



Understanding poverty and promoting poverty alleviation through transformative consumer research

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ABSTRACT

Consumer research holds potential for expanding society's understanding of how people experience poverty and mechanisms for poverty alleviation. Capitalizing on this potential, however, will require more exploration of how consumption experiences shape individual and collective well-being among the poor. This article proposes a framework for transformative consumer research focused on felt deprivation and power within the lived experience of poverty. The framework points to consumer choice, product/service experiences, consumer culture, marketplace forces, and consumption capabilities as research streams with potential to help alleviate poverty. Future research in these areas will expand pathways for transforming the lives of the poor by alleviating stress, engaging marketplace institutions, fulfilling life aspirations, leveraging trust and social capital, and facilitating creativity and adaptation.

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1. Introduction

Questions about living a “minimally decent life” (Sen, 1999, p. 4), why poverty exists, and what can be done to alleviate poverty have preoccupied many academic disciplines. Nevertheless, efforts to better understand and alleviate poverty around the world may be enhanced if these questions are further explored using a consumption perspective. Consumption is defined as the exchange of energy – manifest in physical, mental, and symbolic forms (e.g., money) – for objects or services that satisfy human needs and wants and improve quality of life (Csikszentmihalyi, 2000). A collage of global voices below portrays how daily acts of consumption embody the human experience of poverty:

“When one is poor, she has no say in public, she feels inferior. She has no food, so there is famine in her house; no clothing, and no progress in her family.” – Uganda

“Since there is no self-owned property, we can't get loans.” – Venezuela

“I want to show society that despite being poor, I can work hard and earn enough to send my kids to private school.” – India

“Poverty is lack of freedom, enslaved by crushing daily burden, by depression and fear of what the future will bring.” – Soviet Georgia (Narayan, 2002)

Poverty is multi-faceted and defies classification based on simple metrics, demographics, or income levels (e.g., US\$1.25–\$2 a day; World Bank, 2008). Impoverished people face a constellation of factors that shape the quality of their lives, including physical deprivation and pain (hunger, deficient healthcare, and abuse), exclusion (relationships and community), marginalization, anxiety, and fears

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about the future. Advocates for the poor (e.g., United Nations, governments, charities, and individuals) continue to make significant investments to alleviate poverty. Yet, nearly half of the world's population lives in absolute poverty (Martin & Hill, 2012), and the poor are often forced to make dreadful consumption-related trade-offs such as “whether to use limited funds to save the life of an ill family member or to use those same funds to feed their children” (Narayan, 2000, p. 3). Despite significant progress, much work remains and a consumption perspective can help illuminate important issues surrounding poverty and its alleviation.

1.1. Transformative consumer research

The Transformative Consumer Research (TCR) initiative calls for scholarly research to improve “life in relation to the myriad conditions, demands, potentialities, and effects of consumption” (Mick, 2006, p. 2). TCR-inspired scholarship can aim for deeper scientific understanding of poverty that can be translated into practice that helps improve the material, social, and cultural conditions of the poor. Admittedly, most consumer researchers live in abundant contexts that constrain their grasp of impoverished living. Nevertheless, linking consumer research and other academic disciplines to highlight opportunities for poverty alleviation research represents a worthy and potentially valuable endeavor.

Poverty research as a whole has been slow to cross the threshold from knowledge to transformative impact, perhaps because of its historical emphasis on poverty as an economic condition. Over time, its conceptual domain has been expanded to encompass a more holistic view of poverty as poor living and ill-being across a cluster of life dimensions (Sen, 1999). Chakravarti (2006), for example, highlights the deprivation that poverty exerts on a mental plane, and how prolonged deprivation affects an individual's subjective ill-being. An anthropological perspective, in contrast, focuses on cultural inflections of poverty (Lewis, 1966) and how culture shapes the life aspirations of the poor (Appadurai, 2004). A sociological perspective points to how societies engender structural and chronic forms of poverty, and how other social systems hinder social mobility and attainment (Haveman, 1987).

Holistic conceptualizations of poverty open the door for consumer research to offer a complementary voice in the multidisciplinary poverty dialogue. Consumption is unarguably linked to well-being (Burroughs & Rindfleisch, 2012). The way an individual or a group consumes facilitates “a myriad of purposes and consequences, from nourishment, contentment, and achievement, to gluttony, disfranchisement, and destruction” (Mick, Pettigrew, Pechmann, & Ozanne, 2012, p. 3). With its aim to improve life, the TCR perspective can complement an evolving conceptualization of poverty by shedding light on aspects of consumption and consumer well-being and, in the process, accelerate the achievement of transformative outcomes for the poor.

1.2. Transformative consumer research on poverty

“Almost half the world's population lives on less than two dollars a day, yet even this statistic fails to capture the humiliation, powerlessness, and brutal hardship that is the daily lot of the world's poor.” Kofi Annan (2000)

Drawing inspiration from the former UN Secretary-General's distinction between economic statistics and the lived experience of the poor, this paper lays out a transformative agenda and consumer research framework that contributes insights for poverty alleviation (see Fig. 1). To do so, the paper first explicates two focal concepts – *felt deprivation* and *power* – and then lays a foundation for five research streams that illustrate how consumer research can illuminate the lived experience of consumption in poverty and open pathways for transforming the lives of the poor. As Fig. 1 illustrates, five transformative aims for consumer research are proposed: (1) alleviating stress; (2) productively engaging institutions; (3) fulfilling aspirations; (4) leveraging trust and social capital; and (5) facilitating creativity and

adaptation. These aims recognize that many poor people have incomes, capabilities, aspirations, and creativity that often go unnoticed by marketplace actors and institutions. Furthermore, these aims align with extant research on poor consumers (e.g., Lee, Ozanne, & Hill, 1999), the bottom of the pyramid (Prahalad, 2005), subsistence marketplaces (Viswanathan, Sridharan, Ritchie, Venugopal & Jung, in press), development economics (Ray, 1998), and informal economies (Portes, Castells, & Benton, 1989). The paper concludes with implications from the framework for consumer researchers, policy makers, the development community, and others working to alleviate poverty.

2. Conceptual foundations

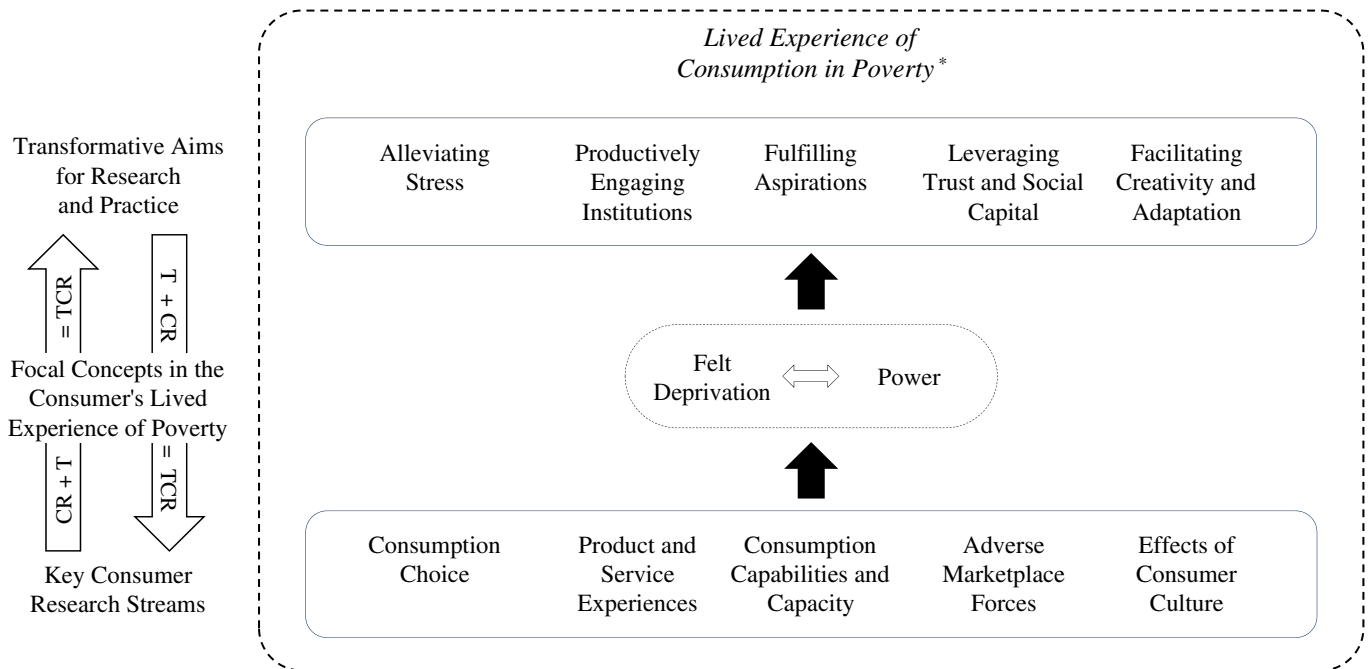
By comparison to contexts of abundance, less is known about well-being and ill-being when impoverished living strips away options in the marketplace. For example, traditional consumer research addresses family decision making for high-priced products like new cars and vacations. Yet, little is known about consumption decision making, family dynamics, and stress when income is restricted, such as when families can afford to obtain safe shelter or food, but not both (e.g., Ruth & Hsiung, 2007; Viswanathan, Rosa, & Ruth, 2010). Researchers should not assume that the underlying priorities and processes that shape consumption in abundance versus poverty are the same (Chakravarti, 2006). Rather, individuals facing chronic restrictions in the marketplace may be unable to consume many things that are needed for basic survival, not to mention objects of desire throughout life.

Extant consumer research articulates this state of affairs with the concepts of *consumption adequacy* and *consumer restrictions*. Hill (2005, p. 217) defines *consumption adequacy* as “the most essential goods and services that must be acquired before citizens within a nation can rise above a short-term focus on continued existence and are able to concentrate on consumption behaviors associated with long-term and higher-order needs.” Hill (2002) defines *consumer restrictions* as constraints on a person's exchange opportunities that may arise from lack of income, access to products or services, or mobility. The framework draws attention to consequences associated with consumption inadequacy and restrictions through the focal concepts of felt deprivation and power, which are described in the next two sections.

2.1. Felt deprivation

If consuming reflects the energy a person spends to improve their quality of life by exchanging something of value for objects that satisfy their human needs (Csikszentmihalyi, 2000), then consumption inadequacy and restrictions in poverty trigger deprivation in the satisfaction of those needs. Accordingly, the concept of *felt deprivation* reflects the beliefs, emotions, and experiences that arise when individuals see themselves as unable to fulfill the consumption needs of a minimally decent life.

Beyond distinguishing between physical and felt deprivation, the definition reflects at least three important points. First, the definition suggests that the poor often recognize their deprived needs and the means to fulfill them, but are unable to access those means. Allen (1970) emphasizes the interplay between environment and individual as a critical influence on the psychology of poverty. Thus, research exploring felt deprivation should investigate impoverished consumers' beliefs, emotions, and experiences as they navigate their environments to deal with stress, employ coping strategies, and create agency such as running survivalist enterprises to augment income. Second, the definition suggests that felt deprivation and its associated beliefs, feelings, and experiences can change over time. As such, the success of poverty alleviation efforts will likely depend on how people experience and cope with its temporal aspects, such as short-lived vs. chronic deprivation and transitions in and out of deprived states. Third, felt deprivation can be examined across different levels



*Note: The lived experience of consumption in poverty context reflects multifaceted life factors such as: vulnerability, exclusion, pain, social judgment, sacrifice, constraints, undesirable trade-offs, as well as hope, capabilities and assets, and creativity.

Fig. 1. Framework for transformative consumer research on poverty.

of analysis and within diverse paradigms. For example, focusing on thoughts and feelings can reveal individual-level psychological variations in perceptions of unfulfilled basic needs, wants, and desires (Blocker, 2011; Martin & Hill, 2012) and their relationship to existential qualities like social or marketplace identity (Üstüner & Holt, 2007). At a sociocultural level, investigating felt deprivation will likely uncover insights into how poverty may be experienced as personal failure versus fate (Lewis, 1966), which may in turn be rooted in cultural beliefs (e.g., Hundelde, 1999).

Focusing on “felt” deprivation emphasizes a human-centric understanding of impoverished living. As alluded to earlier, the conventional and dominant approach has been to define poverty in terms of observed physical deprivation and lack of material well-being, as measured through income, consumption levels, and indicators such as infrastructure access (Wratten, 1995). While offering quantifiable, standardized, and comparative measures of poverty, this portrayal remains distanced from how objective deprivation translates into what poverty means for the poor and how impoverished living feels. The conceptualization of felt deprivation in this paper can accommodate these experiential consequences of consumption poverty (e.g., pain from hunger), indirect consequences such as lost opportunities (e.g., inability to travel to a worksite because of malnutrition) and the associated social blame and shame that, if experienced, could affect other consumption-oriented aspects of individual, family, and community life. Ultimately, an emphasis on felt deprivation using a consumer lens can promote multidisciplinary dialogue that acknowledges consumer characteristics or marketplace restrictions and enriches them with deep insights that arise from the lived experience of poverty. Accordingly, research, policies, and practice geared toward alleviating felt deprivation holds transformative potential for the poor.

2.2. Power

Related to felt deprivation, *power* is another foundational concept for understanding the lived experiences of the poor and how negative

effects of poverty can be transformed via different uses of power. Within marketing research, power has been studied in business-to-business relationships and family decision making, but less so with regard to poverty. Yet, for poor consumers, power rests at the heart of beliefs, thoughts, and experiences of consumer vulnerability (Baker, Gentry, & Rittenburg, 2005), in part because power can feel like an oppressive force that counteracts one’s efforts to achieve even the most basic of consumption goals.

Power is a multifaceted and contested term that is contingent upon social actors’ views and perceptions. Hence, power is fragmented and reflects “the multiplicity of force relations...exercised from innumerable points” (Foucault, 1978, p. 92). Lukes (1974) argues that power has three dimensions: control, exclusion, and hegemony. The ability of the poor or the rich to shape markets and governments for their benefits highlights the control dimension. Exclusion may involve barriers that do not allow the poor to access consumption objects or that restrict the poor from market exchanges. Power is often reflected in hegemony, which refers to a system of values, attitudes, beliefs, and morality that supports the status quo in power relations, such as the poor accepting unequal wages as a fair system of remuneration.

Power is not only exercised through large-scale forces of government and corporations but also unfolds within micro-level and routine interactions among social actors such as when consumers interact with sellers or other consumers. Foucault (1978) labels this the microphysics of power and highlights the mechanisms, contexts, tactics, and actors through which power can be developed and exercised. For example, Gilliom (2001) describes how U.S. welfare recipients face an authoritarian, degrading type of power from welfare workers. Similarly, low-income consumers in rural Appalachia experience healthcare delivery as a “field of struggle” that is shaped by the power tactics of physicians, healthcare staff, policies and everyday practices in healthcare establishments (Lee et al., 1999, p. 236).

Consumers socially construct the meaning of deprivation based on their experiences with power relations (Varman & Belk, 2008). If felt deprivation is understood as the totality of physical, social, cultural, and experiential disadvantages, then power can either exacerbate or

help to alleviate some of these adverse circumstances for the poor. Subsistence consumer merchants, for example, can exercise power by withholding credit from a problem customer, full payment from an abusive vendor, or assistance from an extended family member, in order to meet family well-being objectives such as education for the children (Viswanathan et al., 2010). When power is experienced as an oppressive force, consumers might engage in resistance. Resistance and power are intertwined in multiple ways (Foucault, 1994). For example, when faced with felt deprivation and the oppressive force of power, poor consumers may engage in acts of resistance that range from strategic organized action (e.g., Living Wage Movement; Luce, 2004) to subtle everyday tactics such as false compliance, foot dragging, and working the system (Scott, 1985). Resistance can also be creatively disguised in social practices that make their rejection or control difficult to recognize (see de Certeau, 1984).

To better understand the effects of power on the poor, transformative consumer research should examine how poor consumers experience power and exercise collective, organized, and invisible forms of power resistance to manage their felt deprivations. These perspectives complement research in the development literature on government-mediated empowerment through provision of basic services, improved governance, and access to justice and legal aid (Narayan, 2002) as well as market-based and self-initiated exercise of power (Prahalad, 2005; Rosa & Viswanathan, 2007). When the poor develop an awareness of basic human rights, such as the right to shelter or food, they may engage different forms of power through collective or individual actions with potential to improve their lives. This line of inquiry can help uncover how poor consumers navigate low- or no-power conditions and countervail the power of the elite in the marketplace to satisfy their consumption needs.

3. Key consumer research streams with implications for poverty

Given that poverty triggers consumer restrictions, manifest in felt deprivation and power struggles to satisfy consumption wants and needs, the focus now turns to five key consumer research streams that offer pathways to help improve individual and collective well-being: consumption choice, product and service experiences, consumption capabilities and capacity, adverse marketplace forces, and the effects of consumer culture. These five research domains are organized along a micro- to macro-level continuum to offer a more comprehensive treatment. Specifically, while consumption choice and product and service experiences are micro-level phenomena, consumption capabilities and capacity offers opportunity for both micro and macro level analysis, and consumer culture and marketplace forces conform to a macro perspective.

3.1. Consumption choice in poverty

Recent work in behavioral economics suggests that consumption choices of the poor reflect neither the seemingly rational goal pursuits exhibited by the more affluent (Chakravarti, 2006), nor a unique “culture of poverty” rife with deviant values, misguided behaviors, and fallible choices (Bertrand, Mullainathan, & Shafir, 2006, p. 8). Instead, the poor appear to exhibit “basic weaknesses and biases similar to [others] except that in poverty, there are narrower margins for error, and the same behaviors...can lead to worse outcomes” (Bertrand et al., 2006, p. 8).

This perspective can inspire several consumer research opportunities. First, although all consumers suffer from biases in information processing and decision making (Bettman, Johnson, & Payne, 1991), little is known about how poverty might amplify or attenuate such biases and possibly affect decision making in counterintuitive ways. For example, information-processing theories would predict worse decision outcomes among the poor on account of limitations in processing ability. Yet, poor consumers may actually face fewer processing burdens

and exhibit fewer biases than others. Whereas affluent consumers may experience choice overload (Scheibehenne, Greifeneder, & Todd, 2010) and feature fatigue (Thompson, Hamilton, & Rust, 2005), impoverished conditions are typically associated with a shortage of attractive options that are simple instead of feature-laden. This limiting of choice options can be voluntary and used as leverage, for example by shopping only from one vendor and using this choice to extract other concessions from the vendor (Viswanathan et al., 2010), both instantiations of power. Ultimately, transformative consumer research could explore how poverty coalesces with market information, consumer information processing, and satisfaction to illuminate ways to alleviate stresses that the poor face in the marketplace.

Second, research must better understand how various institutional, social, and psychological obstacles lead to detrimental consumption choices among the poor (e.g., unhealthy eating). Scholars may delve deeper into the so-called “culture of poverty” – not as a product of deviant psychological traits innate among the poor, but as provoked and socialized by the thin margins in poverty, felt deprivation, and instances of power and resistance (Hill & Gaines, 2007). Such research should explore how persistent poverty, felt deprivation, and the uses of power affect psychological mechanisms that can generate productive consumption, including decision-making and choice processes (Chakravarti, 2006), to say nothing of how socially constructed power structures can alter such mechanisms and likely outcomes.

Third, consumer researchers should also examine adaptations to marketing practices that engender power or resistance among the poor in response to institutional, societal, community, and family obstacles that hinder their consumption choices. Endowing the poor with power, which has been adopted by the World Bank as its primary poverty reduction strategy, expands “the assets and capabilities of poor people to participate in, negotiate with, influence, control, and hold accountable, institutions that affect their lives” (Narayan, 2002, p. 11). Along these lines, social marketing campaigns can generate knowledge, while interventions to enhance marketplace literacy can enhance the capability of the poor to make better consumption decisions and increase their individual and collective power (Viswanathan, Sridharan, Gau, & Ritchie, 2009).

In sum, research on information processing and decision making among the poor may uncover ways to minimize felt deprivation and endow the poor with power, which in turn would alleviate stress, help fulfill basic needs and aspirations, and facilitate more productive relationships with market institutions. Further, if the poor display less biased information processing or can better manage their consumption choices, important lessons can be learned for the design of products, services, and markets that could effectively improve well-being for all consumers.

3.2. Product and service experiences

The poor are confronted with a paradox in the product and service arena. On one hand, government programs have historically done little to improve well-being, perhaps because the needs of the poor are often addressed with “hand-outs” by bureaucratic agencies rather than tailored to the wants and needs of the poor from their perspective (Varman, Skálén, & Belk, 2012). On the other hand, despite the vast managerial and scholarly attention toward product development in a market economy, hardly any of this effort develops products that can solve critical life needs of the poor (Viswanathan & Sridharan, 2012) or designs them based on the “voice” of the poor. Thus, perspectives grounded in felt deprivation and power can expand the scope of inquiry at a product experience level and aid poverty alleviation efforts.

For example, Viswanathan and Sridharan (2012) highlight how several products and services developed in this grounded manner effectively address felt deprivation and power issues in a developing country. In particular, the study articulates how conventional English

programs that focus on basic language skills (grammar) neglect facets of felt deprivation such as social stigma, self-doubt, and nervousness as well as teacher-learner power differences that are associated with illiteracy. Viswanathan and Sridharan (2012) observe greater receptivity with a revised program that accounts for these complexities and that is re-oriented as a family and community literacy activity.

This example finds support in emerging marketing research perspectives that encourage product designers to view products as more than merely tangible possessions containing a bundle of attributes with utility. Rather, products can be seen more flexibly as “appliances” that customers co-create with mental and physical effort to generate value-in-use for themselves (Vargo & Lusch, 2004). This perspective aligns with the needs of poor consumers because the emphasis shifts from possession of products, which typically requires substantial income, to having ability to “access” products and services (Chen, 2009). Thus, a transformative agenda could help private markets design products and services that enhance consumer power by separating access to benefits from ownership, which would in turn help alleviate felt deprivation stimulate pro-poor market development (Prahalad, 2005).

Likewise, the proposed perspective can advance the newly emerging literature on product development and design for subsistence markets by identifying their unique challenges and opportunities (Donaldson, 2006). Stakeholders for these projects generally focus on addressing survival needs. However, attention should also be allocated to products and services that enhance the lives of the poor through fulfillment of aspirations beyond basic survival (Viswanathan & Sridharan, 2012) or through resistance to institutional and elite power. To do so, methods such as participatory and community action research should be used to ground insights in people’s daily lives and various sociocultural contexts (Ozanne & Anderson, 2010; Ozanne & Saatioglu, 2008). Such methods can lead to the design of products, services, and distribution systems that yield higher returns (e.g., shared products) or provide opportunities for the exercise of power and resistance (e.g., distribution that bypasses intermediaries owned by elites).

Although positive transformations are the aim, the current reality is that too many low quality or unsafe products produce negative outcomes for the poor, or limit their abilities to resist or redirect power in the marketplace. As a result, research and practice should aim to minimize negative outcomes, meet needs, fulfill aspirations, and create means for the poor to attain more power in the marketplace.

3.3. Consumption capabilities and capacity

Multidisciplinary research shows that the poor have tangible assets (labor and housing) and intangible assets (household and community relations) that serve to reduce their vulnerability, and that the poor can manage their asset portfolios aggressively and competently (Moser, 1998). In a consumption context, consumer vulnerability reflects a state of helplessness associated with imbalance in marketplace interactions (Baker et al., 2005) and generates a sense of insecurity and exposure to risk, shocks, and stress (Wratten, 1995). Transformative consumer research can focus on ways impoverished consumers can gain power by transforming their assets into productive consumption capabilities, that is what people are able to do and be (Sen, 1992, 1999).

For example, for the poor, hope is an asset that fosters consumer capabilities (Rosa, Geiger-Oneto, & Barrrios, 2012). Poor consumers tend to experiment with possible solutions based on resources, which may be limited. When hope is present, experimentation is extended, persistent and often playful, and solutions are more successful. Creative pursuits provide just the right amount of motivated reasoning to attempt the improbable and are recurring antidotes to felt deprivation among the poor. In contrast, creativity suffers when hope is absent, not only because the pursuit of problem solutions is less energized but also because efforts may be diverted to restoring

hope instead of reducing felt deprivation. Furthermore, creativity fueled by hope can be effective in engendering power or resistance, since strategies for both demand effort in the envisioning and enacting of alternative power structures. Therefore, creativity can be seen as a capability fueled by hope that ultimately reduces felt deprivation and enhances power. Further research into the emotional lives of poor consumers is likely to reveal other such capabilities and assets (Narayan, 2002).

The role of community within marketplace relations also offers opportunities to explore the transformative nature of capabilities such as those associated with social capital (Portes, 1998). Social capital within poverty has been extensively researched (Woolcock & Narayan, 2000). However, research could be extended beyond the family and communal domain into the everyday marketplace realities of the poor. The poor care deeply about relational dynamics in the marketplace. For example, poor consumers and shopkeepers often rely on relationships with one another for marketplace knowledge and assistance in buying and selling when funds run short (Viswanathan et al., 2010). Likewise, poor families often maintain consumption through a complex array of relationships that stands ready to contribute resources when setbacks occur (Ruth & Hsiung, 2007). This insight is consistent with Allen’s (1970) argument that family, social groups, peers, neighbors, and the community are important resources in the process of change.

These findings can help guide research and policy interventions to further develop the capabilities of poor consumers. Marketplace-specific social capital, which is an asset, can engender marketplace literacy, a capability that in turn expands the ability of poor consumers to shape local markets artfully and inventively (Viswanathan et al., 2009). From a more macro perspective, research could explore how formal businesses that wish to transact with poor consumers could develop locally embedded marketing systems that contribute to relational capabilities in interpersonal networks of consumers, vendors, neighbors, and family members (Ritchie & Sridharan, 2007; van Staveren, 2003). Since increased involvement of formal business with poor consumers is not without risks, research should also examine potential limitations and contingencies for developing such social capital (Viswanathan, Sridharan, Ritchie, Venugopal, & Jung, in press).

In sum, marketplace actors and institutions can foster the creativity and productivity of the poor by enhancing already-present consumption capabilities, which may produce returns that far exceed what can be gained through entitlements or donations. Furthermore, consumer research offers a platform for understanding the diverse assets held by poor consumers and cultivating market-centric ideas for translating them into consumption capabilities, especially those related to consumer creativity and entrepreneurial adaptation.

3.4. Marketplace structures, forces, and poverty

Consumer choices, product/service experiences, and consumption capabilities in poverty are shaped by the broader marketplace structures of informal and formal economies. Informal economies operate without institutions like organized retailing and tend to revolve around essential goods and services. Large numbers of urban poor live within informal economies on the fringe of cities (Gulyani & Talukdar, 2009, 2010). Compared to formal economies with more affluent consumers, the informal livelihoods and consumption activity of the urban poor have been under-researched.

Transformative consumer research might examine how the urban poor may experience deprivation and power inequities in light of informal marketplaces and geographic proximity to consumption abundance. Many urban poor become micro-enterprise operators (Viswanathan et al., in press) who manage in informal marketplaces that are survivalist in goals and highly integrative across human and market dimensions (Viswanathan et al., 2010). Accordingly, consumer research should learn from the ways that a micro-enterprise structure creates a unique fabric of trust and social capital within informal markets to adapt in

difficult circumstances. Beyond exploring urban poverty and informal economies, consumer research should look closely at the marketplace structures in rural informal economies. Wratten (1995) explains differences among urban–rural poverty with four characteristics: environmental and health risks, vulnerabilities from commoditization, social fragmentation and crime, and negative contacts with the state and police. Studying both urban and rural settings will generate a fuller picture of the experiences of poor consumers.

In contrast to informal economies, formal economies include extensive roles for market institutions and exchange of essentials and non-essentials like luxury and leisure products. Researchers should explore two key issues involving marketplace forces in formal economies. The first issue concerns “marketization,” which has emerged from the popularity of neoliberalization policy as an economic development and poverty alleviation paradigm. Marketization is associated with a minimalist state that emphasizes private profit-making and control (Harvey, 2005). Because marketization also tends to increase social inequality, the poor can face unprecedented economic hardships, marginalization, and increased materialism (Varman & Belk, 2008). Research indicates that the poor resist these forces by creating alternate institutions that may minimize felt deprivation (Varman & Costa, 2008; Viswanathan et al., 2010). Yet, to better understand the consequences of marketization, transformative consumer researchers might further investigate how these market forces marginalize poor consumers as well as how different acts of resistance engaged by these consumers might countervail such negative effects.

A second research issue involves consumers’ trust with the marketplace and institutions such as government agencies, consumer groups, businesses, and the media. Mistrust of market-related institutions impacts poor consumers’ quality of life perceptions (Ekici & Peterson, 2009; Peterson, Ekici, & Hunt, 2010). Trust/distrust becomes an important life-simplifying and constraining mechanism due to the threatening and uncontrollable environment in which poor consumers live (Earle & Cvetkovich, 1995). To address this aspect of marketplace institutions, transformative-oriented research can draw upon the literature on consumer trust to better understand its implications for felt deprivation and power inequities, and specifically, how market-related institutions can aim to improve their trust-enhancing capacities with impoverished consumers. Doing so will relieve stress and open avenues for consumers and marketplace institutions to productively engage with one another.

3.5. The effects of consumer culture

Consumer culture can have negative effects on the lives of individuals and groups, for example, manifest in materialism and consumption disorders such as compulsive buying (Burroughs & Rindfleisch, 2012). However, with a few notable exceptions (e.g., Crockett & Wallendorf, 2004; Ger & Belk, 1996; Hill, 2002), the bulk of research on consumer culture focuses on individuals with abundant resources.

The poor can also experience the negativity of consumer culture when they feel socially excluded and stigmatized as they struggle to maintain consumption standards (Bauman, 2005), possibly exacerbating felt deprivation. At times, consumer culture acts as an internalized disposition for poor consumers that compels them to strive for desired identities associated with pre-defined consumption patterns (Üstüner & Holt, 2007). In reality, materialism amongst the poor is sometimes prevalent because of sheer desire and desperation for consumer objects they lack (Miller, 2001). Consumption represents a way for poor people to confront, on a daily basis, their sense of alienation from mainstream society and their lack of material power in achieving consumption standards.

When the mode of life enjoyed by some people dictates societal norms, large differences in material well-being can be objectionable. Consequently, felt deprivation and consumption inadequacy triggered by consumer culture can be particularly intense in wealthy

societies. Being poor is usually perceived as a “capability handicap” since in a rich society an individual needs income to buy socially appropriate goods to maintain dignity (Sen, 1992, p. 11). Perceptions of consumer culture depend on the type of poverty and felt deprivation one is experiencing (e.g., extreme versus marginal) and the sociocultural context (e.g., the U.S. versus less consumption-oriented societies). Hence, a transformative consumer research agenda should investigate different forms of felt deprivation across varying consumer cultures.

Research should also investigate ways that the poor respond to consumer culture. The poor may be pressured to the limits of their economic means to “fit in” and are sometimes labeled as “blemished, defective, faulty...or flawed consumers” (Bauman, 2005, p. 38) and sometimes judged as personally responsible for their failure to participate in the consumer culture (Goodban, 1985). Yet, they engage in an array of power strategies to cope with the stress of consumer culture and to feel empowered. For instance, Warde (1994) suggests that the poor cope with consumption anxiety and stress by interacting with others who are in similar circumstances and by creating joint resistance where individual resistance may be ineffective.

In sum, a transformative consumer research agenda could help disentangle the effects of consumer culture on the poor by addressing questions such as: How does consumer culture impact the poor across various sociocultural contexts (e.g., wealthy versus less-developed economies) and across poverty experiences (e.g., short-term versus chronic poverty)? How do the poor respond to consumer culture? What is the meaning of consumption for the poor? And, given that consumer identities are constructed in the marketplace (Arnould & Thompson, 2005), how do poor consumers construct their identities? Addressing these questions will lay a foundation for developing strategies to alleviate stress fostered by negative aspects of consumer culture.

4. Discussion

The transformative consumer research lens offers a platform for inspiring consumer researchers to reach for transformative impact through prescribing an explicit, consumer well-being agenda ($CR + T = TCR$). At the same time, the lens can also provide policy makers and the development community with insights towards achieving long-standing aims of improving lives: that is, by seeing the poor as people who are making myriad consumption decisions that can be analyzed using robust consumer theories, methods, and perspectives to deepen the holistic understanding of poverty ($T + CR = TCR$). Thus, Fig. 1 depicts two complementary trajectories for TCR impact.

4.1. Opportunities and challenges for consumer research

Consumer research is poised to contribute a unique perspective to the poverty dialogue through meaning-making about why and how the poor consume in a world that is marked by increasing social inequalities, marketization, monetization, and materialism. This meaning-making will be accelerated by transformative consumer research focused on *felt deprivation* and *power* as intertwined factors, assets, resources, deficits, vulnerabilities, and capabilities of the poor. Felt deprivation and power link the lived experiences of poor consumers — along with their pain, hopes, risks, sacrifices, and creativity — to larger economic, social, political, and cultural forces that are oftentimes at odds with being able to live a life of dignity.

The proposed research agenda, summarized in Fig. 1, highlights that felt deprivation and power are at the heart of how the poor use their consumption capabilities when choosing product and services, while also navigating possibly adverse consumer culture and marketplace structures and forces. Achieving transformative aims will be accelerated by recognizing the creativity, adaptability, and resilience of poor consumers as a wellspring of ideas for novel products and services. Through these efforts, the well-being of the poor can increase by meeting their basic needs and supporting the fulfillment of life

aspirations. Marketers can work to reduce stress by recognizing the fundamental role that trust in market institutions plays for poor consumers. Mechanisms for productive engagement between the poor and government entities, business, and the development community should be centered on honoring social, communal, and institutional relationships that are at the heart of social capital. Embracing these changes in perspective will not only add to knowledge of poverty but, more importantly, will contribute to achieving the transformative aims identified at the outset.

4.2. Opportunities and challenges for social and government entities

At the same time, a consumer perspective can help to illuminate why life-improving solutions offered by governments, service organizations, and the development community may sometimes be shunned by the poor. For example, Doctors Without Borders/Médecins Sans Frontières finds that feeding schemes are sometimes not adopted by those who are malnourished. For example, compared to a feeding program that requires an extended stay at a distant clinic, poor mothers more readily adopt therapeutic food that is pre-packaged, portable, and ready-for-use at home (Economist, 2005). A consumption perspective suggests that benefits reside in greater convenience plus an ability to meet the needs of a malnourished child and the whole family. If so, greater value may translate into a more attractive choice, greater “adoption” of the life-transforming food, and an increase in lives saved.

As this example suggests, poverty alleviation mechanisms may be more likely to be “adopted” when the “solutions” — those offered by governments, service organizations, and the development community as well as consumer researchers and business — fit into the psychological, familial, social, and cultural lives of the poor. This guidance is consistent with the importance of the “interface between economic/social system and individual” for behavior change, one of the key theoretical issues in poverty research (Allen, 1970). Accordingly, a transformative consumer research lens can help governmental and non-governmental development practice and policy by:

- Shifting the definition of poverty to the perspectives of the poor and their conceptualization of what constitutes a minimally decent life and the life they aspire to.
- Recognizing and facilitating collective power and the voice of poor consumers, and fostering ways in which poor consumers are able to meaningfully engage with social and marketplace institutions.
- Helping the poor articulate and communicate the products and services they seek from governments, the development community, or private enterprise through greater adoption of methods that tap into the voice of the consumer (see Ozanne & Anderson, 2010; Ozanne & Saatcioglu, 2008).
- Shifting the design, delivery, and evaluation of products and services from a supply-driven to demand-driven orientation that acknowledges the concepts of perceived value, choice, and satisfaction in relation to well-being from the perspective of poor consumers.

In sum, transformative consumer research is poised to contribute to the dialogue on poverty by retaining its rightful gaze on the role of consumption in the well-being of poor consumers. With fresh insights sparked by reflecting on the intersection of consumer research and other paradigms, transformative consumer researchers and other advocates for the poor can engage in complementary, collaborative, rigorous and sustained efforts that will catalyze greater understanding of poverty and lead to more impactful poverty alleviation efforts.

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