chinese are not in the habit of demanding "service with a smile." Being married and having a family seem to be the two most significant events for the Chinese in terms of consumption. They are the only two demographic characteristics that significantly alter a person's own perception regarding the role as a consumer.

The success of international business depends to a great extent on the understanding of a society's cultural atmosphere. This importance could never be overstated. The above discussion provides some general perspectives regarding doing business with China, extrapolated from a more fundamental research purpose, that of a comparison between the forces behind consumption patterns. It is hoped that further research may be built upon the understanding provided in this study.

#### The LISREL Methodology

The limitation of this study is apparent in the not-so-robust reliability scores for the measurements. The reliability measures further indicate or justify the use of LISREL in that LISREL, in its estimates, partials out the reliability scores and separates the measurement model from

the structural model. The reliability measures also point to such ever present problems as language, translation equivalency, research conducts, and measurement scales that are associated with cross-cultural studies.

LISREL is not without its limitations and problems. The major problems in applying covariance structure analysis relate to the fact that primary statistic for deciding whether or not a model fits the data is the likelihood-ratio  $\chi^2$  with its associated probability level. This statistic is, unfortunately, not very useful for this purpose.

The overall  $\chi^2$ -test in covariance structure analysis reverses the traditional role of hypotheses in statistical theory. In other words, if the null hypothesis is rejected, the research hypothesis is also rejected. The power of this test, however, is not known. The implication of lower power is that one's model may be rejected when it is correct. The implication in covariance structure analysis is more serious; one's model may find support when it is incorrect.

Failure to reject the null hypothesis at a very high probability level is not sufficient for the substantive theory that is tested. Most theories in this context postulate relationships between variables or unobservable constructs, but the overall  $\chi^2$  goodness-of-fit refers only to a comparison between two covariance matrices, not the significance of variable relationships in the model.

Therefore, there has been a movement away from an almost total reliance on  $\chi^2$  probability estimates to the more heuristic goodness-of-fit indices like GFI and AGFI (discussed earlier in Chapter V).

Sample size poses another problem in the appropriate application of LISREL. Large samples are needed in order to provide a sufficiently conservative statistical test. With large samples, however, it is almost certain that any  $\Sigma$  will be rejected as different from  $S$ , since the statistic  $\chi^2$  is a direct function of the sample size. On the other hand, with small samples the power of the test may be sufficiently low so that statistically significant differences between  $\Sigma$  and  $S$  are unlikely. Thus, with large samples there is a bias against proposed models, whereas with small samples there is a bias for them. No clear solution is available in determining the appropriate sample size.

Another limitation is that an infinite number of factor variations may be fitted where it is always possible to find an acceptable  $\chi^2$  fit. Thus, in the absence of "a priori" theoretical knowledge, covariance structure analysis may result in an unlimited exercise of data fitting.

In light of the discussion on the problems of LISREL, one should not undermine the value and contribution LISREL is able to provide in the complex world of social and

behavioral sciences. LISREL realizes that many constructs studied in social sciences are in essence unobservable. The unobservable constructs are manifested in ways and events that are observable. This delineation between the unobservables and the observables may be represented as the substantive theory part and the measurement theory part. Without substantive theory, the results may be meaningless; without good measures, the results may be uninterpretable. LISREL does provide a holistic conception of the behavioral phenomena. It realizes that measures are imperfect, and that many assumptions in traditional statistical tests are violated such as the correlation of measurement errors and the correlation of residuals. As an exploratory research, results of this study call for a better and more concise inventory of such constructs as values, roles, and consumption behavior.

#### Problems and Recommendations for Future Research

For a foreign person conducting research in China, he/she is faced with a number of stumbling blocks. From a political standpoint, the government is reluctant to grant the researcher access to many vital tools required to conduct scientific research, such as census data, the freedom to observe the procedure of random selection of samples, and police records of residential registrations. Travel is allowed only in selected cities and towns.

Content of the questionnaire may be censored to eliminate sensitive or controversial issues. From a cultural standpoint, difficulty arises due to the reluctance to answer probing questions, and there is a general resistance towards surveys because of a lack of exposure to the survey method. Most importantly, the Chinese are fearful of probable consequences due to their participation in the survey and the potential for having their answers misused by officials.

Many of the above problems were eliminated in this study due to the close contacts available to the researcher through family ties. The problems mentioned are not insurmountable. The Chinese academic institutions are fervently seeking to advance their research tools and techniques. The government also realizes the need to update sociological research facilities. With such a changing atmosphere, coupled with patience and persistency, we are likely to see strong support for research efforts between the west and China in the near future.

Future research in this area must be supported and endorsed by the Chinese government to have access to larger and better represented samples in order to achieve a greater power of generalization. China's geographic and cultural spread is so wide and diverse that without a more systematic and national sampling distribution much vital and intricate information would be lost. Similarly, the



U.S. sample must also be more representative than the present study. However, a series of smaller scaled research such as the present one is needed in order to increase the validity and reliability of the measurement instrument. Improvement of the survey methods and the questionnaire design could be gained only through incremental steps. The translation of the questionnaire from English into Chinese is a most difficult one. Many western concepts have no clear counterparts in Chinese. From city to city and town to town, respondents' educational level may vary drastically and make the phrasing of the questions too difficult to be general. Consequently, the researcher must express the meaning of a question in as basic a form as possible without losing the contextual meaning.

Even with official sponsorship, the researcher must team up with several individuals willing to and capable of making the respondents feel relaxed and at ease with answering truthfully. Total anonymity must be promised.

Future research must generate a more concise inventory of general and consumption oriented values in the U.S. and China. This inventory must be compared with changing needs and wants in both countries in order to validate the underlying structure relating values, role and consumption behavior. Specifically, in the context of the cross cultural study between the U.S. and China, a third group consisting of respondents who are first generation Chinese-

Americans with Chinese ancestry needs to be compared with the other two groups. The contribution of this third group would lend further support in evaluating the relationship between the hypothesized constructs. It will be important to see how values and role demands affect consumption behaviors with a group of people raised in the U.S. but socialized differently. This third group was not included in the present study due to budget and time constraints. As an exploratory study, the third group was also left out in order to achieve some parsimonious structure in an already unwieldy and complex research approach.

Future research, therefore, calls for a definite improvement in the measurement instrument, more representative sample selections, an inclusion of a third group consisting of first generation Chinese-Americans, and a more specific set of product/service needs and wants as related to values and roles.

### Conclusions

The implication of this study is both academic and application oriented. An understanding or explanation of any given phenomenon is always the beginning of the ability to make more rational predictions. The approach here is to utilize Parsons' conceptual formulations regarding values and manifest behaviors, and operationalize them in a cross-cultural study. The ability to understand and explain the

motivating forces behind behaviors, specifically consumption oriented behaviors, will then be more enriched. From an academic standpoint, a better understanding of a phenomenon will enhance the knowledge of explanation for and the causal sequence behind manifest behaviors. From a practitioner's standpoint, an understanding of the causal sequence behind behavioral manifestations will enhance the ability to make rational decisions on business strategies.

This study is hopefully the start of a series of research efforts in understanding consumption phenomena, particularly between the U.S. and China. Persistency in programatic research will begin to build the basic foundational inventory upon which predictions and the ability to control will become tools for diagnostic purposes as well as for prescriptions. It is hoped that the results of this study will be of some use to marketers in the field of doing business with China. At the most fundamental level, it gives marketers the conceptual map of the relationships and direction of influence between values, roles, and consumption. It also provides an inventory, albeit skeletal, of values, role-expectancy, and consumption patterns.

A P P E N D I X A

THE VALUE SCALES

Indicate your rank ordered preference for the following ways of living. Starting with "12" for the way of living most preferred by you, "11" for the second preferred, and so on until you have ranked all the statements.

Rank:

- \_\_\_\_\_ Being with and taking care of family and loved ones.
- \_\_\_\_\_ Being with close friends.
- \_\_\_\_\_ Being outgoing and sociable.
- \_\_\_\_\_ Living a comfortable life.
- \_\_\_\_\_ Having an exciting, active, and stimulating life.
- \_\_\_\_\_ Having a pleasurable, enjoyable, and leisurely life.
- \_\_\_\_\_ Achieving a sense of accomplishment in life.
- \_\_\_\_\_ Gaining social recognition, respect, and admiration from others.
- \_\_\_\_\_ Exhibiting a sense of independence and freedom of choice.
- \_\_\_\_\_ Being mindful of religious teachings and attaining salvation.
- \_\_\_\_\_ Being concerned with protecting the natural environment.
- \_\_\_\_\_ Being conscious of energy conservation.

A P P E N D I X A"

THE VALUE SCALES

Indicate the level of importance each of the ways of living are valued by you by using the following scale:

Very Unimportant	Unimport.	Slightly Unimport.	Slightly Import.	Import.	Very Important
1	2	3	4	5	6

Importance:

- \_\_\_\_\_ 1. Being outgoing and sociable.
- \_\_\_\_\_ 2. Having an exciting, active, and stimulating life.
- \_\_\_\_\_ 3. Being with close friends.
- \_\_\_\_\_ 4. Having a pleasurable, enjoyable, and leisurely life.
- \_\_\_\_\_ 5. Gaining social recognition, respect, and admiration from others.
- \_\_\_\_\_ 6. Being with and taking care of family and loved ones.
- \_\_\_\_\_ 7. Exhibiting a sense of independence and freedom of choice.
- \_\_\_\_\_ 8. Being mindful of religious teachings and attaining salvation.
- \_\_\_\_\_ 9. Being concerned with protecting the natural environment.
- \_\_\_\_\_ 10. Achieving a sense of accomplishment in life.
- \_\_\_\_\_ 11. Living a comfortable life.
- \_\_\_\_\_ 12. Being conscious of energy conservation.

A P P E N D I X B

VALENCE OF CONSUMPTION VALUE SCALES



Indicate your rank ordered preference for the following set of consumption related statements. Starting with "8" for the most important item, "7" for the second most important, and so on until you have ranked all the items.

Rank:

- \_\_\_\_\_ Prompt service from the company or store.
- \_\_\_\_\_ Reliable advertising claims.
- \_\_\_\_\_ Companies that offer products or services that are responsive to consumer needs.
- \_\_\_\_\_ Consumers are provided with accurate information regarding services or products being offered on the market.
- \_\_\_\_\_ Free repair or replacement of defective products.
- \_\_\_\_\_ Convenient store location.
- \_\_\_\_\_ Courteous and helpful sales people.
- \_\_\_\_\_ Legislation to protect the consumer.

A P P E N D I X B"

VALENCE OF CONSUMPTION VALUE SCALES

Indicate the level of importance each of the following items are to you by using the following scale:

Very Unimportant	Unimport.	Slightly Unimport.	Slightly Import.	Import.	Very Important
1	2	3	4	5	6

Importance:

- \_\_\_\_\_ 1. Consumers are provided with accurate information regarding services or products being offered on the market.
- \_\_\_\_\_ 2. Legislation to protect the consumer.
- \_\_\_\_\_ 3. Free repair or replacement of defective products.
- \_\_\_\_\_ 4. Prompt service from the company or store.
- \_\_\_\_\_ 5. Convenient store location.
- \_\_\_\_\_ 6. Companies that offer products or services that are responsive to consumer needs.
- \_\_\_\_\_ 7. Courteous and helpful sales people.
- \_\_\_\_\_ 8. Reliable advertising claims.

A P P E N D I X C

CONSUMPTION RELATED ROLE PERFORMANCE SCALES

We are all expected to perform several roles at one time, such as being a parent, a child, and a career person. In light of your many role obligations, indicate your likelihood of desiring the following types of products:

Very Unlikely	Unlikely	Slightly Unlikely	Slightly Likely	Likely	Very Likely
1	2	3	4	5	6

Likelihood:

- \_\_\_\_\_ 1. Buying a certain thing simply because "you deserve it".
- \_\_\_\_\_ 2. Be interested in products that save time and enhance leisure-time activities.
- \_\_\_\_\_ 3. Purchasing products that function well and save time.
- \_\_\_\_\_ 4. Desiring products that fulfill unsatisfied needs.
- \_\_\_\_\_ 5. Wanting convenient and luxury products that make life more enjoyable.
- \_\_\_\_\_ 6. Be interested in customized or unique products that allow a person to express individuality.
- \_\_\_\_\_ 7. Purchasing products that are used or owned by others in the same social group.
- \_\_\_\_\_ 8. Be interested in products that enhance and maintain youthfulness.

A P P E N D I X D

PSYCHOGRAPHIC SHOPPERS SCALES

o

Indicate how strongly you identify with each of the following types of shoppers:

Totally Unlike Me	Unlike Me	Slightly Unlike Me	Slightly Like Me	Like Me	Totally Like Me
1	2	3	4	5	6

Identification:

- \_\_\_\_\_ 1. This person is attracted to the unique and fashionable products.
- \_\_\_\_\_ 2. The products this person buys and brands preferred usually express his/her personality and style.
- \_\_\_\_\_ 3. This person is status conscious, a thoughtful and discriminating buyer.
- \_\_\_\_\_ 4. This person is an impulsive buyer, likely to buy products with images.
- \_\_\_\_\_ 5. This person is interested in quality, which may at times justify greater expenditure.
- \_\_\_\_\_ 6. This person is price conscious.
- \_\_\_\_\_ 7. This person is conservative when it comes to purchasing, likes popular brands and well-known manufacturers.
- \_\_\_\_\_ 8. This person is practical as a shopper, he/she is interested in real needs, not unnecessary things.

A P P E N D I X E

CONSUMPTION CHOICE SCALES



Indicate your likelihood of doing or purchasing the following activities, services, or products:

Very Unlikely	Unlikely	Slightly Unlikely	Slightly Likely	Likely	Very Likely
1	2	3	4	5	6

Likelihood:

- \_\_\_\_\_ 1. Making a decent living and providing for the future of your family even if it means giving up a few luxuries in life.
- \_\_\_\_\_ 2. Spending time with close friends frequently.
- \_\_\_\_\_ 3. Looking for opportunities to meet new people and making new friends.
- \_\_\_\_\_ 4. Having a comfortable home and a comfortable life even if only very basic.
- \_\_\_\_\_ 5. Living in or near a big city rather than in a small town.
- \_\_\_\_\_ 6. Entering or having a job that does not demand too much of your time in order to have a leisurely life.
- \_\_\_\_\_ 7. Trying new things before your friends and neighbors do.
- \_\_\_\_\_ 8. Managing a company with many employees under you.
- \_\_\_\_\_ 9. Participating in charitable activities.
- \_\_\_\_\_ 10. Owning your own business.
- \_\_\_\_\_ 11. Living according to religious teachings.
- \_\_\_\_\_ 12. Providing good and wholesome meals for your family.
- \_\_\_\_\_ 13. Keeping in touch with friends who have moved away.

----- Continue Next Page -----

Very Unlikely	Unlikely	Slightly Unlikely	Slightly Likely	Likely	Very Likely
1	2	3	4	5	6

## Likelihood:

- \_\_\_ 14. Starting to chat with people you don't know while waiting for the bus.
- \_\_\_ 15. Living with regularity, without many surprises or unexpected events, not even pleasant ones.
- \_\_\_ 16. Engaging in outdoor activities and being always active, on the go.
- \_\_\_ 17. To simply relax and do nothing as often as you can for as long as you can.
- \_\_\_ 18. Travel to see new places and see new things on your own.
- \_\_\_ 19. To set high goals and work toward them.
- \_\_\_ 20. To work hard at winning respect and approval from others.
- \_\_\_ 21. To speak out against things you disagree with.
- \_\_\_ 22. To observe religious ceremonies.
- \_\_\_ 23. To do something on a whim and toss caution to the wind.
- \_\_\_ 24. To be conscious of good grooming.
- \_\_\_ 25. When choosing between the two, you usually dress for fashion, not comfort.
- \_\_\_ 26. To support measures to control pollution.
- \_\_\_ 27. Being careful not to leave the lights on when not in use.
- \_\_\_ 28. To use public transportation.
- \_\_\_ 29. To go to a museum for pleasure and enjoyment.

Very Unlikely	Unlikely	Slightly Unlikely	Slightly Likely	Likely	Very Likely
1	2	3	4	5	6

Likelihood:

\_\_\_\_\_ 30. To skip meals because you're in a rush.

\_\_\_\_\_ 31. To look for sales items, and hunt for bargains.

A P P E N D I X F

DEMOGRAPHIC CHARACTERISTICS

The following background information questions are included only to help us interpret your responses on other questions. Your responses here and throughout the questionnaire will be held strictly confidential.

1. What is your marital status?

- |                          |                                 |                          |              |
|--------------------------|---------------------------------|--------------------------|--------------|
| <input type="checkbox"/> | 1. First marriage               | <input type="checkbox"/> | 5. Widowed   |
| <input type="checkbox"/> | 2. Second or later marriage     | <input type="checkbox"/> | 6. Separated |
| <input type="checkbox"/> | 3. Living together, not married | <input type="checkbox"/> | 7. Single    |
| <input type="checkbox"/> | 4. Divorced                     |                          |              |

2. What is your current age? \_\_\_\_\_

3. What is the highest educational degree you have attained? \_\_\_\_\_

4. What is the highest educational degree your father has attained? \_\_\_\_\_

5. Which one of the following categories best describe your occupation?

- |                          |   |
|--------------------------|---|
| <input type="checkbox"/> | 1. Professional or technical (e.g., accountant, artist, dentist, computer specialist, engineer, lawyer, librarian, physician, scientist, teacher, technician, writer, etc.)             |
| <input type="checkbox"/> | 2. Manager or administrator (except on a farm)  |
| <input type="checkbox"/> | 3. Sales worker (e.g., insurance salesman, realtor, salesclerk, stockbroker, etc.)  |
| <input type="checkbox"/> | 4. Clerical worker (e.g., bank teller, bookkeeper, cashier, office clerk, postman, secretary, etc.)   |
| <input type="checkbox"/> | 5. Crafts worker (e.g., baker, carpenter, jeweler, electrician, foreman, mechanic, painter, plumber, tailor, etc.)  |
| <input type="checkbox"/> | 6. Machine operator (e.g., bus driver, conductor, truck driver, factory worker, operator of other kinds of machines, etc.)  |
| <input type="checkbox"/> | 7. Laborer (except on a farm)(e.g., carpenter's helper, fisherman, warehouseman, teamster, etc.)  |
| <input type="checkbox"/> | 8. Farmer or farm manager   |
| <input type="checkbox"/> | 9. Service worker (except in a private household) (e.g., barber, bartender, cook, dental assistant, dishwasher, firefighter, janitor, nursing aid, police officer, usher, waiter, etc.) |
| <input type="checkbox"/> | 10. Private household worker  |
| <input type="checkbox"/> | 11. Government or military worker   |
| <input type="checkbox"/> | 12. Student   |
| <input type="checkbox"/> | 13. Other, please specify: _____  |

6. What is your total household income in 1984?

- 1. Less than \$9,999
- 2. Between \$10,000 and \$19,999
- 3. Between \$20,000 and \$29,999
- 4. Between \$30,000 and \$39,999
- 5. Between \$40,000 and \$49,999
- 6. Between \$50,000 and \$59,999
- 7. Between \$60,000 and \$79,999
- 8. Between \$80,000 and \$99,999
- 9. More than \$100,000

7. Sex:  1. Male  2. Female

8. Number of children? \_\_\_\_\_

A P P E N D I X G

THE SURVEY QUESTIONNAIRE IN CHINESE

请根据你自己的兴趣、习惯、爱好，从下列 12 项中排一排先后次序。如你认为最重要的一项，就在该项目左边的横线上写 12，其次写 11，再次写 10……以此类推，直至你认为与自己最无关系或最无价值的项目写上 1 为止。

- \_\_\_\_\_ 一切以自己的家庭幸福为重
- \_\_\_\_\_ 重视同事、朋友的友谊和往来
- \_\_\_\_\_ 性格开朗，喜欢参加社交活动
- \_\_\_\_\_ 希望有一个舒适、富裕的个人生活
- \_\_\_\_\_ 喜欢有兴奋的或带有刺激性的生活
- \_\_\_\_\_ 喜欢轻松、愉快的生活
- \_\_\_\_\_ 希望一生中有所成就，有所作为，能够达到自己的理想
- \_\_\_\_\_ 希望能得到社会，朋友和邻居的信任和尊重
- \_\_\_\_\_ 能自由自在不受任何拘束地生活
- \_\_\_\_\_ 宗教信仰是必要的
- \_\_\_\_\_ 应该关心自然环境的保护
- \_\_\_\_\_ 应该十分关心能源的节约



请根据下列 1—6 的不同“重要”性，用代号填写在(1)–(12)各项的左边横线上。

1	2	3	4	5	6
非常 不重要	不重要	有点 不重要	有点 重要	重要	非常 重要

- \_\_\_\_\_ (1), 性格开朗, 喜欢参加社交活动
- \_\_\_\_\_ (2), 有兴奋的或带有刺激性的生活
- \_\_\_\_\_ (3), 同事、朋友的友谊和往来
- \_\_\_\_\_ (4), 轻松、愉快的生活
- \_\_\_\_\_ (5), 能得到社会、朋友和邻居的信任和尊重
- \_\_\_\_\_ (6), 自己家庭的幸福
- \_\_\_\_\_ (7), 自由自在不受任何约束地生活
- \_\_\_\_\_ (8), 宗教信仰
- \_\_\_\_\_ (9), 关心自然环境的保护
- \_\_\_\_\_ (10), 一生中有所成就, 有所作为, 能够达到自己的理想
- \_\_\_\_\_ (11), 舒适、富裕的个人生活
- \_\_\_\_\_ (12), 关心能源节约

请指出你个人对下列各种维护消费者利益的措施的次序，按“8”为最优选择，“7”为第二选择，……以此类推，至“1”为最后选择，填写在各项左边横线上。

次序

- \_\_\_\_\_ 迅速的服务
- \_\_\_\_\_ 名实相符的广告
- \_\_\_\_\_ 商品及附加的保修服务必须满足消费者的需要
- \_\_\_\_\_ 提供关于商品及正确资料和维修的保证
- \_\_\_\_\_ 免费修理或更换次品
- \_\_\_\_\_ 商业网点必须方便顾客
- \_\_\_\_\_ 态度友好的售货员
- \_\_\_\_\_ 制订维护消费者利益的法令，保证商品质量、安全、可靠

请根据下列 1 - 6 的不同重要性，用代号填写在(1)-(8)各项左边的横线上。

1	2	3	4	5	6
非常 不重要	不重要	有点 不重要	有点 重要	重要	非常 重要

- \_\_\_\_\_ (1), 提供关于商品及正确资料和维护的保证
- \_\_\_\_\_ (2), 制订维护消费者利益的法令, 保证商品质量、安全、可靠
- \_\_\_\_\_ (3), 免费修理或更换次品
- \_\_\_\_\_ (4), 迅速的服务
- \_\_\_\_\_ (5), 商业网点必须方便顾客
- \_\_\_\_\_ (6), 商品及附加的保修服务必须符合消费者的需要
- \_\_\_\_\_ (7), 态度友好的售货员
- \_\_\_\_\_ (8), 名实相符的广告

我们每个人在家庭和社会上，都处于不同的职责和地位，在社会上你可能是领导或被领导，在家庭里你可能是父母或子女，因此有着不同的职责和义务，这种地位的不同，在选购商品时，存在着不同的可能性，请根据下面 1—6 的几种“可能”用代号填写在(1)—(8)各项左边的横线上。

- |          |         |           |
|----------|---------|-----------|
| 1. 绝对不可能 | 2. 不太可能 | 3. 有点不太可能 |
| 4. 有点可能  | 5. 可能   | 6. 绝对可能   |

- \_\_\_\_\_ (1)用自己的劳动所得，买样东西慰劳自己
- \_\_\_\_\_ (2)购买那些使用起来能省时省力的商品
- \_\_\_\_\_ (3)购买经济实用的商品
- \_\_\_\_\_ (4)要买自己称心满意的东西
- \_\_\_\_\_ (5)购买高档用品，以供生活享受
- \_\_\_\_\_ (6)购买新颖独特的产品以示与众不同
- \_\_\_\_\_ (7)购买大家早已普遍使用的产品
- \_\_\_\_\_ (8)购买能维持青春的商品

根据下列 1—6 的不同“象我”，用代号填写在(1)—(8)各项左边的横线上。

- |          |        |          |
|----------|--------|----------|
| 1. 完全不象我 | 2. 不象我 | 3. 有点不象我 |
| 4. 有点象我  | 5. 象我  | 6. 完全象我  |

相同程度：

- \_\_\_\_\_ (1), 喜欢追求新奇独特、时髦的商品
- \_\_\_\_\_ (2), 比较喜欢那些能表现个人性格的名牌产品
- \_\_\_\_\_ (3), 经仔细考虑挑选后再购买需要的商品
- \_\_\_\_\_ (4), 买东西随心所欲, 喜欢买那些能使人注目的名牌产品
- \_\_\_\_\_ (5), 重视物品的质量, 不顾价格多少
- \_\_\_\_\_ (6), 注意商品的价格而不太注重商品的质量
- \_\_\_\_\_ (7), 对新产品比较保守, 宁可买大众化牌子或名牌产品
- \_\_\_\_\_ (8) 讲究实惠, 只购买必需的东西

请根据下列 1—6 的不同“可能”用代号填写左(1)—(31)各项的左边横线上。

1. 完全不可能      2. 不太可能      3. 有点不太可能  
4. 有点可能      5. 可能      6. 完全可能

- \_\_\_\_\_ (1) 牺牲眼前的一些享受来造就一个幸福美满的家庭  
\_\_\_\_\_ (2) 常与密切的朋友相聚  
\_\_\_\_\_ (3) 找机会认识更多的人，结交新朋友  
\_\_\_\_\_ (4) 有一个基本上简单而又舒服的家庭生活  
\_\_\_\_\_ (5) 在大城市或大城市附近居住。  
\_\_\_\_\_ (6) 为了能有一个悠闲的生活，宁愿做个普通的工作  
\_\_\_\_\_ (7) 敢于做你朋友或邻居都没有做过的新事物  
\_\_\_\_\_ (8) 管理一个有很多职工的单位  
\_\_\_\_\_ (9) 参加慈善活动  
\_\_\_\_\_ (10) 自己开店做生意  
\_\_\_\_\_ (11) 遵守宗教或敬祖的戒律  
\_\_\_\_\_ (12) 一日三餐，不但数量充足，而且重视营养价值  
\_\_\_\_\_ (13) 与远方的朋友保持联系  
\_\_\_\_\_ (14) 候车时和陌生人闲谈  
\_\_\_\_\_ (15) 井井有条，有规律的生活，不愿有任何意外的干扰  
\_\_\_\_\_ (16) 经常积极地参加户外活动  
\_\_\_\_\_ (17) 尽可能放松自己，什么闲事情也不愿管  
\_\_\_\_\_ (18) 一个人跑到从来没有去过的地方游览，增长见识

- \_\_\_\_\_ (19) 努力达到自己既定的高目标
- \_\_\_\_\_ (20) 努力工作而赢得他人的尊敬
- \_\_\_\_\_ (21) 对你不同意的事情，发表自己的看法
- \_\_\_\_\_ (22) 遵守宗教或敬祖的仪式
- \_\_\_\_\_ (23) 有时忽然想起依照自己的念头做事，不顾后果
- \_\_\_\_\_ (24) 重视自己外表的打扮
- \_\_\_\_\_ (25) 在衣着方面以时髦为主，而不在于乎舒服
- \_\_\_\_\_ (26) 赞成自然环境污染上的管理制度
- \_\_\_\_\_ (27) 随手关灯
- \_\_\_\_\_ (28) 搭乘公共交通工具
- \_\_\_\_\_ (29) 以参观博物馆为娱乐
- \_\_\_\_\_ (30) 为了赶时间宁可饿肚子
- \_\_\_\_\_ (31) 购买减价打折扣的商品

一、婚姻状况 \_\_\_\_\_

二、年 龄 \_\_\_\_\_

三、文化程度 \_\_\_\_\_

四、父亲文化程度 \_\_\_\_\_

五、职 业 \_\_\_\_\_

六、工 资 \_\_\_\_\_

七、性 别 \_\_\_\_\_

八、几个子女 \_\_\_\_\_



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