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PSYCHOGRAPHICS AND VALS SYSTEM AS MARKETING SEGMENTATION
APPROACH BY BUSINESS ESTABLISHMENTS IN
UNITED ARAB EMIRATES

A Thesis
Presented to the
Faculty of
California State University,
San Bernardino

In Partial Fulfillment
of the Requirements for the Degree
Master of Arts
in
Interdisciplinary Studies:
Integrated Marketing Communication

by
Rashed Abdulaziz Al-Shamsi

March 2001

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Approved by:



Kevin Lamude, Chair, Communication

3/19/01
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ABSTRACT

With a call for a market-oriented approach to the provision of many products and services, psychographics providers need to recognize the diverse needs of consumers, and the heterogeneous nature of the multicultural market. They must be able to categorize consumers according to some of their definable characteristics and to tailor the market program for each category. Western researchers and marketers call this procedure market communication segmentation. It is defined as the act of dividing a market into distinct and meaningful groups of consumers with each segment having unique values. The basic proposition behind psychographics as a market segmentation tool is that within a total multicultural market there may be groups of consumers with similar wants and needs, but whose wants and needs are different from other groups. The enormous increase in business opportunities and open market throughout the 1980's in the United Arab Emirates (UAE) reflects this trend. Most companies carried on market oriented studies, confirming that consumers with preferences toward specific product and service can be

segmented into a few distinct groups, and each group or segment has a unique demographic profile.

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CHAPTER ONE

Introduction

The world is too large and filled with too many diverse people and organizations, which make it impossible for any single marketing mix to satisfy everyone. Cultural differences, religions and even individual or group ideologies all play a significant role in diversifying both the business market as well as the consumers' behavior. Also, unless the product or service is an item such as an unbranded, universally required detergent aimed at the mass market, any attempt to satisfy everyone may be doomed to failure. An organization that decides to operate in some market - whether consumer, industrial, reseller or government - recognizes that it normally cannot equally serve all the customers in that market. The customers may be too numerous, widely scattered and heterogeneous in their buying requirements.

Segmentation is both marketing and communication necessity because as the businesses vary, the consumers diversify, making the market a non-homogenous one. For business marketers, segmentation not only provides direction, but it also helps focus marketing activities.

The purpose of identifying any market segments is to establish solid educational ground of both market and consumers. Then, the following potential step is to integrate business development and communication strategies and linking the results and market characteristics to consumer benefits and values technique, accommodates the characteristics relevant to identifying valid market segments.

The process of dividing the total market into several relatively homogeneous groups with similar product or service interests, based upon such factors as demographic or psychological characteristics, geographic locations or perceived product benefits, is called market segmentation. Understanding how consumers can be divided up into different types or classes is widely regarded as essential to effective communication and marketing strategy, which is known by business term of Psychographics and Life system of marketing segmentation.

Purpose

Psychographics is the principal technique used by consumer researchers as an operational definition or measure of life style. One aim of psychographics is to provide quantitative measures of consumer lifestyles, in

contrast to soft or qualitative research from focused group interviews, depth interviews and similar techniques. The scope of this thesis is to discuss the psychographics analysis and life system in The United Arab Emirates (UAE) as a tool of marketing communication segmentation. Specifically, the study of this thesis answers the question of how business establishments use psychographics and value systems in market segmentation and comparing them to the western origin of psychographics and life system. Do the Islamic traditions or UAE culture of values and norms oppose the applications of this marketing tactics?

Because the UAE, and specifically the city of Dubai, became the marketing center of the Middle East, this thesis demonstrates how advertisers and marketers in UAE visualize their audiences more effectively, and what basis they use to communicate more effectively to the people they most want to reach. Nevertheless, this thesis answers the significant questions of how the business marketers determine the quality of a target market and how they draw a portrait of a product's consumer. It discusses the degree of success or failure of applying

psychographics approach in the UAE with respect to Islamic traditions and domestic cultural values.

Study Methodology

The primary sources for the psychographics literature review were articles from marketing, advertising and psychology journals, while the sources for Islamic marketing study were two books and articles located in Islamic websites. The secondary sources for this thesis were two surveys conducted on two samples of business CEOs and consumers in the UAE market. The procedural method that was used in this thesis is divided as follows:

1. Western Psychographics Marketing Segmentation - Review of the Literature.

This chapter demonstrates full analysis of development of psychographics and life system as marketing communication science.

2. The UAE Country Profile.

This chapter demonstrates the basic information of the UAE in order to relate ethical norms and values to the culture of the UAE.

3. Islam and Marketing.

This theoretical chapter deals with a couple of hypothetical questions of how business and marketing segmentation are related to Islam and Arab traditions in the UAE.

H1: Does market segmentation contradict Islam?

H2: Does Islam's business code of conduct oppose the psychographics' approach (the study of consumer's life style)?

4. UAE Marketing Communication Study.

A survey and questionnaires were conducted to reflect how business organizations use psychographics in their market segmentation, and what the CEO's think of such marketing tactics.

5. UAE Consumer Behavior.

This chapter discusses the implementation of the Elaboration Likelihood Model (ELM) in the UAE's multi culture consumers.

6. Conclusions and Recommendation.

The final recommendation whether psychographics methodology is considered to be a potential market communication segmentation instrument in the UAE or not.

CHAPTER TWO

Psychographics - the Theory Literature Review

Imagine a car manufacturer who decides to produce and market a single model to satisfy everyone, and the seemingly endless decisions that he'll encounter about such variables as the number of doors, type of transmission, color, styling and engine size. In its attempt to satisfy everyone, a company or business may be forced to compromise in each of the areas it has to cover and, as a result, may discover that it does not satisfy anyone. The process of dividing the total market into several relatively homogeneous groups with similar product or service interests, based upon such factors as demographic or psychological characteristics, geographic locations or perceived product benefits, is called market segmentation. Understanding how consumers can be divided up into different types or classes is widely regarded as essential to effective marketing strategy. Psychographics is the principal technique used by consumer researchers as an operational definition or measure of life style. One aim of psychographics is to provide quantitative measures of consumer lifestyles, in contrast to soft or

qualitative research from focused group interviews, depth interviews and similar techniques.

History

According to Demby (1974), the origin of psychographics can be traced back to the work of Lazefield and his associates at the Bureau of Applied Research (Lazefield, 1935). Lazefield suggested that any research aimed at understanding consumer behavior must 'involve interplay among three broad sets of variables: predisposition, influences and product attributes.' He did not present a formal model of the interrelationships of these sets of variables, but he did open a door through which many researchers passed in route to a 'humanized' approach to quantitative research.

Among the early landmark papers on psychographics were those by Lazefield (1935) and the Opinion Research Corporation (1959a, 1959b). Other studies are also notable in representing an early psychographics approach (Harper's Magazine, 1962) and application of personality research to the marketing context (Dichter, 1958).

During all this development, there was, and even today there still is, disagreement as to what should be included in psychographics and what should not.

Describing the development of psychographics, Bernay (1971) wrote that 'Psychographics had its origins in motivation research that relates personality variables to product choice'. Other researchers sought to separate psychographics from lifestyle research by reserving the term 'psychographics' for measures that are truly 'mental' - attitudes, beliefs, opinions, personality traits, etc. The analysis and classification of activity or behavioral reports from the consumer, which are frequently classified as psychographics, should be given their own distinct term such as 'lifestyle.'

The historical background of psychological segmentation does not portray a clear, structured path of development, but rather one that has grown on an ad hoc basis over a fairly lengthy time period. There are two principal components to the growth of psychological profiling of consumers. The first comprises the application of clinically developed personality tests to the consumer context. The second line of development consists of attempts by marketing researchers to produce original instruments designed to segment markets in terms of consumers' activities, interests and opinions. Initial developments can be traced back to over 30 years ago.

In the early 1950s, advertising and marketing were host to an extensive and lively fad that came to be known as motivation research. Armed with 'projective techniques' from clinical psychology and some exciting notions from psychoanalysis, motivation research practitioners attempted to penetrate deeply into the consumer's psyche, revealing for the first time to their astounded clients the 'real' and often paradoxical reasons why people buy products.

The marketing establishment's reaction was predictable. Conventional marketers insisted that motivation research was unreliable, invalid, insufficiently objective, too expensive, liable to be misleading, and that whatever was good about motivation research had long been standard practice anyway. The motivation researchers replied that conventional research was sterile, dull, shallow, rigid and superficial.

Although researchers originally interested in the study of consumer motivation eventually moved on to new and different perspectives, the early 'motivation' research approach left a legacy. It added a human psychological dimension to the usual hard statistics used by marketers to describe and define markets.

Subsequently, research which examined consumers' activities, interests and opinions, psychographics or lifestyles research, gained momentum and provided operational techniques for measuring such entities. With these techniques, marketing researchers were able to compose psychological portraits of consumers. These portraits revealed characteristics of consumers, which were (highly) relevant to their consumer preferences and behaviors.

Further advantages offered by psychographics research were that it could help advertisers and marketers to 'visualize' their audiences more effectively, and this could, in turn, help them to communicate more effectively to the people they most wanted to reach. Psychographics provided insight into the 'quality' of a target market by drawing a portrait of a product's consumer. Psychographics was also believed to reveal interesting insights into users of particular mass media, and hence, guide advertisers in the selection of media in which to place their adverts.

One of the early concerns with the psychographics approach to market segmentation was the rather piecemeal fashion in which it had developed. Hustad and Pessemeier

(1974) noted the 'theoretical' foundation of psychographics, and argued that this was due to the fact that there was no obvious base to build upon since the area had not been guided by an explicit theory of human behavior. This stance has, however, been refuted by Reynolds and Martin (1974) who believe that much of the work on lifestyle and psychographics can be seen as 'nested' within Kelly's theory of personal constructs, though this is debatable. Certainly, it is true to say that no one psychological theory informs research on psychographics.

Wells (1974) later identified two traditions, which eventually amalgamated to be termed variously lifestyle, psychographics, and attitude and opinion research. The first direction has its roots in personality research. Dichter (1958, 1964) produced motivational studies on consumers, which stimulated researchers to try and apply concepts of personality and clinical psychology to virtually every aspect of marketing. Koponen (1960) produced the first of many studies incorporating personality inventories. However, in general, these studies have produced low correlations, and the relationships, which have been uncovered, have been too

abstract to be useful or actionable by marketing executives. The second direction was that followed by practitioners of motivational research, and this proved to be more successful despite defective methodology. This work sprang from a general realization that traditional demographic and socioeconomic classification and segmentation systems lacked information, which could give a greater insight into the consumer.

Wells (1975) pinpointed the mid-1960s as the time when these two directions began to blend to form the psychographics or lifestyle area. Bernay (1971) noted the origin-theory, and agreed upon methodology and current status of psychographics: 'Psychographics had its origins in motivation and personality variables are related to product choice.'

What is Psychographics?

Psychographics is the principal technique used by consumer researchers as an operational definition or measure of life style. One aim of psychographics is to provide quantitative measures--of consumer lifestyles, in contrast to soft or qualitative research from focused group interviews, depth interviews and similar techniques.

In reaction to the small samples of most qualitative research, consumer analysis previously tried to explain consumers' life patterns in terms of demographics - income, education, place of residence and so forth. While demographics are very important in explaining consumer behavior, because they define and constrain the life patterns that are possible for most people, they do not go far enough. The concept and name of psychographics were originated by Demby (1974) to describe a technique that added the richness of the social and behavioral sciences to demographics. Demby provided a three-level definition of psychographics.

- 1) Generally, psychographics may be viewed as the practical application of the behavioral and social sciences to marketing research.
- 2) More specifically, psychographics is a quantitative research procedure that is indicated when demographic, socio-economic and user/non-user analyses are not sufficient to explain and predict consumer behavior.
- 3) Most specifically, psychographics seeks to describe the human characteristics of consumers that may have bearing on their response to

products, packaging, advertising and public relations efforts. Such variables may span a spectrum from self-concept and lifestyle to attitudes, interests and opinions, as well as perceptions of product attributes.

There has been some dispute between marketing practitioners and academic researchers as to what constitutes psychographics, and whether or not it is synonymous with lifestyle research. The consensus appears to be that there is a distinction between the two concepts. Psychographics refers to a consumer's personality traits (for example, their sociability, self-reliance, assertiveness), while lifestyles consist primarily of an individual's activities, interests and opinions, or AIO's. In practice, personality traits and lifestyles need to be considered collectively to provide meaningful marketing information.

What is AIO?

AIO, a term used interchangeably with psychographics, refers to the measures of activities, interests and opinions. Some researchers use the 'A' to stand for attitudes, but activities are a better measure of lifestyles because they measure what people do. AIO

components are defined by Reynolds and Darden (1974) as follows:

An activity is a manifest action such as viewing a medium, shopping in a store, or telling a neighbor about a new service. Although these acts are usually observable, the reasons for the actions are seldom subject to direct measurement. An interest in some object, event or topic is the degree of excitement that accompanies both special and continuing attention of it. An opinion is a verbal or written 'answer' that a person gives in response to a stimulus situation in which some 'question' is raised. It is used to describe interpretations, expectations and evaluations - such as beliefs about the intentions of other people, anticipations concerning future events, and appraisals of the rewarding or punishing consequences of alternative courses of action. Examples of each AIO category are shown in Appendix A. Demographics are also undivided in most studies involving such variables.

AIO Statements

AIO statements in psychographics studies may be general or specific. In either type, consumers are usually presented with Likert scales in which people are

asked whether they strongly agree, agree, are neutral, disagree or strongly disagree. Statements can be administered in person, by phone or by mail, often in mail panels. First formulating a large number of questions regarding consumer AIOs, and then selecting a smaller number of questions develop AIO inventories that best define consumer segments.

AIO statements are usually analyzed by cross-tabulating each statement on the basis of variables believed important for market segmentation strategies such as gender, age and so forth. Factor analysis or other multivariate techniques may be used to group the statements into a more parsimonious format. Factor analysis is a mathematical technique for examining the inter-correlation between statements in an attempt to determine common or underlying factors that explain observed variations.

Since the pioneering works of Pessemier, Tigert, and Wilson (1974), the field of psychographics has grown rapidly. Activity, interest, and opinion (AIO) measures have been used to profile diverse consumer segments ranging from American tourists to Canada to heavy users of marijuana. Though these studies may differ in detail

and in the method of analysis, they have the same basic structure.

A typical questionnaire for a psychographics study consists of a battery of AIO questions (examples of which are shown in Appendix B), measures of demographic variables and questions about media viewing, reading habits, and consumption of a wide variety of products.

Within this basic structure of a typical psychographics study, ample variations of content and method of analysis are possible to require a classification scheme. The classification of psychographics studies may be based on the content of AIO statements as derived from general lifestyle AIO items or product-specific AIO items.

Within each of the "content classes" life style, studies can further be classified by the method of analysis - profile analysis or segmentation analysis, as shown in Appendix C.

Specific AIOs

The specific approach to AIOs focuses on statements that are product specific and that identify benefits associated with the product or brand. One study concerned with health care services included both general and

specific statements (Blackwell & Talarzyk, 1977). The study was concerned with predicting what types of consumers try to behave in a way that will achieve consistency between their behavior and attitudes, and it was necessary to determine specific attitudes toward physicians as well as towards malpractice. Thus, statements such as the following were included:

- 1) I have a great deal of confidence in my own doctor.
- 2) About half of the physicians are not really competent to practice medicine.
- 3) Most physicians are overpaid.
- 4) In most malpractice suits, the physician is not really to blame.

In this study, respondents who indicated that they had a great deal of confidence in their doctors also reported a much lower likelihood of bringing a malpractice suit. Respondents agreeing with statements that physicians are not really competent and that they are overpaid, and disagreeing with the statement that physicians are not really to blame in malpractice suits, were more likely not to file a malpractice suit.

Respondents who agreed with general AIO statements such

as 'I generally do exercises' and 'I am sick a lot more than my friends are' were found also to be more likely to bring malpractice suits. Such findings demonstrate how both general and specific AIOs can be used to profile consumers and relate their lifestyles to behavior.

Some AIO studies attempt to generate a broader base of lifestyle types, which may be applied to more than one product market. For example, Wells and Tigert (1971) formulated 300 AIO statements and asked respondents to agree or disagree with each on a six-point scale. Factor analysis was then used to reduce these 300 statements to 22 lifestyle dimensions. A selection of the results is shown in Appendix D.

In another study whose purpose was to explore relationships between consumers' lifestyle and their overall product assortment decisions, Cosmas (1982) used a postal questionnaire containing 250 AIO items and 179 frequency-of-use items. A technique called Q-factor analysis was used to compute lifestyle and product topologies. The lifestyle clusters generated were: (1) Traditionalists, (2) Frustrated, (3) Life-expansionists, (4) Mobiles, (5) Sophisticates, (6) Actives and (7) Immediate Gratifiers. The product clusters were: (1)

Personal Care, (2) Shelf-stocker, (3) Cooking and Baking, (4) Self-indulgent, (5) Social, (6) Children's and (7) Personal Appearance.

In addition to the above tests, an eyeballing of the data suggested the following relationships: The Traditionalists' product assortment decisions were characterized by Shelf-stocking, Cooking and baking tendencies. This, in turn, seemed to reflect the Traditionalists' way of life, which placed emphasis on the role of women as homemakers. The Frustrates' product assortment decision tended to be weak on the social dimension and unrelated to any of the others. This indicated that Frustrates tended to be unsure about what they liked and an inability to find satisfaction in product purchase in any clearly defined way. The Life-Expansionists' product assortment tendencies were characterized by weak dispositions towards Shelf-stocking, Self-indulgence and Personal Appearance. This reflected the Life-Expansionists' way of life, which had placed emphasis on involvement with their environment, and a rejection of self-centeredness. The Mobiles' product-related behaviors were characterized by strong Self-indulgent, Children's and Personal Appearance

tendencies. The Mobiles' way of life placed emphasis on careful eating habits and more emphasis on themselves and other members of the family due to a lack of social ties. The Actives' product-related attributes were characterized by Personal Care, Self-indulgence and Personal Appearance factors. This reflected the Actives' way of life, which placed emphasis on meeting people, going places and just 'being on the go'. The Sophisticates' product-related Personal Care and Social product dimensions defined characteristics. Sophisticates tended to place emphasis on the social and external events in their environment. Finally, the Immediate Gratifiers were characterized by Personal Care, Cooking and Baking, Self-indulgence and Social factors. The Immediate Gratifiers desire instant satisfaction and crave hedonistic activities.

Issues in Psychographics

The very factors that have contributed to the ready acceptance and rapid diffusion of psychographics research may be responsible for the neglect of such issues as reliability and validity of these studies. Psychographics studies have continued to produce 'useful' results; reliability and validity notwithstanding. Furthermore,

many studies in this field have high face validity. These facts have led researchers' sensitivities to the issues of reliability and validity.

Not many researchers have asked such questions, as Are the results reliable?, Are they valid? although many thousands of dollars depend on answers to these questions. Unfortunately, there are no easy answers; both reliability and validity are like Hydra monsters with many heads.

Reliability

Implicit in the question on reliability of results are questions about the reliability of AIO items and scales, of dependent variables, of relationships, and of observed structure.

Psychographics research is of such recent vintage that no standardized battery of AIO items or scales is currently available. Most studies have homemade AIO items and the reliability of these items is at least questionable. In a study done at Purdue University, researchers found a wide range in the coefficients of test-retest reliability of homemade AIO items and scales.

The issue of reliability of dependent variables has received even less attention from researchers, although

this problem is more insidious. Often researchers have concluded that the consumer behavior they were investigating had no significant relationship with life style variables, when in fact the dependent variables under investigation may have been so inaccurately measured or inherently unstable that no relationship could be measured. Professor Bass (1974) of Purdue University has asserted that some measures of consumer behavior, such as brand choice, are so unstable that they can never be accurately predicted by psychographics or any other method.

Assuming that the researcher has been careful in his/her choice of AIO items and of the dependent variables, and is reasonably sure of their reliability, he must still contend with the reliability of the relationships he observes. For instance, would researchers of Christians in Brazil have arrived at different conclusions about the life styles of the members of the Lutheran and Assembly of God churches with a totally different sample? Would the profile of the accident-prone driver look different if the study were repeated on a new set of respondents? Often researchers

have spent long hours analyzing results that were due, at least in part, to chance. Wells (1975) observes:

The only sure safeguard against being deceived by chance relationships is replication. When replication is impossible, the best procedure is to divide the sample into random parts, complete the analysis on one part, and then determine whether the same conclusions would have been reached via an identical analysis of the holdout group.

An issue closely related to that of reliability of relationship is the reliability of structure. All segmentation analyses are based on clustering algorithms.

As is evident in the case of reliability of relationship, for reliability of segments, replication on a holdout sample is necessary but not sufficient to ensure reliability.

Validity

The question of validity is more nebulous and more complex than the question of reliability. The issue here is whether psychographics instruments measure what they are supposed to measure. The issue of validity, like that of reliability, needs to be tackled at several levels: one needs to worry about the validity of homemade AIO

items, of segments, and of predictions. Establishing the construct validity of AIO items within reasonable bounds of certainty is a painstaking process, and can only be accomplished by accumulating evidence on item-by-item and scale-by-scale convergent and discriminate validity. Lacking such information, researchers have relied almost solely on the face validity of homemade AIO items.

Most segmentation studies also have high face validity, and the groups that emerge appear reasonable and plausible. Who can deny the existence of a Thelma or a Mildred or of a hypochondriac (Pernica, 1974) who thinks, "How are you?" is a cue for describing his state. Unfortunately, face validity is not enough to ensure validity of the segments. More stringent tests are needed; cross-validation on a holdout sample is necessary but again insufficient.

The question of validity of segments has one other dimension besides reproducibility: How representative are the group descriptions of each individual in the group? In the Needham, Harper and Steers segmentation study, 26% of the males are classified as Herman, the retiring homebody. What percentage does and what does not fit is a

little researched area, and more basic research needs to be done before answers are available.

Another measure of the validity of psychographics studies is their ability to predict consumer behavior. If the test of predictive validity is to be based on the ability to predict individual behavior, then the record of psychographics is not good. However, researchers have cogently argued that the purpose of psychographics analysis is to explain group differences rather than to account for variance in individual behavior. From this perspective, psychographic variables do substantially better than demographic attributes.

Lifestyle Concepts and Measurements

Lifestyle as a construct goes beyond that of personality. For marketing purposes, lifestyle is more contemporary, sociological, comprehensive and more useful. For these reasons, considerable attention has been devoted to understanding the construct, how it is measured and how it is used. Lifestyles are defined as patterns in which people live and spend their time and money. They are primarily functions of consumers' values.

Consumers develop a set of constructs (ideas, descriptors) that minimize incompatibilities or

inconsistencies in their values and lifestyles. People use constructs, such as lifestyles, to construe the events happening around them and to interpret, conceptualize and predict events. Kelly (1955) noted that such a construct system is not only personal, but also continually changing in response to a person's need to conceptualize cues from the changing environment to be consistent with one's values and personality (Reynolds & Darden, 1972). Values are enduring, but lifestyles change much more rapidly causing researchers to place attention on currency and flexibility in research methods and marketing strategies.

The concept of lifestyle is built upon the social-psychological theory that people develop constructs with which to interpret, predict and control their environment. These constructs result in behavior patterns and attitude structures maintained to minimize incompatibilities and inconsistencies in a person's life, thus, it is possible to measure patterns among groups of people, called lifestyles. Psychographics or AIO measures, which may be general or product specific, are the operational form of lifestyle, which marketing researchers measure.

The fundamental forces creating lifestyles include the cultural transfusive triad and early lifetime experiences. The former refers to the influence of institutional influences such as the family, religion and school, while the latter refers to basic intergenerational influences such as depressions, wars and other major events.

There have been several attempts to produce psychological typologies of lifestyle, which can cover the entire active consumer population. These studies have generated psychographics segmentations, which comprise basic categories of consumers defined in terms of their reported values and lifestyles. These systems are purported to yield enduring psychological constructs which define the broadest consumer populations, but which also predict idiosyncratic behavior.

One of the most widely popularized approaches to lifestyle research for market segmentation on this scale is the Values and Lifestyles (VALS) program developed by Mitchell (1983) at SRI, a management consulting firm in California. It started from the theoretical base of Maslow's (1954) need hierarchy and the concept of social character (Riesman, Glazer & Denney, 1950). The essence

of the VALS program is a classification scheme that assigns people to one of nine VALS segments. These segments are determined by both the values and lifestyles of the people in them ('values' within this system refers to a wide array of an individual's beliefs, hopes, desires, aspirations, prejudices and so on). Conceptually, VALS represents a linkage between the personality orientation of psychographics and the activities orientation of lifestyle research.

The VALS System - Consumer Application

The basic belief behind VALS is that humans strive to improve themselves during their lifetime. This goal, in turn, strongly influences their values, lifestyles and many of the decisions they make each day. The approach is holistic, drawing on insights from a number of perspectives and many types of data to develop a comprehensive framework of characterizing the ways of life of American people.

The core of the VALS program is the VALS typology. This typology is hierarchical. The VALS system defines a typology of four basic categories of consumer values and lifestyles, with nine more detailed types. Drawing originally from Maslow, SRI describes consumer market

segments as Need-Driven, Outer-Directed, Inner-Directed and Integrated.

The argument is that there are basic needs, which have to be satisfied to survive and sustain existence. Need-Driven motives give way to expression of the sort of person you are, a development which often accompanies increased affluence, following either the pathways of Outer-Directedness or Inner-Directedness to influence ways of living, products bought and so on.

The prime developmental thrust is from Need-Driven through Outer-Directed and Inner-Directed phases, to a journey of Outer and Inner-Directions. These major transitions are seen as crucial stage posts in the movement of an individual (or a society) from immaturity to full maturity. By maturity is meant psychological maturity. Very generally, psychological maturation is marked by a progression from partial towards full realization of one's potential. It involves a steady widening of perspectives and concerns and a steady deepening of the inner influence points consulted in making important decisions.

The VALS topology is divided into four major categories, within each of which there are several

segments (except the Integrated which is so small that it is a segment in itself). These lifestyle segments are fitted together into what is called the VALS double hierarchy. In total, there are nine VALS segments, with every adult theoretically fitting into one of these categories. Appendix F summarizes some of the demographic characteristics of these segments.

The lifestyle groups in the United States include Survivors (4 percent), Sustainers (7 percent), Belongers (35 percent), Emulators (9 percent), Achievers (22 percent), I-am-toe's (5 percent), Experimental (7 percent), Societal-conscious (9 percent) and Integrated (2 percent). A proprietary system of weighting questions for classification was developed using data from a national probability sample of 1635 Americans and their spouses (1078) who responded to an SRI International mail survey in 1980. VALS has had considerable impact since that time. Part of its allure comes from the vivid individual portrait that advocates paint of members of the various groups.

Need-Driven consumers exhibit spending by need rather than preference and are subdivided into survivors and sustainers, with the former among the most

disadvantaged people in the economy. Outer-Directed consumers, who are divided into three sub-groups, are the backbone of the marketplace and generally buy with awareness of what other people will attribute to their consumption of that product. Inner-Directed consumers are divided into three sub-groups. They comprise a much smaller percentage of the population. Their lives are directed more towards their individual needs than towards values oriented to externals. Although their numbers are small, they may be important as trendsetters or groups through whom successful ideas and products trickle up. This segment is growing rapidly, whereas the number of Need-Driven consumers is declining with Outer-Directed types holding steady.

The Need-Driven Lifestyle

These people (11 percent of the population) have values and lifestyles, which are very strongly affected by restrictions in money available to them. Their values tend to center on the immediate and to focus on safety, security and survival. As consumers, these people buy more from need than from choice and desire. Within this type, there are two specific market segments: 'Survivors' and 'Sustainers.'

Survivors are the very bottoms of the hierarchy. This segment accounts for about 4 percent (4%) of all adults. They are the most disadvantaged of Americans because of their older ages (average age is about 66 years), lower levels of education and income, and the lack of prospects for life to improve in the future. Many of the people in this segment lived most of their lives at higher levels of the VALS hierarchy, but now face a combination of economic and health problems that dominate their lives. The values of this group are traditional in nature. Minorities are over-represented in this group, as are women due to longer life expectancies.

Sustainers account for 7 percent (7%) of the population. These people are much younger (average age 32) than the Survivor segment, but they also face economic restrictions that have a strong impact on their lives. This group also has low levels of education, and minorities are again over-represented. This group is at the edge of poverty, and its members' prospects of succeeding in the US economic system are not bright. Perhaps reflecting this, many members do not view the current socio-political system in a favorable light.

The Outer-Directed Lifestyle

* This segment (67 percent [67%] of the population) represents the mainstream of the population, with two in three adults living in this lifestyle type. The outstanding characteristic of this type is that other people are used as guides for both values and behavior. Concern for the social implications and norms of behavior is quite high for all three segments here, although they differ from each other in some other important ways.

Belongers constitute the largest VALS segment with almost 40 percent of the total population. They would rather 'fit in' than 'stand out'. These are the stabilizers of society, a strong force for traditional values and behavior. Family, church and home are important to members of this segment. These individuals tend to be white, to be older than average and to have somewhat lower levels of education and income than most other segments.

Emulators are a much smaller (8 percent [8%] of the population) and different group to Belongers. These people are young (average age 28) and are trying hard to 'make it big' in the system. They are ambitious, competitive and status conscious. Their lifestyles and

values systems reflect (emulate) their aspirational reference group -the Achievers. Minorities are over-represented in this segment, the educational level is about average for all segments and the income level is above that of Belongers but below that of Achievers.

Achievers account for one-fifth of the population and include the leaders in business, the professions and government. These people are competent, successful and hard working. They tend to have materialistic values, are pleased with the economic system and appear to be well satisfied with their place in society. Males are over-represented in this group and minorities are quite under-represented. Members are slightly older than average, have almost two years of college on average and hold the highest family income level of any segment.

The Inner-Directed Lifestyles

The primary distinction between this lifestyle (making up 20 percent [20%] of the population) and the outer-directed majority lies in the fact that these people seem more concerned with resolving issues in their inner lives than in dealing with the values of the external world. This does not mean that these people have rejected the lifestyles or value systems of the

outer-directed. Instead, many of the people living in this lifestyle have been sufficiently successful that they have now chosen to pursue additional interests to that of economic success within the system.

I-Am-Me's are individuals in a transition stage that lasts only for a few years and represents a mix of values from both inner and outer-directed lifestyles. This is a very small segment (only 3 percent [3%] of the population), but an interesting one through which many people pass. The average I-Am-Me is 20 years old, has slightly less than a high school degree (though many are still in college) and has lower than average income (again as a result of the age of the group). People at this stage are fiercely individualistic, somewhat narcissistic and somewhat exhibitionistic. As they are very concerned with their inner identities and external potentials, they are often willing to try new activities, to take risks and to act impulsively.

Experientials constitute another small segment (6 percent [6%] of the population), which is also somewhat tied to a person's progress through the life cycle. Their average age is 26; they tend to be female and white, with higher than average educational levels and household

incomes. This group is the most inner-directed of any of the segments and seeks personal involvement and experience with many aspects of life.

Societally conscious individuals represent the farthest step along the VALS inner-directed path and constitute 11 percent (11%) of the adult population. These people have extended their value system beyond themselves to include various concerns with improving (as they see it) society as a whole. This is undertaken not for personal gain in a materialistic sense, but because the person believes that 'the world ought to be better than it is.' Many of these individuals support causes such as conservation, and many engage in extensive volunteer work. These individuals tend to be in their late-30s on average and have high levels of education and income.

The Integrated Lifestyle

These are the rare 'self-actualizing' individuals (2 percent [2%] of the population) who represent the highest stage of the VALS system. Their values and lifestyles combine the power of the outer-directed achiever with the sensitivity of the inner-directed, socially conscious individual. They are 40 years old on average, hold a

college degree and have a high-income level. Because they account for only 2 percent (2%) of the population, however, they are not a very significant segment for marketers aiming at the mass consumer market. See Appendix F

Do VALS Segments Differ in Their Consumerism?

It is worth taking a look at an illustration of the discriminative capability of VALS to segment consumer markets. (See Appendix G)

Appendix G is taken from a publication by SRI and summarizes data on six consumer markets. It can be seen that the imported wine market is highly segmented. Survivors virtually never buy this product (they may instead drink domestic wines or not drink much wines at all) and the other segments at the top of the list are also buying imported wines at rates much below the national average. The segments towards the bottom of the list constitute the 'heavy users' of imported wines. Since Belongers are by far the largest segment, marketers might in this case want to key in on this group to gain increased sales in the future.

The second column indicates the way in which competition occurs within a general use category. Notice

that most segments buy cold cereals at about the national average, with Survivors and Emulators being lower, and the huge Belonger segment providing a massive sales base as they buy at higher than average rates.

The media columns show that it is possible to use VALS to segment markets according to their use of media. This is important in the context of planning media campaigns and knowing where the best media outlets are to place commercial messages in order to reach target markets. The example in the table shows how highly segmented the audiences are for TV comedy shows. The same is also true of sports magazine readerships. The final two columns indicate that VALS has been used to segment individuals on the basis of their activity and interest characteristics.

Psychographic Applications-Market and Industry

The researchers Cosmas and Mitchel (1983) found out that when putting psychographics/VALS into practical ground of organization, they have to expand the consumer data gained from previous analysis and goes in very integrated process of segmentation based on three main aspects; The Market, the Nature of the Industry (Manufacturing process) and the Media channel. As the

application of psychographics escalates further, the success or failure of the advertising campaign is the ultimate answer to the ultimate question: Is the psychographics/VALS research useful?

Advertising and Media Market

At the outset, the advertising strategy can be defined as a statement of primary market target, the basic selling proposition and the specific copy benefits or elements to be emphasized. Psychographics/VALS system would enable to address the following crucial aspects in launching any advertising campaign:

- The size and importance of various possible market targets. Is a particular target large enough to be a good business proposition?
- The compatibility of the product. First, are the product's intrinsic qualities such that it can satisfy the needs of potential market segment? Second, are consumer perceptions of a product required to persuade consumers that particular product meet their needs at the minimal?
- Uniqueness. To what extent are the various selling promises that could be made for a brand unique and

to what extent have they been usurped by other brands?

- Cannibalization. If a product is one of several entries by a company, to what extent is the advertising strategy likely to cannibalize the other entries?
- Creativity. What are the chances that a specified strategy can be implemented in to creative ads campaign?

The psychographics theory is the key to define and answer all the previous questions (that is, to whom we should advertise and what we should say). They are two basic approaches to examine the differences in audience characteristics using the previous Psychographics/VALS techniques:

1. One approach is to examine the characteristics of particular medium's audience and to compare those characteristics with the characteristics of those who are not in that medium's audience. In other words, one compares viewers with non-viewers, readers with nonreaders, etc., for each specific medium that is being considered for a particular

campaign. The merit of this approach lies in the fact that one is examining mutually exclusive groups. This approach provides the opportunity for large differences to occur between market segments. To a specific example, one might implicitly assume that the life style profile of the viewers of the price is right reflect, to a certain extent, the characteristics of that show itself, that is, that what attracts a respondent to a specific TV show is something that is compatible with that respondent's own life style. Conversely one might assume that what turns off another respondent from a particular TV show (makes him/her a non-viewer), is related to his/her own life style. Thus, one might argue, the correct way to examine a TV show's characteristics is to examine its viewers in relation to its non-viewers.

2. A second approach involves the examination of a particular medium's audience characteristics in relation to the audience characteristics of all other media that are being considered for a particular campaign. A comparison across audiences

will tell us something about the differences in the quality or appropriateness of each audience for our promotional campaign. After all, one might argue, we can only reach people who represent audiences, we cannot reach non-viewers or nonreaders. Furthermore, our media selection problem is to pick among the available offerings so we should examine differences in audience characteristics across all the relevant media, at least within specific media classes.

It is significant to acknowledge the facts that these approaches might overlap based on different media types. So in order to assure the accuracy of such campaign, developing audience typologies on each stage of is needed. That means carrying on audiences' segmentation on each media channel and on each type of on each stage of campaign. With the boom in communication and the variety of programs on the Main Media Multi-Channel (TV), researchers must combine all the mentioned techniques with some outcomes of audience's demographics data to limits the mass of audience who vary in their needs and interests.

Industrial Design and Distribution Channels

The (Psychographics/VALS) method of Market Communication segmentation has what is called complex and hidden unique effects over the industry. First, despite of all the activity and information that could be provided through the implementations of Psychographics/VALS, there is a noticeable lack of application to distribution. The answer to the intriguing question 'why' is simple. Distribution is as Drucker (1985) once said, marketing's dark continent. Because marketing executives often commit the cardinal sin of being preoccupied with only parts of the marketing system, and distribution tends not be part of that preoccupation. Also, distribution tends to be perceived as a separate entity bearing no relationship to other marketing activities. With the boom in industrial technologies recently, customers vary aggressively in their needs forcing the marketers to fulfill the gap between each consumer categories. Also, marketers found out dealers tend to cluster in contiguous areas forcing the customers wandering around looking for their desired needs and goods. All that drove the final and realistic conclusion that force the marketers to initiate the idea

of Supermarket-Everything store that could be located to satisfy all needs. Moreover, Discounts Outlets and retailers spread in competitive desire causing development in the distribution channels all over the country. Furthermore, as the communication era started at the early 1980's and late 1970's, marketers found the chance to apply the Psychographics perception on the fast delivery of goods and commodities, opening a new market of shipping industry. The more the marketers take advantages of the Psychographics/VALS Market segmentation, the more business opportunities and economical profit could be gained, taking in consideration cheaper service and customer satisfaction.

Second, Industrial Design basically is not a designer task only; it involves the marketers-feedback with their market study and analysis. The involvement of Marketers exceeded and reached the extent of exercising influences on the design process in its earliest stage. A systematic, question-answering market research approach could replace during the manufacturing process the designer's question-asking approach. The development of a set of psychographics factors is a job for the marketers, not the designer. In present day, with the huge variety

of consumer's needs and desires, there is no reason to expect the designer to come up with self-confidence, aesthetic appreciation, and a cosmopolitan outlook as pertinent variables. Yet these three appeared to make an appreciable contribution to the job of the predicting consumer preference behavior.

Following the same path, there is no reason to suppose that a designer can tell us exactly how these factors influence his/her design approach. Nevertheless, if uses of such factors allow designers to produce more preferred designs, such use should be carried out or at least assumed. Moreover, considering the cost of the product development and the high level of risk a firm takes in introducing a new product, a substantial effort seems to be justified (1) to reduce the extent to which designs have to be tested on a trial-and-error basis, and (2) to develop a device to measure result of the design process that is triggered by alternative experimental treatments. Based on Psychographics/VALS way of segmenting the desired audience and market to provide an over all expectation for the manufacturing process and product layouts, the marketers would have absolute solid

ground for their recommendation to either the designer and the top management level.

Research on Psychographics Literature-Comments

For many reasons the quality and quantity of psychographics research is patchy. Some organizations that have invested large sums of money into a psychographics segmentation instrument are naturally loath to let potential competitors see it, so excellent examples of psychographic methodology do not come to light. The literature is also scattered across academic, applied and trade journals which makes it difficult to collect and assess. Of course, badly done research, however well it is marketed, will not further the field or fulfill the promise of psychographics.

Psychographics, like psychology itself, has a short history, but a long past, and it predicts a good future. There is no doubt that along with other more classic forms of market segmentation, psychographics has an important part to play in marketing strategy and research.

CHAPTER THREE

UAE Country Profile

The Country

Established on 2 December 1971, the UAE is a federation of seven emirates: Abu Dhabi, Dubai, Sharjah, Ajman, Umm al-Qaiwain, Ras al-Khaimah and Fujairah. Comprising an area of 83,600 square kilometers (including an archipelago which extends over approximately 5,900 square kilometers), the country lies between latitudes 22°-26.5°N and longitudes 51°-56.5°E. It is bordered to the north by the Arabian Gulf, to the east by the Gulf of Oman and the Sultanate of Oman, to the south by the Sultanate of Oman and Saudi Arabia and to the west by Qatar and Saudi Arabia.

The Geographical Location

The gulf has been an important waterway since ancient times, bringing the people who live on its shores into early contact with other civilizations. Due to its location, the UAE has been able to act as a connecting link between Europe and the Indian subcontinent, the Far East and Africa since time immemorial. It is still playing the role of intermediary between these vastly different cultures, the only difference being that air

travel has significantly increased the number of visitors who come to the UAE.

Culture and People

Only 15-20% of the total population of 1.8 million is UAE citizens. The rest include significant numbers of other Arabs--Palestinians, Egyptians, Jordanians, Yemenis, Omanis as well as many Iranians, Pakistanis, Indians, Filipinos, and West Europeans. All of the UAE citizens are Muslims. Most foreigners also are Muslim, although Hindus and Christians make up a portion of the UAE's foreign population. Educational standards among UAE citizens and population are rising rapidly. Citizens and temporary residents have taken advantage of facilities throughout the country.

The people of the UAE, like those of the rest of the peninsula, are of Arab stock. Their forefathers formed part of successive waves of migration 2,000-3,000 years ago that spread eastwards across Arabia, bringing with them their culture, their language and their skills at surviving in what was becoming an increasingly harsh climate. As they arrived, they mingled and then merged with the people already living in the region now known as the UAE, people who, like them, were of Semitic stock.

Inscriptions in now-extinct Semitic languages found on archaeological sites at Mileiha, in Sharjah, and at al-Dur, in Umm al-Qaiwain, testify to the presence of these early inhabitants, but in the centuries that followed, the population coalesced into a homogeneous whole, united by a common heritage, and, since the coming of Islam in the seventh century AD, by a common faith.

The people of the UAE have seen dramatic change in the few short years since the state was established, change that has provided them with all the benefits of a modern, developed society. At the same time, however, both government and people are determined that their heritage shall be preserved, in line with Sheikh Zayed's belief that 'a people that knows not its past can have neither a present nor a future.' In the past, life in the UAE was hard and it took extraordinary skill to be able to survive in the harsh terrain and arid climate. Today, things are easier, but by holding on to their heritage the people are able to draw upon their confidence in the past to tackle and overcome the challenges of the present and future.

Islamic Cultural Traditions

UAE's culture is firmly rooted in the Islamic traditions of Arabia. Islam is more than just a religion, it is a way of life that governs even the minutiae of everyday events, from what to wear to what to eat and drink. Thus the culture and heritage of the UAE is tied to its religion. In parts of the world, Islamic fundamentalism has given the 'outside' world a very extreme, blanket view of the religion. However, in contrast to this image, the UAE is tolerant and welcoming; foreigners are free to practice their own religion, alcohol is served in hotels and the dress code is liberal. Women face little discrimination and, contrary to the policies of neighboring countries, are able to drive and walk around unescorted. Among the most highly prized virtues is courtesy and hospitality and visitors are sure to be charmed by the genuine warmth and friendliness of the people.

The rapid economic development over the last 30 years has changed life in the Emirates beyond recognition in many ways. However, the country's rulers are very aware of the danger that their traditional heritage will be eroded by the speed of development and increased

access to outside cultures and material goods. Hence, they are keen to promote cultural or sporting events that are representative of their past, such as falconry, camel racing or dhow sailing. (Although, ironically, a large proportion of local entertainment centers less on traditional pastimes and more on shopping and shopping festivals)

Most of the citizens of the UAE are Muslims who love to live the traditional way of Muslim Arabs. The foreign population includes Muslims, Hindus, and Christians.

Although varying from emirate to emirate, the degree of religious freedom afforded non-Muslims is greater in the UAE than in Saudi Arabia and Qatar. For example, non-Muslims are permitted to worship but not to proselytize. There are several large Christian churches and schools in the UAE, primarily in Dubai and Abu Dhabi.

CHAPTER FOUR

Islam and Marketing Communication

Islam as A Guide

Unlike other religions, Islam is not confined to some moral teachings, rituals or modes of worship. Rather, it contains guidance in every sphere of life including socio-economic fields. The obedience from Muslims is required not only in worship, but also in their economic activities, even though it is at the price of some apparent benefits, because these apparent benefits may go against the collective interest of the society (Hafizah, 2001).

Islam and Market Economy

Islam does not deny market forces and market economy. Profit is acceptable to a reasonable extent. Private ownership is not totally negated. Quráan, the holy book of Islam, states that fact: "We divided them, the way they live, the way they earn their living; we made some richer and some poorer," (surat al zokhrf, 50: 32).

There are numerous literatures in Islam about cheating, swindling, deceptions, beguilement, and monopoly most of which agree that all are undoubtedly

prohibited. The same goes with fixing of wages, prices, gentlemen agreements, and all forms of deceit competition.

The reason for the prohibition is that it puts the selling power in the hands of the monopolists who is able to inflict harm on the community by demanding excessive prices and controlling the supply of goods to the community. The root of the term 'ghash and tadlees' (swindling, deceptions) comes from sale manipulation. The Qur'anic evidence regarding sales fair dealings explicitly shows the prohibition of such deceptions; verse 17, part 35: "And give full measure when you measure out, and weigh with a true balance; this is fair and better in the end."

Also, 'ihtkar', which is monopoly, denotes gathering and withholding of goods in anticipation of a price rise. In other words, 'ihtikar' is the monopolizing of a product to affect a price rise.

The Qur'án does not mention ihtikar; it only refers to the hoarding of gold and silver. The hadeeth (the prophet documented says and words), however, contains a number of statements.

The basic difference between capitalist and Islamic economy is that in secular capitalism, the profit motive or private ownership are given unbridled power to make economic decisions. Their liberty is not controlled by any divine injunctions. If there are some restrictions, they are imposed by human beings and are always subject to change through democratic legislation, which accepts no authority of any super-human power. This attitude has allowed a number of practices, which cause imbalances in the society. Interest, gambling, speculative transactions tend to concentrate wealth in the hands of the few. Unhealthy human instincts are exploited to make money through immoral and injurious products. Unbridled profit making creates monopolies, which paralyze the market forces or, at least, hinder their natural operations. Thus the capitalist economy, which claims to be based on market forces, practically stops the natural process of supply and demand, because these forces can only work properly in an atmosphere of free competition, and not in monopolies. It is sometimes appreciated in a secular capitalist economy that a certain economic activity is not in the interest of the society; yet, its allowed to be continued because to prohibit it goes against the

interest of some influential circles that dominate the legislature on the strength of their majority. Since every authority beyond the democratic rule is totally denied and 'trust in God' has been practically expelled from the socio-economic domain, no divine guidance is recognized to control the economic activities (Hafizah, 2001).

From the Islamic perspective, the adversity emanating from this attitude can never be curbed unless humanity submits to divine authority and obeys its commands by accepting them as absolute truth. This is exactly what Islam does. All these guidance combined together have a cumulative effect of maintaining balance, distributive justice and equality of opportunities.

H: Does Market Communication Segmentation Contradict the Believes of Islam?

The essence of market communication segmentation could be seen in Islam economic system and in the Arab tribal custom, where Muslim jurists generally accepted the concept of different needs for different people. By nature people are divided according to social and economic status and that does not contradict with the Islam rules.

In fact, the principle of providing the needs and seek the comfort all different people or group is accepted by Islam. Fair trade and competition rules are totally accepted in socio-economic classification of culture. As a complete religion, the teaching of Islam encompasses the essence of peace, economic well-being and development of the Muslim at the individual, family social, state and nation levels. Islam seeks to call for a people needs-oriented approach to the provision of many products and services, where providers need to recognize the diverse needs of consumers. In Islam providers must be able to categorize consumers according to some of their definable characteristics and to tailor the market or industry for each category. This procedure is called Market Communication Segmentation.

CHAPTER FIVE

UAE Marketing Communication Study

In UAE market, all the well-known and established international brands of goods and service from practically every country and region in the world are present in the market, so the competition is virtually against every manufacturer in the whole world. Nevertheless, the UAE market, with population of over 30 different nationalities, is an amalgam of many customs. Despite the general impression that the UAE is one geographical entity representing homogenous market, common race, religion, language and culture, the reality of it is that the UAE market, and Dubai in specific, is a mosaic of populations which speak different languages and come from different ethnic back grounds. Therefore, understanding the traditions of Arabs will not be that important to any market study.

The bone of this contention is that Marketing Communication created in Europe and designed for the western market does not adopt regionally because it does not transcend local culture or translate easily into other languages. However, the gap between western industrial societies and Persian Gulf States shrunk

because of the communications boom and open market tactics. Agencies now have access to sophisticated techniques and market support services.

However, to carry on effective market segmentation, we need full updated information about both the business market and consumers purchase habits. Surveys and interviews are the only source because these two ways can produce information on socio-economic characteristics of both consumers and business owners. (See Appendix H)

Psychographics in UAE

The basic proposition behind psychographics as communication and market segmentation tool is that within a total multicultural market there may be groups of consumers with similar wants and needs, but whose wants and needs are different from other groups. This gives rise to the notion that these smaller markets are internally homogeneous but externally heterogeneous. An analogy might be the existence of different kinds of consumers in the UAE in one big habitat (UAE Market). Each type feeds on different nourishments. Some like certain products and service, some like the atmosphere where these products and service are available, and

others like different products and service, but all like what the market habitat provides them with.

In the UAE, the diffusion of the market and communication segmentation concept in the business market has been slow since its oil economic boom in the early 1970's. In the 1980's, an increasingly competitive and rapidly changing environment has stimulated the adoption to the psychographics concept. An increase in business opportunities and open market throughout the 1980's reflects this trend. The market has evolved from a situation of product shortage, and an excess of unsatisfied demand, to conditions of ample supply and fierce competition. During this period, the average consumer in the area has also changed considerably. Where as twenty years ago he was an illiterate person with limited purchasing power, becoming acquainted with the products of the modern industrial world, today he is an educated, usually traveled, individual who has considerable purchasing power, and who has been exposed to almost everything in the industrial world has to offer. (See Appendix K)

Most companies carried on Marketing Communication oriented studies, confirming that consumers with

preferences toward specific product and service can be segmented into a few distinct groups, and each group or segment has a unique demographic profile.

How did Business Organizations Achieved their goals through marketing communication segmentation?

To answer this question, a purposeful sample was selected which consisted of 85 executive managers of two types of business organizations. The targeted audience is the executive managers of marketing departments in:

- Major shareholder companies in the UAE
- Trade centers in Dubai

This audience segment was selected on the basis that they had solid experience and strong business realization of marketing segmentation in the UAE market. This ensures that all findings are reasonably valid regarding the market status in the UAE. The Survey findings evaluate the targeted audiences' performance of how they implement psychographics/VALS in their marketing segmentation tactics. Survey Medium were:

- Interview-administered (telephone or in person) or
- Self-administered (Internet - E-mails)

Due to the lack of information about the UAE market, both methodologies of data gathered as much info as possible.

1. The survey is about identifying the market segments according to CEOs of business companies. Though, I made the questions of the survey short and easy to answer, yet I did encounter several problems while conducting the questioner of the survey. Some interviewee did not cooperate and answer all the questions due to their tight business schedules; they either transferred me to another department or put me on hold for a very long time. Some I could not reach on the phone and they did not even reply to my E-mails or registered regular mail (See Appendix M For Survey Questioner Sample).

The Demographics findings:

The survey was conducted on 85 executive managers, there were divided as follows according to their business organizations type: Of the Major shareholder companies in the UAE, there were twenty-eight executive managers in the field of Business-to-Business Market and only thirteen for Business-to-Customer Market. While in the

other segment of targeted audience the Trade centers in Dubai, the survey was conducted on twenty five marketing executive manager in the field of Business-to-Business Market and only nineteen for Business-to-Customer Market. Eighty percent of the survey participants live in Dubai where most of the marketing departments of almost every business in UAE are located. Only seventeen survey participants live in Abu Dhabi and Fujairah - free zone. Fifty-two CEOs of the participants do not spend time in their specific office locations. There is only one way to get a hold of them and that is by tracking their daily activity schedule or call their mobile phone. Only thirty-three CEOs were found to direct their job from the main branch of the marketing department. All the participants were married and with an income not less than \$80,000. Ninety percent of the participants each have a household of three or more, and only ten percent (10%) were just married couple. Sixty-seven of them were between the age of 40 and 45, while the remaining eighteen were below the age of 30.

The Life system-Value findings:

The type of CEOs that survey was conducted with were:

Local merchants, foreign manufacturers or exporters, new industrialists, managers of service companies as well as those in the Marketing Communication and advertisement research centers or organizations. (See Appendix I)

"We have several categories under business to business market as well as business to customer sector," said Saud Al Shamsi, the sales Manager in Com-trust, an E business Infrastructure Provider in the UAE. Saud, with a Bachelor's degree in Management Information System from California State University, San Bernardino, joined Etisalat, the Telecommunication Company of UAE, in 1996. Com-Trust is the new division that deals with E-Commerce, providing customers with all necessity to establish a business. He assured that diversity among market culture in UAE is similar to USA market. "There is no difference between Dubai and Southern California," he said.

Despite the diversity in the UAE market, the consumers always demand what they think they should deserve. Mohamed H Al Mansoori, a marketing representative in Abu Dhabi Investment Authority (ADIA), said: "To seek global investment opportunities, we need to pass through Dubai's Gate. Dubai brought the whole world in one small place."

Mohamed also graduated from California State University, San Bernardino, with a Bachelor's degree in Marketing. He said: "Dubai's marketing communication revolution brought the world together and consumer closer in which all different market demands became similar; excellence and perfection are what the customer needs and that what I also demand."

The Psychographics findings:

In the category of major shareholders, 20 of the participants' companies delegate marketing people to the field. This means that a junior marketing person is dispatched from the head office to the UAE and is attached to the organization. The remaining 21 companies use the integrated system of permitting local leading corporations to set their marketing department and recruit their experts either from the market or from their principles. Under the category of Trade show, all the participants agree that market communication segmentation relies heavily on market survey and research (like the one this thesis has already conducted). The classifications of business-to-business or business-to-customer will be evaluated further when each company or business organizations carry on its individual

market research or market study. Twenty percent (20%) of the participants refuse to share their marketing communication segmentations tactics by reframing from answering specific questions. The remaining eighty percent (80%) all agree that initial studies will be dipstick. Since estimates of exact population in the UAE vary greatly, the marketing department will use Burks-Sinclair formula for establishing relative proportions of the different nationalities/demographics groups for the purpose of sampling and post weighting. Then, the marketing research department will have to accurately formulate its ethnic sambaing groups. Nevertheless, the market studies will probe viewing, listening and reading habits of the key media groups. In both sector of business-to-business or business-to-customer, only forty percent (40%) of the companies thoroughly explained their marketing communication tactics. Their Marketing Communication in the UAE involves three steps. The first step is to identify segmentation variables, segment the market and develop profiles of the resulting segments. Using the same analogy, the consumer can be categorized according to different characteristics, such as: psychology,

purchase habits, way of life and locality. The second step involves the evaluation of the attractiveness of each segment and the selection of the target segment. The third step, called positioning, involves identifying and selecting possible promotional concepts for each target segment, and then developing and signaling the chosen promotional concept. It aims at distinguishing a service from competitive offerings in the mind of the consumer. Using the analogy again, some marketers may want to catch all types of consumers they can. Others may only want to catch a specific kind of consumer. Marketers whose concern is mainly the quantity of consumer caught may use bait that appeals to the majority of consumer within the market. Those who want to catch only specific kinds of consumer need to use bait that appeals to that specific category. They also need to pay attention to other consumer purchase habits.

CHAPTER SIX

CONSUMER BEHAVIOR

The Elaboration Likelihood Model (ELM)

Among UAE Multi Culture Consumers.

UAE: Consumer Profile

The more the business knows about their target audience, the better able the Marketing CEO is to create and place advertising that will influence their purchase behavior. Knowing where their customers live, how old they are, or how much money they make is important, but it isn't enough. To anticipate their behavior relative to business client's products, the business marketer must look at what motivates their customers - their values, behaviors, and beliefs.

Consumers today are much more diverse than they were when demographics came into use. Changes in cultural composition, work style, and family life have significantly increased the complexity of the marketplace. Consumers are aggregating themselves according to interests, values and lifestyles. Their decisions are moving increasingly outside those predicted by traditional statistical metrics alone.

During the 1980's and 1990's the era of competition in the UAE market, the average consumer in the area has also changed considerably. Where as twenty years ago he was an illiterate person with limited purchasing power, becoming acquainted with the products of the modern industrial world, today he is an educated, usually traveled, individual who has considerable purchasing power, and who has been exposed to almost everything in the industrial world has to offer. (See Appendix K)

For consumer goods, price is the primary buying factor for the middle and lower classes. These market segments are served through small stores and shops in traditional souks, or markets. Retailers operate under razor thin margins, one to two percent is common, and rely on volume. Since the population of the UAE is small, the over one million business and tourist visitors that come to the UAE each year supplement approximately 2.4 million. Of the 2.4 million residents of the UAE, approximately twenty percent (20%) are nationals, while the remaining eighty percent (80%) are ex-patriots (sixty percent (60%) of who are from the India sub-continent). The UAE's population has considerable purchasing power,

and as the following table illustrates, almost sixty percent (60%) of the population are under the age of 30.

Thirty five percent (35%) under 15 years old, twenty four (24%) between 15-29 years old, thirty nine (39%) between 30-59 years old and two percent (2%) over 60 years old. For this younger group, price is not a primary buying factor and retail margins are exceptionally high. Dubai exporters must be ready to use price aggressively to gain market share in order to gain market acceptance of their products non-price features. In the construction of optimum price, once all costs involved in the manufacture, added to the general overheads have been determined, it is necessary to mark up the point at which and optimum price is determined based on the demand schedule. "There is no formula. We look at how much the consumer can pay," Navin Kapoor, Marketing Manager of Dubai Jumbo Electronics said. The idea that price is determined by the strength of competition and not by the basic cost.

UAE: Marketing Persuasion

Resonance as marketing communications tool is widely used, especially when dealing with highly competitive, non-differentiated products or service categories. The

persuasive message strategy of the marketing techniques uses situations life styles and emotions that targeted audiences and customers can identify the product or service with. Consumers' mental activity in response to the persuasive message follows route mechanism depending on the consumer motivation, ability, and opportunity to process.

To see the answer of how consumers' behavior unite under this marketing communication model of persuasion, a brief survey was conducted on a sample of 15 different consumers attending the Dubai shopping festival. The survey was directed to locate the common purchase motive or habits among customers that differ in gender, age and race, within the latitude of acceptance one common non-differential brand (See Appendix N for Sample Survey Questioner about purchasing car tires).

Demographic data:

The survey was conducted on fifteen individuals, 7 females and 8 males. Two of the males were relatives (brothers), living in Saudi Arabia, two lived in Dubai and the rest were British tourists. Five of the females were housewives living in Abu Dhabi and the rest were singles friends from Singapore visiting Dubai. All male

participants were singles. Six of them their age ranged between 18 and 20, while the others' ages were between 29 and 35. All participants were visiting Dubai to attend the shopping festival. The average income for eight working participants was \$2,500 per month, while for the other participants it was \$1,300. Twelve of the participants each had a household of two or three, and the other three participants had a household of 6 or more.

Psychographics and Life system data:

Although the participant's age varied considerably, their purchase actions towards one item was the same. Presumably, the desire behind each purchase action differs because have cultural or life preferences in general, yet the advertisement message was delivered on the same level (See Figure 1). According to socio-economic classifications of the consumers in UAE market (See Appendix J and K), the price was not the critical drive for such purchase act. The consumers were guided by its appeal to the tire ads message. While the young six participants were guided by their physical ability to risky activity as the western psychographics would suggests, the rest nine older participants reached

the same result with their different ambitions to check quality and price aspects in their purchase decision making process. All fifteen participants agreed that specific tire retail stores are perfect for their car despite their different needs, while each one was pointing to the same ads on the board explaining different motive for his or her purchase decision.

Advertising Message Persuasion:

In the UAE, the marketers use the Event Marketing tactics as a way to appeal to the consumers and persuade them to just read their message of certain products. For instance, and according to the survey conducted, a company like Bridgestone Tire Inc. uses both the English version as well as the Arabic translated version of the ad message (See Figure 1)

First, the company invested in the message's persuasive content. The message was designed in such resonance tone in which the young consumer will be attracted to message title of (Fly with 4WD Bridgestone tire). For those price consciousness customers, the subtitle of (providing the 4 tires for less price) was the hook that affects their purchase motive. Moreover, the extended service or value added tactics that the ads

provide with bold title below the tire picture (all kinds of repairs and adjustment are free) attracts those quality and cautious customer who seek expertise in each field of life. Then, the company's marketing department uses all the possible promotion channels to reach to all sectors of the UAE's multi cultural consumer habitat. Exhibitions, trade fair, even racetracks shows, were tools that support the resonance persuasive model. Ads through high ways stands, short TV commercials as well as advertising in sports magazines and daily newspapers, were just channels to keep the types of targeted audiences intact if they need to change a tire in their car. (See Appendix I and L)

Is the psychographics approach a good market segmentation tool for UAE Market? ELM - interpretation

The basic proposition behind psychographics as a market communication segmentation tool is that within a total multicultural market there may be groups of consumers with similar wants and needs, but those wants and needs are different from other groups. An analogy might be the existence of different kinds of consumers in the UAE in one big habitat (UAE Market). Each type feeds on different nourishments. Some like certain products and

service some like the atmosphere where these products and service are available, and others like different products and service, but all like what the market habitat provides them with. Similar to the psychographics analysis of the western market, the UAE market has the same lay out with a consideration to the Arabic culture added as a new section to reference the life system of culture values. The fact is, in the UAE market, as long as the product or service persuasive message is delivered to all consumers' categories, the purchase action will be based on how the message could drive their social or life style motive to such purchase decision.

CHAPTER SEVEN

Conclusion and Recommendation

The studies and the analysis of this thesis showed that UAE's society is a mosaic of social types that are in constant change. Although the correspondence of such types to reality is unclear, these society images are pervasive elements of commercial and cultural signification. Therefore, effective psychographics marketing must relate marketer generated lifestyle categories to desirable (and meaningful) social types for their target markets, and must do so in a manner that will be accepted as accurate by the audience.

This thesis provide the CEO's of business organizations in UAE's market, as well as the research marketers, with land mark points they need to emphasize upon when conducting marketing communication campaign. First, they need to tail the consumption choices and purchase habits to a common idealized customer sector. Then the CEO's must realize that UAE's market consumers, despite their different life styles and ethnic backgrounds, tend to share similar aspiration and economical needs when they purchase. Hence, for effective Marketing Communication in the UAE, business

organizations need to group and segment all kinds of consumer groups in UAE's market that have shared similar aspirations and economical needs who are thus likely to value certain lifestyles and to devalue other. According to the UAE multi cultural market, and based on the findings of the thesis studies, I propose that homogeneity should be partly defined by consumers' shared valuations of particular lifestyles and values. I believe that there is no single lifestyle that serves as the positive or negative anchor for all consumers. Just as occupied (or membership) groups vary widely (justifying segmentation attempts in the first place), so only one common idealized lifestyle aspired to by many diverse consumer segments. Luckily, in the UAE market, CEO's utilize such imagery to guide in their selection of products, services, and activities because consumers act to conceptualize themselves in a widely shared, mass-mediated image of social reality. Thus, consumption choices can tell us what social type(s) a person is and what social type(s) he or she is not. Also, these choices act as social signals that can identify reference groups whether the individual is motivated to emulate or to avoid.

Psychographics approach is capable of providing the connection between consumption choices and the common idealized customer segment in the UAE market. Lifestyle and psychographics data that are assumed to reflect market behavior are widely used by advertisers to identify and target market segments. In UAE's consumer market, the data generated by any one of a number of lifestyle-oriented clustering models are then used as input to creative and strategic decisions. As a result, the lifestyle categories those emerge from data-driven social and economical needs through and psychographics segmentation schemes become more than convenient descriptive tools for marketers. And that's what makes psychographics a good method to conduct the marketing communication campaign of any business organizations in the UAE.

Figure 1. Bridgestone Ad

BRIDGESTONE: Advertising to the Arab customer is beginning to change in approach. You see less of it based on translations from the English version. The campaigns designed for Bridgestone and Land-Rover are fine examples. These were conceived by creative teams in Arabic and were founded on research of the Arab market for tyres and 4WDs.

Agency: Fortune
Promoseven



APPENDIX A
AIO CATEGORIES

AIO categories of lifestyle studies

<u>Activities</u>	<u>Interests</u>	<u>Opinions</u>	<u>Demographics</u>
Work	Family	Themselves	Age
Hobbies	Home	Social Issues	Education
Social events	Job	Politics	Income
Vacation	Community	Business	Occupation
Entertainment	Recreation	Economics	Family-size
Club membership	Fashion	Education	Dwelling
Community	Food	Products	Geography
Shopping	Media	Future	City-size
Sports	Achievements	Culture	Stage in lifestyle

APPENDIX B
TYPICAL AIO STATEMENTS

Typical AIO Statements

I like to think I am a bit of a swinger.

Our family is too heavily in debt today.

The U.S. would be better off if there were no hippies.

I'm very concerned about nutrition.

I like romantic movies.

Everyone should use a mouthwash to help control bad breath.

Men are smarter than women.

TV is my primary source of entertainment.

A drink or two at the end of the day is a perfect way to unwind.

Most men would cheat on their wives if the right opportunity came along.

I like to be considered a leader.

Television is my primary form of entertainment.

A respondent indicates degree of agreement on a 6-point scale

APPENDIX C
PSYCHOGRAPHICS STUDY

Psychographics Study Classification

Analytic Technique	General lifestyle	AIO	Item Content
Segmentation analysis	1		2
Profile analysis	3		4

APPENDIX D
LIFESTYLE CATEGORIES

Sample lifestyle categories based on perceived activities, interests and opinions

Price Conscious

I shop a lot for specials.

I find myself checking the prices in the grocery store even for small items.

I usually watch the advertisements for announcements of sales.

A person can save a lot of money by shopping around for bargains.

Fashion Conscious

I usually have one or more outfits that are of the very latest style.

When I must choose between the two I usually dress for fashion, not for comfort.

An important part of my life and activities is dressing smartly.

I often try the latest hairdo styles when they change.

Homebody

I would rather spend a quiet evening at home than go out to a party.

I like parties where there is lots of music and talk. (Reverse scored.)

I am a homebody.

Community Minded

I am an active member of more than one service organization.

I do volunteer work for a hospital or service organization on a fairly regular basis.

I like to work on community projects.

I have personally worked in a political campaign or for a candidate or an issue.

Child Oriented

When my children are all in bed I drop almost everything else in order to see to their comfort.

My children are the most important things in my life.

I try to arrange to be home for my children's convenience.

I take a lot of time and effort to teach my children good habits.

Compulsive Housekeeper

I don't like to see children's toys lying about.

I usually keep my house very neat and clean.

I am uncomfortable when my house is not completely clean.

Our days seem to follow a definite routine such as eating meals at a regular time, etc.

Self-Confident

I think I have more self-confidence than most people. I am more independent than most people.

I think I have a lot of personal ability.

I like to be considered a leader.

Self-Designated Opinion Leader

My friends or neighbors often come to me for advice.

I sometimes influence what my friends buy.

People come to me more often than I go to them for information about brands.

Information Seeker

I often seek out the advice of my friends regarding which brand to buy.

I spend a lot of time talking with my friends about products and brands.

Dislikes Housekeeping

I must admit I really don't like household chores.

I find cleaning my house an unpleasant task.

I enjoy most forms of housework. (Reverse scored.)

My idea of housekeeping is 'once over lightly'.

Sewer

I like to sew and frequently do.

I often make my own or my children's clothes.

You can save a lot of money by making your own clothes.

I would like to know how to sew like an expert.

Canned Food User

I depend on canned food for at least one meal a day.

I couldn't get along without canned foods. Things just don't taste right if they come out of a can. (Reverse scored.)

Dieter

During the warm weather I drink a lot of calorie soft drinks several times a week.

I buy more low calorie foods than the average housewife.

I have used Metrecad or other diet foods at least one meal a day.

Financial Optimist

I will probably have more money to spend next year than I have now.

Five years from now the family income will probably be a lot higher than it is now.

(Source: Adapted from William D. Wells and Douglas I. Tigert, 'Activities, Interests and Opinions,' Journal of Advertising Research 11 (August 1971):35. Reprinted from the Journal of Advertising Research 1971 by the Advertising Research Foundation.

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APPENDIX E
PSYCHOGRAPHICS SYSTEMS FOR PROFILING

Psychographics systems for profiling

Key demographics of the VALS segments

	Age' (median)	Sex (% female)	Race (%white)	Education' (years)	Income' (household)
I. Need Driven					
Survivors	66	60	55	8.5	5000
Sustainers	32	52	57	10.0	9000
II. Outer-Directed					
Belongers	54	60	92	11.0	14000
Emulators	28	48	76	12.5	19000
Achievers	42	39	95	13.5	35000
III. Inner-Directed					
I-Am-Me's	20	42	87	11.5	12500
Experientials Societally	26	61	96	14.0	26000
Conscious	38	54	89	15.0	30000
IV. Integrates	40	54	93	16.0	34000

((Note: 'Age is expressed as median years, education as mean years completed and income as median 1980 dollars per household in each segment. Source: SRI

International, VALS - Values and Lifestyles of Americans, Menlo Park, Calif.: SRI

International, undated, p. 4. Reproduced by permission of the publisher.))

APPENDIX F
PSYCHOGRAPHICS VALUES

Psychographics Values characterization of

Consumer Based on their status.

1. Fulfillers (11% of population; median age 48) are mature, responsible, well educated professionals who are well informed about current affairs. They have high incomes but are practical, value-oriented consumers. Their leisure activities center on their homes. Fulfillers are a potential target market for manufacturers of health-conscious products featured as low in cholesterol, salt, sugar, and fat.
2. Believers (16% of population; median age 58) are conservative and predictable consumers who favor established brands and American-made products. They have more modest incomes than fulfillers and their lives are centered around their families, churches, communities and the nation. They represent a target market for "buy American" manufacturers like Chrysler-Plymouth and Wal-Mart.
Status-oriented consumers are guided by the actions and opinions of others:
3. Achievers (13% of population; median age 36) are successful, work-oriented people who mainly derive satisfaction from their jobs and families. A politically conservative group who respects authority and the status quo, achievers favor established products and services that reflect their level of success to their peers. Achievers are a target market for high-end automobile manufacturers, high-end clothing manufacturers, and expensive specialty shops like The Sharper Image.

4. Strivers (13% of population; median age 34) are similar to achievers but with fewer economic, social, and psychological resources. Style is important to them as they strive to emulate the people they wish they could be.

Manufacturers who copy expensive products like designer handbags may find strivers' to be a receptive target market.

Action oriented consumers are guided by a desire for social or physical activity, variety, and risk taking:

5. Experiences (12% of population; median age 26) exhibit high energy levels, which they devote to physical exercise and social activities. The youngest of the segments, experiences are adventurous and spend heavily on clothing, fast food, music, and other youthful activities. Experiences are a promising target market for fast-food restaurants, clothing manufacturers, and health clubs.

6. Makers (13% of population; median age 30) are practical, self-Sufficient consumers who focus on family, work, and physical recreation. Makers have little interest in the broader world and are only interested in those material possessions that have a practical or functional purpose. Sporting-goods manufacturers and companies offering family-oriented activities and products might find makers to be an attractive target market.

Resource levels either below or above the other six categories characterize two other groups of consumers:

7. Strugglers (14% of population; median age 61) have the lowest incomes and too few resources to be included in any consumer self-orientation. They do

tend to be brand-loyal consumers within their limited means. They represent a market for manufacturers of products emphasizing value within the household products and food categories.

8. Actualizers (8% of population; median age 43) enjoy the highest incomes, strongest self-esteems, and abundant resources. Image is important as they buy the finer things in life. They represent a potential market for manufacturers of high-end products like luxury automobiles, yachts, and Concorde airline travel.

APPENDIX G

VALS SEGMENTS AND CONSUMER BEHAVIOR

VALS segments and consumer behavior

Index of purchase/usage (national average rate J 1.0)

	Products		Media	Activities	General	
	Imported wine	Cold cereals	TV comedy	sports magazines	Museums Galleries	Fishing
Survivors(4%)	L(0.6)	(0.8)	L(0.7)	L(0.0)	L(0.5)	L(0.4)
Sustainers(7%)	L(0.4)	-	H(2.0)	L(0.8)	H(2.0)	L(0.5)
Belongers(39%)	L(0.6)	H(1.3)	-	L(0.7)	H(1.3)	L(0.8)
Emulators(8%)	L(0.7)	L(0.7)	H(1.5)	H(1.2)	-	L(0.6)
Achievers(20%)	H(1.4)	-	L(0.7)	-	-	H(1.7)
I-Am-Me's(3%)	-	-	H(1.8)	H(2.0)	-	L(0.7)
Experientials(6%)	H(2.2)	-	H(1.4)	H(1.3)	-	H(1.3)
Societally conscious(11%)	H(1.9)	-	L(0.7)	-	L(0.7)	H(1.9)

(((Note: To be read 'Survivors drink imported wine at a much lower (L) than average rate, only 0.6 of the national average. Sustainers, Belongers and Emulators also buy imported wines at lower than average rates, while Achievers, Experiential and Societal conscious buy at higher (H) rates than the average. The I-Am-Me segment purchases imported wine at a rate close to the average').

Source: T. C. Thomas and S. Crocker (1981) Values and Lifestyles - The New Psychographics, Menlo Park, Calif. SRI International. Reproduced by permission of the publisher.)))

APPENDIX H
UAE CONSUMER MARKET

UAE Consumer Market

Professional Groups	Corresponding Income Group	%
CEOs, businessmen	Dirhams(Dh)15,000	2
Senior professionals	Dh 10,000 - Dh 15,000	5
Middle managers	Dh 7,500 - Dh 10,000	11
Junior professionals	Dh 5,000 - Dh 7.500	14
White collar staff	Dh 2,500 - Dh 5,000	33
Unskilled, blue-collar	Dh 0 - Dh 2,500	35

Source: Emirates International Bank EIB

APPENDIX I
EXPENDITURE IN UAE

Advertising expenditure in UAE

Advertisement spend split by	Amount	%Share
Press (dailies and magazines)	158.4	60
TV & Radio	81.84	31
Video, Outdoor, others	23.76	9
	246	100

Per Capita Advertising Expenditure in 1989: Dh165.00

Source: International Advertising Agency IAA (UAE Chapter)

APPENDIX J

SOCIO-ECONOMIC CLASSIFICATION

SOCIO-ECONOMIC CLASSIFICATION

Class A-B

1. Senior civil servants and politicians
2. Lawyers and Judges
3. Senior officers in the Armed forces/Police
4. Owners, directors and senior managers in large/medium companies, merchants
5. Senior professionals (architects, doctors, accountants, consultants, etc.)
6. Senior lecturers, teachers etc., in secondary and higher education
7. Senior scientists, engineers and technicians and related occupations
8. Others with vary large economic means.

Class C

1. Middle/lower grade civil servants
2. Junior professionals
3. Junior officers in the Armed forces/Police
4. Junior managers and senior clerical and administrative supervisors in business
5. Medium/small shop owner
6. Factory supervisors and foremen
7. Junior scientists, technicians, etc
8. Medium/small shop owners
9. Factory supervisors and foremen
10. Junior scientists, technicians, etc.
11. Secretaries, nurses, schoolteachers.

Class D-E

1. Small farmers
2. Junior clerical
3. Drivers
4. Semi-and unskilled manual workers
5. Shop assistance, street vendors, etc.
6. Servants, messengers, etc.
7. Unemployed persons

Source: EIB (Emirates International Bank)

APPENDIX K

BRANDED ITEMS IN THE UAE

In-home incident of branded items in the UAE

by income group

	A-B %	C %	D-E %	Total %
Food				
Packaged cheese	85	76	72	77
Fruit juices	72	75	65	72
Carbonated soft drinks	93	90	87	90
Packaged tea	99	98	98	98
Instant coffee	74	61	37	58
Powdered milk	90	92	83	90
Toiletries				
Toothpaste	99	99	94	98
Shampoo	97	96	94	96
Deodorant	77	59	40	58
Colognes	95	83	85	86
Skin cream	89	86	76	84
Paper tissues	96	94	93	94
Sanit. Protection	87	86	73	83
<u>Indigestion/Stomach Remedies</u>	55	41	30	41
Insecticides	99	96	94	96

Source: International Advertising Agency IAA (UAE Chapter)

APPENDIX L

1989 TOTAL ADVERTISING EXPENDITURE

1989 Total Advertising Expenditure By Category

(in 000.dirhams)

1. FOOD & BEVERAGE	32662
2. TOBACCO	6956
3. TOILETRIES, HYGIENE, PERSONAL CARE	31158
4. HOUSEHOLD SUPPLIES	6300
(includes laundry detergents, cleansers, insecticides, disinfectants, misc. household supplies)	
5. CLOTHING, JEWELLERY & PERSONAL ACCESSORIES	52657
(Includes footwear, leisure, readymade garments, toys & games and retail stores)	
6. FURNITURE & ACCESSORIES	892
7. HOUSEHOLD APPLIANCES	28170
8. VEHICLES, ACCESSORIES, SUPPLIES	26835
(includes road vehicles, automotive accessories, lubricants and fuels)	
9. OFFICE EQUIPMENT & SUPPLIES	6060
10. SERVICES	69476
(Professional, financial, insurance, real estate, entertainment, travel, health, transport etc.)	

11.	CONSTRUCTION, INDUSTRY	2722
	(includes building materials, electrical supplies, fire fighting equip, etc)	
12.	AIR & SEA VEHICLES	858
	(aircraft and ships, freight etc)	

Source: International Advertising Agency IAA (UAE Chapter)

APPENDIX M
SURVEY QUESTIONER SAMPLE

Survey Questioner Sample (CEO'S Marketing Communication Segmentation):

1. How influential is a particular consumer segment to the success of the company's product or service (P/S)?
2. Does the company marketing effort miss the key consumer segment?
3. What is the worth of a specific consumer segment to the company both in the short range and lone range?
4. Are there segments the company is unwilling to relinquish to its competitors?
5. Can competitors duplicate the company marketing efforts?
6. Does the company reach its key consumers in a personal, effective way?
7. Are the audience the company reaching actually its consumer or the company is paying to reach unqualified buyers?
8. Does the company use the same media mix as every one else?
9. Does the company make the marketing dollars go farther through tie-in promotion?

APPENDIX N

SURVEY QUESTIONER EXAMPLE

Survey Questioner Sample of UAE Consumer Behavior

(Bridgestone Tire Purchase Decision):

Do you use this brand?

If not! Which brand do you use?

Why did you choose this brand?

Do you find this brand everywhere?

Would you drive to get it?

Would you be interested in another brand?

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