

Chapter 4: Demographics and Social Stratification

■ In this chapter, we will discuss the closely related concepts of demographics and social stratification:

- Population size and distribution
- Occupation
- Education
- Income
- Age



They've got two loving daughters,
Five adoring grandchildren

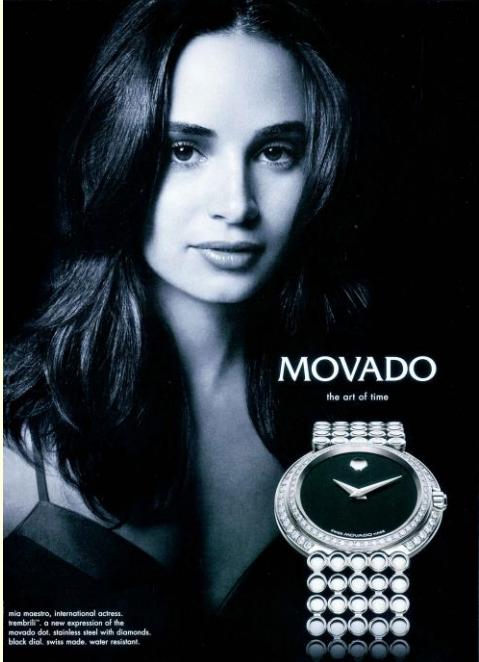
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Demographics



Understanding Generations

- A generation or age cohort is a group of persons who have experienced a common social, political, historical, and economic environment.
 - Baby Boom Generation
 - Generation X
 - Generation Y
 - Millennials
- Gerontographics is a segmentation approach to the *mature market* that is based on the physical health and mental outlook of older consumers.

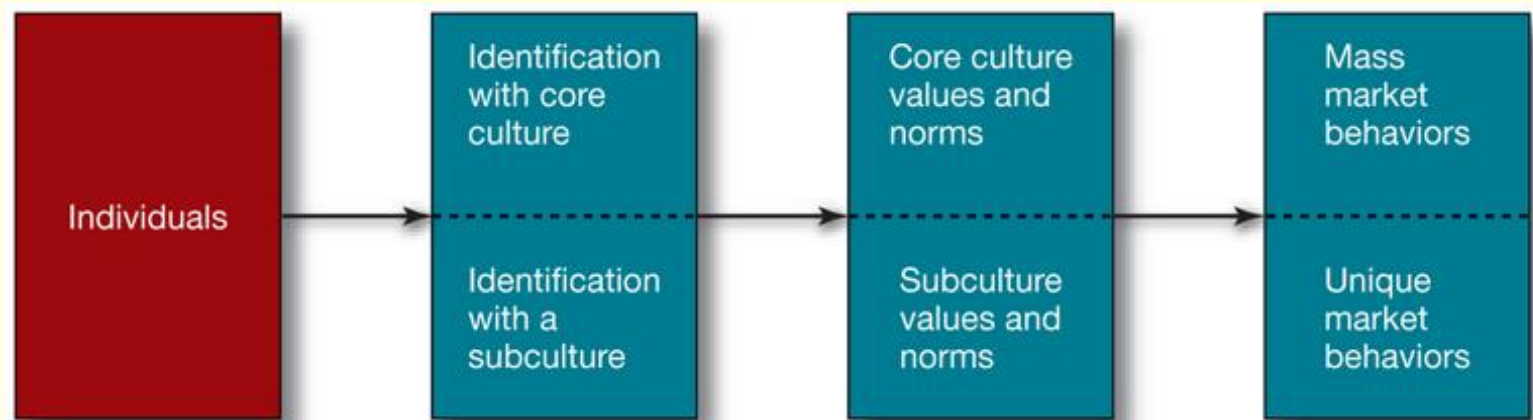
The Measurement of Social Class

- There are two basic approaches to measuring social status:
 - Single-item indexes
 - Education
 - Occupation
 - Income
 - Multi-item indexes
- The U.S. Bureau of the Census uses a three-factor social status index based on occupation, incomes, and education: Socioeconomic Status Scale (SES)

Category	Percent of Population
Upper	15.1%
Upper-middle	34.5%
Middle	34.1%
Lower-middle	16.3%

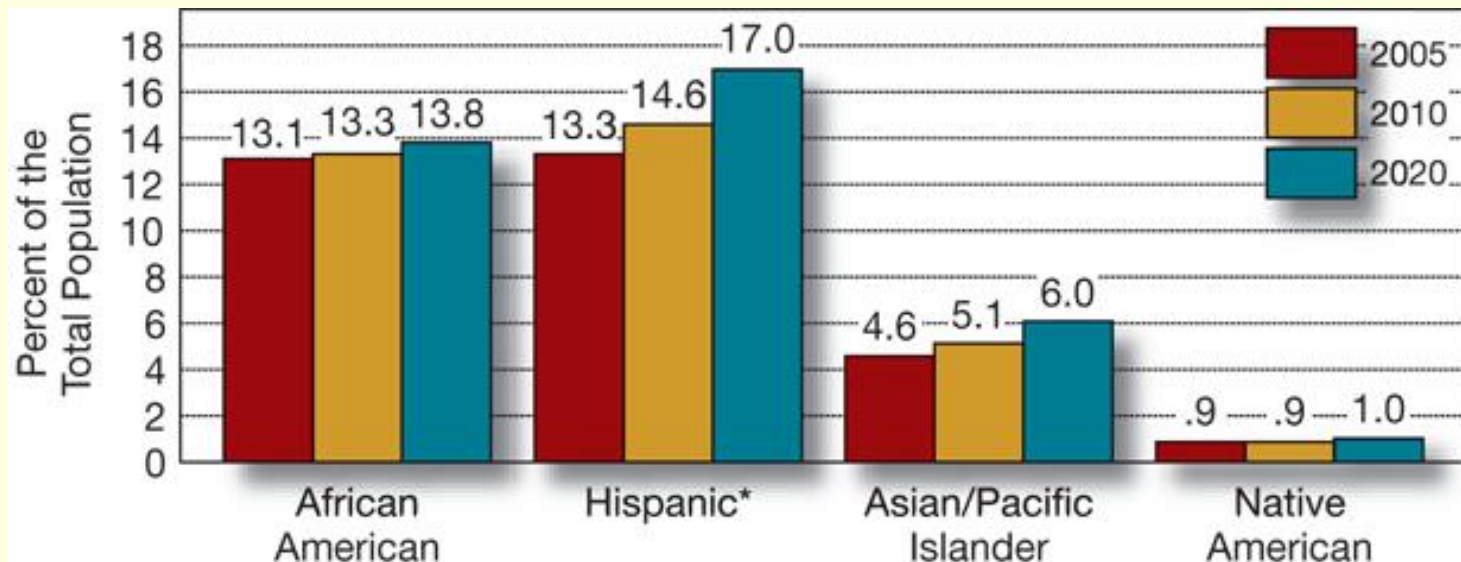
Chapter 5: Subculture

- A subculture is a segment of a larger culture whose members share distinguishing values and patterns of behavior.
- The unique values and patterns of behavior shared by subculture group members are based on the social history of the group as well as on its current situation.



Ethnic Subculture

- Ethnic subcultures are those subcultures whose members' unique shared behaviors are based on a common racial, language, or nationality background.



Ethnic Subculture

- The percentage shown in the figure understate the importance of these ethnic groups to specific geographic regions.
- Asian Americans are the largest group in Honolulu; and African Americans are a majority in parts of the South and urban areas in the Northeast and Mideast. In contrast, state such as Maine, and West Virginia are more than 95% white.
- The relatively faster growth rate of non-European groups is due to a higher birthrate.
- The influx of ethnic immigrants not only increase the size of ethnic subcultures, but also reinforces the unique behaviors and attitudes derived from the group's home culture.

African Americans

- African Americans, or blacks, constitute 13% of the American population.
- Consumer groups
 - Contented (13%)
 - People in this segment are contented with life, not impulsive and prefer to stay at home.
 - Upwardly Mobile (24%)
 - This segment is composed of active and optimistic about the future.
 - Living for the Moment (21%)
 - Self-oriented and image conscious.
 - Living Day to Day (18%)
 - Typically unskilled and poor.

Marketing to African Americans

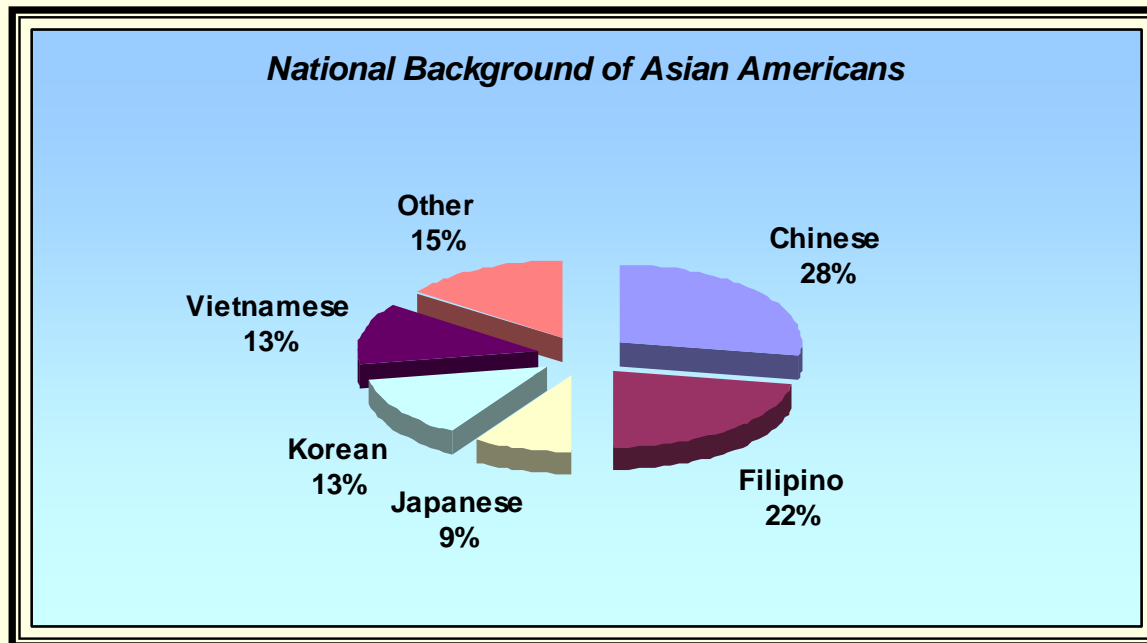
- Products
- Retailing
 - More than 60% of African American shoppers say that one of their most important reasons for choosing a store is that it treats its customers with respect.
 - This focus on respect is caused by the sad fact that many black shoppers still encounter obviously disrespectful acts such as being closely watched while shopping as well as more subtle discrimination such as slower service.

Hispanics

- The Hispanics as a person of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin regardless of race.
- Although average Hispanic household income is relative low but has high loyalty to brand.
- Successful marketing to Hispanics moves beyond accurate translations into unique appeals and symbols. It requires marketers to be “in-culture,” that is , to understand the value system and the overall culture context of the various Hispanic group.

Asian Americans

- Asian Americans are a rapidly growing subculture, due primarily to immigration. Asian Americans have the highest average household income of any ethnic group. However, Asian Americans are also the most diverse group, with numerous nationalities, languages, and religions.



Asian Americans

■ Consumer Groups

■ Traditionalist (49%)

- Highly concerned with price and quality when shopping.

■ Established (27%)

- Professional group and willing to pay a premium for high quality.

■ Live to the Moment (24%)

- Impulsive shoppers

■ Marketing to Asian Americans

- These groups tend to be clustered in limited geographic regions (half of all Asian Americans live in just three states: California, New York, and Hawaii).

Others

- Native Americans

- Nearly half live in the West, and there are approximately 550 Native American tribes, each with its own language and traditions.

- Asian-Indian Americans

- There are approximately 1.7 million Americans of Indian heritage. They are well educated, affluent, and fluent in English.

- Arab Americans

- They are approximately 1 million Arab Americans in the U.S.. They come from a variety of countries, including Morocco, Egypt, Jordan, and Kuwait. They share a common Arabic heritage and the Arabic language.

Religious and Regional Subcultures

- Religious Subcultures
 - Christian Subculture
 - Non-Christian Subculture
 - Jewish Subculture
 - Muslim Subculture
 - Buddhist Subculture
- Regional Subculture



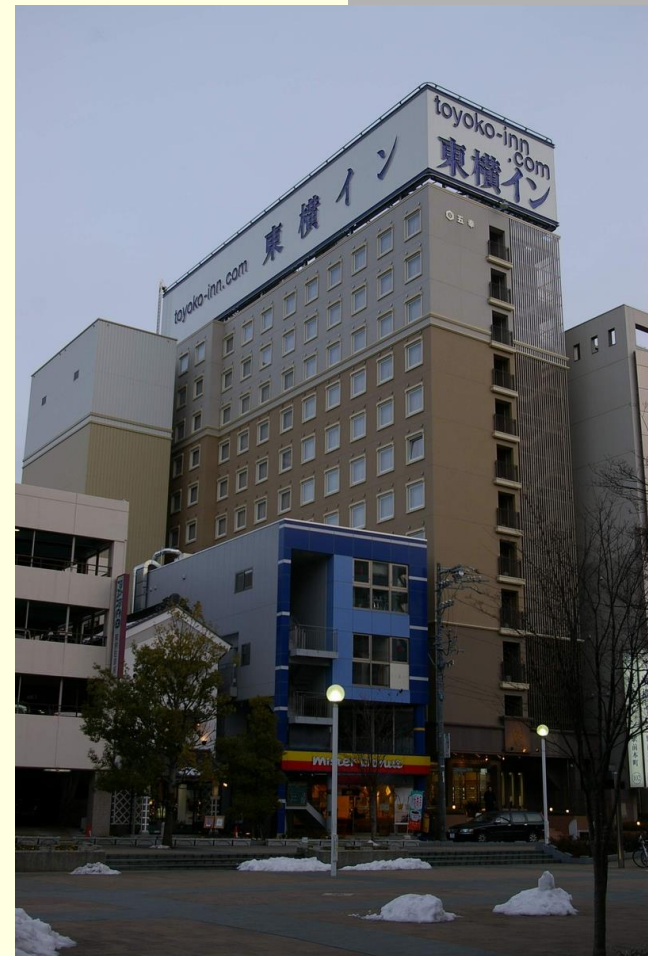
Discussion & Questions

- *Knowledge*
- *Comprehension*
- *Application*
- *Analysis*
- *Synthesis*
- *Evaluation*



Service Quality

- Service quality is a measure of how well the service level delivered matches customer expectations.
 - Tangible
 - Reliability
 - Responsiveness
 - Assurance
 - Empathy



Logistics Service Quality

- *The evaluation of logistics service quality on home delivery service for online auction*

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Today is October 1, 2008

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Paper submission deadline:
.....~~June 1, 2008~~
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Introduction

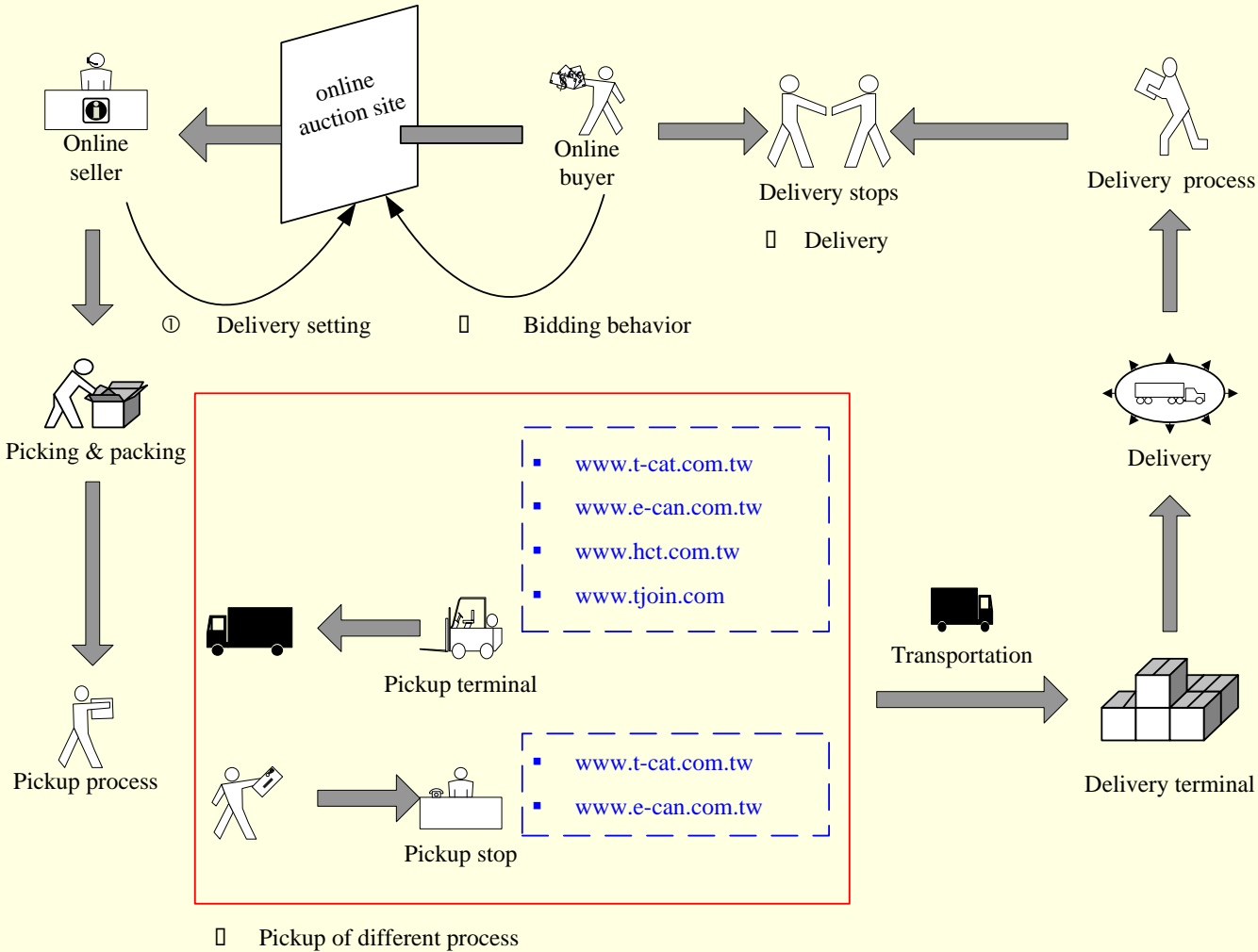


Services, service operations, logistics, and informatics are becoming ever more complex and interdependent. They are playing an increasingly important role in today's world economy. Information and communications technology provides cyberinfrastructure and platforms to achieve more efficient and productive services operations. New types of service offerings are also emerging to meet the needs of customers and consumers. The IEEE Service Operations and Logistics, and Informatics (SOLI) conference series aims to bring together researchers and practitioners to discuss issues, identify challenges and future directions, and share their R&D findings and experiences in the areas of service design, innovations, marketing, and operations; logistics issues in services offerings, logistics as a service and related decision-making; informatics-enabled service offerings, and information technology/systems services and related design, engineering, operations, and sustaining. Papers relating to Services/Logistics Design, Innovations, Marketing, Operations, and Engineering; and their specific applications to Information Technology/Systems services are strongly encouraged. Special sessions on specific service topics are also welcome.

News

- **Advanced registration deadline is postponed to September 5, 2008.**
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Logistics Service Quality



Logistics Service Quality

- X1:Time between placing requisition and receiving delivery is short
- X2:Deliveries arrive on the date promised
- X3:Mechanism of cash on delivery
- X4:Mechanism of e-tracking
- X5:Whether date of delivery is flexible
- X6:The delivery provider provides a nice experience in the delivery stop or pickup stop
- X7:Waiting time in pickup stop
- X8:Whether pickup stop offer essential assistance to me
- X9:Correction of delivered quality discrepancies is satisfactory
- X10:Response to quality discrepancy reports is satisfactory
- X11:Whether the place of pickup stop can meet my demands
- X12:Whether business hours can meet my demands.

Logistics Service Quality

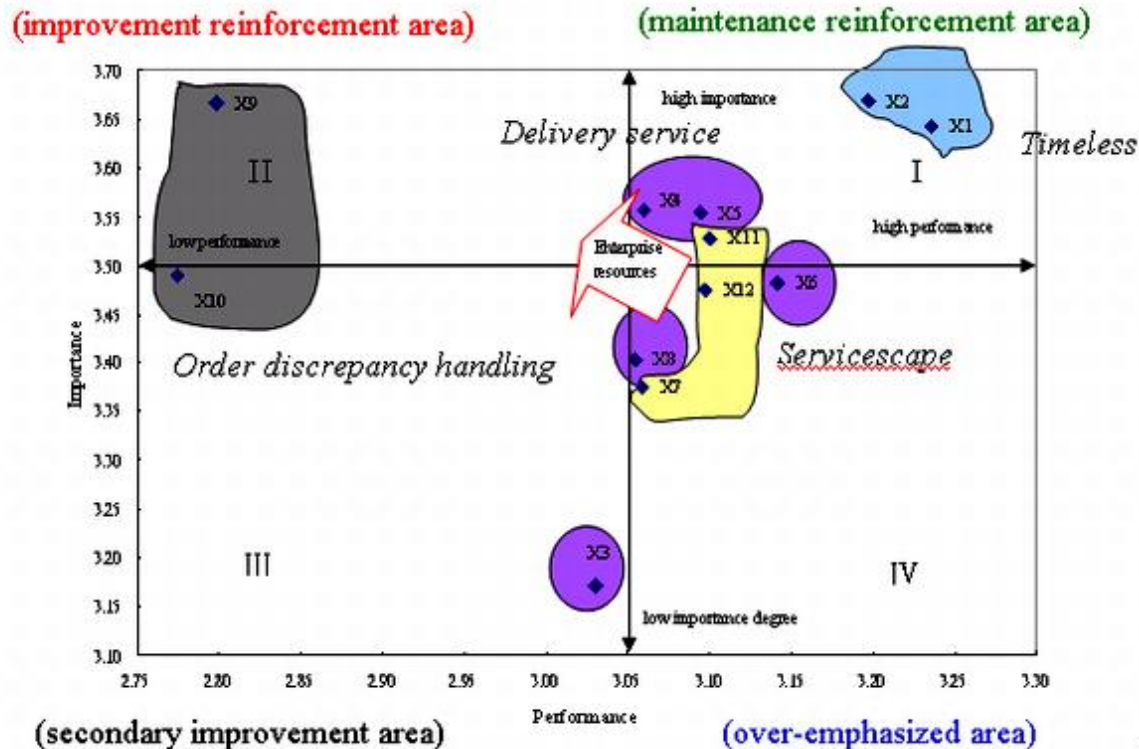
Table 6 Results of comparative factor analysis

<i>Item</i>	<i>Construct</i>	Factor loadings			
		<i>Delivery service</i>	<i>Servicescape</i>	<i>Timeless</i>	<i>Order discrepancy handling</i>
DS1 (X ₄)		0.76			
DS2 (X ₃)		0.71 (35.13)			
DS3 (X ₆)		0.80 (39.96)			
DS4 (X ₅)		0.81 (40.75)			
DS5 (X ₈)		0.82 (41.17)			
SC1 (X ₁₁)			0.85		
SC2 (X ₁₂)			0.85 (50.10)		
SC3 (X ₇)			0.83 (48.27)		
TI1 (X ₁)				0.86	
TI2 (X ₂)				0.90 (50.05)	
ODH1 (X ₁₀)					0.89
ODH2 (X ₉)					0.93 (55.41)
<u>Cronbach's α</u>		0.886	0.878	0.872	0.909

() express the *t* values

Logistics Service Quality

Importance-Performance Analysis



PZB Service Quality Gap

