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SHAPING OF CONSUMER WANTS AND ASPIRATIONS
IN DIFFERENT MARKET CONDITIONS

1. Introduction

In order to carry out an effective consumption policy it is necessary to know principles and rules of human behaviour in different spheres of consumption activity. Such knowledge consists first of all of information concerning behaviour of the consumer in changing conditions of the environment, as well as information about which factors and to what degree lead to specific decisions. These problems have been receiving a great deal of attention of the economists dealing especially with problems of marketing and various consumption aspects for many years. Its expression are numerous studies aiming at discovering the causalities behind consumers' behaviour or more specifically the mechanism of purchasing, decision making, and performing selection of goods. Many of these concepts have been formalized in definite theoretical models finding, however, their quite common application in practice.

These concepts are connected directly or indirectly with problems of consumer wants and needs as there is no doubt that human wants and needs propel man's activity and provide a basis for purchasing decisions. Consequently, the category of consumer wants and needs has become a separate and independent research object both for marketing theorists and practitioners.

Studies on diverse aspects of wants are especially significant in the socialist economy and all the more so in the situation of scarcity of certain goods as from the macrosocial

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point of view it is not indifferent what wants are satisfied and in what way and what is the degree and cost of satisfying these wants.

Among others, it ensues from the role played by social needs in a generally formulated goal of economic activity in socialism.

For the socio-economic policy to be able to steer effectively the development of consumption, it must have at its disposal both a verified theory of wants and knowledge about their hierarchy, degree of saturation, means of their satisfaction and their stability in different socio-economic conditions.

The aim of this paper is to try and answer a question regarding the hierarchy and degree of satisfaction of basic consumer wants of households, as well as what factors and to what degree determine wants and needs in different socio-economic groups of population.

The information presented in this paper has been collected in the course of questionnaire surveys carried out on an aggregation of 1.200 households in Łódź in June and July 1984. The surveys have not been fully completed as yet and, therefore, the information presented here encompasses only their initial findings concerning 476 households.

For comparative purposes there will be utilized findings of analogous studies conducted on the same aggregation in 1977. Within the seven years dividing the two research projects the country's economic situation has changed quite radically. The year 1977, and generally the years 1975-1977 were characterized with an unprecedented intensification of market supply and especially with industrial goods, while the current year is a consecutive year in which attempts are made to overcome a deep economic crisis. It should be expected that this different economic situation must exert its influence on the degree and the level of consumer wants satisfaction.

The studies have encompassed consumer wants in their two cross-sections. The first of them encompassed types and aggregates of wants (food, clothing, housing, furniture and household equipment, recreation and tourism, entertainments), while the second - wants of concrete objects (e.g. some durables).

2. Consumer Needs and the Level of Their Satisfaction

The first and an important stage in studies on consumer wants is to determine the existing hierarchy of wants in households¹. However, according to different viewpoints and accepted criteria, there can be distinguished at least two main hierarchies of consumer wants. The first one is a hierarchy of wants determined according to the importance of a given need in human life within a given period making no allowances for the degree of their satisfaction changing over time. Thus, it is a certain relatively stable system of values whose structure exerts a decisive influence on realization of wants, development of aspirations, and life style. The other one is a hierarchy of wants differentiated according to their intensity at the present time and, consequently, dependent on the degree to which particular wants are satisfied.

These two hierarchies may differ from each other and they sometimes differ quite significantly. The wants, to which consumers attribute the greatest importance, may be placed far in the hierarchy with regard to the degree of their satisfaction². This is due to limited possibilities of satisfying certain wants resulting both from lack of purchasing funds and, for example, from inappropriate market supply.

Our studies indicate that the hierarchy of wants aggregates (determined on the basis of respondents' answers) is distinctly divided into two parts (Tab. 1.). The first of them includes three groups of wants, which may be treated as primary wants and, namely, food, housing, clothing, and footwear. Between 50 and 75 per cent of all respondents pointed at these wants as the most important for their households. The sequence in which these wants appear is basically common for all household groups regardless of their income level, and their social and demographic determinants.

¹ L.G. Schiffman, L.L. Kanuk, Consumer Behavior, Prentice-Hall, Englewood Cliffs 1978, p. 41.

² See: M.L. Bell, Marketing, Concepts and Strategy, Houghton Mifflin Co., Boston 1966, p. 180.

Table 1

Hierarchy of consumer wants according to degree
of their importance for households

| Specification | % of indications | |
|-------------------------|------------------|------|
| | 1984 | 1977 |
| Food. | 75.2* | 69.2 |
| Housing | 61.3 | 36.1 |
| Clothing and footwear | 49.5 | 25.4 |
| Recreation and tourism | 38.3 | 58.3 |
| Household equipment | 36.1 | 35.5 |
| Cultural entertainments | 21.4 | 34.8 |
| Furniture | 11.6 | 28.8 |
| Car | 6.7 | 10.2 |

* Percentage of indications shows that 75 per cent of respondents listed food among three wants being most important for them.

The next place in the hierarchy is held by two groups of wants indicated by not quite 40 per cent of respondents. These are wants connected with recreation and tourism and those in the field of durable goods. The remaining wants include cultural entertainments (books, press, cinema, theatre) indicated by only every fifth respondent, and furniture - by 12 per cent of respondents. The need to possess a car has obtained by far the fewest indications. A car is treated as a good of the highest order, and possessing it is not absolutely necessary for man's existence. Accordingly, the want in this sphere, despite its quite a big size, is considered to be such whose satisfaction (in comparison with others) is not the most important for the consumer at the present time.

The existing hierarchy of wants is quite considerably differentiated in particular types of households. Only the order of the three basic groups of wants is similar although the percentage of indications pointing at their importance in the cross-section of different household groups is differentiated. The studies reveal that the most significant indicators of the hierarchy of wants are: educational background of the head of family, age and income level. Generally speaking, the richer,

younger and better educated respondents attribute bigger importance to wants of "the higher order" not connected with man's biological existence, which may include recreation and tourism, cultural entertainments, and ownership of a car³. This reflects most certainly the social character of indicated wants generated mainly by the environment's pressure and being a result of the functioning of social consumption patterns in a given environment.

Preference given to the above mentioned groups of wants leads simultaneously to a smaller share of indications pointing at other household wants, which first of all include food, clothing and footwear.

The research findings reveal that the hierarchy of wants discovered in 1984 differs quite considerably from that declared by respondents 7 years earlier. First of all, it can be noticed that at present indications are focussed around three groups of basic wants while previously percentage shares of indications were spread more evenly with basic wants being relatively less appreciated⁴. Consequently, the wants of higher order ranked higher in 1977. Thus, for example, the want of recreation and tourism was indicated by over a half (58%) of respondents and this complex of wants ranked higher in the hierarchy - and sometimes quite considerably - than such basic needs of a man as clothing or housing, and in some population groups it even proved to be more important than food ranking first in the hierarchy. Similarly, cultural entertainments ranked high (35%), which testifies to a high rank of wants leading to development of man's personality and realization of the so-called humanistic functions of consumption. At the present time, the wants of this kind have been pushed away further in the hierarchy. It might be assumed to be a result of the existing situation, in which a common scarcity of goods, rationing of

³ For example, the want of possessing a car is indicated by only 4.8% of respondents with primary school background and 3.3% of the poorest respondents, while the same share amounted to 15.6% of respondents with academic background and 14.1% of the richest respondents.

⁴ The lower rank held by basic wants confirms A. Maslov's theory that wants satisfied less intensively are simultaneously less important for consumers.

many of them, substantial rises in prices and a drop in real incomes accompanying them, force in a way consumers to curb considerably the range of satisfied wants and look after matters being most essential for their existence first of all.

In order to determine the hierarchy of wants according to the degree of their satisfaction (intensity) the respondents were asked to what extent their families' wants in the field of food, clothing and footwear etc. were satisfied. They were given four variants of answers: very good, good, sufficient and insufficient (Tab. 2.).

Table 2

Degree of satisfaction of consumer wants
(% share of indications)

| Specification | Degree of satisfaction | | | | Index | |
|-------------------------|------------------------|------|------------|--------------|----------------------|----------------------|
| | very good | good | sufficient | insufficient | of satisfaction 1984 | of satisfaction 1977 |
| Housing | 9.7 | 58.0 | 22.0 | 10.3 | 1.67 | 1.89 |
| Furniture | 3.8 | 43.5 | 42.9 | 9.9 | 1.41 | 1.61 |
| Food | 3.2 | 39.8 | 49.2 | 7.8 | 1.38 | 1.54 |
| Clothing and footwear | 5.2 | 31.8 | 50.3 | 12.7 | 1.30 | 1.76 |
| Household appliances | 3.5 | 32.4 | 49.5 | 14.6 | 1.25 | 1.77 |
| Recreation and tourism | 7.1 | 16.8 | 45.8 | 30.3 | 1.01 | 1.41 |
| Cultural entertainments | 3.1 | 12.0 | 59.7 | 25.0 | 0.91 | 1.36 |

It appeared that on the average 60-90 per cent of indications were within the middle brackets of the scale i.e. the respondents for their most part estimated the degree of wants satisfaction as sufficient or good (an exception is the want of possessing a car, which is omitted in our analysis as quite specific). However, the most interesting conclusions can be obtained when analyzing data concerning the insufficient degree of wants satisfaction, which in our studies was taken to be a symptom of subjectively evaluated deprivation state.

The sense of deprivation concerns mostly wants in the field of recreation and tourism, and cultural entertainments as, on the average, every third or fourth respondent estimated the degree of their satisfaction to be insufficient. A high share of indications at basic wants is also disturbing as in the case of clothing and footwear almost 13 per cent of the respondents estimated their satisfaction to be insufficient with 8 per cent of the respondents pointing at insufficient satisfaction of their food wants.

In order to determine more precisely the degree of wants satisfaction and their hierarchization according to wants satisfaction criterion, particular indications received indices on a four-grade scale from 0 to 3 starting with very good degree of their satisfaction and ending with their insufficient satisfaction.

Ordering wants according to indices of their satisfaction, it appeared that in the respondents' perception the want of housing (index - 1.67) and the want of equipping the house with furniture (1.41) are relatively best satisfied.

The next place in this respect was held by wants in the field of food (1.38), clothing and footwear (1.30) and household appliances (1.25).

Satisfaction of wants in the field of recreation (1.01) cultural entertainments (0.94) is evaluated decidedly weakest. It confirms certain regularities, discovered also in other studies⁵, indicating that wants of this type - as those of the higher order - are satisfied in further sequence, while in crisis conditions - they are drastically reduced.

A hierarchy of wants determined in this way is affected primarily by economic factors, and mainly by the level of incomes per 1 member of a household. Our studies prove that in the poorest families all wants are characterized with lower indices of their satisfaction in comparison with the richest families. Their hierarchy is also changed a little although both those wants which are satisfied worst remain on the same places in the hierarchy.

⁵ See: L. B e s k i d, Bodziec lub bariera [Stimulus or Barrier], "Życie Gospodarcze" 1984, nr 8.

While discussing this phenomenon there should not be forgotten, however, relativism of perception of the level and quality of wants satisfaction and, consequently, differentiated ceiling of wants saturation in various income groups. In the richest households, a good satisfaction of a want is connected with a much wider range of goods and services (and usually of better quality) than in households with lower incomes. Requirements growing along with growth of incomes are deepened by the impact of social factors, and mainly by the educational background of the family head. This means that although the degree to which a want is satisfied is mainly determined by the income level, the way in which it is satisfied is strongly affected of social factors.

Comparison of subjective indices of wants satisfaction in 1984 and 1977 indicates that all groups of wants (without any exception) are characterized with much lower degrees of their satisfaction at the present time. This concerns especially wants of the higher order such as consumer durables, culture, holidays and tourism, while from among basic wants - clothing and footwear. The most elementary need such as food is also satisfied to a smaller degree in the respondents' opinion than 7 years ago although differences in indices are relatively insignificant in this case. It may testify to the fact that food represents a want particularly protected by consumers.

This thesis is confirmed by the findings of studies on types of expenses restricted in households as a result of the present crisis (Tab. 3.).

Thus, only 28 per cent of respondents try to economize on food, while every other household economizes when purchasing clothing, services and on expenditure connected with maintenance of house or flat.

Similarly, every other respondent declared restriction of expenditure on alcohol and cigarettes. That would represent a highly positive phenomenon if it were not for the fact that a drop in demand for alcoholic beverages is accompanied by growth in consumption of home-made alcohol, which is estimated at about one third of total consumption of alcohol in Poland.

The order and scope of restricting wants is differentiated, even quite considerably, according to the type of household.

Table 3

Types of restricted expenses

| Specification | Percentage of indications |
|---------------------------------------|---------------------------|
| Expenditure on food | 28.0 |
| Expenditure on clothing and footwear | 46.7 |
| Expenditure on alcohol and cigarettes | 50.2 |
| Expenditure on services | 45.4 |
| Expenditure on house/flat maintenance | 44.6 |
| Expenditure on culture | 43.0 |
| Expenditure on recreation | 28.8 |
| Other expenditure | 18.0 |

In families whose heads have secondary-school or university background, there is observed a trend of resigning much more often from purchases of alcohol and clothing than from cultural entertainments, services, holidays and recreation. In turn, the two last mentioned groups of expenses are a main source of savings in many-child families, those less rich or those in which the family head has completed only the primary school.

It is worth noting here a common resignation from services of various kinds. According to the type of household, 30 to 70 per cent of households declare their economizing on services. This means that a big proportion of all families perform different services on their own instead of purchasing them, and especially such services as personal ones (cosmetic, hair-dressing and hair-cutting), renovations and repairs of flats, washing laundry, and repairs of various kinds⁶. Such naturalization of consumption is a reflection of deteriorating living conditions and, simultaneously, a symptom of protective adjustments of households at the time of crisis.

⁶ See: I. Pałaszewska-Reindl, Gospodarstwa domowe w warunkach trudności rynkowych [Households in Conditions of Market Difficulties], "Handel Wewnętrzny" 1983, nr 2.

The above mentioned restriction of expenses is a sad necessity for majority of households caused by quite a substantial drop in real incomes in recent times⁷.

This drop in incomes is anyway perceived by the respondents in a magnified manner, which is not confirmed by real changes in income levels. In all social groups, irrespective of their material situation, there can be observed a common conviction about a substantial shortage of incomes in relation to the perceived family needs. That is expressed by the fact that 12.4 per cent of families evaluate their incomes as very low, 42.9 per cent as low, 29.6 per cent as sufficient, and barely 8.8 per cent as good. In 1977, the corresponding shares were 4.2, 18.9, 49.4 and 27.5 per cent, which points to a radical decrease in subjective evaluations concerning the respondents' material status, which refers to a prevailing majority of them. Of course, this must have exerted its influence on the opinions of consumers concerning the degree to which particular wants are satisfied, which were presented above.

3. Level of Aspirations and Their Inner Structure

The degree of wants satisfaction or the degree of respondents' contentedness with their satisfaction were confronted with consumers' aspirations with regard to desirable level of incomes being indispensable to realize perceived wants. The size of desirable income may be treated as a synthetic indicator of perceived wants or, in other words, a generalized expression of consumer aspirations (Tab. 4).

The size of desirable income (counted per one person) ranged from below twenty to tens thousands zloty according to household category. With averages incomes in the aggregation under survey amounting to around 8485 zloty per capita, the postulated income amounted to 15 937 zloty and was, thus, higher by about 88 per cent from actually obtained incomes. Accordingly, in the opinion of all respondents only an income which is twice higher than that actually obtained is considered to be sufficient for

⁷ It has been estimated that real incomes declined by about 30% within the last four years.

a good satisfaction of wants. This may be treated as a considerable divergence between the real situation and the situation perceived to be desirable by the respondents, which testifies also to a strong sense of deprivation of wants.

Table 4

Desirable incomes in relation to real incomes
(real income = 1.00)

| Types of households | Indications |
|---|-------------|
| All households average | 1.88 |
| Poorest households | 2.11 |
| Richest households | 1.79 |
| Two-person households | 1.65 |
| Five-person households | 2.32 |
| Households with primary-school background of family heads | 1.84 |
| Households with academic background of family heads | 2.15 |

The postulated income level is quite differentiated in particular household types. First of all, it can be noticed that it systematically grows along with growth in the household's material status. In the poorest households, it reaches 8 500 zloty and in the richest it exceeds 20 000 zloty per person. This fact allows to state that consumer aspirations are closely related to the family's economic situation. Thus, it is a relative category, which is dependent upon the level of incomes already obtained and, consequently, on the present level of wants satisfaction.

Of course, the respondents are aware of their economic situation and the level to which their wants are satisfied, which is confirmed by the fact that the poorest households postulate over double (by 111%) increase of their incomes to satisfy their needs while the richest - an increase of 79 per cent.

Interrelationships existing between the impact of wealth and educational background factors causes that regularities regarding the postulated income levels in households differentiated according to the educational background of family heads are similar to those that can be observed in households differentiated with regard to the level of incomes obtained by them.

Since the level of per capita incomes is strictly dependent upon the number of persons in a family, the more numerous households (and, thus, poorer as a rule) declare a relatively higher desirable income level than, for example, two-person households belonging to higher brackets as regards their material standards.

The performed studies afford yet another conclusion. Namely, the level of desirable incomes in particular household categories is even more equalized than the level of incomes actually obtained. This may be a sign of some trend towards standardization of aspirations (at least, from the quantitative point of view) in different social groups and strata. A question arises here, "What is the material content of these aspirations?" or otherwise, "What is the internal structure of perceived wants in different types of households?"

The answer to the above question is usually given on the basis of a general and detailed analysis of the structure of expenses determined through analysis of family budgets. In our studies, the structure of perceived wants will be illustrated through an example concerning want of some consumer durables less frequently met in households (Tab. 5).

Wants of particular goods have been examined by means of a direct methods i.e. on the basis of the respondents' opinions. As a want is a realized shortage, it has been estimated what percentage share of the respondents does not possess specific objects in their households and, at the same time, is aware of their shortage or expresses a want.

It can be generally seen that the state of possession of all the goods without any exception has improved over the last seven years and quite substantially (e.g. the number of possessed automatic washing-machines rose four times and that of colour TV set-nine times). Such a significant increase might suggest that wants in the sphere of household appliances have decreased. Meanwhile, it appears that these wants not only have not been saturated but - on the contrary - they have increased in relation to the situation in 1977. It is quite a paradox that in the prevailing market situation, when most consumer durables are hard to obtain and despite the fact that their prices have risen 3 to 4 times over the last few years there are such huge wants of them.

Table 5

State of possession and wants of some durable goods

| Specification | 1977 | | 1984 | |
|---------------------------|---------------------|-------|---------------------|-------|
| | state of possession | wants | state of possession | wants |
| Automatic washing-machine | 9.7 | 44.9 | 33.6 | 47.1 |
| Freezer | - | - | 11.6 | 24.9 |
| Colour TV | 2.1 | 21.5 | 18.5 | 28.0 |
| Stereo radio-set | 6.2 | 4.0 | 29.8 | 21.0 |
| Stereo tape-recorder | 3.4 | 5.2 | 15.8 | 23.2 |

This phenomenon can be attributed to its two main causes. On the one hand, patterns of consumption characteristic previously for a narrow circle of households have been undoubtedly quite widely popularized. It is, among others, an effect of social imitation leading ultimately to positive changes in structure of consumption.

The other cause should be sought most probably in a specific model of households' consumer behaviour at the time of crisis. It appears that consumer aspirations awoken in previous years have no real chances of their satisfaction at the present time due to a drop in production and cuts in import of these goods. As a result, consumer durables become an object of almost common speculation with their purchasing becoming a specific investment of savings for many households. It should be also mentioned that, from the psychological point of view, goods are as a rule all the more appreciated the more difficult it is to obtain them.

Obviously, the discovered wants are considerably differentiated in particular types of households. This differentiation concerns leisure and entertainment goods to a bigger extent than household appliances. Thus, in as much as wants of automatic washing-machines find themselves in the bracket of 30-60 per cent according to household type, differences in wants of possessing stereophonic equipment appear to be around 4 to 5 times different between extreme household groups. It is quite characteristic that in the case of leisure and entertainment

goods these wants are affected by economic factors (wealth of households) to a smaller degree than by social and demographic factors. The factor of utmost importance here is the respondents' educational background and their age. This is undoubtedly a result of a higher growth of aspirations and cultural needs, which generate a material want of possessing goods being able to satisfy these sublimated wants.

Summing up the above discussion, it can be generally said that better-educated, younger and richer consumers place their higher requirements before consumption and desire products with higher utility parameters and better satisfying the already existing wants (e.g. stereophonic equipment, colour TV). Thus, it is a phenomenon of quite specific substitution in the process of satisfying wants. Expansion of such wants in the society may lead ultimately to a situation in which intensity of a given group of wants not only does not decrease along with their satisfaction but even sometimes increases.

Stanisław Gajewski

KSZTAŁTOWANIE SIĘ POTRZEB I ASPIRACJI KONSUMPCYJNYCH W RÓŻNYCH WARUNKACH RYNKU

Celem artykułu jest próba określenia wpływu różnorodnych czynników społeczno-ekonomicznych na hierarchię potrzeb konsumpcyjnych w gospodarstwach domowych. Analizę oparto na wstępnych wynikach badań ankietowych przeprowadzonych na ponad 1000 gospodarstw domowych w łodzi w 1984 r. Dla porównań posłużyły wyniki badań przeprowadzonych na tej samej zbiorowości 7 lat wcześniej, a więc w odmiennych warunkach rynkowych.

Z badań wynika, że najważniejszymi czynnikami kształtującymi hierarchię potrzeb są socjodemograficzne cechy gospodarstw, takie jak wiek głowy rodziny i jej wykształcenie oraz liczebność gospodarstwa. Poziom dochodów jest istotnym elementem hierarchii potrzeb jedynie w odniesieniu do stopnia ich zaspokojenia (intensywności).

Generalnie, poziom zaspokojenia potrzeb w odczuciu respondentów jest znacznie niższy w 1984 r. niż 7 lat wcześniej, nawet w odniesieniu do potrzeb, których poziom zaspokojenia (mierzony wielkością konsumpcji) obiektywnie wzrósł, np. w zakresie dóbr trwałego użytku.