

When + Where = How:
A Preliminary Examination of the Role of Context in Taste and Preference Decisions

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Abstract: This paper argues for the presence of contextual effects which serve to “override,” in varying degrees, individual utility functions and other assorted components of individualized taste and preference structures. Specifically, we find suggestive evidence of two distinct “styles” of shopping—“daily” or “spontaneous” and “weekly or “scheduled”—which orient the individuals quite differentially to the task at hand (i.e. choosing products). Evidence gathered from field observations of 30 families in 3 different retail settings, across two distinct contexts, is summarized. We conclude with a discussion of specific implications for public policy research on household economics, as well as directions for future consideration.

Background

While scholars working at the margins of economy and society have long challenged many of the commonly held tenets of standard economic theory (i.e. that individuals behave so as to rationally maximize a set of invariant, well-defined tastes and preferences), a most powerful critique has recently emerged from, of all places, within.

Namely, a prolific and diverse body of scholarship—falling loosely under the heading “behavioral economics”—considers findings from the field of psychology which speak directly to very human limits of calculus and judgment in everyday life (Kahneman and Tversky 1982, Thaler 1988, Slovic 1975). In stark contrast to the all-perfect judgments and calculations carried out by Homo Economicus in the pristine theoretical space of the abstract, behavioral economists are interested in what’s going on in the “real world” of everyday life on planet Earth. Or, more specifically, how our understanding(s) of the cognitive limits of human judgment and perception can inform our theories of economic action. Predictably, the field of experimental psychology is construed as a convenient resource for extending our knowledge regarding those very real, very human limitations.

Though in many ways this critique is nothing particularly new (i.e. early institutionalists such as Veblen were always sympathetic in this direction), its most recent incarnation benefits significantly from several contemporary refinements. Most importantly, mainstream economists have, for years, dismissed these arguments primarily by suggesting that some combination of market forces (competition and arbitrage), learning and/or evolutionary adaptation would render these so-called “limitations” irrelevant (Mullainathan & Thaler 2000). Yet recent empirical and observational work by Thaler (2000), Rabin (1996) and others convincingly refutes these claims. To cite but one specific example here: the common reliance on arbitrage as a mechanism for alleviating irrational choices in the marketplace is countered by the fact that in many—if not most—cases, arbitrage opportunities are simply non-existent. Even if a wise arbitrageur *were* watching me pick the wrong wife, purchase the wrong house or choose the wrong graduate school, what bet could s/he place? (Thaler 2000). This increasing willingness by mainstream economists to move past knee-jerk responses (arbitrage, evolution, etc.) to differing versions of the bounded rationality argument, serves only to strengthen further development within the field.

Moreover, freed from what many perceive as the excessive spirit of formalism and abstraction which dominated mainstream economics in the 20th century, this re-invigorated critique provides for more engaging, more honest assessments of the relationships between human cognition and economic theory. Whereas Simon’s seminal 1955 work (which first proposed the notion of “bounded rationality”) spawned a significant amount of cross-traffic noise with all of the resulting attempts to model bounded rationality as a mathematical property, more recent work in this vein accepts Simon’s premise as a given and works outward.

Yet for all of the progress that has been made in this direction, as mainstream economists seek to better elucidate the limits of human cognition by incorporating findings from cognitive psychology, there remains an obvious bias in the general problematic. Namely, the

methodological individualism which so pervades mainstream economic theory also strongly influences most psychological accounts of human cognition. In essence, both lines of research suffer from a methodological and theoretical orientation which emphasizes individual agency over collective influence.

Rather than merely reviving stylized academic debates (individual vs. collective, micro vs. macro, psychology vs. sociology, etc.), this paper seeks to extend recent work in behavioral economics to consider an assortment of *social* factors (culture, context and setting) which may constrain, augment, or otherwise modify cognitive functioning with regard to taste and preference behavior in the marketplace. Given the now well-documented cognitive limits to human-judgment and perception, limits typically attributed to *internalized* properties of human cognition, this paper considers how differing social contexts and cultural understandings may interact with internal cognitive processes to direct consumer behavior in differing retail settings in ways which might not be obvious.

Most specifically, this paper investigates how the cultural meaning(s) and symbolic logic which order taste and preference decisions are bound within two different grocery shopping contexts: a) the less deliberate, “daily” or “after work” grocery visit and b) the more routine, what some describe as “weekly,” planned shopping trip.

Finally, I conclude with a discussion of the possible implications of such context specific boundaries to rational decision making, a discussion which will consider whether or not these effects can be seen as disproportionately affecting differing family types.

Theory and The Literature

Herbert Simon provided the first widely-cited behavioral critique of rationality with his 1955 paper “A Behavioral Model of Rational Choice.” There he articulated the first well-reasoned criticism of the information processing capabilities of (rational) economic agents, suggesting that the phrase “bounded” might be a more realistic description of the “limits of human problem solving capabilities.” (Thaler & Mullainathan 2000). In essence, Simon was relying on the phrase “bounded” as a sort of shorthand which referred to our all-too-human shortcomings, shortcomings which, strangely enough, cause us to rationally make less than perfect decisions. The logic goes something like this: The world we live in is a busy, confusing—often chaotic—place. And given that we have only a fixed amount of brainpower and time, as well as a lot of decisions to make, we should never expect to be able to solve all of our problems perfectly. Instead, we rationally rely on rules of thumb (i.e. heuristics) as a means of economizing on our cognitive faculties (Thaler & Mullainathan 2000).

While Simon may be credited with first popularizing interest in these heuristics, it was the work of Daniel Kahneman and Amos Tversky which carried these ideas to the widest audience. Specifically, by bringing the methods of experimental psychology to bear on questions of economic and marketplace behavior, Kahneman and Tversky have produced an extensive body of work which points to systematic errors in judgment and choice

resulting from cognitive limitations. Among Kahneman and Tversky's now widely understood findings include our propensity for loss aversion, risk aversion, overconfidence, the law of small numbers, anchoring effects and optimism.

Yet while most of Kahneman and Tversky's early work was preoccupied with questions of the human limits of cognition and judgment, more recent work by economists in this vein explores departures from self-interested behavior by testing, in an experimental setting, individual's preferences for fairness, reciprocal altruism and revenge. Here human emotions regarding notions of fairness and equity are brought to bare on questions of economic behavior.

In perhaps the most widely cited example of this genre—the ultimatum game—two experimental subjects are told they will split a fixed amount of money according to the following rules: The “proposer” must offer some percentage (of his/her choice) of the total money to the “decider.” If the decider accepts the offer, the money is split as specified by the proposer; if the decider rejects the offer, each side gets nothing. In stark contrast to the tenets of rational choice theory—which contend that proposers should never offer more than a penny and deciders should accept any offer—both sides usually converge on the order of 20% (Guth, Schmittberger, and Schwarze 1982). In short, deciders are more than willing to punish proposers (in the process losing out completely) and proposers are equally sensitive to this perceived threat. Taken as a whole, this genre of psychological experimentation illustrates the very real role which emotions play within self-interested behavior in the marketplace.

Given the trajectory of these developments—from bounded rationality to judgment heuristics to systematically derived preferences for intangible, emotional concepts such as “fairness” and “equity,”—it should come as little surprise that many economists are turning now to consider issues even further removed from the decision making process. Namely, issues of context. In a spirited appraisal of the state of economics (in general) and behavioral economics (in specific), Thaler (2000) notes that while economics in the first half of the 20th century was more of a *social* science, developments in the latter half of the century resulted in depictions of economic agents as “hyperrational.” Citing the influence of mathematically oriented scholars such as Hicks and Samuleson, Thaler details the ascendancy of the highly-abstracted, formalized models which typically depicted the consumer as an all-knowing, omniscient, perfectly rational actor.

In an (admittedly predictable) turn, Thaler calls for greater emphasis on the social, specifically suggesting that “...this trend will be reversed in favor of an approach in which the degree of rationality bestowed to the agents depends *on the context being studied.*” (Thaler 2000). And it is precisely this notion of context wherein this paper seeks to extend our knowledge of the assorted forces affecting and directing consumer preferences in the marketplace. For, as suggested above, this paper will carefully examine—through the use of data gathered via participant observation and fieldwork—how context (set and setting) interacts with cognitive decision making to shape preferences. Again, the key difference is that this paper will rely on context in a broader sense than is typically construed by the individualist-centered modeling of Kahneman, Tversky and others.

Finally, it is worth turning closer attention to two related findings from the “judgment heuristics” literature which will prove particularly salient to this paper. First, Kahneman and Tversky have long demonstrated the human propensity for “diminishing sensitivity” in the marketplace (1979). Here the well-known findings from literatures on human sensory perception are extended to cover issues of monetary change (i.e. price differentials), with specific evidence suggesting that the marginal value of assorted costs and benefits is greater for changes that are *closer* to one’s reference level than for those which are further away. For example, a price difference of \$100 appears far more significant when comparing two goods priced at \$100 & \$200 respectively than when comparing two goods priced at \$1100 & \$1200 respectively.

Secondly, Simonson and Tversky (1992) were some of the first to tackle, straight on, perhaps *the* fundamental economic assumption beyond issues of rationality. Namely, the widely held belief that one’s preferences are “invariant, stable, and independent of a menu of choices.” Their specific interest with preferences as somehow dependent on “menus of choice,” led them to document and elucidate a number of *context* effects, suggesting, for example, that the addition of new options to a menu of choices may actually increase (or decrease) the proportion of consumers favoring that option.

Without (hopefully) confusing the reader too much, this paper will be relying on both of these findings regarding the nature individual decision making (diminishing sensitivity and context effects) while examining decision making in yet a *larger* context (i.e. styles of shopping). To clarify further, while the context effects noted by Simonson and Tversky have to do with how one’s individual preferences change with an associated change in available options or substitutions, we will be looking at how all of this changes given the larger social setting.

Context and Setting: “After Work / Daily” Shopping vs. “Scheduled / Weekly” Shopping

In part, this paper is an outgrowth of related investigations of the tacit and/or implicit nature of taste and preference decisions in everyday life. Specifically, in an ethnomethodological study of consumer behavior in differing grocery retail settings, we began to notice what could best be described as “differing styles of shopping,”—styles which appeared to be related more to context and setting than individual consumer proclivities. Moreover, these styles of shopping appear to affect consumer decision making patterns in significant ways—in some cases overriding individual preferences.

In particular, while observing grocery shoppers in series of retail settings which included smaller, specialty grocers (e.g. Whole Foods Market), boutique food retailers (e.g. Dean and DeLuca), large, mainstream grocery retailers (e.g. Kroger), and so called “big box,” or “warehouse” retailers (e.g. Sam’s and/or Costco), we were initially surprised by the apparent “good fit” between the type of consumer and type of retailer. On the one hand, consumers interviewed and observed in specialty and/or boutique retailers appeared spontaneous, casual, irreverent and, in some cases, almost flippant with regard to taste and preference

decisions. This group was much more likely to admit being influenced by whim or passion, and in most instances, was not at all sensitive to standard price concerns. The overriding logic here could best be described as some version of “That looks good...I want it...I don’t care about the price...I’m in a hurry...give it to me.”

Conversely, consumers studied in the more conventional grocery retailers—and especially in the above noted “big box” or “warehouse” retailers—demonstrated behavior more in line with common marketing and business literature accounts of taste making decisions. Here we found consumers to be much more careful—almost studied—in their decisions and calculations. Likewise, we encountered less of a propensity for spontaneity and whim and an increased tendency towards quiet regulation. All told in this category, we also found significant price sensitivity.

Of course, one very obvious explanation here is that these are merely two different sets of economic actors with different preferences (i.e. the former group prefers “the good stuff,” while the latter prefers “economizing”) who logically shop at retailers best suited to meet their needs accordingly. Interestingly, though, on a couple of (admittedly rare) occasions, we noticed odd mixtures of these behaviors within the same retail environment. While conducting observations at a local specialty retailer, for example, we noticed a family with a detailed shopping list carefully scrutinizing price differences between two bottles of olive oil priced at \$16.58 and \$17.11 accordingly. On another occasion at a mainstream grocer, we observed two subjects who had, on a previous visit, demonstrated behavior consistent with the “careful, price conscious shopper” category. In this instance, however, they were casually choosing among several wines across a wide range of premium prices (i.e. \$20-\$60), explaining to us that they were looking for “something to drink while they watched *Survivor*.”

As we followed up on these seeming outliers, the one commonality among each of the respondent’s explanations was context. That is, our participants seemed to be suggesting that there were different categories of grocery shopping—categories which sometimes required different settings, different “ways of doing,” different “ways of orienting,” and different “ways of judging,” accordingly. And among the myriad possibilities, our initial data pointed to the presence of two distinct “ways of shopping,” what we refer to here as contexts. The first context could best be described as “daily,” “after work,” or “leisure” shopping, while the other variant occurs in the form of “regularly scheduled,” “weekly” and/or “maintenance” shopping. This tentative observation then begs the obvious question: to what degree to these differing “orientation” to shopping (i.e. contexts) affect consumer preference decision in systematic, identifiable patterns? Hence our decision here to consider, in ever more thorough detail, the role of context in taste and preference behavior across differing retail settings.

Study Design and Data Collection

In effort to get a better understanding of the precise role of context as outlined above, we conducted research on 30 families in two differing contexts (daily vs. weekly) occurring

within three different retail settings (a specialty grocer, a large, mainstream grocer and a “big box” retailer). Given the exploratory nature of this research—along with our associated interest in larger, ephemeral properties of context and culture—we opted for participant observation research in a field setting. Specifically, we followed these thirty families as they went about their shopping trip, observing and asking questions as they arose. This level of proximity provided necessary access to salient features of context, situation and setting. In terms of duration, these trips ranged from 4 to 81 minutes in length, with the median length being 33 minutes.

Observations were carried out over a four week period in two different major metropolitan markets in the South and Southeast regions. The three retail sites chosen for our observations (specialty, mainstream, wholesale) were selected primarily on the basis of availability. Simply put, these three were willing to allow a third party to carry out research within their retail environments. And as anyone familiar the nature of research in a commercial setting well knows, this permission is often hard to establish. That said, these three retailers are all nationally recognized chains viewed by many as among the “leaders” of their respective categories. So to this end we could suggest that the observations here, while by now means generalizeable in a statistical sense, are *reasonably* representative of retail settings across the U.S.

The three retailers include a pioneer in the natural food/specialty segment, a nationally recognized, mainstream retailer, and a successful “membership” retailer marketing products in substantial volumes in a retail setting which resembles a warehouse more than a conventional store.

For comparative purposes we undertook something akin to a quota sampling framework, with a goal of locating five families engaged in each style of shopping (daily & weekly) distributed across the three categories of retailers identified above. To identify our 10 families in each of the three retail settings, we relied on self report responses to a quick series of screener questions administered near the assorted retail entrances. These questions were designed to tease out membership in each of the two context categories.

In actuality, we encountered some difficulty locating “daily” shoppers within our “warehouse” retailer. In this case, we settled on three observations of “daily” shoppers and added an additional two observations among our “weekly” shoppers, bringing the total in this category to seven. The breakdown of observations is outlined graphically in Figure 1 below.

Figure 1. Distribution of Participating Families by Context and Retailer Type.

	Specialty Ret.	Mainstream Grocer	Warehouse Ret.
Daily / Leisure	5/5	5/5	3/5
Weekly / Maintenance	5/5	5/5	7/5

Aware of the contested, often politicized nature of the term “family,”—in academic circles and beyond—we simply followed the pragmatic spirit of this paper and chose to define family in as common sense a manner as possible. That is, we relied on simple self-reports to identify people who were currently a) married and b) had children living with them in their place of residence. Note that it was not a prerequisite for participation in our study that any of the remaining family members be present. A single person fulfilling the two requirements above was all that was necessary for inclusion. As it happened, 16 of the 30 families were represented solely by one individual parent, 10 featured one or more parents with at least one child, and 4 featured two parents without children.

At the close of each observed shopping trip, we completed (via one-on-one interview) a brief one-page questionnaire designed to provide general background (i.e. demographic) information.

A few words on methodology and limitations

Given the exploratory nature of this investigation, we opted to forego complexity in terms of study design and, instead, focus our attention on pinning down the *apparent* role of context and setting on taste and preference decisions. One obvious shortcoming here is that we will be unable to ascertain any degree of causality with regard to the apparent relationships. That is, because we are studying families at only one point in time, we will not be able to argue with firm certainty the degree to which taste and preference decisions are constrained by context and setting.

By contrast, a panel study which followed families on multiple shopping trips across a given period of time (e.g. a month) would prove an ideal way to isolate the precise functioning of contextual effects from other taste and preference constraints (differing psychological dispositions, differing utility functions, etc.). This should be an obvious point of departure for future research efforts.

Findings

The following section presents a summary of general patterns and conclusions gleaned from careful analysis of our observations, interviews and field notes. For the sake of clarity (and comparison), we will summarize our observations by retailer type (specialty, mainstream, big box/wholesale) within our two contexts of interest (i.e. “weekly” and “daily”).

Weekly / Scheduled Shopping

All told, the one commonality which links the seventeen shopping trips within this category is the notion of scheduling. Respondents often provided intricate accounts of precise details regarding the planning of such visits, suggesting there was rarely little room for spontaneity. As it happened there was significant variation among intervals between visits. A few (3)

made regularly scheduled visits about once per week, but many more suggested the interval between visits was substantially higher (i.e. 2-3 weeks between visits). In short, it appears “scheduled” may be a more appropriate label than “weekly.”

While a higher percentage of these visits did occur on weekends, we were able to carry out a few during the evenings and during the day.

Specialty Retailer

Identifying shoppers engaged in “planned” visits to our specialty retailer proved something of a challenge here. This is undoubtedly a testament to the fact that many consumers still rely on specialty retailers primarily for “incidental,” “spontaneous” and/or “daily” shopping—excursions often designed to fill “need gaps.” Nonetheless, we eventually tracked five different families across visits which averaged 41 minutes.

While the fact that this was a specialty/natural foods grocer placed certain limits on product selection (i.e. not all product categories are represented) the “planned” shopping visits we observed differed little from those observed in our other two retail categories. Shoppers demonstrated a marked concern for value, often conceptualizing choices in terms of the most easily quantified dimensions “quantity” and “price.” This logic was especially pronounced with regard to selections from bulk-food bins: each of our five families specifically stated that they engage in regular shopping at this retailer, in part because of the bulk-food options. These are seen as the ultimate source of maximized value within this retail experience.

Likewise, respondents here sometimes deliberated between premium brands and store brands, with the expressed intent of choosing the product that offered “the most value” for the lowest price. As one respondent suggested:

“Well, if it’s a product for everyday use, which is mostly what I buy here (at this store), I like to buy the store brand whenever possible ’cause they’re a lot cheaper. But they have to taste okay. So far, most of these have been fine.”

The preoccupation with value extended into respondents’ emotional behavior. While not necessarily stoic or overly serious, there was yet a distinct sense that this was “work of importance,” work having to do with issues of economizing at the household level.

In terms of overall orientation to the shopping experience, respondents planned in advance and frequently worked from lists (4 out of 5). There were, likewise, few instances (3) of spontaneous product additions. While there was a pronounced interest in sales and featured items, the use of coupons was minimal, which is in part attributable to the fact that this store does not carry many nationally advertised brands. On a similar point of departure, respondents in this group are more likely to take into account less tangible properties such as “naturalness” or “organic.”

Perhaps most importantly, our respondents demonstrated a clear and consistent price sensitivity *at all price points*. Even in the case of “specialty” products with significant price tags (e.g. imported vinegars, artisanal cheeses, wines and seafood), our respondents frequently struggled with pricing issues. In one instance we witnessed a husband and wife debating the merits of two parmesan cheeses costing ~ \$10/lb and \$12/lb, accordingly. As the husband explained:

“I always want the best when it comes to fresh stuff like meats and cheeses, but my wife usually does a pretty good job of keeping me in check and making sure I don’t spend all of our grocery budget on fun.”

Overall, while consumer behavior in this category is certainly responsive to certain idiosyncrasies of so called “natural” grocers, the larger behavior pattern is reasonably similar to other retail categories within this context (see below). That is, these consumers typically orient themselves towards “value” in a manner consistent with the familiar logics of rational economy.

Mainstream Retailer

Our five observations here included three families with children present, with a mean shopping length of 53 minutes, the highest of our six categories.

All told, the behavior observed here most closely resembled that of the “textbook” grocery shopping experience, with significant attention to economizing on several fronts. Firstly, of the six categories delineated above, these respondents demonstrated the most consistent use of coupons, with four of the five families relying on coupons to generate some level of additional savings. Moreover, these four families also coupled their use of coupons with currently advertised “specials” and “sale prices” in effort to maximize savings. In some instances, this overriding desire to economize on cost was strong enough to encourage “brand switching.” As one father pointed out:

“Well, generally we like to stick to the same brands, but we always compare the coupons we gather on Sunday and Wednesday with the Thursday sale prices, and if we see an unusual bargain on a brand we’re not familiar with, we often give that a try.”

Likewise, this category also exhibited the strongest likelihood of substitution of less costly “private label” brands for pricier, “store” brands. Interestingly, this behavior didn’t appear to follow any predictable pattern as much as it did arise largely out of personal predilection. Contrary to marketing literatures which suggest consumers possess specific cognitive schemas regarding substitutability of categories (e.g. one might consider private labels with regard to canned vegetables but not with regard to “fresh” products such as milk or juice), our respondents based their decisions here largely on personal whim.

Overall we noted considerable price sensitivity in nearly every facet of these five shopping experiences. In addition to the aforementioned inclination toward coupons, sale pricing (and, wherever possible, the interaction of the two), private label substitution, and other traditional approaches to economy, we also witnessed similar price sensitivity even when shopping for higher-priced, “luxury” items such as health and beauty aids (most specifically nutritional supplements), wine, cigars and beer. Within the context of these “routine” “planned” shopping excursions, respondents seemed reliant on an invariant utility function; a function constituted almost wholly by the logics of price and quantity. One man comparing the prices of two different brands of glucosamine (a nutritional supplement) explained:

“...I realize that my use of this product (glucosamine) may make me seem out of the ordinary. And even though it isn’t cheap, you shouldn’t get the idea that I have money to waste. Sure, the stuff (glucosamine) is pricey but I happen to think it works, so It’s a luxury we can’t afford to give up....So as a result I try to be the most informed shopper I can, always paying careful attention to price.”

In another instance, a woman shopping for Champagnes for an Easter brunch explained,

“Just because I’m here grabbing a couple of bottles of Champagne for next Sunday’s brunch, don’t think we’re the sort of folks who live on a Champagne budget...Yes, it may be Champagne, but I’m as careful about my Champagne as I am my dishwashing detergent.”

In essence, the observed price sensitivities here appeared to hold across all price points. Whether choosing between two inexpensive cans of corn or two relatively expensive bottles of Champagne, respondents seemed equally sensitive to—and interested in—minute price discrepancies.

Lastly, of particular note in this category was the number of respondents who appeared to be purchasing items, wherever possible, in bulk-format packaging. Within recent years a number of “mainstream” grocery retailers have begun featuring products packaged in so-called “bulk” formats, typically offering products in larger quantities similar to those found in “warehouse” retailers. In many instances our respondents favored these formats over traditional packing, typically suggesting some version of the popular mantra “the larger the quantity, the lower the unit cost.”

Wholesale Retailer

More so than in any other category, our observations here shed light on symbolic as well as behavioral aspects of context and setting.

To be certain, consumers in this setting clearly construed “value” as related to ideas of economy. Many suggested they visit these retailers to get the “most bang for the buck,” or, in the logics of neoclassical economic theory, “to maximize quantity at the lowest price.”

There was, not surprisingly, a felt need to buy in quantity and most admitted that they would consider purchasing most any quantity of a given item if the “price were right.” Likewise, they demonstrated a marked proficiency at price and quantity calculations.

That said, when asked whether or not the prices and quantities under consideration were markedly better than those offered by mainstream grocery retailers, most admitted a fair degree of uncertainty. Initially, there was an obvious consensus that these selections “must be a better deal.” Yet when asked to compare the unit costs between retailers, most admitted they “couldn’t remember for sure.” Moreover, this uncertainty was especially pronounced when considering the *degree of difference* in unit cost between the wholesale and mainstream retailers. As one woman reported:

“You know, I really can’t remember whether Friskies cat food is 39 or 49 cents per can at the Kroger up the street, but now that you’ve asked, I suppose it should matter... This case of 48 cans works out to be about 38 cents per can, which means I’m, uhh, either saving 48 cents or \$5.00. I suppose that’d be a lot of hassle for a 48 cent savings.”

One explanation for this seeming disconnect between the felt need for utility and the ability to always make accurate price assessments and judgments may lie in the symbolic ordering of this retail space. When asked to explain their reasoning for choosing these retailers over conventional grocery retailers, respondents often pointed to a variety of physical features in addition to the common refrain of “savings and value.” Among these features include industrial lighting and no frills shelving (“They save money on presentation which allows them to lower prices...”), multi-item packaging and excesses of inventory (“They buy in bulk which allows them to pass on a better price to us consumers...”) and (generally) minimum levels of customer service (“I don’t need lots of friendly people standing around to help me buy groceries...”). In some instances, respondents even pointed to more basic, sensory-level perceptions. As one man explained,

“You hear that sound? (the steady “warning beep” of a fork-lift in reverse) that’s the sound of savings, the sound of a single man with one machine delivering goods by the palate load.”

In short, it was as if the sum total of these localized contextual features created a symbolically-constituted “experience of efficiency,” an experience which may prove to be every bit as important as the empirical realities (i.e. actual prices per unit good) in terms of ordering consumers’ taste and preference decisions.

In terms of emotional and behavioral orientations, consumers here were methodical in their shopping patterns, only rarely deviating from shopping lists (physical or otherwise) and proving equally reticent toward spontaneity and adventure. Likewise—as alluded above—these consumers exhibited a pronounced sensitivity toward even the smallest perceptible price fluctuations.

All told, it was almost as if every aspect of context related to these visits—their planned character as well as the merchandising, physical environment and surroundings—was designed to create an economic actor in the perfect image of that predicated by neoclassical economic theory. While this actor’s computational abilities may be imperfect in any number of ways as specified by behavioral economists, the integrity of the larger picture (i.e. context) was never compromised.

Daily / Spontaneous Shopping

If “scheduled” were the appropriate descriptor for the previous category, the most salient adjective for this category would undoubtedly be capricious. In addition to the wide variety of stated motivations for these trips (everything from “feeding the kids” and “after-work shopping” to “work breaks” and “mental health”), consumer exhibited even greater variation in *styles* of shopping. Some seem preoccupied with “need gap” shopping, supplementing their “regularly scheduled” shopping with last minute trips (often after work or on the way home from another errand). In these instances, issues of economy and value were often recast as concerns with time and/or convenience. Still others appeared to be placing personal satisfaction well-above issues of economy—with a few respondents appearing almost frivolous with regard to price concerns.

Specialty Retailer

Summarizing the five observations of “daily shoppers” at the specialty retailer, we found here the most consistent and pronounced disconnect between idealized visions of the “wise, careful consumer,” and actual, “real world” behavior.

Respondents appeared driven largely by passion and whim, with little obvious interest in—or attention directed toward—issues of economy, irregardless of product category. Some of the price insensitivity could be explained by issues of convenience, as several of our respondents appeared to be working under considerable time constraints. Yet still others, with no apparent time limitations or pressures, demonstrated an equal disregard for issues of price. When asked to justify certain selections (e.g. an organic, frozen pizza (\$9.99) and a large bottle of fresh juice (\$7.99)), one respondent suggested these items represented something of a “reward” for a “hard day’s work.” As this woman noted:

“I suppose this does look a bit extravagant, spending about \$20 on pizza and juice...But you know what, I’m tired and I want something good to enjoy with my husband tonight. The way I think about it, I deserve these things...”

By comparison to the “planned” shopping trips in our specialty retailer discussed earlier, these respondents rarely appeared to be making selections from anything approximating a “list.” In fact, the only evidence we found of “list style” shopping came in the form of one woman who appeared to be working from a “mental” list, though she, too, had some difficulty justifying many of her selections.

Additionally, we witnessed numerous “spontaneous” purchases, many of which were driven by “sampling” behavior. Long aware of the benefits derived from sensorial aspects of the shopping experience, specialty stores have traditionally relied on product sampling as a technique of encouraging spontaneous purchases, and these observations were no exception. More interesting, however, is that in 6 of the 7 instances in which we observed spontaneous purchases based on sample, respondents demonstrated little abject interest in price. The overall impression was one of “That’s good, I want it.”

All told, we found the shopping behavior here more evocative of a “lifestyle” experience than an “economy” experience. Respondents seemed to be “dropping in” to pick up a few things, with little demonstrated forethought—or concern with—issues of economy. Additionally, the composition of the purchase was open to negotiation, based on dialogues between family members as well as experiences within the shopping trip (most notably in the form of sampling). Moreover, this is a lifestyle experience characterized not by rational logics of price, quantity (i.e. traditional utility), but by emotionally-laden connections to higher-order properties such as indulgence, pleasure, satisfaction and comfort.

Lastly, it’s worth remembering that while the individual respondents we observed didn’t necessarily spend a lot of money on any given purchase (most were only buying a few items), they *were* paying significant premiums for said items.

Mainstream Retailer

Unquestionably, this proved to be the most interesting of the six categories outlined here, for we observed essentially two styles of shopping—both within the same trip and both seemingly averse to common notions of economy and efficiency.

Four of the five families followed (including two with children present), began by moving around the perimeter of the store, with a specific focus on the “meals to go” section, an area of this particular grocery retailer devoted to “prepared foods” otherwise ready for immediate consumption. Here we are referring to deli items, sushi, chicken (fried as well as roasted in a rotisserie), pre-packaged salads, individualized juice containers, etc, etc. Quite clearly, several of these families were relying on this section to piece together quick meal before arriving home from work. In this posture, one found little concern devoted to issues of economy or value (especially with regard to price) and much more attention devoted to dimensions of convenience. Quite literally, these respondents were “shopping for their suppers,” and, as such, exhibited demonstrably *less* patience with issues of price and an equally *greater* interest in matters of taste (i.e. quality).

Along with the above noted price insensitivity came an equal aversion to following a predetermined plan (i.e. shopping list). To be sure, several families entered with pre-set goals and/or needs (i.e. we need dinner and cat food), yet these respondents also appeared open to substitution(s) and additions, especially when responding to the interests and/or preferences of children. As one mother explained:

“I suppose normally I wouldn’t let Christopher (10 year old son) pick out this entire frozen pizza for his dinner, but we’ve been behind all day and we just need to get home.”

More interesting, however, was the fact that after procuring said items from the “meals to go” section, several families continued throughout the rest of the store, presumably to pick up a few necessities or “need gap” items. It is precisely within these product categories—which constitute the bulk of regular or “scheduled” shopping—wherein one would normally expect the most attention directed toward concerns of economy and efficiency. Surprisingly, however, the precise interest in satisfaction of immediate needs which we witnessed within the “meals to go” sections emerged here as respondents went about filling associated “need gaps” with little attention to price / quantity issues.

In sum, it was as if respondents were mimicking the sort of price insensitive behavior one would expect at a specialty retailer or convenience store, yet in the confines of a traditional grocery retailer.

Wholesale Retailer

As alluded above, this category proved something of an anomaly, as we were only able to identify three respondents who self-identified as engaged in “daily” or “unplanned” shopping at our wholesale retailer. Moreover, of those three, *all* suggested that their visit in question was uncommon. (In one instance, a family had stopped by merely to retrieve some photographs they had left earlier, and in the other two we encountered spouses dropping by to grab some last minute “accessories” for an impending social function). Accordingly, we were unable to derive any coherent generalizations from these three observations.

A potential topic of further inquiry here—one we will address briefly in the following discussion and conclusion—is the degree to which certain styles of retailing may have “adapted” to very specific shopping contexts. Taking something of an organizational ecology approach similar to those forwarded by the likes of John Meyer, Dick Scott, Art Stinchcombe and others, we might construe the small number of “daily” visits here as evidence that these retailers have adapted—organizationally as well as symbolically—to provide a “best fit” to a specific shopping context.

The ultimate in “economical” shopping experiences is here derived, in part, from the ability of these “big box” retailers to capitalize on affordable retail space located near major transportation thoroughfares (typically interstate highways). As a result, accessibility and convenience is ultimately sacrificed in the name of absolute economy.

Discussion / Conclusion

While this study is unquestionably exploratory in nature, the evidence presented nonetheless suggests the presence of distinctly contextual effects on individualized taste and preference structures. Perhaps most telling here was the evidence presented regarding the “planned” or “weekly” shoppers within a specialty retailer format. In the midst of a retail space structured largely around specialty goods (often with demonstrable price premiums), which encourages spontaneity (through an abundance of product sampling), we still observe marked attempts at economizing—both literal (careful, studied price considerations) as well as symbolic (methodical adherence to “list” shopping).

And although this evidence tends to refute the counterfactual suggested earlier (i.e. “perhaps these stores are merely meeting the needs of customers with different preference structures; some want the good stuff, some don’t”), there remains something of a pattern worthy of explanation. That is, our specialty retailer still *appears* better situated to meet the needs of “daily” shoppers (with their insensitivities to price), while the wholesale retailer appears almost exclusively able to meet the needs of “weekly” shoppers (whose careful attention to price and quantity have been well documented). If, after all, shopping is really about context, why wouldn’t consumers appear to find equal satisfaction within both of these retail formats?

We hypothesize that while consumers are, indeed, shopping with regard to context, the apparent disjuncture is a byproduct of evolutionary processes in the marketplace. As previously suggested, by taking something of a population-ecology perspective on organizational development, we propose that retail organizations—enmeshed in tight, reflexive relationships with consumers and merchandisers—have evolved to meet highly specified niches. Some of these niches (i.e. as in the case of wholesale retailers), are accordingly more context specific than others. Moreover, this noticeable move toward specialization is substantiated by long-standing evidence from the industrial organizations literature, which points to increasing differentiation and specialization within evolving trajectories of late capitalism.

Perhaps the best evidence of this proposed evolutionary tendency comes from the sum total of observations within the “mainstream” retailer. For here it is almost as if we were observing stylistic elements germane to retailers at both ends of a context dimension (e.g. daily & planned shopping), yet of which none were executed particularly well. In fact, we suggest it is only as one moves between contexts—within the same retail space—that one begins to actually notice the strange disconnect which pervades many mainstream, modern grocery retailers. On the one hand we see something of a lighthearted stab at providing “higher quality,” higher-margin items (sushi, rotisserie chicken, fried chicken) to consumers engaged in daily shopping. Conversely, in the other direction we note the emergence of certain stylized trappings of “wholesale” retailers within the more conventional grocery format. Here we are referring to physical manifestations (e.g. “bulk item” packaging, the bundling of specified quantities of packaged goods into a single package, presumably at great savings to the consumer) as well as symbolic expressions (e.g. “no frills” merchandising in which products are displayed “as is” in shipping cartons with merely the

tops removed). In essence, it is as if these retailers are being “pulled from both ends” of the specialization spectrum and responding in kind, albeit rather weakly. Incidentally, if the “evolutionary” argument is, indeed, correct, we might predict that the future of mainstream grocery retailing is rather bleak in the face of competitive pressures toward specialization.

Turning back toward the individual actor, the tentative support for contextualized boundaries to taste and preference structures, along with the general flavor of the examples presented herein, follows a general tendency within the economy and society perspective to frame the economic actor as socially constituted. Following in this vein, we suggest that the classic image of the consumer as a “rational, calculating, price conscious shopper” is an artifact of a specific ethos (neoclassical economic theory) and household practice (weekly shopping). When we engage in our symbolically constituted weekly shopping trips, we wear our “careful consumer” hat and behave accordingly, carefully considering small price differences and utilizing whatever means necessary (coupons, buying in quantity, etc.) to maximize quantity and minimize price.

Alternately, when we don our “daily shopping” cap—a cap that some would suggest is currently still under construction by an increasingly post-modern consumer culture which favors personal indulgence over abject utility—we find ourselves more interested in satisfying immediate needs and emotional desires, with significantly less regard for financial cost or expenditures.

And the crucial point here is that these “caps,”—these contextually bound orientations to economic activity—exert a certain hegemonic control over what are otherwise construed as internalized (i.e. individual) taste and preference decisions.

Implications and Future Research

Of course, the conclusions presented above, while quite illuminating, are nonetheless exploratory in nature. While we can *suggest* the presence of contextual effects in taste and preference decisions, it would take a substantially more elaborate research investigation to *confirm* the precise nature and functioning of such effects. Ideally, one would prefer to follow the same individuals or families over time, observing their behavior and decisions in a number of different settings. While admittedly much larger in scope and complexity, such a project would provide the sort of evidence needed for confirmation.

Turning to public policy considerations, one very obvious implication here is that this “daily shopping” style will engender price flexibility within individual decision making, thus resulting in an increase in individual/household expenditures devoted to food and grocery related products. Those with interest in such matters will no doubt want to contemplate the several questions and directions for future research.

Namely, the notion of “daily shopping” poses several interesting issues for researchers interested in differences between single and dual-wage-earner households. Among them:

- To what degree does working full time lead to an *individual's* increased likelihood of “daily shopping”?
- To what degree does having *both* wage earners working full increase this likelihood. if at all?

While common sense would suggest that this sort of “shopping style” is related, at least in part, to a perceived “time famine” associated with full-time work in what is also perceived to be an increasingly busy, complicated world, our anecdotal evidence is rather surprising. Namely, on several instances in other studies, we have encountered individuals who self-identify as the primary child care provider in a “stay at home” capacity, and yet who also demonstrate similar shopping styles (i.e. daily shopping).

Finally, researchers interested in behavioral economics (in general) and household economics (in specific), may wish to look more carefully at the interplay and interaction between previously identified limits to cognitive processing (i.e. judgment heuristics) and the contextual effects discussed herein. Surely the power of these contextual effects is not linear and we might benefit considerably from a better understanding of how and why these effects are more pronounced in some and less so in others.

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