

To the Graduate Council:

I am submitting herewith a thesis written by Monica Godbole entitled "Asian Indians in Knoxville as Consumers: A Survey." I have examined the final copy of this thesis for form and content and recommend that it be accepted in partial fulfillment of the requirements for the degree of Master of Science, with a major in Communications.

Roxanne Hovland

Roxanne Hovland, Major Professor

We have read this thesis
and recommend its acceptance:

Ronald E. Taylor

Michael Singh

Accepted for the Council:

Law Minkel

Vice Provost and
Dean of the Graduate School

STATEMENT OF PERMISSION TO USE

In presenting this thesis in partial fulfillment of the requirements for a Master of Science degree at the University of Tennessee, Knoxville, I agree that the Library shall make it available to borrowers under the rules of the Library. Brief quotations from this thesis are allowable without special permission, provided that accurate acknowledgment of the source is made.

Permission for extensive quotation from or reproduction of this thesis may be granted by my major professor, or in her absence, by the Head of Interlibrary Services when, in the opinion of either, the proposed use of the material is for scholarly purposes. Any copying or use of the material in this thesis for financial gain shall not be allowed without my written permission.

Signature Monica Godboldy.

Date 5/28/90

ASIAN INDIANS IN KNOXVILLE AS CONSUMERS:
A SURVEY

A Thesis
Presented for the
Master of Science
Degree
The University of Tennessee, Knoxville

Monica Godbole
August, 1990

DEDICATION

I would like to dedicate this thesis to my mother, Uma Dange
and to my late father, Bhalchandra Dange.

ACKNOWLEDGMENTS

In the course of this research, I have been encouraged and supported by several people. First and foremost, I would like to acknowledge Dr. Roxanne Hovland, my major professor, for her patience and constant encouragement throughout this research work. She made this effort very interesting and enjoyable. I am also indebted to Dr. Ronald Taylor and Dr. Michael Singletary for their guidance and help in all the stages of this thesis.

I am grateful to all the respondents from the Indian community in Knoxville. Without their cooperation, this thesis would not have materialized. The help received from the Hindu Cultural Committee of Knoxville and India Student Association, the University of Tennessee, Knoxville is also gratefully acknowledged.

I would especially like to thank my husband, Mukund, for all his support and help. He always urged me to do my best and was an ideal husband, supporter, and friend. It was his constant encouragement that helped me most throughout my graduate school and made this whole experience worthwhile.

ABSTRACT

The Asian Americans are a rapidly growing ethnic minority in the U.S. By and large, Asians are well educated, highly skilled and high income earners. Many marketers have succeeded in targeting Asians as consumers for various products. One of the difficulties in targeting this market is that it is too complex and heterogeneous, thus requiring a better understanding of all Asian subgroups. This work focuses on one such subgroup: the Asian Indians. The objective of this research was to study Asian Indians as consumers: specifically their demographic features, media habits and certain aspects of buyer behavior. A mail survey was conducted on Asian Indians living in the Knoxville area.

The results of the survey showed that the respondents were well educated, had a high level of income as well as savings, and were predominantly employed in the engineering and science field. As far as media habits were concerned, the Indian respondents read newspapers and magazines (including Indian newspapers), were not avid television viewers, and watched English and Indian language movies. As consumers, the respondents showed a strong preference for foreign made brands and considered brand name and price to be very important. Past experiences with the manufacturer's product were important in making buying decisions. The respondents revealed that they did not buy on impulse, limited credit buying, were quality and cost conscious, and were careful consumers.

This research shows that there are cultural differences that exist in Indians as consumers. It also shows that marketers and advertisers who wish to target Indians need to be aware of these differences while selecting media as well as planning strategies.

TABLE OF CONTENTS

CHAPTER I	1
Introduction.....	1
 CHAPTER II	 3
Literature Review	3
Historical Background.....	3
Asian American Characteristics	7
Education.....	7
Social Structure of Asian Americans.....	9
Geographic Distribution	10
Occupation	12
Income	14
Birth Rate and Family Size	14
Asian American Market.....	14
Asian Indians in the United States.....	19
Background	20
Family Patterns.....	22
Food and Language.....	23
Religion	24
Regional Organizations	25
Political Activities.....	26
Geographic Distribution	27
Occupation and Income.....	28
Market Segmentation as an Important Marketing Tool.....	29
Significance of Subcultures in Marketing	30
Subcultures	31
Research on Subcultures	32
 CHAPTER III	 35
Statement of Purpose and Methodology.....	35
Statement of Purpose	35

Methodology.....	38
Questionnaire Design.....	40
Data Analysis.....	43
CHAPTER IV.....	45
Results.....	45
Demographic Features.....	45
Family Income.....	45
Level of Saving.....	45
Education.....	47
Occupation.....	47
Age Distribution.....	50
Marital Status.....	50
Home Ownership.....	50
Organizational Membership and Visits to India.....	53
Media Habits.....	53
Newspaper Readership.....	53
Magazine Readership.....	54
Television Viewership.....	54
Movies.....	56
Buyer Behavior.....	56
Brand Ownership.....	56
Automobiles.....	58
TV's.....	58
VCR's.....	58
Audio Systems.....	61
Other Products.....	61
Product Evaluation.....	63
Sources of Product Information.....	63
Shopping Opinions.....	65
Comments by Respondents on What Makes Them Unique as Indian Consumers.....	67
CHAPTER V.....	69
Discussion and Implications.....	69

Demographic Features.....	69
Buyer Behavior.....	71
Media Habits.....	74
Implications.....	76
Limitations of the study.....	78
 CHAPTER VI.....	 81
Summary and Conclusions.....	81
 BIBLIOGRAPHY	 84
 APPENDICES.....	 91
APPENDIX A.....	92
APPENDIX B	102
 VITA	 109

LIST OF TABLES

Table 2.1	The Changing Asian Population: 1980-2050.....	6
Table 2.2	Educational Levels of Six Asian American Ethnic Groups and of White Americans 25 Years Old and Over in 1980.....	8
Table 2.3	Geographic Distribution of 1980 Asian Population.....	11
Table 2.4	Occupational Categories of Employed White and Asian American Persons Age 16 and Over.....	13
Table 4.1	Income Level of American and Indian Households.....	46
Table 4.2	Savings Level of Indians.....	48
Table 4.3	Level of Education of Adult Americans and Indians.....	48
Table 4.4	Occupations of Indians.....	49
Table 4.5	Age Distribution of Americans and Indians.....	51
Table 4.6	Marital Status of U.S. and Indian Households.....	52
Table 4.7	Home Ownership Status for Americans and Indians.....	52
Table 4.8	Newspaper Readership by Indians.....	55
Table 4.9	Magazine Readership by Indians.....	55
Table 4.10	Movie Watching Habits of Indians.....	57
Table 4.11	Relationship between Indian Movie Viewership and Length of Stay of the Respondents.....	57

Table 4.12	Car Ownership Patterns of American and Indian Households	5 9
Table 4.13	Brand Ownership: Domestic vs. Foreign Brands.....	5 9
Table 4.14	TV Ownership Patterns of American and Indian Households	6 0
Table 4.15	TV Ownership: Domestic vs. Foreign Brands.....	6 0
Table 4.16	VCR Ownership: Domestic vs. Foreign Brands.....	6 2
Table 4.17	Audio Systems Ownership: Domestic vs. Foreign Brands	6 2
Table 4.18	Number of Purchases Over \$200 Made in the Past Six Months.....	6 4
Table 4.19	Mean Rankings for Product Attributes.....	6 4
Table 4.20	Shopping Opinions and Relative Rankings.....	6 6

CHAPTER I

Introduction

Twenty years ago the term "Oriental American" generally denoted a small segment of the population largely from Japan and China living on the west coast, in Hawaii, or in the Chinatowns of a few large cities. But today, "Asian Americans" comprise a much larger and visible segment of the population made up of several Asian nations. In recent years, Asian Americans have become a subject of interest for professionals and academicians from various fields. Population experts, sociologists, psychologists, and people from the fields of education and business have been taking notice of this small but distinct minority.

Asians are the fastest growing minority in the U.S. and their number has grown from 41,455 in 1860 to over 5 million today. It is projected that by the year 2000 Asians will double in number to about 10 million or 4% of the total U.S. population. Leaving aside their sheer numbers, Asian Americans have made their mark in many ways. They have succeeded in the fields of science and education and also done well with small businesses. By and large, the Asian American population is well educated, highly skilled and have high incomes. Their success has earned them the title of the "model minority" (Bell, 1985). They have an average household income of \$23,670, placing them ahead of whites, Hispanics and blacks. Almost 33% of Asian Americans have completed four or

more years of college, nearly twice the ratio of whites and four times that of blacks and Hispanics. Over half of all Asians employed in the U.S. hold managerial or professional jobs. This market has substantial buying power. Due to these factors, marketers and advertisers find Asian Americans an attractive market to pursue. Many companies, big and small, have had success by targeting their marketing efforts to Asian Americans.

However, this market has not been tapped to its fullest potential. Part of the reason may be the complex nature of the Asian population. Asian Americans do not represent a single Asian identity but represent a mix of several cultures, nations, languages, and customs. Marketing professionals have felt a growing need to uncover the cultural differences of these ethnic groups.

Asian Indians are one of the most recent ethnic groups in the U.S. Indians form a new and rapidly growing ethnic group that is marked by a high level of education and a concentration in the professions. They constitute about 10% of the total Asian population. Research on Indians in the U.S. has only recently gained attention and there is a need to better understand this population. The present study is conducted with the aim of gaining some insight into the consumer behavior of Indians.

CHAPTER II

Literature Review

This chapter reviews immigration trends and characteristics of Asian Americans. This is followed by a look at the growing Asian market. After an overview of the broader Asian community, the attention is focused on Asian Indians in the U.S. Finally some aspects of market segmentation are looked at as they pertain to ethnic groups.

Historical Background

"The object of the greatest wave of immigration since the turn of the century, the United States is no longer simply a melting pot of various European peoples, but an emerging "world nation" with ethnic ties to virtually every race and region on the planet" (Kotkin and Kishimoto, 1988).

The United States has been called "the land of immigrants" and "the nation of nations" for good reason. It has experienced waves of immigration all along its course of history. Northern and Western Europe formed the bulk of immigrants before 1900, after which, immigration from other nations began to increase. Between 1920 and 1965, more than 42 million people emigrated to the United States. These immigrants included people from Africa, Europe, Mexico and Asia.

The earliest Asians that came to the U.S. can be traced back to the Gold Rush of 1849 which brought many Chinese workers to the

west coast. Later, the building of the transcontinental railroad in the 1860s increased the number of Chinese in the U.S. By 1890, however, the Chinese Exclusion Act restricted Chinese immigration to the U.S. but immigration from Japan began to increase. By 1920, there were more than a million Asians in the U.S., most of them laborers and agricultural workers (Hsia, 1988).

In 1924 the U.S. government passed the National Origins Act that barred all immigration from Asia. For the next forty years, Asian immigration was virtually non-existent until the Immigration and Nationality Act was passed in 1965. This Act abolished the national origin quota system and favored reunification of families and preference of skilled workers. One of the major consequences of this Act was the dramatic rise in the number of Asian, South and Central Americans in the U.S. Far from being uneducated and unskilled like the early Asians, the new Asians were, and continue to be, better educated and skilled. Asians come to the U.S. from different backgrounds. Some are students or tourists; some come as refugees and others come from middle class families. They are well educated and 64% of Asian immigrants have had some college education (Hsia, 1988). Many come as professionals or skilled workers given preferential status because of their expertise needed in the labor market. Others come after being sponsored by relatives under the family reunification category. Since 1975, less privileged Southeast Asian refugees have also landed in the U.S. Fred Arnold, an immigration expert at Hawaii's East-West population Institute,

says, "The typical immigrant today is no longer a European, or even a Mexican crossing the border at San Ysidro. The typical immigrant is an Asian who flies into Los Angeles or San Francisco on a jumbo jet" (Robey, 1987)

For years, Europe has been the major source of immigration in the U.S. The image of the immigrant catching his first glimpse of the Statue of Liberty has been well entrenched in the minds of Americans. Today, however, immigration from Europe is insignificant but that from Asia has been on the rise. In fact, demographers consider Asian immigration as significant as the baby boom in the 1950s (Robey, 1987). Table 2.1 shows the projected population growth for all major Asian sub-groups.

The term "Asian American" came into use only recently among government agencies for grouping and sorting Americans by race or ethnicity. Groups of Americans of Asian descent have begun to use the term "Asian American" as a means of achieving common educational, political and economic goals. Asian immigration has occurred in just the last twenty years. The Asian American population grew by nearly 150 percent during the 1970s. In the 1980s they have been increasing at a rate of 7 percent per year, compared to 1 percent of all Americans. The Asian population in the U.S. has increased from 41,455 in 1860 to more than 5 million today. It is projected that by the year 2000 Asians will double to about 10 million or 4% of the population. The composition of Asian American population has also changed to include various Asian countries.

Table 2.1
The Changing Asian Population: 1980-2050

	Chinese	Indian	Japanese	Korean	Filipino	Viet- namese
1980	812	387	716	357	782	245
1990	1,124	622	833	711	1,269	525
2000	1,440	875	936	1,092	1,783	830
2010	1,749	1,128	1,025	1,479	2,296	1,139
2020	2,033	1,376	1,078	1,874	2,802	1,456
2030	2,288	1,612	1,109	2,258	3,283	1,766
2040	2,525	1,828	1,138	2,607	3,722	2,048
2050	2,776	2,056	1,171	2,976	4,187	2,346

* All the Figures in Thousands

Source: Bouvier, L. F. and Agresta, A. J., "The Fastest Growing Minority," *American Demographics*, May, 1985, p30-33, 46.

There are now more than 20 Asian American subgroups counted by the Census Bureau.

Asian American Characteristics

Education

Asian Americans are among the country's best educated. The median years of schooling for Asian Americans is greater for all Asian subgroups, except for Vietnamese, than 12.5 years for white Americans. Table 2.2 shows higher completion rates for high school and college education. Asian Americans constitute 10% of the freshmen class at Harvard, 22% of the Berkeley student body, 21% of UCLA and 19% of MIT students (Bell, 1985).

Trying to explain why so many Asian American students succeed, Harvard professor Jerome Kagan comes up with this simple answer, "to put it plainly, they work hard" (Brand, 1987). Asian American students make plans for higher education early, and prepare for college by taking more courses. They devote more time to homework and spend less time on part-time jobs.

Asian Americans believe that the road to success is through hard work and education. Close family ties strengthen the importance of education. Asian American parents are known to push their children to earn higher grades. They also spend more time with their children. A 1984 study of San Francisco schools by sociologist Sanford Dornbush found that Asian American students put

Table 2.2
Educational Levels of Six Asian American Ethnic Groups
and of White Americans 25 Years Old and Over in 1980.

Race	Sex	High School Graduates (%)	Four Years of College or More (%)	Median Years of School
White	M	69.6	21.3	12.5
	F	68.1	13.3	
Chinese	M	75.2	52.8	13.4
	F	67.4	29.5	
Filipino	M	73.1	32.2	14.1
	F	75.1	41.2	
Japanese	M	84.2	35.2	12.9
	F	79.5	19.7	
Indian	M	88.8	68.5	16.1
	F	71.5	35.5	
Korean	M	90.0	52.4	13.0
	F	70.6	22.0	
Vietnamese	M	71.3	18.2	12.4
	F	53.6	7.9	

Source: U.S. Department of Commerce, Bureau of Census, 1983b

in an average of eleven hours a week in studying compared to seven hours by other children (Brand, 1987).

Sociologist William Liu of the University of Illinois feels that religious ideals that stress family values and education are what drives Asian Americans to work hard. In one study, researchers asked refugee families to rank things they valued most, and education, achievement and hard work were their answers. They also quoted hard work as the reason for high grades in school while American mothers attributed the grades to natural ability (McLeod, 1986).

Asian parents favor high paying professions like engineering and medicine as the educational goals for their children. In the belief that these professions offer security and money, they encourage their children to enter these professions (Ramirez, 1986). Also, taking math and science courses is one way to get around the language problem that many immigrants face.

Social Structure of Asian Americans

"For most Asian immigrants, one's family and the ethnic community remain bulwarks against a sometimes alien and unfriendly environment. By living frugally together in larger households, by more members of each family working, if only in jobs with long hours and low wages, Asian immigrants save and invest in higher education for their children" (Hsia, 1988).

Social scientists wonder how the majority of Asians are not labelled "second class citizens" like other minority groups. They feel

that strong family ties give a secure atmosphere for the children and pushes them to do better than their parents. Demographer William Peterson says that "they have the whole family and the whole community pushing them to make the best of themselves" (Bell, 1985). Initially, many Asian Americans live in larger households and put in long hours of work for a low pay in the family business. At the same time, they save and invest in education for their children. Many Asians have been successful in small businesses; Chinese laundries and restaurants, Korean groceries and Indian motels are some of these small businesses. Asian Americans are also characterized by community organizations and close community ties. These organizations help new members with business skills, information and financial help (Bell, 1985).

Geographic Distribution

Asians tend to cluster in a few geographic areas. An overwhelming 65% of all Asians live in just five states: California, Hawaii, New York, Illinois and Washington. California is the leading state of choice for new immigrants from China, Korea, and Philippines. In 1980, one third of all Asian Americans lived in California and it is predicted that this percent will not change in the future. Another 16% of Asians live in Hawaii and 9% live in New York. Different ethnic groups are concentrated in different metropolitan areas as seen in Table 2.3. Not only are Asians concentrated in a few states, they are also more urbanized. Only 9% live outside cities and suburbs (Bouvier and Agresta, 1985).

Table 2.3
Geographic Distribution of 1980 Asian Population.

Top 10 Asian Population Cities	Population	Ethnic Minority
1. Los Angeles-Long Beach	437,493	Koreans
2. Honolulu	436,556	Filipinos
3. San Francisco	318,997	Chinese
4. New York	280,444	All
5. Chicago	145,756	Koreans, Filipinos
6. San Jose	96,110	Vietnamese, Filipinos
7. Anaheim-Santa Ana	90,517	Vietnamese, Koreans
8. San Diego	85,950	Filipinos
9. Washington DC	83,323	Koreans, Indians
10. Seattle-Everett	65,272	Filipinos, Koreans

Source: U.S. Census Bureau, 1980 Census of Population

Occupation

Table 2.4 shows the occupational structure of Asians. According to the 1980 census, more than one third of Asian Americans were in professional, managerial or technical jobs. Among white workers, it was just over a quarter in the same category. Kevin McCarthy, a demographer with the Rand Corporation, has called Asians the most highly skilled immigrant group the U.S. has ever had (Schultz, 1985).

Distribution among occupational categories varied within each group. Japanese Americans, mainly native born, had an occupational distribution like the majority. Chinese Americans, majority foreign born, were at both ends of the occupational scale. Asian Indians and Filipinos had more professional and managerial jobs (U. S. Department of Labor, 1974). Asians have also had success with small businesses. For example, Korean Americans run about 900 of New York city's grocery stores. Chinese restaurants and laundromats are also common while Indians own a fair number of motels.

Science and engineering remain popular fields for Asian Americans. In 1984, almost 5% of all employed scientists and engineers were Asian. More than 8% of all employed doctoral scientists and engineers were Asian and a majority of them, 63%, were engineers. Higher education enrollment figures indicate that there will be more Asian American engineers and scientists entering the labor force (National Science Foundation, 1986).

Table 2.4
Occupational Categories of Employed White and
Asian American (AA) Persons Age 16 and Over

Type of Employment	White %	AA %	Jap %	Chi %	Fil %	Kor %	Ind %	Viet %
Professional	12.8	18.3	15.7	19.6	17.3	15.0	36.6	8.8
Managerial	11.2	10.6	12.8	12.9	7.7	9.9	11.9	4.5
Technical	3.1	5.5	4.3	6.3	6.0	3.7	7.6	8.0
Sales	10.7	8.4	10.3	8.6	5.8	13.4	7.0	5.6
Clerical	17.3	16.9	19.6	15.2	21.5	10.2	13.4	13.0
Service	11.6	15.6	12.8	18.6	16.5	16.5	7.8	15.3
Farmers	2.9	2.1	4.4	0.5	2.8	0.9	0.9	0.9
Precision Products	13.4	8.4	10.0	5.6	8.3	9.8	5.2	14.5
Operators	17.1	14.2	10.1	12.7	14.0	20.5	9.6	29.3

Source: U.S. Department of Commerce, Bureau of Census, 1983b

Income

Due to high education and occupational status, income levels of Asian Americans are fairly high. The median Asian American family income in 1985 was \$23,600 compared to \$20,600 for other American families. More household members of Asian families are in the work force. According to the 1980 census, 55 percent of families headed by a white person contained two earners or more compared to 63 percent for Asians (Robey, 1985).

Birth Rate and Family Size

Between 1978 and 1980, the number of births for Asian Americans rose by about 30%, while in the same period, births for whites and blacks rose only 8% and 7% respectively (S&MM, 1985). The number of persons in the average family, for those who immigrated between 1970 and 1980 was 3.84 for Asians as compared to 3.27 persons for a U.S. family (Mangiafico, 1988). A higher proportion of Asians live in families than do whites and a greater share are married couples with children (Robey, 1985).

Asian American Market

In recent years, marketers have been taking notice of the Asian American market. In an era of increased competition, they are discovering that Asian Americans form an excellent market segment being labelled the "blossoming Asian market" (Kern, 1988).

Asian Americans have an average household income that is higher than whites, blacks and Hispanics and this translates into more purchasing power for Asians. They are also substantially better educated than the average American and hold more professional and managerial positions. They are the most highly skilled immigrant group the U.S. has received. Not only do they form a distinct minority but they are also increasing in number. They are the fastest growing minority and by the middle of the next century they will be as large and important as the Hispanics are today (Bouvier and Agresta, 1985). Asians are said to represent diverse and untapped markets with tremendous growth potential (Lopez, 1988).

In spite of such impressive characteristics, a large number of companies have not yet targeted the Asians for several reasons. National advertisers feel their number is too small for nationwide ad campaigns. Other professionals claim to be more preoccupied with the Hispanic market at present (Paskowski, 1986). For many others the Asian market is too complex and heterogeneous. The term "Asian American" is broad and tends to lump together Chinese, Japanese, Asian Indians, Filipinos and all other Asians. In the process, it hides the diversity of Asians in terms of their nationality, religion, language, customs and other factors. Unlike Hispanics, Asians do not have one common language. The Chinese, for example, speak seven dialects. Marketers agree that Asians are the next emerging minority group.

Many other companies have benefited from targeting the Asians. Financial institutions, real estate agents, educational institutions and companies with upscale consumer goods have been particularly successful with the Asian market (Schultz, 1985). The majority of Asian Americans tend to be better educated, work in professional and technical fields and exhibit a high degree of savings, making them a good target market for upscale consumer goods and services as well as financial services (Lopez, 1988). Asian Americans respond to people and companies that address them and understand their culture (Schwartz et al., 1987). Companies like Metropolitan Life, Remy Martin cognac and even small companies like New York's G. Fried Carpet and San Francisco's East/West Securities have all had success with Asians. United Airlines, whose Pacific routes form 20% of their revenue, launched a campaign on Japanese language TV that depicted nostalgic scenes of changing seasons and festivals of Japan. Even though their number may not yet be substantial, marketers could benefit by targeting Asians in areas where they are concentrated, southern California, for example, which has an Asian population of more than 750,000 (Feinberg, 1987). Anheuser-Busch is one of the few big advertisers that is trying to understand the Asian cultural framework and plans to target Asians in California. Their research showed that 8% of the California population is Asian and 16% of the beer retailers are owned by Asians (Yoshihashi, 1989).

Met Life has been one of the few major companies to have targeted Asian Americans successfully. Market research by the company with the help of interviews and mail surveys were conducted on groups of Chinese, Vietnamese, Korean and Filipinos. The study revealed a strong desire to set up an education fund for children, a reluctance to accept insurance and financial institutions and the importance of working with a No. 1 company. Based on such findings, Met Life proceeded on a three-step campaign to target Asians. The first step called the "Image Builder" with the headline "Welcome to Met Life's Nationwide Family of 44 Million" tried to build an image of a strong and stable company. The second step, termed "the Educator" gave the benefits of buying insurance. The ad which read "you protect your baby, who protects you?" relied on the importance of family. The final step termed the "Product seller" gave specific information on life insurance. By stressing stability, family and safety, Met Life was successful. It claims to have written up \$17 million premiums after the ad campaign ran in Chinese and Korean newspapers (Greenberg, 1987). Ruben Lopez, marketing director for special projects at Met Life says this about Asians, "they are conservative, traditional and maintain their native language. They are family oriented and feel a strong need to improve their education" (Fitch, 1987).

Studies on Asian Americans have been few but provide some useful data on Asian consumers. L3, an Asian American ad agency, conducted a survey among 411 Chinese in the New York metro area.

The results showed that 48% cited advertising as an important source of product information but 85% cited friend's recommendation or word of mouth. Television was the most influential medium (71%), followed by newspapers (55%) and magazines (46%) and 73% had made single purchases of at least \$200. They were found to be responsive to brand name products in several product categories like automobiles, major appliances, audio equipment, cameras and so on. The median household income was around \$30,000. Most owned televisions, stereos, and VCRs. About half owned washing machines and automobiles (Greenberg, 1987). Another study commissioned by the *Asian Yellow Pages* also showed that Asian consumers are looking for the best price and prefer major brand names (Schultz, 1985). Theresa Savage, director of second-language marketing for the *Asian Yellow Pages* offers advice to Asian advertisers: "If you've been in business more than 10 years, stress that fact; emphasize quality; and, if possible, relate what you are selling to the family experience" (Feinberg, 1987). A survey by Impact Resources Inc., a market research firm in Columbus, Ohio, also reported that Asians share strong family orientation, value security and often place quality over price when shopping (Yoshihashi, 1989).

For those businesses who wish to reach this market, there are a wide variety of media outlets that are available. There are 200 newspapers and magazines in Asian languages and 35 to 40 radio stations across the country that offer programming in Asian languages (Feinberg, 1987). In New York alone, there are seven

Chinese daily newspapers that accept advertising. Both New York and San Francisco have their own editions of the Asian Yellow Pages. All marketers agree that Asians represent a growing market and as AMA's Debow says: "companies that do not target the Asian American market, are going to realize that they've missed an opportunity." (Schwartz et al., 1987)

Asian Indians in the United States

For a long time, popular culture in the west has maintained two images of India. One view is that of the far-off exotic land of "maharajas," "yogis," snake charmers and elephants-- a land of mysticism and spirituality. The other view is that of the "teeming millions" living in villages in poverty and hunger. (Varma, 1980) These images were further reinforced by the media. However, the Indian that comes to the U.S. is in sharp contrast to these stereotypes. He is neither a "yogi" nor a poverty stricken villager. Rather, he comes from an urban middle-class background with excellent educational credentials.

Most Indians come to the U.S. for two main reasons: to seek educational and occupational opportunities not readily available in India; or as dependents, wives and children of those seeking such opportunities. During the 1950s and the 1960s, more than half of all Indian immigrants who became resident aliens were students (Minocha, 1984). The Immigration Act of 1965 determined the criteria for eligibility to immigrate. Though this Act opened the

doors to Asian immigration to the U.S., it set a number of quota categories and preferences. Thus, an annual number of 20,000 Indians could immigrate each year and preference categories were divided into occupational categories and dependent categories. Under this system, preference was given to those having high educational or technical skills and dependents-- wives and children of already established residents or citizens. Thus, from 1965 to 1977, about half of those Indians who immigrated fell in the occupational category while the other half in the dependent category (Leonhard-Spark and Saran, 1980). This Act was largely responsible to form the structure of the Asian Indian population in the U.S. According to Harsha Mookherjee (1984) who examined race and ethnic relations in the U.S., the Indian population is different from other ethnic groups in the U.S. Mookherjee states:

"For one thing, the migration of this group took place very selectively. The immigrants are noted for a high level of education, by occupational concentration in the professions, and by a strong commitment to maintaining family connections, both here in the United States and between the United States and India" (Mookherjee, 1984).

Background

The first Indians that came to North America actually arrived in Canada, lured by the job prospects in the railroad industry. As their numbers began to increase, the Canadian government devised a policy aimed at ending Indian immigration. The effect of this policy was to channel more Indians to the United States (Hess, 1972).

In 1907, 1,072 Indians entered the U.S. They worked as laborers in the lumber industry in Washington. But faced with discrimination, they moved south to California and worked as agricultural laborers there. For the most part, they were illiterate and unskilled. Soon, they too faced resentment by the native white population who directed an "anti-Indian" campaign towards the immigrants and from 1911 to 1920 only 1,462 Indians entered the U.S. and a substantial number were deported (Singh, 1946).

The ones that stayed chiefly became farm workers in the vineyards and fruit orchards of the San Joaquin and Sacramento valleys. On the whole, they remained isolated, lived in small groups and retained their native customs and dress. The 1909 Immigration Commission reported that they were the least assimilative of any immigrant group. (Das, 1923)

Recent evidence may suggest that the first Indians in the U.S. came nearly 300 years ago. There are preliminary reports that Indians were brought by the British as indentured labor to their colonies on the east coast of the United States in the early 1700s (Dutt, 1990).

Between 1946 and 1965, when the government modestly relaxed restrictions on Indian immigration, nearly 6,000 immigrants settled in the U.S. From 1966 to 1972, immigrants from India totaled 50,990 (U.S. Dept. of Justice, Immigration and Naturalization Service, 1955, 1972).

Family Patterns

The Indian family in the U.S. is similar in structure to an American middle class family. A survey conducted in the New York metropolitan area revealed that the size of an average household was 3.2. (Saran, 1981). Even though extended and joint families are common in India, nuclear families seem to be the norm of Indian families in the U.S.

The desire for upward mobility through education is one of the common characteristics of Asian Indian families. Children are encouraged to study well and enter the professions. A commitment to education also means a financial responsibility for the parents who save towards the future education of their children. Indian adolescents in the U.S. grow up with a mixture of two cultures. Childhood experiences under authority result in a respect for elders and provide emotional security and intellectual freedom (Gokulnathan, 1976). Saran (1981), who conducted case studies on Indians, states that Indian parents, in their enthusiasm to maintain Indian traditions, sometimes fail to recognize outside peer influences which result in conflict in Indian families.

It is within the family that parents try to establish an Indian identity among their children. Eating Indian food, practising the Indian religion, celebrating Indian festivals and trying to impart their own values in their children are ways by which parents try to maintain their Indian identity. In many places, the Indian

community holds classes for Indian culture and languages (Malaiya, 1990).

Food and Language

Importance of food in a culture:

"It is well known that the emigrant gives up habits of dress and speech before he gives up his native food habits" (Lowenberg et al., 1970).

Food and diet are an important part of any culture. Exposure to a new cultural setting is known to create problems of adjustment. Al-Shama (1959) who studied Iraqi students in the United States found that food was one of the highest rated problems they faced. Davis et al. (1961) also found food to be the most frequent problem of adjustment for African students in the U.S. Other ethnographic studies also show that food habits are least likely to change in a new cultural setting (Keesing, 1939).

The Asian Indian population in the U.S. has not by and large given up Indian food habits though there have been some changes. Saran's (1981) study on Asian Indians shows that many families follow the American pattern of a quick breakfast and small lunch. The evening meal, however, is more elaborate and invariably Indian. Many Indians are vegetarians and continue to practice their food habits even after living in the U.S. for a number of years. Beef and pork is not consumed by some because of their religious beliefs.

Food is a significant part of Indian culture. "Not to offer at least a drink to a visitor is considered inhospitable; and the greater the significance of the friendship to the host, the more labor or money is spent on food" (Katona-Apte and Apte, 1980). As a result, food is an integral part of most Indian gatherings. Many Indian grocery stores have sprung up all over the country to cater to the food needs of the Asian Indians living here.

The educational system in India is roughly based on British model. Moreover, the medium of instruction for higher education is usually English. Therefore, generally Indians have a good command of English. According to the 1980 census, the proportion of Asians in the U.S., age 5 or older, who speak English "not well" or "not at all" was 22.3%. But for Indians, this figure was the lowest (8.4%). Saran's study (1981) of Indian families found that both English and Indian languages are spoken at home.

Religion

"Religiosity among Indian immigrants has not declined because of Immigration. On the contrary, there is greater consciousness of religion and a need to practice some religious rituals individually as well as communally" (Saran et al., 1980).

Religion is one of the fundamental institutions of any culture. The set of values stemming out of religion are considered to be relatively permanent in nature. For an Indian who comes to the U.S., keeping his religion alive requires a conscious effort. One of the significant developments that has taken place in recent years is the

construction of Indian temples and places of worship in the U.S. Though the exact number is not known, there are at least 100 temples in the country and all major cities with a sizable Indian population have at least one Hindu temple (Saran, 1981).

Religious functions, rituals and discourses are organized on a regular basis. A large number of Indians participate in the activities that are organized during the week and especially during the weekend. Even within their own homes, Indian families maintain a shrine of Indian gods and goddesses. All major Indian festivals are also celebrated. In fact, Indian priests are said to be in high demand in the U.S.

Indian families with young children are especially concerned with observing religious traditions and festivals. Parents make a special effort to inculcate Indian religious values in their children lest they grow up without any knowledge of Indian religion.

Regional Organizations

There is an increasing trend among Indians to form Indian organizations and associations. Maxine Fisher, (1980) who studied Indian associations in New York city, found that they were formed in three main ways: those that were formed on the basis of a common state/language, a common religion and pan-Indian organizations.

In New York city alone there were 12 Indian associations based on a common state, 10 with religious affiliations, 3 pan-Indian

organizations and many Indian students clubs (Fisher, 1980). Several events and activities are organized by these associations. Cultural events like dramas, films, performances by musicians and other artists and talks are a part of such activities.

The pan-Indian organizations, like the India Festival Committee and Association of Indians in America (AIA), disregard regional and religious differences. They aim at promoting "ethnic solidarity among Indians of varied backgrounds." These groups are more active politically; AIA's efforts contributed to the reclassification of Indians by the U.S. government from Caucasian to Asian Indian, a category that did not exist. The Association of American Physicians from India (AAPI) does work to promote medical knowledge in India and send equipment there. It has also been successful in drawing the attention of Congress to discrimination against foreign medical graduates (Sikri, 1990).

Such associations strengthen and maintain an Indian identity among Asian Indians. "Doing and sharing things, maintaining contact through these organizations which results in the development of networks and friendship groups, helps immensely in achieving the desired goal."

Political Activities

Though Indians have rapidly entered the economic mainstream of America, they have maintained a low profile as far as political participation is concerned (Fisher, 1980; Saran and Eames, 1980).

This is explained by the fact that their arrival into the country has been recent and they have been more preoccupied with settling in a new society. Moreover, their initial non-citizenship has also stood as a barrier to active political participation (Nimbark, 1980).

At the same time, Indian immigrants have shown an interest in the political developments taking place in India. The Ghadar Movement of the 1920s actively fought against the British rule in India. In recent years, Sikhs in the U.S. have given a strong backing to the "Khalistan Movement" in India aimed at forming an independent state of Punjab.

Indians in the U.S. are slowly getting involved in the political mainstream, though a major part of it is to further the interests of their own community. Asian Indian organizations and associations play an important role in this respect and in the past have succeeded in granting Indians a separate category for the census, fighting discrimination and restrictive laws. Groups of Indians are participating in city and state elections, mostly at the level of "fund-raising" (Sikri, 1990).

Geographic Distribution

Until 1965, the Indian population lived close to the east and west coasts. By 1977, however, due to the growth in the Indian community in the Chicago and New York metropolitan areas, Indians were concentrated in the Middle Atlantic and east north central regions (INS, 1977). The bulk of Indians live in cities and suburbs of

New York, Chicago, Los Angeles, San Francisco, Detroit, Pittsburgh, Philadelphia, Boston, Washington D. C. and more recently Houston and Atlanta (Leonhard-Spark and Saran, 1980). According to the 1980 census, the regional dispersion of Indians was 33% in the north east, 24% north central, 23% in the south and 20% in the west. Thus, Indians are concentrated in five states: New York, California, Illinois, New Jersey and Texas.

Occupation and Income

An overwhelming proportion of Indians are in professional occupations. From 1965 through 1977, a little over half the Indians who became permanent residents did so under occupational preferences and more than four out of five had professional, technical, or kindred occupational skills (Leonhard-Spark and Saran, 1980). While 12% of native-born Americans work as professionals, 43% of Indian born Americans are professionals (Robey, 1985). A survey among Indians in New York showed a concentration in the occupations of engineers, physicians and other health professionals. In 1979, there were 26,000 Indian doctors in the United States (Newland, 1979). In the early 1970s 3000, Indians left India each year for various countries and they included 1000 physicians, the rest being scientists, engineers, technicians and teachers (Datta, 1975). These trends raised concerns over the loss of talent from India (Glaser, 1978, 1980), or "brain drain."

A large number of Indians have also been successful at small businesses. Motels, Indian restaurants and grocery stores and, more recently, insurance and real estate are the popular small businesses run by Indians. For instance, out of about 6,000 hotels and motels in California, more than 1,000 are owned by Patels from Gujrat, a state in India (Cheng, 1985).

Due to their occupational status, the income of Indians is fairly high. The median household income for Indians was \$25,644 which was the highest among all immigrant groups (Robey, 1985).

By and large, the Indian community in the U.S. came with occupational skills that have permitted rapid entrance into the American occupational system. It is relatively homogeneous in socioeconomic status in the U.S. However, they have still retained many of the Indian characteristics and thus tried to maintain an Indian identity while living in this country. As far as marriage patterns are concerned, there is very little marriage outside the Indian community. This also suggests that a sense of Indian cultural identity will prevail (U.S. Dept. of Justice, Immigration and Naturalization Service, 1970,1972).

Market Segmentation as an Important Marketing Tool

The 1980s have been called the "Decade of Marketing." Having a good product or service is no longer enough in today's competitive environment. In order to succeed, companies have to tailor their

products or services to suit the specific needs of consumers and pursue those consumers. Segmentation is the process of "dividing markets into segments of potential customers with similar characteristics who are likely to exhibit similar purchase behavior" (Weinstein, 1987).

The main goal of segmentation research is to analyze markets, find a niche, and develop and utilize them. There are several ways that a market can be segmented. A general guideline in segmentation is to consider four main factors: perception, demographics, product awareness and purchasing habits. All these factors affect a person's motivations and needs (Weinstein, 1987). Markets are usually segmented on the basis of physical attributes or behavioral attributes. Segmenting populations on the basis of race, nationality or religion is one method of physical attribute segmentation. Many companies are finding it extremely beneficial to target the Hispanics in America since they represent a growing and distinct segment. Ethnic segments represent people from different cultures and that has an impact on what kind of consumers they make.

Significance of Subcultures in Marketing

Culture has been defined as "distinctive modal patterns of behavior and the underlying regulatory beliefs, norms and premises." Ralph Linton, a noted anthropologist, defines culture as "the configuration of learned behavior whose component elements

are shared and transmitted by the members of a particular society" (Linton, 1945). E. B. Tylor, regarded as the father of cultural anthropology, views culture as "that complex whole which includes knowledge, belief, art, morals, laws, customs and other capabilities and habits acquired by man as a member of society" (Tylor, 1891). Thus, culture is defined as patterns of behavior resulting from shared values, norms, and beliefs.

Subcultures

Subcultures are present within a complex, heterogeneous culture. Subcultures are groups that have recognizable and distinguishable features such as language, religion, or race which lead to differentiated and homogeneous patterns of behavior (Kassarjian, 1981). A subculture is defined as a group possessing a distinct social heritage apart from the dominant culture and so blacks, Hispanics, and Asians are subcultures that exist in the U.S. In practice, the term subculture refers to any group that has discernible characteristics and so it is common to talk about the subculture of poverty.

The cultural background of a person has an effect on behavior, including consumption behavior. Ethnic cultures and subcultures are important from a marketing perspective because they have an effect on all aspects of consumption patterns: what products you buy, how, and why you buy those products. It is felt that the impact of culture on consumption behavior is not always well recognized, partly because this impact is so pervasive and yet indirect and difficult to

isolate (Kassarjian, 1981). However, this impact is important and needs to be studied more extensively.

Research on Subcultures

Subcultural comparison involving two or more groups is termed cross subcultural research. This kind of research is relatively rare but such studies add an important dimension to the study of subcultures (Sturdivant, 1981). Robertson et al. have argued strongly in favor of cross subcultural research as a means of gaining greater understanding of possible subcultures (Robertson et al., 1968)

Cross subcultural research offers two major advantages. First, such studies aid in broadening the range of inquiry beyond blacks and whites to include such groups as Japanese Americans, Puerto Ricans and so on. Second, they offer the basis for generating hypotheses to be tested by in-depth research techniques (Katona et al., 1971). This type of research gives better guidelines to a marketer and advertiser of what is most effective with each group.

Alexander (1959) found considerable differences in frozen food preferences in four ethnic subgroups in New York city. Italian and Jewish housewives preferred fresh food to frozen foods; blacks showed an inclination for frozen meats; while Puerto Ricans' need for convenience showed high acceptance of frozen foods. These results indicated a different marketing and advertising approach for each segment. Robertson et al. (1968) studied 150 Los Angeles area

consumers who were Japanese American, black, or white and found that there was some correlation between subcultures and innovation for various product categories. Sturdivant (1971) conducted a study of low-income Mexican American, black, and Anglo residents of two small towns in California and Texas to find out if behavior and attitudes differed within each group from one town to another. He found that Hispanics differed in two of the eight categories, suggesting a better defined culture for Hispanics.

Research on Hispanics has gained more attention in recent years. Soriano and Dauten (1985) found that Hispanics in New York had a concentrated purchasing pattern for certain brands of grocery products. Gillet and Scott (1974) asked Mexican American and Anglo shoppers to respond to statements regarding shopping environment, decision making process, respondents' perception of themselves as shoppers and found some differences. Mexican American shoppers tended to be more price oriented and showed a need to seek out bargains and better shopping options. They also showed an inclination to shop in neighborhood stores. In another study, Hoyer and Deshpande (1982) sent mail questionnaires to Hispanic and non-Hispanic groups which contained questions regarding "choice tactics" or decision rules for buying a laundry detergent. They found cultural differences not only at the broad level but also at a specific decision making level. Hispanics tended to put an emphasis on family influences in decision making, were more concerned with prestige of a brand and were more receptive to ethnic advertising.

O'Guinn and Faber (1986) tried to test the perceived importance of product attributes for Hispanics and Anglos by asking respondents to rate different product attributes for a durable as well as a non-durable product. They found important cultural differences in terms of attributes for the durable product.

Since cultural differences are found with the Hispanic subculture, such differences may exist for Asian Indians as well. Limited research on Asian Americans does show differences and research on Asian Indians would give more insight into cultural differences and consumption.

To summarize, Asian Americans constitute a new and growing minority with distinct demographic and social characteristics. Many marketers have recognized this market segment and have targeted them successfully. A subgroup of Asians, Indians, also forms a distinct minority marked by a high level of education and income. Being recent immigrants, they still maintain their Indian identity by forming cultural organizations, retaining food habits and keeping close family ties. Research on ethnic subcultures indicates that cultural differences influence consumer behavior.

CHAPTER III

Statement of Purpose and Methodology

Statement of Purpose

This study explores two broad questions thought to be important in understanding Indians in the U.S. as consumers. First, it seeks to find out the general characteristics of the Asian Indians in terms of demographics, media habits and specific characteristics of consumer behavior. Second, it compares some of these findings to that of the American population to see if there are any differences between the two groups. Based on these results, conclusions are to be drawn regarding the nature and appeal of this group to marketers.

Indians in the U.S. have been called the "new ethnics," partly because the bulk of their immigration has occurred only since 1965. This new and growing minority has remained essentially uninvestigated and only in recent years has the Indian population been a subject of academic interest. Some researchers have studied them in terms of adaptation at the institutional level, historical and sociological background, health and the Asian Indian experience in the U.S. (Nandan, 1980; Fisher, 1980; Saran, 1985). With regard to Indians as consumers, however, there has been very little published except demographics and attitudinal characteristics. One impetus for the present study was to learn more about their buying behavior and

media habits. In that sense, this work attempts to study a different dimension of the Indians in the U.S.

The Asian American market in the U.S. is undoubtedly one that is growing in significance. Marketers agree that it is the next emerging minority group (Paskowski, 1986). There is, however, very little data about the Asian community (Poltrack, 1987; Kern, 1988). There is a lack of reliable statistics and measurable media in reaching Asian audiences. One of the reasons that companies have not yet focused on this market is that it is complex and heterogeneous. Though all Asians believe in the traditional role of the family, hard work, and education as a means to success, they show marked differences in the food they eat, the language they speak, the festivals they celebrate, social and group activities and other areas. In this context, targeting to the Asian Americans is certainly a challenge. As Richard Kern, senior editor of Sales & Marketing Management, writes,

"...the Asian market-- unlike the more homogeneous black and Hispanic markets-- is highly fragmented with groups of Chinese, Koreans, Vietnamese, Filipinos and Japanese all maintaining their relative autonomy within the larger framework. To deal with this kind of fragmentation effectively, companies need to be aware that each of these nationalities has its own distinct language, culture and other characteristics-- which means that the kind of approach used for Chinese consumers will not necessarily work with Koreans or Filipinos" (Kern, 1988).

Marketing professionals caution that in order to deal with this kind of fragmentation effectively, companies need to be aware of the social and cultural differences of each group (Feinberg, 1987; Kern,

1988). The present study, then, is an attempt to study the Asian Indian market in the U.S. to give a better understanding of cultural differences with regard to marketing planning.

Studies on Asian Americans have suggested that they appear to be brand loyal, buy big ticket items, and give more recommendations to friends and relatives than other groups (Feinberg, 1987; Greenberg, 1987). They are also said to be interested in quality products and premium brand names (Greenberg, 1987). Thus, it was important to see if the same is true for the Asian Indians as well. Research on the Hispanic subculture has shown that cultural differences exist for buyer behavior for a high priced or a durable product (O'Guinn and Faber, 1986). Since Asian Americans are considered to be a good market for high ticket items, this was an important dimension for studying buyer behavior. Differences were also observed in terms of shopping opinions for Hispanics. These differences indicate that Hispanics are more price oriented and careful in their shopping (Gillet and Scott, 1974) and buy products that have more prestige (Hoyer and Deshpande, 1982). Some of these statements regarding shopping opinions and advertising use will be studied with regard to the Asian Indian population.

The Asian media in the U.S. is well developed and varied. There are 200 newspapers and magazines in Asian languages and about 40 TV and radio stations that offer programming in Asian languages. There are 41 publications by the Asian Indian

community in the U.S. (Siddiqi, 1987). It is necessary to find out the media exposure of Asian Indians and if they use any Asian Indian publications. Information on media habits will be gathered as a means of indicating the best way to reach this segment for communication messages.

Methodology

The overall purpose of the research is to study the Asian Indians in the U.S. as consumers to see how they differ from the general American population. This research will not only add to the study of Indians in the U.S. but will also aid marketers in understanding this minority to make better marketing decisions. The following research questions will be posed to address three main areas of interest in the study:

1. What are the characteristics of the Asian Indians living in Knoxville, in terms of:

- a. buying behavior for a high priced product
 - brand preference
 - relative importance of product attributes
 - sources of product information
 - general buying strategies
 - overall use of advertising
- b. media exposure

- media type
- vehicle preferences
- c. demographic features

2. Is there a significant difference between these characteristics as compared to the American population?

3. Do Indians indeed constitute a separate "market" and is this market viable?

The research questions are formed with the aim of providing an indication of the profile of the Asian Indian consumer. Though it is recognized that each of the areas listed represents a deeper study in itself, the purpose of the research is to get a broad picture of this group in terms of consumer habits and behavior on which further research could be based. Knoxville was chosen as the research area because of convenience and easy accessibility of the sample. Though Knoxville does not have a large concentration of Indians, it was felt that the sample would be representative of mid-size cities like Knoxville.

The research method utilized a mail survey. Questionnaires were sent to 175 Asian Indians residing in the Knoxville and Oak Ridge area. A list of Asian Indians was obtained from Indian organizations in Knoxville, such as "India Student Association" and "Hindu Community Center," a major Indian cultural organization in Knoxville. HCC, as it is commonly called, has a membership of more

than 200 families. It organizes several events and activities including a monthly "puja" (a religious ceremony), Indian festivals and major religious events. At present, HCC is building a temple and a community center which will be completed in the near future. It also publishes a newsletter every month which is mailed to all the members. "India Student Association" is yet another organization that celebrates "Diwali: the Festival of Lights" and has, in the past, organized week-long activities presenting different aspects of Indian culture. In order to obtain a comprehensive list, the names were supplemented by another mailing list maintained by a local Indian grocery store and a smaller informal group formed on a regional/language basis.

Questionnaire Design

The questionnaire was divided into three main sections: buyer behavior, media habits and demographics (See questionnaire in appendix A). The first section of the questionnaire sought information on different aspects of buyer behavior. The first aspect was brand ownership. Respondents were asked if they owned a number of high priced products and if they did, to give the number and brand name for each product owned. These products were automobile, TV, VCR, stereo system, radio/cassette player, microwave oven, computer and camcorder. These products were selected to test the claim that Asian Americans form a good market for big ticket items and show a preference for major brand names.

The second aspect centered on the process of how the respondents chose a particular brand. They were asked to number and give names of products over \$200 that they had purchased in the past six months. Based on the first product listed, they were then asked to name important product attributes that they looked for while buying that product and the sources that they consulted. This information was thought necessary because studies on ethnic groups have shown that ethnic groups like Hispanics and Asians give importance to different attributes and sources of information than the average American consumer. Both these questions gave alternatives of several product attributes and sources of product information and the respondents were asked to rank the attributes and sources according to the order of importance.

The third aspect was designed to find out the shopping opinions of the respondents. The respondents were presented with several statements about shopping behavior and were asked to indicate the degree to which they agreed or disagreed with the statements. The statements covered a range of "choice tactics" used by consumers while choosing a brand. These statements were the same as used by Gillet and Scott (1974) and Hoyer and Deshpande (1981) in their studies on Hispanics. Though this was not a replication of their study, it allowed for some comparisons to be made between the "Anglos" and the Indian sample, thus providing an indication of their differences. There was also an open ended

question asking the respondents to comment on what, if anything, made them unique as Indian consumers.

The next major section of the questionnaire had a series of questions to determine the media usage of respondents. The respondents were asked the number and names of newspapers and magazines read on an average day. They were also asked the number of hours of television that they watched per day and the number of movies they watched in an average month. Keeping the sample population in mind, an effort was made to include questions on ethnic media usage in terms of readership and movie viewing.

The final section of the questionnaire included a number of questions on demographic characteristics including education, income, occupation, marital status, home ownership, number of children and level of savings. Respondents were also asked if they belonged to an Indian cultural organization, the number of times they had visited India and the length of stay in the U.S. This information was necessary to find out if the respondents still maintained an ethnic identity and if their length of stay in the U.S. had any effect on their buyer behavior or media habits.

The methodology of a mail survey was selected due to its convenience and its suitability to collecting and analyzing the data. The anonymity of completing a mail survey was expected to raise the response rate.

To encourage a high response rate, a cover letter accompanying the survey was sent. This letter described the importance of learning about Asian Indians as consumers, thus furthering the study of the Asian Indian community in the U.S. The letter also stressed the anonymous nature of the survey and the fact that it was for an academic degree and not for commercial reasons. The cover letter was signed individually to make the letter more personal.

The survey instrument was designed in a booklet form and with a vertical flow. The use of lower-cap for questions and upper-case for response alternatives was employed. Each response alternative had a number which the respondents had to circle, not only for getting more accurate responses but also to facilitate coding and entering the data at the analysis stage (Dillman, 1978).

The front cover of the booklet was made to look attractive and to arouse the interest of the respondent. The title told the respondents what the survey was about and the border was an Indian floral pattern, something that the respondent could identify with. The survey package also contained a business reply envelope.

Data Analysis

The data were analyzed with the help of a computer software package called Edu-Stat. This software is designed by Clifford Young of the University of Oklahoma for statistical analyses. It was selected mainly for its ease in operating being largely menu-driven.

The responses were entered to obtain the means and frequency distributions. Cross-tabulations and t-tests were also conducted between different variables. The cross-tabulations were largely used to find out the relationship between the number of years a respondent has been in the U.S. to various aspects of buyer behavior.

CHAPTER IV

Results

The results of the survey have been summarized in this chapter. The findings are presented under three main sections: demographic features, media habits and buyer behavior. When appropriate, the observations have been compared with the data for the general American population to bring out the differences between the two groups. Of 175 questionnaires mailed, 103 were returned for a response rate of 58.85%. The probable error due to the sample size is $\pm 7.5\%$ at the 95% confidence interval.

Demographic Features

Family Income

As seen from Table 4.1, the income levels of the families are fairly high. Over half of the households surveyed had an annual income of more than \$50,000, whereas just 10% showed an income of less than \$30,000. This observation is consistent with the general finding that Indians have one of the highest income levels of all ethnic minorities (Robey, 1985).

Level of Saving

Asians are known to have a high level of saving and the survey results also show a similar trend. Almost one-third of the respondents saved more than 20% of their income. This level of

Table 4.1
Income Level of American and Indian Households

Level of Income	American* N= 64,491,000	Indian N= 100
Under \$10,000	12.0%	--
\$10,000 - \$19,999	19.2%	1%
\$20,000 - \$29,999	19.2%	9%
\$30,000 - \$39,999	16.8%	13%
\$40,000 - \$49,999	11.8%	17%
\$50,000 and above	21.0%	60%

*Source: U.S. Department of Commerce, Bureau of the Census, Current Population Reports, Population Characteristics, Series P-20, No. 428, 1986.

saving is much higher than the national saving rate of 1.9%. The findings are shown in Table 4.2.

Education

Table 4.3 shows the level of education for the Indian respondents. Of those surveyed, 71% had a graduate degree at the Master's or Doctorate level. On the whole, compared to the average adult American population, the Indian respondents are substantially better educated. It should, however, be mentioned that many Indians typically arrived in the U.S. for higher education, thereby exhibiting a disproportionately higher incidence of graduate degree holders. While only 11.5% of the Americans completed four or more years of college, nearly 97% have done so among Indians living in the Knoxville area. Among these 13% had completed college, another 13% went to graduate school but did not receive a degree, and 71% had a graduate degree.

Occupation

Commensurate with the high educational level of Indians in the U.S., an overwhelmingly large number of the respondents were professionals and the majority of them were scientists or engineers, which may be the result of the proximity of a university and a national laboratory to Knoxville. A few of the respondents were motel owners which has been the traditional small business for Indians. Table 4.4 shows the occupational fields of the Indians.

Table 4.2
Savings Level of Indians

Level of Savings	Indian N= 97
Less than 10%	22.68%
10% - 19%	43.30%
20% - 29%	21.65%
More than 30%	12.37%

Table 4.3
Level of Education of Adult Americans and Indians

Level of Education (25 years and over)	American*	Indian N= 100
No formal education	.7%	--
Some high school	11.7%	1%
Completed high school	38.7%	--
Some college	17.0%	2%
Completed college	11.5%	97%

*Source: U.S. Department of Commerce, Bureau of the Census, Current Population Reports, "Educational Attainment in the United States," Series P-20, 1987.

Table 4.4
Occupations of Indians

Occupational Field	Indian N = 93
Engineering	54.8%
Science Research	18.3%
Teaching	8.6%
Computer Science	5.4%
Motel Owners	7.5%
Others	5.4%

Age Distribution

About half of the respondents of the survey have lived in the U.S. between 10 and 20 years. Due to the recency of their immigration, a large number of the Indians fall between the ages of 35 and 55 as seen in Table 4.5. There are also considerably fewer respondents below 29 years and above 55 years of age. The difference in age distribution is another example of the atypical nature of the Indian population.

Marital Status

A majority of the Indian respondents are married (Table 4.6). Since divorce is still uncommon in India, the proportion of divorce or separation is low for the respondents as well. The absence of respondents over the age of 55 could explain the low percentage of widowed persons for the sample.

Home Ownership

Home ownership patterns revealed that almost 69% of the respondents lived in their own homes while 31% lived in a rented place (Table 4.7). Home ownership of Indians is slightly higher than the national average though there does not seem to be a significant difference. As might be expected, the higher the income and length of stay in the U.S. the more likely that the respondent would own his/her residence.

Table 4.5
Age Distribution of Americans and Indians

Age of householder	American* N= 89,500,000	Indian N= 100
15 - 24 years old	5.8%	--
25 - 29 years old	10.8%	8%
30 - 34 years old	12.1%	17%
35 - 44 years old	20.9%	32%
45 - 54 years old	14.8%	36%
55 - 64 years old	14.4%	7%
65 - 74 years old	12.6%	--
75 years and older	8.7%	--

*Source: Statistical Abstracts of the United States, No. 60, p.46, 1987.

Table 4.6
Marital Status of U.S. and Indian Households

Marital Status	American* N= 89,479,000	Indian N= 103
Never married	13.5%	7.7%
Married	62.3%	90.3%
Divorced	11.6%	1.0%
Separated	3.7%	--
Widowed	12.6%	1.0%

*Source: Statistical Abstracts of the United States, No. 62, p.47, 1987.

Table 4.7
Home Ownership Status for Americans and Indians

Type of Residence	American*	Indian N= 103
Own residence	64.7%	68.9%
Rental property	35.3%	31.1%

*Source: Almanac of American People, p. 73, 1988

The contradiction that home ownership is just about at par with national average in spite of high income levels may reflect on the fact that some of the respondents may still be on a temporary work status or may have recently been employed.

Organizational Membership and Visits to India

Belonging to an ethnic organization and ties with the home country are two determinants of assimilation. The survey revealed that almost 80% of the respondents were a member of an Indian cultural organization. A majority of the respondents (89% of those surveyed) had been to India in the last five years. Among those who had visited India, 48% did so once, 36% twice and 16% three or more times. Furthermore, visiting India was not related to number of years a person had lived in the U.S.

Media Habits

Newspaper Readership

The number of adult Americans that read at least one newspaper on an average weekday was 60.5% whereas that figure stood at 90% for those responding to the survey. Newspaper readership among Indians (90%) was higher than that for Americans with a college degree and earnings over \$55,000 per year (70%) (Almanac,1988).

Knoxville News Sentinel had the highest newspaper readership followed by India Abroad. The other newspapers read included The Oak Ridger (7.7%), USA Today (4.85%) and other Indian newspapers (6.8%) (see Table 4.8). Reading an Indian newspaper was not related to the length of stay in the U.S. since a cross-tabulation of the two variables did not show a significant relationship.

Magazine Readership

On average, the respondents read 3 to 4 magazines in a month as seen in Table 4.9. Considering the professional occupations of the respondents, it is no surprise that 68% read professional magazines and journals. The other magazines listed included Money magazine (8%), Changing Times (5%), Popular Science (5%) and India Today (4%).

Television Viewership

More than two thirds (70%) of the households watched 1 - 3 hours of TV per day, 18% watched 3 - 5 hours, 5% were in front of the TV for more than 5 hours while 6% watched less than an hour of TV on an average day. An average household in the U.S. had a set on for nearly 7 hours a day and the average number of viewing hours for an adult was about 5. Thus, television viewership is a little less for the Indian respondent than the average American.

Table 4.8
Newspaper Readership by Indians

Name of the Newspaper	Readers(%) N= 103
Knoxville News Sentinel	74.8
Knoxville Journal	3.9
Wall Street Journal	23.3
New York Times	18.4
India Abroad	40.8
Other	25.2

Table 4.9
Magazine Readership by Indians

Name of the Magazine	Readers(%) N= 103
Time	43.7
Newsweek	18.4
National Geographic	35.9
Reader's Digest	23.3
Professional Magazines/Journals	68.0
Other	31.1

Movies

Respondents were asked the number of Indian and English movies (movie theaters and rentals) that they watched in an average month. On an average, Indians watched 1 to 2 Indian movies and 2 to 3 English movies per month (Table 4.10). There was some evidence that watching Indian movies was related to the length of stay in the U.S. Cross-tabulations performed to see the relation between the Indian language movie viewership and the length of stay in the U.S. yielded a chi-square value of 6.75 with an associated probability of 0.035 for 2 degrees of freedom (Table 4.11). It was seen that almost 85% of those who have lived in the U.S. for less than ten years watched Indian movies, whereas this number decreased to half for those who have been here for over twenty years.

Buyer Behavior

Brand Ownership

The first section of the questionnaire dealt with brand ownership for selected durable goods, viz. automobiles, TV's, VCR's, stereo systems, radio/cassette players, microwaves, computers and camcorders. The results indicate that there was a distinct tendency to own foreign-made rather than American made brands.

Table 4.10
Movie Watching Habits of Indians

Number of Movies	% Viewership	
	Indian Movies N= 99	English Movies N= 93
None	30	10
One	51	58
Two to Three	6	15
More than Three	13	17

Table 4.11
Relationship between Indian Movie Viewership
and Length of Stay of the Respondents.

Length of Stay in the U.S. (Years)	Do not Watch Indian Movies	Watch Indian Movies
0 - 10	4	23
11 - 20	16	36
20 & above	10	10
$\chi^2 = 6.75, \quad p = 0.035, \quad df = 2$		

Automobiles

All the respondents who answered this question owned at least one car. It is seen from Table 4.12 that a majority of Indians are likely to own two or more cars. For example, nearly 80% of Indians owned two or more cars whereas that figure stood at about 32% for Americans.

A chi-square goodness of fit test between foreign and domestic cars showed a significant difference between the two groups. Table 4.13 shows the automobile ownership distribution of foreign and domestic brands. Toyota was the single largest brand of choice for Indians with 17% of the respondents owning a Toyota.

TV's

Almost all the respondents owned at least one television set with about 68% owning two or more sets (Table 4.14). Again, the preference for foreign brands was seen (Table 4.15). Sony was the most popular brand for the sample respondents with as many as 32.5% of the respondents owning a Sony.

VCR's

An overwhelming 95% of the respondents reported owning a VCR. This figure is much higher than the 50% national average. One advantage for owning a VCR could be to watch Indian movies.

Table 4.12

Car Ownership Patterns of American and Indian Households

Number of Cars Owned	American* N= 173,681	Indian N= 94
None	22.8%	--
One	44.9%	21.28%
Two	23.2%	52.13%
Three	6.1%	20.21%
Four or more	3.0%	11.70%

*Source: Simmons Market Research Bureau, 1987.

Table 4.13

Brand Ownership: Domestic vs. Foreign Brands

Brand	American* N= 173,681	Indian N= 94
Domestic	81.1%	56.0%
Foreign	18.9%	44.0%

*Source: Simmons Market Research Bureau, 1987.

Table 4.14

TV Ownership Patterns of American and Indian Households

Number of TV Sets Owned	American* N= 173,681	Indian N= 94
None	2.3%	1.0%
One	36.1%	30.9%
Two	32.9%	36.1%
Three	18.2%	22.7%
Four or more	10.5%	9.3%

*Source: Simmons Market Research Bureau, 1987.

Table 4.15

TV Ownership: Domestic vs. Foreign Brands

Brand	American* N= 173,681	Indian N= 97
Domestic	69.8%	44.8%
Foreign	22.3%	52.2%

*Source: Simmons Market Research Bureau, 1987.

In the case of VCR's, there was also a significant difference in foreign brand ownership between Americans and Indians; almost two thirds of the respondents owned a foreign brand, whereas only about a third of Americans preferred it over a domestic one (Table 4.16). For Indians, Panasonic was the number one choice for a VCR with 53% reportedly owning one.

Audio Systems

Almost 79% of respondents surveyed owned at least one stereo system while 96% owned a radio/cassette player. Even in case of stereo systems and radio/cassette players, there was a preference to buy foreign made brands (Table 4.17). Sony (22%) and Panasonic (29%) accounted for just over half of all brands owned.

Other Products

Microwave ovens were owned by almost all the respondents (96%) whereas a third of those surveyed possessed a camcorder. Almost 70% owned a computer as against 12% of American households that owned a computer.

Respondents were asked the number and names of products over \$200 that they had purchased in the past six months. Based on the first product listed, they were then asked to name important product attributes that they looked for while buying that product and the sources that they consulted.

Table 4.16

VCR Ownership: Domestic vs. Foreign Brands

Brand	American* N= 173,681	Indian N= 96
Domestic	45.6%	21.4%
Foreign	35.0%	64.3%
Other	19.4%	14.3%

*Source: Simmons Market Research Bureau, 1987.

Table 4.17

Audio Systems Ownership: Domestic vs. Foreign Brands

Product Type N= 90	% Owning Domestic Brand	% Owning Foreign Brand
Stereo Systems	36.8	63.2
Radio/ Cassette Players	24.8	75.2

Table 4.18 lists the number of purchases made in last 6 months. Almost 54% of the respondents had purchased one to three products over \$200 in the last six months. Another 33% had bought four or more products over \$200 during the same period. These products included TV's, cars, furniture, VCR's, jewelry, cameras, stereos, microwaves, clothes and other appliances.

Product Evaluation

Table 4.19 shows the mean rank ordering of product attributes for buying a high priced product. Both price and brand name were more important than other variables, though brand name had a slightly higher ranking than price. Company reputation also had a fairly high rank ing with 41% of the respondents giving it a first or second ranking. Service and maintenance as well as style and design was somewhat important though not as important as brand name and price. The least important attribute was retail store.

Sources of Product Information

Respondents relied on past experiences with manufacturer's product as the primary source of product information (mean ranking= 2.02). Consumer reports (mean= 2.20) came next followed by recommendations from friends or relatives (mean= 2.58). Advertising had a comparatively low ranking of 3.23. However, a cross tabulation of advertising and length of stay in the U.S. showed a significant difference. Relatively more respondents

Table 4.18

Number of Purchases Over \$200 Made in the Past Six Months

Number of Purchases	% Distribution N= 102
None	12.8
One to Three	53.9
Four to Six	18.6
More Than Six	14.7

Table 4.19

Mean Rankings for Product Attributes

Product Attribute	Mean Ranking N= 99
Brand Name	2.53
Price	2.54
Company Reputation	2.97
Style and Design	3.49
Service and Maintenance	3.60
Retail Store	5.67

who were in the country from 1 to 10 years reported advertising as an important source of product information than others who had been in the U.S. for more than 10 years.

Shopping Opinions

As indicated in Table 4.20, many of the statements differed for the two groups. Indians were more likely than Americans to use newspaper and magazine ads to assist in brand choices, with $t=-5.02$, $p=.001$ and $t=-3.25$, $p=.001$ respectively. They were also more brand loyal ($t=-11.41$, $p<.001$). Additionally, though to a lesser extent, Indians were less likely to buy a brand on sale ($t=2.56$, $p=.01$) and more likely to buy brands perceived to have more prestige ($t=-2.11$, $p=.01$).

No difference was found for TV ads. An important limitation to this comparison is that the Americans were tested for a common convenience product while the Indians were tested for any product in general; pre-testing of the questionnaire, however, showed that respondents did have "grocery" and "supermarket" products in mind when answering the questions.

Significant difference was also found in that Indians were more likely than Americans to shop for specials and discounts ($z=4.86$, $p=.001$). This again shows that price considerations are important to Indians.

Additional cross-tabulations were conducted to find out if the

Table 4.20

Shopping Opinions and Relative Rankings

Statement ^a	American X N= 529	Indian X N= 100
"I buy the brand that is on sale."	2.44	2.81
"TV advertisements help me decide which brand to buy."	3.47	3.65
"Newspaper advertisements help me decide which brand to buy."	3.54	2.96
"Magazine advertisements help me decide which brand to buy."	3.60	3.22
"I usually stick to one brand once I'm satisfied with it."	3.19	2.05
"I buy the brand that people think has the most prestige."	3.80	3.52

a The scale ranges from 1 (agree strongly) to 5 (disagree strongly).

Statement ^b	American N= 529	Indian N= 100
"I shop a lot for specials and discounts."	35%	60.61%
"I watch the ads for announcements of sales."	50%	50.51%

b Percentages of respondents who agreed or tended to agree.

length of stay in the U.S. had any effect on shopping opinions. The length of stay was divided into three groups: 0 to 10 years, 11 to 20 years and 21 or more years. A significant difference was found for only one statement, "I watch the ads for announcements of sales." (Chi-square= 14.2, $p = .0069$) The longer the respondents have lived in the U.S., the less concerned they seem to watch ads for sale announcements. However, no such difference was found for buying a sale brand.

On the whole, there was no significant difference between length of stay and shopping opinions. This suggests that the Indians do not change their shopping behavior even after being here for a number of years.

Comments by Respondents on What Makes Them Unique as Indian Consumers

The last question in the questionnaire was an open ended question that asked respondents to comment on what made them unique as consumers due to their origin. (See Appendix B) The compilation of the comments shows the following:

No impulse buying

Limited credit buying and/or clearing bills as soon as possible

Buying on a "need" basis

Careful shopping

Quality and cost conscious

Checking many sources of information and/or "shopping around"

Consumers of ethnic products

The results of the survey indicate that Indians in Knoxville form a distinct group, characterized by a high level of education and income and a concentration in the engineering and science profession. Most of them are recent immigrants and are members of an Indian cultural organization. Their exposure to print media is high; their television viewing hours are less than average. However, they watch both English and Indian language movies. As consumers, they seem to prefer foreign brands and place equally high emphasis on price and brand name. They describe themselves as careful shoppers and tend to pay off the bills as soon as possible. It also appears that they do not change their shopping behavior in spite of living in the U.S. for a number of years.

CHAPTER V

Discussion and Implications

An average Indian in Knoxville is a well educated professional, with a comfortable income and an average age of 45. As a consumer, he tends to be conservative and savings oriented. He shows a preference for foreign brands and gives importance to brand name and price while buying a product. He reads a newspaper everyday and reads 2-3 magazines in an average month. He is not an avid TV viewer but watches about 2 English language movies and one Indian movie in an average month. He also belongs to an Indian organization and visits India about once every two years.

Demographic Features

The respondents in the survey were well educated and employed in professional jobs, especially in the engineering field. The high education is linked to the immigration laws of 1965. Though these laws facilitated more Asian immigration to the U.S. under a quota system, it also set preference categories which favored those with professional and technical skills. For instance, from 1965 to 1977, four out of every five Indian permanent residents were recorded as having professional, technical, or kindred occupational skills (Leonhard-Spark and Saran, 1980). A relatively large number of engineers in the sample is linked to the fact that Knoxville is not only a university town but also has a national laboratory as well as a

nuclear power plant that creates a need for such professionals. The results of the survey may not be accurately compared to the general American population due to the large number of engineers in the sample. However, most Indian samples are likely to contain a disproportionately large number of engineers, doctors and other professionals due to the immigration pattern. A survey in the New York metropolitan area showed that 73% of Indian immigrants were in the professional and technical occupational categories. Among these, 31% were scientists and engineers, 17% doctors and 25% distributed among accountants, health professionals, and computer scientists (Leonhard-Spark and Saran, 1980). Since 1966, India has been the largest source of immigrant scientists and engineers (Datta, 1975).

Due to the education and occupational status, the income of the respondents is fairly high. Asian Indians are known to have one of the highest level of income among all ethnic groups and the income of the respondents surveyed clearly supports this finding. But along with high income, the saving rate is also high. This would lead one to conclude that Asian Indians remain conservative in their economic behavior by being savings oriented. They come from a culture that values savings. There is also a strong desire to save funds for the education of the children as well as their own financial security. Even as first-generation immigrants, they enjoy a higher standard of living than they would have in their home country. However, at the same time, or perhaps because of this, they remain cautious in their

spending habits. As one respondent said, "We have become materialistic, comfortable in the American way of life but smart enough to have minimum charge cards and never being in the red."

Though the Indians in the sample seem to have adopted a typical American middle-class lifestyle, culturally they remain closer to India. A majority (80%) have an active membership in an Indian organization. This figure may be high due to the source of the sample which was a mailing list of a cultural organization. Belonging to an ethnic organization and having ties with the home country are two determinants of assimilation. Such organizations and visits serve a variety of needs, but certainly help maintain an Indian identity among the Indians in Knoxville. Indians are among the most recently established immigrant groups in this country. A majority of the Indians in the study (82%) have been here for less than 21 years. Due to this, they were found to be relatively young with the average age being 45 years.

Buyer Behavior

On the whole, the Indians in Knoxville are careful consumers. They do not buy on impulse and instead buy a product when they feel a need for it. They believe in getting value when buying a product and feel they get this value if they buy a brand name but at a reasonable price.

The preference for foreign made brands, particularly Japanese, is a finding that has several implications and needs to be studied in

further detail. Though Japanese products have been gaining an increasing market share in the U.S., the respondents' preferences for Japanese brands are significantly greater than the national average and thus more striking. It appears that foreign brands are perceived to be better quality products offering more value for the dollar. American manufacturers could be at a disadvantage when marketing to this group and would need to overcome this bias through creative strategy and positioning.

For evaluating a high priced product, brand name and price seem to go hand in hand for the Indian respondents. A study on Asian Americans, commissioned by the Asian Yellow Pages, showed that Asian consumers look for the best price and prefer major brand names (Schultz, 1985). Price has also been found to be an important consideration for Hispanic consumers (Gillet and Scott, 1974; and O'Guinn and Faber, 1987). This finding is thus consistent as being characteristic to Asian Americans. The personal comments of the respondents also reiterated the belief that they buy the "best quality product at the best price." Finding this "best" combination of price and quality would require some effort on the part of the respondent and they do "shop around" to find out more about the product or the price. Other results also showed that price considerations are important to Indians. A significant difference was found in that Indians were more likely than Anglos to shop for specials and discounts. This finding is a little surprising considering that they belong to a high income group.

As far as sources of product information are concerned, the respondents in the sample relied on past experience with the manufacturer's product. Consumer Reports also got a fairly high ranking which again shows the search for information. Surprisingly, recommendation from friends and relatives did not receive a high ranking. This contrasts with results of studies on Hispanic as well as Asian consumers have found recommendation to be an important attribute. Less reliance on recommendations indicates a high need for other sources of information.

There is also an indication that the Indian respondents are careful consumers. The personal comments reveal that they are not impulsive shoppers and buy only on a "need" basis. "We tend to be very economical, cautious buyers. Being in a foreign country, we feel like we need to save for our security," was what one respondent wrote. They also prefer not to buy on credit and pay off bills as early as possible. This could be explained by the general Indian belief that it is dishonorable to be "in debt."

Extensive cross-tabulations were conducted on various aspects of buyer behavior and length of stay in the U.S. of the respondents. It was thought that the longer the respondents lived in this country, the more similar they would become to the dominant culture due to the effects of assimilation. Hence, trends and differences were expected to emerge based on the length of stay in the U.S. However, significant differences were seen only on two factors of buyer

behavior: watching ads for sale announcements and citing advertising as a source of product information. It was observed that those who have been living here for less than ten years watched more ads for sale announcements and relied more on advertising. One explanation for this result could be that since these respondents have lived in the U.S. for a relatively short time, they are not as knowledgeable about various brands and their features and have yet to form brand preferences. Those respondents who have been here for more than ten years, on the other hand, do not need to rely as heavily on advertising and being financially more secure, do not watch as many ads for sale announcements.

No significant differences related to length of stay in all other areas may suggest that the Indians do not alter their shopping behavior to an appreciable extent even after being here for a number of years. This implies that cultural differences continue to exist to a great extent as far as shopping behavior is concerned. These differences are exhibited through the preference for foreign brands, importance to brand name and price, a high need for information and in general being careful consumers.

Media Habits

An important part of the research was to find out the media habits of the respondents. These findings would aid the marketer or advertiser with information on which media they tend to use. Three out of four read a local newspaper while almost 25% of the

respondents read Wall Street Journal. Readership of weekly news magazines such as Time and Newsweek was high and due to the nature of their occupations, two out of three respondents read professional magazines/journals. Thus, by and large they are well read. However, they watch less television than the average American. Thus, print media could be used more effectively than broadcast to target the respondents.

Usage of ethnic media was another important aspect in the study. The results showed that almost half (48%) read an Indian newspaper regularly and 41% read India Abroad. India Abroad is a weekly newspaper published in the U.S. and is the oldest Indian newspaper in North America having the largest circulation of newspapers outside India. It has about 40 pages per issue and carries news about India, the Indian community and other features. A quick glance at the newspaper shows advertisements for financial services, banks, real estate, jewelry stores, upcoming Indian cultural attractions and legal, travel and other services. Indian movies also play an important role for Indians since 70% of the respondents watch at least one Indian movie in a month. This role seems to diminish somewhat after the respondents have lived here for more than twenty years. The differences in Indian movie watching could be attributed to age since movies are geared towards a younger audience.

Implications

Respondents showed some distinct cultural characteristics and differences for various aspects of buyer behavior that were measured. These cultural differences imply that this group requires special attention for a marketing strategy and advertising messages.

1. High income coupled with conservative spending implies a good market for financial services like banking, insurance or investments. An indication of their financial concern may be seen from the fact that 23% read the Wall Street Journal and 8% read Money magazine. The income implies high potential purchasing power and the habit of savings implies a market for financial services like banking, insurance, investment and so on.

2. They also form a good market for real estate, especially those Indians who have lived in the U.S. for more than ten years since they are the ones who are more likely to own a home. Almost 69% of the respondents owned a house and of those 80% have been living here for more than ten years. There are, however, some cultural differences associated with owning a house. Sociologists who have studied Asian Indians say that Indian families are interested in buying a house as a good investment rather than just better living quarters and that a house symbolizes the security and prestige of the family that lives there (Saran, 1981; Desai, 1963).

3. Airline tickets and other travel related services are some other services that could be marketed to Indians. It is apparent that most of the respondents have maintained contact with India by periodic visits and their economic condition helps them to do so.

4. Respondents showed a high ownership for all the products listed in the questionnaire. They owned more products and in greater number than the average American. Not only do they have more purchasing power, but do show a tendency to purchase items like cars, VCRs, electronic goods, computers, furniture and appliances in greater number. This implies a premium market for big ticket items. Studies on other Asian Americans also supports this belief.

5. Both brand name as well as price should be employed by the marketer who wishes to target Indians successfully. They are also likely to be open or receptive to communication messages about the product since they actively seek information and marketers should take advantage of this. The Indian respondents do not appear to be store loyal since retail store had the least product attribute ranking.

6. Strategies emphasizing credit availability or credit financing will not work with this group but those stressing prestige of a product or brand will be more effective. At the same time, strategies that promote cash terms or offer discounts could be more appealing.

7. Advertising could be used more effectively for those Indians who have been in the U.S. for less than 10 years. Indians were more likely than Anglos to use newspaper and magazine ads to assist in brand choices. Comparatively, they watched fewer hours of television than the American household. Thus, print would be the most effective medium to reach this group.

8. Ethnic media provide a relatively inexpensive and effective means to reach the Indian consumers. Ethnic newspapers would be a good medium to target the respondents. Messages in Indian movies, especially video rentals, is another medium that could be used to target Indians. Companies can use this medium to establish long term brand image since respondents who are in the U.S. for less than 10 years watch relatively more Indian movies.

9. The HCC newsletter could also be an excellent vehicle for advertising or communication at the local level. Another medium that could be employed is direct mail. Direct mail offers the advantages of being cost effective and of gaining the attention of the readers. A strong grounding in the English language for many Indians would make English the obvious choice for addressing Indians.

Limitations of the study

There are some limitations to this study that need to be addressed. With regard to the sample, though every effort was made

to obtain a representative sample, it is possible that some people may not have been included. The methodology used a combination of two mailing lists and this was the best way to obtain a sample for this type of group. This, however, may have left out a small number of Indians who have newly arrived or who do not belong to a cultural organization nor visit the Indian store.

Another factor which must be considered is the geographic area of the study. Knoxville does not have a concentration of Indians like some other metropolitan areas. The academic and scientific surroundings of Knoxville, to a large extent, go to describe the Indians that live here in terms of occupation, education and income. The study does provide data on a mid-size city with distinct settings like Knoxville but one cannot definitively apply the findings to Indians living in other areas.

Another limitation applies to the comparisons made between the sample and studies conducted by other researchers. Though the mean values of the two groups were compared and tests carried out, the context was certainly not identical. However, it was recognized that this way one could at least get an indication of the differences in buyer behavior between the two sub-cultures.

A fourth limitation concerns the "length of stay" category used to study the relationship between stay in the U.S. to other variables. Though it was desirable to look at more narrowly defined categories 0 to 5 years, 6 to 10 years and so on, for example, there were not

enough observations in each cell to permit such a breakdown. Future studies could try to eliminate these limitations.

In the years to come, the Indian population in the U.S. will undoubtedly undergo changes. Already, the proportion of Indians in the age group 25-29 has reduced from 20 percent in 1981 to 15.5 percent in 1988 (Dutt, 1989). This will result in the increase of non-professionals as the current citizens sponsor their families and relatives, thus, changing somewhat the educational and occupational structure of the population. From a marketing perspective, this trend should enable the community to provide more services to its own members and in New York, Indian grocery stores, restaurants, retail stores, insurance and travel agencies, and movie houses now increasingly cater to the Indian community (Leonhard-Spark and Saran, 1980). The second and third generation Indian immigrants will also alter the current Indian community. These changes will have an effect on the structure of the Indian population in the U.S.

CHAPTER VI

Summary and Conclusions

The main objective of the research was to find out if the Indian community in Knoxville formed a distinct group. The results suggest that they indeed have an identifiable set of characteristics in terms of demographics, buying behavior and media usage. These characteristics distinguish them from other Americans. Thus, Indians constitute a separate and viable market for certain advertisers. It should be pointed out, however, that Indians still exhibit regional and language differences and the marketer needs to be aware of and sensitive to this. To summarize:

1. The Indian immigrants had a high level of education with 71% of those surveyed having a graduate degree. A large number (87%) were in the science and engineering field with a little over half being engineers. Due to the occupational status, the income levels were also high with 60% of the households with an annual income of \$50,000 and above. The savings levels of those surveyed was between 10 to 19 percent.

2. The respondents were relatively young with 68% between the ages of 35 to 54 years. A majority were married and over two thirds owned their own homes. About 80% of all surveyed were members of an Indian cultural organization and 89% had visited India in the last five years.

3. A majority of Indians read a local newspaper and a little less than half subscribed to an Indian newspaper. They also read 3 to 4 magazines in a month including professional magazines and journals. Average television viewing time of the households was 1 to 3 hours per day. They also watched 1 to 2 Indian movies and 2 to 3 English movies per month.

4. Respondents showed a strong preference to own foreign made brands for products like automobiles, TVs, VCRs, stereo systems, radio/cassette players and microwave ovens.

5. For buying a high priced product (over \$200), the respondents considered brand name and price to be more important than other product attributes; they also relied on past experiences with the manufacturer's product and consumer reports as sources of product information.

6. The respondents also showed a tendency to use newspaper and magazine ads and shopped for more specials and discounts compared to the American consumer. Half of those surveyed watched ads for sale announcements.

7. Personal comments given by the respondents reveal that they did not buy on impulse, limited credit buying, bought on a "need" basis, were quality and cost conscious, liked to "shop around" and were in general careful consumers.

In conclusion, this study has provided data that there are meaningful cultural differences that exist in Indians as consumers. However, this study is only an initial step and it points to a need for more refined and focused research in the

future. Strategies used for buying a high priced product could be studied in greater detail using other comparative groups. Indian samples with a cross-section of various occupational categories and in different geographic areas could be used to see if any differences exist. Including American and Indian population in the same study would allow more reliable comparisons to be made. This work shows that Indians form a distinct group and marketers could benefit by recognizing this aspect.

BIBLIOGRAPHY

BIBLIOGRAPHY

- Alexander, M. 1959: "The Significance of Ethnic Groups in Marketing New Type Packaged Foods in Greater New York" *Proceedings*, AMA, 1959.
- Allen, J. and Turner, E., 1988: "Where to Find the New Immigrants," *American Demographics*, Sept. 1988, pp 24-31.
- Al-Shama, N., 1959: "Problems of Adjustment of Iraqi Students in the United States," Ed. D. Dissertation, Columbia University.
- ✓ Bell, D., 1985: "The Triumph of Asian Americans" *The New Republic*, July, 1985, pp24-31.
- Bennett, M. T., 1963: "American Immigration Policies: A History," Washington D. C., Public Affairs Press.
- Brand, D., 1987: "The New Whiz Kids," *Time*, August 31, 1987, p42-51.
- Bouvier, L. F. and Agresta, A. J., 1985: "The Fastest Growing Minority," *American Demographics*, May 1985, pp31-36.
- Cheng, L., 1985: "Asians in California," *American Demographics*, May 1985, pp24-25.
- Das, R. J., 1923: *Hindustani Workers on the Pacific Coast*, Berlin, 1923, pp 22-95.
- Datta, R. K., 1975: "Characteristics and Attitudes of Immigrant Indian Scientists and Engineers in U.S.A," *Journal of Scientific and Industrial Research*, 34(2), p74-79.
- Davis, J. M., Russell, G. H., and Burner, D. R., 1961: "Survey of the African Student: His Achievememt and His Problems," New York: Institure of International Education.
- Desai, R., 1963: *Indian Immigrants in Britain*, Berkeley, University of California Press.

- Dillman, D. A., 1978: "Mail and Telephone Surveys: The Total Design Method," New York, Wiley, 1978.
- Dutt, E., 1990: "Indians in U.S. Since 1719?" *India Abroad*, Jan. 12, 1990, p30.
- Feinberg, A., 1987: "Sleeping Dragons" *Venture*, July 1987, pp50-53.
- Fisher, M. P., 1980: "The Indians of New York City," New Delhi, Heritage Publishers, 1980.
- Fitch, E., 1987: "Asians Share Certain Hispanic Values," *Advertising Age*, Feb. 9, 1987, pS-2, S-6.
- Gillet, P. L. and Scott, R. A., 1974: "Shopping Opinions of Mexican-American Consumers: A Comparative Analysis." *Combined Proceedings*, AMA, 1974.
- Glaser, W., 1978: *The Brain Drain: Emigration and Return*, Oxford and New York, Pergamon Press.
- Glaser, W., 1980: "International Flows of Talent," *Sourcebook on the New Immigration: Implications for the United States and the International Community*, Roy Simon Bryce-Laporte (ed.), New Brunswick, Transaction Books.
- Glazer, N., 1980: "Foreword" *The New Ethnics: Asian Indians in the United States*, P. Saran and E. Eames, eds. New York, Praeger, 1980.
- Gokulnathan, K. S., 1976: Adolescence in Matriarchial Society: Changing Culture and Social Patterns after Industrialization in Youth in Changing World, Edited by E. Fuchs, pp253-57, The Hague, Netherlands: Mouton.
- Gordon, M. M., 1964: *Assimilation in American Life: The Role of Race, Religion and National Origin*, New York: Oxford University Press.
- Greenberg, E. R., 1987: "Successful Marketing to U.S. Hispanics and Asians" *AMA Research Report*, 1987.
- Haniffa, A., 1990: "Gujaratis a Leading Force" *India Abroad*, Jan. 26, 1990, p22.

- Hess, G. R., 1972: "The Forgotten Asian Americans: The East Indian Community in the United States," *The Asian American*, pp 157-177.
- Hoyer, D. and Deshpande, R., 1982: "Cross-Cultural Impact of Buyer Behavior: The Impact of Hispanic Ethnicity" *Educators' Conference Proceedings*, AMA, pp89-92.
- Hsia, J., 1988: "Asian Americans in Higher Education and at Work," ETS, Lawrence Erlbaum Associates, Hillsdale, New Jersey, 1988.
- INS, 1977: Annual Report, Table 35, 1977.
- Katona-Apte, J. and Apte, M. L., 1980: "The Role of Food and Food Habits in the Acculturation of Indians in the United States," in *The New Ethnics, Asian Indians in the United States*, Praeger Publishers, 1980, pp342-362.
- Katona, G., Strumpel B., Zahn, E., 1971: *Aspirations and Affluence*, New York, McGraw Hill, 1971.
- Kassarjian, H. H. and Robertson, T. S., 1981: Perspectives in Consumer Behavior, Scott Foresman & Co., pp478-488.
- Keesing, F. M., 1939: "The Menomini Indians of Wisconsin: A Study of Three Centuries of Cultural Contact and Change," Philadelphia: The American Philosophical Society, 1939.
- Kern, R., 1988: "The Asian Market: Too Good to be True?" *Sales and Marketing Management*, May 1988, 39-42.
- Kotkin, J. and Kishimoto, Y., 1988: "Winning in the Asian Era, Blueprint for an American Comeback", *Inc.* Sept. 1988, pp71-76.
- Leonhard-Spark, P. J. and Saran, P., 1980: "The Indian Immigrant in America: A Demographic Profile," in *The New Ethnics, Asian Indians in the United States*, Praeger Publishers, 1980, pp136-162
- Linton, R., 1945: *The Cultural Background of Personality*, Appleton Century, 1945.

- Lopez, R., 1988: "Easing into the Ethnic Market," *Best's Review*, 1988, p50-56.
- Lowenberg, M. E., Todhunter, E. N., Wilson, E. D., Feeney, M. C., and Savage, J. R., 1970: "Food and Man," New Delhi, India: Wiley Eastern.
- Malaiya, Y. K., 1990: "For Diversity, Start 'Em Early" *India Abroad*, Jan. 19, 1990, p3.
- Mangiafico, L., 1988: "Contemporary American Immigrants, Patterns of Filipino, Korean and Chinese Settlement in the United States," New York, Praeger, 1988.
- Manning, W. and O'Hare, W., 1988: "The Best Metros for Asian-American Businesses," *American Demographics*, Aug. 1988, pp35-37.
- McLeod, B., 1986: "The Oriental Express" *Psychology Today*, July, 1986, pp48-52.
- Minocha, U., 1984: "South Asian Immigrants: Trends and Impacts on the Sending and Receiving Societies," Paper presented at an East-West Center conference on Asian immigration, East-West Center, Honolulu.
- Mookherjee, H., 1984: "Some Observations of the Assimilation of Asian Indians in the United States," *Population Review*, V.28., N 1 & 2, 1984, p68-79.
- Nandan, Y. and Eames, E., 1980: "Typology and Analysis of the Asian Indian Family," In *The New Ethnics: Asian Indians in the United States*, Parmatma Saran and Edwin Eames, eds. New York: Praeger, 1980, p199-215.
- National Science Foundation, 1986: "Women and Minorities in Science and Engineering," Jan. 1986, Washington D. C.
- Newland, K., 1979: "International Migration: The Search for Work," *Worldwatch Paper 33*, Washington, D.C. Worldwatch Institute.
- Nimbark, A., 1980: "Some Observations on Asian Indians in an American Educational Setting," In *The New Ethnics: Asian*

- Indians in the United States*, Parmatma Saran and Edwin Eames, eds. New York: Praeger, 1980.
- O'Guinn, T. C. and Faber, R. J., 1986: "Advertising and Subculture: The Role of Ethnicity and Acculturation in Market Segmentation" *Current Issues and Research in Advertising*, 1986, pp133-147.
- Paskowski, M., 1986: "Asian America," *Marketing & Media Decisions*, October, 1986, pp75-80.
- Poltrack, T., 1987: "A Map of Chinatown," *Marketing & Media Decisions*, June 1987, pp28-29.
- Ramirez, A., 1986: "America's Super Minority," *Fortune*, V114, Nov. 24, 1986, p148.
- Robertson, T. S., Dalrymple, D. J., Yoshino, M. Y., 1968: "Cultural Compatibility on New Product Adoption" *Marketing Involvement in Society and the Economy*, edited by P. R. MacDonald, 1968, pp70-75.
- Robey, B., 1985: "Asians," *American Demographics*, May 1985, pp23-29.
- Robey, B., 1987: "Locking Up Heaven's Door," *American Demographics*, Feb. 1987, p24-29, 55.
- S&MM, 1985: "East Meets West," *Sales and Marketing Management*, July 22, 1985.
- Saran, P., 1981: "The Asian Indian Experience in the United States" Shenkman Pub., 1985.
- Saran, P. and Eames, E., 1980: *The New Ethnics: Asian Indians in the United States*, Parmatma Saran and Edwin Eames, eds. New York: Praeger, 1980.
- Saran, P., Varma, B. N., and Embree A. T., 1980: "Hinduism in a New Society," In *The New Ethnics: Asian Indians in the United States*, Parmatma Saran and Edwin Eames, eds. New York: Praeger, 1980.
- Schultz, E., 1985: "Asians in the States," *Madison Avenue*, October, 1985, pp78-80.

- Schwartz, J., Wang, D. and Matsumoto, N., 1987: "Tapping into a Blossoming Asian Market," *Newsweek*, Sept. 7, 1987, p47-48.
- Siddiqi, M. A., 1987: "Indian Ethnic Press in the United States and its functions in the Indian Ethnic Community of the U.S.," *Gazette*, 39, 1987, p181-194.
- Sikri, A., 1990: "Indian Writers, Artists Hit Stride in '89," *India Abroad*, Jan. 5, p11.
- Singh, G., 1946: "East Indians in the United States," *Sociology and Social Research*, XXX, p210-211.
- Soriano, E. and Dauten, D., 1985: "Hispanic Dollar Votes can Impact Market Shares" *Marketing News*, Sept. 13, 1985, p45.
- Sturdivant, F. D., 1981: "Low Income Shoppers in Small Towns: An Exploratory Study of Subcultural Differences" *Proceedings*, edited by D.M. Gardner, Urbana, Ill., Association for Consumer Research, 1971.
- Tylor, E. B., 1924: *Primitive Culture*, Brentano, 1924.
- U. S. Dept. of Justice Immigration and Naturalization Service, 1970, 1972: Annual Report, 1970 (Washington D. C.) 4-5, 49, 63-64, 110; Annual Report, 1971 (Washington D. C.) 34, 38, 41, 47-50, 99-101.
- U. S. Dept. of Labor, 1974: "Immigrants and the American Labor Market," (Manpower Research Monograph No. 31), Washington D.C.
- Varma, B. N., 1980: Indians as New Ethnics: A Theoretical Note, In *The New Ethnics: Asian Indians in the United States*, Parmatma Saran and Edwin Eames, eds. New York: Praeger, 1980.
- Weinstein, A., 1987: "Market Segmentation" Probus Pub., 1987.
- Yoshihashi, P., 1989: "Why More Ads Aren't Targeting Asians," *The Wall Street Journal*, May 9, p25(E), 1989.

APPENDICES

APPENDIX A

Monica Godbole,
College of Communications,
The University of Tennessee,
Knoxville, TN 37996

November 6, 1989

Dear Friend,

As a part of my graduate thesis, I am conducting a survey of people of Indian origin in the Knoxville area. The purpose of this research is to establish a consumer profile of Asian Indians by finding out how they make purchase decisions. Your answers will greatly help in understanding and further the study of the Asian Indian community in the United States.

The Asian Indian population in the U.S. remains relatively uninvestigated even though they have emerged as a growing and distinct minority. The success of Asian Americans has earned them the title of the "model minority" and has sparked a great deal of academic interest.

Your response will be treated with complete confidentiality and will be used only for this academic study. Please do not write your name anywhere on the questionnaire.

Your answers are very important to the accuracy of my research and it will take a short time to answer the questions. The results of this research will be made available in the UT library.

I would be most happy to answer any questions you might have. Please write or call (615) 525-1890.

Thank you very much for your assistance.

Yours Sincerely,
Monica Godbole.
Monica Godbole

**A PROFILE OF ASIAN INDIAN CONSUMERS
IN KNOXVILLE:
A SURVEY**

**MONICA GODBOLE
COLLEGE OF COMMUNICATIONS
UNIVERSITY OF TENNESSEE**

An important purpose of this study is to learn more about how you make brand decisions while buying a product.

Q1. State whether you own the following products, and if you do, state the number, and name the brand names for that product (for the product TV, for example, Sony, would be the brand name).

<u>PRODUCT</u>	<u>YES</u>	<u>NO</u>	<u>NUMBER</u>	<u>BRAND NAMES</u>
CAR	_____	_____	_____	_____
TV	_____	_____	_____	_____
VCR	_____	_____	_____	_____
STEREO SYSTEM	_____	_____	_____	_____
RADIO/CASSETTE PLAYER	_____	_____	_____	_____
MICROWAVE OVEN	_____	_____	_____	_____
COMPUTER	_____	_____	_____	_____
CAMCORDER	_____	_____	_____	_____

Q2. How many purchases over \$200 have you made in the past six months?
(Circle the number of your answer)

1. NONE
2. ONE TO THREE
3. FOUR TO SIX
4. MORE THAN SIX

What was (were) the products? _____

Q3. When you bought this particular brand of the product (for the first product listed above or if none, then for the last major purchase), what were the things that you considered most important? Please rank, with 1 being most important and 6 being least important. Do not assign the same rank to more than one category.

<u>CATEGORY</u>	<u>RANK</u>
PRICE	_____
BRAND NAME	_____
SERVICE AND MAINTENANCE ...	_____
COMPANY REPUTATION	_____
STYLE AND DESIGN	_____
RETAIL STORE	_____

Q4. For the same product listed above what were your most important sources of product information? Please give a similar ranking from 1 to 4 with 1 being most important and 4 being least important. Do not assign the same rank to more than one category.

<u>CATEGORY</u>	<u>RANK</u>
FRIEND'S OR RELATIVE'S RECOMMENDATION	_____
PAST EXPERIENCES WITH MANUFACTURER'S PRODUCTS ..	_____
CONSUMER REPORTS	_____
ADVERTISING	_____
OTHER (please specify) _____	_____

Q5. The following are a list of statements about your attitudes and opinions of advertising and shopping in general. After each statement please indicate the degree to which you agree or disagree with the statement. Just write down the number from the scale below after the statement, 1 if you strongly agree with the statement, 2 if you agree somewhat and so on.

Scale:

1. AGREE STRONGLY
2. AGREE SOMEWHAT
3. NEITHER AGREE NOR DISAGREE
4. DISAGREE SOMEWHAT
5. DISAGREE STRONGLY

"I shop a lot for specials and discounts." _____

"I buy the brand that is on sale." _____

"TV advertisements help me decide which brand to buy." _____

"Newspaper advertisements help me decide which brand to buy." _____

"Magazine advertisements help me decide which brand to buy." _____

"I usually stick to one brand once I am satisfied with it." _____

"I like to spend time browsing in stores without buying anything in particular." _____

"I buy the brand that people think has the most prestige." _____

"I watch the ads for announcements of sales." _____

Now, the next part of this survey is to get some information on your media habits.

Q6. Which newspapers, if any, do you regularly read? (Circle appropriate numbers.)

1. KNOXVILLE NEWS SENTINEL
2. KNOXVILLE JOURNAL
3. WALL STREET JOURNAL
4. NEW YORK TIMES
5. INDIA ABROAD
6. OTHER (please specify names) _____

Q7. Which magazines, if any, do you regularly read? (Circle appropriate numbers.)

1. TIME
2. NEWSWEEK
3. NATIONAL GEOGRAPHIC
4. READER'S DIGEST
5. PROFESSIONAL MAGAZINES AND JOURNALS
6. OTHER (please specify names) _____

Q8. How many newspapers, if any, do you read on an average weekday?
NUMBER: _____

Q9. How many magazines or journals, if any, do you read in one month?
NUMBER: _____

Q10. On an average, how many hours of television does your family watch per day? (Circle the number of your answer)

1. LESS THAN ONE HOUR
2. 1 - 3 HOURS
3. 3 - 5 HOURS
4. 5 - 7 HOURS
5. MORE THAN 7 HOURS

Q11. How many Indian and English language movies does your family watch per month? (Only in movie theaters and video rentals.) (Circle appropriate numbers.)

<u>INDIAN LANGUAGE MOVIES</u>	<u>ENGLISH LANGUAGE MOVIES</u>
1. NONE	1. NONE
2. 1 - 2 MOVIES	2. 1 - 2 MOVIES
3. 3 - 4 MOVIES	3. 3 - 4 MOVIES
4. 5 - 6 MOVIES	4. 5 - 6 MOVIES
5. 6 - 7 MOVIES	5. 6 - 7 MOVIES
6. MORE THAN 7 MOVIES	6. MORE THAN 7 MOVIES

Finally, I would like to ask some questions about yourself to help interpret the results.

Q12. Number of years you have been in the U.S.: ____ YEARS.

Q13. Do you own (or are you buying) your own home? (Circle number)

1. YES
2. NO

Q14. In the past five years, have you or your family visited India?
(Circle number)

1. YES
2. NO

If yes, how many times

1. ONCE
2. TWICE
3. THREE TIMES
4. FOUR OR MORE TIMES

Q15. Are you a member of an Indian cultural organization? (Circle number)

1. YES
2. NO

Q16. Your sex (Circle number)

1. MALE
2. FEMALE

Q17. Your present marital status (Circle number of your answer)

1. NEVER MARRIED
2. MARRIED
3. DIVORCED
4. SEPARATED
5. WIDOWED

Q18. Number of children you have in each age group (if none, go to the next question)

- _____ UNDER 5 YEARS OF AGE
_____ 5 TO 13
_____ 14 TO 18
_____ 19 TO 24
_____ 25 AND ABOVE

Q19. Your present age: _____ YEARS

Q20. Which is the highest level of education that you have completed? (Circle the number of your answer.)

1. NO FORMAL EDUCATION
2. SOME HIGH SCHOOL
3. COMPLETED HIGH SCHOOL
4. SOME COLLEGE
5. COMPLETED COLLEGE (SPECIFY MAJOR) _____
6. SOME GRADUATE SCHOOL
7. GRADUATE DEGREE (SPECIFY DEGREE(S) AND MAJOR)

Q21. Please describe the usual occupation of the head of your household.

TITLE: _____

KIND OF WORK YOU DO: _____

KIND OF COMPANY OR BUSINESS: _____

Q22. Which of the following categories best describes your total family income.
(Circle the number of your answer.)

1. UNDER \$10,000
2. \$10,000 - \$19,999
3. \$20,000 - \$29,999
4. \$30,000 - \$39,999
5. \$40,000 - \$49,999
6. \$50,000 AND ABOVE

Q23. What percent of your total household income do you save?
(Circle number)

1. LESS THAN 10%
2. 10% - 19%
3. 20% - 29%
4. 30% - 39%
5. MORE THAN 40%

Q24. Comment about things that make you, a person of Indian origin, unique as a consumer as compared to American consumers.

Thank You!

APPENDIX B

Verbatim Statements and Comments of Respondents on what makes them Unique as Asian Indian Consumers:

No impulse buying:

"No impulsive buying on spur of the moment for big ticket items."

"Very conservative (non-impulse) buyer..."

"I hope every Indian will think a lot before buying anything..."

"Not a "spur of the moment" buyer..."

"I am not an impulsive buyer like American consumers..."

"Impulsive buying and fad buying are not in our list..."

"No impulse buying..."

"I do not buy on impulse..."

"Don't try to get as soon as it is available, and try to use things as long as possible."

Limited credit buying and/or clearing bills as soon as possible:

"Buy with cash rather than installment basis."

"I use credit for convenience and pay off my bills (purchases) as soon as possible, except for house and autos."

"Buy on credit, buy pay bills month to month."

"Will buy with cash or if on credit will pay the credit balance when due without paying the finance charge..."

"I try to spend within my means and do not buy any product on loan."

"Consider the cost of the product/service, not just "monthly payment"..."

"Limit credit spending. Goal= buy everything on cash."

"As compared to American consumer, I may not use my credit cards to their fullest capacity."

"...smart enough to have minimum charge cards and never have been in the red."

"I pay bills early or on time..."

"Pay cash..."

Buying on a "need" basis":

"We don't purchase unnecessary items."

"I buy things when I need them..."

"Indians will not waste money for fancy things unless it is a must..."

"We buy for necessity and don't buy things which we don't use."

"Buy what you need at the time you need it."

"Buy quality products only on a need basis."

Careful shopper:

"Careful intelligent buyer."

"Careful analysis, product value and quality service."

"Look at items more carefully."

"Not in race with others, informed and logical..."

"We are careful consumers and buyers..."

"...We tend to be very economical cautious buyers..."

"I think I am usually a little more careful in the way I shop."

"Don't get carried away with advertising excesses."

Quality and Cost Conscious:

"Look for the best buys."

"My purchase decisions are based on need, quality and total cost instead of just price..."

"Look for quality at bargain prices."

"...I buy something that in my opinion, best optimizes my money's worth."

"Buy good quality but reasonably priced products."

"Will buy quality and care for it."

"Watch product, quality and price..."

"For the products listed in Q1, I would buy only the most reliable products available in the market but still try to get the best possible price by bargaining with the car dealers or purchasing the products when they are on "sale," i.e.-- I buy only when I am convinced that I am getting a very good deal."

"Sometimes I buy things because they happen to be on sale."

"Prefer quality over price and mass appeal."

"... All Indians and Americans will look for articles that are on sale."

"Quality and dependability are of utmost importance. Just the fact that a product is cheap and/or on sale in the store doesn't mean that I would go out and buy it. I prioritize my purchases."

"I am cost conscious but also care for quality. I do not care for luxury items or options. For example, I do care for the reliability of a car, but not for luxury features."

"Like to buy quality products that will satisfy me it's worth."

"I prefer to buy less but excellent quality items which would be attractive as well as durable..."

"Try to buy best possible at best possible reasonable price..."

"Buy things for value, not just for showing or due to advertisement."

"Careful analysis, product value and quality service."

"Consider the value not just sale discount."

"Smart consumer."

Check many sources of information and/or "shop around":

"Once having determined the make and model of product to buy, then shop around for the best price for that product."

"I use commonsense in knowing more about the product that I like to purchase. Read or know about the product quality or cost."

"I look around for the best product at best possible price and then take the decision of buying that product."

"Like to know comments of other people before buying."

"Make more comparisons, buy a brand name product which is best for the money."

"Shop around a lot before doing final purchase of major items in order to make sure about performance and trouble free longer life of items."

"Shop around, read consumer Buyer's Guide and talk with friends."

"Try to buy best possible at best possible reasonable price by checking out as many sources as possible. And-- no hurry!"

Consumers of ethnic products:

"I get spices from Indian grocery store..."

"Looking for speciality items regarding food, clothing, curios, furniture etc. of Indian or Asian origin. Creates a demand for such items in areas where Indians live and work."

"Indians are better consumers of cultural and religious items than American consumers."

"I don't know if they are unique compared to others. If there is any difference, it may be in their special needs for ethnic groceries, dresses, travel and other consumer products and services etc."

Other Comments:

"Have to buy everything we own (nothing inherited). Buy major items and take it to India as gifts to relatives."

"Obviously we do the things to impress and appreciated by our Indian friends and community."

"I tend to look towards the future financial security when planning our finances."

"Being in a foreign country, we feel like we need to save for our security."

"We really value money and education. Put our best knowledge at work and take advantage of opportunities."

"Buy only Japanese items as much as I can."

"I am not a typical American "mall goer"."

"Being first generation of immigrant, more sensitive and hard working."

"I don't think I am different in any way because of my origin, though others may be."

"Not participating in the extra expenditures involving outdoor activities. Less money on junk food."

VITA

Monica Godbole neé Dange was born in Bombay, India on 18 July, 1964. She attended St. Joseph's High School and Fergusson College in Pune, India and received a Bachelor of Arts degree with a major in Economics in 1984. She then joined the Institute of Management Development and Research and graduated with a diploma in Business Administration in 1986. She worked in a market research company for some time before coming to the United States.

She joined the Advertising department in the College of Communications at the University of Tennessee in the Fall of 1988. After graduating with an M.S. degree in Communications, she plans to work in the market research field. She is married to Dr. Mukund Godbole. The author is a member of Alpha Delta Sigma and the Kappa Tau Alpha honor societies.