

AN EMPIRICAL INVESTIGATION OF INTRACULTURAL DIFFERENCES IN CONSUMER PREFERENCES AND EXPECTATIONS: NAVAJO INDIAN AND CAUCASIAN CONSUMERS

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This study focuses on differences in the preferences and expectations of Navajo and Caucasian consumers. Based upon differences in values and lifestyles of the two groups, the authors predicted that intracultural differences would exist in the level of importance group members attached to specific product attributes and in the price consumers expected to pay for products featuring those attributes. Two hypotheses were developed and tested on seven products frequently purchased by members of the two cultural groups studied. Descriptive statistics, cross tabulations, bivariate correlations, and ANOVA procedures provided support for the authors' predictions. A variety of managerial implications are drawn from the results and future research suggestions are provided.

INTRODUCTION

In a corner of New Mexico sits what was previously an abandoned strip mine stretching across the desert foothills. After mining operations had ceased, an enterprising group of university officials facilitated the purchase of the property. These well-intentioned marketing visionaries dreamed of developing a truck-driving school designed to meet the needs of a select group of customers — students representing a specific culture within the boundaries of the United States.

The new school, housed on the grounds of the old mine, became a reality. New buildings were erected, semi-trailers and tractors purchased, and personnel hired. The new school was opened and readied to serve its customers. Unfortunately, when classes began, the targeted customers — Navajo Indian students — were conspicuously

absent. Indeed, virtually no members of the target market were enrolled.

What went wrong? While many reasons for the problem might exist, the real culprit was a cultural entity called a "skinwalker." In the traditional Navajo culture, a skinwalker represents a small demon that gets under an individual's skin and torments and bedevils that person. Members of the Navajo nation believe that before a new home or other building is occupied, a tribal holy man must bless the domicile and remove the skinwalkers. If this cultural belief is violated, the demons will inhabit the dwelling and torment those people that enter the building. Furthermore, as reported to the authors of this manuscript, if the blessing is conducted after the fact, that is after the new structure has been entered, the demons remain.

In the case of the truck-driving school, the new grounds and buildings had not been blessed by the tribal holy man. In the eyes of the Navajo students then, upon entering the new school, they would be tormented by the skinwalkers inhabiting the buildings. Accordingly, because an important

element of the target market's culture had been ignored or overlooked, the targeted customers generally did not enroll in the school -- would not purchase the product. Thus, a multimillion dollar marketing venture went virtually unused by the targeted consumers due to the marketers' lack of understanding of a cultural demon.

While the specific scenario presented above is somewhat unique, in general such occurrences of unsuccessful cross-cultural marketing endeavors are common. Indeed, the marketing literature is replete with examples of international marketers who have inadvertently ignored, overlooked, or otherwise violated cultural values and norms (i.e., Tigert, King, and Ring 1980; Clark 1990; Davis 1993; Miller 1996). Similarly, the ever-increasing cultural diversity *within* the borders of the United States poses comparable problems for those marketers targeting distinct cultural groups residing in this country. Given the recent marked growth in the number of Black, Asian, Hispanic and other ethnic minorities in the U.S., such consumer groups are of tremendous interest to marketers. For example, the 1990 U.S. census report showed that nearly one of every four Americans is of African, Asian, Hispanic, or American Indian ancestry (Rossman 1994). These minority markets have significant spending power and represent viable target audiences for marketers.

A graphic depiction of the significance of ethnic consumer groups is illustrated by the following statistics: as of 1996, more than 20 million Hispanics were living in the United States (Postal 1996). In addition, according to U.S. census statistics, some 10 million Asian/Pacific Islanders currently reside in the United States. And that number is predicted to swell to 23 million by the year 2020 and to 41 million by the year 2040!

Between 1980 and 1990, the Native American population increased by thirty-eight percent, with a projected population of 2.4 million by the year 2000 and of 4.6 million by the year 2050 (Shumway and Jackson 1995). By far the largest of the American Indian nations is that of the Navajo, with some 200,000 members who occupy

a 24,000 square mile reservation sprawling across Arizona, New Mexico, and Utah.

It is important to note that the cultural diversity of the United States has been well documented and readily acknowledged. The phrase, "cultural melting pot" as applied to the demographic makeup of the United States is startlingly inappropriate (i.e., Santoro 1996). Shim and Gehrt (1996) have described the demographic make up of the U.S. as an "ethnic mosaic." Panko and Smith (1997) view the cultural diversity of the U.S. as "America's rainbow." Both terms indicate that many of the values and beliefs held by members of the rapidly growing ethnic cultures represented in this country are preserved. Accordingly, as suggested by the work of Elaine Santoro (1996), marketers would be well advised to acknowledge and incorporate those cultural differences into relevant marketing strategies.

While researchers have quite thoroughly studied the African, Asian, Hispanic and other cultures in terms of cross-cultural marketing (i.e., Bauer and Cunningham 1970; Boone, Kurtz, Johnson and Bonno 1974; Bellenger and Valencia 1982; Herche and Balasubramanian 1994; Bristow and Kleindl 1997), the authors' review of the literature showed that little such research has been done regarding the Navajo culture and related marketing endeavors.

In summary, two important marketing issues become apparent. First, due to increasing cultural diversity within the boundaries of individual nations, there exists a compelling need for further exploration of intracultural marketing. Secondly, it would seem that a significant target market — the Navajo consumer — within the boundaries of the United States has been largely overlooked in the marketing discipline. The current research was designed to take a closer look at the ways in which Native American — specifically, Navajo Indians — and Caucasian American consumers might differ in their consumer behaviors and related needs, wants, and desires.

There are several specific reasons to expect cultural differences in the consumer behavior of those two groups. First, earlier research involving Black, Hispanic and/or Asian consumers has demonstrated significant socio-cultural differences in consumer values, beliefs, and behaviors (i.e., Herche and Balasubramanian 1994; Kramer and Herbig 1994; Shim and Gehrt 1996). One could reasonably expect to find such cultural differences when Navajo and Caucasian consumers are compared.

A second and more specific reason to expect cultural differences between the latter two groups involves the traditions and values, and related behaviors, of the Navajo people. For instance, Dawson (1994) reported that, due to the abject poverty she witnessed, her first impression of the Navajo reservation was "of being in a Third World country" (p. 104). (As reported in a 1996 issue of *The Economist*, more than half of the Navajo people live below the poverty line, unemployment figures range from 33 to 50 percent, and the yearly income per person is a mere \$4100). In addition, and possibly relatedly, Dawson found that Navajos have traditionally *not* valued materialism in the same way that many Caucasian consumers have. Indeed, the value of nonmaterialism has resulted in a distinct lack of desire for such things as compact disc players, telephones, and microwave ovens among the people on the Navajo reservation. Furthermore, although in the Navajo culture the autonomy of individual possessions is strongly maintained, consensus and the good of the group is emphasized over aggressive individualism (Lamphere 1977). As noted by McWhirter and Ryan (1991), "a fundamental Navajo teaching stresses that one does one's best but does not purposefully outshine another" (p. 78). It is not hard to imagine that such cultural values might lead to very different consumer behaviors (such as a lack of conspicuous consumption) when compared to the values of individualism and competitiveness so often observed in mainstream America.

In related work, Rhodes (1988), Dehyle (1992), Hodgkinson (1992) and others have found that the

Navajo Indians are proud of their heritage and often resist the idea of relinquishing their language and value system. Such findings are consistent with the cultural perspective of "ethnic mosaic."

Interestingly, as revealed to the authors of this manuscript during the data collection process on the Navajo reservation, the traditional Navajo values described above have become a source of conflict within the Navajo nation. While Navajo elders tend to embrace and preserve the ancestral heritage of the culture, many of the young people, as they seek economic advantage and professional advancement, struggle to bridge the gap between the "old way" and the "new way" of the Anglo (i.e., Cantrall and Fields 1990; French, Jordan, and Tempest 1990; McWhirter and Ryan 1991; Mcpherson 1994; Dehyle 1995). It has also been found that younger Navajos shared neither the attributional system of their elders or of the Anglo culture (Salzman 1990). That author suggested that a possible "third culture," designed to prescribe adaptive behavior, might be emerging.

In sum, the authors' review revealed intriguing information regarding a comparison of the behavior of Navajo Indian and Caucasian consumers. Previous research involving other ethnic groups indicated that significant cultural differences should indeed exist between the two groups. Furthermore, a more detailed and specific investigation of traditional Navajo culture strengthened the authors' conviction that consumer behavior distinctions should exist between Navajos and Caucasians. However, when one considers the cultural struggle within the Navajo nation new questions arise. Which faction of the Navajo Indian culture will prevail with the youth of the tribe? If tradition prevails, significant cultural consumer behavior differences should be observed. On the other hand, if the youth have indeed moved away from Navajo tradition towards the Anglo way of life, fewer differences in consumer behavior would be expected. The current study was designed to investigate such questions and to provide initial insight to a comparison of Navajo and Caucasian consumer behavior.

THE STUDY

The context of the research involved a comparison of two distinct consumer groups and the level of importance group members attached to the attributes of seven different products commonly purchased, consumed, and disposed of by college students. It was predicted that significant discrepancy would exist between the two cultures studied with regard to the importance of individual product attributes.

If such hypothesized differences do indeed exist, a subsequent element of potential cross cultural differences related to product pricing warrants further investigation. In essence, a rational thesis would be that within a product category, product offerings featuring distinctive attributes commonly fit into different price ranges. Some consumers prefer transportation in the form of a fully loaded, luxurious *Lincoln Town Car* with a sticker price of some \$43,000. Other consumers are more interested in the less luxurious *Mercury Tracer* at a price tag of \$11,000. Virtually any well-informed consumer would expect to pay more for a car with the luxury appointments of the *Lincoln* and to pay less for the more basic *Tracer*. In short, if, as hypothesized, different consumers attach different levels of importance to specific product attributes, those same consumers, given at least a modicum of product knowledge, would be likely to have very different expectations regarding the price to be paid for products within a category.

Based upon this line of reasoning, two hypotheses, which are presented below, were developed and tested.

H₁: Cultural differences will exist in the level of importance attached to individual product attributes.

H₂: Cultural differences will exist in the dollar amount participants would expect to pay for each product.

A survey format was employed and, following the directives of Churchill (1979) and Jacoby (1978),

and others in the marketing arena, multi-item measures were developed for each product.

Subjects

Two hundred and seventeen college students participated in the study. Of those participants, one hundred and nine were Navajo students enrolled at a university in the Southwestern United States. The remaining participants were one hundred and eight Caucasian students at a university located in the Midwestern United States. The participants were enrolled in a variety of courses in various colleges across the universities. Table 1 presents a demographic profile of the participants.

Procedure

In order to identify products that were commonly purchased and used by the consumer groups involved in the study, the researchers referred to media kits provided by consumer magazines. The demographic profiles of the magazines' subscribers/readers were used to identify media vehicles targeting college students. Based upon the demographic information provided, the researchers discovered that a large majority of *Rolling Stone's* seven million readers are young adults (age 18-24). Accordingly, it was concluded that the advertisers in the magazine were primarily targeting college students and other individuals sharing similar demographic characteristics.

Subsequently, the researchers reviewed twelve concurrent issues of *Rolling Stone* magazine and identified seven product categories routinely advertised -- alcohol, blue jeans, book bags, automobiles, car stereos, cigarettes, and sunglasses. The contents of the advertisements for these products in the twelve issues were analyzed in order to identify key product attributes commonly featured in the advertisements. Those product attributes, along with several other attributes commonly associated with each product category (but not included in the reviewed advertisements), were used to develop a pool of attribute importance survey items. Each item was

then written into a 5-point Likert scale format, with response categories ranging from not at all important (1) to very important (5).

TABLE 1
Demographic Profile of Participants

Demographic Variable	Ethnicity	
	Navajo	Caucasian
Ethnicity	109*	108*
Age		
18-22	48	74
23-27	24	14
28-32	17	9
33-37	15	5
over 38	4	6
Gender		
Female	78	31
Male	31	63
Income		
less than \$10,000	60	63
\$10-\$15,000	18	23
\$16-\$20,000	13	6
\$21-\$25,000	5	3
\$26-\$30,000	2	3
\$31-\$35,000	4	4
over \$35,000	5	6
Marital Status		
Single	77	86
Married	29	17
Divorced	3	5
Widowed	0	0
Class Standing		
Freshman	32	24
Sophomore	55	14
Junior	21	13
Senior	1	4
Grad Student	0	3
*Note: Due to non response on some items, totals and category responses may differ		

The survey items were reviewed by three academicians who examined each item for problems in wording, clarity, or dual-meaning. The review process resulted in the rewording of several items. In addition, a question was added for each product category asking respondents to

indicate the dollar amount they expected to pay for the product. Also included for each product category was a single item that respondents were instructed to circle if they had *not* purchased the product. Finally, several demographic items were added as were four social desirability questions.

The survey was pre-tested with 25 undergraduate college students to check for possible problems with statement clarity and respondent understanding as well as ability to complete the survey instrument. Pilot tests were conducted with each of the two consumer groups prior to the actual data collection. The pilots indicated no problems with the survey instrument. As an example of the survey format, the survey items for the product category of sunglasses are presented in Table 2.

The data were collected during regularly scheduled class sessions. Prior to beginning the study, participants were advised that their participation was voluntary and that they were free to discontinue their participation at any time during the completion of the survey. Further, in an attempt to encourage candidness and honesty in their responses, participants were instructed that their responses would remain confidential and would be reported in aggregate form only. Participants were provided with written and verbal instructions on how to complete the survey.

RESULTS

Two hypotheses regarding cultural differences in the level of importance consumers attach to various product attributes were proposed in the study. Descriptive statistics, cross tabulations, bivariate correlations, and analysis of variance (ANOVA) procedures were used to test those hypotheses. Each hypothesis is presented below and discussed individually.

Before engaging in hypothesis testing, the researchers employed descriptive statistics to examine the data set for outliers and/or imbalance within and across consumer groups. The researchers concluded that observed differences between the two groups would generally *not* be

accounted for solely by demographic differences. Accordingly, the researchers proceeded to test the two hypotheses proposed in the study.

TABLE 2
An Example of the Survey Format

Have Not Purchased

The table below lists several features used by consumers when selecting sunglasses. Please indicate how important **each** feature is when **you** buy sunglasses. Circle the appropriate number to indicate the importance of each feature in your buying decision.

	Not at all Import- tant			Very Import- ant		
1. high quality lenses	1	2	3	4	5	
2. UV light protection	1	2	3	4	5	
3. visual clarity	1	2	3	4	5	
4. durable frames	1	2	3	4	5	
5. scratch-resistant lenses	1	2	3	4	5	
6. comfortable fit	1	2	3	4	5	
7. price	1	2	3	4	5	
8. fashionable	1	2	3	4	5	
9. unique shape	1	2	3	4	5	
10. variety of lens colors	1	2	3	4	5	
11. shatter-resistant lenses	1	2	3	4	5	
12. approved by your friends	1	2	3	4	5	
13. distinctively shaped lenses	1	2	3	4	5	
14. variety of frame colors	1	2	3	4	5	
15. well-known brand	1	2	3	4	5	
16. adjustable temple frames	1	2	3	4	5	
17. overall high quality	1	2	3	4	5	

How much money would you be willing to pay for a pair of sunglasses with the features you desire?

__ up to \$25 __ up to \$50 __ up to \$75 __ up to \$100
__ \$100+

H₁: Significant cultural differences will exist in the level of importance attached to individual product attributes.

Separate analyses were conducted on each of the seven products included in the study. The level of

importance attached to individual product attributes served as the dependent variables and ethnicity (Navajo/Caucasian) served as the independent variable in the ANOVA procedure. The results of these analyses, in general, provided strong evidence that statistically significant differences existed in the level of importance respondents from each cultural group attached to product attributes in six of the seven product categories. Table 3 presents a synopsis of the findings related to hypothesis H1.

As seen in Table 3, statistically significant cultural differences existed in the level of importance group members attached to a variety of product attributes. The following section highlights a selection of the cultural differences observed. For example, when considering the purchase of sunglasses, the Navajo students attached more importance than did Caucasian respondents to several product attributes. Those attributes included color and shape of the lenses ($F=51.55$, $p<.000$ and $F=34.00$, $p<.000$ respectively), adjustable frames ($F=15.92$, $p<.000$), shatter resistant lenses ($F=13.08$, $p<.000$), as well as the brand and the price of the product ($F=8.13$, $p<.036$ and $F=10.19$, $p<.002$ respectively).

Significant cultural differences were also found in the level of importance attached to several automobile features. For instance, the Navajo participants attached greater levels of importance to excellent gas mileage ($F=46.84$, $p<.000$), safety ($F=28.41$, $p<.000$), a powerful engine ($F=25.94$, $p<.000$), where the auto was made ($F=12.60$, $p<.001$), and the price of the auto ($F=7.33$, $p<.008$). The Caucasian respondents, however, attached a higher level of importance to the status of the automobile than did the Navajo participants ($F=39.35$, $p<.000$).

Some such differences are consistent with the distinct values, mores, and behaviors of the cultures studied in this research. For example, much that has been written on the Navajo culture strongly indicates that tribal members are proud of their culture, their heritage and traditions. At the same time, the youth of the Navajo nation is

TABLE 3
Cultural Differences in Level of Importance
Attached to Product Attributes: ANOVA Results

Dependent Measure	Source	SS	df	MS	F	p<
Product: Sunglasses	between	130.053	1	130.053	51.22	.000
	within	545.929	215	2.539		
	total	675.982	216			
Lens Color						
Lens Shape	between	88.820	1	88.820	36.73	.000
	within	519.871	215	2.418		
	total	608.691	216			
Adjustable Frames	between	70.532	1	70.532	25.54	.000
	within	593.753	215	2.762		
	total	664.286	216			
Shatter Resistant Lenses	between	49.254	1	49.254	20.68	.000
	within	511.999	215	2.381		
	total	561.253	216			
Brand Name	between	25.129	1	25.129	9.47	.002
	within	569.544	215	2.649		
	total	594.673	216			
Price of Glasses	between	25.754	1	25.754	15.90	.000
	within	348.302	215	1.620		
	total	374.055	216			
Product: Automobile	between	56.042	1	56.042	28.59	.000
	within	421.368	215	1.960		
	total	477.410	216			
Gas Mileage						
Engine Power	between	29.725	1	29.725	15.55	.000
	within	410.966	215	1.911		
	total	440.691	216			
U.S. Manufacture	between	41.692	1	41.692	10.44	.001
	within	858.428	215	3.993		
	total	900.120	216			
Price of Auto	between	18.974	1	18.974	9.17	.003
	within	445.054	215			
	total	464.028	216			
Safety	between	36.711	1	36.711	18.08	.000
	within	436.349	215	2.030		
	total	473.060	216			
Product: Alcohol	between	102.153	1	102.153	18.82	.000
	within	1551.967	215	2.019		
	total	1654.120	216			
Alcohol Brand						
Few Calories	between	130.181	1	130.181	16.23	.000
	within	1724.639	215	8.022		
	total	1854.820	216			
Color of Alcohol	between	117.310	1	117.310	13.63	.000
	within	1850.432	215	8.607		
	total	1967.742	216			
Low Alcohol Content	between	135.328	1	135.328	16.81	.000
	within	1730.9111	215	8.05		
	total	866.240	216			

TABLE 3
Cultural Differences in Level of Importance
Attached to Product Attributes: ANOVA Results

Popularity With Friends	between within total	76.103 1856.137 1932.240	1 215 216	76.103 8.633	8.82	.003
Product: Blue Jeans	between within	33.466 399.355	1 215	33.466 1.857	18.02	.000
Brand of Blue Jeans	total	432.820	216			
Designer Name	between within total	87.376 432.550 519.926	1 215 216	87.376 2.012	43.43	.000
Conservative Styling	between within total	48.293 354.214 402.507	1 215 216	48.293 1.648	29.31	.000
Durability	between within total	8.773 227.734 236.507	1 215 216	8.773 1.059	8.28	.004
Popularity With Friends	between within total	13.101 511.959 525.060	1 215 216	13.101 2.381	5.50	.020

inexorably being pulled into the mainstream Anglo culture.

How are such consumers to effectively bridge the gap between traditional and modern culture? One possible course of action would be to "occupy the middle ground." For instance, the data revealed that Navajo consumers placed greater importance on purchasing automobiles made in America than did the Caucasian consumers. It may be that by "buying American", the Navajo consumer may be preserving their "American" status while at the same time making the transition into the Anglo culture.

The data also revealed that the social status attached to an automobile was more important to Caucasian consumers than to Navajo consumers. Again, such a finding is consistent with the traditional Navajo culture which emphasizes a lack of materialism and stresses the good of the group over individualism. Consumer behavior emphasizing conspicuous consumption, would then be somewhat surprising in the Navajo culture.

Regarding the product category of alcohol, the Navajo respondents attached more importance to the brand of the product ($F=18.82$, $p<.000$), few calories in the product ($F=16.98$, $p<.000$), low alcoholic content ($F=13.94$, $p<.000$), the color of the product ($F=10.93$, $p<.001$) and the popularity of the product with friends ($F=8.19$, $p<.04$) than did their Caucasian counterparts. When one considers these product attributes more closely, one might conclude that the Navajo consumers were more discerning in their consumption of alcohol than were the Caucasian participants. The data indicated that Navajo consumers were not looking for a high-powered, "rot-gut" alcoholic product. Rather, they were seeking products that, based upon the above listed attributes, would indicate a higher quality alcoholic product.

The Native American culture has for decades been presented as one where alcohol abuse has run rampant. Such perceptions are prevalent in academic writings and in the popular press. For example, Philip May (1994; 1996), Landen, Beller, Funk, Propst, Middaugh, and Moolenaar (1997), and a host of other researchers, have investigated alcohol-related problems in Native American

cultures. Further, during the data collection process for this study, a Navajo respondent posed the following question prior to completing the survey, "Why would you want to talk to us? Don't you know, we live in 'Drunk Town USA'?" A popular national news program had previously aired a segment entitled "Drunk Town USA" which featured and emphasized the abuse of alcohol by the citizens of the city in which the Navajo data collection occurred.

Given the amount of press addressing the alcohol problems of Native Americans it seems possible and even likely that the Navajo youth, as they assimilate the Anglo culture, are aware of and concerned with the image of the Indian drunkard. It may be then, that in an effort to participate in the culturally acceptable practice of alcohol consumption while at the same time dispelling the stereotype of the drunken Indian, the Navajo consumer may be seeking alcohol products that feature attributes indicative of product connoisseurs. In short, as suggested by Schlenker (1980), Tedeschi (1981) and others, the Navajo consumers could be using the products they purchase as a method of strategic self presentation and impression management.

When considering the purchase of blue jeans, Navajo respondents attached more importance to the brand of the product ($F=15.61$, $p<.000$), designer name ($F=41.03$, $p<.000$), conservative styling ($F=26.97$, $p<.000$), durability ($F=6.35$, $p<.013$), and popularity with friends ($F=4.08$, $p<.045$) than did the Caucasian respondents.

Interestingly, the one product category where significant differences in attribute importance were not observed was that of cigarettes. Upon reflection, that finding may not be entirely surprising when various related factors are considered. For example, the researchers examined the number of respondents who had actually purchased the product. It was discovered that only 80 (39 Navajos; 41 Caucasians) of the 217 respondents had purchased cigarettes. The remaining 137 respondents, as instructed, did not complete the survey items pertaining to cigarettes

since they had not purchased the product. Thus, possibly due to relatively small n and, subsequently, little statistical power, no significant differences were found.

Based upon the results of the statistical analyses, hypothesis H1 was accepted. The authors concluded that statistically significant differences did exist in the level of importance members of each consumer group attached to various product attributes.

The next step in the research process was to test hypothesis H2.

H₂: Significant cultural differences will exist in the dollar amount participants would expect to pay for each product.

Based upon the hypothesized cultural differences in importance attached to specific product attributes, and the fact that the products tested in the study were commonly purchased by college students (i.e., the participants were relatively well informed consumers), the authors predicted that significant differences would exist in the price the consumer groups expected to pay for the products included in the study. Hypothesis H2 was tested using cross tabulations and Chi-square tests to identify significant differences.

As can be seen in Table 4, hypothesis H2 was supported. The results of the cross tabulations revealed significant and intriguing cultural differences in the price group members expected to pay for the products offering the desired features. For example, slightly less than forty-seven percent of the Navajo respondents expected to pay up to \$25 for sunglasses with the product attributes deemed most important. Significantly fewer Caucasian respondents (thirty-four percent) expected to pay such a price for sunglasses. When it came to the purchase price of alcohol, nearly thirty percent of the Navajo participants expected to pay up to \$3 while fewer than seven percent of their Caucasian counterparts had such price expectations. Indeed, forty-five percent of the Caucasian students expected to pay up to \$15 for

a bottle of alcohol with the desired attributes compared to only eight percent of the Navajo students.

TABLE 4
Cultural Differences in Expected Price of
Products Featuring Most Important
Attributes: Chi-Square Tests

Product	Pearson Chi-Square Value	df	Sig.
Sunglasses	18.125	5	.003
Alcohol	52.666	5	.000
Blue Jeans	12.305	5	.031
Car Stereos	17.743	5	.003
Automobiles	5.256	5	.385
Cigarettes	9.303	5	.098
Book Bags	4.240	5	.515

Similar patterns were observed regarding the purchase price of car stereos and blue jeans. Navajo consumers tended to expect to pay less for a car stereo than did the Caucasian consumers. Some forty-one percent of the Navajo consumers, compared to sixteen percent of the Caucasians, expected to pay no more than \$150 for a stereo with the most valued attributes. Conversely, thirty-eight percent of the Caucasian consumers expected to pay \$250 or more for such a stereo, while only twenty-one percent of the Navajo buyers had such price expectations.

When purchasing blue jeans, Navajo consumers once again expected to pay less than did the Caucasians in the study. Approximately fifty percent of the Navajo respondents indicated that they expected to pay up to \$30 for jeans with the desired attributes. Only twenty-eight percent of the Caucasian consumers expected such a price tag.

Based upon the cross tabulation procedures and the results of the Chi-square tests, hypothesis H2 was

accepted. That is, for four of the seven products tested (sunglasses, alcohol, car stereos, blue jeans) statistically significant cultural differences were found in the price group members expected to pay for products featuring the attributes deemed most important.

When one considers the economic figures cited earlier in this paper (i.e., 30 to 50 percent unemployment and an annual per person annual income of \$4,100) regarding the Navajo nation, such findings are not surprising. One might reasonably argue that discrepancies in the price expected to be paid for products were due not to cultural differences solely, but to a combination of culture and economic conditions. Further, as suggested by Dawson (1994), one might postulate that economic standing and cultural values simply cannot be separated. At the very least, such findings warrant further exploration into the question of cultural differences in price expectations.

MANAGERIAL IMPLICATIONS AND FUTURE RESEARCH

Several implications for marketing professionals are suggested by this study. First, one of the fastest growing and least understood minority markets in the United States is the Native American market. This market is expected to grow to nearly two and half million by the year 2000. Understanding the needs of this group will help manufacturers and service providers develop products and services that better meet the needs of this growing market. It is important to note, however, that the Native American culture is many faceted and is comprised of many individual tribes and nations. Marketing researchers and practitioners would be mistaken to assume that all tribes and/or nations share common values, norms and mores. Rather, each Native American nation celebrates its own culture and tradition.

While this study was limited to the examination of seven products targeted to college age consumers, it clearly indicated that differences exist with respect to the importance attached to product

attributes and price expectations between Navajos and Caucasians. Manufacturers and service providers would benefit by first identifying the attributes that are considered important by the Navajo market and then developing promotions that address and emphasize those attributes when targeting this group. For example, the results of this study indicate that when considering the purchase of an automobile, social status is more important to Caucasian consumers than it is to Navajos. This finding is consistent with the work of McWhirter and Ryan (1991) and the avoidance of conspicuous consumption by Navajo consumers. Accordingly, if targeting their promotional efforts toward Caucasians, astute automobile marketers would realize that an advertisement that associates their product with a specific and desirable level of social status might be a very appropriate and effective approach. On the other hand, the needs of that same marketer, if targeting Navajos, might be better served by creating a promotional campaign that emphasized the specific product attributes of gas mileage, safety, and engine power and avoiding any reference to self achievement or conspicuous consumption.

For four of the seven products included in the study (sunglasses, alcohol, car stereos, and blue jeans), statistically significant cultural differences were found in the price group members expected to pay for a product with the most important attributes. When making pricing decisions it is important to identify not only what attributes are more or less important in selecting products, but the target markets' willingness to pay for the attribute and overall perception of price and value.

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