Consumer Culture Theory, Consumer Agency and the Importance of Brands

Summary of the Importance and Relevance of Topic

Consumer Culture Theory (CCT) refers to the classification of a certain approach to studying consumers and the way that they consume. It was first coined in 2005 by Arnould and Thompson, and it specifically addresses the sociocultural, symbolic, experiential and ideological facets of consumption. Their work is the culmination of over a quarter century of research that treats consumer behaviour as a phenomenon worth studying. As we have come to develop the field of CCT, so too are we developing our understanding of the consumer, and the broader economy. The work of Arnould and Thompson has provided students of consumer behaviour with the necessary environment to debate, innovate and advance the field of study.[1]

CCT is important within the scope of consumer behaviour because it places a focus on meaning and identity creation; it delves deeper in the mentality that surrounds consumers in the marketplace, and an understanding of this mentality is useful to all that engage the market (buyers, sellers, producers, etc…). "CCT explores how consumers actively rework and transform symbolic meanings encodes in ads, brands, retail settings, or material goods to manifest their particular personal and social circumstances and lifestyle goals."[2]

In understanding CCT, we understand the market in a broad sense, for example, acknowledging that marketing symbols are significant to consumer culture, and the way

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[1] Eric J. Arnould & Craig J. Thompson. "Consumer Culture Theory (CCT): Twenty years of research" *Journal of Consumer Research* 31: 868-82.

[2] Ibid, 871.

that free choice is exercised alongside consumer culture. CCT focuses on meaning: what do brands mean to consumers, and what role consumption plays in the life of these consumers. Is there more to coffee for a person that buys Starbucks? (There must be, as Starbucks has been so successful in creating a loyal customer base).

This topic is relevant and important to consumer behaviour because students of consumer behaviour need a framework with which to understand how consumer preferences manifest themselves in the market. This gives insight into how consumers will act in the future, and this is obviously information that will benefit everyone in the market – from sellers to buyers to scholars. The following will delve deeper into the subject of CCT, and will reveal additional insight into why it is an important unit of study in the broader field of consumer behaviour, and from this it will be clear that we need a better understanding of how consumer agency is affected by the market through the development of motivation-oriented mechanisms, such as branding.

Peer Reviewed Literature Review

Within our society there is undoubtedly a consumer culture that pervades all aspects of what we do. It is rooted in how we shop, and the identification that that the consumer holds with different goods – why does a person buy Starbucks coffee habitually instead of coffee from a competitor? A review of the literature reveals that there are different perceptions of CCT among theorists, and among some, particularly progressives or liberals, there is a widespread reluctance to accept CCT. There is suspicion and disdain over the advent of consumer culture, and the implications that it

has for cultural theorists. In fact, there are no shortage of contemporary commentators of

consumerism that are very critical of consumer culture and the effect that is it having on

our society and culture.[3] For example, Naomi Klein is a well-known author who has

published scathing pieces of work that target consumerism and the implications of it on

our society. She and others like her have waged a full-on war on the actions of consumers

in a market capitalistic system. Much of this war against consumerism has focused on

the identity and brand association that has come to represent consumerism and be the

benchmark of CCT. Those who are sceptical of consumerism attack the corporations

themselves, their agendas, and how they symbolically express themselves through their

developed identity. In many ways though, on the one end of the spectrum, there has been

an all out assault on consumerism in general.

    While there are those like Naomi Klein who are sceptical of CCT, there are others

who seek to gain an in-depth understanding of CCT, as they believe it will provide useful

insight into the market economy, insight that can only be seen as positive as it contributes

to the discipline and body of knowledge, which can arguably only be a positive. There is

a significant branch of academia that is committed to garnering a better understanding of

the way that consumers act in the marketplace, and despite the opposition from one end

of the spectrum, these theorists are making progress in uncovering that which motivates

and inspires the average (and not so average) consumer, as well as what corporations are

doing to actively take advantage of what they know about CCT.

    As such, there is a clear divide in the consumer behaviour literature between those

on the one side of the spectrum that are evidently sceptical of CCT, and there are others

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[3] Naomi Klein, *No Logo* (New York: Random House, 2009), 27-40.

who sit on the opposite side of the spectrum that see CCT as a positive endeavour, one which will only serve to improve the overall marketplace and understanding of it.

In his paper *Why Do Brands Cause Trouble? A Dialectical Theory of Consumer Culture and Branding* (2002), Douglas Holt of the Harvard Business School questions this divide that exists. He notes that the discipline of consumer behaviour, and more specifically CCT, seeks to erase the disparities that exist between the marketer and the consumer. CCT seeks to understand how marketers and consumers come together, while critics of this seem to take aim at this process.[4] What appears to be troubling about this is that those who are sceptical of CCT are really targeting the world's most successful companies, and the marketing techniques that these companies have utilized to become to well-known and popular. For example, Klein and others like her are critical of the means used by companies like McDonalds and Starbucks. In other words, the literature reveals a movement against the marketing tactics of the world's most successful marketers, and this comes at odds with CCT, and those who seek to understand how these successful marketing strategies have worked – how identity and brand management have translated into success.

What has become clear though from a review of the literature is that CCT is not a discipline like that of, for example, microeconomics. CCT is a much "softer" discipline, meaning is it less quantitative and more qualitative, and this might account for some of the reasons that there is reluctance among business students to truly embrace it. For students of CCT need to go beyond the qualitative and embrace such fields and sociology

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[4] Douglas B. Holt. "Why Do Brands Cause Trouble? A Dialectical Theory of Consumer Culture and Branding," *Journal of Consumer Research* 29(1) 2002: 70-90.

and anthropology, so that they can gain the necessary perspective to truly understand what the consumer is thinking, and why they are thinking it.[5]

Secondary Sources

A topic that is inextricably linked to CCT is consumer agency. It is interesting to investigate how consumers use agency when they are trying to obtain a commodity that is scarce and limited. Parmentier and Fischer note that CCT can be used to explain the different ways that consumers use agency when they are vying for scarce commodities. Many discussions of CCT have failed to include a consideration of scarcity when they analyse consumer agency. This is likely because it is a complex topic. Much of the discussion around CCT has centered on why we eat and McDonalds or go to Starbucks – it has framed the discussion around this type of consumption, and therefore has taken a narrow perspective on what consumer agency means, and how it works. These two authors examine how agency works with real scarcity, how we act when the object we want is sought after by all, and access to it is controlled by a powerful interest.[6] For example, how to consumers act when, for example, one thousand music fans are competing for twenty-five tickets to a show? That is real scarcity, and it shows how agency reacts in different ways, and this is one of the reasons why CCT is a purposeful theory.

CCT is important because it gives us the tools we need to evaluate our place in society and the market – how our consumption patterns mingle with the patterns of

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[5] Marie-Agnes Parmentier & Eileen Fischer. "Working to consume the model life: Consumer Agency under scarcity." In Russell W. Belk. *Consumer Culture Theory* (Oxford, UK: JAI Press, 2007), 23-30.
[6] Ibid, 30.

others. In this day-in-age, we are seemingly living in a time when we can all be unique, as the marketplace is sophisticated enough to satisfy the wants of the most unique consumers.[7] How does agency relate to this? While we might all think we are being unique, CCT is used to show that our uniqueness is in fact governed by structures, our habits and the rules of the frameworks that are in place and that we operate within. People's desire to be unique causes them to have to act in certain ways – to conform to the requirements of that uniqueness, as dictated by the framework that is in place. For example, for those one thousand fans that are seeking the scarce twenty-five tickets to the show, they will all have to use their agency to fill out ballots and conform to the selection process (so that they can be unique and go to an exclusive show). Doing this is something that acknowledges a tacit understanding of the framework in place, or the rules of the game, per se.[8]

CCT highlights the use of power relations – how power manifests itself to influence the way that scarcity is dealt with in society, and the way that consumer agency also manifests to accommodate these power relations. This gets back to the idea that CCT is about moving beyond the quantitative. To really understand concepts like consumer agency, which are essential for marketers that are seeking to target certain consumers, there needs to be an understanding of the qualitative in place – disciplines like sociology which give insight into the frameworks that are in place in society, and how agency reacts to these frameworks.[9] Why do certain people do different things?

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[7] Ibid.
[8] Ibid, 31-34.
[9] Douglas B. Holt. *How Brands become Icons: The Principle of Cultural Branding.* (Boston, MA: Harvard Business School Press, 2002), 5-10.

Findings/Analysis

Our findings suggest that branding has much to do with how consumers enact their agency when they consume. They highlight the importance of the qualitative in addition to the quantitative in CCT. The act of purchasing something is affected by many factors, for example, mood, time pressures, and the context (meaning the frameworks that are in place) in which a product is needed. This is why CCT relies on the qualitative, as it asks questions like, what is shopping/buying? What is a brand? What do companies do with brands? What do consumers do with brands?

Brands are in place because they know that consumers have many motivations when they enact their agency, typically they surround utilitarian or hedonistic motivations. It is for this reason that a brand needs to be more than just a product; it needs to encompass organizational associations, brand personality, symbols, brand-customer relationship, self-expressive benefits, and user imagery.[10]

Starbucks is a great example of a corporation that has developed their brand to encompass the qualitative aspects of consumer agency. This company has developed a corporate culture that develops their brand inside and out. The culture is fostered by every employee that works for them, and this has created a brand that people want to consume – it is about much more than consuming coffee, Starbucks has made it so that people want to consume their corporate culture.

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[10] David A. Aaker. *Managing Brand Equity: Capitalizing on the Value of a Brand Name.* (New York: Free Press, 1991), 74.

How Starbucks has Embrace CCT and Created a Decisive Brand

In terms of Starbuck's Corporate Culture, the company prides itself on being an empowering corporate culture. In fact, even in the Company's Mission Statement, the first of the Six Principles of Starbucks is "To provide a great work environment and treat each other with respect and dignity".[11] The Mission and Values statement emphasizes creating a respectful and positive work environment, and the Company is well aware that having satisfied employees translates into greater profits in the long run.[12] The Company's cultural values give employees a sense of meaning to their work, even if it is just pouring a cup of coffee. Employees are empowered by management to make decisions without having to first report to management, and are encouraged to think for themselves as an entity of the business.[13] The culture towards employees can be described as relaxed and supportive. Every employee is referred to as a *Partner*, and this affects their brand as it gives every person stock in the well-being of the whole.[14] Employees are eligible to receive a basket full of benefits: A comprehensive health care plan is provided (its comprehensive health benefits for full and part-time employees and their same-sex or opposite-sex partners includes medical - hypnotherapy and naturopathy are covered - dental and vision coverage, tuition reimbursement).[15] Starbucks was one of the first retail companies to offer part-time employees the same benefits package that

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[11] Michelle Hawks, Sean Kembell, Leonard Perry, and Luke Olsen. "Catching the Starbucks Fever". Missouri State University. April, 2002. Retrieved from: http://www.academicmind.com/unpublishedpapers/business/marketing/2002-04-000aag-catching-the-starbucks-fever.html.

[12] Ibid.

[13] Ibid.

[14] Ibid.

[15] Ibid.

full-timers are offered, and Starbucks now spends more on employee health care costs than it does on coffee.[16] Under the Bean Stock program, employees are offered stock below the fair market value several times a year, and Starbucks' employees also participate in a 401(k) profit sharing plan.[17] Put simply, Starbucks believes they are in the coffee business as well as the "people development" business, and this is a direct consequence of their use of CCT – qualitative and quantitative approaches to building a brand and influencing consumer agency.

Each employee is required to complete an extensive training program that includes product expertise, a commitment to customer service, and well-developed interpersonal skills.[18] Professional coffee bartenders for Starbucks complete up to 24 hours of training before entering their assigned store. This training gives them knowledge to answer any questions about coffee or the Company, and the knowledge to arrange sample tastings and demonstrations with any of the equipment in the store.[19] This corporate culture and empowerment of employees combined with comprehensive training has resulted in Starbucks having a very low industry turnover rate (the industry turnover rate is about 400 percent, while Starbucks maintains a turnover rate of only 50 percent).[20] Due to this low turnover, Starbucks has also lowered their training time and costs. Additionally, Starbucks has consistently being rated as one of the best companies to work for by *Fortune* magazine.[21] Employees are considered to be Starbucks' most important

[16] Ibid.
[17] Gretchen Weber. "Preserving the Starbucks Counter Culture". *Workforce Management*, February 2005, pp. 28-34. Retrieved from: http://www.workforce.com/section/06/feature/23/94/44/
[18] Ibid.
[19] Ibid.
[20] Ibid.
[21] Starbucks Coffee International. Company Profile. Retrieved from: http://www.starbucks.com/aboutus/Company_Profile.pdf

asset and resource. The extremely low turnover rate of employees has contributed to the development of Starbucks' image. Starbucks' competitive wages and generous benefits have made frontline recruiting as smooth as a latte. The type of employees wanted are those people who are adaptable, dependable, passionate team players.[22] As can be seen, this company has built itself into a brand from the inside-out by carefully developing their human resources into a brand that attracts all different types of motivated consumers, and this is why they have ultimately been so successful.

Offering competitive wages and good benefits, coupled with an intense training program, is a calculated strategy designed to fuel company expansion and generate greater profits in the long run by maximizing the potential of its frontline employees.[23] Starbucks most important investment is its Partner base, and that investment is returned in stability. There is a direct correlation between the success of Starbucks and the stability and tenure of its employees.[24] Every new store employee in North America starts work with a 24-hour paid training module called "First Impressions." This is a standardized curriculum taught primarily by store managers, which focuses on coffee knowledge and how to create a positive customer experience.[25] A team of 32 training specialists constantly updates the curriculum and works with store managers to ensure consistent and effective training throughout North America.[26] Managers and assistant store managers take a 10-week retail management course, and computer, leadership and coffee knowledge classes, as well as diversity training, are also available to Partners.[27] At

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[22] Weber "Preserving the Starbucks Counter Culture".

[23] Ibid.
[24] Ibid.
[25] Ibid.
[26] Ibid.
[27] Ibid.

the corporate level, many new employees start their Starbucks careers with immersion

training. Starbucks ensures that each Partner has a vested financial interest in the success

of the company every day, motivating them to make those little customer interactions all

the more positive.[28]

The corporate culture at Starbucks is, like Chairman Howard Schultz, easy-going

and concerned with a sense of community. Starbucks realizes that its people are the

cornerstone of their success, and they know that their ideas, commitment and connection

to its customers are truly the essential elements in the Starbucks Experience.[29]

Recommendations for future empirical research

When we study consumer agency and the relationships that people have to brands

in consumer culture, it is important to have critical awareness. We need to understand

that people are savvy, and they will negotiate different situations in different ways.[30] On

a macro level, it is important to remember that consumers are constantly at work trying to

outsmart their brands or marketers, and this discourse is exactly the force that motivates

the brands to adapt. As well, when undergoing future research about brands, it is

important to remember that brands are not important to all people, or more specifically,

all brands are not important to all people, some brands will have relevance to some

consumers and not others. For example, a recent study done by Chang Coupland (2005)

reveals that there are some brands which are seemingly "invisible" as they just blend in

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[28] Ibid.
[29] Ibid.
[30] Holt. *How Brands become Icons: The Principle of Cultural Branding.*

the with inconspicuous consumption patterns of people.[31] For example, there are some items that we consume that have invisible brands, maybe toilet paper. As we endeavour to conduct further research into the way that consumer agency is affected through branding, these are issues that should be kept in mind. We need to give close attention to the research topic at hand; otherwise the results of the study will be skewed and will be of little relevance to consumers and CCT in general.[32]

Future study on this issue ought to also loosen the divide between academics that have studied the management of brands, and those who study consumer culture. This divide has resulted in brand theories that are less in touch with the broad qualitative realities of what motivates consumer agency. In other words, future qualitative research ought to integrate the many perspectives that brand culture can be seen from and studied. There should also be an advance in the amount of research that is done on how popular culture affects consumer agency, and how other important stakeholders fit into the equation, as this would yield relevant information about brand meaning is culturally produced. Further, more studies can be done on how brands are encroaching on and making inroads in emerging markets – how they homogenize indigenous cultures and disturb the line of uniqueness. Overall, we need more research into brand cultures around the world as this will give us a more through understanding of how brands affect our consumption - CCT.

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[31] Jennifer Chang Coupland. "Invisible brands: An ethnography of households and the brands in their kitchen pantries," *Journal of Consumer Research* 36, 2005: 106-112.
[32] Anders Bengtsson & Jacob Ostberg. "Researching the cultures of brands," In Russell W. Belk. *Handbook of Qualitative Research Methods in Marketing*. (Northhamption, MA: Edward Elgar Publishing, 2006), 90-92.

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