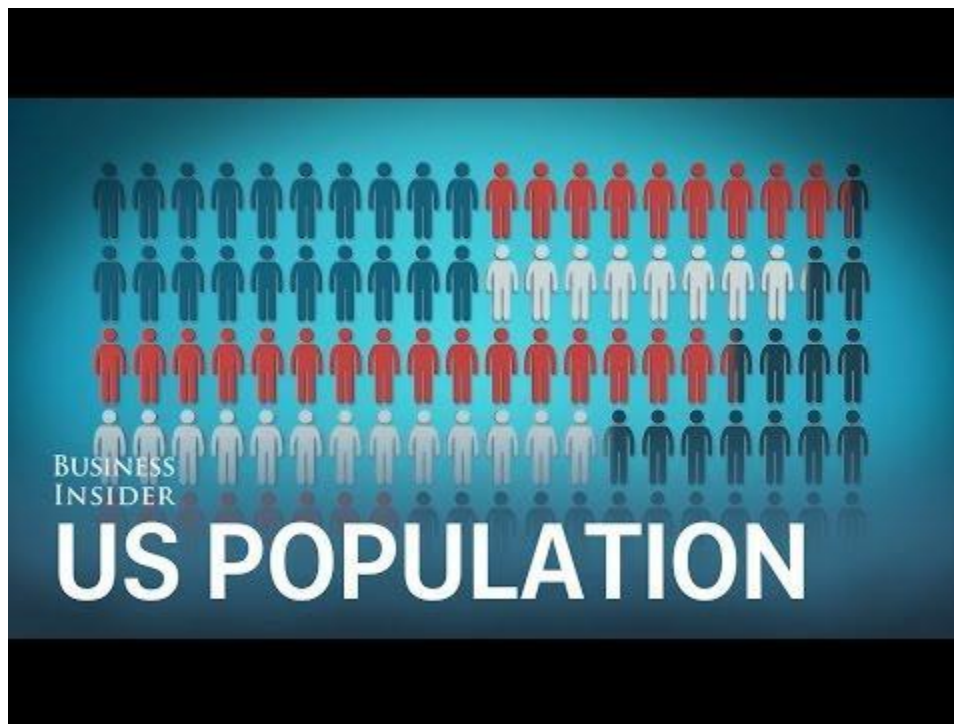


# Module 4 Lecture Notes Part II

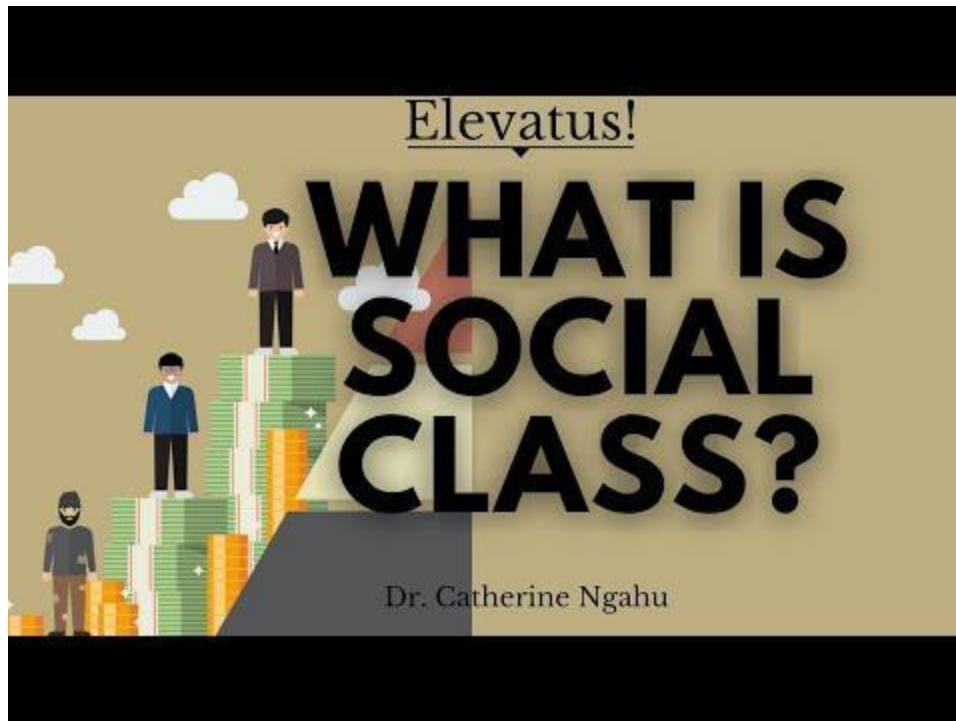
## Overview

In this module we will keep the focus on culture and look at the macro view of the United States and the importance of demographic and social economic plays a role in our consumer behavior. Then we will dissect by doing some demographic analysis to see some cultural trends to help shape some of our marketing strategies.

## Demographics in the USA



The video below shows a good overview of the US population. Demographics, which comprise a population's size, distribution, and structure, are used to describe American society in part. A population's age, income, level of education, and occupation make up its structure. The demographics are dynamic. The population is currently growing at a moderate rate, the average age is rising, and the southern and western regions are expanding. Subjective indicators, such as cognitive age and subjective discretionary income, can offer a deeper understanding of consumption than real age and income measurements. However, these measurements can provide marketers valuable information. The hierarchical partition of a society into relatively stable and uniform groups based on attitudes, values, and lifestyles is known as a social class system. In the United States, there is no clearly defined social class system. What does appear to exist is a collection of status continua that represent different facets or elements that society values. In this nation, major status characteristics include kind of housing, education, occupation, and income, though to a lesser extent. The video below describes social class and how it is measure:



Social class is definitely relevant in many instances, even though it may not be a factor in all items or brands. Choosing what things to provide and what activities to take in this regard must be carefully studied since targeting persons in lower socioeconomic groups can have ethical repercussions.

### Microculture

A subset of a larger culture that holds comparable beliefs and preferences is referred to as a microculture. Consumer behavior is significantly influenced by both culture and microculture. In the end, they provide an explanation of the customs and peculiarities of all consumer groups. Consumers enter and exit microcultures, and membership has a significant impact on their behavior. Role expectations are brought by microcultures to its participants. These expectations give cues as to the actions one should take to fit in with the group. Membership in a microculture alters the value of objects. One microculture may not appreciate something at all whereas another may. For the purposes of this class, we will examine microculture whose members share distinguishing patterns of behavior

In the US, there are numerous micro cultural groupings. As part of their market segmentation tactics, marketers might divide the nation's population into customer groups along a variety of different dimensions. One example on how to segment is by demographics as described above. There are several other ways to segment American culture, by generation, ethnic, nationality, religious and regionally which provides marketers with unique opportunities to satisfy customers wants and needs.

### Generational

A group of people who had a similar social, political, historical, and economic environment is known as an age cohort or generation. The process of describing and explaining an age group's views, values, and behaviors as well as projecting their future attitudes, values, and behaviors is known as cohort analysis. Pre-Depression, Depression, Baby Boom, Generation X, Generation Y, Generation Z, and Generation Alpha are the seven main generations that are active in America today.

The video does give a clear overview of the generations in terms of age and some characteristics of each:



### Ethnic Microculture

Ethnic subcultures are roughly characterized as groups whose members share distinctive behaviors that are based on shared racial, linguistic, or national origins. By 2040, there will be 49 percent of non-European ethnic groupings in the United States, up from 40 percent in 2020.

### *Latin(X) Microculture*

The Latin(X) referred to by the US Government as the Hispanics, which represent the largest and fastest-growing ethnic subculture in the US. Despite having a wide range of national origins (Mexico, Puerto Rico, Cuba, etc.), Hispanics have developed a rather homogenous subculture thanks to the Spanish language, Roman Catholicism, and national Spanish-language media and entertainment figures. Interesting fact, according to PBS News Hour, Hispanics will comprise of 21.1% of the US population by 2030.

### *African American Microculture*

A sizeable non-European ethnic minority, African Americans make up around 13% of the total population of the United States in 2022 and projected to remain around 13% in 2030. Even though African Americans are younger and typically earn less than the overall population, marketers are nonetheless drawn to this sizable and diversified subculture by their fast-rising levels of education, wealth, and purchasing power.

### *Asian American Microculture*

Of the main ethnic microcultures, Asian Americans have the widest range of cultures. Many different ethnicities, languages, and faiths define them. Asian Americans should not be treated as a singular group

when marketing to them. The greatest way to study Asian Americans is as a variety of nationality microcultures.

#### *Native American, Asian-Indian Americans and Arab Americans:*

Smaller but significant American ethnic communities include Native Americans, Asian-Indian Americans, and Arab Americans. Despite their differences, each has enough traits in common to be treated as a single market for at least some products. Specialized media and geographic concentration enable customized marketing campaigns.

#### **Religious Microcultures:**

Even though American society is largely secular, 82 percent of American people identify as religious, and many of them say that religion is significant in their lives. Although the percentage has decreased over time, most American individuals still identify as Christians. And both inside and within the Christian faiths as well as the Jewish, Muslim, and Buddhist faiths, several religious microcultures exist. The main difference between adherents of any faith is how conservative they are.

#### **Regional Microcultures:**

Climate, natural resources, the peculiarities of the numerous immigrant groups that have lived in each region, and key social and political events all contribute to the development of regional microcultures. All facets of consumer behavior are influenced by regional microcultures, and savvy marketers are aware that the US is made up of a variety of regional marketplaces.

#### **Worldwide Cultures and Trends**

Understanding how to market to those in the United States with all these subcultures could prepare you to analyze cultures and microcultures all around the world.

The decreasing birthrate and rising life expectancy are two major trends in Western nations. Of course, not all countries in the world follow these trends. However, consumer research and marketing do pay heed to them. In general, consumer prosperity is increasing across the globe, but especially in the United States, India, and China. Undoubtedly, there are still issues with poverty on a global scale. There are many different cultural and microcultural trends around the world. Europe is experiencing an increase in cultural variety, especially with the rise of Islam. The United States now has a greater range of cultures, as shown particularly in the borderland areas. Street subcultures are still developing all around the world. With all these changes both within the United States and around the world, it presents great challenges and opportunities as marketers to help shape the future of our planet.





The three videos below present a bunch of facts that could be debated as noted in the comments below but how as an international marketer use these facts.