2

PROFILES IN CONSUMPTION

To understand how our consumer culture works, it's useful to know something about the distribution of wealth in the United States. The myths that have dominated our thinking in America suggest that America is essentially a classless (that is, all middle-class), egalitarian country, with small pockets of poverty and extreme wealth at either end of the economic spectrum. This never was the case; and it certainly is not the case now, when differences among the classes have grown increasingly wide. All men (and now women) in the United States may be created equal in terms of their rights, as the Declaration of Independence asserts, but the families into which they are born and their "life chances," as the sociologists put it, are most certainly not the same.

WEALTH OF THE TOP 1 PERCENT OF AMERICAN HOUSEHOLDS

In recent years, those at the top of the economic pyramid in the United States have seen their share of the wealth increase. Fifteen years ago, the situation was bad, and since then it has gotten worse. Let me offer some statistics for 1989 and for 1998 dealing with the amount of wealth of American households:

Households	*1989*	*1998*
Top 1%	31% of total net worth	38% of total net worth
Next 9%	35% of total net worth	33% of total net worth
Bottom 90%	33% of total net worth	29% of total net worth

Source: www.federalreserve.gov/pubs/oss/oss2/about.html.

These statistics, when broken down, show that the top 1 percent of American households (approximately 835,000 households) had these characteristics:

- Greater net worth than the 90 percent of households (84 million households)
- $5.7 trillion in net worth (the 90 percent had $4.8 trillion)
- Owned 49 percent of all publicly held stock
- Owned 62 percent of all business assets
- Owned 45 percent of real estate (nonresidential)

The richest 1 percent of families owned 31 percent of the total net worth of American families in 1989 and 38 percent in 1998, which shows that economic inequality has been increasing steadily. What's interesting is that the next 9 percent (below the richest 1 percent) has seen its share of total net worth decreasing. Net worth for this group was 35 percent in 1989 and 33 percent in 1989. Thus, as early as 1989, the middle classes found themselves getting squeezed by the increasing wealth of the top 1 percent and losing ground. Data for 2004 would show an increasing disparity between the top 1 percent of American households, the next 9 percent, and the bottom 90 percent.

THE HIGHER-INCOME DELUSION

Many economists, when they deal with socioeconomic classes, focus their attention on salaries instead of wealth. The way most middle-class families survive nowadays is by having two wage earners; it is the working wives who allow many (if not most) middle-class American households to remain in the middle classes. And that is because wages, for large numbers of workers, have not gone up as fast as the cost of living. In fact, the middle classes

CONSUMER CULTURE FACTOID

In 2001, the net worth (assets minus debts) of the typical American household was approximately $86,000. Between 1998 and 2001, median net worth grew 10 percent overall but by 69 percent for the wealthiest 10 percent of American households (from roughly $492,000 to $833,000).

From www.newstrategist.com/HotTrends/archive.cfm/01-1-03.htm.

are shrinking; some social critics have suggested that America is on the way to becoming "a banana republic," with a small group of people owning almost everything and living luxuriously and the rest of the people owning very little and merely scraping by.

What I call the "higher-income delusion" refers to the fact that while many workers may have larger salaries than they had in previous years, these salaries buy less than they used to. So, many American workers are now worse off than they were in earlier years, and in many—if not most—American families, the children face the possibility of not living as well as their parents. The so-called American Dream now seems, more than ever, a fantasy rather than a possibility. The American Dream suggests that upward mobility is not only possible but probable—if one is willing to work hard and has the requisite determination and willpower. And while many people have been able to move from working-class to middle-class income levels, and sometimes even to the upper class, for most people in America the American Dream is, sadly, just that—a dream.

Let me sketch out a chart that shows the difference between our upper-class and middle- to lower-class lifestyles.

Top 1 Percent	**Bottom 90 Percent**
38 percent of net worth	29 percent of net worth
Luxury consumption	Necessity consumption
Travel, leisure, education	Food, housing, apparel, medical care, etc.
Professions	Trades
Elite universities	Community colleges, trade schools
Medical insurance	No medical insurance
Thin	Obese
Caucasian, Asian	Other people of color

This chart is oversimplified and somewhat hypothetical, but it is a fairly accurate sketch of the situation in contemporary America, where the split between the "haves and have-nots" is increasingly large. There are, of course, many people of color and working-class people who become middle class or even wealthy; but as a rule, the class divisions are considerable, and class differences shape consumption and many other aspects of life in America.

Fifty years ago, the sociologist W. Lloyd Warner argued that America was not a classless society but, in fact, had six socioeconomic classes, which he described as follows:

Class	Percentage of Population
upper-upper	1.4 percent
lower-upper	1.6 percent
upper-middle	10 percent
lower-middle	28 percent, common man and woman level
upper-lower	33 percent, common man and woman level
lower-lower	25 percent

For Warner, the lower-middle and upper-lower classes formed what can be described as the "common man and woman" level of American society, accounting for 61 percent of the population. They are the great consuming classes based on volume, and much of their consumption is used for necessities rather than luxuries. There are three main classes: upper, middle, and lower, and considerable differences between members of the upper and lower categories.

It is the upper-upper and lower-upper classes, and some upper-middle classes, that have the most discretionary income. They spend most of the money spent in America for luxuries such as expensive cars, jewelry, large homes, and Ivy League educations for their children. Although Warner's typology is fifty years old, it is still fairly accurate; though it probably underestimates the wealth and power of the approximately 850,000 upper-upper households, who form the top 1 percent of American families and own more wealth than the bottom 90 percent.

In 2001, the most recent year for which data is available, the distribution of wealth in the United States was approximately:

Top 1 percent of population	33 percent
Next 9 percent of population	33 percent
Bottom 90 percent of population	33 percent

A small group of people, in the upper 1 percent of the population, owns as much wealth as the bottom 90 percent of the population, showing that wealth in America is highly skewed, and the wealthiest people are becoming richer as the poorest people become poorer.

PSYCHOGRAPHICS AND CONSUMPTION

Consumption breaks down according to socioeconomic class, as well as to a number of psychographic factors, involving the values and mind-sets of consumers, and demographic factors, such as ethnicity, race, gender, place (region), and age of consumers. I have considered many of these matters in some detail in my book, *Ads, Fads, and Consumer Culture.* Here I will deal only with a comparison of different ways of categorizing consumers from a psychographic perspective; later, I will describe a number of demographic analyses.

The following chart from *Ads, Fads, and Consumer Culture,* my book on advertising, represents a compendium I made of various psychographic and demographic typologies. The VALS1 and VALS2, Yankelovich, Teenagers, and Roper-Starch lists are psychographic categories. VALS stands for Values and Life Styles and represents ways of understanding the psyches of different kinds of consumers. Marketers display a genius for putting people into categories based on their psyches or certain demographic features. The ZIP Codes list is demographic in nature, tying various categories to ZIP codes that reflect different socioeconomic classes and distinctions in the things the different classes consume.

This chart has to be read vertically. Each column lists different categories of consumers. Thus there is no similarity between survivors in VALS1 and actualizers in VALS2. It is interesting to see how the different systems classify some 200 million adult Americans; and how 30 or 40 million teenagers are characterized in the Teenagers typology; and how the Roper-Starch system, which claims to be universal, classifies some 3 billion adult human beings.

As I explained in *Ads, Fads, and Consumer Culture:*

> One generalization that emerges from the list is that certain people are trendsetters or opinion leaders and others, who form the majorities, who imitate and follow the trendsetters. And there are various other subcategories, depending on the typology, of those who fit on various rungs of the ladder below

Marketing Typologies Compared

VALS1	*VALS2*	*ZIP Codes*	*Yankelovich*	*Teenagers*	*Roper-Starch*
Survivors	Actualizers	Blue Bloods	Home Engineers	Influencers	Strivers
Sustainers	Fulfilleds	Money and Brains	Real Guys	Edge Group	Devouts
Belongers	Achievers	Single City Blues	Ethnic Pewneps	Conformers	Altruists
Emulators	Experiencers	Urban Gold Coast	Information Grazers	Passives	Intimates
Achievers	Believers	Bohemian	Armchair Adventurers	Integrateds	Fun Seekers
I-Am-Me's	Strivers	Young Influentials	Pools and Patios		Creatives
Experientials	Makers	Two More Rungs			Hispanics Mix
Societally Conscious	Strugglers	Gray Power			

that of the trendsetters, opinion leaders, creatives—what you will. There are some who have opted out of the system and are very hard for marketers to reach, such as the integrateds and others who follow the trendsetters and purchase things to generate an image of success.

Some of the typologies, such as the Yankelovich one, don't seem to be directly involved with fashion and such, but the magazines people in the various categories read suggest these people are motivated by the same things as those in categories more directly related to marketing.

We can also see various oppositions in these typologies:

Actives	Passives
Leaders	Followers
Creatives	Imitators
Achievers	Strugglers
Influencers	Conformists
Experience seekers	Safety seekers

These polarities reflect the way the human mind functions. According to the Swiss linguist Ferdinand de Saussure, concepts are by nature differential—and our minds find meaning by setting up paired oppositions. (Berger 2004)

This set of polarities attempts to find common elements in all the other marketing typologies I dealt with, reducing consumers in all countries into two kinds of people whose psyches contrast with one another on six different topics. In the final analysis, psychographic theorists argue that it is psychological factors that can be broken down into certain groupings of types of people that ultimately shape consumer behavior.

DEMOGRAPHICS AND CONSUMPTION

In this section I will discuss the consumption practices of several important demographic groups. In a sense, I have already dealt with demographics in my analysis of the grid-group typology and its argument that there are four important lifestyles or consumer cultures in the United States and other first-world countries. Mary Douglas has argued that group affiliation with one of these consumer cultures is the determining factor in personal consumption. We can look upon her four consumer cultures as being macrodemographic groupings.

But demographers tend to look for smaller groups of people, whom they generally describe with catchy names. The list of categories of people under ZIP codes in the chart on marketing typologies is an example of this. Due to the changes that have taken place in American society in recent decades, demographers have discarded many of the categories they once used and adopted new ones that better reflect American society. A new typology called PRIZM, by the Claritas Corporation, offers some sixty-six different categories of consumers in the United States, grouped under fourteen larger categories. These fourteen major categories, connected to lifestyles and income, are:

	LIFESTYLES			
	Urban	*Suburban*	*Second City*	*Town & Country*
INCOME	Urban Uptown	Elite Suburbs	Second City Society	Landed Gentry
	Midtown Mix	The Affluentials	City Centers	Country Comfort
	Urban Cores	Middle Blurbs	Micro City Blues	Middle America
	Inner Suburbs	Rustic Living		

Source: www.cluster1.claritas.com/MyBestSegments/Default.jsp?ID=51 (accessed January 2, 2004).

CONSUMER CULTURE FACTOID

In 2002, almost 25 percent of working wives earned more money than their husbands did.

From www.newstrategist.com/HotTrends/archive.cfm/05-1-03.htm.

Claritas explains how PRIZM, which was originally devised twenty years ago, works:

> PRIZM operates on the principle that "birds of a feather flock together." It's a worldwide phenomenon that people with similar cultural backgrounds, needs, and perspectives naturally gravitate toward one another, choose to live in neighborhoods offering affordable advantages and compatible lifestyles. That's why, for instance, many young career singles and couples choose dynamic urban neighborhoods like Chicago's Gold Coast, while families with children prefer the suburbs which offer more affordable housing, convenient shopping, and strong local schools.

Claritas, which obtains its material by using data from the U.S. Census, augmented by survey data, argues that its material "should be interpreted as a general characterization of the population and its lifestyles, not as an exact analysis." Claritas points out that while it provides five PRIZM clusters with a given ZIP code, as many as twenty of these clusters may be included in one ZIP; and that it deals with likelihoods of purchasing preferences, not actual behavior.

Claritas's "You Are Where You Live" was created at the ZIP code level, each of which covers approximately 2,500 to 15,000 households; but PRIZM actually deals with census block groups (around 250–500 households) and ZIP+four (around 6–12 households). The smaller the number of homes it deals with, Claritas points out, the more precise its information. If Claritas is right, it means that it knows, with a fair degree of confidence, a great deal about the consumer behavior of all the households in a block area of six to twelve households—which, if you think about it, is pretty amazing.

We have to realize that every time we purchase something with a credit card, or use a grocery card to get bargains at supermarkets, those stores obtain information about our purchasing behavior. And that information is eventually obtained by marketing research organizations.

I checked my ZIP code with Claritas and discovered five groups living in it: "Movers and Shakers," "Upper Crust," "Executive Suites," "Blue Blood Estates," and "Pools and Patios." Claritas describes "Upper Crust" as follows:

> **The nation's most exclusive address, Upper Crust is the wealthiest lifestyle in America—a haven for empty-nesting couples over 55 years old. No segment has a higher concentration earning over $200,000 a year or possessing a postgraduate degree. And none has a more opulent standard of living.**
>
> **LIFESTYLE TRAITS**
> **Spend $3000+ foreign travel**
> **Contribute to PBS**
> **Read *Architectural Digest***
> **Watch *Wall Street Week***
> **Drive a Lexus ES300**
>
> **(www.cluster1.claritas.com/MyBestSegments/Content/Segments/demographics.jsp?)**

What this cluster doesn't deal with is the fact that I bought my house thirty-five years ago, when it sold for about one-thirtieth of what it's worth on today's market. The same applies to many of my neighbors, who are, as real estate agents put it, "grandfathered in."

According to Michael Weiss, author of *The Clustering of America:*

> We're no longer a country of 50 states but of 40 lifestyle clusters. . . . You can go to sleep in Palo Alto and wake up in Princeton, NJ, and nothing has changed except the trees. The lifestyles are the same. Perrier is in the fridge, and people are playing tennis at three times the national average. (Weiss 1988)

Following are some of Weiss's other clusters:

Young Influentials	Two More Rungs	Pools and Patios
New Beginnings	Gray Power	Furs and Station Wagons
New Melting Pot	Downtown Dixie-Style	Black Enterprise
Heavy Industry	Levittown, USA	Hispanic Mix
Public Assistance	Small-Town Downtown	

Businesses are marketing more and more goods and services directly to children, bypassing their parents as the target shoppers.

Weiss suggests that marketers, one day, may move beyond ZIP codes to specific mailing addresses. As he points out:

> Right now, Americans are bombarded with 15,000 messages a day. Marketers keep trying to match that little clustering niche that's your lifestyle with whatever they're trying to sell you. People leave a paper trail of warranties and subscriptions. Pretty soon Big Brother will know what's going on in your household. It's only a matter of time until businesses get into the black box of what's in a consumer's head. (Weiss 1988)

Weiss's book is a popularization of the typology developed by Claritas, which, as mentioned, uses ZIP codes to classify 250,000 neighborhoods in America into the forty consumer clusters that Weiss writes about. Now, in 2004, Claritas has expanded and refined its list of categories of consumers into sixty-six different clusters. These clusters are found in the chart that follows.

Claritas 66 Consumer Cultures

01. Upper Crust	23. Greenbelt Sports	45. Blue Highways
02. Blue Blood Estates	24. Up-and-Comers	46. Old Glories
03. Movers & Shakers	25. Country Casuals	47. City Startups
04. Young Digerati	26. The Cosmopolitans	48. Young & Rustic
05. Country Squires	27. Middleburg Managers	49. American Classics
06. Winner's Circle	28. Traditional Times	50. Kid Country, USA
07. Money & Brains	29. American Dreams	51. Shotguns & Pickups
08. Executive Suites	30. Suburban Sprawl	52. Suburban Pioneers
09. Big Fish, Small Pond	31. Urban Achievers	53. Mobility Blues
10. Second City Elite	32. New Homesteaders	54. Multi-Culti Mosaic
11. God's Country	33. Big Sky Families	55. Golden Ponds
12. Brite Lites, Li'l City	34. White Picket Fences	56. Crossroads Villagers
13. Upward Bound	35. Boomtown Singles	57. Old Milltowns
14. New Empty Nests	36. Blue-Chip Blues	58. Back Country
15. Pools & Patios	37. Mayberry-ville	59. Urban Elders
16. Bohemian Mix	38. Simple Pleasures	60. Park Bench Set
17. Beltway Boomers	39. Domestic Duos	61. City Roots
18. Kids & Cul-de-Sacs	40. Close-In Couples	62. Hometown Retired
19. Home Sweet Home	41. Sunset City Blues	63. Family Thrifts
20. Fast-Track Families	42. Red, White, & Blues	64. Bedrock America
21. Gray Power	43. Heartlanders	65. Big City Blues
22. Young Influentials	44. New Beginnings	66. Low-Rise Living

I should point out that some researchers take issue with the notion that "you are where you live" and other demographic factors. They use other indicators—such as magazines people read—to deal with consumer behavior, just as some marketing researchers put more faith in psychographic factors, involving values and beliefs of consumers.

Children as Consumers

An article in the December 18, 2003, issue of the *New York Times* had an interesting headline and subhead:

> **The Client Is Refined, Picky, and 3 Feet Tall**
> *Children are making the decisions on bedroom decor.*

It dealt with the fact that young children are now making decisions about how their rooms are to be decorated, thanks to marketing by companies like Pottery Barn, which has a teen catalog and seventy-eight Pottery Barn Kids stores. Pottery Barn and a number of other companies selling furniture and other products now bypass parents and appeal directly to children.

As the U.S. population grows more diverse and as immigrants move up the economic ladder, race and ethnicity are becoming less important than education, income, home ownership, age and lifestyles. In fact, as Hispanics, blacks and Asian-Americans increasingly move into middle-class suburbs and prosperous neighborhoods, they're more identified by their lifestyles and spending habits than by their ancestry.

Marketing experts have caught on to this and other dramatic changes in American life since 1990: record immigration, aging, suburban sprawl and rising numbers of singles, single parents and households without kids.

To reflect the demographic shifts, they've overhauled the catch labels they use to define the population clusters that retailers, advertisers and government agencies want to reach.

"The two great forces, aging and diversity, have rendered the traditional categories in many cases irrelevant," says Robert Lang, director of the Metropolitan Institute at Virginia Tech. . . . The research brain trusts are pinpointing who lives where; what they're most likely to read, drive and eat; how many kids they have; and where they shop. And they're doing it with unprecedented precision. They are going far beyond the characteristics of people in certain ZIP codes to details about people in specific neighborhoods—even individual households.

Haya El Nasser and Paul Overberg, "Old Labels Just Don't Stick in 21st Century," ***USA Today,*** **December 17, 2003, p. 17A.**

What many marketers are interested in now is "capturing the minds of our children," to quote the title of an article in the December 14, 2003, *San Francisco Chronicle.* The article is actually an editorial and part of a series of editorials the paper is running on the commercialization of childhood. It discusses a marketing conference, held at Harrah's Casino in Las Vegas, that focused its attention on getting into the minds of kids:

> That essentially was the theme of a two-day gathering this month where leading marketers of product to children met to pass on their ideas on how to pry loose kids' consumer dollars—and, equally important, those of their parents.

The editorial mentions that the conference was sponsored by Kid Power Xchange, a subsidiary of the International Quality and Productivity Center, which hosts many such contests and is increasingly getting into the business of marketing to children. The editorial continues:

> Especially alluring are "tweens," the 8- to 12-year-olds who spend $100 million of their money each week, and influence parents to spend billions more.
>
> We have nothing against creative use of the free-market system. But in the battle for their pocketbooks, parents and children are at a huge disadvantage against a potent amalgam of sophisticated advertising techniques mixed with the latest insights into child development.

The editorial includes a quotation by two scholars, Diane Levin and Susan Linn, from a book titled *Psychology and the Consumer Culture.* There, Levin and Linn assert that "growing evidence documents marketing's negative effects on children's physical, psychological, and social well-being."

Although we continually say how much we value childhood, large numbers of marketers and advertisers feel it is perfectly acceptable to exploit children's innocence, naïveté, and psychological needs—and their well-known "pester power"—to sell them products and services.

Targeting Tweens

In the United States, there are something like 25 million tweens—children in the 8- to 12-year-old age group (some put tweens in the 8- to 14-year-old group)—who are of consummate interest to marketers. That's because they have spending money of their own, because they influence decisions made

MAKING MONEY OFF OF THE IDS OF KIDS

The Kid Id Study, based on a survey of four thousand 8- to 14-year-olds, helps "feed into core needs, wants, wishes, and fears of your target audience," as well as "identify unmet youth needs for the creation of new products and services," according to its promotional material. Cost: $30,000.

San Francisco Chronicle, **December 14, 2003, p. D-4.**

by their parents about purchases, and because if they can be "captured" by companies selling products they will use in the future, they will be a great source of revenue. On July 29–30 in 2002, a conference titled "Targeting Tweens" was held in New York. The following Internet ad was used to publicize the conference:

> **Marketing to the In BeTWEEN States**
> They're 10 going on 16 . . . not kids, not teens . . . they're Tweens. Viewing themselves as sophisticated and mature, they have an attitude that's all their own. Tweens have become one of the nation's most significant consumer groups. Huge amounts of music, television, movies, games, electronics, fashion and food are being marketed in their direction—and they're buying.
> **Spending by U.S. Tweens will reach nearly 41 Billion in 2005.**
> (www.iirusa.com/tweens/; accessed August 5, 2002)

So children 8 to 12 (or 14) now are "targeted" to be recruited and exploited by marketers. An article on the Internet published by the Media Awareness Network explains:

> A 2000 report from the Federal Trade Commission in the U.S. revealed how Hollywood routinely recruits tweens (some as young as nine) to evaluate its story concepts, commercials, theatrical trailers and rough cuts for R-rated movies. By treating pre-adolescents as independent mature consumers, marketers have been very successful in removing the gatekeepers (parents) from the picture—leaving tweens vulnerable to potentially unhealthy messages about body image, sexuality, relationships and violence. (www.media-awareness.ca/english/parents/marketing/issues_teens_marketing.cfm; accessed July 14, 2002)

CONSUMER CULTURE FACTOID

Approximately 60 percent of 12th graders have had sexual intercourse. The majority of Americans between 18 and 49 have used illicit drugs. Some 33 percent of babies in America are born out of wedlock.

From www.newstrategist.com/HotTrends/archive.cfm/12-1-02.htm (accessed March 2004).

What is happening, I would suggest, is that marketers and advertising agencies, aided by insights gained from psychologists, are waging a war on childhood and destroying it, to the extent that they can, so that children can be turned into consumers. Childhood has been turned into training for the endless consumption found in adolescence and beyond.

If tweens are "10 going on 16," as the "Targeting Tweens" conference suggests, it means our children are prematurely older and have lost a great deal of their childhood—an important period for their psychological development. During the Middle Ages, a child was generally thought to be a small adult. In our postmodern society, we have turned children into small adults—in relation to their consumption practices, that is. Their desire to be "cool" forces them onto a consumption treadmill, for when large numbers of tweens adopt certain cool items of fashion, or whatever, those things that are no longer cool must be abandoned and they have to find something else. The process goes on endlessly.

Teenager Consumption in the United States

Let me conclude this discussion of the demographic aspects of consumer behavior with a case study on teenagers and their purchasing practices. A

CONSUMER CULTURE FACTOID

Preteen girls are a major market unto themselves. Marketers use the term *tweens* to describe the 20+ million children aged 8–14 who spend 14 billion euros a year on clothes, CDs, movies and other "feel-good" products. Limited Too sells mostly to 10- and 11-year-old girls and now mails a catalogue directly to preteen girls rather than to their parents. Not surprising, since preteen girls buy over $4.5 billion of clothing a year. Limited Too is developing makeup products targeted at this age segment as well, featuring fragrances like Sugar Vanilla and Snow Musk.

Michael Solomon, Gary Bamossy, and Soren Askegaard, 2002. *Consumer Behavior: A European Perspective,* 2nd ed. (Harlow, England: Financial Time Prentice-Hall), 411.

CONSUMER CULTURE FACTOID

In 2003 there were around 31 million teenagers in the United States, who spent some $150 billion of their own money. In 2010 there should be around 35 million teenagers in the United States.

From www.teenresearch.com/NewsView.cfm?edit_id=60.

good deal of this material was taken from the Claritas and New Strategist sites on the Internet, though I've also relied on material from other sources, such as the *New York Times, USA Today,* and other newspapers.

In 2002, according to a 2003 release from Teen Research Unlimited (TRU), there were an estimated 32 million teenagers (ages 12 to 19) in the United States, who spent $170 billion. This shows a significant gain from 2000, when they spent $155 billion. According to TRU, "teen consumers spent an average of $101 per week last year. This spending total combines teens' own discretionary spending and any spending they do on their parents' behalf, whether for personal or household purchases" (www.teenresearch.com/Prview.cfm?edit_id=152; accessed January 2, 2004). That means the average teenager spends approximately $5,300 a year. Teenagers get this money from their parents, part-time jobs, gifts, and odd jobs. Teen Research Unlimited obtained its information from a nationally representative survey of teenagers and by polling thousands of focus groups.

And what are these teenagers buying? Until fairly recently, they spent their money on clothes; but this seems to be changing. In a *New York Times* article dated December 2, 2003 ("Clothing Retailers Struggle to Size Up Teenagers," p. C6), author Tracie Rozhon quotes Marshall Cohen, an analyst with the NPD Group (a consulting firm for retailers), who suggests that teenagers now spend money on "cell phones, digital cameras, video games and music. Teenagers are no longer the driving category in clothes." Rozhon also quotes Greg Weaver, the chief executive of Pacific Sunwear, who says, "Teenagers are very fickle. Items are either hot or very cold."

According to Peter Zollo, author of *Wise Up to Teens,* there is a segmentation system for teens that breaks down as follows:

Edge	11 percent (outsiders)
Influencers	10 percent (embrace fashion trends early)

Conformers	44 percent (insecure, follow lead of influencers)
Passives	35 percent (not interested in fitting in)

It's the "edge" teenagers who start many of the trends. They are the ones who researchers believe started trends such as skateboarding, body piercing, tattoos, bizarre hair coloring, and a taste for alternative music. These edge teenagers are passionate about music and tend to live for the moment.

In 2002, many teens were asked to fill out a Coolest Brand Meter. The results were as follows (www.newstrategist.com/HotTrends/; accessed February 2004):

1. Nike
2. Sony
3. Abercrombie & Fitch
4. Adidas
5. Pepsi
6. American Eagle
7. Old Navy
8. Coca-Cola
9. Chevrolet
10. Tommy Hilfiger

A large number of teens are, so research suggests, obsessed with style and with quality; but they are also concerned about fitting in and not being seen as square. There is, we must recognize, a compulsive element to fashion. To avoid standing out and being different, large numbers of teens feel compelled to follow the lead of the "influencer" teens in fashion and the consumption of other things as well. There is, Zollo points out, a correlation between advertisements and the assessments teens make of many products. As he explains:

> Advertising is a key criterion of what constitutes a cool brand to teens. It's no surprise, then, that teens' favorite television commercials correlate with their favorite brands. When we ask teens about their favorite ads, they frequently mention ads from companies at or near the top of the cool brand list. (www.newstrategist.com/HotTrends/; accessed January 2, 2004)

We see, then, that advertising plays a considerable role in shaping the consumer consciousness of teens as well as other age groups. As the following chart shows, today's teenagers are members of Generation Y. They were born in the later years of that category—in the late 1980s and early 1990s.

Generations	*Years*
World War II	before 1933
Swing	1933–1945
Baby Boomers	1946–1964
Generation X	1965–1976
Generation Y (Millennials)	1977–1994
Not named yet	1994–

Teenage spending, because so much of it is discretionary and based on allowances, gifts, odd jobs, and part-time labor, does not follow economic ups and downs very closely. Still, to the extent that money from parents plays a role in teenager spending, cycles in the economy must have some effect on teenager patterns of consumption. TRU lists some teenage trends of interest, shown in the following chart:

Down	*Up*
Baggy clothes	Sunglasses (worn indoors)
Funky nail polish colors	Kickboxing
Used jeans	Girls' snowboarding clothes
Coffeehouses	Swing music

The American high school, where we find teens trying to find an identity and fighting their battles—between "innies" and "outies" for popularity, influence, and whatever else—is full of cliques. In one of my classes several years ago, I asked my students to list some of the cliques found in their schools. Here is the resulting composite list of high school cliques, whose names express their meaning quite well.

White punks on dope	Skateboarders	Preppies
Greasers	Jocks	Cheerleaders
Nerds	Hoods	Musicians
Dorks	Dweebs	Goths

These cliques help students find companionship and are the functional equivalent, one might surmise, of the ZIP codes that marketing demographers find so interesting. In their high schools, as well as in their ZIP codes, birds of a feather also flock together.

CONSUMER CULTURE FACTOID

According to a report in the February 2004 issue of *USA Today,* the hit TV series *American Idol* is now being turned into a brand. As journalist Bill Keveney writes,

> **First came books and music related directly to the competition. Next came karaoke machines and other ways to re-create the *Idol* experience. Now the *Idol* lifestyle is being marketed. Some $45 million worth of "American Idol" products were sold in the 2003 holiday season, including perfume and body spray, sunglasses, summer clothes.**

Keveney also quotes Michael Wood of Teenage Research Unlimited, who says, "If there's an emotional connection to something, they [teenagers] want all the products that go with it." Wood adds that teenagers "get bored easily and can turn quickly on a show or a product." The advantage that *Idol* has is that a new cast is introduced each season, so the teens don't get tired of seeing the same people on the show.

Bill Keveney, *USA Today,* February 2, 2004, p. D1.

NATIONALITIES AND CONSUMPTION

The statistics on the amount of money teenagers spend may be shocking to many people—especially members of the Swing generation (like myself), parents of children approaching teenager-hood, and people from foreign countries. It is useful to contrast consumption across cultures to get a sense of the importance of any statistics on consumption in America.

In an article entitled "Consuming Passions" (*Economist,* January 3, 2004), we get some information about consumption patterns in Asian countries. The unnamed author of the article discusses the ideas of Suhel Seth, an executive of Equus Red Cell, an advertising agency in Delhi. Seth explains that there has been a process of "yuppification" in India. (Yuppies, we must remember, are young urban professionals.) This yuppification has significantly changed Indian traditions. As we read:

> Seth . . . cites two ways in which the phenomenon [of yuppification] is challenging Indian tradition. First, young people positively relish conspicuous

> consumption. They do not share the qualms felt by their parents, brought up in a climate that mixed Nehruvian socialism with ancient Hindu ideals of renunciation. "Rolex," says Mr. Seth with his profession's knack for pithy hyperbole, "has replaced religion."
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> Second, and potentially of vast significance for a country as stratified as India, this is bringing about a "second unification," in which the young and affluent across the country define themselves not just by caste, creed and language, but by a shared consumer culture, spread by television, which now reaches nearly half India's homes. As a result, spending patterns are changing.

The amount of money Indians spend on basics is falling; and the amount they spend on luxuries such as dining out, going on holidays, and that kind of thing has been rising. Lifestyles are also changing. Young people used to live at home until they were married, but that is no longer the case.

In the *Economist* article, we read about young professionals who think nothing of spending 500 rupees ($11) for a shot of imported malt whiskey, which is the amount of money a typical agricultural laborer earns in a week. A chain of Barista coffeehouses is changing tea-drinking India's notions about what kind of beverage to drink, and many new malls, multiplex cinemas, and upscale bars have been built in recent years. Seth argues that all these changes are superficial and that the "cultural DNA" of India won't change; but this conclusion, the article suggests, may not be correct.

In the same *Economist* issue, an article on China discusses a magazine called *Shanghai Tatler,* which is distributed to "new rich Chinese people who are willing to spend money on luxury items." As we read:

> In glitzy new hotels, members of the city's fast-growing rich elite are learning how to party like their counterparts in America and Europe. The dream of foreign makers of luxury goods is beginning to come true.

So, no matter where you look, you find people with lots of money spending it on various kinds of luxuries. There is, it can be said, a global cast to the development of consumer cultures; and it is spread, to a considerable degree, by the mass media—by movies, television, and videos.

SUMMARY

In this chapter I've dealt with the difference between wealth and income. It turns out that the top 1 percent of Americans own more wealth than the bottom 90 percent of Americans. And the 9 percent below this top 1 percent is finding its share of wealth slipping. Many Americans have decent salaries, and so the discrepancy between the wealth of the top 1 percent and the rest of the country is not an issue for most people. I call this situation the "higher-income delusion" and suggest that the incomes people make mask the fact that a small elite group is being favored by the government (especially when conservative Republicans are in power) at the expense of middle- and lower-class Americans.

I then discuss the psychographic approach to consumption, which locates the desire for products and services in the psyches of individuals and like-minded groups, who are given jazzy names such as "achievers" and "I-am-me's." The focus here is on values that allegedly shape behavior. This approach contrasts with the demographic approach to consumption, which focuses on attributes of people such as their age, gender, race, and ethnicity.

Next I deal with marketing to children, followed by a case study of an important demographic group, teenagers. I discuss the amount of money a typical teenager spends each week, along with various factors relating to teenage consumption. Marketers have studied teenagers carefully because this age group has so much discretionary income. Teenagers have been categorized based on certain psychological types, such as "influencers," who allegedly help determine the choices made by other teenagers, and "conformers," who look up to these influencers.

Finally, I touch briefly on "consuming passions" in India and China, to show that what we call consumer cultures are springing up all over the world. These consumer cultures are having considerable effects on the lifestyles and cultures of the countries where they are developing. Whether these changes are superficial or profound, affecting the "cultural DNA" of the countries where they are taking place, is a matter that remains open to debate.