Global Strategies for Social Product Consumption: Identifying the Socially-Conscious Consumer

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ABSTRACT

This paper provides and overview of a multiple country examination of consumers' willingness to pay for social product features. Using latent class finite mixture modeling we show that segments of socially conscious consumers exist but they possess characteristics at odds with traditional thinking.

KEYWORDS

Consumer Behaviour, Marketing and Communication, Corporate Social Responsibility, Sustainability and Social Issues in Management, Customer Value, Marketing and Communication, Ethical Decision Making, Sustainability and Social Issues in Management

INTRODUCTION

There is little doubt that corporate social responsibility (CSR) has gained in importance over the last decade with firms developing increasingly sophisticated CSR strategies. The challenges facing managers of these firms are nothing short of daunting given the vast number of issues that fall under the rubric of CSR and the equally large number of often conflicting groups pressuring companies to be more socially responsible (Smith 2003, Spar, La Mure 2003, Klein, Smith and John 2004). The situation is even more complex for large and well-known multinational enterprises (MNEs) with operations that often span the globe and expose the organization to a wide range of economic, social, development, and political conditions.

To help managers deal with this complexity, researchers in the CSR arena have focused their efforts on the "corporate side" of CSR with studies examining issues such as the relationship between CSR and financial performance, the different strategic and governance configurations to best deploy CSR initiatives, or the emergence of corporate philanthropy, among others (Harrison and Scorse 2006, Mirvis and Googins 2006, Peloza 2006). Such corporate orientation is sensible given that CSR emerged as a field of study to investigate the response of organizations to the demands of civil society.

However, a number of researchers argue that consumers play a critical role in the emergence of effective CSR programs (Harrison 2003). This view posits that organizations have implemented CSR

primarily as a response to direct or indirect consumer pressure. According to this viewpoint, the firm and its management need to better understand the views and preferences of its customers with respect to social and ethical issues to implement successful CSR initiatives. It also implies that academics need to focus some their research efforts on the other CSR: Consumer Social Responsibility (C_NSR) (Devinney, Auger, Eckhardt and Birtchnell 2006).

So far, most of the research on C_NSR (or ethical consumerism) has yielded mixed results in its quest to identify and characterise segments of socially conscious consumers, especially when the research is conducted in multiple countries. A significant obstacle to identifying socially conscious consumers has been in the methodology used to elicit the views and preferences of consumers. Specifically, the majority of the research findings on C_NSR are based on survey results that ask respondents to simply rank or rate the importance of a list of social issues or to state their intention to act on a 5- 7-point "agree" or "disagree" scale (Rogers 1998, Mason 2000). They do not force consumers to trade-off social features of products against traditional utilitarian features such as brand or price. Hence, it is not unreasonable to believe that these surveys may overstate the importance of social features, since there are clearly more socially acceptable answers (Auger and Devinney 2007).

The lack success at identifying segments of socially conscious consumers begs the question: do segments of socially conscious consumers really exist? Using data from a six-country choice experiment study, we examined this important issue for two sets of products: AA batteries and athletic shoes. These experiments forced consumers to make tradeoffs between functional product features (e.g., brand and price) and social product features (e.g., whether or not the product was manufactured by children). The two products utilised enabled us to examine a broad set of issues that covered environmental and labour issues. We used sophisticated analysis techniques (latent class finite-mixture regression) to identify and classify consumers into three distinct segments for each product, one of which was clearly populated by individuals who placed greater value on socially acceptable products. We also compared theses segments on multiple dimensions to develop a better understanding of their basic nature and structure.

LITERATURE REVIEW

In its broadest form, C_NSR can be defined as *the conscious and deliberate choice to make certain consumption choices based on personal and moral beliefs*. C_NSR "implies that individual consumers can have a significant role, through their daily purchase decisions, in promoting ethical corporate practices" (Crane and Matten 2004). Some of the ways by which consumers can accomplish this is by purchasing (or not purchasing) certain products and/or by paying more for more socially acceptable products. In general, research on C_NSR has focussed on the latter issue, namely the impact of ethical and social issues on the purchase intentions and behaviour of consumers.

There is considerable evidence to suggest that socially conscious consumer segments indeed exist as distinctive groups. In general, the ethics literature has shown that consumers indicate that they value moral stances (Fullerton, Kerch and Dodge 1996, Stennhaut and Van Kenhove 2005) show that and can be quite intolerant with regard to ethical abuses. Consumers also commonly "reward" or "punish" companies with their purchasing behaviour (Nebenzahl, Jaffe and Kavak 2001). Similarly, a number of studies have also shown that consumer attitudes towards ethics tend to vary between cultures (Singhapakdi and Rawwas 1999, Vitell 2003, Srnka 2004) and between groups with different demographic characteristics such as age (Vitell, Lumpkin and Rawwas 1991) and gender (Rawwas 1996).

Auger et al. (2003) used choice experiments to examine the willingness of Hong Kong and Australian consumers to pay for a broader range of socially acceptable products. Their results show that some consumers were willing to pay a premium for more socially acceptable products, especially for more sensitive issues such as the use of child labour and the use of animal testing. However, it was equally clear that consumers from both countries were not willing to sacrifice basic functional features for socially acceptable ones and this did not depend on whether they had supported social causes in the past.

In a more qualitative matching study, Belk et al. (2005) used video ethnography with consumers from eight countries to get a deeper understanding of the underlying rationale for the purchase (or non-purchase) of socially desirable products. Overall, they found that culture had a much a smaller effect on perceptions of consumption ethics than expected. Ethical beliefs across the countries in their

sample were fairly consistent in the sense that individuals understood the dilemmas present in their failure to act upon their beliefs. However, despite this the rationalisation of consumer inaction was seen to be manifest in very different, culturally consistent, ways.

Though some of the studies mentioned above were able to determine that some consumers were willing to pay more for socially acceptable products, few were capable of properly segmenting and characterizing these socially conscious consumers. For example, Auger et al. (2003) found few relationships between socio-demographic variables (e.g., age, gender, and income) and the willingness of consumers to pay for more socially acceptable products. Furthermore, they found no significant relationships between common personality measures used in ethics research (e.g., Machiavellianism, idealism, and moral relativism) and the willingness to pay for social "goods".

Hence, two key results emerge from the literature on C_NSR that drive this research: 1) socially conscious consumers appear to exist and 2) those socially conscious consumers cannot be easily segmented using observable measures such as age and gender. The purpose here is to delve deeper into this phenomena to determine whether there is latent homogeneity that can be extracted from the preference of individuals as revealed using experimentation.

METHODOLOGY

The results presented in this article came from experiments conducted in six countries—Germany, Spain, Turkey, USA, India, and Korea—with over 600 respondents. Our sample of consumers included individuals who were representative of the middle class within their respective countries. The use of middle class respondents also ensured that all respondents had the financial means to purchase the most expensive product in our experiments, athletic shoes. We selected the aforementioned countries to obtain variation in the level of economic development (i.e., developed, developing, and middle income), geographical locations, and cultures (i.e., languages, religions, etc.). Table 1 presents basic demographic information for our sample of respondents.

We used discrete choice experimentation (DCM) to ascertain the degree to which socially responsible segments existed in those marketplaces (Louviere, Hensher and Swait 2000). In our DCM, described in Table 2, we created products with different levels of functional attributes (e.g., whether an athletic shoe had good or poor ankle support) and social attributes (e.g., whether or not child labour

was used to make the shoe). All of the choices forced consumers to make tradeoffs—products never had the highest level of both functional and social attributes, so consumers explicitly had to make tradeoffs which we were able to measure.

We gathered data for two types of products: AA batteries and athletic shoes. We selected these two products for two reasons: (1) they enabled us to investigate the importance of two different sets of social issues, environmental issues for batteries and labour issues for athletic shoes; (2) they were familiar to, and purchased by, the consumers in our sample including those from emerging markets.

The choice experiment survey required subjects to: (1) decide whether to consider and purchase 8 hypothetical athletic shoe and battery products and (2) answer a series of socio-demographic questions. For each hypothetical product the subjects were asked two questions:

1. If the [shoes/batteries] described above were available in your local shops now, would you consider trying them (Tick ONE box only)? □ No □ Yes
2. If the [shoes/batteries] described above were available in your local shops now, would you buy them instead of or in addition to your current [shoes/batteries] next time you shopped for [these products] (Tick ONE box only)? □ No □ Yes

Surveys were translated into the appropriate language as required (i.e., German, Spanish, Turkish, Korean, and Hindi). Data collection was conducted using either mall intercepts (USA, Germany, India, and Spain) or at the home or office of the respondent (Turkey and Korea).

RESULTS

Tables 5 and 6 show the results of our primary data analyses for batteries and shoes, respectively. Our analyses consisted of a relatively sophisticated type of regression analysis referred to as latent class finite-mixture regression analysis (LCRA). LCRA allows for the classification of individuals into segments (often called classes) and develops models for each of the segments simultaneously. These segments are referred to as latent segments since their formation does not depend on a group of pre-specified clustering variables. Instead, the latent segments are formed with discrete unobserved variables, improving the ability of researchers to identify meaningful segments in circumstances where observed variables (e.g., socio-demographics) have proven to be ineffective. LCRA simultaneously finds the optimal number of models and the forms of those models given the data. One of the most challenging aspects of using LCRA is to determine the appropriate number of segments (Wedel and Kamakura 2000, Andrews and Currim 2003a,b). Andrews and Currim (2003a,b) suggest that Akaike's

information criterion with a per-parameter penalty factor of 3 (AIC3) is the best criterion to use for conjoint and market response models for normally distributed data and with logit models for multinomial data (a similar context to the one in this study). Interestingly, both analyses yielded three-segment solutions with similar patterns of importance among the attributes, both social and functional (see Tables 3 and 4 for the segment selection criteria).

Our results show that respondents for both products can be categorised into three distinct segments. What is interesting from these analyses is that the three segments for both products have very similar structures, so that we were able to label them with the same descriptors; namely, "brand", "price", and "ethical". These descriptors were selected by examining the dominant set(s) of attributes within each segment. Respondents in the "brand" segment placed greater importance on brand (either positively or negatively) than respondents in the other two segments. This is especially apparent for athletic shoes (see Table 6). Respondents in the brand segment also displayed relatively low price sensitivity (especially for shoes), which is consistent with a brand conscious consumer who is willing to pay a premium for his/her preferred brand. Respondents in the "price" segment demonstrated very high sensitivity to price. This is especially true for batteries where the price elasticity for that segment is several orders of magnitude greater than for the other two segments. Interestingly, respondents in the price segment also placed a much greater level of importance on the country of origin of the products (Peterson and Jolibert 1995, Hui and Zhou 2002). This domestic country bias is especially pronounced for shoes, but is also large for batteries.

The most relevant segment in the context of this article is the third, "ethical", segment. Clearly the most first, and most important, finding is the existence of the ethical segments. The tables (5 and 6) reveal that respondents in the two ethical segments placed much greater importance on the social attributes than respondents in the other two segments. It should be noted that some of the social attribute coefficients are positive while others are negative. This arises because the wording for the social attributes (see Table 2) is a mixture of "positive" and "negative" statements. Our second important finding is that for two ethical segments segment all the coefficients for the social attributes are in the expected direction, indicating that these respondents favoured products that were more "socially desirable". Thirdly, individuals in the "ethical" segment are not simply purchasing on social

issues alone. They are similar to the other segments in that functional attributes matter. It is just that rather than brand and price being the differentiator, it is the social components of the products.

Our analyses identified no differences in demographic characteristics between the segments beyond some differences in nationality to be discussed in a later section. We found very few significant differences in age, income, education, marital status, and gender between our three segments for both products. Where differences did exist they were idiosyncratic with no meaningful pattern. Overall, this reconfirms Auger et al.'s (2003) finding that simple segmentation strategies based on socio-demographics are probably not well-suited to segment socially conscious consumers.

The two products studied show amazingly similar patterns with respect to the importance of the social attributes within the ethical segments. In fact, four of the five social attributes are considered to be relatively more important by the respondents in the ethical segments than by the respondents in the other two segments for both products. The only two social attributes that were not are "the availability of disposal information" for batteries and "the ability to form unions" for athletic shoes. Furthermore, each product has two social attributes that dominate over the others within the ethical segments. For batteries, the two attributes are "hazardous production waste" and whether or not the battery is "Mercury/Cadmium free". For shoes, the two most important social attributes are "child labour" and "dangerous working conditions".

Though the specific nature (i.e., their identity) of the more important social attributes within each product category is only relevant for managers in those two industries, the differences in the relative importance of social and functional attributes have important implications for a much broader pool of managers. Our results show that not all social attributes have equal effect on consumer purchase decisions. This is somewhat of an obvious result, but one that has significant implications for managers designing CSR strategies; suggesting that it is critical for managers to not only understand the social issues that are especially important for their customers but also to avoid CSR strategies that are too broad or try to cover too many issues. This is equally relevant to NGOs and their membership. "Issue proliferation", the belief that alignment with multiple issues is necessary to establish oneself as a socially responsible organization, may be a negative in the minds of ordinary consumers who seem to concentrate on relevance and specificity. What our respondents demonstrated is that there are

segments of socially conscious consumers, but that they do not value equally all social issues associated with a particular product. As such, our results would strongly argue for "focused" CSR strategies over those that attempt to do appeal to a broad social consciousness or does not address the more salient social issues relevant to the context of the individual's decision at the time.

Tables 5 and 6 also reveal that the functional attributes, including brand and price, are not irrelevant to respondents in the ethical segments. What these results imply is that managers cannot simply ignore the core functional attributes of their products to create more socially acceptable ones. In other words, consumers do not appear willing to sacrifice functionality for social desirability. What these consumers are telling us is that they purchase products to fill a certain basic set of needs and that no amount of social desirability is likely to compensate for a failure to meet these basic needs.

Overall, this set of analyses yield three important results. First, segments of socially conscious consumers do exit and these consumers value products that are more socially desirable with respect to environmental and labour issues. However, these segments are no identifiable *a priori* based on observable socio-demographic characteristics. Second, consumers within these "ethical" segments placed different levels of importance on different social attributes. This implies that not all social product initiatives resonate equally with consumers and that managers would be better off focusing on those limited number of issues that have the most potential. Third, functional attributes are important to the respondents in the ethical segments. Hence, managers cannot discount the basic needs that their products are fulfilling for their customers to create more socially-desirable products. In effect, functional and social attributes must work hand-in-hand to create additional value for customers.

The Size of the Segments

As mentioned in the previous section, our methodology enables us to classify respondents into either specific segments or "mixtures" of segments. This is done by assigning to each individual a posterior probability that their preferences are represented by the model for any specific segment. Hence, each individual would be represented by a vector or probabilities that can be used to assign the appropriate proportion of their preferences to that segment. Figure 1 presents the distribution of respondent preferences among the three segments for both products. For example, the results for athletic shoes indicate that 36.8 percent of respondent preferences were in the price segment while 33.0 percent and

30.2 percent belonged to the brand and ethical segments, respectively.

Differences in Segment Membership by Country

Figures 2 and 3 show the distribution of respondents for the three segments by country. These analyses show that the segments are, in general, not country specific. That is, all three segments have representatives from all six countries for both products with the exception of the ethical segment for shoes, which does not contain any respondents from Korea. However, the figures also show fairly large differences in the proportions of respondents from specific countries in specific segments. For example, the price segments for both shoes and batteries are clearly dominated by Korean respondents who comprise 38 percent of the segment for shoes and 45 percent of the segment for batteries. Similarly, Spanish respondents make up a much greater proportion of the brand segment for batteries (47 percent) while Turkish respondents dominate the brand segment for shoes (41 percent).

For their part, the ethical segments (for both shoes and batteries) show much more similar patterns of membership across the countries. Five countries—Germany, Spain, USA, India, and Korea—contribute very similar proportions of respondents to the two ethical segments. The first four countries contribute a relatively high and similar proportion of respondents to the two ethical segments while Korea contributes a relatively low proportion of respondents to both ethical segments. Turkey is the only country to show an inconsistent pattern of contribution with a relatively high contribution for batteries (similar to Germany, Spain, USA, and India) and relatively low for shoes (similar to Korea). These results suggest that preferences for social products may be much more global than previous research on C_NSR suggested (Polonsky, Brito, Pinto and Higgs-Kleyn 2001, Al-Khatib, Stanton and Rawwas 2005).

The Socially Conscious Consumer

One of the more interesting and enlightening analysis is to determine to which segment each respondent belonged across the two product categories. To accomplish this we created nine pairs of segments that cover all possible combinations of segments between batteries and shoes. Figure 4 presents the distribution of respondents among these nine segment pairs. For example, the first pair on the left labelled “price-price” signifies that respondents in that segment pair belonged to the price segment for both batteries and shoes. Hence, the figure indicates that 19 percent of our sample was

influenced primarily by price (and country-of-origin) for the purchase of both batteries and shoes. Similarly, the next segment pair, "price-brand", indicates that roughly 6 percent of our sample belonged to the price segment for shoes and the brand segment for batteries.

Of greater interest is the segment pair at the right-hand-side of the chart, the "ethical-ethical" pair. Here, we see that only 11 percent of our sample was influenced primarily by social issues for the purchase of both batteries and athletic shoes. The implications of these results are important and consistent with some of the more recent research on C_NSR. First, the results strongly support the notion that individuals cannot simply be labelled as "socially conscious" across product categories. That is, an individual who values environmental issues does not necessarily value labour issues, and vice versa. This suggests that social purchasing is most probably issue and context specific. That is, individuals may react positively to more socially desirable products given the right set of issues, the right product, and the right purchasing context. This is critical for managers charged with designing CSR strategies. Our results reveal that consumers are concerned about very specific issues and are unlikely to react to social product features that are "too broad" or lack functional relevance.

CONCLUSIONS

This article presented the results of a six-country empirical study that aimed to identify segments of socially conscious consumers using a combination of choice experiments and latent class regression analysis. The results for two products, AA batteries and athletic shoes, suggest that these segments do exist and that consumers within these ethical segments placed different levels of importance on different social issues. The results also show that respondents in the ethical segments valued some of the functional attributes and did not differ significantly on socio-demographic characteristics than respondents in the other two segments (i.e., brand and price). These results suggest that managers need to utilise a focused approach to CSR strategy by stressing the one (or few) issues that are especially salient to their consumers. Our research also suggests that simple segmentation strategies may not be appropriate when trying to identify socially conscious consumers. It is also clear from our analyses that environmental issues tended to influence a greater number of consumers' purchase decision than labour issues.

One of the more interesting results from our analyses is that only a small percentage of our sample (about 11 percent) belonged to the ethical segments for both batteries and shoes. This suggests that consumers cannot simply be labelled as socially conscious across product categories. It also highlights the importance of the specificity of social issues and purchasing context as determinants of social purchasing. Our analyses uncovered differences in segment membership between the six countries in our study, but fewer differences in the composition of the ethical segments than in the other two segments. In general, our results strongly suggest that culture may not affect social purchasing as much as has been reported in previous research.

We believe that two implications are especially important for managers associated with the development of CSR strategy and researchers in the CSR area. First, managers need to carefully select a single social issue (or a few at most) on which to concentrate their CSR efforts and ensure that the selected issue has psychological relevance for their customers. Second, managers and researchers must exercise great care when using the results of consumer surveys on social purchasing. We believe that research must not only focus on the views of consumers, but on their willingness to pay.

Table 1: Demographic Characteristics of Respondents by Country

	USA	Germany	Spain	Turkey	India	Korea	Total
Age (Median Grouping)	30–39	30–39	30–39	30–39	30–39	30–39	30–39
Gender (Percent Female)	60.6	52.5	59.4	50.5	49.0	70.0	57.0
Income (Median Grouping, $000)	25–40	15–25	15–25	15–25	15–25	15–25	15–25
Education (Percent Uni Educated)	20.70	8.90	22.60	62.70	60.80	39.00	35.70
Marital Status (Percent Married)	39.80	33.33	50.90	31.33	50.00	66.00	45.30
Sample Size	99	100	106	100	100	100	605

Table 2: Functional and Social Attributes for Athletic Shoes and Batteries

Athletic Shoes	AA Batteries
Functional Attributes (levels of attribute):	
Shock absorption/cushioning (Low or High)	Useful life (15 Hours or 30 Hours)
Weight (Lighter or Heavier)	Storage life (3 Years or 5 Years)
Ankle support (Low Cut or High Cut)	Is the expected spoilage date on the battery? (No or Yes)
Sole durability (Short or Long)	On-battery or on-package tester (No or Yes)
Breathability/ventilation (Low or High)	Money-back guarantee (No or Yes)
Fabrication materials (Synthetic or Leather)	Rechargeable (No or Yes)
Reflectivity at night (No or Yes)	
Comfort/fit (Low or High)	
Country of origin (Poland, China, Vietnam, domestic)	Country of origin (Poland, China, Japan, domestic)
Brand of shoe (Nike, Adidas, Reebok, Others)	Brand of battery (Energizer, Duracell, 2 others varied by country)
Price ($40, $70, $100, $130)	Price ($1.30, $3.30, $5.30, $7.30)
Social Attributes (levels of attribute) (all are either Yes or No):	
Is child labour used in making the product?	Is the battery Mercury/Cadmium free?
Are workers paid above minimum wage?	Is the battery made from recyclable materials?
Are workers' working conditions dangerous?	Is the package made from recyclable materials?
Are workers' living conditions at the factory acceptable?	Was hazardous waste created from the production process?
Are workers allowed to unionise?	Is safe battery disposal information contained on the package?

Table 3: Selection Criteria for the Number of Battery Segments

Common Selection Criteria	Number of Segments				
	1	2	3	4	5
Likelihood	-1,350	-1,261	-1,206	-1,162	-1,123
AIC	2,743	2,637	2,596	2,578	2,570
AIC3	2,765	2,694	**2,688**	2,705	2,732
CAIC	2,845	2,901	3,022	3,157	3,319
Entropy		0.7533	0.8048	0.8926	0.9131
Classification Error		0.064	0.079	0.057	0.046
R^2	0.2620	0.3984	0.4377	0.4505	0.4478
Degrees of freedom	256	221	186	151	116

Table 4: Selection Criteria for the Number of Shoe Segments

Common Selection Criteria	Number of Segments				
	1	2	3	4	5
Likelihood	-2,383	-2,309	-2,243	-2,181	-2,131
AIC	4,812	4,752	4,707	4,672	4,660
AIC3	4,835	4,819	**4,818**	4,827	4,859
CAIC	4,934	5,106	5,294	5,491	5,712
Entropy		0.739	0.757	0.774	0.804
Classification Error		0.059	0.104	0.115	0.107
R^2	0.237	0.266	0.335	0.376	0.433
Degrees of freedom	513	469	425	381	337

Table 5: Effects of Attributes on Choice for Batteries by Segment

	Segment 1 **Ethical**	Segment 2 **Price**	Segment 3 **Brand**	Differences between Classes (p)
Intercept	.226*	5.601***	5.139**	.000
Functional Attributes				
Use Life	.259***	.398*	1.994**	.074
Storage Life	.030	.081	-3.253**	.018
Spoilage Date Revealed	.195**	.222	-.515	.270
Power Indicator	.110	-.005	1.546*	.160
Money Back Guarantee	.129*	.082	2.062**	.068
Rechargeable	.270***	-.048	2.083**	.007
Price	-.663***	-5.324***	-1.100	.000
Country of Production				
Poland	-.212*	-.660*	.031	.017
China	.045	-.631*	-2.394*	
Japan	.045	.349	-3.457*	
Domestic	.122	.941***	5.821*	
Social Attributes				
Mercury/Cadmium Free	.296***	-.077	1.589*	.039
Hazardous Production Waste	-.329***	.500**	-1.021*	.000
Made from Recycled Materials	.175**	-.292*	1.118*	.008
Uses Recycled Packaging	.159*	.224	-.317	.830
Disposal Information Given	.063	.077	2.357**	.027
Brand				
Energizer	.272*	-.096	3.188**	.004
Duracell	.183	.206	-2.357**	
Varta	.096	-.533	-2.253*	
Eveready	-.071	-.117	1.804	
Other	-.480**	.539	-.381	
Information Condition				
Social Mentioned	.159*	-.965**	-1.443**	.000
Sample				
Germany	.647	-.986	.338	.013
Spain	-.091	-1.745**	1.836**	
Turkey	.208	-.888*	.680	
USA	-.587*	-.394	.981	
India	1.089	1.262	-2.351	
Korea	-1.267	2.751**	-1.483	
Mean Centered Income	.135	2.367	3.006	
Mean Centered Age	-2.893	-1.468	-5.728	
R^2	.1546	.5898	.6940	
Percent of Total	.5408	.3093	.1499	

Note: * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Table 6: Effects of Attributes on Choice for Athletic Shoes by Segment

	Segment 1 **Price**	Segment 2 **Brand**	Segment 3 **Ethical**	Differences between Classes (p)
Intercept	8.614***	.649	3.715***	.000
Functional Attributes				
Shock Absorption	-.008	.081	.256**	.120
Weight	-.426***	-.271**	-.189*	.290
Suppleness (Ankle Support)	.139	-.066	-.224*	.034
Sole Durability	.098	.384***	.190*	.065
Breathability	.062	.220**	.186*	.450
Fabric	-.181*	.108	.265**	.006
Reflectivity	-.157*	.080	-.084	.180
Fit	.252**	.304***	-.164	.004
Price (log)	-2.171***	-.508*	-1.232***	.000
Country of Production				
Poland	-.149	.023	-.134	.033
China	-.240*	-.131	-.060	
Vietnam	-.288*	.008	.274*	
Domestic	.679***	.101	-.080	
Social Attributes				
Child Labor	-.088	-.270**	-.850***	.000
Minimum Wage	.056	-.106	.272**	.022
Dangerous Working Conditions	-.189*	-.104	-.476***	.030
Living Standards	-.202*	.124	.184*	.008
Unions Allowed	.070	.081	.114	.950
Brand				
Nike	.061	.519***	-.041	.000
Adidas	.250*	.463***	-.517*	
Reebok	-.237*	.122	.127	
Other	-.074	-1.104***	.431**	
Information Condition				
Social Mentioned	-.065	-.009	.140	.530
Demographic				
Germany	-1.302*	-1.055	2.357**	.007
Spain	-.721	-1.767**	2.488**	
Turkey	-2.703**	5.021**	-2.319*	
USA	-.134	-1.891**	2.025**	
India	-1.095*	-.362	1.456*	
Korea	5.954**	.054	-6.008*	
Mean Centered Income	.682	.298	-.397	
Mean Centered Age	-.665	-1.193	1.185	
R^2	.3323	.1714	.2641	
Percent of Total	.3682	.3297	.3021	

Note: * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Figure 1: Membership in Segments by Product

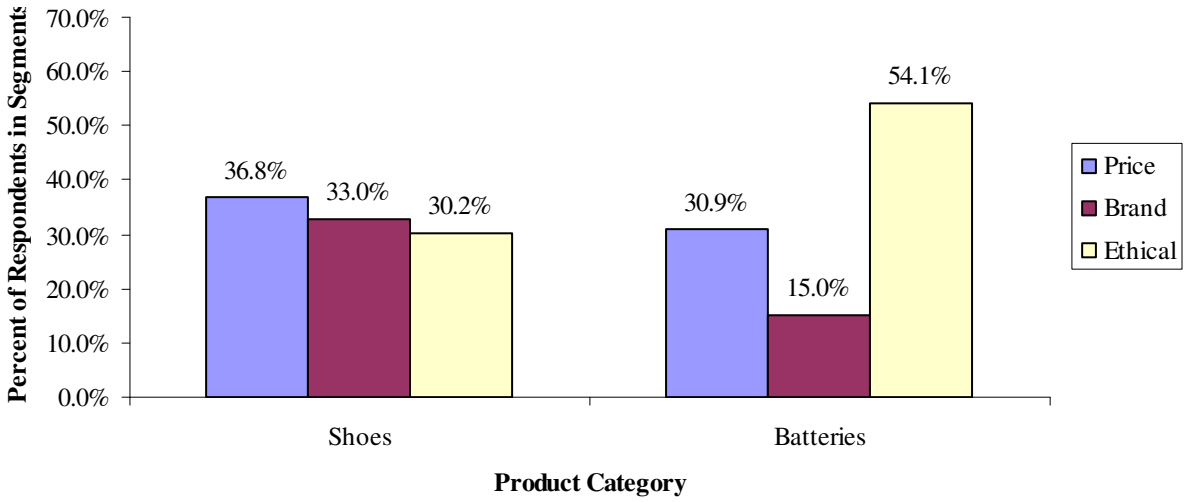


Figure 2: Country Membership by Segment for Batteries

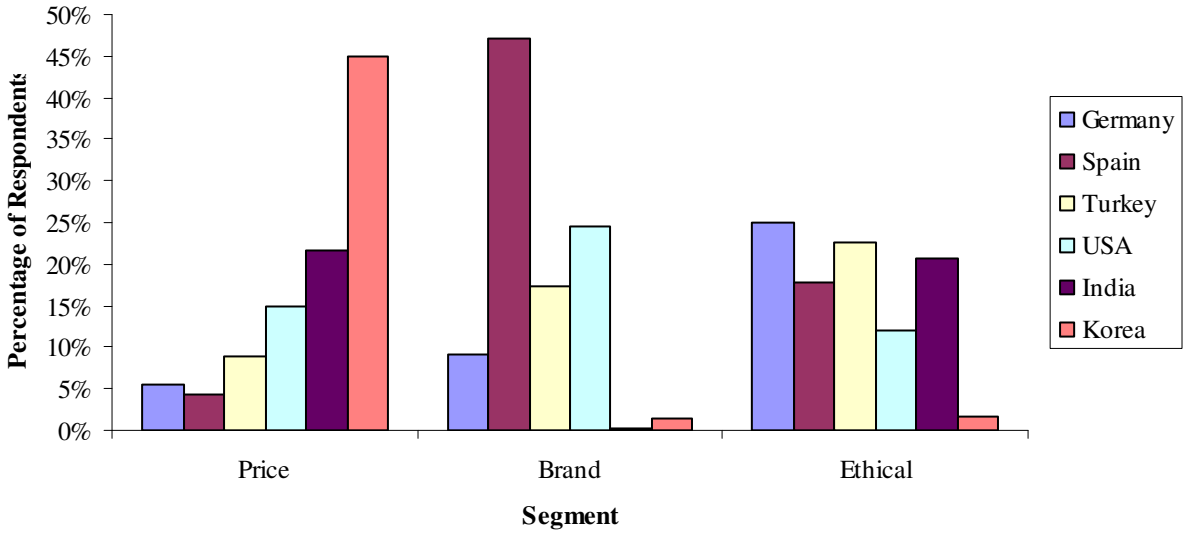


Figure 3: Country Membership by Segment for Athletic Shoes

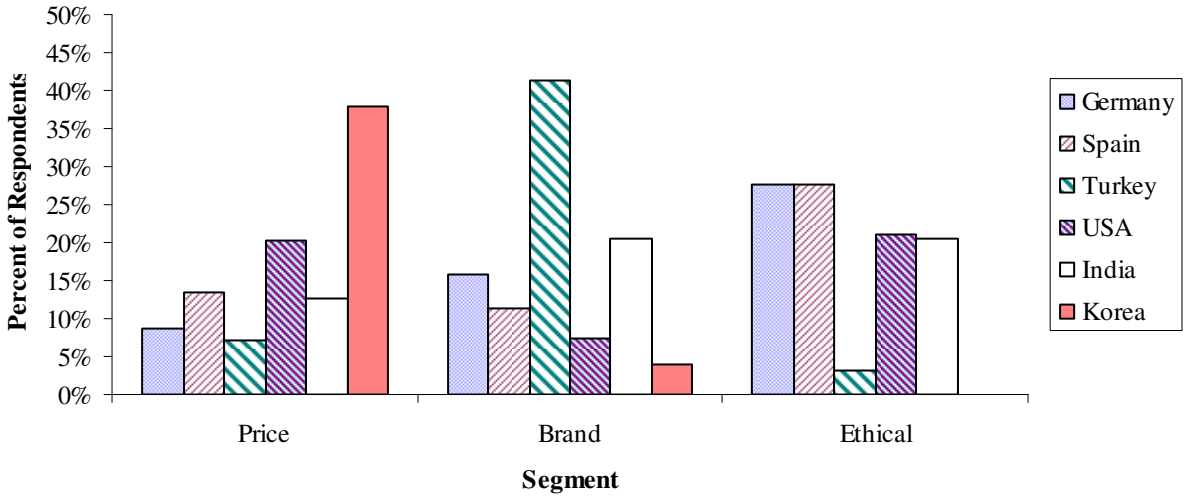
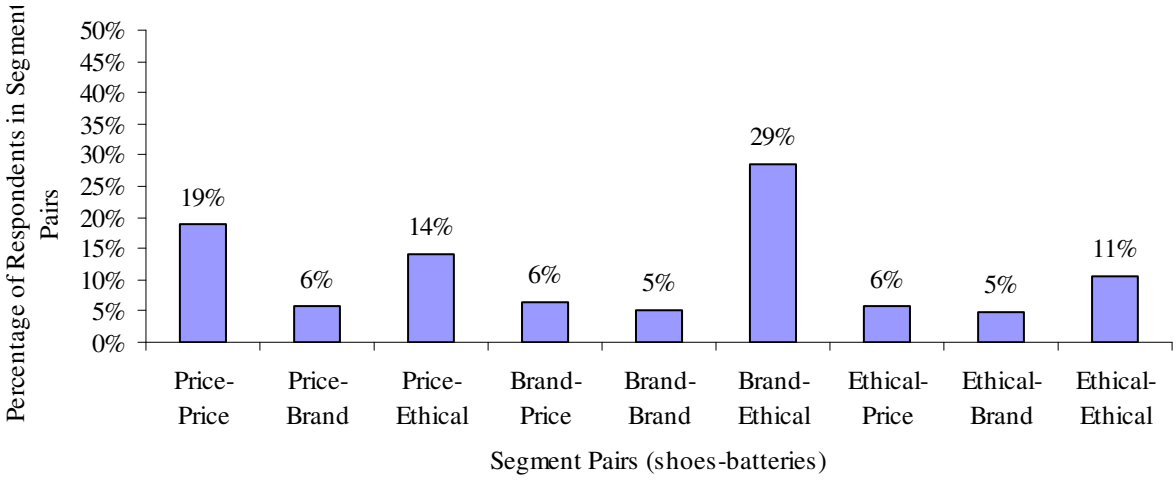


Figure 4: Memberships for Segment Pairs



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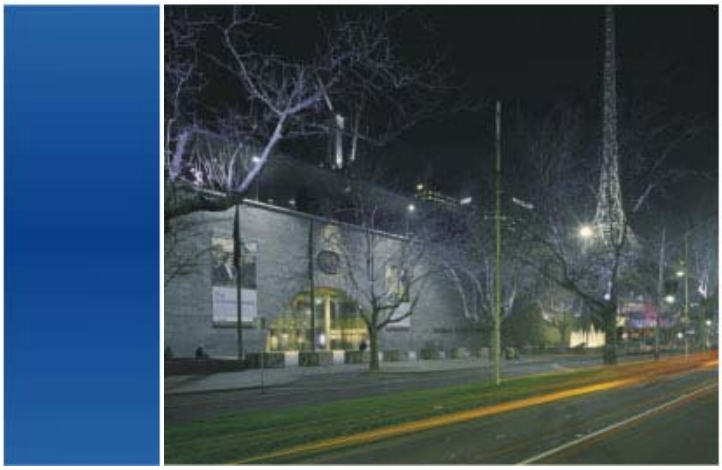

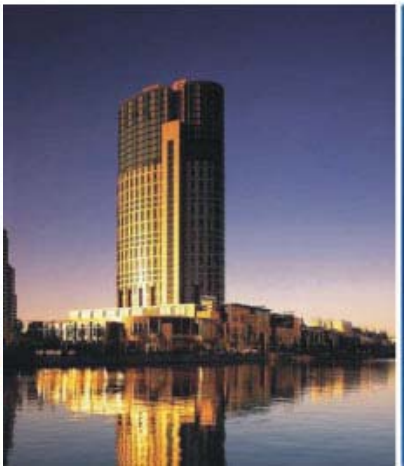

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