

ALEKSANDRA BURGIEL

aburgiel@wp.pl

---

*Social Comparisons and Their Role in Shaping Contemporary  
Consumers' Behaviors*

---

Porównania społeczne i ich rola w kształtowaniu zachowań współczesnych konsumentów

**Key words:** consumer behavior; social comparisons; comparative reference groups

**Słowa kluczowe:** zachowania konsumentów; porównania społeczne; komparatywne grupy odniesienia

**JEL code:** D12

### **Introduction**

Attempts to recognize and describe the role of social influence, i.e. the way people affect others' feelings, knowledge, attitudes and behaviors, have a long history. Research conducted within the frameworks of sociology and psychology provided effective starting points and offered certain methodological solutions for other disciplines. Thereby, scholars representing such fields as economics, marketing and consumer behavior could start their own studies regarding diversified symptoms of interpersonal influences and their consequences for people's market behaviors.

In many ways, these studies prove that a human is a social being also when he plays the role of a consumer. One of the symptoms of the consumers' social nature is that they constantly compare level and structure of their own consumption to those realized by others, adjusting it when necessary to standards set by their reference groups [Veblen 1899; Ordabayeva and Chandon 2011]. This process of comparisons between the self and the others is a fundamental psychological mechanism, allowing individuals to know themselves by confronting their own behavior and attributes

with the behavior and attributes of other people, especially the ones belonging to their reference groups [Festinger 1954].

Despite an increased interest in studies regarding social comparisons which can be observed in many countries, academic research addressing these issues with regard to Polish consumers is still scarce. Thus, in this paper, the author aims to establish the role of social comparisons in shaping consumers' behavior and to identify reference points used by them, i.e. their comparative groups.

## **1. Literature review**

### **1.1. Social comparisons**

All human behaviors, including economic ones, are from the earliest years shaped by observing others' conduct and by permanent, though almost unconscious, comparisons and assessments which are based on these observations. In his original theory of social comparisons, Festinger [1954] explains that humans have a strong desire to know themselves and to maintain an accurate self-image. In his opinion, people best serve this need of self-evaluation by measuring their attributes against direct, physical, and preferably objective standards. In the social reality, however, it is difficult or even impossible to find such objective measures. Hence, social beings obtain information about themselves and about how to cope in different areas, by confronting themselves with others.

People constantly engage in social comparisons. Whenever they obtain any piece of information about others, they relate it to themselves. Such comparisons are not only common and continuous but they also affect people's feelings, opinions and attitudes as well as their behaviors in many different areas.

To start with, results of social comparisons serve as a basis for people's evaluations of their abilities and achievements, and thus they determine self-esteem level of an individual [Festinger 1954; Dunning and Hayes 1996; Corcoran 2011]. Furthermore, comparison processes provide individuals with guidelines indicating the 'proper behavior' in various contexts and situations [Festinger 1954; Akerlof 1980]. Hence, comparisons may encourage people to reduce household water and energy consumption [Allcott 2011; Ferraro and Price 2013] as well as to increase contributions to public goods [Chen et al. 2010]. Naturally, also consumption and consumer behaviors are significantly affected by social comparisons. Firstly, they shape consumers' aspirations and lifestyle [Shor 1998a; Tyszka 2004, pp. 218, 232–233] and thereby they determine what people want to buy and what they actually purchase [Shor 1998b; Chipp et al. 2011]. Moreover, based on social comparisons households evaluate whether they can afford buying something or not [Karlsson et al. 2005].

Many studies focused on social comparisons referring to personal attributes and behaviors. But the same mechanism proved to be important in case of evaluating tangible items. It seems that the value of material assets is often estimated in relative terms, and this relative value happens to be more important than the absolute one [Alpizar et al. 2005; Solnick and Hemenway 2009]. A car we own is good because it is better than a neighbor's car, and high salary shrinks into low as it turns out that a co-worker at a similar post earns more.

Finally, social comparisons affect consumers' satisfaction with various aspects of existence, with particular reference to consumption, and thereby they determine consumers' happiness [Solnick and Hemenway 2009]. The last observation relates to the fact that social comparisons may cause two-fold effects in an individual's affective state:

- positive feelings, when comparison result is favorable for a consumer because it shows that, to some extent, she/he seems to occupy a higher/better position than others;
- negative feelings, when comparison results suggest that in a given field the consumer's position is lower/worse [Chipp et al. 2011].

Considering the above, we may state that each decision made and each thing possessed by a consumer can be evaluated differently depending on the reference point chosen for comparisons. Festinger [1954] suggests that people compare themselves to those who are like them: relatives, good friends, co-workers occupying similar positions. Individuals used as reference points cannot, however, be identical because then the comparison would be pointless, especially that humans seem to prefer all types of hierarchies. Therefore, it is essential that similarity between a consumer and his reference point is only partial.

This leaves two obvious options, representing two types of social comparisons, i.e. upward and downward comparisons [Kimmelmeier and Oyserman 2001]. The former one means that a consumer refers to those who are similar but still better; and the latter means the opposite direction of comparisons. Choosing specific point of reference is in fact connected with the choice of reference groups.

## **1.2. Comparative reference groups**

The effects of social comparisons occur because and as long as people are concerned about reactions of others [Bearden and Rose 1990] but also, what is equally important, if there are certain others who can serve as a reference point. These special individuals form reference groups.

Hyman [1942], who introduced reference groups concept, defined it as a certain system on the background of which individuals (consumers) perceive themselves. Reference groups are, therefore, the groups to which a consumer relates his behaviors, i.e. compares with them, and those from which he derives values, norms and patterns of behavior. The reference group may include persons familiar to the consumer, e.g.

relatives, friends, or the ones resembling him with regard to some kind of ability, e.g. co-workers. But reference group could also involve people who are not directly related to an individual or who are somehow superior, e.g. celebrities, sports stars. It follows that the consumer may, but needs not to be a member of his reference groups [Schiffman and Kanuk 2000; Marshall 2004].

Over the years, studies concerning reference groups allowed to distinguish three types of them: comparative, normative, and status ones<sup>1</sup>. The only subject of this study interest are comparative groups since these are the ones used in social comparisons. Additionally, we will refer to the classification introduced by Cowan, Cowan and Swann [2004] who proposed the concept of peer and aspirational groups. Peer groups are composed of people who are in rather close relationship with the consumer, having similar lifestyle and social status, sharing similar problems, values and goals. In contrast, aspirational groups are those which the consumer wants to join as he is not a member yet. These groups usually occupy a higher position in the social hierarchy, have greater resources, and, thus, realize better consumption patterns. Confronting consumer's own position with their situation is a typical example of upward comparisons. Aspirational groups may include members of the consumer's distant social environment but their lifestyle and some elements of consumption patterns must be known to him so he can use them in the comparisons and later, while realizing his own consumption.

## 2. Research methodology and sample characteristics

The data used here were obtained during the study conducted in autumn 2010, in 8 Polish provinces<sup>2</sup>. Structured paper and pencil interview was used as a method of data collection<sup>3</sup> and quota sampling was used to determine the sample. Two criteria adopted to set quotas were age and sex. The sample was composed of 1,200 respondents, including 630 women (52%) and 570 men (48%) (see Table 1 for details of sample profile).

---

<sup>1</sup> An interested reader can find description of all types of reference groups in: Mihić [2006] and Burgiel [2014].

<sup>2</sup> The chosen provinces included: Lower Silesia, Lublin, Małopolska, Mazovia, Podkarpacie, Silesia, Wielkopolska and West Pomerania Provinces.

<sup>3</sup> Here, the author presents only a fraction of the research results since the original scope of the study was much broader and it regarded interpersonal influences and social phenomena observed in consumers' behaviors, including emulatory behavior, demonstration and snob effects as well as conspicuous consumption.

Table 1. Socio-demographic and economic profile of the sample (N=1,200)

Variables:		%	Variables:		%
Gender	female	52.5	Household monthly income per capita (in PLN)	less than 500	4.4
	male	47.5		501–1,000	26.6
	TOTAL	100.0		1,001–1,500	28.2
Age	20–24 years	10.4		1,501–2,500	27.2
	25–34 years	21.0		more than 2,500	13.6
	35–44 years	16.3		TOTAL	100.0
	45–54 years	19.2	Subjectively estimated material conditions of a household	bad & very bad	4.7
	55 years or more	33.1		average	45.3
TOTAL	100.0	good		42.4	
Education	primary/vocational	15.8		very good	7.6
	secondary	41.4		TOTAL	100.0
	university graduate	42.8			
	TOTAL	100.0			

Source: Author's own research.

Principal questions, however (i.e. regarding social comparisons), were asked only to respondents who identified reference groups in their surroundings so the data used in this paper come from only a part of the original sample<sup>4</sup>.

### 3. Research results

Comparative peer groups were identified by more than half of all respondents (646 – 53.8% of the total sample), while aspirational groups were indicated by less than a quarter of respondents (279 – 23.3% of the total sample). Only respondents who declared relations with their comparative groups were asked about attributes and role of these groups.

In case of peer groups, their most typical representatives are close friends (over 60% of responses), whereas the most typical members of aspirational groups are acquaintances. Co-workers play relatively important role as representatives of aspirational groups. They were indicated by more than 16% of respondents identifying aspirational groups while their role as peer group members is much lesser (Table 2).

<sup>4</sup> Because of the limited length of the paper we cannot present profiles of these subgroups.

Table 2. Comparative groups members according to their relations with respondents

Typical member of aspirational group	% (N=279)	Typical member of aspirational group	% (N=646)
Friend/acquaintance	45.9	Close friend	61.5
Co-worker	16.5	Relative (outside an immediate family)	15.4
Friends' friend (not known)	15.4	Friend/acquaintance	9.0
Celebrity	11.1	Co-worker	5.6
Neighbor	7.5	Neighbor	4.8
Another person	3.6	Another person	3.7
TOTAL	100.0	TOTAL	100.0

Source: Author's own research.

Peer groups seem to occupy a similar position in the society and their demographic and economic profile is similar to respondents' profile. But aspirational groups members resemble respondents only in terms of age and education while they have a higher social and material status, as well as apartments equipped with better appliances.

An important precondition to make any comparisons, is having at least basic knowledge of an object being a reference point. This also applies to consumers who may compare their consumption with reference group consumption only if they know the latter. Hence, in our study we attempted to assess the respondents' knowledge of several categories representing consumption patterns realized in their comparative groups (Figure 1).

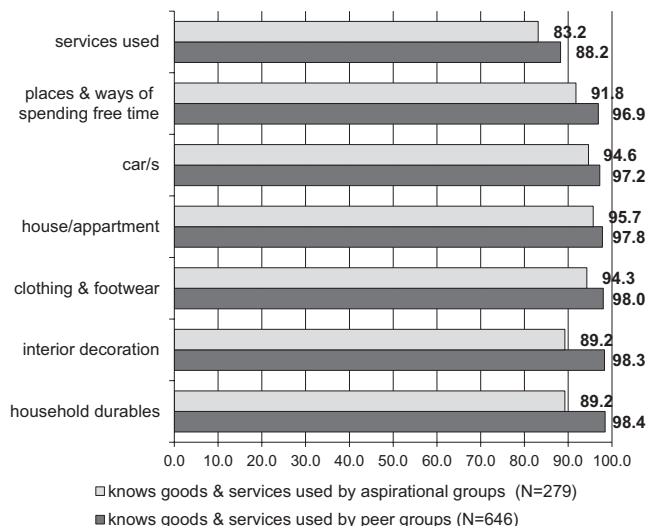


Figure 1. Respondents' familiarity with selected elements of consumption realized by their comparative groups

Source: Author's own research.

Among those who identified their peer groups, on average ca. 97% knew the analyzed aspects of these groups consumption. In case of aspirational groups, this rate amounted to ca. 92%. Only services used by comparative groups were known less well. This observation leads to the conclusion that consumers are familiar with different aspects of their reference groups consumption patterns. Apart from that, we managed to determine that most respondents found these consumption patterns attractive (Figure 2).

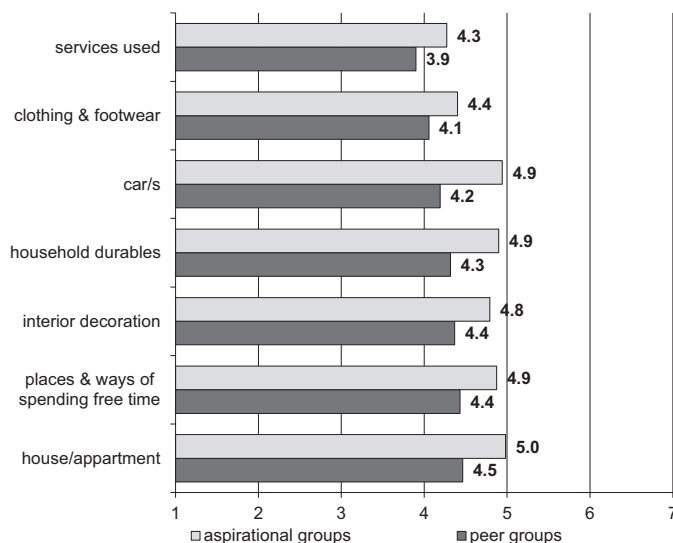


Figure 2. Mean values\* of attractiveness of selected consumption elements realized in comparative groups

\* 7-point scale was used, where 1 – “I don’t like it at all”, and 7 – “I like it very much”.

Source: Author’s own research.

The most liked elements included an apartment or a house owned by reference group members as well as style of its interior decoration and household equipment. Highly valued were also places visited by reference groups, ways of spending their free time, and cars, especially the ones owned by members of aspirational groups. In general, respondents evaluated attractiveness of the consumption elements observed in aspirational groups higher than the ones characteristic for peer groups. That is not a surprise since aspirational groups members are better off, and so they use goods and services of a higher standard.

The basic aim of the study was to determine whether comparative groups and comparison results play any role in shaping both current and future consumption (the latter representing consumers’ aspirations). The data are similar for both types of comparative groups and they show that only half of respondents identifying reference groups confront their own standard of living with the one observed in these groups

with certain regularity (they assessed frequency of comparisons to 4 or higher on a 7-point scale, where 1 – “never”, and 7 – “constantly”, see Figure 3)<sup>5</sup>.

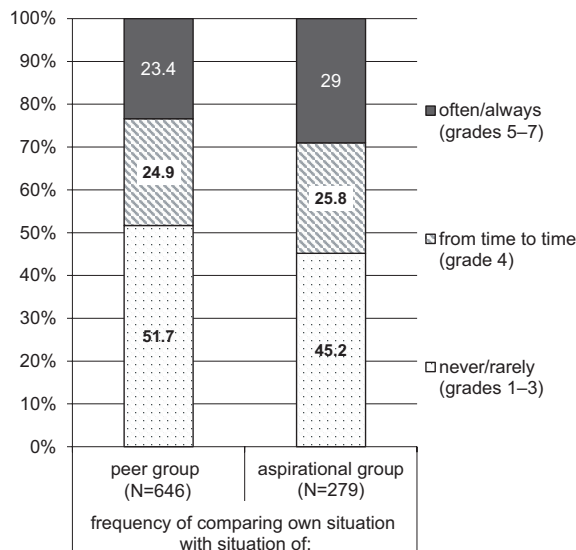


Figure 3. Respondents’ engagement in social comparisons as measured by their frequency

Source: Author’s own research.

In fact, only 30% of respondents identifying aspirational groups and slightly over 23% of the ones identifying peer groups admitted they compare themselves with these groups often or constantly. The others engage in comparisons rarely or never (average ratings for the analyzed frequency for peer and aspirational groups amounted to  $M_p = 3.41$  and  $M_a = 3.65$ , respectively). These indications are rather low, especially when we refer to the total sample, but this is typical for a research on sensitive topics [Burgiel 2013]. And making social comparisons, though so common, is perceived as negative and even shameful. Still, the data confirm that social comparisons not only occur but also they are undertaken quite regularly by at least part of consumers.

Respondents admitted that they use, to a similar extent, patterns offered by groups of both types, and with respect to both current and future consumption. Again, however, overall indications are low. Rates of consumers who declare using social comparisons results in modelling their own consumption, ranged from 15 to 20% of people identifying these groups (Figure 4).

<sup>5</sup> The respective shares for the total sample amounted to ca. 25% for peer groups and ca. 12% for aspirational ones.

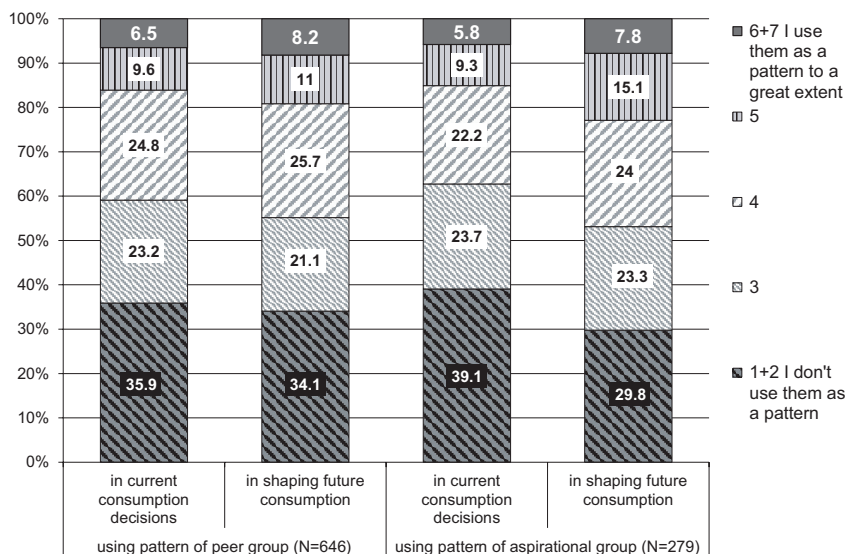


Figure 4. Use of comparative reference groups for shaping current and future consumption

Source: Author's own research.

For both types of comparative groups indications showing their impact on the respondents' current consumption are slightly lower than the influence estimated for future consumption. Although the difference is statistically insignificant, we may assume that for respondents it was easier to admit that in the future they would like to consume things currently consumed in their reference groups than to reveal that they already use the social comparisons results to follow the patterns observed in these groups.

### Conclusions and limitations

There are certain limitations of the study. First, the non-probability sampling makes it impossible to generalize the results to the whole population of the Polish consumers. Secondly, subjects with higher education were overrepresented in the sample which may also represent the source of bias. That is why the results should be interpreted with certain caution.

Although strength of social influences is said to be diminishing, reality observation suggests that social comparisons are still important in determining consumers' behaviors and their role might be even increasing. This results from the fact that all kinds of choices are much more difficult now, when consumers have so many options. At the same time, they have more and more reference points to which they

may compare. These include all Internet users who comment and evaluate products online, and create ultimate comparative groups for the contemporary consumer. Hence, the studies on social comparisons should not be abandoned.

## Bibliography

- Akerlof, G., *A Theory of Social Custom, of which Unemployment may be One Consequence*, "The Quarterly Journal of Economics", vol. 94, no. 4, 1980, pp. 749–775.
- Allcott, H., *Social Norms and Energy Conservation*, "Journal of Public Economics", vol. 95, no. 9/10, 2011, pp. 1082–1095.
- Alpizar, F., Carlsson, F., Johansson-Stenman, O., *How Much Do We Care about Absolute Versus Relative Income and Consumption?*, "Journal of Economic Behavior & Organization", vol. 56, no. 3, 2005, pp. 405–421.
- Bearden, W.O., Rose, R.L., *Attention to Social Comparison Information: An Individual Difference Factor Affecting Consumer Conformity*, "The Journal of Consumer Research", vol. 16, no. 4, 1990, pp. 461–471.
- Burgiel, A., *Problems of Researching Consumers on Sensitive Issues Some Observations on the Example of Emulatory Behavior*, Scientific Papers of the Warsaw University of Life Sciences "European Policy, Finance and Marketing", no. 10, 2013, pp. 108–117.
- Burgiel, A., *Spoleczne zjawiska w zachowaniach polskich konsumentów. Oddziaływania społeczne, naśladownictwo, ostentacja i snobizm*, Uniwersytet Ekonomiczny, Katowice 2014.
- Chen, Y., Harper, F.M., Konstan, J., Li, S.X., *Social Comparisons and Contributions to Online Communities: A Field Experiment on Movie Lens*, "American Economic Review", vol. 100, no. 4, 2010, pp. 1358–1398, DOI: [10.1257/aer.100.4.135](https://doi.org/10.1257/aer.100.4.135)
- Chipp, K., Kleyn, N., Manzi, T., *Catch Up and Keep Up: Relative Deprivation and Conspicuous Consumption in an Emerging Market*, "Journal of International Consumer Marketing", vol. 23, no. 2, 2011, pp. 117–134, DOI: [10.1080/08961530.2011.543053](https://doi.org/10.1080/08961530.2011.543053)
- Corcoran, K., Crusius, J., Mussweiler, T., *Social Comparison: Motives, Standards, and Mechanisms*, [in:] *Theories in Social Psychology*, D. Chadee (ed.), Blackwell Publishing Ltd., Oxford 2011, pp. 119–139.
- Cowan, R., Cowan, W., Swann P., *Waves in Consumption with Interdependence Among Consumers*, "Canadian Journal of Economics", vol. 37, no. 1, 2004, pp. 149–177, DOI: [10.1111/j.0008-4085.2004.008\\_1.x](https://doi.org/10.1111/j.0008-4085.2004.008_1.x)
- Dunning, D., Hayes, A.F., *Evidence of Egocentric Comparison in Social Judgment*, "Journal of Personality and Social Psychology", vol. 71, no. 2, 1996, pp. 213–229.
- Ferraro, P.J., Price, M.K., *Using Nonpecuniary Strategies to Influence Behavior: Evidence from a Large-Scale Field Experiment*, "The Review of Economics and Statistics", vol. 95, no. 1, 2013 (March), pp. 64–73.
- Festinger, L., *A Theory of Social Comparison Processes*, "Human Relations", vol. 7, 1954, pp. 117–140.
- Hyman, H.H., *The Psychology of Status*, "Archives of Psychology", Columbia University, vol. 269, 1942.
- Karlssoon, N., Gärling, T., Dellgran, P., Klingander, B., 2005, *Social Comparison and Consumer Behavior: When Feeling Richer or Poorer Than Others Is More Important Than Being So*, "Journal of Applied Social Psychology", vol. 35, no. 6, 2005, pp. 1206–1222.
- Kemmelmeier, M., Oyserman, D., *The Ups and Downs of Thinking about Successful Other: Self-Construals and the Consequences of Social Comparisons*, "European Journal of Social Psychology", vol. 31, no. 3, 2001, pp. 311–320, DOI: [10.1002/ejsp.47](https://doi.org/10.1002/ejsp.47)
- Marshall, G. (ed.), *Słownik socjologii i nauk społecznych*, PWN, Warszawa 2004.
- Mihic, M., *Consumers' Susceptibility to Reference Group Influence: A Segmentation Analysis*, [in:] *An Enterprise Odyssey*, International Conference Proceedings, University of Zagreb, Zagreb 2006.
- Ordabayeva, N., Chandon, P., *Getting Ahead of the Joneses: When Equality Increases Conspicuous Consumption among Bottom-Tier Consumers*, "Journal of Consumer Research", vol. 38, no. 1, 2011, pp. 27–41, DOI: <https://doi.org/10.1086/658165>

Schiffman, L.G., Kanuk, L.L., *Consumer Behavior*, Prentice Hall, USA 2000.

Schor, J.B., *Keeping up with the Trumps*, "The Washington Monthly", vol. 30, no. 7/8, 1998a, pp. 34–37.

Schor, J.B., *The Overspent American*, Basic Books, New York 1998b.

Solnick, S.J., Hemenway, D., *Do Spending Comparisons Affect Spending and Satisfaction?*, "Journal of Socio-Economics", vol. 38, no. 4, 2009, pp. 568–573.

Tyszka, T. (ed.), *Psychologia ekonomiczna*, GWP, Gdańsk 2004.

Veblen, Th., *The Theory of the Leisure Class*, Macmillan, New York 1899.

### **Social Comparisons and Their Role in Shaping Contemporary Consumers' Behaviors**

People tend to perceive value of their attributes and objects they possess in relative terms, i.e. based on social comparisons. These comparisons shape consumers' behavior as well as their aspirations, lifestyle, self-esteem and happiness. The aim of the paper was to establish the role of social comparisons in shaping consumers' behavior and to identify comparative reference groups, in the light of literature and primary research results. The data confirm that Polish consumers engage in social comparisons, and some of them do it regularly. Small but significant fraction of consumers use effects of comparisons, i.e. knowledge of consumption patterns realized by peer and aspirational groups, while shaping their current and future consumption.

### **Porównania społeczne i ich rola w kształtowaniu zachowań współczesnych konsumentów**

Ludzie mają skłonność do postrzegania wartości posiadanych przez siebie przedmiotów w kategoriach relatywnych, wynikających z porównań społecznych. Procesy te w istotny sposób kształtują zachowania konsumentów, a także ich aspiracje, styl życia i zadowolenia z różnych jego aspektów. Celem opracowania było ustalenie roli porównań społecznych w kształtowaniu zachowań konsumentów w świetle literatury i wyników badań pierwotnych. Dane dowodzą, że polscy konsumenci dokonują porównań społecznych, a część z nich robi to systematycznie. Mały, ale znaczący odsetek konsumentów korzysta z efektów porównań, robiąc użytek z wiedzy na temat konsumpcji realizowanej przez ich grupy odniesienia podczas planowania własnego spożycia.