

Hedonic Motivations vs. Economic Pains: Consumption Choices in Emerging Markets—An Abstract

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Abstract Emerging markets (EMs) continue to undergo large-scale political, economic, social, and cultural transition affecting consumer behavior and consumption patterns. Western theories do not sufficiently explain the dynamics of consumption in EMs and contradictions between the hedonic motivations and limited income. These subjects are in need of further conceptual and empirical research in order to understand and predict consumer behavior.

Extant literature recognizes tremendous growth of the middle-class in EMs but applies mostly economic metrics rather than cultural ones. The existing models inadequately explain consumer behavior in EMs where information is frequently incomplete, decisions are highly subjective and risky. More effective will be a behavioral model utilizing the subjective expected utility (SEU) (Ajzen 1996), which denotes perceived expectations of the consequences of the decision made in the presence of a risk. Adaptation of this model allows us to examine the contradiction between hedonic gains and economic pains and explain the phenomenal growth rates of luxury consumption in EMs (Roberts 2011; Achille 2015).

The present study contributes to the body of research of consumer behavior in EMs aiming at a better explanation of consumption choice in social environments affected by the cultural transition. First, we analyze the effect of emotional stress induced by the social transition on consumer value orientation. Second, we review the process of social migration in EMs and the dynamics of intrapersonal psychology in the light of the prevailing cultural norms and beliefs. Third, we examine the connection between cultural transition at the societal and group level and the factors motivating the hedonic consumption choice in EMs. Fourth, we suggest the probabilistic model explaining the phenomenon of burgeoning luxury consumption in EMs resulting from the consumer volitional and compulsory choices. Finally, we formulate research propositions and discuss the directions of the future research.

We review and integrate findings from marketing theory, sociology, behavioral economics, and cultural psychology to establish the connection between cultural transformation and changes in individual consumer self-construals under emotional

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stress induced by a transition (Kivenzor 2015). From this analysis, we derive the model, which explains consumption patterns in EMs at the present time and predict them for the future.

Based on the said analysis, we developed an innovative probabilistic model describing the highly subjective nature of expected utility of luxury consumption combining volitional (hedonic) and compulsory components during the cultural transition at the societal and group level. We also operationalized the theoretical model and formulated research propositions that can be converted into testable hypotheses specific for each EM.

The suggested conceptual framework bridges theory with managerial implications helping marketing managers develop more effective strategies promoting high-end goods and services in EMs.

References Available Upon Request