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THE ULTIMATE CONSUMER'S ATTITUDES TOWARD PROPERTY OWNERSHIP: CONCEPTUAL AND EMPIRICAL FOUNDATIONS

A Dissertation

Submitted to the Graduate Faculty of the Louisiana State University and Agricultural and Mechanical College in partial fulfillment of the requirements for the degree of Doctor of Philosophy in The Department of Marketing

by

Robert W. Obenberger
B.S., University of Wisconsin at Whitewater, 1964
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August, 1974
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ABSTRACT

Throughout history man's relationship with property has been an issue of considerable concern. Consequently, property rights have been the subject of thought in a multitude of disciplines. The nature of the activities performed in the marketing system suggest that marketing scholars, consumer behavior scholars, and marketing practitioners are inevitably concerned with the private property issue.

The concept of private property has evolved throughout history, and evidence exists which suggests that it continues to evolve. This study included a review of relevant literature concerning historical and current concepts of private property, and an empirical assessment of the contemporary consumer's concept of property.

In recent years, a number of scholars have advocated a demise in the consumer's propensities to own property. Yet it is evident that the marketing discipline is somewhat preoccupied with the transfer-of-ownership method of affecting consumption. In general, the justification for this study was to provide marketing and consumer behavior scholars and marketing practitioners with empirical foundations concerning the consumer's ownership propensities.

The problem of the study was to discern the ultimate consumer's attitudes toward property ownership, the
dependent variable of the study, and to determine whether those attitudes differed among consumers possessing different characteristics, with respect to certain independent variables. Those independent variables included were home ownership versus non-home ownership, age, educational attainment, income, occupational status, mobility, past leasing-rental experience, and life cycle stage. The inclusion of five of the independent variables was, in part, based upon propositions advanced in relevant related literature.

The research was conducted in the Atlanta, Georgia Metropolitan Area. A mailed questionnaire yielded 247 observations of ownership attitude and relevant independent variable characteristics.

A least squares analysis of variance procedure was utilized to determine the main effect that each independent variable had upon ownership attitudes, and the interaction effects that 16 combinations of independent variables had upon ownership attitudes.

It was generally discerned that although respondents moderately favored property ownership, a substantial number of consumers existed who exhibited propensities to disfavor ownership. Those respondents who rent their residences exhibited significantly lower propensities to own property than did home owners; and significant differences in
ownership attitudes were produced by the home ownership-educational attainment interaction, and the mobility-life cycle stage interaction. Additionally, one main effect and six interaction effects approached significance, and were deemed to hold promise for future research.

From a synthesis of relevant conceptual literature and the empirical findings of the study, implications and conclusions were drawn for general marketing thought, consumer behavior thought, and marketing practice. Finally, directions for further research were offered.
CHAPTER I

AN INTRODUCTION TO THE STUDY

Man's relationship with his possessions has been historically characterized by intrigue, complexity, and evolution. Among those intrigued by the personal property issue have been scholars associated with such disciplines as philosophy, theology, political science, law, sociology, economics and marketing. Man's right to possess property has become intertwined with the complexities of numerous political and economic ideologies which have characterized societies through history. Furthermore as those ideologies have evolved, so has the concept of property.

This study concerned relatively fundamental aspects of man's relationship with his possessions. It examined the evolving concept of property ownership, and the concept of ownership in contemporary American society. In addition, it investigated empirical foundations concerning man's contemporary attitudes toward property ownership.

The property ownership phenomenon has become deeply embedded in the marketing discipline, the general realm within which this research was conducted. The marketing discipline's concern with property is inherent in the view that the discipline is oriented to the development and
distribution of goods and services,\(^1\) two broad forms of property. Marketing's concern with the ownership of private property is inherent in the view that buying and selling, which create transfers of private property ownership, have been considered basic marketing functions.\(^2\) Additionally, the creation of ownership flows have been considered to be key activities performed in the distribution system.\(^3\)

This study was conducted in the general realm of the marketing discipline, and specifically in the field of consumer behavior. In that marketing thought, consumer behavior thought, and marketing policies and strategy are based upon an understanding of consumer behavior variables,\(^4\) the consumer's relationship with his possessions is a phenomenon of some import to the marketing discipline.

This research thus examined conceptual foundations of property ownership, and empirical foundations regarding the consumer's attitudes toward property ownership. Such

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conceptual and empirical foundations were oriented to the marketing discipline. Specifically, the study was oriented to the interests of general marketing scholars, consumer behavior scholars and marketing practitioners. However, this research was also deemed to be of potential interest to scholars in disciplines other than marketing, who have exhibited concern with the property ownership phenomenon.

In this introductory chapter, the problem of the study is presented. Then, the justifications for conducting the study are discussed. The scope, limitations and delimitations of the study are examined, certain terminology used in the study is defined, and an overview of the methodology utilized in the study is presented.

I. STATEMENT OF THE PROBLEM

The general problem with which this research was concerned is the empirical assessment of the ultimate consumer's attitudes toward property ownership, and the examination of certain basic consumer characteristics to determine whether ownership attitudes differed among consumers possessing different characteristics.

In recent years, scholars from a number of disciplines, including the marketing discipline, have advanced the thesis that the desire to own personal property is declining in American society. The views of these scholars are incorporated into Chapter II of this study. The
present research sought to empirically examine ownership attitudes in order to derive implications regarding the general extent to which contemporary consumers favor or disfavor property ownership.

Commensurately, scholars from a number of disciplines have recently advanced propositions intended to explain varying and/or declining propensities to own personal property. These propositions are also examined in Chapter II. Some of these propositions were incorporated into the hypotheses of this research. Thus, certain hypotheses were based upon variables which were proposed by various scholars to have an effect upon ownership propensities.

The problem of this study was basic in nature. The ownership phenomenon is conceptually basic, in that it has been a fundamental institution throughout most of man's history. Yet, an extensive perusal of literature related to the ownership phenomenon indicated that a void existed with respect to empirical evidence concerning this basic institution. Thus, this study sought to provide empirical foundations regarding the ownership phenomenon. These empirical foundations were oriented to the interests of the marketing discipline, the realm within which this study was conducted. The thrust of this research was to provide basic market segmentation data: traditional market segmentation variables, and variables specifically related to ownership propensities were examined in the study.
Operationally, this research partially involved measurement of ownership attitudes, the dependent variable of the study, among a sample of consumers. Additionally, the study involved measurement of eight basic consumer characteristics, the independent variables of the study. Five of the independent variables—age, educational attainment, family income, geographic mobility and family life cycle stage—were in part derived from propositions set forth in the ownership literature. Two variables—home ownership characteristics and past leasing-rental experience, were deemed to be "situation specific"; i.e., specifically related to ownership attitudes. Finally, occupational status was included as a proxy variable for social status, often construed to be related to consumption behavior. The formal hypotheses concerning these variables, and the justifications for their inclusion, are incorporated into Chapter III.

In total, this research sought to provide empirical foundations with respect to the property ownership phenomenon, in order to fill a void in the literature.

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5 In general, these variables are among those traditionally incorporated into basic market segmentation studies. Thus, they were incorporated into the present study because they were construed to be compatible with the basic nature of this research.

6 Cf. post, pp. 154-164.
Those empirical foundations consisted of an assessment of the consumer's attitudes toward ownership; and an assessment of certain basic market segmentation variables, to determine if consumer characteristics with respect to those variables effected attitudes toward ownership. Some of those variables were derived from propositions advanced by scholars who deemed them to be related to varying ownership propensities.

II. JUSTIFICATIONS FOR THE STUDY

Implicit in the justifications for this study was an underlying contention that marketing scholars, consumer behavior scholars and marketing practitioners alike have become somewhat myopic concerning the necessity for ownership transfers to affect consumption. This myopia results, at least in part, from man's longstanding concern with, and the fundamental nature of, the private property institution. This contention is explored in some depth in Chapter II. Generally, this study sought to provide evidence with respect to the validity of what might be termed the ownership transfer assumption. Such evidence carried attendant implications for marketing scholars, consumer behavior scholars, and marketing practitioners.

Ownership Propensities and the Marketing Scholar

Bartels has documented the desirability of searching for empirical generalizations for purposes of developing
marketing theory, and ultimately marketing science. The present study sought to make a contribution to the marketing theory literature via providing empirical evidence regarding the extent to which ultimate consumers favor property ownership.

The ownership phenomenon has become deeply embedded in marketing thought. Marketing scholars representing at least two schools of marketing thought have demonstrated explicit concern with ownership. Functional marketing scholars have historically viewed buying and selling—and thus transfers of ownership—as key functions performed by the marketing system. Institutional marketing scholars have historically viewed the flow of ownership as a key activity performed by the distribution system. It is thus in evidence that transfers of title as the means whereby consumption is affected has perhaps been assumed by these scholars.

This study examined the extent to which ultimate consumers attitudinally favor ownership; i.e., the transfer-of-title approach to acquiring goods. Additionally, the study examined those market segments which did not favor the transfer-of-title approach to acquiring goods. In that market segments exist which do not favor the transfer-of-title approach to acquiring goods, implications are in

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evidence for functional and institutional marketing scholars. Pertinent empirical findings and implications are examined in this study.

Societal marketing scholars have exhibited concern with the efficiency and/or effectiveness with which the marketing system makes a contribution to overall societal goals. It is somewhat evident that many marketing practitioners have rigidly adopted transfer-of-title marketing policies, and have failed to consider alternative transfer arrangements. In that substantial numbers of consumers exist who do not favor the transfer-of-title approach to acquiring goods, implications are in evidence regarding the effectiveness and/or efficiency with which the marketing system is fulfilling the needs of those consumers. Relevant empirical findings and implications are discussed in the study.

Thus, this study in part concerned provision of empirical evidence regarding ownership propensities—empirical evidence which is deemed to be of interest to functional, institutional and societal marketing scholars.

Ownership Propensities and the Consumer Behavior Scholar

The consumer behavior literature is characterized by a lack of empirical evidence concerning consumer desires to own the goods which are utilized in the household. Indeed, a review of the consumer behavior literature suggested that
only a handful of scholars have recognized that alternatives to transfer-of-title marketing approaches may exist. 8

This research sought to empirically ascertain the general extent to which ultimate consumers attitudinally favor property ownership. In that substantial numbers of consumers exist who do not favor ownership as a means of acquisition, certain implications are in evidence for consumer behavior thought. Pertinent empirical findings and implications are examined in this study.

Of those consumer behavior scholars who have recognized that many consumers may well disfavor ownership as a means of acquisition, some have proposed rationales for declining and/or varying ownership propensities. Some of the hypotheses of this study were based upon the propositions of certain consumer behavior scholars. Thus, this study sought to provide empirically based evidence concerning those propositions.

Consumer behavior scholars have a major interest in explanations of various consumer behavior phenomena. This study sought to examine certain basic consumer behavior variables, to determine whether consumer characteristics with respect to those variables effected attitudes toward property ownership. Findings concerning those variables, and implications for the consumer behavior scholar are examined in the study.

8 Cf. post, pp. 70-88.
Ownership Propensities and the Marketing Practitioner

In Chapter II, it is submitted that many marketing practitioners have somewhat rigidly adopted a transfer-of-ownership marketing approach and have failed to consider alternative transfer arrangements.\textsuperscript{9} Yet, as previously stated, certain scholars have advocated a demise of ownership propensities.

Marketing strategies should be based on an understanding of consumer behavior variables.\textsuperscript{10} One justification for this study was to make a contribution to the marketing practice literature as regards the provision of empirical data useful in the formulation of marketing strategies.

The problem of this study concerned, firstly, the assessment of ultimate consumers' attitudes toward property ownership. The existence of substantial numbers of consumers who disfavor property ownership implies that the ownership bases, upon which much of current marketing practice is founded, are deteriorating. Thus there might ensue substantial need for reformulation of transfer-of-ownership marketing strategies. Relevant empirical findings and strategy implications are examined in this study.

\textsuperscript{9} Cf. post, pp. 90-92.

\textsuperscript{10} Kotler, loc. cit.
Secondly, the problem of this study concerned the examination of differences in ownership attitudes predicated upon certain market segmentation variables. Differentiated marketing strategies are often based on knowledge regarding differences in market segment characteristics.\textsuperscript{11} Therefore, an additional purpose of this study was to provide empirical evidence regarding characteristics possessed by market segments exhibiting different attitudes toward property ownership. Benefits, attributable to management having knowledge of market segment characteristics, include an improved ability to:

\begin{quote}
... Spot and compare marketing opportunities ... to guide the allocation of the total marketing budget ... [and to] make finer adjustments of ... product and marketing appeals.\textsuperscript{12}
\end{quote}

In short, a deterioration of propensities toward ownership could substantially change the nature of future marketing strategies; knowledge of market segments possessing different ownership attitudes provides a more concrete basis upon which marketing strategies can be structured.

\textbf{Ownership Propensities and Disciplines Other Than Marketing}

The property ownership phenomenon is of interest to scholars associated with a variety of disciplines. In

\begin{footnotes}
\item[11]\textit{Ibid.}, pp. 184-191.
\item[12]\textit{Ibid.}, p. 168.
\end{footnotes}
Chapter II the thoughts of many of those scholars are examined.

It was deemed outside the scope of this marketing oriented study to explicitly examine the ownership phenomenon from the perspectives of disciplines other than marketing. However, it was a contribution of this research to provide scholars from a variety of disciplines with empirical evidence bearing on the property ownership phenomenon. This evidence is available to the scholar who wishes to derive implications for his chosen discipline.

III. SCOPE, LIMITATIONS AND DELIMITATIONS

This study measured attitudes toward property ownership, and measured the effects that certain basic consumer characteristics had upon those attitudes. The scope of this study is explicitly embodied in the stated problem of the study, and the justifications for conducting this research. As this study was conducted within the realm of the behavioral sciences, it was subject to certain limitations common to such studies. Those limitations are discussed in the following subsections. Additionally, certain specific phenomena which might be logically construed to be related to the ownership phenomenon were delimited from the scope of this study. These phenomenon are explicitly discussed in the last subsection.
Attitude-Overt Behavior Relationships

The view that there is not necessarily a high
correlation between the respondents' attitudes and ensuing
overt behavior has been widely propected by social psychol-

ogists. Festinger has said that "the fact that existing
attitudes relate to overt behavior does not tell us whether
or not an attitude change . . . will be reflected in a
change in subsequent behavior." Doob considers an atti-
tude as an implicit, mediating response--a hypothetical
construct or intervening variable between an objective
stimulus and an overt response. Thus the response is not
directly observable: it may affect overt behavior, but it
is not overt behavior. Campbell attributes the bulk of
diversity between attitudes and overt behavior to "situ-
tional hurdles to action" which make it difficult for the
individual to behave in a manner consistent with his
expressed attitudes.

Ownership attitudes measured in this study were
thus viewed as propensities; as implicit responses which

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13 Leon Festinger, "Behavioral Support for Opinion

14 L. W. Doob, "The Behavior of Attitudes," Psychological

15 D. T. Campbell, "Social Attitudes and Other
Acquired Behavioral Dispositions," in S. Koch (ed.),
may effect overt consumer behavior, but which are not construed as necessarily having a high degree of correlation with overt behavior.

Other Independent Variables

There is logical justification to propose that a myriad of variables may well be related to a rather basic phenomena such as ownership propensity. However the problem of this study required that a fairly broad sample be queried via a mailed questionnaire.¹⁶ This imposed certain limitations on the number of independent variables which were examined in this study. Three specific limitations deserve particular mention.

One means of ascertaining independent variables related to ownership propensity is the factor analytic approach. This approach involves collecting a wealth of data from respondents covering a wide variety of variables. The data is then factor analyzed to reduce the original number of variables to a smaller number of variables which are assumed to underly the phenomena of interest.¹⁷

The problem of this study required a fairly large sample to have reasonable assurance of respondent

¹⁶Cf. post, pp. 170-177.

heterogeneity, contacted via a mailed questionnaire. The necessary sample size and limits on the amount of data that could be gathered via a mailed instrument precluded the use of the factor analytic approach to discerning independent variables.

There is sound reason to speculate that certain psychographic variables are related to ownership propensity. However necessary sample size, the utilization of a mailed instrument, and to some extent the basic nature of this research precluded the assessment of psychographic predictors of ownership propensity. Like the factor analytic approach, the assessment of psychographic variables involves collecting a wealth of data from respondents. Given somewhat limited resources, this requirement would have placed a limitation on feasible sample size. Thus the ability to achieve reasonable respondent heterogeneity would have been adversely affected. The use of a mailed questionnaire also imposes limitations on the ability to collect psychographic data. Limitations on the optimal length of the mailed questionnaire precluded the gathering of the large amount of data necessary to assess psychographic characteristics. Furthermore, the nature and scope of this research involved the assessment of basic data generated from the hypotheses tested. The inclusion of psychographic variables was deemed beyond the problem of this research.
Marketing Implications

The implications derived from the empirical findings of this study in part related to marketing segments which exhibited low propensities to own property. Although much empirical data was generated concerning market segments which exhibited high propensities to own, it was deemed beyond the scope of this study to examine implications with respect to those market segments. However, this data is available to the researcher who has an interest in the characteristics of consumers who exhibited high ownership propensities.

Additionally, due to the limitations inherent in the attitude study approach as regards the coorelation between attitude and overt behavior, and due to certain sampling methodology considerations,\(^{18}\) implications for marketing emanating from this study were treated in a conceptual fashion. It was not the intent of this study to provide marketing practitioners with specific strategies for particular marketing situations with which they might be concerned. Consequently human judgment was required to derive qualitative implications. This study was therefore subject to errors in human judgment. However, every attempt was made to apply sound logic to qualitative implications as a means of minimizing this inherent limitation.

\(^{18}\)Cf. post, pp. 170-177.
Implications derived in the realm of marketing and consumer behavior theory were likewise subject to errors in human judgment. Again every attempt was made to apply sound logic as a means of minimizing judgmental error.

In addition to the aforementioned considerations, additional limitations are discussed in appropriate chapters of this study. Specifically, certain limitations regarding sampling methodology are discussed in Chapter III, and certain limitations regarding analytical methodology are discussed in Chapters III and IV.

**Delimitations**

Four specific phenomena which might logically be construed to be related to ownership propensities were delimited from this study.

**Industrial attitudes toward ownership.** There is significant evidence indicating that attitudes favoring ownership have experienced a substantial deterioration in the industrial goods market. The size of the industrial goods leasing market provides support for this observation. It has been estimated that annual industrial leasing volume is 9.3 billion dollars.

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19 *Cf. post*, pp. 170-177.


The ultimate consumer market and the industrial market have been traditionally treated as separate entities for research purposes, because of substantial evidence that buyer behavior differs considerably in these respective markets. Furthermore a substantial body of literature presently exists concerning the industrial goods rental-lease market and factors underlying behavior in that market. Consequently no attempt was made in the present study to measure industrial market ownership attitudes, or to explore the literature concerning trends in the industrial market. Rather the focus was upon ultimate consumer attitudes toward ownership.

Conspicuous consumption. Thorstein Veblen, in his book The Theory of the Leisure Class, developed a number of hypotheses concerning "conspicuous consumption" and "conspicuous leisure."\(^{22}\) The former term became widely known for purposes of denoting a consumer's "... desire for esteem in the eyes of others."\(^{23}\) A substantial body of literature has ensued empirically testing various aspects of Veblen's hypotheses.

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The present study did not delve into this body of literature, or attempt to analyze any portion of that literature. The assumption adopted herein was that "conspicuous consumption" need not entail ownership of consumer goods; rather some alternative form of acquisition can satisfy any existing consumer desire for esteem. Thus the problem of this study did not stand in contradistinction to the conspicuous consumption literature and no review of that literature was deemed necessary.

**Consumer credit.** Exploration of the ownership attitude might logically lead to the generation of some hypotheses regarding the relationship between the use of consumer credit and the resulting occasion of delayed ownership. This study included no attempt to examine such relationships, or existing literature concerning those relationships. Rather the study focused upon the measurement of attitudes toward owning goods and/or corollary attitudes toward having the use of goods but never attaining ownership of those goods. Thus the consumer credit-delayed ownership phenomenon was deemed outside the scope of the study; the use of consumer credit to acquire goods and services was viewed as a form of ownership.

**Attitudes toward ownership of specific products.** The problem of this study concerned the measurement of consumer attitudes toward ownership in general, as a basic societal phenomenon.
Certain attitude statements used in the measurement instrument constructed for this study contained references to specific products.\textsuperscript{24} No attempt was made, however, to ascertain attitudes toward the ownership of such products. The Summated Rating method for attitude measurement was chosen for use in this research.\textsuperscript{25} The Summated Rating method requires that each respondent's score on individual attitude statements be summed for purposes of obtaining an overall measure of the respondent's attitude. Thus scores on individual attitude statements are lost in the summation process. In addition the respondent's score on an individual attitude item is considered to be highly invalid. Consequently no purpose was served by analyzing respondent scores on individual attitude statements which refer to specific products.

Contributions to the marketing literature have been made by other researchers regarding perceived satisfactions derived from the ownership of certain specific products. Those contributions are considered substantially unlike the contribution of this research which examined attitudes toward ownership in general. A review of the literature regarding consumer satisfaction derived from the ownership of specific products is presented in Chapter II.

\textsuperscript{24}The attitude scale utilized in this research is in Appendix A.

\textsuperscript{25}Cf. post, pp. 141-145.
IV. DEFINITIONS

Certain terms that appear in this study must be defined, as an understanding of their particular usage in this research is essential. The terms and their definitions are as follows.

"Market segment." Homogeneous subgroups within the total, heterogeneous market,26 distinguishable on the basis of home ownership characteristics, age, educational attainment, income, occupational status, mobility characteristics, past experiences with the lease or rental of products, and family life cycle stage.

"Ownership attitudes." "... An enduring organization of motivational, emotional, perceptual and cognitive processes . . . ."27 with respect to:

... Ownership, which involves possessing or eventually possessing legal title to goods, and thus . . . . the right to the use of all the potentialities of an object legally in your possession . . . [and] 28 the right to transfer such an object to someone else.

"Ownership propensities." An attitude set which favorably disposes the individual toward ownership of goods

26 Kotler, op. cit., p. 166.


and services as opposed to acquisition of the use of such goods and services via lease or rental arrangements.

"Private property." Assets in the form of goods and/or services which are "... owned by an individual." 29

"Ultimate consumer." An individual who acquires goods via purchase, lease or rental, "... either for his own or for his family's personal consumption." 30

V. AN OVERVIEW OF RESEARCH METHODOLOGY

The ultimate consumer's attitudes toward property ownership, the dependent variable of this study, were measured via Likert's Method of Summated Ratings. 31 The attitude scale which was used was pretested for validity and reliability. The attitude scale was incorporated into a mailed questionnaire, along with certain questions which elicited data concerning the respondent's characteristics with respect to the independent variables hypothesized to have an effect on ownership attitude.


The questionnaire was mailed to 1,004 Atlanta Metropolitan Area consumers. Sample size was determined via the application of sample size theory to data obtained in a pilot study. It was ascertained that 200 responses would be necessary to have reasonable assurance of respondent heterogeneity, and that a sample of 1,000 would yield 200 questionnaire returns. The actual number of useable responses was 247. A random sampling technique was used to select the research sample from the Atlanta Telephone Directory, in order to have further assurance of response heterogeneity.

The data obtained was analyzed via a least squares analysis of variance procedure. In accord with the problem of this study, the procedure enabled examination of whether ownership attitudes significantly differed among consumers possessing different independent variable characteristics. Analysis of variance was utilized to determine the individual or main effect that each independent variable had upon ownership attitudes and the joint or interaction effects that sixteen combinations of the independent variables had upon ownership attitudes.

The methodology utilized to measure the dependent and independent variables, to gather the empirical data of this study, and to analyze the empirical data is discussed in detail in Chapter III.
VI. THE ORGANIZATIONAL PLAN OF THE STUDY

This study is divided into five chapters. The introductory chapter included a discussion of the research problem, the justifications for conducting the study, the scope, limitations and delimitations pertaining to the study, definitions of key terms employed in the study, and an overview of the research methodology utilized.

Chapter II concerns a review of literature related to the problem of the study. Literature emanating from multidisciplinary thought, general marketing thought, consumer behavior thought, and marketing practitioner-oriented sources is examined. The literature review is intended to examine historical and contemporary concepts of property ownership, and to assess the availability of empirically based literature concerning property ownership. Additionally, certain propositions are examined which serve as the bases for five hypotheses of the study.

In Chapter III, the empirical methodology used to pursue the conceptual foundations established in Chapter II is examined. The discussion concerns the methodology employed to measure the dependent variable of this study, a statement of the formal hypotheses with respect to the independent variables of the study, the method of gathering data, and the methodology employed to analyze that data.
Chapter IV reports the empirical findings of the study. The focus is upon the effects that the independent variables, both individually and in combination, had upon ownership attitude, the dependent variable.

In Chapter V, implications and conclusions are drawn for the marketing scholar, the consumer behavior scholar, and the marketing practitioner. Those implications and conclusions are based upon the conceptual foundations examined in Chapter II, and the empirical findings examined in Chapter IV. Finally, implications for future research are discussed.
CHAPTER II

AN EXAMINATION OF LITERATURE RELATED TO PROPERTY OWNERSHIP PROPENSITIES

In this chapter literature which is related to the property ownership phenomenon is reviewed.

Throughout history the relationship between man and property has been an issue of considerable concern, and as a result of such concern scholars from a variety of disciplines have advanced propositions regarding the personal property issue. A portion of this literature review concerns an examination of propositions emanating from various scholars representing disciplines which are diverse in scope of interest but which share a common interest in man's relationship with property.

In recent years a number of marketing scholars and marketing practitioners have advanced propositions concerning the relationship between the consumer and ownership of his possessions. As the present study was conducted within the realm of the marketing discipline, the major portion of this chapter examines relevant propositions emanating from the marketing literature.

A host of contributions to marketing thought have resulted from the integration of relevant multidisciplinary
literature into the marketing literature. A major purpose of this literature review is to examine various dimensions of the concept of property ownership via drawing together related literature from a number of relevant disciplines.

The justification for the present study, set forth in Chapter I, related generally to the provision of empirical data regarding the property ownership phenomenon. A second general purpose of this chapter is to assess the adequacy of the literature as regards empirical evidence of man's relationships with personal property.

The organizational scheme used in this chapter conceptually parallels the justifications for conducting this study, set forth in Chapter I. There it was submitted that empirical data regarding property ownership propensities is of interest to marketing scholars, to consumer behavior scholars, to marketing practitioners, and, additionally, to scholars representing certain disciplines other than marketing. Of these respective practitioners and scholars, some have addressed the property ownership issue, and their thoughts comprise this literature review. The framework elements utilized in this chapter are intended to reflect the respective bodies of literature with which the aforementioned scholars and practitioners are associated.

Thus the literature to be reviewed is classified into four broad areas: (1) the history of multidisciplinary thought concerning the property ownership phenomenon, (2) marketing thought and the concept of property ownership, (3) consumer behavior propositions regarding ownership propensities, and (4) considerations useful to marketing practitioners in examining alternatives to the transfer-of-title marketing approach. This organizational scheme approaches the literature review in a general-to-specific manner. The major thrust of the empirical portions of this study, which follow in Chapters III, IV and V, relate to the provision of market segmentation data. While deemed to be of interest to a variety of scholars, implications drawn from such data are primarily oriented toward the interests of consumer behavior scholars and marketing practitioners. Thus the first section of this chapter is generally related to the interests of consumer behavior scholars and marketing practitioners. The second, third and fourth sections of this literature review relate, in an increasingly specific manner, to the interests of such scholars and practitioners.

As stated previously, the general purposes of this literature review are to examine various dimensions of the concept of property ownership, and to assess the adequacy of the literature concerning empirical evidence of man's relationship with property ownership.
The specific purposes of this literature review, and the boundaries placed upon the literature examined vary with the progression from generally related literature to specifically related literature characterizing this chapter.

The first section of the chapter reviews the multidisciplinary literature concerning the relationships between man and property. In addition to the general purposes of this literature review stated previously, the specific purpose herein is to briefly trace the historical underpinnings of the personal property phenomenon. The focus throughout this section is upon certain major evolutionary developments which have influenced the current concept of ownership in United States society. The section is multidisciplinary in nature, as it reviews thought emanating from philosophy, theology, economics, political science and the behavioral sciences.

It must be noted that the literature reviewed in this section of the chapter is not intended to be an exhaustive review of multidisciplinary thought regarding personal property. The boundaries placed on this literature review relate explicitly to the purposes stated previously. Therefore, only literature indicative of major evolutionary developments in the concept of personal property is included.

The second section of the chapter concerns the treatment of the ownership concept in marketing thought.
As is true of all sections of the chapter, the general purposes of this section are to examine various dimensions of the concept of property ownership, and to assess the adequacy of the empirically based literature concerning the ownership phenomenon. This section traces the treatment of the ownership concept as viewed by marketing scholars. The purpose herein concerns the assessment of the extent to which such scholars have recognized alternatives to the transfer-of-title marketing approach. The section examines the treatment of ownership by scholars adhering to three approaches to the development of marketing thought; the functional approach, the institutional approach, and the societal marketing approach. The literature selected for this section relates explicitly to the treatment of ownership in the three aforementioned schools of marketing thought; approaches to the development of marketing thought other than those mentioned, and constructs not directly related to ownership are not reported.

The third section of the chapter reviews propositions advanced by consumer behavior scholars concerning the demise of property ownership propensities. Again, the general purposes in this section are to report various dimensions of the concept of property ownership, and to assess the adequacy of the empirical evidence regarding ownership propensities. Specifically, propositions which attempt to explain changing ownership propensities in the ultimate
consumer market are reviewed. Because of the close relationship that exists between such literature and this study, explanatory propositions advanced by consumer behavior scholars are reviewed in an exhaustive manner. No reference is made to other consumer behavior phenomena, except when scholars have proposed that direct relationships exist between such phenomena and ownership propensities.

The final section of the chapter relates to an examination of a number of considerations which are relevant to marketing practice in view of ownership propensities exhibited in the market. One justification for this study was the provision of empirical data useful to the marketing practitioner for purposes of determining the characteristics of market segments having differing ownership propensities. The general purposes of this section are again an examination of various dimensions of the ownership phenomenon, and the assessment of the adequacy of empirical data concerning ownership propensities.

Specifically, the purpose of this section is to provide basic data useful to the marketing practitioner in the examination of alternatives to the transfer-of-title marketing approach. The literature reviewed relates to data concerning: (1) the general extent of the ultimate consumer market for leased or rented goods, (2) a summary of consumer goods which have been marketed on a lease-rental
basis, and (3) strategic considerations pertinent to implementation of the lease-rental marketing format.

Boundaries placed on the literature reviewed in this section are based on the problem of this study, which related to the provision of basic empirical data concerning differences in consumer propensities to own. As the study concerned the ultimate consumer, no literature is reviewed pertaining to the industrial lease-rental market. Because the study concerned ownership as a basic societal phenomenon, no attempt is made to trace lease-rental developments on a commodity basis. However products which have been marketed on a lease-rental basis will be enumerated, for purposes of alerting business practitioners engaged in the manufacture and marketing of such products to their lease-rental potential. Because the study was concerned with consumer propensities as regards property ownership, no attempt is made to report on the literature concerning financial and/or economic feasibility considerations with respect to the lease-rental business operation.  

\[\text{The problem of this study related to the assessment of market segments possessing differing attitudes toward property ownership, a relatively basic consumer behavior phenomenon. Literature concerning financial and/or economic feasibility considerations with respect to lease-rental operations is readily available. However such literature is not directly related to the assessment of consumer propensities to own. Furthermore such literature is typically situation-specific, in that it reports financial and/or economic feasibility data with regard to particular products, product lines, or lease-rental business enterprises. Thus}\]
I. THE HISTORY OF PRIVATE PROPERTY: MAJOR DEVELOPMENTS IN MULTIDISCIPLINARY THOUGHT

The institution of private property has been of importance to man since his very beginnings. Throughout history, leading scholars from a variety of disciplines have contributed to thought concerning various facets of the institution of private property. Disciplines represented by such scholars include philosophy, theology, political science, economics, and the behavioral sciences. Theories, concepts and propositions which are indicative of major developments in thought with respect to the private property institution are examined in this section.3 Although no evidence exists which suggests that such theories, concepts and propositions are empirically based, the literature reviewed in this section may be construed to

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reflect the evolutionary nature of man's relationship with private property. The section is organized in chronological fashion in order to facilitate the tracing of the concept of private property through history.

The Origins of Private Property

Man in the early ages of prehistory was necessarily committed to a nomadic existence. As early man did not yet possess the ability to cultivate crops or to raise domestic herds, he was forced to roam vast areas in constant search of foodstuffs provided in nature. Only his nomadic existence enabled him to fulfill his physiological needs, thereby "preserving a precarious existence." It is probable that the concept of private property, "... if it existed at all, was something quite different from what it is now." It can be conjectured that man without quasi-permanent ties to land, and without the production devices necessary to utilize land, had little cause to concern himself with property rights.

The development of simple horticulture had a marked impact on man's existence. The means became available whereby man could relinquish his nomadic ways for a more stable and secure existence. Concomitant with the advent

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4 Eells and Walton, op. cit., p. 224.
5 Ibid.
of horticulture, however, came the necessity for man to lay claim to the plot of land which now sustained his existence. The advent of the private property institution was thus "... based on a natural human tendency to survive," ⁶ which necessitated preservation of the right to utilize land, now necessary for survival.

In this period of man's history, the primary source of wealth was land. The needs of society for food, clothing and shelter were directly satisfied by the production of the soil. Clothing and shelter were directly supplied by vegetable and animal products, timber, minerals, stone and clay. ⁷

The desire to accumulate property was also likely grounded in survival instincts. Horticultural man soon learned that survival could be made more certain if larger plots of land were put into production, and if he could preserve the right to the fruits of his production efforts.

It is evident that public concern with the manner in which the individual utilized his land had its conceptual origins in the early beginnings of man's concern with property rights. "Since early times a man's neighbors have had legal redress against antisocial uses of property." ⁸ This phenomena is represented by the ancient common law of "nuisance."

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⁶ Ibid., p. 215.
⁷ Ibid., p. 238.
⁸ Ibid., p. 236.
Mosaic Law and Property Rights

Broadly conceived, theological thought can be viewed as both a quest to establish the duties of man toward deity, and of man toward man.\textsuperscript{9} Since man's earliest concern with deity, theologians have been concerned with duties as regards personal property rights.

Of the complete body of theological thought, perhaps Mosaic law has had the most profound influence on Western Civilization. Embodied in the Ten Commandments are two direct references to man's duties toward man concerning property rights—thou shalt not steal, and thou shalt not covet thy neighbor's goods. If "ownership" is broadly conceived to incorporate life, domestic tranquility and a good name, "... the last six commandments all hinge upon the protection of property rights."\textsuperscript{10}

Explicit concern for property rights in Mosaic law was tantamount to divine sanction of such rights. Centuries ago, property rights in a sense became "sacred." To the extent that man subscribed to Mosaic law, he had strong grounds upon which to base his claims to personal property.

Property Rights and the Greek Philosophers

The relationship between private property ownership and social obligations inherent in such ownership was

\textsuperscript{9}Ibid., p. 216.

\textsuperscript{10}Ibid.
debated at some length by the ancient Greek philosophers. Socrates held the view that men living together should have all things in common, especially property. Aristotle, debating with Socrates, considered it manifestly better that private property rights should be sanctioned, but it should be used in common. Thus Aristotle was suggesting that private property carries attendant social obligations. Aristotle was essentially engaged in examining broader ramifications of the law of "nuisance" mentioned previously; the ancient covenant against antisocial use of property was transformed to utilization of property for the common good.

**Property Ownership Concepts in the Medieval Period**

The concept of public encroachment upon private property was manifest in taxation policies established in the Roman Empire. Such public encroachment continued to evolve throughout Feudal times.

Gradually the theory developed that all land was ultimately owned by the sovereign, all possessors being merely tenants owning fealty and military or other service as a condition of their tenure. Lords who held land as a grant direct from the king were called 'tenants-in-chief,' and they, in turn, had power, for a time at least, to grant portions of their lands to subtenants on conditions of fealty and service to them.  

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The feudal system, as such, was structured so as to place a maximum amount of control over land into the hands of the reigning monarchs. The Roman concept of taxation of private property had evolved into central control of virtually all property in the form of land.

During the Medieval period the Church rose to a position of great power. The Church adopted an almost "communist" view regarding property as theologians became conscious of moral consequences associated with vast inequalities in private property holdings by individuals other than feudal monarchs. Thus theological thought of the time essentially complemented the polity of the Medieval monarchies. Rigid central control over land and land usage removed property from the private domain. Tenants temporarily occupying the land shared in its productivity in communal fashion.

Medieval Church teachings regarding tenants on marriage further influenced the nature of ownership. Near the end of the 12th century, "... the Papacy imposed the rule that simple consent created ... an insoluble and monogamous marriage bond ... favoring joint ownership for man and wife." Thus the Church determined

13 Ibid.
14 Ibid., p. 235.
the economic basis of the household, and family needs became the "... norm for prices and the criteria for wage patterns."^15

Renaissance Thought and Private Property

Renaissance thought represented a substantial reformulation of the relationship between man and property. In particular the propositions of John Locke had great impact on the American concept of ownership. He coupled Biblical and human labor notions to argue in favor of personal property rights. According to Locke, although property comes from God to mankind in common, the application of human skills to property resources creates value. Consequently the addition of human effort gives the possessor of labor skills natural rights to the fruits of his endeavors.16

Locke, however, qualified the above formulation:

For this labour being the unquestionable property of the labourer, no man but he can have a right to what that is once joined to, at least where there is enough, and as good, left in common for others.17

Locke expressed concern for social obligations

^15 Ibid.


17 Ibid.
inherent in property ownership. Via establishment of natural rights to private property within the bounds of the common good, Locke "... seems to have provided ... a positive moral basis for a capitalist society."\(^{18}\)

Due in part to Renaissance thought regarding man's natural rights to private property, England's Glorious Revolution of 1688 left the King with substantially curtailed control over land and land use. Economic power was in effect allocated to England's rising middle class, which had great leeway in exploiting the country's resources.\(^{19}\) Magna Carta preserved for the King the right of eminent domain--the power to appropriate ownership of private property for necessary public use. However, government's duty to pay just and reasonable compensation for appropriated property was stipulated in Magna Carta.\(^{20}\)

The philosophies of Locke and the consequences of the Glorious Revolution are illustrative of a marked departure from Medieval thought regarding property; and Renaissance thought has undoubtedly had a substantial effect on the American concept of private property, as it is embedded in the capitalistic economic system.

\(^{18}\) Eells and Walton, op. cit., p. 226.


\(^{20}\) Ibid.
Private Property--United States History

The right to own private property was firmly entrenched in the Old World when the United States Constitution was drafted. Yet man's long history of conflict over property rights, particularly during Feudal times, motivated the Founding Fathers to seek unprecedented protection for the right to personal property. Thus they established a religious and political atmosphere in which the equal right to own property would be secure.\(^{21}\) It might be noted that such concern preceded the anticipation of extensive ownership in the New World.\(^{22}\)

The American concept of ownership was based primarily on the Renaissance philosophy of John Locke, but it is apparent that some of the philosophies of pre-Renaissance times retained a place in American thought regarding property. As stated previously, the Roman concept of taxation evolved into central control of land during the Medieval period. It has been observed that "... the 'private' character of property is even more restricted today than in periods when the rendering of personal service was a condition . . . "\(^{23}\) necessary to use land. A very important restriction on "... full freedom of property rights


\(^{22}\)Ibid.

\(^{23}\)Ibid., p. 236.
today is, of course, the compulsion to pay taxes on both 
real and personal property or face eventual loss of 
ownership." The ancient law of "nuisance" and Aristote-
lian thought regarding the social obligations inherent in 
property ownership have in a sense been manifested in 
zoning laws, building codes, and recently in nondiscrimina-
tion against racial minorities in residential property use. 
Indeed modern real estate deeds are replete with terminology 
first employed during Feudal times.

But Locke's formulation remains as the moral basis 
for the capitalistic system, which in turn has had a pro-
found effect on the American concept of property ownership.

With the growth of commerce and industry . . . there 
evolved a more complicated system of supplying needs of 
an organized society. The factory system, and the con-
sequent need for a complicated distribution system, 
brought in its train the need for large aggregations of 
capital. The tools of production could no longer be 
supplied by the ownership of the land or by ownership 
or control over human labor through slavery or surfdom.

Thus it came about that the owners of surplus wealth 
began to pool their funds in order to establish and 
maintain the more complicated ventures that an evolving 
society demanded. The legal means adopted for this end 
was the corporation . . . [which could] . . . take and 
hold ownership of real and personal property.

. . . As greater and greater capital aggregations 
became necessary, the supplier of capital gradually 
became less and less of an "owner" in the traditional 
sense of the term.25

24 Ibid.

25 Ibid., p. 238.
Thus the supplier of capital increasingly relinquished active management of the corporation. Additionally, ownership interests became quite fragmented as the number of suppliers of capital increased.

Thus it came about that one of the most important items in the bundle of legal rights we call property—the right to manage and control the property—was lost . . . through the practical exigencies of the evolving social mechanism.26

The corporate mechanism substantially changed previous notions regarding property ownership. Its advent brought with it both ownership without control as illustrated above, and its corollary—control and/or use without ownership. It is possible that the concept of use without ownership, which has become an integral part of the corporate mechanism, has had a profound effect upon the overall concept of ownership in American society. Thus an ethic which condones use without ownership in the corporate setting may well have some influence upon consumer goods ownership propensities. In particular, such an ethic may be related to the acceptance of consumer credit, which may be viewed as a mechanism which enables use without immediate ownership, and to the utilization of lease-rental plans, which may be viewed as a format which enables use without ever attaining ownership. The empirical portion of this study examined the extent to which consumers exhibit

26 Ibid., p. 239.
propensities to own goods. Such propensities may well be influenced by a longstanding corporate ethic which condones use without ownership.

The emerging concept of personal property which evolved from industrialism--capitalism drew severe criticism during the nineteenth century. One critic, Joseph Proudhon, insisted that the capitalistic system was a device whereby one man's thoughts, will, personality, and energies are taken from him and put under the control of another. Additionally, it was Karl Marx whose criticisms were to shape the foundations of much of contemporary socialistic economic thought. His prognostication for the downfall of the capitalistic system was based on a formula consisting of thesis, which represented the existing capitalist order, antithesis, which was representative of the proletarian opposition, and eventual synthesis, representing a classless society. Inherent in the formula was the belief that class struggle between the capitalist order and the proletariat was necessary and inevitable. The struggle arose because of economic exploitation of proletarian labor by the capitalist bourgeoisie, who reaped economic rewards for such

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exploitation. The issue of private property rights was inexorably bound up in Marx' criticisms of capitalism. He carefully distinguished between two very different kinds of property: one based upon the producer's own labor, and the other based upon exploitation of the labor of others. Marx proposed that the capitalist was able to "filch" the property of the proletariat via usurping the fruits of its productive endeavors. As the capitalist accumulated property in the form of land and capital goods, he was able to further exploit the proletariat. Thus Marx demanded the abolition of capitalism, and called for the communal ownership of property in order to preserve the proletariat's right to the fruits of its labor.

It can be observed that philosophical struggles regarding private property, its ownership and control have abounded for centuries. Greek, Roman, Medieval and Renaissance scholars, as well as the American Founding Fathers and critics of capitalism have been engaged in continuing controversy as regards private property.

Current Multidisciplinary Thought Regarding Private Property In American Society

The current concept of ownership in the United States has undoubtedly been heavily influenced by the formulations of past history. However there is much evidence suggesting that the concept of ownership continues to evolve.
During the past 50 years a number of scholars have examined the relationships which exist among property ownership and various societal phenomena. The propositions advanced by selected scholars are chronologically reported in this section.

In 1930, Max Weber advanced his theory regarding the relationship between religious ideas and economic behavior, a theory which had substantial impact upon American social scientists. Weber held that man engaged in labor not because of compulsion to do so, but rather because work is a sign of virtue and a source of satisfaction. Virtue and satisfaction are sufficiently important to man to motivate him to work as a matter of course. Weber traced the work ethic to the philosophies of the Protestant reformers. In particular, Calvin glorified work as a defense against sexual temptation and doubts regarding religion. Weber felt that the Protestant reformers offered a rationale for ethical standards favoring meager expenditures, the accumulation of property and the increase of output. As such, Weber felt that a compatibility existed between the Protestant work ethic and the ethic of capitalism. Thus it can be seen that Weber theorized a relationship between labor and the satisfaction resulting from such labor. The

accumulation of property represented tangible satisfaction resulting from labor efforts.

DuBois in 1955 advanced the thesis that ownership provided the explicit motivation for work and achievement in American society. Thus DuBois views the opportunity to own property as highly important in fostering labor productivity in the American economy.

Harbrecht and Berle focused on the radically changing nature of the ownership concept in 1960 American society. They perceived that the accumulation of assets by the individual was no longer necessary, or even desirable from the broad societal perspective. The necessity to possess real assets for personal security—land, gold, cattle, etc.—has been greatly diminished by the substitution of symbols of ownership—securities, mortgages, bonds, bankbooks and paper money. Security for the individual is dependent upon the well-being of the institutions which stand behind such symbols. As the institutions involved often require the employment of real assets for survival and growth it becomes socially undesirable for individuals to hoard real assets. Concomitantly, the management of ownership symbols requires

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possession of a new kind of property—knowledge, specialized knowledge possessed by accountants, brokers, bankers, managers, etc.\textsuperscript{32}

Harbrecht and Berle have thus outlined a radical change in the concept of ownership as it currently exists. The kinds of assets possessed by the individual are substantially different from those of preceding times; and the authors surmise that the ramifications of this change are quite profound.

Additionally Harbrecht and Berle envision increasing institutionalization of the property ownership function; the owned property no longer remains in the hands of the individual, but rather it is often entrusted to various institutions which render control over such property.

The problem of this study related to the empirical assessment of the ultimate consumer's attitudes toward property ownership. It is possible that such attitudes have been influenced by the considerations proposed by Harbrecht and Berle. Specifically, a diminishing necessity to possess and/or accumulate real assets to attain personal security may well be reflected in decreasing propensities to own real property. And the increasing necessity for the institutionalization of the property ownership function, perhaps supported by a social ethic which discourages the hoarding of

\textsuperscript{32}Eells and Walton, \textit{op. cit.}, p. 218.
real assets by the individual, may further influence attitudes toward property ownership. Thus a close relationship exists between the empirical problem of this study and the constructs advanced by Harbrecht and Berle, which might be viewed as having a formulative effect on attitudes toward property ownership.

Muller-Thym, in a 1963 article, re-examined the relationship between work and ownership. He essentially expressed a demise of Weber's Protestant work ethic, that demise arising from the advent of automation. Concurrently, Muller-Thym perceives the demise of ownership propensities. Just as man has historically abandoned numerous ideologies, . . . Now we are abandoning property as well. One of the characteristics of the world in which we live is that property and work are disappearing. This process is going on inexorably; it is further advanced in some parts of the world than in others, but all parts of the world will be involved in it. Property as a thing-type object is disappearing; it is doubtful whether any group of people in the history of the world could measure themselves against their ancestors of comparable wealth and find that they owned so little in comparison.33

Commenting on the implications of this evolution, Muller-Thym stated that the concurrent demise of work and personal property will create a need for new institutions. As work-diligence no longer serves as a mechanism for

distributing wealth as it had during Weber's time, new institutions will be required for the distribution of wealth.  

In his best seller written in 1971, Alvin Toffler speculated that certain societal phenomena now in evidence point to an inevitable decline of ownership propensities. Toffler views the increasing impact of the rental business format as *prima facie* evidence of declining ownership propensities. Underlying this decline is the need or desire for mobility, which becomes problematic when bulky goods must be moved, and a desire for minimum involvement with goods, which becomes necessary when rapid technological progress renders goods obsolete in increasingly short time periods.  

The empirical problem of this study related to an examination of eight independent variables hypothesized to have an effect on ownership attitudes. In accord with Toffler's mobility proposition, one of the eight hypotheses tested related to the effects of mobility on ownership attitudes. Specifically, it was construed that highly mobile consumers exhibit low propensities to own property, because of problems involved in moving bulky household furnishings. Rapid technological obsolescence of goods, with  

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34 Ibid.  
attendant desires to avoid long term involvement with such goods, may be viewed as potentially having a formulative effect on ownership attitudes, the dependent variable of this study.

McLean and DeCarlo commented on the relationship between work and property as viewed by the youth of 1972. The contemporary youth has never experienced economic want or economic insecurity; rather youth have become conditioned to a public policy which will provide for them. Consequently the need to own property for security is greatly diminished among the generations which will comprise the adult consumers of the future.

McLean and DeCarlo's contention that youth may exhibit a diminished propensity to own property was implicitly examined in this study. Operationally, age was included as an independent variable, hypothesized to have an effect on ownership attitude. Thus an attempt was made to derive empirical support for McLean and DeCarlo's proposition.

Summary

The purposes of the foregoing review of multidisciplinary literature regarding major developments in the concept of property ownership were threefold: (1) to

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examine various dimensions of the concept of private property ownership, (2) to determine if a void exists in the multidisciplinary literature concerning empirical evidence relating to ownership propensities, and (3) to briefly trace the history of the concept of property ownership through man's history.

The first purpose was served via drawing upon literature which concerned various dimensions of the concept of property ownership. Such literature eminates from a variety of disciplines—philosophy, theology, political science, economics and the behavioral sciences. The presence of scholarly thought in the literature of such disciplines illustrates deep and widespread concern with the property ownership phenomena.

Throughout the research process which was inherent in the development of this section, a concerted effort was made to uncover empirical data concerning ownership propensities. No empirically supported evidence was found; rather the multidisciplinary literature is characterized by theories, concepts and propositions with respect to the property ownership phenomenon. Thus one of the contributions of this study was the provision of empirical evidence for use by interested multidisciplinary scholars—an undertaking which fills a current void in the literature regarding personal property.
The presentation of major developments in the concept of personal property in chronological fashion, with occasional reference to earlier concepts of a related nature, was for purposes of tracing the history of the private property phenomenon. The literature reviewed in this section of the chapter was not intended to be an exhaustive review of multidisciplinary thought regarding property ownership. Rather, concepts were presented which were indicative of major changes in the private property phenomenon from its origin through American society of the 1970's.

The empirical findings of this study, which follow in Chapter IV, draw upon certain propositions which were included in this literature review. Of particular importance are pertinent propositions advanced relatively recently. Harbrecht and Berle proposed that the necessity to attain security through the accumulation of real personal assets has perhaps been replaced by a new ethic which discourages the hoarding of assets. This proposition was construed to potentially have a formulative effect on ownership attitude, the dependent variable of this study. Toffler proposed that the consumer may wish to avoid long term involvement with goods, inherent in ownership, because of rapid technological obsolescence of those goods. His proposition was likewise viewed as potentially having a formulative effect on ownership attitude.
Toffler's proposition regarding the potential desires of the mobile consumer to avoid ownership was implicitly tested as an independent variable hypothesized to effect ownership attitude, the dependent variable. A second independent variable based on the foregoing literature review was age, implicitly construed by McLean and DeCarlo to have an effect on ownership attitude. Although certain operational considerations precluded the explicit testing of these propositions, the general extent to which the propositions are supported by the empirical findings of this study is discussed in Chapters IV and V of the study.

The following sections of this chapter focus on the concept of private property ownership as advanced in the marketing literature, the discipline within which this study is being conducted.

II. MARKETING THOUGHT AND THE OWNERSHIP OF PRIVATE PROPERTY

It was suggested in the justification for this study that scholars interested in the development of marketing thought may have become somewhat myopic in their view of the property ownership phenomena; it has not been widely recognized in the marketing literature that alternatives exist to the transfer-of-title marketing approach.

This section traces the treatment of the ownership concept by scholars adhering to three approaches to the
development of marketing thought: the functional approach, the institutional approach, and the societal approach. This examination of the treatment of ownership by marketing scholars illustrates that the transfer-of-title marketing approach has become embedded in marketing thought. Additionally, this section indicates a deficiency in the empirical verification of theoretical constructs concerning ownership propensities. Finally this section provides further background for the empirical portions of this study via examining the history of the ownership concept as treated in the marketing literature.

The Treatment of Exchange by the Functional Marketing Scholar

The functional approach to marketing thought had its literary origins in 1916 when Weld, in an institutional-functional treatment of marketing, alluded to the activities performed by the marketing system.37 By 1917 Weld had developed a list of marketing functions: assembling, storing, risk bearing, financing, rearrangement, selling, and transporting.38

Weld thus instituted an enduring theoretical framework for analysis of the activities performed by the


marketing system. Throughout the ensuing half-century, marketing scholars have repeatedly referred to two activities pertinent to this study—buying and selling, or the exchange functions. As buying and selling constitute ownership transfers, functional scholars have, perhaps inadvertently, implied that ownership transfers are inherent in the transactions whereby goods move from producer to consumer. A synopsis of the development of functional marketing thought follows, with particular emphasis on the buying and selling marketing functions.

In 1920 Cherington utilized the functional notion to crystallize the concept of marketing. He conceived of marketing as a number of activities, excluding alterations of form, which were inherent in the distribution of goods from producer to consumer.39 Again "selling," connoting the transfer of ownership, was construed as a basic marketing function.

Ivey adopted a functional approach in his 1921 specification of marketing principles. He listed such functions as assembling, grading, storing, transporting, risk bearing, financing and selling. Ivey stipulated that such functions were involved in the marketing of all goods,

but the performance of them could be shifted among manufacturers and middlemen.  

Converse, in 1921, recognized the micro and macro aspects of marketing activities. He drew a distinction between middleman functions—assembling, dividing, grading, transporting, storing, financing, risk, sorting and packaging—and generalized activities that pervade marketing in general, including selling. Clark developed a list of marketing functions paralleling those specified by Weld, and classified them as physical supply, exchange and facilitating functions. From a functional perspective he defined marketing as efforts which affect transfer in the ownership of goods, and care for their physical distribution.

In 1940, Alexander, Surfaces, Elder and Alderson approached the marketing topic from a managerial-functional viewpoint. In addition to the discussion of typical marketing functions listed previously, including selling, (and thus transfer of title), they added the merchandising function which extended the usual analyses to include a number

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of managerial activities relating to product adjustment to consumer demand.\textsuperscript{43}

Alderson in his classic 1957 work substantially broadened functional analysis in marketing. Unlike the micro-activities approaches adopted by preceding scholars, Alderson conceived of functions as inherent principles of action adopted by organized behavior systems to achieve their purposes. Specifically, marketing organizations were viewed as behavior systems which evolved to serve the market via performing functions necessary to satisfy societal consumption needs. Alderson utilized a number of concepts from the behavioral and physical sciences in his presentation of perhaps the first integrated theory of marketing.\textsuperscript{44}

Alderson, from his behavioral-functionalist stance, devoted a paragraph to the proposition that the lease might be recognized as an alternative to transfer-of-ownership marketing strategies:

... The leasing arrangement is likely to serve as an alternative, with an appeal to a limited class of consumers rather than as the chief reliance of consumers in satisfying their needs for durable goods.\textsuperscript{45}

\textsuperscript{43}Ralph S. Alexander, \textit{et al.}, \textit{Marketing} (New York: Ginn and Company, 1940).

\textsuperscript{44}Wroe Alderson, \textit{Marketing Behavior and Executive Action} (Homewood, Illinois: Richard D. Irwin, Inc., 1957).

\textsuperscript{45}Ibid., p. 302.
The 1960's and 70's brought increasing reliance on the managerial approach to the study of marketing. Managerially oriented texts frequently contained references to marketing functions for purposes of explicitly defining the role of the macro-marketing system. For example, McCarthy specified buying, selling, transporting, storing, grading, financing, risk taking and the provision of marketing information as comprising functions performed by the marketing system.46 Beckman and Davidson proposed a nearly identical list of marketing functions; "standardization" was coupled with grading in their formulation of the marketing functions.47 Kotler extensively utilized the terms "buying" and "selling" in his 1972 treatment of marketing management, and made a single brief reference to the "rent-all store."48

It can be observed that those marketing scholars adhering to the functional approach to the development of marketing thought have historically specified "buying" and "selling" as key activities performed by the marketing


system. Mention of functional activities can also be found in literature based on the managerial approach to marketing thought. It is submitted that rigid adherence to the "buying" and "selling" means of exchange implicitly overlooks an alternative method for affecting exchange—the lease and/or rental format empirically examined in this study.

Additionally, the performance of other traditional marketing functions—financing, risk taking and storing—might well be affected by alternatives to the transfer-of-title method of exchange. McNeill, in the first known discourse exclusively concerning leasing, introduced the possibility of other functional shifts resulting from the lease-rental method of exchange; McNeill envisioned a backward shift in the financing, risk taking and storage functions. Thus the lessor retains the capital investment in the leased good, bears obsolescence risk and, often the risk of product malfunction, and stores the product between periods of use by his rental customers. The lessor is compensated for performing such functions via receipt of the lease-rental fee.49

The empirical portions of this study sought to examine the existence, or lack of existence, of a

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substantial consumer market for lease-rental. The existence of such a market carries with it attendant implications for the functional scholar interested in the exchange functions, and in functional shiftability.

The Treatment of Ownership by the Institutional Marketing Scholar

The institutional approach to marketing thought was an outgrowth of institutional economics. Like its antecedent, the early institutional approach to marketing involved descriptive analyses of economic institutions, specifically wholesalers and retailers.\(^{50}\) Weld, in 1916 wrote the first institutionally oriented marketing text, concentrating on an analysis of specialization among wholesale middlemen engaged in agricultural marketing.\(^{51}\) In the years immediately following Weld's work, a number of specialized marketing texts were written devoted to descriptive analyses of wholesaling and retailing institutions.

Duncan was among the first of a number of marketing scholars who adopted an integrated approach to the analysis of marketing. In his 1920 text he utilized functional and institutional elements in an analysis of the marketing of


\(^{51}\) Weld, loc. cit.
agricultural commodities. Duncan's approach was to become widespread during the next decade, leading to the advancement of a host of "principles" of marketing, such principles being grounded in integrated functional, institutional and commodity concepts.

An integrative approach to the study of marketing apparently had various influences on scholars of the time. Among those influenced was Clark who conceptualized the "channel of distribution" as a coalition of institutions involved in the transfer of title. Clark's channel concept provided an integrated framework for future examinations of the institutions comprising the marketing system. Inclusion in the channel was based on taking title to goods. It is necessary to note that Clark's emphasis on the flow of title represents the beginnings of an enduring institutionalist involvement with ownership; transfers of title result in transfers of ownership.

The concept of flows taking place among institutions in the distribution channel was to receive increased emphasis in the institutional literature which ensued. Breyer, in a 1934 treatment of the marketing subject, deviated from the normal economic bases for evaluating marketing institutions. He integrated concepts from physics, sociology and

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53 Clark, *loc. cit.*
psychology in his efforts to describe such institutions. In his analysis of the distribution channel, he expanded Clark's conceptualization of a single flow in the channel, the flow of title, to include order and payment flows.  

In 1952, Vaile, Grether and Cox again expanded the prevailing concept of the distribution channel, and of market institutionalism. They viewed the channel as being involved in eight channel flows: physical, payment, ordering, negotiation, financing, promotion, risking—and ownership. As a consequence of an ongoing involvement in such flows, which served to link institutions in the channel, Vaile, Grether and Cox conceived of business institutions as comprising a system functioning as a whole to satisfy consumer demand.

The marketing system, in turn, was viewed as a social institution which had transcendent importance as a vast and complex function of our free enterprise economy.  

El-Ansary has recently emphasized that the distribution channel is a multidimensional concept. It has been studied as a technical-economic process, as a social behavioral process, and as an interorganization relations


process. He illustrates continuing emphasis on ownership transfer in his contemporary formulation of the marketing flows--ordering, physical, ownership, negotiation, financing, promotion and risking--which are needed for the transfer of goods from the producer to the final consumer.  

Although earlier concepts of institutionalism and the distribution channel have been substantially broadened, the technical-economic dimensions of the channel, including the flow of ownership, remain as a phenomenon of interest to the institutional and channel scholar. Perhaps implicit in the preceding literature concerning ownership flows is the contention that title transfers are necessary to expedite the transfer of goods from producer to ultimate consumer. Berry and Maricle have stressed that the ownership function need not be performed by the consumer, but can be performed by any institution in the distribution channel. Indeed, with adoption of the lease-rental format title can remain with the producer, circumventing the need for ownership flows in the channel beyond the producer level.

One of the problems of the present study involved an assessment of the extent to which consumers

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56 Adel I. El-Ansary, "Marketing and the Distribution Channel" (unpublished manuscript; Louisiana State University, Baton Rouge, 1972), p. 5.

attitudinally favor ownership as a means of goods acquisition. In that market segments exist which do not favor the transfer-of-title approach to acquiring goods, it is in evidence that the lease-rental format deserves further exploration by scholars concerned with marketing institutions and with channels of distribution encompassing those institutions.

The Treatment of Ownership by the Societal Marketing Scholar

In the recent past a number of marketing scholars have become increasingly concerned with the efficiency and/or effectiveness of the performance of marketing tasks by entrepreneurial and consumer participants in the marketing system. Such concern has been labeled societal marketing; interest is, in part, in the manner in which the marketing system functions for purposes of making an optimum contribution to ultimate societal goals.58

A number of marketing scholars have commented on benefits which might be inherent in increasing reliance upon the lease-rental transfer format. Such benefits can be viewed as potentially fostering the efficiency and/or the effectiveness of the marketing system, and are consequently of interest to the societal marketing-oriented scholar.

McNeill offered the first known commentary on the benefits which might accrue to the lessor and to the lessee in his 1944 article. He stipulated that the lease format facilitated transactions, in that it enabled lesors to complete transactions more easily, because the lease "... obviates the drain on the buyer's working capital or his involvement in financing to purchase needed equipment." The facilitation of transactions thus directly benefits the parties involved in the lease-rental agreement and has broader implications for the effectiveness with which the marketing task is performed; transactions provide the means whereby time, place and possession utilities are created by the marketing system.

Babione suggested a number of broad social and macroeconomic benefits which are attributable to use of the lease format. He envisioned the lease as a means of achieving economic stability, in that stable periodic lease payments and a predictable product replacement rate lead to stable corporate revenues and stable production. Additionally, Babione foresaw the lease as a means of stimulating new consumption in that it enables consumers to attain the use of commodities which they cannot afford to purchase, and it enables low income consumers to have the use of luxury goods which are inaccessible on a purchase

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Thus Babione predicted increased economic stability, and additional consumption as macroeconomic benefits associated with the lease, and an enhanced ability for low income consumers to have access to expensive goods as a social benefit associated with lease-rental.

Garretson and Mauser expressed agreement with Babione as regards the inherent ability for the lease format to stabilize revenues and production, and therefore employment. Additionally, they stressed the benefits accruing to the ultimate consumer, who can better budget for stable, reoccurring lease payments for many of the goods which are now acquired on an outright purchase basis, thus requiring sporadic monetary expenditures. Finally, Garretson and Mauser conjectured that an economy with less ownership is better able to embrace rapid change and technological improvements, "... as there are no property franchises to disentrench or dispose of." Thus increased production stability, ease in family money handling, and accommodation of change are, in the authors' view, substantial contributions to economic and/or societal welfare inherent in the lease-rental format.

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Fisk has documented the marketing implications embodied in growing environmental constraints on managerial freedom. In an era in which natural resources are becoming rapidly depleted, lease-rental offers a means whereby certain commodities can be "shared"—particularly those that require large capital investments and those which are used infrequently. Sharing is inherent in lease-rental because the user has the commodity in his possession only when he has need for it. At other times the same commodity is available for lease or rent by other parties. Consequently a single commodity is often used by a number of lease-rental customers; and less resources are committed to provision of the utilities sought by such customers. Fisk also noted a possible disadvantage attributable to the lease-rental format: The customer may be inclined to abuse the leased or rented commodity, as product malfunction or ruination is of less concern to him. Consequently there may be a tradeoff involved in increased reliance upon the lease-rental format; the benefits arising from commodity sharing may be somewhat offset by irresponsible use of the commodity.

It can thus be observed that a number of scholars interested in the macroeconomic and societal dimensions of the marketing process have examined various benefits

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attributable to increasing reliance upon the lease-rental approach. The present study in part sought to identify those market segments that attitudinally favor lease-rental. The provision of such empirical data may become an early prerequisite to the eventual large-scale adoption of the lease-rental format by participants in the marketing system. In that large scale use of leasing-rental might ensue at some future date, the macroeconomic and societal benefits attributed to leasing-rental may well become more apparent.

In a general sense, it could be conjectured that the current lack of widespread reliance upon the lease-rental format by marketing system participants may be tantamount to a partial failure of the marketing process. Certain segments of the ultimate consumer market may well favor leasing-rental as opposed to purchase. However such consumers may be forced to purchase because of the inavailability of suitable lease or rental plans. The empirical portion of this study examined the extent to which ultimate consumers attitudinally desired lease-rental as opposed to ownership. This examination fostered the rendering of qualitative judgments concerning whether or not the marketing system is fulfilling the desires of non-ownership oriented consumers.

Summary

Concern with various facets of the ownership phenomena by three schools of marketing thought has been examined. Included were: (1) the functionalist school
which has traditionally viewed buying and selling, and thus ownership transfers, as key marketing functions; (2) the institutional school which views facilitation of ownership flows as one of the major activities performed by institutions in the distribution channel; and (3) the societal marketing school which is concerned with the efficiency and/or effectiveness of the marketing system as regards provision of goods and services to the consumer.

It is submitted that concern with property ownership, the phenomenon examined in this study, is deeply embedded in marketing thought. No empirical evidence regarding alternatives to the transfer-of-title marketing approach has been discerned. Rather, transfers of title as the means whereby consumption is affected has been virtually assumed by marketing scholars. It was one purpose of this study to empirically examine the ownership phenomenon to determine whether or not the transfer-of-title assumption is as valid as many scholars infer it to be. This examination should be of interest to scholars subscribing to functionalism, institutionalism, and societal marketing.

III. CONSUMER BEHAVIOR THOUGHT REGARDING OWNERSHIP PROPENSITIES

A number of consumer behavior analysts have devoted attention to the property ownership phenomena over the past decade. The literature reviewed in this section includes
all known treatments of the property ownership phenomenon by such analysts.

A common theme characterizes each of the treatments of property ownership reported in this section: Relatively fundamental changes in American society signal a weakening bond between the individual and property ownership. Yet various consumer behavior analysts have indicated diverse reasons and/or indicators which are propped to underlie the decreasing inclination to own property. The purpose of this portion of the literature review is to examine propositions emanating from various consumer behavior analysts which have been advanced as possible explanations of declining ownership propensities.

Such propositions are presented in general-to-specific fashion; the first literature reported concerns property ownership in general, and the literature becomes increasingly product specific and/or market specific in succeeding pages. Literature explicitly related to the operations of the present or potential lease-rental business practitioner follows in the final section of this chapter.

General Treatments of Property Ownership

Garretson and Mauser in a 1963 article focused on changes which would characterize marketing in the future. Among basic changes foreseen by the authors was man's relationship with his possessions:
As man comes to emphasize consumption, many of the precepts at the very base of his society must change. One key change lies in the attitudes he takes toward ownership. Such change is already taking place. In the new world of technological affluence, the principle of ownership of material possessions by individuals is fast becoming an anachronism.63

In development of their thesis, Garretson and Mauser focused on increasing technological affluence and time constraints as underlying causes of change in ownership propensities:

. . . People in a busy, rapidly moving, affluent society increasingly realize that they are not interested in things per se, but rather in their use in a convenient and worry-free manner. . . . The affluent citizen of the next century will be oriented to buying time rather than product. He will take the myriad of products at his disposal for granted. His chief concern will be to provide himself with free time in which he can conveniently use products that function to conserve time for leisure and pleasure.64

The leasing-rental format serves to conserve time, because maintenance and service responsibilities, which usurp user time, often remain with the leasor or renter. Thus Garretson and Mauser envision technological affluence as serving to weaken the bond between the consumer and his possessions, and deem the lease-rental format as being operationally capable of conserving user time. Additionally, they propose that a relationship exists between affluence and a decreasing desire to own property. One of

63Garretson and Mauser, op. cit., p. 172.
64Ibid., pp. 172-173.
the hypotheses of this study concerned the effect that family income level has upon ownership attitude. While Garretson and Mauser were concerned with affluence as a general societal phenomenon, family income may be construed as one indicator of personal affluence. The extent to which ownership attitude was effected by family income level is discussed in Chapters IV and V of this study.

Babione in a 1964 article oriented to the retailer's pending concern with ownership propensity exhibited agreement with Garretson and Mauser. He indicated that "the affluent consumer who is 'long' on purchasing power and 'short' on time will use more goods if they are available for ready use when and where he wants them." Additionally, he suggested that the consumer faced with a multitude of leisure and culture oriented commodities, vying for a financial and time commitment, might lease or rent such commodities in order to "sample" them. Thus the lease-rental format can serve a matching function via enabling the consumer to better determine those commodities which are best suited to his long range desires.

Babione considers the widespread use of consumer credit as an indicator of "... how far we have moved toward a rental economy." In his view an increasing

66 Ibid.
67 Ibid., p. 5.
propensity for the consumer to purchase commodities on installment plans, often replacing such commodities before they are entirely paid for, is conceptually similar to lease-rental. The important difference is that "... under rentals the user is committed in advance to replace the ... [good] ... at the expiration of the lease ... ." Consequently in Babione's view the consumer has already conceptually accepted a rental economy.

E. B. Weiss has been a leading proponent of the lease-rental concept. He has analyzed both general trends which indicate an increasing lease-rental market, and product and market specific lease-rental trends. In a 1971 article Weiss examined certain social factors related to declining ownership propensities. He focused upon a decreasing permanency in man's relation to possessions, and upon the relationship between planned obsolescence and leasing-rental.

Weiss proposes that American society has been increasingly abandoning such traditional values as thrift, saving, "pathological concern with possessions," and the handing down of possessions from generation to generation. Rather, there exists "... a national tendency to part with possessions somewhat sooner ... nurtured by

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68 Ibid.
affluence, higher education . . . [and] . . . communication." Weiss concludes that possessions are of declining importance, and terms this decline "a new social attitude." Weiss suggests that marketing has traditionally responded to the decreasing desire for possession permanency via planned obsolescence. However the increasingly sophisticated consumer views planned obsolescence as somewhat undesirable. Consequently the lease-rental of commodities which deliver competent value--but on a short term basis--may emerge as a viable marketing response to the decreasing consumer desire for permanent relationships with possessions. Thus Weiss proposes a decreasing propensity for consumers to desire permanent relationships with possessions. He suggests that lease-rental is a more desirable marketer response to these propensities than is planned obsolescence, the traditional marketer response.

Weiss' proposition concerning a relationship between educational attainment and decreasing ownership propensities provided the basis for a hypothesis of this study. The effect that educational attainment had upon ownership

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70 Ibid.

71 Ibid.
attitude was empirically tested in the study, and is discussed in Chapters IV and V.

In 1962 *Sales Management* Magazine's staff advanced the general viewpoint that the American consumer is increasingly becoming a disposer rather than a retainer. In developing this viewpoint the analysts cited the following reasons for avoiding ownership: problems involved in the storage of infrequently used commodities, and a desire to have the use of more products, but with a concomitant desire to avoid long term financial commitments to such products. *Sales Management*’s staff concluded that vastly increased leasing-rental market opportunities would result from ownership avoidance propensities. 72

**Market and Product Specific Treatments of Ownership Propensities**

The propositions reported in the immediately preceding section advocate a general societal decline in ownership propensities. No attention was devoted to specific market segments which might be particularly non-ownership oriented, or to trends which may underlie lease-rental propensities for specific product lines. This subsection examines propositions regarding the ownership propensities of specific market segments, and/or trends

which are viewed as influencing lease-rental propensities for specific product lines.

Solon developed two themes in his 1969 article; namely that the use of lease-rental plans by ultimate consumers had attendant family management advantages, and that certain market segments exhibited predictable product need patterns.

With regard to family management, Solon stated that:

\[73\] Full-service and partial-service contracts eliminate the need for the customer to have his own complex and often expensive maintenance management program. The leasing contract also provides the lessee with a pay-as-you-use operating expense instead of a prepaid capital investment, which frees cash for other productive purposes.\[73\]

Solon cited examples of the predictability of product use by market segments:

Young marrieds, for instance, make year ’round requests for items like party supplies, bassinets, buggies, and guest beds. Suburban families, on the other hand, rent seasonally--spare beds at Christmas, lawn-party equipment in June and July, and oversized serving platters at Thanksgiving. The needs of young singles--especially bachelors--are similarly predictable \[74\].

A conceptual relationship exists between Solon's proposal concerning the existence of discernable market segments for specific lease-rental goods, and the empirical problem of this study. While the present study did not concern


\[74\] Ibid., p. 63.
lease-rental propensities for specific goods, it did relate to the examination of characteristics of market segments which in general favor lease-rental. Operationally, then, this study did not foster an explicit test of Solon's propositions. However the extent to which market segments can be discerned which in general favor lease-rental is discussed in Chapters IV and V. Additionally, Solon implies that life cycle stage may be related to rent-leasing of certain specific goods. Life cycle stage was hypothesized to effect ownership propensities in general, and its effect was empirically tested in this study. The extent to which life cycle stage effects ownership propensity is discussed in Chapters IV and V.

Cumming suggested relationships between certain basic consumer behavior trends and the demand for specific rental commodities inherently tied to such trends. In development of his propositions he stated that the increasing do-it-yourself trend would lead to an increasing demand for the rental of power tools, cement mixers, hand tools, and other commodities which are required for intermittent do-it-yourself projects. Secondly, Cumming speculated that the continuing drive for status would expand the demand for rented furs and formal wear--again items used relatively infrequently. Finally the author suggested that an increasing emphasis on entertainment in the home, due in part to increasing discretionary income, would foster demand for
rental home entertainment products: party equipment, hi-fi equipment and television sets.  

E. B. Weiss, in a 1961 article, listed a number of contemporary trends which might motivate consumers to lease or rent commodities rather than purchase them. Included were:

1. An increasing multiplicity of products from which the customer must choose. Lease-rental affords an opportunity for the consumer to try products without making a long term financial commitment.

2. Increasing economies of scale realized by lease-rental business enterprises. Such economies may mean that total lease-rental costs will eventually be less than total purchase and use costs, for a wide variety of commodities.

3. Increasing storage problems. The consumer may prefer not to store infrequently used commodities between occasions when they are needed. The rental of those commodities shifts the storage function back to rental enterprises.

4. The variety of activities that the contemporary consumer engages in. The consumer that has a multitude of interests may be financially unable to purchase the commodities necessary to pursue such interests.

5. The increase in vacation time available to consumers. The vacationer may find it desirable to lease or rent products associated with recreational pursuits.

6. The increase in leisure time and the desire to test new leisure time hobbies. The consumer can, via lease-rental, test new hobbies without risking

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large expenditures on hobbies in which interest falters.\textsuperscript{76}

Weiss proposes that trends such as those that he has enumerated will inevitably lead to a substantially increased propensity to lease or rent products associated with such trends.

Sol Polk of Polk Brothers, a large Chicago area retail operation which has begun extensive leasing operations, speculated that guilt is the primary motivation for the leasing of labor saving appliances. In Polk's view the woman feels far less guilty if the labor saving appliance is leased for a small monthly fee than she feels if the item is purchased outright requiring a large, long term financial commitment.\textsuperscript{77}

Maricle, in 1970, conducted an in-depth empirical analysis of the consumer's motivations for leasing automobiles. The study will be reviewed briefly, and the review is followed by a comparison of Maricle's study and the present study. Maricle utilized a sample of 600 automobile lessees in Maricopa County, Arizona, and achieved a 64 per cent response rate to a mailed questionnaire. On the basis of 384 questionnaire returns Maricle concluded that four motives underlie the consumer decision to lease


\textsuperscript{77}"The Renting Kick," \textit{op. cit.}, p. 46.
the automobile. Of these four motives the first three are essentially economic in orientation—"capital conservation," "lower initial outlay," and "tax advantages." The fourth motive uncovered by Maricle was convenience oriented in that automobiles are leased to enable consumers to avoid shopping and dealing for them.  

Maricle's study represents the only known empirical study as regards lease-rental by the ultimate consumer, and it represents a significant contribution toward the understanding of motivations underlying the leasing of automobiles. It is necessary to note several important differences which exist between the Maricle study and the present study. Such differences are noted in order to place the two studies in their respective conceptual contexts.

The first difference concerns that of product scope: The Maricle study dealt exclusively with the automobile, and is thus product specific. The present study treated ownership propensities as a basic societal phenomenon, and was not product specific in that results are applicable to a host of products which can be marketed on a lease-rental basis.

The second difference concerns the theoretical bases upon which the studies were conducted. Maricle examined

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leasing from a motivational standpoint, and he concluded that capital conservation, lower initial outlay, tax advantages and acquisition convenience were significant motivations for leasing the automobile. The present study examined ownership propensities in an attitudinal context. Hollander has shown that relative to the motive, the attitude may be considered a summary construct: "... Several motives may be simultaneously served by holding a given attitude."\(^{79}\) Conceptually the attitude toward ownership encompasses a number of individual motives potentially including those discerned by Maricle, and is consequently a summary measure.

The third difference between the Maricle study and the present study concerns the problem-research design relationships which exist in the two studies. The Maricle study concentrated on the motivations underlying automobile leasing. The research design utilized provided a rank ordering of motivations for leasing automobiles across a random sample selected so as to eliminate possible biasing effects due to heterogeneous characteristics within the sample. The overall problem of the present study involved an examination of market segments possessing different attitudes toward ownership; the research design utilized

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intentionally fostered an analysis of heterogeneous characteristics within the sample.

Thus the Maricle study and the present study are substantially dissimilar in terms of product scope, theoretical bases, and problem-research design relationships. While both fill a void in the literature via the provision of empirical data, the nature of the data provided differs greatly.

Summary

The propositions of a number of consumer behavior analysts, intended by such analysts to offer explanations of decreasing ownership propensities, have been reviewed. The causal phenomena advanced by consumer behavior analysts have ranged from basic societal tendencies to trends which are quite specific in terms of market segments or product lines affected.

The propositions advanced by observers of the ownership phenomena can be arbitrarily categorized under four headings which reflect both the nature of the respective propositions, and the general-to-specific organizational pattern utilized in this section: general contemporary societal trends; convenience-related explanations of lease-rental propensities; finance-related explanations of lease-rental propensities; and product and market specific trends are summarized in Table I.
TABLE I

A SUMMARY OF PROPOSITIONS ADVANCED TO EXPLAIN DECREASING OWNERSHIP PROPENSITIES

<table>
<thead>
<tr>
<th>General Societal Trends</th>
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<tbody>
<tr>
<td>Technological affluence</td>
</tr>
<tr>
<td>Lease-rental proneness resulting from widespread acceptance of credit</td>
</tr>
<tr>
<td>Increased educational attainment</td>
</tr>
<tr>
<td>Failure of planned obsolescence to accommodate decreasing desires for possession permanency</td>
</tr>
<tr>
<td>Increasing status drives</td>
</tr>
<tr>
<td>Monetary affluence</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Convenience-Related Explanations</th>
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</thead>
<tbody>
<tr>
<td>Increasing constraints on consumer time</td>
</tr>
<tr>
<td>Goods acquisition convenience</td>
</tr>
<tr>
<td>Matching of products with consumer needs through product trial</td>
</tr>
<tr>
<td>Increasing storage problems in the home</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Family Finance-Related Explanations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial constraints upon purchase of a multitude of available commodities</td>
</tr>
<tr>
<td>Avoidance of long term financial investments in commodities</td>
</tr>
<tr>
<td>Aid in family financial planning and management</td>
</tr>
<tr>
<td>Potentially lower total costs of product usage</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Product and Market Specific Trends</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increasing propensities to entertain in the home</td>
</tr>
<tr>
<td>Increased recreational and leisure time</td>
</tr>
<tr>
<td>Increasing desires regarding do-it-yourself projects</td>
</tr>
<tr>
<td>Avoidance of guilt arising from purchase of labor-saving devices</td>
</tr>
<tr>
<td>Relationships between life cycle stage and lease-rental of needed goods</td>
</tr>
</tbody>
</table>
Thus, the literature contains a host of propositions as regards underlying causes for increased propensity to lease or rent commodities. Three propositions, concerning educational attainment, affluence, and life cycle stage, provided the bases for three independent variables of this study. The remainder of the propositions examined in this section can be construed as potentially having a formulative effect on ownership attitude, the dependent variable of the study.

It is essential to note that these propositions, with the exception of Maricle's product-specific empirical study, represent conjecture on the part of various analysts concerning the consumer's formulation of ownership propensities; there is no evidence that any of the propositions are empirically supported.

The present study utilized ownership attitude as the dependent variable of concern. Ownership attitude is considered to be an operational, summary measure of ownership propensity: Conceptually it encompassed a myriad of possible formulative dimensions such as the propositions emanating from various consumer behavior analysts.

It was the empirical problem of this study to examine market segments which exhibit varying degrees of ownership propensity. The independent variables hypothesized to

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80 Cf. post, p. 145.
effect ownership propensity consisted of variables enabling an operational assessment of the demographic and situation specific characteristics of consumers holding differing ownership attitudes. Demographic variables included age, educational attainment, occupational status, mobility, life cycle stage, and family income. Variables hypothesized to be specifically related to ownership propensities included home ownership characteristics, and past consumer experience with lease-rental. Three of the independent variables of the study, educational attainment, income, and life cycle stage were based on literature reviewed in this section. Weiss proposed that a relationship exists between increased educational attainment and a decreasing desire to own. While Weiss was concerned with increasing educational attainment as a general societal phenomenon, the present study empirically examined differences in ownership attitude exhibited by consumers having different educational attainment characteristics. Such differences are discussed in Chapter IV of this study. Garretson and Mauser proposed that a relationship exists between general affluence and decreasing ownership propensities. One measure of personal affluence is family income, which was hypothesized to have an effect on ownership attitude. The extent to which such attitudes were effected by family income is discussed in Chapter IV. Solon implied that a relationship exists between life cycle stage and the
propensity to lease or rent certain specific goods needed during various life cycle stages. While this study is not product specific, the general effect that life cycle stage had upon ownership attitudes was empirically examined in this study, and findings are discussed in Chapter IV.

In summary, with the exception of educational attainment, family income, and life cycle stage, each independent variables of this study, the propositions reviewed in this section are construed to potentially have a formulative effect on ownership attitude, the dependent variable of the study. Ownership attitude was considered a summary measure, encompassing several explanations of decreasing ownership propensities advanced by consumer behavior scholars. The independent variables of this study were chosen to afford an operational assessment of the characteristics of consumers exhibiting different ownership attitudes to enable fulfillment of the purposes of this study; consequently the present study utilized a different conceptual base than that of previous analyses.

With the exception of Weiss', Garretson and Mauser's, and Solon's constructs, which were incorporated into the hypotheses of this study, the above propositions were examined for purposes of providing some insight into tentative dimensions of ownership propensity. The propositions are related to the purposes of the present study in that they represent conjecture regarding some of the dimensions
of ownership attitude, the dependent variable of this study.

IV. THE BUSINESS PRACTITIONER AND THE LEASE-RENTAL MARKETING FORMAT

In the previous section it was established that a number of consumer behavior analysts have predicted a decline in the ultimate consumer's propensity to own goods. Concomitantly, such analysts foresee a substantially increased propensity for the ultimate consumer to favor the leasing or rental of a host of commodities.

There are two essential purposes in this section. It is one purpose of this section to assess the extent to which business enterprise has developed lease-rental strategies in response to the predicted decline in consumer propensities to own goods. This assessment is based upon a report of literature which concerns the general extent to which lease-rental strategies have been implemented. A second purpose of this section is to assess the adequacy of secondary data regarding the current magnitude of the lease-rental market. Secondary data is often utilized by business analysts because it provides quantitative indices of present and future market potential. An assessment of the adequacy of secondary sources of lease-rental market size is thus deemed desirable. The extent to which it is available can either aid or hinder the analyst's efforts to discern lease-rental market potential.
Additionally, there are two supplementary contributions in this section. Firstly, this section includes a summary of products which have been mentioned in the literature as particularly suitable for lease-rental. The intent is to foster awareness about the lease-rental potential for such products on the part of business practitioners engaged in the production and marketing of them. Secondly, this section reports general strategic lease-rental considerations deemed useful to the business enterprise in exploration and implementation of lease-rental operations. Relevant concepts relating to lease-rental product strategies, promotion strategies, distribution strategies, price strategies, and pertinent miscellaneous strategies are reported.

Generally then, this section is primarily business practitioner oriented—it is intended to aid the business enterprise in exploring and developing the lease-rental marketing format. This undertaking is considered necessary in that such literature complements the empirical portion of this study which examines characteristics of lease-rental prone consumers. In total, the business practitioner engaged in an exploration of the lease-rental format will have information concerning the lease-rental prone consumer, and information inputs to foster strategic decisions commensurate with consumer propensities.
Business Enterprise--An Assessment of its Response to Changing Ownership Propensities

A number of observers have for some time advocated that a substantial lease-rental market exists, but has been virtually ignored by established, large-scale business enterprise. Weiss was among the first to mention this paradox. In a 1962 article he stated that:

Only a small handful of manufacturers are paying particular attention to the expanding rental market. But there is every reason to expect . . . that there will come a time when a large number, and a wide variety of manufacturers, will have a marketing-sales executive in charge of distribution through rental outlets.81

Thus Weiss prognosticated an organizational addition which would ensue as a result of the growing lease-rental market. Also in 1962, Sales Management's staff examined the lease-rental market. Like Weiss, they eluded to the failure of large-scale business enterprise to adjust to changing ownership propensities:

Soon the renting of specialty items . . . will burst the confines of the small, local operation. With the rental market bursting at its seams, few national manufacturers are ready with a new suit of marketing clothes. The lion's share of business has been had by small, localized operators. The big boys have played voyeur, standing by with avaricious eyes, but making no moves of their own.82

Cumming echoed the proposition advanced by Sales Management's staff in a 1964 article:


82"The Renting Kick," op. cit., p. 44.
For the manufacturer . . . the increase in the number of rental outlets, the growing line of products handled by them, and the greater number of renting customers all combine to create a market that has thus far been tapped only by a relative handful of suppliers.83

Later in 1964 Babione focused on the changing nature of the retail customer:

Retailers have a major stake in changing patterns of consumption. Continued growth and profits of retailers will be commensurate with their ability to interpret and cater to changing consumer wants . . . . An economy of abundance will offer retailers a new opportunity to try for a greater share of the consumer's dollar by making the acquisition and use of goods easy and pleasant--perhaps by making a greater use of rental plans.84

Thus in literature that appeared between 1962 and 1964 it was advanced that the business practitioner might well explore leasing-rental as an alternative to transfer-of-title marketing approaches; changes in consumer propensities were viewed as providing new business opportunities to established entrepreneurs who had somewhat rigidly adopted the transfer-of-title marketing format.

Evidence currently exists which suggests that large-scale business enterprise remains remiss concerning serving the lease-rental oriented consumer. Rather new, often small-scale enterprises have developed to lease or rent a host of consumer goods. Berry and Maricle stressed this

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83Cumming, op. cit., p. 35.
84Babione, Ibid.
viewpoint in their 1972 article. The present writer and a co-author arrived at the same conclusion after contacting ten trade associations whose members are manufacturers and marketers of products suited to lease-rental. These trade associations considered the lease-rental concept to be outside the scope of their members' interests.

In summary, the potential for lease-rental to the final consumer has been largely unexplored by established, large-scale business enterprise. Development of the existing market has been accomplished by relatively small-scale entrepreneurs who have organized for the express purpose of renting and/or leasing goods to the ultimate consumer. This phenomena has occurred despite repeated discussions in the literature concerning the promising potential for the lease-rental marketing approach.

The Availability of Secondary Data Concerning the Magnitude of the Lease-Rental Market

Perhaps commensurate with industry's apparent failure to adequately explore lease-rental potential, major sources of secondary market data have not adequately traced the magnitude of the market for lease and rental goods. In

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85 Berry and Maricle, Ibid.

that secondary data is often utilized by business practitioners as an indicator of market potential, a deficiency exists concerning the availability of needed lease-rental market information. An examination of the treatments of the lease-rental market by three major sources of secondary market data illustrates this deficiency.

One important source of secondary market data is the *Census of Business*, published at five year intervals by the United States Bureau of the Census. The Census reports business receipts classified by states, and within states by merchandise lines. Perusal of the Census indicates that:

1. Only three merchandise lines which essentially involve the lease-rental format are reported: linen supply, diaper service, and auto leasing and rental. Lease-rental receipts from other merchandise lines are not "broken out" of total sales receipts.

2. Concerning the three lease-rental merchandise lines reported, receipts originating in the industrial market and in the final consumer market are not reported separately. Only a total figure is available.

Thus the researcher in need of secondary data regarding the magnitude of the ultimate consumer market for any product is unable to derive such data from the *Census of Business*. Additionally, the magnitude of the total industrial and consumer market is reported for only three of a host of merchandise lines suitable for lease-rental.

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A source of secondary data particularly useful to the retailer is Retail Trade--Subject Reports, a subsection of the Census of Business. Reporting is by merchandise type, and only "sales" are reported. Lease-rental receipts are not isolated from sales figures. Although this data concerns receipts derived from the ultimate consumer market, it does not afford the researcher the ability to observe the magnitude of the lease-rental portion of that market.

A privately published source of secondary data often utilized by the business practitioner is Sales Management's Survey of Buying Power. The Survey reports market data by metropolitan county areas, and within such areas by merchandise lines. As in the case of Census data, "sales" is the basis upon which the magnitude of the various markets are recorded. Again, lease-rental receipts are not isolated from sales figures.

A close examination of three often used sources of market data has indicated that all have minimum usefulness to the analyst interested in the lease-rental market. In a total sense large-scale business enterprise has been remiss

in exploring lease-rental potential, and major governmental and private research services have done little to enhance the ability of the business practitioner to examine the opportunities in various lease-rental markets.

The business literature does contain some isolated references to the potential magnitude of the lease-rental market. However such treatments are either: (1) in highly general terms, and thus of limited usefulness to the researcher interested in market size for specific products; or (2) in highly specific terms, and thus only useful to the researcher who is coincidentally interested in lease-rental potential for a particular product line. Consequently, there is no available secondary data which treats the size of the lease-rental market in a systematic and/or complete manner. Rather the available literature is characterized by sporadic references to market characteristics.

Solon typified general estimates of the magnitude of the lease-rental market in 1969, and offered substantiation for the conclusion that the market is not being traced accurately:

Although there are no precise over-all figures on the industry's size, unofficial revenue estimates for all kinds of leasing and renting range anywhere from $4 billion to $7 billion annually. According to one source, the growth rate is about 15 per cent a year, or almost three times more than that of the gross national product.90

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90 Solon, op. cit., p. 63.
Business Week typified specific but sporadic references to profit potential inherent in the lease-rental of specific commodities. It reported that Winnebago expected to increase sales from $50 million to $120 million in a one year period, via a new rental plan for motor homes.91

In conclusion, it can be observed that important sources of market size data can be criticized for inadequately reporting on the lease-rental market. While the business literature contains references to the size of the market, reporting has been either too general to be of value to the business practitioner and/or researcher, or highly specific and sporadic and thus only of coincidental usefulness to the practitioner and/or researcher. There appears to be a need for a complete source of market data concerning the size of the market for specific product lines, summarized so as to provide accurate data on the general extent of the market.

Products Suitable for Lease-Rental

In the previous section it was concluded that useable data regarding market size or market potential for lease-rental goods is not readily available to the interested researcher. Additionally, it has been submitted that business practitioners have been remiss concerning

exploration of the lease-rental marketing format, partly because little has been done to foster awareness of potential in this market. One surrogate indicator of market opportunity is available in the literature. This indicator is the numerous lists of products considered by analysts to be particularly suited to the lease-rental format. Table II contains a synthesis of such products, derived from a number of treatments of the subject. The purpose herein is to promote awareness of market opportunity among business practitioners involved in the manufacturing or marketing of such products.

Products construed to be suitable for lease-rental are categorized under five headings which essentially suggest product uses. The headings were chosen because they suitably encompass products mentioned in the literature, and because they reflect the contexts within which the products originally appeared in the literature. It should be noted that some products mentioned in the literature are multiple-purpose in nature, and are consequently classified under more than one heading. The products included are not intended to comprise an exhaustive list of commodities which might be marketed on a lease-rental basis. However, they were derived from a perusal of several sources containing references to ultimate consumer goods with lease-rental potential.
### TABLE II

**A SYNOPSIS OF PRODUCTS CONSTRUCTED TO HAVE LEASE-RENTAL POTENTIAL**

<table>
<thead>
<tr>
<th>Home Furnishings &amp; Related Equipment</th>
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<tbody>
<tr>
<td>TV Sets</td>
<td>Glassware</td>
</tr>
<tr>
<td>Pianos</td>
<td>Furniture</td>
</tr>
<tr>
<td>Carpets &amp; Rugs</td>
<td>Radios</td>
</tr>
<tr>
<td>China</td>
<td>Paintings &amp; Art Objects</td>
</tr>
<tr>
<td>Silverware</td>
<td>Folding Tables &amp; Chairs</td>
</tr>
<tr>
<td>Humidifiers</td>
<td>Plants</td>
</tr>
<tr>
<td>Convalescence Beds</td>
<td>Linens</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Home Improvement and Maintenance</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Floor Polishers</td>
<td>Carpet Cleaners</td>
</tr>
<tr>
<td>Garden Tools</td>
<td>Vacuum Cleaners</td>
</tr>
<tr>
<td>Hand Tools</td>
<td>Spray Guns</td>
</tr>
<tr>
<td>Power Tools</td>
<td>Snow Blowers</td>
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<tr>
<td>Power Mowers</td>
<td></td>
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<table>
<thead>
<tr>
<th>Home Entertainment Equipment</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>TV Sets</td>
<td>Radios</td>
</tr>
<tr>
<td>Pianos</td>
<td>Folding Tables &amp; Chairs</td>
</tr>
<tr>
<td>China</td>
<td>Guest Beds</td>
</tr>
<tr>
<td>Silverware</td>
<td>Cameras</td>
</tr>
<tr>
<td>Glassware</td>
<td>Projectors</td>
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<table>
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<tr>
<th>Personal Appointments</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Men's Formal Wear</td>
<td>Crutches</td>
</tr>
<tr>
<td>Bridal Gowns</td>
<td>Convalescence Beds</td>
</tr>
<tr>
<td>Furs</td>
<td>Jewels</td>
</tr>
<tr>
<td>Wheel Chairs</td>
<td>Formal Gowns</td>
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<table>
<thead>
<tr>
<th>Vacation, Travel and Related Equipment</th>
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</thead>
<tbody>
<tr>
<td>Automobiles</td>
<td>Camping Equipment</td>
</tr>
<tr>
<td>Luggage</td>
<td>Travel Trailers</td>
</tr>
<tr>
<td>Boats</td>
<td>Trucks</td>
</tr>
<tr>
<td>Limousines</td>
<td>Sports Equipment</td>
</tr>
</tbody>
</table>

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92 This table was derived from an examination of the following sources: E. B. Weiss, "Consumer Goods Renting--A
Although the empirical portion of this study is not product or market specific, mention of products construed to have lease-rental potential is deemed of supplementary importance to the study. Awareness of products possibly having lease-rental potential complements empirical evidence of market segments possessing a propensity to lease or rent such products, provided in the ensuing chapters of this study. Thus, within the bounds dictated by a relative scarcity of lease-rental literature, and the empirical purposes of this study, it is considered desirable to provide the practitioner and scholar with a somewhat complete view of various facets of the lease-rental phenomenon.

Lease-Rental Strategy Considerations

The lease-rental literature includes occasional references to marketing strategy considerations pertinent to the lease-rental marketing operation. In keeping with the purposes of this study, strategy considerations that are product or market specific are not reported. Rather the intent of this subsection is to examine those considerations which are applicable to lease-rental products or markets in general, and therefore of potential interest to

a diversity of business practitioners and scholars examining the lease-rental phenomenon. Although the lease-rental literature does not contain an abundance of general lease-rental strategy considerations, all strategic concepts which have been uncovered are reported here.

General lease-rental strategy considerations contained in the literature may be categorized under five headings—product strategy considerations, promotional strategy considerations, distribution strategy considerations, pricing strategy considerations, and miscellaneous strategic considerations. These headings reflect basic strategic areas in marketing, and are often utilized to organize the marketing strategy topic. 93 Lease-rental strategy considerations included in the literature have implications for manufacturers, wholesalers, retailers, and marketing scholars interested in the lease-rental phenomenon. The organizational pattern adopted for this section is construed to better serve the interests of these various groups than would alternative patterns.

Product strategy considerations. It was previously concluded that a myriad of products are considered suitable for lease-rental. Included are products classified as home furnishings and equipment, products related to home

improvements and maintenance, personal appointments, and
vacation, travel and related equipment. Products mentioned
in the literature as possessing lease-rental potential were
enumerated to alert business practitioners involved in the
manufacture and marketing of those products to such
potential.

In addition to mention of products suitable for
lease-rental, the literature contains references to stra-
tegic total product considerations which may be useful in
the implementation of the lease-rental approach. Those
strategic matters are reported in this section.

A topic often treated in the lease-rental literature
is that of product quality. The enterprise engaged in
short term rental to customers who subject goods to heavy
use while such products are in their possession should be
cognizant of the need to stock highly durable rental goods.
Commensurately, the manufacturer of goods destined for the
lease-rental market is often faced with new, rigorous
demands concerning product durability. Cumming considers
the necessity for high quality lease-rental goods to be of
paramount importance:

The most important . . . [consideration] . . . is
the quality of the products . . . . The rental store
is more quality conscious than the traditional store,
because to it long and trouble-free life is more important than low . . . [acquisition] . . . price.

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94 Cumming, op. cit., p. 36.
According to Cohen the necessity for high durability may demand reorientation on the part of merchandising executives accustomed to the transfer-of-title marketing approach.

Traditional store merchandisers for the most part don't fully understand the merchandising concept involved in rentals. They're quick to buy cheaply to give them a better margin . . . . You must think in terms of a product that will hold up, since you have a long-term equity in it. A product that wears out quickly will not only hurt you in rentals, but will hurt your selling image as well.95

Sales Management has elaborated on the need for high lease-rental product quality. Durability is particularly necessary because customers are more inclined to abuse rented commodities than goods which they own. Additionally rental commodities are subject to very heavy usage because they are repeatedly rented and used over a relatively short time span. Finally, the customer tends to blame rental outlets and manufacturers when the good that he has rented breaks down; he overlooks possible abuse by customers that previously rented the same item.96

The necessity for high product quality can be succinctly summarized via observing Sear's unfortunate experience with rentals. The giant retailer experimented with rental departments for a one year period. The attempt was to rent the same goods that could be acquired by the

95 Cumming, Ibid.

customer on a purchase basis. Such goods failed to withstand the stresses of rental use, forcing Sears to abandon its rental operation for fear that it was detrimental to the retailer's overall quality image. 97

Another dimension of total product strategy treated in the lease-rental literature concerns the service issue. McNeill considers contractual provision for product servicing by the leasing-renting enterprise to be a fundamental appeal associated with the lease-rental approach. Provision for service to be performed by the business enterprise shifts an often complex and difficult function from the consumer to the vendor, who is often better equipped to provide service. 98 From a somewhat different perspective, Babione has suggested that retailers who adhere to policies dictating high customer service levels can enhance services offered by engaging in lease-rental. Thus from this perspective lease-rental is viewed as a service, much like credit, delivery, presale customer aid, and the myriad of additional services which are of paramount importance in many retailing mixes. 99

In summary, lease-rental product strategies generally require vigilant attention to product quality and

97Nyren, op. cit., p. 43.
99Babione, op. cit., p. 5.
durability, on the part of both manufacturers and middlemen. Servicing of lease-rental goods by the vendor may be a fundamental merchandising appeal. Furthermore, the lease-rental operation can be viewed as another service, important to retailers who adhere to provision of high customer service levels.

Promotional strategy considerations. It is apparent that promotion to middlemen and ultimate consumers may be of substantial importance in achieving widespread acceptance of the lease-rental format as an alternative to acquisition through purchase. Lease-rental as a viable means of securing many of the goods in the home inventory can be viewed as a relatively new concept, in spite of evidence indicating that the lease-rental format was conceived at least as early as the 1940's.100 Robertson states that a new product or service "... is an idea perceived as new by the individual."101 Due at least in part to business enterprises' failure to explore and implement lease-rental, thereby limiting consumer exposure to the concept, it is submitted that many consumers perceive lease-rental as somewhat revolutionary. As promotion is construed as a

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100 The first known treatment of the lease-rental topic appeared in 1944. See McNeill, op. cit., pp. 415-430.

primary means of achieving the adoption of new ideas, it can be deduced that promotion is important to widespread acceptance of lease-rental.

Although the lease-rental literature contains sparse reference to promotional strategy considerations, the topic has been touched upon from two perspectives. Nyren suggested that large-scale business enterprise has done very little to promote the lease-rental concept:

Currently little is being done by major retailers to create an awareness of renting durable consumer goods—or a trend toward it. It will be for the major rent-all organizations to stimulate this demand, it appears . . . . If and when that demand does develop, the rent-all concept will affect most selling retailers and their suppliers; and it will be much more a matter of "join or fail" . . . .

Other observers of the lease-rental phenomenon hold that the offering of lease-rental programs to consumers is itself a form of promotion which can potentially benefit the enterprise's merchandise sales efforts. Sales Management has proposed that inherent in lease-rentals is a " . . . built-in sampling program for the product." Thus the consumer who is contemplating product purchase can sample it through temporary rental. Furthermore, lease-rental enhances the retailer's opportunity to sell top-of-the line models; as consumers often rent premium quality merchandise, favorable

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102 Ibid., p. 58.
103 Nyren, op. cit., p. 44.
experience with such goods may stimulate purchase demand for them.\textsuperscript{105} McNeill has suggested that the lease-rental operation can effectively increase market share by appealing to customers who "... initially might decline to buy under conditions of outright purchase."\textsuperscript{106}

Therefore, lease-rental serves the promotional function via cultivating previously untapped market segments not wishing to purchase commodities. Furthermore, lease-rental carries with it an inherent opportunity to sell complementary items outright.\textsuperscript{107} For example the renter of a machine for shampooing carpeting often purchases shampoo; the renter of expensive athletic equipment may purchase clothing and other less expensive accessories which complement the sporting activity. Thus, lease-rental may well promote the outright sale of related merchandise.

In summary, the lease-rental literature does not contain comprehensive insights into matters of promotional strategy. It has been suggested that stimulation of primary demand regarding the lease-rental concept may well require relatively large amounts of promotion, by small and large entrepreneurs alike. Additionally, it is evident that lease-rental is in itself a form of promotion. Inherent in

\begin{footnotesize}
\begin{enumerate}
\item \textsuperscript{105} \textit{Ibid.}.
\item \textsuperscript{106} McNeill, \textit{op. cit.}, p. 420.
\item \textsuperscript{107} \textit{Ibid.}, p. 421.
\end{enumerate}
\end{footnotesize}
it is merchandise sampling, an enhanced ability to sell top-of-the line models, an opportunity to cultivate new market segments, and the possibility of selling complementary goods.

**Distribution strategy considerations.** Like product and promotional strategy considerations, the treatment of distribution strategy considerations in the lease-rental literature has been quite sparse. Those observers who have eluded to the topic have concentrated on three aspects of distribution strategy: (1) the need for manufacturers to institute revamped dealer relations programs when selling to lease-rental operators, (2) an apparent possibility for wholesalers to remain in the lease-rental distribution channel, and (3) changes in inventory requirements due to differences in the quantity of goods demanded by the lease-rental operator in comparison with the middleman who purchases goods for resale.

*Sales Management* concluded that the manufacturer who is marketing goods to lease-rental operators will be faced with the necessity to reorient dealer education programs. In that lease-rental customers will tend to demand goods that are functioning properly, dealers must be trained to inspect and repair goods upon their return to the place of business. Additionally, lease-rental requires attention to assessing demand for particular commodities frequently complicated by seasonal factors which affects demand for some
goods. It will often be the manufacturer's responsibility to equip dealers with the capability to repair goods, and to assess demand within the context of the local market.

Nyren has suggested that wholesale suppliers can function effectively in the lease-rental goods distribution channel if they are able to adjust their operations to the particular requirements of the lease-rental retailer. In Nyren's view, the primary adjustments required are the buying of high quality goods for resale to the lease-rental retailer, the provision of financing programs for dealers who are limited in capital resources, and the offering of the best possible prices to often underfinanced rental operators.

According to Nyren, the structure of demand for lease-rental goods is inherently different from that of goods marketed on an outright sale basis. "... Once the rental operator receives his initial supply, future purchases will only be on a replacement basis or when coverage is expanded." From the perspective of the manufacturer and/or the wholesaler supplying the lease-rental market, relatively drastic changes in demand for goods at the various levels in the distribution channel may well require changes in inventory requirements throughout the channel.

109 Nyren, op. cit., p. 42.
110 Ibid.
Although distribution strategy has not been widely
treated in the lease-rental literature, some seemingly
valuable concepts have been discerned and reported.

**Pricing strategy considerations.** Unlike the stra-
tegic considerations reviewed previously the area of lease-
rental pricing strategy is apparently somewhat contro-
versial. Such controversy ensues from a basic issue--
whether or not price competition is of present and future
importance in the lease-rental market. The following para-
graphs present the various views concerning price
competition.

Cumming construes price competition to be of minimum
importance to the lease-rental operator. He argues that
profitability eminates from the stocking of high cost but
long lasting, trouble-free merchandise. As this is widely
recognized by dealers, they sustain high merchandise costs
and unilaterally pass them on to the customer through cost
plus pricing. In Cumming's view quality is of paramount
importance. Retailers do not heavily engage in price
competition. Thus manufacturer and wholesaler suppliers of
rental goods need not be overly concerned with price, as
retailers pass all costs on to the consumer.\(^1\) Nyren
agrees with this viewpoint by implying that retailers are
not concerned with merchandise cost, and " . . . will always

\(^1\) Cumming, loc. cit.
buy the best equipment available . . . ."\textsuperscript{112} Additionally, he feels that high merchandise cost is offset by low maintenance cost. Although cost plus pricing is heavily utilized to pass total costs on to the consumer, such total costs need not be excessive.\textsuperscript{113}

\textit{Sales Management} has expressed disagreement with this viewpoint. It stresses that, at least from the perspective of the supplier of lease-rental goods, substantial price competition will evolve as suppliers compete for "shelf-space" in the rental outlet. As such price competition results in lower merchandise cost to rental outlets, savings will be passed on to consumers. This is tantamount to price competition, at all distribution levels.\textsuperscript{114}

It can be observed that the price competition issue is unresolved at this time. It is submitted, however, that the potential for rental-leasing price competition might well be enhanced if large scale, efficient enterprises increasingly implement lease-rental operations. Seemingly lower total costs resulting from economies of scale, widened consumer choice as regards dealer patronage and increased supplier competition could well encourage the advent of substantial price competition.

\textsuperscript{112}Nyren, \textit{loc. cit.}

\textsuperscript{113}Ibid.

\textsuperscript{114}"The Renting Kick," \textit{loc. cit.}
One additional price-related matter must be mentioned. It has been suggested in the literature that the lease-rental consumer is willing to pay a price premium relative to payment required for outright purchase.\textsuperscript{115} Such willingness stems from the consumer's recognition that the leasor-renter is performing certain functions that the consumer must perform if he purchases goods. Included are avoidance of long term financial investments, risks, storage, and after-sale servicing.

In conclusion, price competition does not appear to be an important strategy to lease-rental operators at this time. However price competition would seemingly become more important under conditions of expanded economies of scale, expanded consumer demand, and increased supplier competition. Furthermore, consumers appear willing to pay premium prices for leased or rented merchandise to compensate dealers for the performance of functions which remain with dealers who utilize the lease-rental marketing format.

\textbf{Miscellaneous strategy considerations.} The lease-rental literature contains references to strategic concepts which cannot be properly viewed as pertaining to total product, promotion, distribution or pricing strategies. Included are considerations concerning retail enterprise organization structure, and certain advantages which might

\textsuperscript{115} McNeill, \textit{op. cit.}, p. 419.
accrue to the leasor-renter regarding collections and reposessions, control of the secondhand market, and the protection of patents. In that such miscellaneous strategic considerations may be useful to the business practitioner in implementing the lease-rental operation they are reported herein.

Cumming has examined the matter of retail enterprise organization changes which might be occasioned by the addition of a lease-rental operation. The departmentalized retail outlet implementing a lease-rental operation can essentially follow one of three organizational approaches. A new department can be instituted to carry on the lease-rental operation. All merchandise construed to have lease-rental potential is accumulated in this department, which has total responsibility for serving leasing or renting customers. Such responsibility includes buying, fee collection, inspection and repair of lease-rental commodities, and perhaps promotion. An alternative to centralization of the lease-rental operation involves the diffusion of responsibilities to the various departments that also sell merchandise considered to have lease-rental potential. Thus each department retains responsibility for serving the leasing-renting customer. A final approach, and one Cumming views as a trend, involves the leasing of the lease-rental department to an outside firm which specializes in such operations. Thus the lease-rental operation is
again centralized, as a single department has responsibility for serving the leasing or renting customer.\footnote{Cumming, \textit{op. cit.}, p. 36.}

Although the literature contains no references to the strengths and weaknesses of the various organizational approaches, certain basic issues can be examined. Centralization of responsibility for the lease-rental operation would seemingly be more efficient in terms of developing and utilizing employee expertise as regards the peculiarities of lease-rental merchandising, profit control, product repair, and performance of clerical tasks. Additionally, the leasing of the department seemingly affords the opportunity for rapid implementation of the lease-rental operation, coupled with sound management of the department by specialists skilled in the peculiarities of lease-rental operations. The decentralized lease-rental operation, with responsibility for it disseminated to the various departments, would perhaps afford buying advantages as personnel are familiar with the individual product lines of concern. Additionally, decentralization may have customer service advantages, as the employees in the various departments are more familiar with the mechanical operation of products, and with customer needs regarding those products.
While the literature contains no insights into which is the superior organizational possibility, an attempt has been made to deduce some of the major issues involved.

McNeill has proposed several advantages which accrue to the lease-rental operator which are not inherent in the transfer-of-title marketing approach. Such "advantages" might well be important strategic considerations to certain enterprises, faced with particular problems that can be overcome via adoption of the lease-rental format.

The firm that is faced with severe collection and repossession problems may be able to ease those problems via increasing reliance on lease-rental. As the format does not involve a title transfer, there are virtually no repossession difficulties involved in lease-rental. This is tantamount to "... a reduction of credit risk" for the leasor-renter. 117

Enterprises that desire to retain control of the secondhand market for commodities can inherently do so via the lease-rental approach. In that lease-rental goods are returned to the firm after use, the firm retains complete control over the disposition of those goods--they can be scrapped, rebuilt, rented or leased to other customers, or sold at a price established by the firm. In McNeill's view

the lease-rental operation affords the opportunity to completely stabilize the secondhand market for the firm's products.118

Finally, McNeill perceived that the lease-rental approach enables the firm to better protect patents than does the transfer-of-title approach. This advantage accrues because lease-rental contracts can carry provisions which restrict leasees and renters, whether manufacturers, middlemen or final consumers, from adding attachments to commodities or experimenting with such goods.119 While this capability is perhaps of particular importance to the leasor-renter of industrial goods, it may be of some importance to the marketer of relatively complex consumer goods as well.

Summary. Strategic considerations derived from the lease-rental literature have been presented in this section. Although the literature does not contain an abundance of generally applicable strategic concepts, it was deemed desirable to present those product, promotion, distribution, pricing and miscellaneous strategic considerations that are contained in the literature. The strategic literature included in this section was jointly bounded by the basic nature of this study, which dictates that product and

118 Ibid., p. 421.
119 Ibid.
market specific literature be omitted, and by the relative lack of generally applicable strategic literature on the lease-rental subject.

Chapter Summary

This chapter contained an examination of literature related to the property ownership phenomenon. In addition to reviewing the appropriate literature an effort has been made to complement the empirical portions of this study. The general purposes of this chapter were twofold; to report various dimensions of the concept of property ownership, and to assess the adequacy of the literature concerning empirical evidence of man's attitudes toward his property.

This study was conducted within the realm of the marketing discipline. The specific purposes of this literature review varied with a progression from literature eminating from multidisciplinary thought, examined in the first section of the chapter, to literature eminating from marketing scholars and practitioners, reported in the latter sections of the chapter.

The first section of the chapter reviewed major developments regarding the concept of private property through man's history. Such developments were presented in chronological fashion and fostered the conclusion that substantial change has occurred with respect to man's relationship with his possessions. The primary focus was upon
the changing nature of private property in American society, with particular reference to the historical underpinnings of the concept of private property as it exists in modern times. Of the literature reviewed in this section, two propositions provided the basis for hypotheses tested in the empirical portions of this study. Toffler proposed that mobility provided motivation to avoid property ownership, and McLean and DeCarlo proposed that youth are not as concerned with property ownership as are older segments of the population. The extent to which these propositions were empirically supported is discussed in Chapters IV and V.

The second section of this chapter was concerned with the treatment of the ownership concept in marketing thought. The section examined the treatment of ownership by three schools of marketing thought; the functional school which has traditionally viewed buying and selling, and thus ownership transfers, as key marketing functions; the institutional school, which views facilitation of ownership flows as one of the major activities performed by institutions in the distribution channel, and the societal marketing school which is concerned with the efficiency and/or effectiveness of the marketing system in providing goods and services to consumers. It was concluded that concern with property ownership is deeply embedded in marketing thought; concomitantly, transfers of title, as the means whereby
consumption is affected, has been essentially treated as a "given" in marketing thought.

The third section of this chapter examined a number of propositions, eminating from consumer behavior scholars, which were intended to explain changing ownership propensi-
ties in the ultimate consumer market. Such propositions were examined in general-to-specific fashion, beginning with propositions concerning property ownership in general, and ending with propositions which were product and/or market specific. The section included a tabular presenta-
tion of all known propositions meant to explain declining ownership propensities. The majority of these propositions were viewed as potentially having a formulative effect on the consumer's attitudes toward property ownership, the dependent variable of this study. Three propositions reviewed in this section provided the bases for hypotheses empirically tested in the present study. Weiss proposed a relationship between educational attainment and ownership propensity. Garretson and Mauser proposed that affluence was related to ownership propensities. And Solon implied that life cycle stage was related to ownership propensities. The general extent to which these propositions were supported by the empirical findings of this study is discussed in Chapters IV and V.

The last section of this chapter examined lease-
rental literature having particular relevance to the
business practitioner in exploring and implementing the lease-rental operation. The first portion of the section reported literature which implied that business enterprise has been remiss in exploring and adopting the lease-rental format. Following was a perusal of often-utilized secondary sources of market information. It was concluded that there is need for a complete source of lease-rental market data concerning the magnitude of the market for specific product lines, summarized so as to provide accurate data on the general extent of the market.

Because of the apparent void regarding secondary data on lease-rental market size, some indicator of market opportunity was deemed necessary. This indicator took the form of an enumeration of products, suggested by observers to possess lease-rental potential. Such products were placed into five categories--home furnishings and related equipment, home improvement and maintenance goods, home entertainment equipment, personal appointments, and vacation, travel and related equipment. Enumeration of products with lease-rental potential was intended to alert concerned business practitioners to such potential.

The final section of this chapter examined literature of a strategic nature. The focus was upon strategic considerations which were general in nature, and therefore useful to a variety of groups in the exploration and implementation of lease-rental operations. Although the
literature contains relatively sparse reference to general strategic considerations, an attempt was made to report available considerations that may be useful in development of product, promotion, distribution, pricing and miscellaneous lease-rental strategies.

The matter of personal property has captured the interest of a host of multidisciplinary scholars, and the ownership concept is deeply embedded in the confines of the marketing discipline. This chapter has utilized a variety of theories, concepts or propositions found in the literature of a number of disciplines, which are intended to serve as background for the present study. Yet no reference to empirical verification of any such constructs has been found. Chapters IV and V of this study provide empirical evidence regarding the ownership phenomenon. This study is grounded in the marketing discipline, and explicit implications are derived for marketing and consumer behavior scholars, and marketing practitioners. Yet it is felt that empirical evidence presented in this study has considerable, if only implicit, meaning for scholars in a plethora of disciplines whose thoughts considerably enriched this literature review.
CHAPTER III

RESEARCH METHODOLOGY

This chapter is concerned with: (1) general attitude measurement methodology, (2) the manner in which attitude methodology was utilized to measure ownership propensities, and (3) the methodology used to ascertain the effect that certain relevant consumer characteristics had upon ownership attitudes.

Generally, the problem of this study concerned an empirical assessment of the characteristics of consumers possessing different propensities to own property. The justification for providing such data was based upon concern with various facets of the ownership phenomenon on the part of scholars from a number of disciplines, and explicit concern with ownership propensities on the part of marketing and/or consumer behavior scholars and marketing practitioners.

Chapter II reported literature both emanating from and relating to the various interests of multidisciplinary scholars, general marketing scholars, consumer behavior scholars and marketing practitioners. This literature review was intended to provide insights into dimensions of property ownership, to illustrate a void as regards empirical data concerning the ownership phenomenon, and to foster the derivation of testable hypotheses concerning the
characteristics of consumers exhibiting differing attitudes toward ownership.

The present chapter concerns the empirical methodology used to pursue the conceptual foundations established in Chapter II. Methodology used to provide empirical data regarding ownership attitudes is reported, and hypotheses, derived in part from Chapter II, are examined. The chapter is organized in general-to-specific fashion. The first portion of the chapter contains a general overview of attitude methodology, with particular reference to the utilization of such methodology in the marketing discipline, the realm within which this study was conducted. The purpose herein is to acquaint the reader with attitude measurement methodology, and to establish the bases upon which a particular methodology was chosen for this study. The later portion of the chapter contains a discussion of the specific methodology utilized to measure and analyze the dependent and independent variables of the study. Included in the section is a discussion of the manner in which the Method of Summated Ratings\(^1\) was utilized to empirically examine ownership attitudes, the dependent variable of this study; an examination of the independent variables of this study,

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\(^1\)The Method of Summated Ratings was developed by Rensis Likert, "The Method of Constructing an Attitude Scale," in Martin Fishbein (ed.), *Attitude Theory and Measurement* (New York: John Wiley and Sons, Inc., 1967), pp. 90-95.
hypothesized to effect ownership attitudes; a discussion of the data gathering technique, and the sampling method used in the study; and an examination of the method of analysis of data gathered.

Chapter IV reports the empirical findings of the study, and in Chapter V explicit implications and conclusions are drawn from such findings which relate to general marketing thought, consumer behavior thought, and marketing practice.

I. AN OVERVIEW OF ATTITUDE MEASUREMENT METHODOLOGY

The problem of this study required the measurement of the ultimate consumer's propensities toward property ownership. A consideration that was basic to this study is the contention that attitude methodology provides a suitable means to measure ownership propensities. This contention is based upon an examination of the conceptual elements of the attitude, incorporated into several definitions of the attitude.

Krech and Crutchfield conceived of an attitude as "... an enduring organization of motivational, emotional, perceptual and cognitive processes with respect to some
aspect of the individual's world." Thurstone defined an attitude as

... The intensity of positive or negative affect for or against a psychological object. A psychological object is any symbol, person, phrase, slogan or idea toward which people can differ as regards positive or negative affect.

Allport, in an extensive derivation of the definition of an attitude, concluded that it is a neural state of readiness, organized through experience and exerting a directive or dynamic influence upon the individual's response to all objects and situations to which it is related.

It is submitted that inherent in these definitional formulations concerning the attitude is the justification for linking ownership propensity with attitude methodology. The problem of this study required an overall measure of the various conceptual elements of the consumer's view toward the ownership "idea," "object" or "situation." Such conceptual elements are construed to potentially

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3 Krech and Crutchfield's classic definition of an attitude was adopted for this study. Supra, p. 21.


6 Thurstone, loc. cit.; and Allport, loc. cit.
include motivational, emotional, perceptual and cognitive processes,\textsuperscript{7} positive or negative affect,\textsuperscript{8} and/or mental and neural states of readiness.\textsuperscript{9} Summarily then, a phenomenon as basic as ownership, as established in Chapter II, is likely to contain a number of the conceptual elements considered to comprise an attitude. Attitude methodology is submitted to be quite suitable for purposes of deriving a summary measure of those conceptual elements, required for the problem of this study.

The Importance of Attitude Studies in Marketing

In the previous section it was noted that ownership propensities can be measured via attitude measurement methodology. Such methodology has in large part been developed by psychologists and social psychologists for use in examining various aspects of social behavior.\textsuperscript{10} The present study was conducted within the realm of the marketing discipline, for the purpose of deriving implications of interest to marketing and consumer behavior scholars and marketing practitioners. It is deemed necessary to generally establish the past and potential importance of attitude

\textsuperscript{7}Krech and Crutchfield, \textit{loc. cit.}
\textsuperscript{8}Thurstone, \textit{loc. cit.}
\textsuperscript{9}Allport, \textit{loc. cit.}
methodology as an instrument for fostering empirical marketing knowledge. For this purpose exemplary views concerning the importance of attitude research in marketing are reviewed.

Engel, Kollat and Blackwell stressed the importance of the attitude construct because of its systemic and evaluative properties: "Attitudes form a coherent system of evaluative orientations, and it is not an overstatement to say that they comprise the most important component of one's 'map of the world.'" The authors underscored the importance of attitude research in consumer behavior via inclusion of a chapter in their consumer behavior text concerning matters of attitude theory, attitude measurement and attitude change.

Hughes has extensively treated the subject of attitude methodology in marketing in Attitude Measurement for Marketing Strategies. He bases the need for attitude research upon the constant search for new variables, often social-psychological in nature, which will foster explanations of consumer behavior. Hughes proports that attitude

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12 Ibid., pp. 266-285.

methodology is particularly appropriate for use in market segmentation, in measuring advertising effectiveness, in defining promotional goals, and in the development of product strategies.

King and Tigert have stated that in the American culture, characterized by

   . . . A continuing state of social change . . .
   [attitude research provides] . . . valuable understanding of both the current state of consumer attitudes and the area and direction of attitude change.14

Oxenfeldt perceives that attitude research has been of considerable help in new product testing, brand image research, product concept testing research, advertising effectiveness research, and "intentions to buy" research. He feels that attitude studies are moving into new and important arenas, including market segmentation, product positioning, the development of customer benefit mixes and marketing audit research.15

The sources cited here are only exemplary; the marketing literature contains numerous references to attitude methodology and its past and potential contributions to empirical marketing knowledge. The present study


utilized such methodology for a purpose often mentioned in the attitude-related marketing literature—that of market segmentation based upon relevant consumer characteristics.

In sum, attitude methodology provided a suitable means of measuring ownership propensities. Such methodology has been generally considered to hold substantial promise for the examination of marketing problems. Attitude methodology was utilized in this study for the purpose of market segmentation, a purpose that is construed to be specifically suited to the utilization of attitude measurement methodology.

A Review of Alternative Attitude Methodologies

It was previously established that attitude methodology provided a suitable means of measuring ownership propensities. A host of attitude measurement techniques have been developed to empirically tap attitudes. The purpose in the present section is to briefly examine certain techniques for measuring attitudes, both to provide a conceptual base concerning attitude measurement methodology, and to establish the bases upon which a judgment was made to utilize Likert's Method of Summated Ratings to assess ownership attitudes.

In order to place bounds upon this methodology review, only measures which are classified as self-report techniques are overviewed. Self-report techniques are those which rely upon respondents to record their beliefs,
feelings and evaluations. This review is limited to self-report techniques because other methodological considerations dictated the selection of such a technique for this study. The desirability of utilizing a mailed questionnaire to gather data is one such consideration; it requires the use of a self-report technique. Necessary sample size is another pertinent consideration; large sample size precludes the use of other measurement techniques. Within the self-report technique category, only major techniques will be reviewed. The focus is

Self-report techniques are constructed to be one of five general categories of attitude measures. The other categories are: measures based on the observation of ongoing behavior in a natural setting; measures based on the individual's reaction to an interpretation of partially structured stimuli; measures based on performance of "objective" tasks; and measures based on physiological reactions to the attitudinal object or representations of it. From S. W. Cook and C. Seiltiz, "A Multiple-Indicator Approach to Attitude Measurement," Psychological Bulletin, 62:36-55, July, 1964.

Cf. post, pp. 165-167.

Cf. post, pp. 170-172.

For purposes of discerning major self-report techniques, the following source was extensively relied upon: Charles A. Kiesler, Barry E. Collins and Norman Miller, Attitude Change (New York: John Wiley and Sons, Inc., 1969), pp. 10-17. Self-report techniques not reviewed in this section are essentially extensions and/or refinements of the techniques reported herein. For a discussion of the Q-sort, Paired Comparison, Rank Order, and Constant Sum Scale Techniques, see Hughes, op. cit., pp. 97-107.
upon measurement concepts involved in such techniques, and upon pragmatic considerations with respect to the utilization of the techniques in marketing. The order of presentation coincides with the order in which respective techniques were developed.

Allport and Hartman. The beginnings of the quantitative measurement of attitudes is generally attributed to Allport and Hartman who, in 1925, wrote an article on the subject. The authors devised a means whereby respondents could be scaled with respect to their opinions on a subject; previously dichotomous "yes" or "no" categories had been utilized to gauge respondents' views.

Allport and Hartman began the process of scaling attitudes by asking a sample of students to enumerate their views concerning certain topics. Such views were then sifted, and "... distinct and relevant views were assembled." For each topic, pertinent statements were submitted to a panel of six expert judges, who ranked them in terms of the degree of favorableness or unfavorableness exhibited. The statements were then submitted to a larger group of respondents. Each was asked to check the statement which most closely expressed his or her own views.

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21 Ibid., p. 736.
Thus Allport and Hartman devised a means whereby attitudes could be rank ordered on a continuum. However the technique provided no methodology for measuring relative distances among the various respondents' views. There was little assurance that statements utilized to measure the attitude represented true intervals on an underlying spectrum of possible views on the topic of interest.

Thurstone and Chave. Thurstone and Chave, following the measurement concept developed by Allport and Hartman, proposed a methodology which enabled measurement of the relative distances among respondents' views. Their method of "Equal Appearing Intervals" was proposed in 1929. Like Allport and Hartman, the authors relied upon a panel of judges to assess statements with respect to an attitude of interest. Unlike their predecessors, Thurstone and Chave instructed expert judges to sort statements into piles with primary focus upon making the conceptual distances between piles equal. Thus the distance between piles 4 and 5, regarding degree of favorableness (or unfavorableness) toward the attitude object, should represent the same conceptual distance on an underlying attitude continuum as does the distance between piles 7 and 8.

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Statements upon which judges did not agree were eliminated on the grounds that such statements were ambiguous or irrelevant regarding the attitude object. Thurstone and Chave devoted further attention to the matter of irrelevancy. They recognized that the respondent's attention was not directed to the underlying continuum; rather the respondent expressed agreement or disagreement with each statement. Thus respondents had little basis upon which to judge their views in relation to the spectrum of possibilities. Viewing statements in isolation, respondents might well agree or disagree with them because they invoked feelings not directly related to the attitude object being studied. The authors consequently proposed a probability technique for rejecting such irrelevant items.  

Hughes has submitted that the method of Equal Appearing Intervals has not been extensively utilized in marketing research. Its inappropriateness stems from two problems associated with its use. The costs involved in development of the scale are often prohibitive, as at least 100 judges must be utilized to evaluate hundreds of attitude statements. Additionally, respondents are required to evaluate numerous, often lengthy attitude statements.

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24 Hughes, op. cit., p. 127.
Consequently respondent fatigue increases, and respondent cooperation is reduced.\textsuperscript{25}

\textbf{Likert.} In 1929, Likert proposed a method for scaling attitude responses which was termed the Method of Summated Ratings.\textsuperscript{26} Likert focused on the elimination of certain problems which were inherent in preceding attitude scaling methodologies.

The first of these problems concerned the issue of irrelevancy, discussed previously. The Thurstone-Chave methodology did not enable the respondent to directly express his views in relation to the spectrum of possible views, as he tended to view statements in isolation. Thus he might agree or disagree with statements because they invoked other views, not directly related to the attitude object. This problem occurs largely because of the response format utilized. Respondents are asked to express direct agreement or disagreement with statements which themselves contain the substance of possible views on the topic. Likert's format involves instructing respondents to read an attitude statement, and then express agreement or disagreement on a five, six or seven point scale, ranging from "strongly agree" to "strongly disagree."\textsuperscript{27} Consequently

\textsuperscript{25}Ibid.

\textsuperscript{26}Likert, \textit{loc. cit.}

\textsuperscript{27}The Likert-type format utilized in the present study is in Appendix A.
the respondent is directly confronted with the spectrum of possible responses: he can relatively accurately express his position on the underlying attitude continuum. This, in turn, decreases the possibility that views on other topics are being invoked, as the scaling device does not itself contain statements which might invoke such irrelevant views.

A second problem eliminated by the Method of Summated Ratings concerns the necessity for prejudgment of substantial numbers of attitude statements by large panels of experts. This requirement is inherent in Thurstone-Chave methodology to equate the distance among attitude statements on an attitude continuum. Likert's technique enables the scoring of attitudes directly from attitude responses without utilization of a panel of judges. Thus, the response categories themselves are construed to be equidistant on the attitude continuum, and respondents, rather than judges, assess the interval which is indicative of their view on the topic.

Operationally, Likert methodology requires the researcher to construct a number of statements tapping relevant aspects of the attitude in question. As stated previously, respondents then check the response category--from strongly agree through strongly disagree--which best expresses their views regarding each attitude statement.
Responses to the various statements are then summed, and an overall attitude score is obtained.

Although Likert methodology overcomes the need for prejudging attitude statements, new conceptual problems arise, which are partly attributable to bypassing prejudgment. Thurstone-Chave methodology relies upon the judgment process to eliminate ambiguous statements, and the use of a probability statistic to insure relevance. Likert methodology requires an additional analytical step to eliminate ambiguous statements and to insure relevancy of each statement to the attitude in question; i.e., to eliminate non-unidimensional items, or items which do not tap the same attitudes as do other items that comprise the scale. Thus a requirement inherent in rigorous utilization of Likert methodology is the pretesting of the attitude scale, for purposes of eliminating ambiguous and irrelevant or non-unidimensional items via an item analysis.\(^{28}\)

Likert methodology has been heavily utilized in marketing research. Such widespread utilization stems from three cost issues. The first concerns developmental costs. The Likert technique requires a pretest to enable an item analysis of attitude statements. The pretest is likely to be less expensive than is the elaborate judgment process required in Allport-Hartman or Thurstone-Chave

\(^{28}\)Likert, loc. cit.
methodology. Secondly, respondents favor Likert-type statements and response categories, which are not as verbose as are the formats discussed previously. Thus indirect costs due to non-response and incompletely completed questionnaires tend to be reduced with the use of Likert methodology. Thirdly, field costs are reduced, as the Likert format enables utilization of low cost mail survey techniques. Clear instructions can be communicated in writing, and questionnaire length is relatively short.29

Likert methodology was utilized in the present study, for the purpose of examining attitudes toward property ownership. The choice of Likert methodology was based upon appropriateness regarding the problem of this study, and cost considerations.30

Guttman. In 1950, Guttman outlined a procedure for scaling attitudes which he termed "Scalogram Analysis."31 The technique was intended to provide a simple, straightforward method for analyzing the unidimensionality or relevance of each attitude item. As discussed previously,

29 Hughes, loc. cit.

30 For a detailed discussion of the Likert Technique and the reasoning underlying its use in the present study, see pp. 141-145.

statistical procedures are required for this purpose in other scaling methodologies.

The Guttman procedure involves construction of an attitude scale containing items which conceptually represent "successive hurdles." Items at one extreme (left) of the attitude continuum are marginally favorable as regards the attitude object. Items at the opposite extreme (right) of the continuum are highly favorable toward the object. Intervening statements are increasingly favorable in nature. Of course, where appropriate, the continuum could be comprised of marginally unfavorable through highly unfavorable statements. The respondent is instructed to check all statements with which he agrees. Thus, as he reads through the statements, they become successively more difficult to agree with; i.e., the statements are ordered in relation to positive attitude extremity required to "pass" the statement. The most favorable statement that is "passed" by the respondent is construed to indicate his placement on the attitude continuum. Kiesler, Collins and Miller have compared the Guttman Technique with the testing concept involved in the Stanford-Binet intelligence test. Here the examinee answers successively more difficult questions until a question is reached which cannot be answered. The most difficult question answered is construed to indicate the examinee's intelligence regarding the topic at hand.32

32Kiesler, Collins and Miller, op. cit., pp. 13-14.
Conceptually, Scalogram Analysis consists of examining the pattern of the respondent's agreement with increasingly favorable attitude items, for purposes of establishing scale unidimensionality. If respondents agree with relatively highly favorable statements they can be expected to agree with statements which, although favorable, exhibit less favorableness toward the object. For example, if a respondent favored allowing blacks to reside in his neighborhood, thereby exhibiting highly favorable position, he would be expected to favor allowing blacks to visit his city, a somewhat less favorable position. To the extent that respondents exhibit a well defined, cumulative agreement pattern, each statement is construed to be unidimensional; i.e., it is measuring the same attitude as are other statements. Where a cumulative agreement pattern does not exist, it is assumed that the statements involved were tapping other attitudes, and non-unidimensionality is in evidence.\[33\]

Hughes has submitted that, due to certain innate difficulties, the Guttman Technique has not been used extensively in marketing research. Construction of a scale, containing statements which are successively favorable (unfavorable), and approximate equal intervals as regards placement on the underlying attitude continuum entails

\[33^\text{Guttman, loc. cit.}\]
considerable cost, time and effort. Such scales must either be subjected to extensive prejudice, or there is considerable risk that Guttman's unidimensionality criterion cannot be achieved.  

Osgood, Suci and Tannenbaum. In 1957, Osgood, Suci and Tannenbaum proposed a methodology, the Semantic Differential, which enabled a direct evaluation of the attitude object. Methodologies discussed previously utilize a number of statements which themselves contain various views concerning the attitude in question, and respondents are asked to state their agreement or disagreement with each statement. The Semantic Differential utilizes a format whereby the respondent is confronted with the attitude object directly, and he is asked to express his views on response continua. Each continuum has a bipolar adjective at the extremes. In relation to each pair of bipolar adjectives, the respondent is asked to indicate where the attitude object lies along a five, six or seven interval continuum.

Utilizing factor analytic procedures, Osgood, Suci and Tannenbaum established that attitudinal dimensions involved are evaluation, potency and activity. They

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34 Hughes, op. cit., pp. 102-103.

proposed 50 pairs of bipolar adjectives which might be utilized to tap these three attitude dimensions. Thus the researcher is able to tap the dimension(s) of interest via selecting relevant bipolar adjectives.

Conceptually then, the Semantic Differential directly confronts respondents with the attitude object, and the researcher chooses response sets which are relevant to the attitude dimension of interest. Other attitude methodologies utilize a series of statements to tap the various dimension of the attitude, and respondents express agreement or disagreement with each statement.

Hughes states that the Semantic Differential, and a host of variations of it, has been widely used in marketing research. Like the Method of Summated Ratings, respondents favor the Semantic Differential because it is not as verbose as are other methodologies. Thus indirect costs attributable to non-response and incompleted questionnaires are minimized. Developmental costs are reduced, because the researcher can make use of bipolar adjectives which are proprosed to have established validity.  

Considerable controversy surrounds the assumption that bipolar adjectives with pre-established validity will be valid when measuring any attitude. For example, assume that the researcher wishes to measure attitudes toward a political candidate, and utilizes bipolar adjectives which were previously established as valid for the measurement of attitudes toward blacks. Controversy surrounds the assumption that such adjectives can be assumed to be valid for his purpose. See Ibid., pp. 140-143, and A. E. Gregg, "A Validity Study of the Semantic Differential," Journal of Clinical Psychology, 15:179-181, October, 1959.
reduced, because the Semantic Differential can be administered via a low cost mail survey.  

Two major difficulties are inherent in the utilization of the Semantic Differential. First, the attitude object(s) to be presented to respondents must be selected extremely carefully, as "... the concepts must be capable of eliciting varied responses and thus large variance." If varied responses are not forthcoming, scaling of attitudes is not possible. Secondly, adjective pairs which will tap the attitude of interest must be selected. They must be appropriate as regards the attitude object. Additionally they must be truly bipolar, and must be unambiguous. A pretest is often necessary to assure that attitude object statements will elicit varied responses, and that adjective pairs are bipolar, unambiguous, and appropriate.

Summary and Conclusions. Four major self-report attitude measurement techniques have been overviewed in this section. Focus was upon measurement concepts involved in those techniques, and upon pragmatic considerations with respect to the utilization of the techniques in marketing

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37 Hughes, op. cit., pp. 126-127.


39 Hughes, op. cit., p. 95.
research, the realm within which the present study was conducted.

The problem of this study required an empirical assessment of the ultimate consumer's attitudes toward property ownership, the dependent variable of this study, and an assessment of eight independent variables hypothesized to effect ownership attitudes. As stated previously, Likert's Method of Summated Ratings was deemed an appropriate methodology for assessing ownership attitudes. A process of elimination was utilized to enable a judgment to use Likert methodology. This elimination process drew upon pragmatic considerations with respect to the applicability of various attitude measurement methodologies to marketing research, discussed previously.

The desirability of utilizing a mailed questionnaire, due in part to the necessity to secure a relatively large sample, dictated that a self-report measurement instrument was appropriate for assessing ownership attitudes. Consequently all attitude measurement methodologies, except self-report measures, were eliminated from consideration.

Of the self-report measures, three major methods, and extensions and refinements of those methods which employ the same measurement concepts, were deemed inappropriate.

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40 Cf. post, pp. 165-167.
Allport-Hartman and Thurstone-Chave methodologies were eliminated because of: (1) high costs involved in the development of the attitude scale, attributable to the utilization of a large number of judges to evaluate attitude statements; and (2) potentially high non-response, attributable to the format of the attitude scale which is inherently quite verbose.\(^{41}\) Guttman methodology was eliminated because of high costs involved in constructing an attitude scale containing cumulatively favorable (unfavorable) statements, and which represent equal intervals on the underlying attitude continuum. Again extensive prejudgment is necessary, or risks are incurred concerning scale unidimensionality.\(^{42}\)

The Likert and Osgood, Suci and Tannenbaum methodologies have been heavily utilized in marketing research, in part because both can be administered via a mail survey; compared to other self-report methods, verbage is reduced considerably. The Semantic Differential was eliminated from consideration partly because of difficulties inherent in choosing bipolar adjectives which might adequately tap ownership attitudes. The researcher who chooses such adjectives from among those with pre-established validity faces two problems: (1) adjectives chosen may not be valid

\(^{41}\)Supra, pp. 132-133.

\(^{42}\)Supra, pp. 138-139.
when applied to some attitude object other than the object(s) utilized to pre-establish validity; and

(2) adjectives chosen may not be appropriate regarding the attitude object in question; i.e., they may be meaningless to the respondent within the context of the attitude object. While administration of the Semantic Differential using adjectives with pre-established validity can be accomplished with ease, these potential problems introduce substantial risk concerning the investigator's efforts.

The researcher who chooses adjectives explicitly related to the attitude object must establish the validity of such adjectives; they must be bipolar and unambiguous, and their appropriateness must be established. Extensive pretesting is often necessary to accomplish these ends.43

Likert methodology also requires a pretest to establish validity and reliability.44 However data from this pretest is manipulated utilizing techniques not particularly subject to theoretical controversy.45 Many scholars consider the Likert pretest technique to be highly satisfactory.46 Additionally, Likert methodology does not

43Supra, p. 141.
44Supra, p. 135.
45Cf. post, pp. 150-153.
require extensive prejudgment of a battery of attitude statements, necessary in Allport and Hartman, Thurstone and Chave, and Guttman methodologies. Thus developmental costs are reduced. Furthermore, the Likert scale can be administered via a mail survey. It is relatively short, thereby reducing non-response. Clear instructions can be communicated in written form. Finally, the Likert Technique is particularly suitable for obtaining an overall attitude score; responses to individual attitude items are summed to arrive at the overall attitude score. As the problem of this study required an overall measure of the respondent's attitude toward ownership, the Likert Technique was deemed applicable.

In sum, Likert methodology was chosen for the assessment of ownership attitudes, the dependent variable of this study. A process of elimination was adhered to in making the judgment to utilize Likert methodology. The next section of this chapter examines the specific application of Likert methodology to assess ownership attitudes, the dependent variable of this study.

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48 *Cf. ante*, p. 5.
II. METHODOLOGY UTILIZED IN THIS STUDY

The problem with which this research was concerned is the measurement of ultimate consumers' ownership propensities, and the examination of the selected consumer characteristics hypothesized to have an effect on those propensities.

As stated previously, attitude methodology was construed as suitable for purposes of measuring ownership propensities. In the preceding section, the justification for choosing Likert's Method of Summated Ratings, the specific attitude methodology used in this study, was examined. This section begins with a discussion of the manner in which the Likert Technique was applied to the measurement of ownership attitudes, the dependent variable of this study.

49 Throughout the methodological and empirical sections of this study, the term "effect" is utilized to connote association between the independent variables and the dependent variable of the study. The term is used primarily because it complies with the language of analysis of variance, the analytical methodology utilized in the study, and the intent is to communicate with precision with respect to that methodology.

Some authorities consider evidence of association between variables to be a sound basis for inferring causal relationships. For example, see Paul E. Green and Donald S. Tull, Research for Marketing Decisions (second edition; Englewood Cliffs, New Jersey: Prentice-Hall, Inc., 1970), pp. 79-80. However, it should be noted that the intent in this study is not to infer causality. Rather, the "effect" terminology is used to connote association, but in a fashion which fosters understanding by the quantitatively oriented reader.

50 Supra, pp. 123-125.
The problem of this study concerned an assessment of the effects that selected consumer characteristics, the independent variables of the study, had upon ownership attitude, the dependent variable of the study. A discussion of the hypotheses of this study, and the justification for hypothesizing a relationship among the independent variables and ownership attitudes, the dependent variable, comprise the second topic to be discussed.

The third topic discussed concerns the manner in which empirical data was gathered to assess the effect that the independent variables had upon the dependent variable. Included is a discussion of the mail technique, the research universe utilized, and the manner in which the research sample was drawn. The section concludes with a discussion of the data gathering instrument which was utilized to elicit data concerning ownership attitudes and pertinent consumer characteristics.

The final topic discussed in this section concerns the analytical procedures utilized to ascertain the effect that independent variables, hypothesized to effect ownership attitude, had upon the dependent variable.

The Dependent Variable: Development of the Attitude Scale

The dependent variable of this study, the respondent's attitude toward property ownership, was measured via
the Method of Summated Ratings. This attitude measurement technique has become known as the Likert Scale. 51

The attitude measurement instrument utilized can be found in Appendix A. It was refined from an instrument constructed for purposes of conducting a pilot study. The attitude scale utilized in the pilot study was developed in accord with Edward's procedures for constructing attitude statements. 52

The first step consisted of writing twenty attitude statements which were intended to tap various dimensions of the ownership attitude, the attitude object of interest. The attitude statement format utilized was adopted from Campbell. 53 Each attitude statement consists of two sentences, labeled A and B. Each sentence presents an opposite viewpoint concerning a specific dimension of the ownership attitude. Respondents are asked to express their amount of agreement or disagreement with one of the opposite viewpoints by checking one of five indicators; "Highly prefer A," "Somewhat prefer A," "Cannot choose between A and B," "Somewhat prefer B," and "Highly prefer B." The Campbell format is considered to be highly satisfactory because the respondent is presented with both ends of the

51 Likert, op. cit., pp. 90-95.
continuum underlying the attitude dimension. This enables him to make better judgments as regards his position on the underlying continuum than would statements which present only one end of the continuum.\footnote{Ibid.} The relevant dimensions of the ownership attitude which were incorporated into the attitude statements were derived from two sources. Conversations were held with several individuals considered to have substantial knowledge of consumer behavior, for the purpose of obtaining their views concerning dimensions of the ownership attitude. Next, a literature review was conducted to discern any additional dimensions.\footnote{Certain literature related to the ownership phenomenon was reviewed for purposes of generating ideas concerning the dimensions of property ownership which might be incorporated into attitude statements. That literature is reviewed in Chapter II.}

The second step in the development of the attitude scale consisted of subjecting the twenty attitude statements to scrutiny by two college classes.\footnote{Students in two consumer behavior classes were asked to scrutinize the attitude statements, during the Summer of 1972.} Students were asked to rewrite statements which were ambiguous in any way; e.g., confusing, too complex, or indirect. Results were examined, and judgments were made to eliminate eight statements on the grounds that excessive numbers of students found it necessary to extensively rewrite those statements.
The remaining 12 attitude statements were incorporated into a measurement instrument, and the pilot study was conducted. The pilot study utilized a random sample of 500 Atlanta Metropolitan Area residents, and was completed in September, 1972.\(^5^7\)

Likert scales in general require tests of validity and reliability. Calculations of the reliability and validity of the attitude scale used in the present study can be observed in Appendix B.

Validity in the attitude measurement context refers to the necessity for each scale item to tap the same attitude as do other items in the scale--to be measuring the same attitude.\(^5^8\) The attitude items utilized in the pilot study discussed previously were tested for validity utilizing t test methodology proposed by Likert.\(^5^9\) Edwards has stressed that t test methodology will provide results at least comparable to other methodological alternatives.\(^6^0\)


\(^{58}\) Kiesler, Collins and Miller, op. cit., p. 13.

\(^{59}\) Likert, op. cit., pp. 94-95.

\(^{60}\) Edwards, op. cit., p. 155.
The t test method utilized to establish the validity of attitude statements included in the pilot study involved the following steps:

1. Assignment of a number from one to five for each individual's response to each question where 1 = highest propensity to own and 5 = lowest propensity to own.61

2. Summation of the individual's responses to each scale item to determine the individual's total attitude score.

3. Selection of the 10 per cent of respondents exhibiting the most ownership propensity and the 10 per cent exhibiting the least ownership propensity, on the basis of their total scores.62

4. Comparison between the high ownership propensity group and the low ownership group as regards each attitude statement; the t test was applied to determine if significant statistical differences existed between responses to each attitude statement.

5. Items which failed to statistically discriminate the upper 10 per cent of respondents from the lower 10 per cent of respondents are assumed to be invalid; such items tap attitudes other than those measured by the remainder of the scale.63

Based on the results of the t test, two of the twelve attitude statements included in the pilot study were eliminated. The remaining ten statements could be construed as valid at the .01 confidence level.

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61 For purposes of the pilot study the scoring system was reversed. In the present study high scores indicate a high propensity to own and vice versa.

62 The choice of the upper and lower 10 per cent, as opposed to some other per cent, is based on Likert's suggestion in Likert, op. cit., p. 95.

63 Kiesler, Collins and Miller, op. cit., p. 13.
Reliability in the attitude measurement context
"... refers to the extent to which we obtain information
that is free from measurement error." 64 Likert proposed a
technique for finding the reliability of an attitude mea-
surement instrument. The technique consists of assessing
the split-half reliability of the instrument, by "... correlating the sum of the odd statements for each individ-
ual against the sum of the even statements." 65

The attitude scale utilized in this research was
scrutinized for reliability. Calculations were based on
respondents' scores resulting from the pilot study which
preceded this research.

The split-half reliability technique involved the
following steps:

1. Each respondent's scores on the odd numbered
   statements were totaled, as were each respondent's
   scores on the even numbered statements. The
   scoring system was the same as that discussed
   previously. 66

2. The Pearson product-moment correlation coefficient
   was computed to determine the relationship between
   the odd numbered and the even numbered statements,
   totaled for all respondents. 67 The correlation
   coefficient was found to be .60.

64 Harry C. Triandis, Attitude and Attitude Change

65 Likert, op. cit., p. 91.

66 Supra, p. 151.

67 James L. Bruning and B. L. Kintz, Computational
   Handbook of Statistics (Glenview, Illinois: Scott Forseman
3. The correlation coefficient was corrected. This is necessary because the instrument was divided in half to compute the reliability coefficient. When an instrument is lengthened, its reliability increases. Statistical correction is necessary so that the coefficient pertains to the whole instrument. The corrected coefficient was found to be .75. A reliability value above .70 is considered high, and quite satisfactory.

4. The statistical significance of the corrected correlation coefficient was assessed to test the hypothesis that the coefficient is equal to zero. A z test is suitable when the number of respondents is greater than 30, a condition which characterized the pilot study. The correlation coefficient was found to be significant at the .05 confidence level.

The attitude scale utilized in this research was deemed to be reliable; measurement error was well within acceptable limits.

The revised attitude scale was utilized to assess the ultimate consumer's attitudes toward property ownership, the dependent variable of this study. It was included on the questionnaire used to empirically examine both the dependent and independent variables of this study.

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68 Ibid., 187-188.
69 Ibid., p. 188.
70 Ibid., p. 155.
71 Formulas for these techniques and a summary of results can be found in Appendix B.
72 See Appendix A.
The Independent Variables: Consumer Characteristics Hypothesized to Have an Effect on Ownership Attitudes

The problem with which this study was concerned is the assessment of the ultimate consumer's attitudes toward property ownership, and the examination of certain characteristics of consumers exhibiting different ownership attitudes. In the preceding section the manner in which the Method of Summated Ratings was utilized to measure ownership attitudes, the dependent variable, was discussed. This section includes an examination of the independent variables of the study which were hypothesized to have an effect on ownership attitudes.

The section begins with an examination of the independent variables of the study. Secondly, the specific hypotheses, derived from those independent variables, are stated. Finally, the justifications for the inclusion of the respective independent variables in the study are examined.

Statement of hypotheses. The independent variables hypothesized to be related to ownership attitudes were derived from an interpretation of the results of a pilot study, from logic, from related literature in which certain scholars proproted the demise of ownership

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73 Obenberger and Dimsdale, loc. cit.
propensity in the ultimate consumer market, and from general consumer behavior thought concerning relationships among consumer characteristics and consumption behavior. The independent variables which were incorporated into the hypotheses of this study are functionally expressed as follows:

\[ O = f(\text{H, A, E, I, S, M, P, L}) \]

where:

\( O \) = attitudes toward ownership of possessions; the higher the respondent's attitude score, the greater the propensity to own.

\( H \) = home ownership characteristics; a dichotomous variable classifying respondents into those who do not own the facility in which they are residing as opposed to those who either own their residences or are in the process of attaining residence ownership via making mortgage installment payments.

\( A \) = the age of the respondent classified into one of six categories.

\( E \) = formal educational attainment classified into one of five categories.

\( I \) = family income of the respondent classified into one of seven categories.

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\(^{74}\) Supra, pp. 117-118.

\(^{75}\) The questionnaire, which can be observed in Appendix A, contained provision for classifying educational attainment into six categories, and family income into eight categories. The number of categories used for these variables was later compressed into five and seven categories, respectively. In the case of both of these variables, scrutiny of completed questionnaires indicated that two adjacent categories might be combined because of a lack of sufficient observations in either of them.
S = occupational status ranking of the respondent classified into one of five categories.\textsuperscript{76}

M = geographic mobility of the respondent classified into one of four categories.\textsuperscript{77}

P = experience with the leasing or rental of goods within the past year. A dichotomous variable classifying respondents into those who have leased or rented in the past year, and those who have not leased/rented in the past year.\textsuperscript{78}

\textsuperscript{76}The categories utilized were adopted from Chester R. Wasson and David H. McConaughy, \textit{Buying Behavior and Marketing Decisions} (New York: Appleton-Century-Crofts, 1968), p. 175.

\textsuperscript{77}The use of four categories enabled approximation of the degree of mobility exhibited by the respondent. The four categories were: respondents who have not changed residence in the past two years; respondents who have changed residence in the past two years, and who have moved within the same metropolitan area; respondents who have moved in the past two years, and who have moved within the same state; and respondents who have moved within the past two years, and who have moved from out of state. Respondents who have moved within the past two years can be considered more mobile than the population as a whole. See Wasson and McConaughy, op. cit., p. 173. Those who have moved within the metropolitan area, within the state, and from out of state were arbitrarily construed to be increasingly mobile.

\textsuperscript{78}The purpose in assessing past leasing/renting experience was to establish past propensity to lease/rent. The measurement instrument asked respondents to list goods or services leased or rented in the past year. This information was used to exclude certain respondents from the past leasee/renter category. Specifically house renters were excluded as this variable is measured separately. In addition the leasees/renters of certain services were excluded because such services are only available on a "lease/rent" basis. Examples are telephone service, tax preparation service, legal counsel, health services, dry cleaning service, etc. Thus, respondents reporting the lease/rent of such services were not considered to exhibit a propensity to favor lease/rent over purchase--they did not have a purchase alternative. Such respondents were classified as non-leasees/renters in the past year.
L = life cycle stage of the respondent classified into one of seven categories.\textsuperscript{79}

Thus ownership attitude is treated as the dependent variable in the functional expression. Independent variables hypothesized to have an effect upon the ownership variable included home ownership, age, formal educational attainment, income, occupational status, mobility, past leasing experience, and life cycle stage.

The specific hypotheses tested, stated in the null form,\textsuperscript{80} follow:

\begin{align*}
H_{1.1} & \text{ No significant differences exist in ownership attitude scores between home owners and non-home owners.} \\
H_{1.2} & \text{ No significant differences exist in ownership attitude scores among groups possessing different age characteristics.} \\
H_{1.3} & \text{ No significant differences exist in ownership attitude scores among groups possessing different formal educational attainment characteristics.} \\
H_{1.4} & \text{ No significant differences exist in ownership attitude scores among groups earning different family incomes.}
\end{align*}

\textsuperscript{79} The use of seven categories enabled approximation of the respondents' life cycle stage. The categories were: single, married with no children, married with children under five years of age, married with children between 6 and 10, married with children between 11 and 15, married with children between 16 and 20, and married with children over 21. Five respondents were unmarried, but had children. An arbitrary judgment was made to classify them along with marrieds with children, as they are construed to possess life cycle characteristics similar to their married counterparts.

\textsuperscript{80} The substantive nature of the hypothesized effect that each of the independent variables has upon the dependent variable is stated on pp. 158-164.
H1.5 No significant differences exist in ownership attitude scores among groups engaged in occupations having different status rankings.

H1.6 No significant differences exist in ownership attitude scores among groups having different mobility characteristics.

H1.7 No significant differences exist in ownership attitude scores between past leasees/renters and non-leasees/renters.

H1.8 No significant differences exist in ownership attitude scores among groups possessing different life cycle stage characteristics.

H2.1 Ownership attitude scores are not significantly affected by certain combinations of the independent variables home ownership, age, formal educational attainment, income, occupational status, mobility characteristics, past leasing experience, and life cycle stage.81

Each independent variable was examined separately for purposes of determining its effect on ownership attitude score. In addition, certain combinations of independent variables were examined for purposes of determining their joint effect on ownership attitude.

Justification for inclusion of variables. The following paragraphs attempt to justify the inclusion of respective independent variables set forth previously as affecting ownership attitudes.

The inclusion of the home ownership variable was based upon the deduction that willingness to purchase household equipment or furnishings may well be related to

81 Interaction effects were examined in cases in which such an examination was possible. See pages 186-189.
the long term financial commitment involved in purchasing the housing structure. The housing owner has an investment in his dwelling place. Consequently he is inclined to purchase equipment and furnishings suitable for that dwelling place. Conversely the housing renter has no long term financial commitment in his dwelling place. He may be less inclined to purchase equipment and furnishings for that dwelling place, and may consider lease or rental alternatives to furnish and equip his residence.

The inclusion of age as an independent variable effecting ownership propensity was based upon two deductions: upper age groups directly or vicariously experiencing the hardships connected with the depression of the 1930's may well retain a heightened sense of value as regards property ownership; the non-materialism era of the late 1960's which perhaps particularly influenced lower age groups may well be manifested in a lessened sense of value as regards property ownership. A clarification statement is necessary as regards the non-materialism deduction. The intent is not to imply that non-materialism and non-ownership are synonymous concepts, but rather that the residual associated with experiencing non-materialism influences may be a lessened desire to possess title to goods. These deductions are partially supported by McLean and DeCarlo, who purport that youth has never experienced
economic want or economic insecurity, and the need to own property for security purposes is thus greatly diminished.\textsuperscript{82}

More highly educated consumers have been characterized as being better informed, more discriminating, more receptive to innovation, less subject to habit, and more willing to experiment than their less educated counterparts.\textsuperscript{83} It then follows that exposure to non-purchase acquisition alternatives and receptivity to those alternatives may differ with educational attainment differences. Weiss has implied that increased educational attainment fosters a diminished concern with traditional values, including concern with ownership.\textsuperscript{84} The inclusion of educational attainment as an independent variable was partially based on his proposition.

The inclusion of income as an independent variable effecting ownership propensity was based upon Garretson and Mauser's proposition that an inverse relationship exists between the scarcity of products and the need for the individual to own.\textsuperscript{85} They speculate that increasing

\begin{footnotesize}
\begin{enumerate}
\item Wasson and McConaughy, \textit{op. cit.}, p. 184.
\item E. B. Weiss, "Products with Shorter Life Span Will Make it in Anti-materialistic Society," \textit{Advertising Age}, September 27, 1971, p. 73.
\end{enumerate}
\end{footnotesize}
affluence thus causes a commensurate decrease in the need to own for purposes of being able to consume. Thus income was utilized as an indicator of affluence for purposes of empirically testing Garretson and Mauser's proposition, and the income hypothesis of this study.

Occupational status rankings are thought to be central in determining the rank of the individual in the social class system, and have been considered the most accurate single indicator of social class available. Occupational status was included as an independent variable as a proxy variable for social status rank. Some measure of social status rank was deemed necessary because of the evidence that value orientations generally differ among the various social strata. Thus there may well exist differences as regards value orientations toward property ownership.

The inclusion of geographic mobility as an independent variable effecting ownership propensity was based on the deduction that moving is particularly problematic when bulky durables are involved. Thus the consumer may well have a desire to escape moving problems by leasing or renting such goods, which enables him to leave them behind when changing residence. There is a wealth of

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86 Engel, Kollat and Blackwell, op. cit., p. 124.
87 Ibid., p. 121.
evidence confirming that geographic mobility is substantial, and is increasing. For example, in the five year period between 1965 and 1970, 75,093,663 people, or about 37 per cent of the population changed residence. Of this total, 31,736,866 moved to another county, and 16,080,812 moved out of state. In 1900, 21 per cent of the population resided in a state different than the state of birth. In 1960, 28 per cent of the population had moved to a state different than the state of birth. The large geographically mobile segment of the population may exhibit less desire to own goods and more desire to lease or rent goods due to a desire to escape moving problems associated with owning such goods. The inclusion of mobility as an independent variable of this study was partially based upon Toffler's proposition that increasing mobility is related to an increasing propensity to rent goods.

Past experiences with leasing or rental of commodities was included an an independent variable due to the deduction that such experiences may connote acceptance of and familiarity with non-purchase acquisition of goods

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89 Wasson and McConaughy, op. cit., p. 173.

and services. Thus, past leasees or renters may have adopted non-ownership as an integral part of their buying habits; therefore they may well exhibit different ownership propensities than does the consumer that has rigidly adopted the purchase-of-title buying habit. As stated previously, respondent returns were scrutinized. Respondents who claimed to have leased or rented in the past year, and who have leased/rented housing or services available only on a lease/rental basis were reclassified as non-leasees/renters. Such respondents were not construed to exhibit a propensity to favor lease or rental relative to purchase. No attempt was made to quantify the degree of past leasing experience. The purposes of this study required the utilization of a mail questionnaire, which may well have precluded the respondent's accurate recall of the number and kinds of commodities he or she has leased or rented in the past.

Life cycle stage was included as an independent variable because it is generally construed to have a significant impact on the family's consumption habits. As the family moves through the respective life cycle stages, the products and services that it has need for are subject to change. Thus in the respective stages of the

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91 Supra, p. 156.
life cycle families may recognize that their needs for some products are short term in nature. As lease-rental enables the family to attain short term use of such products, there may well be a relationship between life cycle stage and propensities to lease or rent. Inclusion of the life cycle independent variable fostered an assessment of the extent to which ownership attitudes in general are effected by the family's recognition that needs for products during specific life cycle stages are short term in nature. Additionally, Solon has implied that a relationship exists between life cycle stage and product rental. Thus the inclusion of the life cycle independent variable was partially based on Solon's proposition.

In summary, eight independent variables were hypothesized to effect ownership attitudes. Inclusion of the respective variables was based upon results of a pilot study, upon logic, upon propositions discerned from literature related to the problem of this study, and upon general consumer behavior thought.

Method of Gathering Data

The problem of this study required the gathering of empirical data regarding attitudes toward property ownership and data enabling the categorization of respondents.

exhibiting differing ownership attitudes. The preceding discussion concerned the development of the attitude scale which was utilized to measure ownership attitudes, the dependent variable of this study, and an examination of the independent variables which were hypothesized to have an effect on ownership attitudes. The discussion which follows concerns the methodology which was employed to gather data necessary to examine the effect that independent variables had on the dependent variable of this study. Included is a discussion of the mail technique which was utilized to gather empirical data, the research universe from which a research sample was selected, the manner in which the research sample was drawn, and a discussion of the data gathering instrument.

The mail technique. A number of considerations suggested that the mailed questionnaire would provide a suitable data collection instrument for the purposes at hand.

A fairly large number of observations were necessary to ensure that needed heterogeneity would be attained with respect to the variables included in this study.94 Mailed questionnaires are considered particularly applicable when large populations are to be sampled.95

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94 Cf. post, pp. 171-172.
95 Hollander, op. cit., p. 96.
Mailed questionnaires have been utilized widely in attitude research and are considered permissible and applicable when the "... central interest is in how a population, falling into certain descriptive classes; e.g., age, sex, level of education, birth order, responds to certain questions." As these conditions closely parallel the conditions inherent in the problem of this research, the mail questionnaire was deemed applicable.

The mail questionnaire enables sampling of individuals who are difficult to reach by other data collection methods: couples with working husbands and wives, upper income groups, etc.

Two alternatives to the mailed instrument are the telephone interview and the personal interview. The use of the telephone interview technique was deemed unsuitable due to the nature of the attitude measurement instrument. The questionnaire utilized in this study contained a number of attitude statements. The respondent was asked to reflect on those statements, and indicate the extent to which he agreed or disagreed with each statement. Such reflection dictated that the respondent have visual access to the attitude statements.

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96 Ibid.
The use of the personal interview was precluded by cost considerations. Necessary sample size, and the desirability of utilizing a large metropolitan research universe not readily accessible to the researcher rendered the personal interview economically unfeasible.

Despite its appropriateness, it is recognized that the mail questionnaire technique has certain limitations:

1. Data gathering is time consuming.
2. There is danger of sample bias.
3. Questionnaires must be relatively short.
4. Questions must be simple and easily answered.
5. There is no assurance that the individual addressed is the one who replies.
6. Certain segments of the population are excluded, such as illiterates.
7. Followups are necessary to interpret omissions.
8. Replies conforming to a predesignated sequence cannot be assured.

These limitations were carefully considered, and they were not construed to be unduly detrimental to this study. It is submitted that on balance, the mail questionnaire was a suitable instrument for the problem of this study.

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98 Cf. post, pp. 168-170.
99 Cf. post, pp. 176-177.
100 Ferber, Blankertz and Hollander, op. cit., p. 254.
The research universe. The universe for this study was the Atlanta, Georgia Metropolitan Area.

Choice of the Atlanta area as the universe for this study was based on the following considerations. Firstly, research resources while not unduly restricted did preclude the conduct of a large nationwide survey.

Secondly, it was felt that implication generalizability was not overly constrained due to conducting this research in a single metropolitan area. One of the major problems of this study related to measurement of ownership attitude differences. Populations utilized for purposes of assessing attitudes and differences with respect to those attitudes are often construed to be non-critical due to the deduction that the main determinant of an attitude is inherently incorporated in the population. Consequently variation in the sample is considered to be of minimum importance with respect to measurement of the ownership attitude. Thus the use of a single metropolitan area did not preclude the assessment of implications for national marketers inherent in ownership attitude differences. In view of these considerations it was not felt that a broad universe was necessary for exploration of ownership attitudes.

Yet it was a second problem of this research to examine the characteristics of respondents holding different ownership propensities. It was felt that a random sampling technique was thus desirable for the sole purpose of having reasonable assurance that respondents would possess fairly heterogeneous characteristics, as opposed to any necessity to formally assess sampling error.

The Atlanta, Georgia Metropolitan Area was considered suitable as a universe for the purposes of this study for two reasons. It was reasonably accessible to the researcher if contingencies arose requiring his personal presence; and its size fostered sufficient resident diversity as regards independent variable characteristics.

On balance then the purposes of this research dictated that the universe chosen for this study was of minimum importance as regards measurement of ownership attitudes, but was of some importance as regards obtaining sufficient heterogeneity with respect to respondent characteristics. The Atlanta Metropolitan Area was considered to

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102Cf. post, pp. 170-172.

103The justification for this study related to the drawing of implications for marketing management and marketing scholars as regards the ownership phenomenon. As such no attempt was made to statistically generalize the results of this study to the population as a whole. Thus the formal assessment of sampling error was not deemed necessary.
be a universe representing a suitable compromise between the dictates embodied in the problems of and justification for this study.

The research sample. It was indicated previously that it was desirable to utilize a random sampling technique to ensure a reasonable amount of respondent heterogeneity concerning the eight independent variables hypothesized to have an effect on ownership attitudes. To have some assurance of heterogeneity, sample size theory was applied to the results of the pilot study which preceded this study. 104

The research sample utilized in conducting the pilot study was randomly selected. While there was no assurance that respondents to the pilot study were truly representative of the universe, an assumption was made that respondents were sufficiently heterogeneous for the purposes at hand, and that those respondents reasonably approximated representativeness of the universe. It should be noted, however, that if non-response bias existed in the pilot study, sample size calculations based on the results of the pilot study would not have yielded a sample that was truly representative of the population; i.e., if pilot study means contained bias, sample size calculations based on those means would be "biased." However, no attempt was made to

104 Obenberger and Dimsdale, loc. cit.
statistically generalize the results of this study to the population. Rather, the justification for this study related to deriving implications from basic empirical data gathered for that purpose. In short, the attempt was to ensure reasonable respondent heterogeneity, not to be certain that the sample was truly representative of the universe.

The procedure utilized to determine sample size involved an analysis of the variance about the means for attitude scores and independent variable classifications utilized in conducting the pilot study. The purpose was to statistically search for the variable requiring the largest sample size, which is a function of the amount of variance about its mean. Given that enough responses were elicited to have reasonable assurance of heterogeneity with respect to the variable requiring the largest sample size, requirements were also met concerning variables needing smaller sample sizes.

These logical and procedural considerations were applied to the variables included in the pilot study. Based on the variance attributable to the variable "attitude score" attained in the pilot study, a sample size of

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105 Sample size calculations for the variables utilized in the pilot study are in Appendix C.
was necessary to be 95 per cent certain that equivalent variance would be attained in this study. As all other variables required less than 200 observations to approximate heterogeneity, that number of observations was deemed necessary for this research. Based upon an anticipated response rate of 20 per cent, the response rate experienced in conducting the pilot study, 1,004 Atlanta Area residents were chosen as recipients of the mail questionnaire.

One limitation to this approach--pertaining to the possibility of pilot study bias--was discussed previously. One additional limitation must be noted. The pilot study did not measure all of the variables included in this

106 The sample size calculation for attitude score was based on the formula

\[ n = \frac{k^2 s^2}{E^2} \]

where:

- \( n \) = sample size;
- \( k = 1.96 \), the standard normal deviate at the .95 confidence level;
- \( s = \) variance;
- \( E = \) error term.

Thus:

\[ n = \frac{(1.96)^2 (52)}{1^2} = 200 \]

research. Thus there was no data base upon which to calculate sample size for all of the variables included in the present study. However variance, a key consideration in sample size determination, is largely a function of the number of response categories used to measure variables. The pilot study did contain three variables with a relatively large number of response categories. Included were age (six response categories), education, (six response categories), and income (six response categories). The additional variables included in the present research were home ownership (two response categories), past leasing-rental experience (two response categories), occupation (five response categories), mobility (four response categories), and life cycle stage (seven response categories). Of these five additional variables, life cycle stage contained one more response category than did the variables included in the pilot study; the remaining variables contained less response categories than the variables included in the pilot study. Thus, assurance of achieving sufficient heterogeneity with respect to life cycle stage was somewhat questionable; it was not possible to render any judgments about necessary sample size in advance. However 200 observations were arbitrarily deemed sufficient to elicit heterogeneous responses with respect to the variable.
The actual response to the mailed questionnaire was 247 usable returns, somewhat better than anticipated. Thus, the response rate was 24.7 per cent.

The Greater Atlanta telephone directory was chosen as the frame for deriving the sample which was utilized in this study. Historically telephone directories have been criticized as being of limited usefulness for purposes of selecting random samples on the grounds that not all homes have telephones, and that a number of telephone subscribers have unlisted numbers. However, "... the wide ownership of telephones now makes it feasible to use telephone homes as the sampling population for many studies." 

Recent estimates indicate that the number of telephone-owning homes ... is well over 90 per cent ... so that bias due to exclusion of non-telephone owning-homes is greatly lessened.

An alternative sample frame for this study was the metropolitan area city directory, which contains names and addresses for all area residents. Use of the directory might thus enable generation of a more randomized sample. However, the city directory is somewhat outdated. Given that it was deemed desirable to address respondents by


108 Ibid., p. 151.

109 Ferber, Blankertz and Hollander, op. cit., p. 244.
name, and given that many addressees may have moved since publication of the directory, it was expected that many of the 1,004 questionnaires might have been returned. This eventuality was also regarded as a source of sample bias. One of the independent variables of this study was mobility: failure to contact the mobile segment of the population as a result of the use of non-current addresses may have been problematic.

In short the telephone directory was selected as the sample frame because: (1) its use is supported in the literature, (2) a judgment was made to exchange possible telephone ownership bias for non-mobility bias, and (3) it was readily available to the researcher at no cost.

To approximate population heterogeneity with respect to the independent variable characteristics hypothesized to effect ownership attitudes, a systematic random sampling procedure was utilized to draw 1,004 names from the Greater Atlanta telephone directory.

The directory contains 1,511 pages of listings. Listings on the second page and every third page thereafter were omitted via a random drawing. Thus 1,004 pages remained. To determine which listing to select from each page, a table of random numbers was utilized. The average directory page contains 285 listings. From digits between one and 285, the number 103 was randomly selected. Thus the 103rd listing on each of the 1,004 remaining pages was
included in the sample if it was a residential address. If the 103rd listing was a business address, the first residential address thereafter was selected. Drawing the sample in this manner ensured that the sample was random; every listing in the directory had an equal probability of inclusion in the sample.\textsuperscript{110}

In summary, it was deemed unnecessary to utilize a formal random sampling procedure for purposes of assessing ownership attitudes. However, a random selection technique was utilized in this study to help assure that response heterogeneity was achieved to enable determination of effects among the dependent and independent variables of this study. In general formal random sampling was considered unnecessary because it was the purpose of this research to derive conceptual implications rather than overall population estimates, a purpose for which the use of non-random samples is supported in the literature.\textsuperscript{111}

It is deemed necessary to explicitly discuss the matter of non-response bias as it relates to this study. The purposes of this research did not require statistical generalization of results to the population. Rather, the purposes herein related to the drawing of conceptual implications for marketing as regards the ownership phenomenon.

\textsuperscript{110}Procedure based on Ferber, Blankertz and Hollander, \textit{op. cit.}, p. 203.

The primary nature of this study was attitude research. Attitude studies in general do not require adherence to formal probability sampling.\textsuperscript{112} As discussed previously this research did make use of probability sampling techniques for purposes of attaining reasonable respondent heterogeneity--not for purposes of statistically generalizing research results to the population. In view of the nature and purposes of this research it was not deemed necessary to make follow-up contact with non-respondents for purposes of assessing non-response bias.

The questionnaire. Empirical data pertinent to the problem of this study\textsuperscript{113} was gathered via a questionnaire mailed to 1,004 Atlanta Metropolitan Area residents.\textsuperscript{114} The questionnaire, observable in Appendix A, included ten attitude statements for purposes of assessing ownership attitudes, the dependent variable of this study. Each attitude statement consisted of two sentences representing opposite viewpoints with respect to a specific dimension of the ownership attitude; respondents were asked to indicate their amount of agreement with one of the two opposing viewpoints.\textsuperscript{115} Additionally, the mailed instrument

\begin{itemize}
\item \textsuperscript{112} Ferber and Verdoorn, \textit{loc. cit.}
\item \textsuperscript{113} \textit{Cf. ante}, pp. 3-6.
\item \textsuperscript{114} \textit{Supra}, pp. 171-172.
\item \textsuperscript{115} \textit{Supra}, pp. 148-149.
\end{itemize}
included questions for the purpose of obtaining data concerning the independent variables hypothesized to effect ownership attitude.\textsuperscript{116} This data was obtained as follows:

1. Home ownership characteristics were ascertained via eliciting a check mark response enabling respondent placement into one of two categories;

2. Age characteristics were ascertained via eliciting a check mark response enabling respondent placement into one of six categories;

3. Formal educational attainment was ascertained via eliciting a check mark response enabling respondent placement into one of five categories;

4. Family income was ascertained via eliciting a check mark response enabling respondent placement into one of seven categories;

5. Occupation was ascertained via eliciting a written response, and judgmentally categorizing the respondent into one of five occupational classifications;

6. Geographic mobility was ascertained via eliciting a check mark response enabling respondent placement into one of two categories; distance moved was ascertained via eliciting a check mark response in one of three categories;

7. Past leasing-renting experience was ascertained via eliciting a check mark response enabling respondent placement into one of two categories, and via eliciting a listing of commodities leased/rented;

8. Life cycle stage was ascertained via eliciting a check mark response enabling respondent placement into one of seven categories.

A cover letter was included which asked that the household's primary purchase decision maker fill out the

\textsuperscript{116} Supra, pp. 154-158.
questionnaire, and which stressed the academic legitimacy of the study. A business reply envelope was also included.

In summary, the questionnaire was designed to enable measurement of the respondent's attitude toward ownership, and to enable respondent classification as regards the eight independent variables hypothesized to have an effect on ownership attitude.

Method of Analysis

The problem of this study involved determination of the effects that each of a number of independent variables including home ownership characteristics, age, formal educational attainment, income, occupational status, mobility characteristics and past experience with the lease-rental of products had upon ownership attitude score, the dependent variable. 117

In the preceding pages of this chapter the discussion concerned: (1) methodology utilized to measure ownership attitudes, (2) an examination of the variables hypothesized to effect ownership attitudes, and (3) the data gathering technique and sampling method used in this study. This section concerns the method of analysis of data gathered to determine the effects that the various independent variables had upon the dependent variable.

117 Supra, pp. 3-5.
The computer technique utilized to analyze data concerning the problem of the study was a least squares analysis of variance procedure. This technique enabled a determination of whether the differences in measures of ownership attitude score were statistically significant across the various independent variable classifications utilized in the study.\textsuperscript{118} Where significant differences did exist, it was concluded that differences in independent variable characteristics effected ownership attitude.\textsuperscript{119} A discussion of the analysis process follows.

**Input data.** Input consisted of data derived from completed questionnaires with regard to the dependent and independent variables included in the study. With respect to the dependent variable, a total attitude score for each individual was calculated manually and key punched into a data card. With regard to the independent variables, respondents were classified according to answers received on questions measuring their respective characteristics: into one of two home ownership classifications; into one of six age classifications; into one of five educational attainment classifications; into one of seven income classifications; into one of five occupational status classifications; into one of four mobility classifications;

\textsuperscript{118} *Supra*, pp. 157-158.

\textsuperscript{119} *Cf. post*, pp. 189-190.
into one of two past leasing experience classifications; and into one of seven life cycle classifications. Each respective classification was key punched into a data card. Thus a punched card was generated for each respondent with a total attitude score and classification data for each independent variable.

**Computer analysis.** A least squares analysis of variance procedure was utilized to ascertain the effects that various independent variable characteristics had upon ownership attitude, the dependent variable. As stated previously, the analysis of variance technique enabled the determination of whether differences in ownership attitude score, across various independent variable classifications, were statistically significant. Significant differences in ownership attitude were interpreted as evidence that respective independent variable classifications had an effect on ownership attitude.

Analysis of variance is considered to be highly appropriate for determining the extent to which observed differences are statistically significant.\(^\text{120}\) A major objective underlying the measurement of any independent variables, (or the measurement associated with any experimental manipulation) is to determine the effect that

changes in the independent variables have upon the
dependent variable. However, a means of determining
whether such effects are due to changes in the independent
variables or to chance variation is necessary. Statistical
significance is concerned with the probability that differ-
ences in the dependent variable can be attributed to
changes in the independent variables. Analysis of variance
enables the determination of such probabilities via analyz-
ing the sources of variance in the dependent variable,
across independent variable classifications.

The analytical process utilized in this study
involved a least squares analysis of variance procedure
which enabled determination of: (1) the effects that
changes in each independent variable--examined as an
individual entity--had on ownership attitude, and (2) the
effects that changes in certain combinations of independent
variables had on ownership attitude. The first procedure
is termed "one-way analysis of variance," and the second
is termed "factorial analysis of variance." 121

As regards determination of the effects that
individual independent variables had upon ownership atti-
tude, the analysis process begins with computation of the
mean attitude score exhibited by each of the respective
independent variable classification groups. This yields a

121 Ibid., p. 213.
measure of central tendency concerning attitude score for each classification group. The crux of the analytical problem involves determination of whether such mean attitude scores differ significantly across groups. First the "between group" variances, or differences in mean attitude score among respective independent variable classification groups, are calculated. As only a portion of such differences may be attributable to the effects of independent variable changes, it is necessary to "remove" differences which are attributable to random chance. To accomplish this, between group variance must be compared to "within group" variance, those differences in mean attitude score which are attributable to chance error. Within group variance is calculated by separately computing the standard variance of the mean (the standard error squared) for each of the independent variable classifications, and then averaging standard variance for all of the groups. As standard variance of the mean is computed for each classification group separately, and then averaged, it does not involve any comparisons among groups' means. Thus standard variance of the mean does not include any variance in group means attributable to changes in independent variables; i.e., between group variance. Comparing between group variance to within group variance operationally involves dividing the former by the latter. This calculation yields an F ratio, which is used to determine if means are
significantly different.\textsuperscript{122} The analytical procedure involved iterations of the above process for each of the independent variables included in the study. The procedure thus enabled a determination of the effects that individual independent variables had upon ownership attitude.

It was deemed necessary to assume that given the nature of the independent variables hypothesized to be related to ownership attitude, certain independent variables might well interact to effect the dependent variable. Although certain characteristics of the data precluded a complete examination of such interaction effects,\textsuperscript{123} the analytical procedure utilized did enable an assessment of the effects of certain combinations of variables.\textsuperscript{124} The analytical procedure is conceptually similar to the procedure for analyzing the effects of individual independent variables discussed previously. The procedure again begins with calculation of mean attitude scores for independent variable classification groups; however means are calculated for such groups across more than one independent variable. The problem involves determination of whether such group means differ significantly across independent variables. If significant differences exist there is evidence that

\begin{itemize}
  \item \textsuperscript{122}Discussion based on Kerlinger, pp. 187-198.
  \item \textsuperscript{123}Infra, p. 189.
  \item \textsuperscript{124}Infra, p. 188.
\end{itemize}
the independent variables jointly effect the dependent variable. Determination of whether significant differences exist again involves an examination of the sources of variance which comprise total variance. One source of variance is "within group" variance, or variability associated with random error. A second source of variance is "between group" variance, or variability associated with the effects of changes in individual independent variables. Two potential sources of variance not present in one-way analysis of variance are "between all groups" variance, or variability associated with changes in group means of all independent variables being examined; and a residual source of variance, interaction variance, or variability associated with the combination effects of the independent variables being examined. Conceptually, the four sources of variance are separated in accord with the formulae:

\[
\text{Total variance} - \text{within group variance} = \text{between all groups variance}
\]

\[
\text{Interaction variance } A \times B = \text{between all groups} - (\text{between group } A_{125} + \text{between group } B)
\]

The F ratio which results from factorial analysis of variance expresses the ratio between variance attributable to the joint effects of combinations of independent variables and other potential sources of variance.\(^{126}\)

\(^{125}\)Discussion based on Kerlinger, pp. 213-226.

\(^{126}\)Ibid.
The interaction effects of certain combinations of variables upon ownership attitude were tested via factorial analysis of variance. The combinations to be tested were chosen in accord with a priori reasoning as follows.

A number of sample size considerations dictated that 247 useable questionnaires were available for analysis. While this sample did enable a comprehensive examination of the effects of individual independent variables on ownership attitude, it did preclude an examination of the interaction effects attributable to all combinations of independent variables. Factorial analysis of variance to examine combination effects requires that an adequate number of observations be present in each of a number of "cells." Such cells comprise a matrix; i.e., respondents who exhibit all possible combinations of classifications across two or more independent variables. Unavailability of adequate observations in respective cells is a function of the number of independent variable classifications utilized. For example, an examination of the joint effects of education and income would require that an adequate number of observations exist in each of 35 cells (seven income classifications x five occupation classifications). As 247 total observations were available, an adequate number of observations in each of the 35 cells could not

127 Cf. ante, pp. 170-174.
be expected. Thus, while relatively extensive independent variable classifications were desirable to discern the effects of individual independent variables,\textsuperscript{128} they did preclude an examination of interaction effects of a number of combinations of variables.\textsuperscript{129}

Relatively, the nature of some of the independent variables of this study dictated that certain interaction effects could not be examined. Specifically, \textit{a priori} reasoning suggested that cells could not be adequately filled because few respondents could be expected to exhibit certain combinations of characteristics. For example, few of the respondents between the ages of 16 and 25 could be expected to have incomes in excess of $20,000; few of the respondents having low educational attainment characteristics could be expected to have high occupational classifications. Table III contains a grid of all possible interactions between independent variables. Interaction effects which were examined are indicated. Interactions which were

\textsuperscript{128}In order to obtain useful data concerning the characteristics of consumers possessing different attitudes toward ownership, it was desirable that such characteristics be available in some detail.

\textsuperscript{129}Sample size considerations precluded the examination of the effects of all combinations of three or more variables. Examination of such combinations results in a multiplicative requirement as regards the number of cells involved. For example, an examination of the combined effects of age, education and mobility requires adequate observations in each of 120 cells (6 x 5 x 4).
TABLE III

INTERACTIONS EXAMINED FOR COMBINATION EFFECTS ON OWNERSHIP ATTITUDE

<table>
<thead>
<tr>
<th>Life Cycle Stage</th>
<th>Home Ownership</th>
<th>Age</th>
<th>Education</th>
<th>Income</th>
<th>Occupation</th>
<th>Mobility</th>
<th>Past Leasing Experience</th>
</tr>
</thead>
<tbody>
<tr>
<td>Past Leasing Experience</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Mobility</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Occupation</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Education</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

X = Interaction effect tested
not examined were eliminated on the basis of a priori judgments concerning: (1) inadequate observations in respective cells due to extensive numbers of independent variable classifications, or (2) the likelihood that respondents would not exhibit necessary combination characteristics to have sufficient observations in all relevant cells. Thus sixteen interactions were examined via factorial analysis of variance to determine the combination effects that they had upon ownership attitude. The extent to which those interaction effects were significant is discussed in Chapter IV.

**Output data.** The output ensuing from the analysis of variance procedure included statistical measures necessary to discern the significance of the effects that the independent variables had on ownership attitude, the dependent variable.

One purpose of utilizing analysis of variance was to determine the effects that individual independent variables had on ownership attitude. The statistic of key importance was thus the F ratio, or the ratio of variance attributable to random error and variance attributable to "true" effects of changes in respective independent variables. The F ratio enabled a test of the null hypotheses with respect to the various independent variables. Where F ratios indicated that attitude scores were significantly different, null hypotheses were rejected
and changes in the independent variables were construed to have an effect upon the dependent variable.

An additional purpose of utilizing analysis of variance was to determine the interaction effects that sixteen independent variable combinations had upon ownership attitude. Again the F ratio, or the ratio of variance attributable to "true" combination effects and variance attributable to other possible sources of variance, was the statistic of key importance. The F ratio enabled a test of the null hypothesis concerning interaction effects. In cases where F ratios indicated that attitude scores were significantly different, combination changes in independent variables were construed to have an effect on the dependent variable.

It is important to note that the results of the analysis of variance procedures are in part influenced by the specific models tested. Two models were chosen, which enabled: (1) an examination of variance attributable to the main effects of the eight independent variables, uninfluenced by interactions with other variables; and (2) an examination of variance attributable to interacting variables "beyond" that which is attributable to the main effects of the independent variables. The first model was chosen because it clearly illustrates the individual effects

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130 Supra, pp. 184-186.
of the eight independent variables. This was deemed necessary to test the individual effects hypotheses of this study. However, the results of this analysis must be interpreted as the "average" effects of the eight independent variables. The second model was chosen because it was deemed desirable to examine "true" interaction effects; i.e., variance beyond that explained by the individual effects of the various independent variables. An extensive treatment of the ramifications associated with the choice of these two models can be found in Chapter IV. 131

Thus analysis of variance enabled testing of the hypotheses of this study, and consequently solution of the problem of the study. From the examination of differences in ownership attitude, among consumers possessing heterogeneous characteristics with respect to the eight independent variables of the study, certain implications were drawn. Such implications related to the interests of marketing and consumer behavior scholars, and marketing practitioners. The drawing of those implications relates to the justifications for conducting this research.

Chapter Summary

This chapter began with a discussion of alternative self-report attitude measurement methodologies. Focus was upon the use of such methodologies in the marketing

131 Cf. post, pp. 215-225.
discipline, and upon the judgment process employed to choose the Method of Summated Ratings for purposes of measuring ownership attitude, the dependent variable of this study.

The discussion then proceeded to an examination of eight independent variables hypothesized to have an effect on ownership attitude. Included were home ownership characteristics, age, formal educational attainment, income, occupational status, geographic mobility, past lease-rental experience and life cycle stage. Inclusion of the respective variables was based upon the results of a pilot study, upon logic, upon general consumer behavior thought with respect to these variables, and upon literature related to the problem of the study reviewed in Chapter II.

Next the method of gathering empirical data concerning the dependent and independent variables of the study was discussed. The focus was upon an examination of the judgmental processes underlying: (1) the utilization of the mail data gathering technique, (2) the choice of the Atlanta Metropolitan Area as the research universe, (3) the manner in which the research sample was drawn, and (4) the construction of the data gathering instrument.

The final section of the chapter was concerned with the method of analysis of data gathered with respect to the empirical problem of this study. The concepts involved in least squares analysis of variance were discussed. Its
specific applicability to the examination of significant differences in ownership attitudes among consumers possessing heterogeneous independent variable characteristics was examined. Certain limitations regarding the examination of the effects of independent variables upon the dependent variable were disclosed.

Chapter IV is concerned with a presentation of the empirical data gathered and analyzed in accord with the methodologies examined in Chapter III. In Chapter V, implications and conclusions are drawn from such data, and from conceptual foundations discussed in Chapter II. Such implications and conclusions relate to the interests of marketing and consumer behavior scholars, and marketing practitioners.
CHAPTER IV

ANALYSIS OF DATA

This chapter includes a presentation of empirical findings concerning attitudes toward ownership, the dependent variable of this study, and differences in ownership attitudes exhibited by ultimate consumers possessing different independent variable characteristics.

Chapter II concerned an examination of various dimensions of property ownership that have been reported in the literature associated with a variety of disciplines. In Chapter III, testable hypotheses were presented which were, in part, derived from the literature reviewed in Chapter II. Additionally, the methodology which was utilized to test those hypotheses was discussed.

The hypotheses of this study related to the effects that certain independent variables had upon ownership attitudes. Those independent variables concerned consumer characteristics regarding home ownership, age, educational attainment, family income, occupational status, mobility, past leasing-rental experience, and life cycle stage. In

1 As indicated previously, the word "effect" is used throughout this study to connote association between the dependent and the independent variables. The intent is not to imply causality, but rather to communicate with precision by using the terminology of analysis of variance, the analytical methodology used in this research.
this chapter the effects of these independent variables on ownership attitudes are discussed.

The justifications for conducting this study concerned the derivation of implications regarding the ownership phenomenon. In Chapter V such implications, emanating in part from the empirical findings presented in this chapter, are derived for marketing and consumer behavior scholars, and marketing practitioners. The first section of this chapter concerns empirical findings regarding ownership attitudes, the dependent variable of this study. Specifically, the distribution of attitude scores is briefly described, for purposes of assessing the general extent to which respondents: (1) favored or disfavored ownership, and (2) differed with respect to ownership attitudes exhibited.

The second section of the chapter relates to empirical findings concerning the individual effects that the independent variables, hypothesized to effect ownership attitudes, had upon those attitudes. The statistical significance of the differences in attitude score among consumers possessing different characteristics with respect to each independent variable is reported. The discussion next involves whether the null hypotheses of this study were rejected. Certain hypotheses were derived from propositions emanating from the ownership literature. Whether such propositions were empirically verified is reported.
In those cases in which variables did significantly affect ownership attitudes, or approached significance, the extent to which ownership attitudes differed is reported, and possible explanations concerning those differences are submitted. Finally, certain matters with respect to the analytical procedure and considerations inherent in that procedure are discussed.

The third section of the chapter concerns joint effects that certain combinations of independent variable characteristics had upon ownership attitudes. Firstly, considerations with respect to the analytical procedure are examined. Secondly, the statistical significance of differences in attitude scores among consumers possessing different combinations of independent variable characteristics is reported. Thirdly, in those cases in which interacting variables significantly affected ownership attitudes possible explanations of those effects are submitted. The section concludes with a brief discussion of variables which approached significance, and thus offer promise for future research.

Concern with variables which approached significance, both in this section and in the following section, emanates from the possibility of further investigation of those variables in future research concerning the ownership phenomenon. Implications for future research are discussed in Chapter V.

Sixteen interaction effects were tested for significance. Supra, p. 188.
In sum this chapter includes discussions of empirical findings with regard to ownership attitudes, the effects that individual independent variables had upon such attitudes, and the joint effects that certain combinations of independent variables had upon ownership attitudes.

I. THE DEPENDENT VARIABLE--ATTITUDES
TOWARD PROPERTY OWNERSHIP

In this section the distribution of ownership attitudes among questionnaire respondents is briefly described. Ownership attitudes are examined here in aggregate; i.e., separate from the effects of the various independent variable classifications. In the following sections such attitudes are examined in relation to the independent variables of this study to assess the extent to which they effected ownership attitudes. A separate examination of ownership attitudes is deemed useful to assess the general extent to which respondents favored or disfavored ownership, and the general extent to which attitudes differed. In that such tendencies are or are not evident, implications exist for marketing practitioners, marketing and consumer behavior scholars, and additionally for further research as regards the ownership phenomena. Such implications are discussed in Chapter V.

The ownership attitude distribution discussed here consists of total attitude scores associated with 247
observations. The methodology utilized to determine the scores was Likert's method of Summated Ratings.\textsuperscript{4} Table IV contains a frequency distribution of attitude scores. Low scores represent propensities to disfavor property ownership, and high scores represent propensities to favor ownership. The range of possible attitude scores was 10 to 50.\textsuperscript{5}

The mean of the aggregate distribution in Table IV is 37.29, and the standard deviation about the mean is 6.26. The mode and the median of the distribution are 37 and 35.5, respectively. The midpoint of possible scores is 30.\textsuperscript{6}

One statistic for describing a relevant property of the attitude score distribution is its skewness, or the asymmetry of the distribution.\textsuperscript{7} It will be shown that the

\textsuperscript{4}Cf. ante, pp. 141-153.

\textsuperscript{5}It can be observed that no respondents exhibited scores in the extremely low range of possible scores from 10 to 20. It is thus evident that there were some anti-property ownership statements with which no respondents could strongly agree; i.e., those statements were too "extreme." Thus the effective range of scores is 20 to 50.

\textsuperscript{6}The range of possible scores was from 10 to 50, with a midpoint of 30. However, as discussed previously, certain attitude statements were extremely anti-property ownership, and no respondents strongly agreed with them. Consequently the effective range of scores was 20 to 50, and the "true" median was 35.5.

**TABLE IV**

A FREQUENCY DISTRIBUTION OF OWNERSHIP ATTITUDE SCORES

<table>
<thead>
<tr>
<th>Score</th>
<th>No. of Respondents</th>
<th>Score</th>
<th>No. of Respondents</th>
<th>Score</th>
<th>No. of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>20</td>
<td>2</td>
<td>31</td>
<td>9</td>
<td>41</td>
<td>17</td>
</tr>
<tr>
<td>21</td>
<td>1</td>
<td>32</td>
<td>10</td>
<td>42</td>
<td>13</td>
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<tr>
<td>22</td>
<td>3</td>
<td>33</td>
<td>11</td>
<td>43</td>
<td>11</td>
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<tr>
<td>23</td>
<td>1</td>
<td>34</td>
<td>15</td>
<td>44</td>
<td>6</td>
</tr>
<tr>
<td>24</td>
<td>1</td>
<td>35</td>
<td>16</td>
<td>45</td>
<td>8</td>
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<tr>
<td>25</td>
<td>0</td>
<td>36</td>
<td>10</td>
<td>46</td>
<td>9</td>
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<tr>
<td>26</td>
<td>3</td>
<td>37</td>
<td>20</td>
<td>47</td>
<td>5</td>
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<tr>
<td>27</td>
<td>4</td>
<td>38</td>
<td>14</td>
<td>48</td>
<td>3</td>
</tr>
<tr>
<td>28</td>
<td>5</td>
<td>39</td>
<td>13</td>
<td>49</td>
<td>3</td>
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<tr>
<td>29</td>
<td>6</td>
<td>40</td>
<td>17</td>
<td>50</td>
<td>4</td>
</tr>
<tr>
<td>30</td>
<td>7</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*No respondents exhibited a score of 19 or less.*
distribution is moderately skewed to the right of mean ownership attitude score, or in the direction of favorable attitudes toward property ownership.

Right skewed distributions are, in general, characterized by possessing means which exceed their medians and their modes,\(^8\) a property of the present distribution. Thus the mean is "pulled up" by the frequency of high attitude scores which are not compensated for by the frequency of low attitude scores. Quantitatively:\(^9\)

\[
\text{Skewness} = \frac{3 (\text{Mean} - \text{Median})}{\text{Standard Deviation}}
\]

Substituting relevant data from the distribution:

\[
\text{Skewness} = \frac{3 (37.29 - 35.50)}{6.26} = .86
\]

Zero skewness represents the index of normality, a property of a normal or symmetrical distribution; negative numbers indicate skewness to the left of the mean score. The positive number .86 indicates a moderate skewness to the right of the mean attitude score.\(^10\) Thus it can be observed that a moderate skewness existed over high ownership propensity. In conclusion, ownership attitudes were not normally distributed among respondents. Rather there

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\(^8\)Ibid., p. 250.

\(^9\)Ibid., p. 251.

\(^10\)Ibid., p. 253.
was a moderate tendency for respondents to, in general, be favorably disposed toward property ownership.

It is observable in Table IV that the frequency distribution is somewhat "flat." A statistic for describing this property is the kurtosis of the distribution. Measures of kurtosis describe the flatness or peakedness of frequency distributions in relation to a normal or mesokurtic distribution; i.e., the relative tendency toward or away from centrality inherent in the frequency distribution.\(^1\) The distribution of ownership attitude scores is relatively flat, or platykurtic. Rather than tending toward centrality, the frequency with which attitude scores occurred was relatively dispersed across the range from 20 to 50, resulting in a platykurtic frequency distribution. Quantitatively:

\[
kurtosis = \frac{\text{fourth moment about the mean}}{(\text{standard deviation})^4}
\]

where: the fourth moment\(^1\)

\[
= \frac{\text{summation (each respondent's score - mean)}^4}{\text{number of observations}}
\]


\(^12\) Ibid., p. 55.

\(^13\) Ibid., p. 53.
Substituting relevant data:

\[
\text{the fourth moment} = \frac{1,052,117}{247} = 4,258
\]

\[
\text{kurtosis} = \frac{4,258}{1,535.67} = 2.77
\]

The kurtosis of a normal, or mesokurtic distribution has been found to be 3. The kurtosis associated with a peaked or leptokurtic distribution is greater than 3. The kurtosis measure 2.77 indicates that although the distribution approaches normality, the frequency distribution of ownership attitudes is relatively flat.\textsuperscript{14} Thus attitudes did not markedly tend toward centrality; rather they were relatively dispersed across the range of attitude scores. Such dispersion indicates that ownership attitudes differed; i.e., the frequency with which respondents exhibited various attitudes was dispersed from the mean.

In summary, the frequency distribution with respect to ownership attitudes, the dependent variable of this study, has been described. The skewness of the frequency distribution indicates the presence of a moderate tendency for respondents to, in general, favor property ownership. Additionally, the kurtosis of the frequency distribution indicates that ownership attitudes differed; the frequency with which ownership attitudes occurred was relatively dispersed across the range of attitude scores. It can be

\textsuperscript{14} Ibid., p. 55.
concluded that the frequency distribution, while approaching normality, deviates moderately from normality in terms of its skewness and its kurtosis. Implications emanating from the nature of the frequency distribution are discussed in Chapter V.

The discussion in this section related to ownership attitudes examined in aggregate. In the following sections the extent to which those attitudes were affected by the independent variables of this study is examined.

II. THE INDEPENDENT VARIABLES--INDIVIDUAL EFFECTS ON OWNERSHIP ATTITUDES

In this section the individual effects of the independent variables upon ownership attitudes is discussed. The hypotheses of this study dictated that independent variables be examined separately in order to determine the individual effects that home ownership, age, educational attainment, family income, occupational status, mobility, past leasing-rental experience and life cycle had upon ownership attitudes. Such separate effects are discussed here. In the following section the effects that certain combinations of variables had upon ownership attitudes is discussed.

15 Supra, pp. 157-158.
This section begins with a discussion of the results of an analysis of variance which was utilized to determine whether ownership attitudes differed significantly across classifications associated with the respective independent variables. \(^{16}\) Based on the results of the analysis, the discussion focuses on whether or not the null hypotheses, concerning the individual effects of the independent variables, were rejected. In that certain hypotheses were based upon propositions contained in the ownership literature, references are made to those propositions to report whether they have been supported by the empirical findings of this study.

In those cases in which variables either significantly effected ownership attitudes or approached significance, descriptive data regarding those effects is discussed. Additionally, possible explanations for such effects are advanced.

Finally, the model utilized in the analysis of variance procedure, and certain considerations regarding that model are discussed.

**Empirical Findings--The Effects of Individual Independent Variables**

The first eight hypotheses of this study concerned the individual effects that eight independent variables

\(^{16}\)Supra, pp. 181-184.
had upon ownership attitude, the dependent variable of the study.

The variables which were hypothesized to effect ownership attitude and the number of consumer classifications associated with each variable are:

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Variable</th>
<th>Consumer Classifications</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1.1</td>
<td>Home Ownership</td>
<td>2</td>
</tr>
<tr>
<td>H1.2</td>
<td>Age</td>
<td>6</td>
</tr>
<tr>
<td>H1.3</td>
<td>Education</td>
<td>5</td>
</tr>
<tr>
<td>H1.4</td>
<td>Income</td>
<td>7</td>
</tr>
<tr>
<td>H1.5</td>
<td>Occupational Status</td>
<td>5</td>
</tr>
<tr>
<td>H1.6</td>
<td>Mobility</td>
<td>4</td>
</tr>
<tr>
<td>H1.7</td>
<td>Past Leasing Experience</td>
<td>2</td>
</tr>
<tr>
<td>H1.8</td>
<td>Life Cycle Stage</td>
<td>7</td>
</tr>
</tbody>
</table>

This section concerns empirical findings with respect to null hypotheses H\textsubscript{1.1} through H\textsubscript{1.8}; i.e., whether the independent variables significantly effected ownership attitudes.

A least squares analysis of variance procedure was utilized to determine the effects that each variable had upon ownership attitude score. The procedure enabled determination of the significance of each variable by dividing "between group" variance--differences in mean attitude score among respective independent variable classifications--by "within group" variance, differences in mean attitude score which are attributable to chance error. This computation yielded the F ratio.\textsuperscript{17}

\textsuperscript{17}Cf. ante, pp. 189-190.
Table V concerns the empirical findings of this study regarding the individual effects that each of the independent variables had upon ownership attitude. The F ratios contained in the third column express the comparison of "within" and "between" group variance, across classifications associated with the respective independent variables. The probabilities that each F ratio could occur due to random chance are contained in the fourth column. These probabilities were thus of key significance in rejecting or not rejecting the respective null hypotheses.

Criteria for rejection of the null hypotheses. In accord with accepted research practice in the behavioral sciences, a confidence level of .05 or less was deemed sufficient to reject null hypotheses,\(^1^8\) both with regard to the individual and the interaction effects of the independent variables. An arbitrary judgment was made to construe a level of .10 or less as indicative that variables approached significance. Thus a confidence level between .05 and .10 does not enable rejection of the null hypotheses. However, variables with confidence levels between .05 and .10 may offer promise for future research.

\(^{1^8}\)Burford, *op. cit.*, pp. 326-327.
TABLE V

THE SIGNIFICANCE OF THE EFFECTS OF INDIVIDUAL INDEPENDENT VARIABLES ON OWNERSHIP ATTITUDES

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Variable</th>
<th>F Ratio</th>
<th>Probability of F Due to Random Chance</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1.1</td>
<td>Home Ownership</td>
<td>12.35</td>
<td>.00#</td>
</tr>
<tr>
<td>H1.2</td>
<td>Age</td>
<td>1.18</td>
<td>.32</td>
</tr>
<tr>
<td>H1.3</td>
<td>Education</td>
<td>.79</td>
<td>.53</td>
</tr>
<tr>
<td>H1.4</td>
<td>Income</td>
<td>.98</td>
<td>.56</td>
</tr>
<tr>
<td>H1.5</td>
<td>Occupational Status</td>
<td>.40</td>
<td>.81</td>
</tr>
<tr>
<td>H1.6</td>
<td>Mobility</td>
<td>.43</td>
<td>.74</td>
</tr>
<tr>
<td>H1.7</td>
<td>Past Leasing Experience</td>
<td>2.90</td>
<td>.09</td>
</tr>
<tr>
<td>H1.8</td>
<td>Life Cycle Stage</td>
<td>.84</td>
<td>.55</td>
</tr>
</tbody>
</table>

*Due to the nature of the least squares analysis of variance procedure, F ratios are contingent upon the specific model tested via the procedure. See pages 218-219.

#The home ownership variable was significant at the .0005 confidence level.
The home ownership hypothesis. In the substantive sense, it was hypothesized that the consumer who has a financial investment in his dwelling place may be inclined to purchase furnishings and equipment suitable for that dwelling place. Conversely the consumer who rents his place of residence has no financial commitment in his dwelling place. Thus the home owner might well favor outright purchase of furnishings and equipment for his home; the renter might be less inclined to purchase furnishings and equipment for his residence, but may consider lease or rental alternatives to furnish and equip his residence.

It can be observed in Table V that home owners and non-owners exhibited significantly different attitudes toward property ownership. The F ratio, the ratio of ownership attitude score differences between and within the home owner and non-home owner categories, was 12.35, and was significant at the .0005 level. Thus the null hypothesis concerning home ownership was rejected. Ownership attitudes significantly differed between home owners and non-home owners.

Mean ownership attitude scores, for the various consumer classifications associated with each of the eight individual variables, can be observed in Appendix D. The
adjusted mean\textsuperscript{19} attitude score for 165 home owners included in the research sample was 39.43; for 73 renters, the mean score was 35.41. The difference in ownership attitude score was thus 4.02,\textsuperscript{20} with home owners exhibiting more favorable attitudes toward property ownership.

Two relevant explanations of this difference can be submitted. Home owners might indeed favor the purchase of furnishings and equipment to complement their homes. The home owner's relatively long term investment in his housing structure may well be related to his propensities to purchase suitable furnishings and equipment, thereby attaining long term ties with his total living environment. Parenthetically, however, home owners may have purchased their homes in part because they favor ownership. Conceptually, this possibility is tantamount to a "reversal" of the dependent and independent variables. From this perspective, home ownership or non-ownership becomes the dependent variable, and is partly a function of the consumer's attitude toward ownership in general.


\textsuperscript{20}Due to the model tested via the analysis of variance procedure, these means represent the "average" effect of home ownership upon ownership attitude. \textit{Cf. post}, pp. 216-217.
While the empirical data of this study did not enable the resolution of this issue, it had relatively little bearing on the findings of this research. Thus home owners exhibited significantly greater propensities to own property than did non-home owners.

The age hypothesis. It was substantively hypothesized that upper age groups who experienced the depression, and its associated economic want or insecurity, would exhibit greater propensities to own property than would youth, who have not experienced equivalent events in their lives. The age hypothesis was in part derived from McLean and DeCarlo, who purported that youth has a diminished need to own property for security purposes.21

The empirical findings of this study did not enable a rejection of the null hypothesis regarding age. There was not a significant difference in ownership attitude scores among respondents in different age categories. Thus, no empirical support for McLean and DeCarlo's proposition was in evidence.

The education hypothesis. It was substantively hypothesized that better educated consumers who are receptive to new ideas would exhibit less propensity to own than

would their less educated counterparts. The education hypothesis was partially based on Weiss' proposition regarding an inverse relationship between educational attainment and concern with traditional ownership values.\(^{22}\)

The findings of this study did not support Weiss' proposition, and/or the education hypothesis of the study. The null hypothesis concerning education could not be rejected; educational attainment did not significantly effect ownership attitude score.

The income hypothesis. Substantively, it was hypothesized that an inverse relationship exists between family income and propensities to own. Garretson and Mauser speculated that affluence makes it unnecessary for the consumer to own for purposes of being able to consume; rather he may be inclined to turn toward non-ownership consumption alternatives.\(^{23}\) Family income was utilized as an indicator of affluence.

The empirical findings of this study did not indicate that family income effects propensities to own. The null hypothesis regarding income was not rejected.

\(^{22}\)E. W. Weiss, "Products with Shorter Life Span will Make it in Anti-materialistic Society," Advertising Age, September 27, 1971, p. 3; and Supra, p. 160.

The occupational status hypothesis. It was substantively hypothesized that occupational status would effect ownership attitude. Occupational status was utilized as a proxy variable for social class, a purpose for which it has often been used. Some measure of social class was deemed relevant due to evidence that value orientations differ among the various social strata.24

No empirical support was found for the occupational status hypothesis and the null hypothesis concerning occupation was not rejected. Thus ownership attitude was not significantly effected by occupational status as an indicator of social class.

The mobility hypothesis. It was substantively hypothesized that high mobility consumers would exhibit less propensity to own goods than would less mobile consumers, because of a desire to avoid moving problems associated with ownership of furnishings and equipment. The mobility hypothesis was in part derived from Toffler's proposition with respect to the effects of increasing mobility upon ownership propensities.25


The findings of this study did not enable a rejection of the null hypothesis with regard to mobility. No significant differences in ownership attitude existed among consumers possessing different mobility characteristics.

The past leasing-rental experience hypothesis. It was substantively hypothesized that consumers who have leased or rented in the recent past would exhibit different ownership attitudes than would consumers who have not leased or rented in the past. Past leasees-renters can be construed to have accepted the concept of non-purchase acquisition. Additionally they are likely to be familiar with the availability of lease-rental goods.

While the null hypothesis with respect to past leasing-rental experience could not be readily rejected, some reservation accompanied the inability to reject the null hypothesis. Ownership attitude scores between these two groups differed at the .08 level, and the variable consequently offers some promise for future research.

Mean attitude scores for the two classifications associated with past leasing-rental experience are observable in Appendix D. The mean attitude score for past leasees-renters was 36.62 (adjusted). For consumers who had not leased or rented in the past, the mean was 38.22, or 1.60 scale points higher than for the aforementioned group.
It is submitted that past leasees-renters may well have adopted non-purchase acquisition as a part of their buying habits. Thus their attitudes toward ownership are effected by such buying habit traits. Parenthetically, however, it might be noted that, as in the case of home ownership, consumers may have engaged in lease-rental acquisition because of their relatively unfavorable attitudes toward ownership. Thus it is conceivable that the dependent variable might be past leasing or rental, and it was effected by a desire to avoid property ownership. The empirical data of this research did not enable a resolution of this issue. It can be concluded, however, that differences in ownership attitude between these two groups, while not statistically significant, approached significance.

The life cycle hypothesis. It was substantively hypothesized that life cycle would effect ownership attitudes because of the family's recognition that needs for certain products during specific life cycle stages are short term in nature. The life cycle hypothesis was in part based on Solon's proposition that a relationship exists between life cycle stage and the desire to rent

\[26^{\text{Supra, p. 209.}}\]
products, thereby avoiding outright purchase of products commensurate with short term needs.\textsuperscript{27}

No empirical support was found for Solon's proposition, or for the life cycle hypothesis of this study. Thus the null hypothesis was not rejected.

\textbf{The Analytical Procedure: Considerations Concerning the Model Tested}

The hypotheses concerning the individual effects of independent variables required that the following model be tested via the analysis of variance procedure:

\[ Y = f (X_1, X_2, X_3, X_4, X_5, X_6, X_7, X_8) \]

where:  
\(Y\) = ownership attitudes  
\(X_1\) through \(X_8\) = the respective independent variables of the study.

It is important to note that the findings of the analysis reported previously relate specifically to this model. Thus, if other models are tested, the results might vary from the results reported here.

The first topic discussed here concerns qualifications with respect to the mean attitude scores, associated with different classifications concerning the home ownership and the past leasing-rental experience variables, the two independent variables found to be significant and approaching significance, respectively. The second topic concerns

the reported significance of F ratios for each of the independent variables of the study. Concern with both topics stems from the utilization of the aforementioned model to discern the individual effects of the independent variables.

The findings regarding mean ownership attitudes for different classes associated with the variables "home ownership" and "past leasing-rental experience" must be construed as the average effects produced by the variables. If the respective variables are allowed to interact with other variables (if the model tested includes interaction expressions) mean attitude scores associated with the main effects of the variables might be modified. For example, Figure 1 (which is not intended to reflect the empirical findings of this study) depicts the average effect on ownership attitude attributable to age, and interaction effects for age and two other variables. It can be observed that when age interacts with income, increments in attitude score (the slope of the line) increase relative to the effects of age acting independently. When age interacts with occupation, increments in attitude score decrease relative to the effects of age acting independently. Thus, the model tested in this study yielded average effects of the independent variables on mean ownership attitude, uninfluenced by interactions with other variables.
HYPOTHETICAL MODIFICATION OF AVERAGE EFFECTS
BY INTERACTIONS WITH OTHER VARIABLES
In addition to these considerations regarding average effects, the significance of individual independent variables might vary in accord with the model tested. This eventuality can be explained by examining considerations inherent in the least squares analysis of variance procedure. If a model is tested which includes interaction expressions along with main effects, the variances attributable to the individual variables are interrelated with the variances attributable to interaction effects which include the individual variable.\textsuperscript{28} Parenthetically, the variable "age" might account for more explained variance, and thus have more significance, if the model tested includes age in interaction expressions. Thus if the model tested specifies that: (1) the main effect of age be tested; (2) the interaction between age and income be tested; and (3) the interaction between age and occupation be tested, there are two possible outcomes. Firstly, if the two interactions are relatively significant, the significance of the main effect of age will be enhanced. But secondly, if the two interactions are relatively insignificant, the significance of the main effect of age will

\textsuperscript{28}Service, loc. cit.
The model tested for individual effects of variables included no interaction expressions. Thus the significance of each independent variable is independent of the effects of any interactions between it and other variables.

In sum, the first eight hypotheses of this study dictated that the independent variables be tested individually for effects on ownership attitudes. Thus a model was utilized which included no interaction expressions. Mean attitude scores reported for classifications of the variables "home ownership" and "past leasing-rental experience" are construed to be average effects of those variables; i.e., such means are independent of the effects of other variables interacting with these two variables. Additionally, the significance of the F ratios reported for all of the variables relates explicitly to the individual effects of those variables. Thus significance might vary if the model tested includes interaction expressions.

Summary

In this section empirical findings with respect to the individual effects of eight independent variables upon ownership attitudes was reported. The eight variables that

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29The analysis of variance procedure was utilized to determine the main effects of respective independent variables upon ownership attitude in a model which included sixteen interaction expressions. The results can be observed in Appendix E.
were hypothesized to have an effect on ownership attitudes were home ownership, age, education, income, occupational status, mobility, past leasing experience and life cycle stage. Of the eight variables, significant differences in ownership attitude were found between home owners and non-home owners; home owners exhibited substantially higher attitudes toward ownership in general. Past lease-rental experience approached significance; consumers who have leased or rented in the recent past exhibited slightly lower attitudes toward ownership in general than did those who had not leased or rented goods in the past. The remaining independent variables did not significantly effect ownership attitudes, or approach significance.

It was noted that mean ownership attitude scores reported for home owners and non-home owners, and for past leasees-renters and non-past leasees-renters represent the average effects of the respective independent variables. The variables were tested for their independent effects, and mean scores were uninfluenced by interactions with other variables. Additionally, the significance of the various independent variables relates explicitly to the individual effects of those variables.
III. THE INDEPENDENT VARIABLES--COMBINATION EFFECTS ON OWNERSHIP ATTITUDES

The interaction hypothesis of this study required that the joint or interaction effects of combinations of independent variables upon ownership attitude be examined where possible. In this section, findings concerning certain combination effects are reported. Firstly, considerations related to the interaction model which was tested are reported. Secondly, the statistical significance of the combined effects of variables upon ownership attitudes is reported. Thirdly, where interacting variables significantly effected ownership attitudes, possible explanations of those effects are submitted. Finally, a brief discussion of interaction effects that approached significance is included, as these interacting variables offer promise for future research.

A priori reasoning was utilized to eliminate certain interaction effects from the analysis. Specifically, such effects could not be examined where: (1) there were inadequate observations in cross classification cells due to extensive numbers of independent variable classifications, or (2) the likelihood existed that respondents would not exhibit necessary combinations of characteristics to have sufficient observations in all relevant cross classification
After scrutiny of all possible interactions among the eight variables it was determined that sixteen variable combinations could be examined. These sixteen combinations are indicated in Figure 2.

A factorial analysis of variance procedure was utilized to determine whether or not the various combinations of independent variables significantly effected ownership attitudes. Factorial analysis of variance yields an F ratio, the ratio between interaction variance (variance associated with the combination effects of independent variables) and other potential sources of variance.

Considerations Regarding The Interaction Model

The model tested to discern the statistical significance of the effects of the sixteen combinations of independent variables upon ownership attitudes contained expressions to elicit: (1) the main effects of each of the independent variables, and (2) the interaction effects of each of the combinations of variables. The purpose in utilizing such a model, as opposed to a model containing only interaction expressions, relates to the desirability of examining variance attributable to interaction effects.

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30 For example, few respondents between the ages of 16 and 25 could be expected to have incomes over $20,000.

31 Cf. ante, pp. 186-189.

32 Cf. ante, p. 190.
<table>
<thead>
<tr>
<th>Life Cycle Stage</th>
<th>Home Ownership</th>
<th>Age</th>
<th>Education</th>
<th>Income</th>
<th>Occupation</th>
<th>Mobility</th>
<th>Past Leasing Experience</th>
</tr>
</thead>
<tbody>
<tr>
<td>Past Leasing Experience</td>
<td>X X X X X X X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mobility</td>
<td>X X X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Occupation</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Education</td>
<td>X X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**FIGURE 2**

INTERACTION EFFECTS WHICH WERE EXAMINED
beyond that which is attributable to each independent variable contained in the interaction expression. Thus a model which contained only interaction expressions might well inflate the significance of interaction effects. This might occur because variance which should be attributed to the main effects of independent variables is attributed to those variables acting with other variables instead. 33 The statistical significance of the various interacting variables reported in the following pages represents the "true" significance of the respective combination effects; i.e., variance attributable to interacting variables beyond that which is attributable to the individual effects of the independent variables.

It is deemed necessary to reconcile this approach with the procedure utilized to examine the individual effects of independent variables. In the previous procedure, the model tested included only the individual variables—the interaction expressions were not included. 34 The purpose for utilizing that approach was to test the individual effects of the independent variables, uninfluenced by interactions with other variables. The necessity to interpret those effects as average effects, and to interpret their significance as pertaining to their

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33 Service, loc. cit.
34 Supra, p. 215.
individual effects was noted. The purpose of including main effects in the interaction model, however, related to the desirability of discerning the significance of variance attributable to interactions beyond that which is attributable to the individual effects of the independent variables.

Additionally, it must be noted that the significance of interacting variables might vary in accord with the model tested. The model contained expressions to examine both the main effects of the eight independent variables, and sixteen interaction effects. If additional combinations of variables had been included in the model, the significance of some of the sixteen combinations included might have changed. For example, the occupation and past leasing experience interaction was included in the model, and was significant at the .08 level. The model did not contain an occupation-income expression. If the model had contained this expression, the significance of the occupation-past leasing experience interaction might have been either increased or decreased. Thus the significance of the various interacting variables reported in Table VI is contingent upon the specific model utilized.

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35 Service, loc. cit.
Empirical Findings—The Combined Effects of Independent Variables

The findings of this study concerning the interaction hypothesis are summarized in Table VI. The last columns indicate the respective F ratios, and the confidence levels at which those F ratios were significant.

It can be observed that of the sixteen interaction effects tested, two were significant at the .05 level, and six approached significance; i.e., they were significant at levels between .05 and .10. Mean ownership attitude scores across consumer classifications associated with the significant combinations of variables can be observed in Appendix F. A discussion of the combination effects of the home ownership-education and mobility-life cycle stage variables upon ownership attitudes follows.

The home ownership-educational attainment interaction effect. It can be observed in Table VI that the home ownership-educational attainment interaction effect was significant at the .05 level. Thus mean ownership attitudes differed significantly across consumer classifications associated with these two variables. Mean attitude scores for consumers who exhibited various combinations with respect to the variables are shown in Table VII.
<table>
<thead>
<tr>
<th>Interaction</th>
<th>F Ratio</th>
<th>Probability of F Due to Random Chance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home Ownership &amp; Past Leasing Experience</td>
<td>.67</td>
<td>.41</td>
</tr>
<tr>
<td>Home Ownership &amp; Mobility</td>
<td>2.45</td>
<td>.07</td>
</tr>
<tr>
<td>Home Ownership &amp; Occupation</td>
<td>1.86</td>
<td>.12</td>
</tr>
<tr>
<td>Home Ownership &amp; Income</td>
<td>1.46</td>
<td>.20</td>
</tr>
<tr>
<td>Home Ownership &amp; Education</td>
<td>2.40</td>
<td>.05</td>
</tr>
<tr>
<td>Home Ownership &amp; Age</td>
<td>2.14</td>
<td>.06</td>
</tr>
<tr>
<td>Age &amp; Past Leasing Experience</td>
<td>.45</td>
<td>.77</td>
</tr>
<tr>
<td>Age &amp; Education</td>
<td>1.61</td>
<td>.07</td>
</tr>
<tr>
<td>Education &amp; Past Leasing Experience</td>
<td>1.05</td>
<td>.38</td>
</tr>
<tr>
<td>Education &amp; Mobility</td>
<td>1.18</td>
<td>.32</td>
</tr>
<tr>
<td>Income &amp; Past Leasing Experience</td>
<td>.90</td>
<td>.52</td>
</tr>
<tr>
<td>Income &amp; Mobility</td>
<td>1.20</td>
<td>.29</td>
</tr>
<tr>
<td>Occupation &amp; Past Leasing Experience</td>
<td>2.31</td>
<td>.08</td>
</tr>
<tr>
<td>Mobility &amp; Life Cycle Stage</td>
<td>1.93</td>
<td>.03</td>
</tr>
<tr>
<td>Mobility &amp; Past Leasing Experience</td>
<td>2.18</td>
<td>.09</td>
</tr>
<tr>
<td>Past Leasing Experience &amp; Life Cycle Stage</td>
<td>2.06</td>
<td>.06</td>
</tr>
</tbody>
</table>
### TABLE VII

MEAN OWNERSHIP ATTITUDE SCORES: THE HOME OWNERSHIP-EDUCATIONAL ATTAINMENT INTERACTION

<table>
<thead>
<tr>
<th></th>
<th>Some High School</th>
<th>High School Diploma</th>
<th>Some College</th>
<th>College Degree</th>
<th>Graduate Work or Degree(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home Owners</td>
<td>56.58*</td>
<td>45.25</td>
<td>36.92</td>
<td>39.64</td>
<td>48.37</td>
</tr>
<tr>
<td>Non-Home Owners</td>
<td>47.15</td>
<td>54.65</td>
<td>42.97</td>
<td>39.37</td>
<td>56.01</td>
</tr>
</tbody>
</table>

*Least squares analysis of variance adjusts means to remove bias caused by unequal numbers of observations in various cells. This process can cause adjusted means to be substantially lower or higher than the possible range of "raw" attitude scores.

The estimating process involves estimating cell means, with estimates based on the variance from the raw mean. In a given interaction cell, assume that there are two respondents, both exhibiting high ownership attitude scores. In least squares analysis of variance, the effects of variance from the mean is additive. Thus the variance attributable to variable X is a high positive number, and the variance attributable to variable Z is also a high positive number. This yields a high estimate of mean attitude score for that cell. When, however, adequate observations exist so that some respondents exhibit high scores but some exhibit low scores, the effects of variance from the mean are offset. High positive variance from the mean is offset by negative variance. Thus adjusted scores more closely approximate raw scores.
The nature of the home ownership-education interaction is depicted graphically in Figure 3. Mean ownership score is on the vertical axis, and home ownership or non-home ownership is on the horizontal axis. A trend line is plotted for each of five educational attainment classifications.

The relative vertical "height" of each line depicts the effect of educational attainment upon ownership attitude. The slope of each line depicts the way in which the effect of educational attainment was modified by the effects of home ownership vs. non-home ownership.

Certain observations can be made about the combined effects of educational attainment and home ownership vs. non-home ownership. The overall vertical height of the plots indicate that consumers who have completed some graduate work, or who have completed some high school or possess high school diplomas exhibited relatively higher ownership attitudes than did consumers who have completed some college or have college degrees. Additionally, the effect of home ownership vs. non-ownership is pronounced for all educational attainment levels with one exception; consumers possessing college degrees exhibited similar ownership attitudes regardless of whether or not they own homes. In three cases--those in which consumers have completed some college, have completed high school, or have attended or completed graduate school--non-home owners
FIGURE 3

TREND LINES: THE HOME OWNERSHIP-EDUCATIONAL ATTAINMENT INTERACTION
exhibited higher ownership attitudes than did home owners. It must be noted that at these educational levels, the average effect of home ownership reported previously was modified; home owners exhibited less propensity to own than did non-home owners.

The interaction effect of education and home ownership upon ownership attitudes thus indicated that, in general, high ownership attitudes characterized educational attainment "extremities"—consumers with low and high attainment favored ownership—while consumers with medium educational attainment characteristics exhibited less propensity to own. Additionally home ownership vs. non-home ownership modified the effects of educational attainment.

It is submitted that the value placed upon ownership might well be influenced by exposure to education. Consumers with some college or college degrees might be depicted as being trained for career orientation, with property ownership and accumulation of relatively lesser importance than career orientation. Conversely, consumers with some high school or with high school diplomas might well be more property oriented, as their training has not instilled career orientation. Those consumers with graduate educations might well be trained for career orientation, but

might place value upon property as tangible evidence of career achievement.

When overlayed with home ownership vs. non-home ownership, it might be conjectured that non-home owners with graduate education backgrounds, some college education or high school diplomas aspire to home ownership, thus positively influencing their attitudes toward ownership in general. Conversely, non-home owners with little education may be reconciled to the unlikelihood of home ownership, and perhaps ownership in general.

In sum, the average effect of home ownership upon ownership attitude was positive; home owners exhibited higher propensities to own than did non-home owners. However when overlayed with educational attainment, it can be observed that the effect of home ownership was modified. It has been suggested that home ownership aspirations, instilled in part by education, caused non-home owners at three educational attainment levels to favor ownership in general more than their home owning counterparts.

The mobility-life cycle interaction effect. It can be observed in Table VI that the mobility-life cycle interaction was significant at the .03 confidence level. Consumers possessing different combinations with respect to these variables exhibited significantly different ownership attitudes.
Mean attitude scores for the various combinations of mobility and life cycle are observable in Table VIII.

The nature of the mobility-life cycle interaction effect is depicted graphically in Figure 4. Each plot represents ownership attitude trend for a mobility class across respective life cycle stages.

Certain observations can be made regarding the interaction effects on ownership attitudes attributable to mobility and life cycle. The discussion will focus upon those respondents who had not moved, who had moved within the Atlanta Area, and who had moved from out of state. The mobility class which moved from Georgia to the Atlanta Area will be excluded from the discussion. Only seven observations were available in this class, which led to abnormal or "weak" estimates of ownership attitudes.

An inverse relationship existed between mobility and ownership attitudes through the early life cycle stages. Thus those consumers who had not moved exhibited the greatest propensities to own property, those who moved within the Atlanta Area exhibited the next greatest ownership propensities, and those who had moved the farthest exhibited the lowest propensities to own. The effect of life cycle stage did not become pronounced until the sixth and seventh stages. Then ownership propensity trends moved

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37 The questionnaire measured mobility characteristics over the past two years. Cf. ante, p. 156.
TABLE VIII
MEAN OWNERSHIP ATTITUDE SCORES: THE MOBILITY-LIFE CYCLE INTERACTION

<table>
<thead>
<tr>
<th></th>
<th>Moved From GA to Atlanta</th>
<th>Moved Within Atlanta Metro Area</th>
<th>Have Not Moved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moved From Out of State</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single</td>
<td>27.63</td>
<td>91.33*</td>
<td>37.21</td>
</tr>
<tr>
<td>Married, No Children</td>
<td>25.35</td>
<td>64.59</td>
<td>37.80</td>
</tr>
<tr>
<td>Married, Oldest</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Child Under 5</td>
<td>28.93</td>
<td>63.46</td>
<td>38.46</td>
</tr>
<tr>
<td>Married, Oldest</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Child 6-10</td>
<td>24.99</td>
<td>-----</td>
<td>39.17</td>
</tr>
<tr>
<td>Married, Oldest</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Child 11-15</td>
<td>22.47</td>
<td>-----</td>
<td>36.57</td>
</tr>
<tr>
<td>Married, Oldest</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Child 16-20</td>
<td>11.99</td>
<td>-----</td>
<td>56.13</td>
</tr>
<tr>
<td>Married, Oldest</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Child 21 or Over</td>
<td>36.57</td>
<td>23.88</td>
<td>35.79</td>
</tr>
</tbody>
</table>

*Seven respondents moved into the Atlanta Metropolitan Area from other Georgia residences. The estimates of mean attitude scores in this column were abnormal, particularly as regards one respondent that was unmarried. Abnormality arose because of disproportionality in the data concerning attitude extremity and the limited number of available observations. Additionally, no observations existed in three cells in the column; thus mean scores could not be estimated.
FIGURE 4

TREND LINES: THE MOBILITY-LIFE CYCLE INTERACTION
upward, and then downward for those who had moved within Atlanta, and downward and then upward for those who had moved from out of state, or who had not moved.

Thus "young mobiles" exhibited generally less favorable attitudes toward ownership than did their non-mobile counterparts in the same life cycle stages. It is submitted that this effect occurred because of their desire to avoid problems associated with moving bulky durables from place to place. Conversely, their non-mobile counterparts identify with their residence. They are less hesitant to acquire equipment and furnishings for that residence via a purchase commitment, which renders their relationship with equipment and furnishings somewhat permanent.

In later life cycle stages, however, these mobility trends gave way to pronounced interactions between mobility and life cycle stage. In the case of two mobility groups--those who moved from out of state and those who had not moved--ownership propensities increased in late life cycle stages. In the case of consumers who moved within the Atlanta Area, such propensities increased substantially during late intermediate stages of the life cycle and then returned to their previous level. In general, then, propensities to own would appear to increase in later life cycle stages. It is submitted that this effect is associated with a "settling" tendency on the part of these families. Regardless of former mobility characteristics, families in
later life cycle stages may well exhibit increasing propensities to own because of an aura of permanency associated with ownership--a permanency that is desirable to these "mature" families.

Based on the findings of this study, the null interaction hypothesis of the study was rejected. While the null hypothesis was general in nature; i.e., it encompassed sixteen interaction effects, the empirical findings of the study yielded two significant interactions. These interaction effects thus provided exceptions to the null interaction hypothesis, thereby dictating its rejection.

**Interaction effects which approached significance.**

The empirical findings of this study indicated that two combinations of variables significantly effected ownership attitudes at the .05 confidence level. In addition to these significant interaction effects, six combinations of variables approached significance. Arbitrarily, interacting variables which were significant at the .10 level were construed as approaching significance.

It is deemed desirable to specifically emphasize interaction effects which approached significance because such variables offer promise for future research. Thus changes in research sample methodology or experimentation with analytical methodology, while beyond the scope of this basic study, might enhance the significance of such interacting variables.
The interactions which were significant between the .05 and .10 level are shown in Table IX. Thus with respect to these interacting variables, ownership attitude differences among consumers exhibiting different combination characteristics approached significance.

Appendix G contains mean ownership attitude scores for the various combination characteristics, for these interaction effects which approached significance. Based on careful scrutiny of those mean attitude scores, certain observations can be made with respect to general trends that are in evidence.

1. Home ownership and mobility: Mobility was inversely related to ownership attitude score. Thus, respondents who had not moved had the highest scores. Those who moved the shortest distance had the next highest scores, etc. The effects of mobility on score was markedly modified by home ownership vs. non-home ownership among consumers who had not moved, with dwelling renters having lower scores than home owners. The effect of mobility was not markedly modified by the home ownership variable for other mobility classes.

2. Home ownership and age: The youngest and oldest respondents had higher scores than did respondents in the middle age classifications. The effect of age was markedly modified by home ownership in three age classes. Dwelling renters had lower scores in two of these age classes, and home owners had lower scores in the remaining age class.

3. Age and education: No discernable trends were in evidence. Attitude score means were quite volatile across classifications of these variables.

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38 High scores indicate favorable attitudes toward ownership, and low scores indicate unfavorable attitudes.
TABLE IX

INTERACTION EFFECTS WHICH APPROACHED SIGNIFICANCE

<table>
<thead>
<tr>
<th>Interaction</th>
<th>Level of Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home Ownership &amp; Mobility</td>
<td>.07</td>
</tr>
<tr>
<td>Home Ownership &amp; Age</td>
<td>.06</td>
</tr>
<tr>
<td>Age &amp; Education</td>
<td>.07</td>
</tr>
<tr>
<td>Occupation &amp; Past Leasing Experience</td>
<td>.08</td>
</tr>
<tr>
<td>Mobility &amp; Past Leasing Experience</td>
<td>.09</td>
</tr>
<tr>
<td>Past Leasing Experience &amp; Life Cycle Stage</td>
<td>.06</td>
</tr>
</tbody>
</table>
4. Occupation and past leasing experience: Higher occupational status respondents generally exhibited higher attitude scores than did their lower status counterparts, regardless of past leasing-rental experience. Those respondents who had leased-rented in the past year exhibited higher ownership attitudes than those who had not leased-rented in three of five occupational status groups.

5. Mobility and past leasing experience: Respondents who had not moved had the highest scores, those who had moved the shortest distance had the next highest scores, and those who had moved the farthest had the lowest scores. Respondents who have leased or rented in the past year exhibited lower attitude scores in three of the four mobility classes.

6. Past leasing experience and life cycle stage: In the earlier life cycle stages, respondents who had leased or rented in the past year had higher attitude scores than those who had not leased or rented. In the later life cycle stages, respondents who had leased or rented in the past year exhibited lower scores than those who had not leased or rented.

Interaction effects which were not significant. Of the sixteen combination effects which were examined, two were significant at the .05 confidence level, and six combinations of variables approached significance; i.e., were significant between the .05 and .10 confidence levels. Thus the remaining eight interacting variables, shown in Table X, were not significant.

It is deemed desirable to note these non-significant interaction effects because of: (1) attendant implications for consumer behavior scholars who proposed that certain variables included in these interaction expressions were related to varying ownership propensities, and (2) attendant implications for future research. Such implications are discussed in detail in Chapter V.
## TABLE X

**INTERACTION EFFECTS WHICH WERE NOT SIGNIFICANT**

<table>
<thead>
<tr>
<th>Interaction</th>
<th>Level of Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home Ownership &amp; Past Leasing Experience</td>
<td>.41</td>
</tr>
<tr>
<td>Home Ownership and Occupation</td>
<td>.12</td>
</tr>
<tr>
<td>Home Ownership and Income</td>
<td>.20</td>
</tr>
<tr>
<td>Age and Past Leasing Experience</td>
<td>.77</td>
</tr>
<tr>
<td>Education and Past Leasing Experience</td>
<td>.38</td>
</tr>
<tr>
<td>Education and Mobility</td>
<td>.32</td>
</tr>
<tr>
<td>Income and Past Leasing Experience</td>
<td>.52</td>
</tr>
<tr>
<td>Income and Mobility</td>
<td>.29</td>
</tr>
</tbody>
</table>
Chapter Summary

This chapter included a presentation of the empirical findings of this study.

The first section of the chapter related to ownership attitudes, the dependent variable of the study. The distribution of respondents' attitude scores was described as: (1) moderately skewed in the direction of higher ownership propensity; and (2) relatively platykurtic, indicating that the frequency distribution of ownership attitude scores did not markedly tend toward centrality, but rather scores were dispersed across the range of possible attitude scores.

The second section of this chapter concerned findings with respect to the first eight hypotheses of the study. The individual effects of eight independent variables, hypothesized to effect ownership attitudes, were discussed. One variable, home ownership, was found to be significant at the .05 confidence level. Thus the null hypothesis with respect to home ownership vs. non-home ownership was rejected. A second independent variable, past leasing experience, approached significance. While the null hypothesis concerning the variable was not rejected, the variable was construed as holding promise for future research. The null hypotheses concerning the remaining six variables were not rejected. Thus age, education, income, occupational status, mobility, and life cycle stage did not significantly effect the respondents' attitudes
toward ownership, and did not approach significance. It was noted that the means reported for the variables represent the average effects of the variable, uninfluenced by interactions with other variables. Additionally, the significance reported for each variable was independent of any interactions between it and other variables.

The third section of this chapter concerned the findings regarding the effects of interacting variables upon ownership attitude. Two interaction effects were found to be significant at the .05 confidence level. The home ownership-education interaction significantly effected ownership attitudes, as did the mobility-life cycle stage interaction. Thus, the null interaction hypothesis of the study was rejected. Additionally, six interaction effects were found to approach significance, and were emphasized because of their promise for future research. Included were home ownership and mobility, home ownership and age, age and education, occupation and past leasing experience, mobility and past leasing experience, and past leasing experience and life cycle stage.

Finally, eight interactions were not found to have significant effects upon ownership attitudes. Included were home ownership and past leasing experience, home ownership and occupation, home ownership and income, age and past leasing experience, education and past leasing experience, education and mobility, income and past leasing
experience, and income and mobility. These combination variables were deemed to hold little promise for future research.

Chapter V draws together relevant conceptual dimensions examined in Chapter II, and empirical findings reported in this chapter. The emphasis is upon implications for marketing practitioners, and marketing and consumer behavior scholars.
CHAPTER V

SUMMARY, IMPLICATIONS AND CONCLUSIONS

This chapter synthesizes relevant conceptual literature and empirical findings concerning the property ownership phenomenon. The purposes of this chapter are to summarize the empirical findings of the study, to examine implications which are derived from ownership-related secondary sources and empirical findings, and to examine the conclusions which emanate from those implications.

It is necessary to briefly define the terms "implications" and "conclusions." The term "implication" is utilized to denote those formulations which are logically derived from the findings of this study. The term "conclusion" is utilized to denote certain generalizations which are based upon the derived implications.

The problem of this study, set forth in Chapter I, was the empirical assessment of the ultimate consumer's attitudes toward property ownership, and the examination of basic consumer characteristics to determine whether ownership attitudes differed among consumers possessing different characteristics. The justifications for conducting this research related to the derivation of conceptually and empirically based implications for marketing scholars, consumer behavior scholars, and marketing practitioners.
In Chapter II, various conceptual dimensions of the ownership phenomenon, set forth in the literature associated with marketing scholars, consumer behavior scholars and marketing practitioners, were reviewed. Chapter III was concerned with the specification of testable hypotheses, in part derived from propositions set forth in the literature related to the ownership phenomenon. The methodology which was utilized to empirically test those hypotheses was also examined. In Chapter IV, the results of an empirical analysis of ownership propensities was reported. In the present chapter, empirical findings are summarized; implications are derived for marketing scholars, consumer behavior scholars, and marketing practitioners; and conclusions, based upon conceptual sources and empirical findings, are discussed.

The organizational scheme used in this chapter parallels the justifications for conducting this study, set forth in Chapter I. The first section of the chapter is oriented to the interests of marketing scholars. Empirical findings concerning ownership attitudes are summarized. Relevant literature emanating from functional, institutional and societal marketing scholars is combined with empirical findings to derive certain implications and conclusions. The second section of this chapter is directed to the interests of consumer behavior scholars. The discussion relates to a summary of the extent to which certain
propositions—those intended by consumer behavior scholars to explain ownership propensities which were empirically examined in this study—were supported by the findings of the study. Based on this summary, implications and conclusions relating to the interests of consumer behavior scholars are examined. The third section of the chapter is oriented to the interests of marketing practitioners. Specifically, the discussion relates to marketing strategy considerations in view of the empirical findings of the study. In the final section of the chapter, implications for future research concerning the property ownership phenomenon are suggested. Such implications are again based upon conceptual sources and the empirical findings of this study.

Prior to examining the summary, implications, and conclusions for marketing scholars, it is appropriate to briefly review the methodology which was utilized to generate and analyze the empirical data obtained in the study.

The ultimate consumer's attitudes toward property ownership, the dependent variable, were measured via a Likert type attitude scale. The scale was pretested for validity and reliability. It was then incorporated into a mailed questionnaire, along with questions which elicited respondent characteristics concerning the independent variables hypothesized to have an effect on ownership attitudes.
Sample size was determined via the application of sample size theory to pilot study data. It was determined that 200 observations would result in reasonable respondent heterogeneity. Based on an anticipated response rate of 20 per cent, 1,004 questionnaires were mailed to Atlanta Metropolitan Area residents. The actual number of useable responses was 247. The research sample was randomly drawn from the Atlanta Telephone Directory.

A least squares analysis of variance procedure was utilized to determine whether ownership attitudes significantly differed among consumers possessing different characteristics. Analysis of variance was used to determine the main effect that each independent variable had upon ownership attitude, and the interaction effects that sixteen combinations of the independent variables had upon ownership attitudes.

Empirical findings resulting from the application of this methodology are summarized in this chapter, and are combined with conceptual literature for purposes of deriving implications and conclusions for marketing thought, consumer behavior thought, and marketing practice.

I. OWNERSHIP PROPENSITIES AND
THE MARKETING SCHOLAR

Chapter II traced the treatment of the property ownership concept by scholars adhering to three schools of marketing thought. Included were the functional, the
institutional, and the societal approaches to the development of marketing thought. It was generally concluded that concern with property ownership is deeply embedded in marketing thought. Marketing scholars have virtually assumed transfer-of-title marketing approaches; i.e., ownership transfers, to be the means whereby consumption is affected. No empirical evidence regarding alternatives to the transfer-of-title marketing approach was discerned. In this section, implications and conclusions derived from empirical evidence regarding the ownership phenomenon are submitted.

The discussion in this section revolves around findings with respect to respondent's ownership attitudes, the dependent variable of this study. The purpose in focusing upon the dependent variable relates to the contention that the interests of the scholar interested in general marketing thought can be best served by a general discussion concerning the extent to which consumer's attitudes toward ownership differed, and the extent to which they favored or disfavored property ownership. Findings with respect to ownership attitudes provide an explicit format for this general discussion. In the following sections the focus is upon findings with regard to those variables which effected ownership attitudes, construed to be of primary interest to consumer behavior scholars and marketing practitioners. The discussion in these later sections may
Summary and Implications for the Functional Marketing Scholar

Throughout marketing history, functional marketing scholars have specified "buying" and "selling" as key functions performed by the marketing system. The lease-rental format, an alternative to transfer-of-title marketing approaches, has been virtually overlooked.

It has been empirically discerned that the respondents included in this study did not exhibit marked tendencies to favor property ownership. Ownership attitude scores were moderately skewed in the direction of higher ownership propensities. Thus there was a moderate tendency for consumers to favor property ownership. However the frequency distribution of ownership attitude scores indicated that ownership propensities differed; i.e., were relatively dispersed. Specifically, a substantial number of respondents exhibited propensities to disfavor property ownership as a means of affecting consumption.

Based on this brief summary, certain implications are evident. If functional marketing thought is to adequately reflect consumer propensities, it would appear necessary that the transfer-of-title assumption be

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1Cf. ante, pp. 55-61.
re-examined. The existence of consumers disfavoring acquisition through transfers of title, as occurred in the research sample, implies that a need exists for a broadening of the traditional "buying" and "selling" constructs.

A broadening of the buying and selling functional concepts carries attendant implications concerning functional shifts. Inherent in the lease-rental approach are backward shifts, from leasees to leasors, regarding the financing, risk taking and storage functions. The leasor retains the capital investment in goods, bears obsolescence and product malfunction risks, and stores products between periods of customer use.² In that the functional approach is systemic in nature; i.e., any functional shifts can create other shifts, a broadening of the buying and selling functions, as advocated previously, requires attendant reformulations concerning other functional adjustments which may result.

Summary and Implications for the Institutional Marketing Scholar

In Chapter II it was submitted that the institutional marketing scholar has historically viewed the flow of title through the distribution channel as necessary to expedite the transfer of goods from producer to consumer. In recent years channel scholars have implied that ownership flows

are a requisite for consumption. Additionally, institutional channel scholars have stressed the view that the channel is comprised of business institutions, functioning as a system to satisfy consumer demand. Thus the incorporation of ownership propensities, as they relate to consumer demand, would appear to be a desirable endeavor in the development of institutional and/or channel thought.

The empirical findings of this research reported in Chapter IV indicate that the business institution's responsiveness to consumer demand may require increasing emphasis upon the development of lease-rental marketing strategies. The distribution of respondents' attitudes toward property ownership indicated that, although consumers exhibited a moderate tendency to favor ownership, a substantial number of consumers existed who exhibited propensities to disfavor property ownership. Implicit in these findings is the notion that title or ownership flows may not comprise suitable constructs as regards optimum means of satisfying consumer propensities.

Berry and Maricle have proposed that it is not necessary or desirable that the flow of ownership be extended through the final consumer. Rather title to goods can remain in the hands of producer and middleman channel

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members. The empirical findings of this study serve to underline their contention: institution and channel responsiveness to consumer propensities may require increased reliance upon lease-rental alternatives to title transfers. Institutional and channel thought might well be broadened with respect to the necessity or desirability of ownership flows, if such thought is to suitably encompass the various means by which consumer demand might be fulfilled.

Summary and Implications for the Societal Marketing Scholar

Marketing scholars have become increasingly interested in the functioning of the marketing system from the perspective of the contributions that it makes to ultimate societal goals. Among the areas of concern to the societal marketing scholar have been the efficiency and/or effectiveness with which marketing tasks are performed.

It was submitted in Chapter II that a current lack of widespread reliance upon the lease-rental format by business practitioners may be tantamount to a partial failure of the marketing system. More specifically, it was noted that consumers who might disfavor ownership are forced to purchase goods because of an unavailability of goods acquisition alternatives.

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The empirical findings of this study imply that many consumers may, indeed, wish to avoid overreliance upon outright purchase as a means to acquire goods. As stated previously, attitudes toward ownership were dispersed across the range of attitude scores: a number of respondents exhibited propensities to disfavor property ownership. The marketing process may not be fulfilling the goods acquisition desires of those consumers. "Forced purchase," due to the unavailability of widespread leasing-rental alternatives, would appear to be a suboptimal means of acquiring the time, place and possession utilities created by the marketing system.

In Chapter II, a number of macroeconomic and social benefits which scholars have attributed to the lease-rental approach were reviewed. Lease-rental has been viewed as capable of facilitating transactions, achieving greater economic stability, stimulating new consumption, easing family money management problems, better accommodating technological change, and enabling the sharing of scarce commodities. In that a substantial number of respondents may prefer goods utilization through lease-rental, such macroeconomic and social benefits might become more apparent with greater business enterprise reliance upon leasing-rental.

\[5\text{Cf. ante, pp. 65-68.}\]
Conclusions

Based on the foregoing summaries and implications, certain conclusions can be offered. The purpose of this discussion was to integrate the empirical findings of this study concerning ownership attitudes with the interests of three schools of marketing thought. As the respondents to the study exhibited differing attitudes toward property ownership, with a substantial number of respondents exhibiting propensities to disfavor ownership, certain implications were derived for functional, institutional and societal marketing thought. It can be concluded that a need exists to broaden the traditional "buying" and "selling" marketing functions, which connote the transfer-of-title marketing approach, to include the lease-rental means of affecting consumption. Likewise, it can be concluded that a need exists to re-evaluate the "title flow-ownership flow" construct that has been assumed by institutional channel scholars, as it does not adequately reflect the various means by which consumer demand might be fulfilled. It can also be concluded that overreliance upon transfer-of-title marketing approaches may not be optimal in terms of effectively and efficiently fulfilling the demands of lease-rental prone consumers. Additionally certain macroeconomic and societal benefits of interest to the societal marketing scholar, mentioned previously, might ensue with increasing reliance upon lease-rental marketing approaches.
It can be summarily concluded that the existence of consumers who exhibit propensities to disfavor property ownership implies a need for a reorientation in marketing thought—a reorientation which encompasses the alternatives to transfer-of-title marketing approaches which have been virtually assumed in marketing thought.

II. OWNERSHIP PROPENSITIES AND THE CONSUMER BEHAVIOR SCHOLAR

The consumer behavior scholar can be characterized as having a primary interest in explanations of various aspects of the consumption process. In this section empirical findings are summarized, and implications and conclusions are drawn for these scholars regarding explanations of the ownership phenomenon.

In Chapter II, a number of propositions, advanced by consumer behavior scholars to explain varying propensities toward property ownership, were reviewed. Of those propositions, some served as the bases of certain hypotheses of this study, examined in Chapter III. Whether those hypotheses were empirically supported was discussed in Chapter IV. In this section those discussions are summarized, and implications and conclusions for consumer behavior scholars are examined.
Summary and Implications for the Consumer Behavior Scholar

The empirical portion of this research examined eight independent variables to determine whether they individually, or in certain combinations effected ownership attitudes. The variables examined included home ownership characteristics, age, educational attainment, income, occupational status, mobility, past leasing-rental experience and life cycle stage. Of these eight variables, five were in part derived from propositions set forth in the related ownership literature as being associated with ownership propensities. Those variables included age, educational attainment, income, mobility, and family life cycle stage.

The inclusion of the remaining variables—home ownership characteristics, occupational status and past leasing-rental experience—was based primarily upon logic. Occupational status was utilized as a

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7 E. B. Weiss, "Products with Shorter Life Span will Make it in Anti-materialistic Society," Advertising Age, September 27, 1971, p. 73.


proxy variable for social status, which has often been construed to effect consumer behavior. Home ownership characteristics and past leasing-rental experience were construed to be "situation specific" variables; i.e., not traditionally included in consumer behavior studies, but included here because they were judged to be specifically associated with ownership attitudes, the dependent variable of the study.

Each of the eight variables were examined individually to determine their respective effects upon ownership attitude. The methodology utilized\textsuperscript{11} provided a test of the individual effects hypotheses of the study and, in turn, a means of empirically testing those propositions, eminating from the literature, which were utilized to derive five of the individual effects hypotheses. Additionally, sixteen combinations of variables\textsuperscript{12} were examined to determine whether such variables jointly effected ownership attitudes.

Of the variables included in the individual effects hypotheses, only one--home ownership--was significant at the .05 confidence level. Home owning respondents exhibited significantly higher ownership propensities than did non-home owners. Past leasees-renters of goods (excluding their

\textsuperscript{11}\textsuperscript{Cf. ante}, pp. 182-184.

\textsuperscript{12}\textsuperscript{Cf. ante}, pp. 184-189.
places of residence) exhibited slightly lower ownership propensities than did respondents who had not leased or rented in the past two years.\textsuperscript{13} While the effects of past leasing-rental experience upon ownership attitude was not significant at the .05 level, the variable approached significance; i.e., it was significant at the .08 level.

Thus, regarding the individual effects hypotheses, none of the five variables which were partially based upon propositions advanced by consumer behavior scholars to explain varying ownership propensities were significant or approached significance. The variables and the level at which they were significant were, respectively, age (.32), educational attainment (.53), income (.56), mobility (.74), and life cycle stage (.55). Additionally occupational status, a variable not based upon the ownership literature, was insignificant at the .81 level.

It is important to note that in view of the necessity to operationalize the testing of these variables; i.e., the adoption of a specific research methodology, it cannot be unequivocally stated that the propositions underlying these variables have no merit. Thus, while every effort was made to test these variables using the most suitable methodology, it is possible that the intent of the scholars who advanced the various propositions was somewhat debased. However,

\textsuperscript{13}Cf. ante, p. 209 and p. 213.
within the context of the methodology utilized in this study, none of the variables which were derived from the ownership literature were significant or approached significance.

From the empirical findings of this study, it is implicit that ownership propensities are a complex phenomenon, which are perhaps best explained via the examination of combinations of independent variables. Rather than being a function of a single variable; e.g., age or mobility as perhaps implied in the various propositions advanced by respective consumer behavior scholars,\(^1\) it was discerned that combinations of variables were superior regarding the significance of their effects upon ownership attitudes.

Combinations of the eight independent variables were examined where possible. Specifically, two criteria were applied to render judgments concerning when an examination of interaction effects was not possible, and the remaining interaction effects were examined. Firstly, an examination of combinations of independent variables, where each of those variables had a large number of classifications, was not possible. This occurred because, given 247 available observations, it was not likely that enough observations

\(^1\)The intent is not to infer that respective scholars eliminated the possibility of complex causation. However, it was seemingly the explicit intent of those scholars to develop causation themes around single explanatory variables, while multiple causation remained, for the most part, implicit.
would exist in each of a relatively large number of cells (a matrix containing all combinations of respective independent variable classifications) to provide meaningful results. This criterion precluded the examination of all interaction effects involving more than two variables, and several two variable interaction effects. Secondly, the nature of certain variables dictated that certain interaction effects could not be examined. Thus, cells could not be adequately filled because few respondents could be expected to exhibit certain combination characteristics. After application of these criteria, it was discerned that it would be possible to examine sixteen interaction effects.

As stated previously, it is implicit that combinations of independent variables are superior to individual independent variables concerning the significance of their effects upon ownership attitudes. While only two of the sixteen interaction effects examined were significant at the .05 confidence level, six approached significance, or were significant between the .05 and .10 level.

The two interaction effects which were significant at the .05 level were: home ownership and educational

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15 For example an examination of the income-occupational status interaction would require that adequate observations exist in each of 35 cells (seven income classifications x five occupational classifications).

16 For example few respondents in the 16 to 25 age classification could be expected to have incomes over $20,000.
attainment at the .05 level; and mobility and life cycle stage at the .03 level. It was discerned that, in general, respondents at the educational "extremes" favored property ownership. Thus those respondents with graduate work or graduate degrees, and those who have attended high school or possess high school diplomas possessed higher propensities to own than did respondents who had attended college or possessed college degrees. Additionally the effect of educational attainment upon ownership attitudes was modified by home ownership characteristics. Non-home owners exhibited significantly higher ownership attitudes at three educational attainment levels than did their home owning counterparts. Included were those respondents with graduate work or degrees, high school diplomas, and some college. Respondents possessing college degrees exhibited similar ownership attitudes, regardless of whether or not they owned homes. And non-home owning respondents with some high school possessed lower ownership attitudes than did their home owning counterparts.\footnote{Cf. post, pp. 226-232.} The interaction effect of life cycle stage and mobility upon ownership attitudes indicated that "young mobiles" exhibited generally lower ownership propensities than did their non-mobile counterparts. However in later life cycle stages ownership
propensities generally increased, regardless of mobility characteristics in the recent past. \textsuperscript{18}

When examined in combination with other variables, the propositions of certain consumer behavior scholars were partially supported by the empirical findings of this study. Thus, Weiss' proposition \textsuperscript{19} with respect to the relationship between educational attainment and ownership propensities was not supported by an empirical examination of the variable's individual effect upon ownership attitudes. However when combined with the home ownership variable, significantly different ownership attitudes were in evidence. Likewise neither Toffler's mobility proposition, \textsuperscript{20} nor Solon's life cycle proposition, \textsuperscript{21} when examined for their respective individual effects upon ownership attitudes, were empirically supported by the findings of this study. However when the joint effects of the two variables were examined, significant differences in ownership attitudes resulted.

While six additional interactions did not significantly effect ownership attitudes, they did approach

\textsuperscript{18} Cf. ante, pp. 232-237.
\textsuperscript{19} Weiss, loc. cit.
\textsuperscript{20} Toffler, loc. cit.
\textsuperscript{21} Solon, loc. cit.
significance in that they were significant at confidence levels between .05 and .10. Included in those interactions were several variables which were derived from propositions advanced by consumer behavior scholars. As in the case of significant interaction effects discussed previously, such variables were not individually significant. However when examined in combination with other variables, the interaction effects approached significance. The mobility variable, based upon Toffler's proposition,\textsuperscript{22} approached significance at the .07 level when combined with the home ownership vs. non-home ownership variable. The age variable, derived from McLean and DeCarlo's proposition,\textsuperscript{23} approached significance at the .06 level when combined with the home ownership variable. The age variable again approached significance when examined in combination with the educational attainment variable derived from Weiss' proposition;\textsuperscript{24} significant differences were found at the .07 level. While neither variable was derived from specific propositions found in the literature, the occupational status-past leasing experience interaction approached significance at the .08 level. The mobility variable, derived

\begin{itemize}
\item[22]Toffler, \textit{loc. cit.}
\item[23]McLean and DeCarlo, \textit{loc. cit.}
\item[24]Weiss, \textit{loc. cit.}
\end{itemize}
in part from Toffler's proposition, when examined in combination with the past leasing experience variable, approached significance at the .09 level. Finally, the life cycle variable derived in part from Solon's proposition, approached significance at the .06 level when combined with the past leasing experience variable.

It is important to note that no empirical support was in evidence for one proposition—Garretson and Mauser's affluence construct. Family income, utilized as an indicator of affluence, was not significant, nor approached significance, either when examined for its individual effect on ownership attitude, or when examined in combination with home ownership, past leasing experience, and mobility, respectively. Of the eight variables included in the study, income was the only variable which was not significant, or did not approach significance, either individually or in combination with some other variable. Thus it can be implied that income level (and perhaps affluence) may have little or no relationship to ownership propensities, as was the case among the respondents included in this study.

25 Toffler, loc. cit.
26 Solon, loc. cit.
27 Garretson and Mauser, loc. cit.
In summary none of the main effects with respect to those variables which were in part derived from propositions advanced by consumer behavior scholars were either significant or approached significance. Both the single individual variable which was significant—home ownership—and the individual variable which approached significance—past leasing-rental experience—were not based upon propositions from the ownership literature. However, three variables based upon such propositions were significant when combined with certain other variables. Included were education when combined with home ownership, and mobility when combined with life cycle stage. These same variables in addition to age approached significance when examined in combination with different variables. Included were mobility when combined with home ownership; age when combined with home ownership; education when combined with age; mobility when combined with past leasing experience; and life cycle stage when combined with past leasing experience. Additionally, one interaction effect not based upon the ownership literature approached significance—the occupational status—past leasing-rental experience interaction.

Conclusions

Certain conclusions of interest to consumer behavior scholars are in evidence. These conclusions are based upon the conceptual and empirical portions of this research.
In recent years, a number of consumer behavior scholars have advocated that due to decreasing propensities to own property, the lease-rental marketing format might well emerge as a viable means of affecting consumption. The empirical findings of this study with respect to the distribution of ownership attitudes among survey respondents, lends credence to their contentions; ownership attitudes were found to differ among respondents. It can thus be concluded that a significant number of respondents would appear to disfavor ownership as a means of acquisition, and might well be prone to lease-rental acquisition. In general then, the intent here is to dislodge any myopia which might exist among consumer behavior scholars who have not recognized that consumers do possess varying attitudes toward acquisition through outright purchase.

It has been previously stated that various consumer behavior scholars have proffered relatively simple explanations for varying ownership propensities, typically implying that single variables might well account for varying ownership propensities. Yet, as illustrated in the preceding paragraphs, the empirical findings of this study indicated that interacting variables were, in general, superior to individual variables as regards effects on ownership attitudes. Only one individual variable significantly effected ownership attitudes, and only one approached significance. However two interaction effects were significant, and six
approached significance. It can thus be concluded that ownership propensities are relatively complex, or are effected by combinations of underlying factors.

The findings of this study also foster the conclusion that some empirical support exists for four of five propositions upon which hypotheses were based. The variables involved in those propositions were education, mobility, age, and life cycle stage, respectively proposed by Weiss, Toffler, McLean and DeCarlo, and Solon. However such supporting evidence must be qualified. Support for these propositions was forthcoming only when those variables were examined in combination with other variables. Additionally, only three variables, education, mobility and life cycle stage, were significant at the .05 level when combined with other variables. Age approached significance when respectively combined with home ownership and education. No empirical support existed for the family income variable, used to examine Garretson and Mauser's affluence construct.

It was previously submitted that a primary concern of the scholar interested in consumer behavior relates to developing explanations for such behavior. The major thrust of this empirical research has consisted of discerning those variables which, either individually or in combination with other variables, significantly effected ownership propensities among research respondents. The
discussion in the preceding section concerned, in part, a summary of the effects of eight variables upon ownership attitudes. Certain conclusions can be drawn from the preceding summary, which coincide with the interests of consumer behavior scholars in exploring behavioral phenomena. These conclusions relate to the "merit" of the various variables in explaining consumer attitudes toward property ownership. Table XI draws together the findings of this research relating to the respondents included in the study. Variables are classified in accord with their "merit": i.e., their empirical significance regarding their effects on ownership attitudes.

Those individual and interacting variables which were significant at the .05 level for this research sample can be deemed to hold substantial promise regarding more generalizable explanations of ownership propensities. Those individual and interacting variables which were significant between the .05 and .10 level can be viewed as holding some promise concerning more generalizable explanations of ownership propensities. Finally, those individual and interacting variables which were not significant for the research sample can be construed to hold little promise for more generalized explanations of ownership propensities.

The final section of this chapter relates to implications for future research concerning ownership attitudes. In that section, the considerations discussed
### TABLE XI
A SUMMARY OF THE MERIT OF INDIVIDUAL AND INTERACTING VARIABLES

<table>
<thead>
<tr>
<th>Individual Effects</th>
<th>Significant at .05</th>
<th>Significant between .05 and .10</th>
<th>Not Significant</th>
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<tbody>
<tr>
<td>Home Ownership</td>
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<td>Age</td>
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<td>Education</td>
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<td>Income</td>
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<td>Occupational Status</td>
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<td>Mobility</td>
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<tr>
<td>Past Leasing Experience</td>
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<tr>
<td>Life Cycle Stage</td>
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<tr>
<th>Interaction Effects</th>
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<th>Significant between .05 and .10</th>
<th>Not Significant</th>
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<td>Home Ownership &amp; Occupation</td>
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<td>Home Ownership &amp; Income</td>
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<td>Home Ownership &amp; Education</td>
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<td>Home Ownership &amp; Age</td>
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<td>Age &amp; Past Leasing Experience</td>
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<td>Income &amp; Past Leasing Experience</td>
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herein relating to variables examined in this study are combined with considerations concerning variables not examined in this study, to suggest relatively comprehensive possibilities for future research.

III. OWNERSHIP PROPENSI TIES AND THE MARKETING PRACTITIONER

In Chapter I it was indicated that certain implications for marketing practice would ensue from the empirical findings of this study. Those implications, and conclusions based upon them are discussed in this section.

The discussion which follows contains summaries, implications and conclusions for manufacturers, wholesalers and retailers who are interested in an exploration of opportunities in the lease-rental market. The focus in this section is upon implications for market segmentation strategies, which might be adopted in view of ownership propensities exhibited by the respondents included in this research.28

For several reasons this discussion is somewhat general in nature. Firstly, this study was not product or market specific, but rather dealt with ownership attitudes in general, and the focus was upon identifying those

28 Chapter II contains a discussion of additional strategic lease-rental considerations which were intended to complement the market segmentation considerations discussed here. Cf. ante, pp. 99-116.
relatively basic consumer characteristics which effect ownership attitudes. Thus, it was not the intent of this research to derive marketing strategies applicable to the product offering or market configurations which confront particular business enterprises. Secondly, and in a related sense, the purposes here are to provide implications and conclusions for business enterprises at all levels within the distribution channel. Thus, the general nature of this discussion is intended to enhance its usefulness to manufacturers seeking to understand the ultimate consumer market for lease-rental of their products, to wholesalers who wish to explore the possibilities of supplying lease-rental commodities to their retailer-customers, and to retailers who desire to examine the possibilities of cultivating the lease-rental market. Finally, the sampling methodology utilized in this research reflected the basic nature of the study; adequate responses were generated to insure respondent heterogeneity but no attempt was made to secure adequate responses to enable generalization of results to the entire population. Thus unequivocal statements cannot be made regarding the findings of this research. Rather, implications can be derived concerning the general nature of the lease-rental prone consumer.
Summary and Implications for the Marketing Practitioner

It has been stressed in earlier sections of this chapter that ownership attitudes, the dependent variable of this study, differed among respondents. While the distribution of attitude scores indicated a moderate tendency for respondents to favor property ownership, a substantial number of respondents exhibited propensities to disfavor ownership. This finding thus implies that, in general, a substantial market for lease-rental might well exist.

Yet, in Chapter II it was concluded that large scale business enterprise has been somewhat remiss in cultivating the lease-rental market. Thus, it is submitted that the lease-rental format deserves further attention from business enterprise. Implications concerning market segmentation strategies, which are derived from the empirical findings of this study, are discussed in this section. The purpose of this discussion is to provide insights into the nature of the lease-rental prone consumer to aid business enterprise in exploring lease-rental marketing.

One empirical finding of this study was that among respondents, those who rent their place of residence exhibited significantly lower ownership attitudes than did

\[29\text{Cf. ante, pp. 198-203.}\]
\[30\text{Supra, p. 92.}\]
respondents who own their homes. Thus it is implicit that dwelling renters might represent a lease-rental market segment that is relatively easy to cultivate; such consumers exhibited propensities to disfavor property ownership. Certain strategies can be suggested as regards cultivating the non-home owning market. Firstly, the promotion of lease or rental goods might well be aimed at the non-home owning market. Such promotion might well take the form of direct mail advertising, utilizing mailing lists consisting of apartment dwellers. Additionally, a print or broadcast media vehicle which reaches sections of the market particularly characterized by a proliferation of rental housing units would enable some direction of promotional messages to the non-home owning consumer. Secondly, rental-leasing outlets might well be located on sites which are within proximity to areas characterized by a proliferation of rental housing units. It can be observed that rental housing units have tended to become somewhat

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31 It is important to note that these findings relate to the average effects of the home ownership variable. These average effects were modified when examined in combination with the educational attainment variable. Consumers who possessed some college training were found to be lease-rental prone, but those consumers who do own homes were found to be more lease-rental prone than were those who do not own homes. Thus, the strategies suggested herein may not be optimal for those consumers possessing some college training. Cf. post, pp. 276-277.

32 Firms which specialize in the compilation of such mailing lists exist in virtually all major markets.
concentrated in certain areas of many cities, due primarily to zoning ordinances. Rental-leasing outlets located near such areas would tend to foster accessibility to the outlet by the lease-rental prone residents of those areas. Thirdly, the product lines stocked by the lease-rental outlet might be carefully chosen to coincide with the needs of non-home owning customers. Such customers would seemingly have need for goods which are used to equip the residence; e.g., furniture, appliances, decorative and entertainment items, and substantially less need for home and yard maintenance equipment; e.g., tillers, lawnmowers and hedge trimmers.

While the findings of this research indicated that non-home owners may well be more lease-rental prone than are home owners, the intent here is not to preclude the possibility of cultivating the home owner market, particularly if the products involved are among those needed by the home owner. However it is implicit that development of the home owner market might well be more difficult than development of the non-home owner market. This difficulty would seemingly ensue from the necessity to educate or inform this market as to the benefits which might accrue if products were acquired on a lease-rental basis. In general, favorable attitudes toward ownership may have to be changed via educational or informative promotion, a requirement not particularly evident among non-home owning consumers.
An additional finding of this research relates to the educational attainment-home ownership interaction. These variables in combination significantly effected attitudes toward property ownership. Respondents with some college education, and those with college degrees exhibited lower propensities to own property than did respondents with some high school, high school diplomas, and graduate educations. Additionally, in four of these five educational attainment categories, the effects of education were modified by the home ownership vs. non-ownership variable. Respondents with some college training, with high school diplomas, and with graduate study backgrounds who do not own homes exhibited higher general ownership propensities than did their counterparts who do own homes. Respondents who have attended high school and do not own homes exhibited lower ownership attitudes than did their counterparts who do own homes. The results of this research thus imply that respondents who have attended college or have college degrees might well represent a lease-rental market segment that is relatively easy to cultivate, as these consumers' attitudes indicate that they are lease-rental prone. Additionally, consumers with some college training who do not own homes are somewhat less lease-rental prone than are their home owning

33 Cf. ante, pp. 226-232.
counterparts. \(^{34}\) Certain strategic implications are inherent in these findings. Firstly, direct mail promotion of lease-rental services might well be directed at consumers possessing some college training or college degrees. Seemingly, the probabilities that such a program would be effective are enhanced, because of the lease-rental proneness exhibited in this market. Secondly, the effectiveness of print or broadcast media messages might well be enhanced if media is carefully chosen which reaches this market, and if appeals are sophisticated so as to coincide with the sophistication characterizing this relatively educated market. Thirdly, certain implications are in evidence for lease-rental outlet location strategies. Outlets might well be located in proximity to areas of the city in which these relatively educated consumers live, thus fostering accessibility to the outlet by this lease-rental prone market. It might be observed that housing in middle class suburbs and/or relatively "exclusive" apartment developments characterize the typical domiciles of these consumers. Fourthly, implications are in evidence for product lines

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\(^{34}\) In this educational attainment category, consumers who do not own homes possessed higher ownership propensities than did those who own homes, a finding which conceptually contradicts the individual effects of home ownership on ownership attitudes. The lease-rental enterprise which aims its strategies at the non-home owning market, as suggested previously, should note that such strategies may not be optimum for the consumer who has had some college training. Cf. ante, pp. 274-275.
offered by the lease-rental operation. As this relatively educated market might be characterized as somewhat sophisticated, the business enterprise attempting to cultivate the market might stock fairly sophisticated products in terms of style, quality and durability. This consideration is, of course, particularly pertinent in the case of "conspicuous" goods, such as furniture, decorative items, appliances, and party goods and accessories.

Based on observations of lease-rental operations, it is apparent that many outlets are currently attempting to cultivate the lower educational attainment market. It is probable that this segmentation strategy is tied to some hypothetical educational attainment-income interaction; i.e., lease-rental becomes feasible where outright purchase is not feasible for consumers with low incomes, caused in part by low educational attainments. The empirical findings of this research indicate that this segmentation strategy might well require changing the attitudes of lower educational attainment consumers, a relatively difficult, but certainly not impossible endeavor. Concurrently, evidence suggests that the market possessing college educations has consistently increased in size.\(^{35}\) As this market was found to be more lease-rental prone, it is implicit that it might

well be a more lucrative market segment in the long run than is the market characterized by lower educational attainment levels. In total, those lease-rental enterprises which have adopted low educational attainment segmentation strategies might wish to re-evaluate their strategies. Attention might be given to a gradual "upgrading" of promotion, locations, facilities, and merchandise to enable them to better cultivate the more highly educated market, which is both more lease-rental prone, and growing.

The final variable combination which significantly affected ownership attitudes was the life cycle stage-mobility interaction. It was found that mobility was negatively related to ownership propensities, until the later life cycle stages, when ownership attitudes generally increased for all mobility classes. Thus, in earlier life cycle stages those respondents who moved to Atlanta from out of state within the past two years exhibited the lowest ownership propensities. Those who moved, but within the Atlanta Metropolitan Area exhibited the next lowest ownership propensities. Finally, those respondents who had not moved in the past two years exhibited the highest ownership propensities.  

In general then, the "young mobiles" can be construed to be a potentially lucrative market segment,

36 Cf. ante, pp. 232-237.
as they possess lower ownership propensities than do both their non-mobile counterparts, and families in the later life cycle stages. Certain implications for lease-rental strategy can be gleaned from these findings. Firstly, the promotion of lease-rental services might well be aimed at the mobile consumer. Direct mail promotion, predicated upon mailing lists containing the names and addresses of the city's new arrivals, would seemingly offer promise concerning the cultivation of this market.  

Secondly, promotional appeals might be aimed at the young family; i.e., featuring products which are compatible with the needs of younger families, and creating an overall image compatible with the family oriented values possessed by such consumers.  

Thirdly, lease-rental outlets might well be accessible to relatively "transient" neighborhoods which seemingly develop within many communities. Fourthly, the product offering of the lease-rental enterprise might well be coorelated to the relatively short term needs of families in the earlier life cycle stages; e.g., baby goods, athletic equipment, recreational equipment, etc.

37 Mailing lists of new arrivals can be derived from a number of sources, including new telephone listings, credit bureau listings, the newcommers clubs, welcome wagon services, etc.

The non-mobile market segment, and the market consisting of families in later life cycle stages can possibly be cultivated by the lease-rental enterprise. However, such consumers may represent a relatively difficult market to develop. The empirical findings of this research indicate that attitude change may be necessary among those consumers, to foster acceptance of lease-rental product acquisition.

This discussion has focused upon strategic implications derived from the empirical findings of this research with respect to those individual and combination variables which significantly effected ownership attitudes. No attempt was made to derive such implications from variables which were found to approach significance, because of the uncertainty associated with basing marketing decisions on findings with respect to these variables. However, the marketing practitioner interested in conducting research in a specific trade area, or as regards a specific product or product line, might well be interested in the findings of this study with respect to variables which approached significance. Appendix G contains ownership attitude scores across consumer classifications associated with variables which approached significance. Included is the past leasing experience variable, the home ownership-mobility interaction, the age-education interaction, the occupation-past leasing experience interaction, the
home ownership-age interaction, the mobility-past leasing experience interaction, and the past leasing experience-life cycle stage interaction.

Conclusions

Based on the foregoing summary and implications, certain conclusions can be drawn with respect to the interests of the marketing practitioner.

The frequency distribution of ownership attitude scores for the respondents included in this research indicated that a substantial number of respondents possessed relatively unfavorable attitudes toward property ownership. These consumers might be characterized as being lease-rental prone. Thus, it might be generally concluded that potential exists for the business enterprise to profitably serve the potentially large lease-rental market.

It is logical to assume that among a substantial number of heterogeneous consumers who possess lease-rental propensities, a number of distinct market segments might well exist. This, in turn, implies the need for diverse lease-rental marketing strategies in order to serve each market segment in optimal fashion.

In this section, implications for lease-rental strategies have been discussed for several market segments, predicated on the basis of variables which were found to significantly effect ownership attitudes among respondents. Included were home ownership vs. non-home ownership, the
educational attainment-home ownership interaction, and the mobility-life cycle interaction. In the case of each of these variables or variable combinations, marketing strategies were suggested for those consumers who exhibited significantly lower ownership propensities than did their counterparts who possessed different characteristics with regard to the same variable(s). The strategies suggested here were substantially different as the discussion moved from variable to variable. Thus, suggested promotion, location and product offering strategies differed markedly for non-home owners, young mobiles, and consumers possessing some college education or college degrees, as modified by the home ownership variable. It would seemingly be quite difficult, if not impossible, to structure a single lease-rental marketing strategy which would optimally serve each of these lease-rental prone market segments.

Thus, a fairly large, heterogeneous market exhibiting lease-rental propensities might well exist. Additionally, there appears to be substantial difficulties inherent in deriving a single marketing strategy which is optimal for lease-rental prone market segments, predicated on the basis of several segmentation variables which are diverse in nature. It can thus be concluded that the lease-rental market may well require multi-segmentation strategies. Substantially different strategies may well be required to optimally serve the various lease-rental prone market segments which appear to exist.
IV. DIRECTIONS FOR FUTURE RESEARCH

This research has been repeatedly characterized as being basic in nature. The endeavor of the research was to discern significant differences in ownership propensities among consumers possessing different characteristics with respect to relatively basic variables, or variables traditionally utilized for market segmentation purposes.

Additionally, it has been repeatedly submitted that ownership attitudes, the dependent variable of this study, were found to differ among respondents, as indicated by the relative "flatness" of the distribution of respondents' attitude scores. And although respondents tended to moderately favor property ownership, as indicated by the skewness of the distribution, a substantial number of respondents disfavored property ownership as a means of product acquisition.

It is implicit that further research regarding the ownership phenomenon might well be fruitful, due to the interest in the phenomenon which has been exhibited by marketing scholars, consumer behavior scholars, marketing practitioners, and scholars associated with disciplines other than marketing. In total, this study has examined certain basic variables, which might be viewed as an initial step in formulating the dimensions of the relatively complex ownership phenomena. In the process of this examination, it was found that ownership attitudes do differ, and
that those differences were, in part, effected by traditional explanatory variables. However, due to widespread interest in the ownership phenomena, further research utilizing additional variables is warranted.

Specifically, ownership attitudes were found to be significantly effected by home ownership vs. non-home ownership, and by the home ownership-education and mobility and life cycle stage interactions. These variables and variable combinations can be viewed as a base upon which to design future research. Several additional variables and variable combinations were found to approach significance. Included was the past leasing experience variable, and the home ownership-mobility, home ownership-age, age-education, occupation-past leasing experience, mobility-past leasing experience, and past leasing experience-life cycle stage interactions. These variables can be viewed as holding potential for future research, as the use of alternative methodologies might enhance their significance. Certain individual variables were found to be neither significant, nor approaching significance. Included were age, education, income, occupational status, mobility, and life cycle stage. Additionally, certain variable combinations were found to be neither significant nor approaching significance, including home ownership-past leasing experience, home ownership-occupational status, home ownership-income, age-past leasing experience, education-past leasing experience,
education-mobility, income-past leasing experience and income-mobility. These variables and variable combinations hold little promise for future research, and might well be deleted from consideration by future researchers.

It is thus submitted that future researchers might logically utilize the findings of this study as a basis for their research. Examinations of variables significantly effecting ownership attitudes, in addition to those discerned in this study, might logically begin with hypotheses concerning those variables which were found to approach significance, discussed previously. Those found to be neither significant, nor approaching significance can be discarded from consideration.

Upon this base, future researchers might generate hypotheses concerning a host of additional variables which might be related to ownership propensities. Those variables can be broadly dichotomized into: (1) explanations of varying ownership propensities eminating from the body of ownership literature, and (2) psychographic variables.

Table XII contains a synopsis of propositions, derived from the body of ownership literature examined in Chapter II,39 which were advanced by a number of analysts to explain varying ownership propensities. These propositions were not empirically examined in this basic research,

39Cf. ante, pp. 45-54 and 71-88.
TABLE XII
PROPOSITIONS REGARDING VARYING OWNERSHIP
PROPENSITIES: POSSIBILITIES
FOR FUTURE RESEARCH

<table>
<thead>
<tr>
<th>General Societal Trends</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technological affluence</td>
</tr>
<tr>
<td>Lease-rental proneness resulting from widespread acceptance of credit</td>
</tr>
<tr>
<td>Increased educational attainment</td>
</tr>
<tr>
<td>Failure of planned obsolescence to accommodate decreasing desires for possession permanency</td>
</tr>
<tr>
<td>Increasing status drives</td>
</tr>
<tr>
<td>Increasing general monetary affluence</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Convenience-Related Explanations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increasing constraints on consumer time</td>
</tr>
<tr>
<td>Goods acquisition convenience</td>
</tr>
<tr>
<td>Matching of products with consumer needs through product trial</td>
</tr>
<tr>
<td>Increasing storage problems in the home</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Family Finance-Related Explanations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial constraints upon purchase of a multitude of available commodities</td>
</tr>
<tr>
<td>Avoidance of long term financial investments in commodities</td>
</tr>
<tr>
<td>Aid in family financial planning and management</td>
</tr>
<tr>
<td>Potentially lower total costs of product usage</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Product and Market Specific Trends</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increasing propensities to entertain in the home</td>
</tr>
<tr>
<td>Increased recreational and leisure time</td>
</tr>
<tr>
<td>Increasing desires regarding do-it-yourself projects</td>
</tr>
<tr>
<td>Avoidance of guilt arising from purchase of labor saving devices</td>
</tr>
<tr>
<td>Relationships between life cycle stage and lease-rental of needed goods</td>
</tr>
</tbody>
</table>
but might hold promise for future research regarding the ownership phenomenon. The various propositions advanced by observers of the ownership phenomena are classified in accord with headings which reflect the nature of the respective propositions. The researcher interested in the relationships among general societal trends and ownership attitudes might be particularly interested in propositions included under that heading. Likewise, the researcher interested in convenience-related, family finance-related, or product and market specific explanations might focus upon variables included under those respective headings.

In recent years marketing researchers have devoted much attention to the examination of psychographic correlates of consumption behavior. In accord with a specific limitation set forth in Chapter I, psychographic variables were not examined in this study. However, it was noted that certain personality and/or life style characteristics might well be related to ownership propensities. The researcher interested in a further examination of the ownership phenomenon might well explore the relationships between ownership propensities and psychographic variables. Specifically, such personality factors as inner-other directedness, stability, compliance, acceptance of change, venturesomeness, risk perceptions, flexibility, and attitudes toward innovation, might be explored. Additionally, life style factors such as daily activities, major
interests, and key values might offer fruitful avenues for exploration.

The methodology utilized in the present research to enable measurement and analysis of the independent variables of this study will undoubtedly be inapplicable to the measurement and analysis of explanations of varying ownership attitudes included in Table XII, and/or psychographic variables. Thus future researchers will be required to adopt methodologies suited to the particular variables and variable combinations which they choose to examine. However, one contribution of this research was the provision of a valid and reliable methodology for measuring ownership attitudes, the dependent variable of this study. Future researchers might well utilize this methodology, regardless of sampling methodologies or independent variable configurations utilized.

One general implication for future research deserves mention. The present environment surrounding the United States consumer is presently undergoing rather basic change, in part attributable to impending energy and materials shortages. Such shortages could conceivably have a marked impact upon the consumer's attitudes toward property ownership and accumulation. One ramification of energy and material shortages might be a desire on the part of the consumer to secure long term relationships with his possessions, afforded by ownership and accumulation. Conversely,
lease-rental has been characterized as enabling the sharing of scarce commodities; thus the enlightened consumer may well increasingly accept lease-rental of commodities as a means whereby sharing can be affected.

Implicit in these considerations is a need to periodically re-examine the ownership phenomenon, to discern the direction and extent of attitude change toward property ownership. This endeavor would seemingly be imperative if the marketing system is to adequately adopt to consumer propensities which are heavily influenced by changing basic environmental conditions.

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BIBLIOGRAPHY
SELECTED BIBLIOGRAPHY

A. BOOKS


B. ARTICLES


C. MISCELLANEOUS SOURCES


APPENDIX A: THE MEASUREMENT INSTRUMENT

DIRECTIONS: On the next two pages you will see ten pairs of statements. Each statement is identified with an A or a B. Read both statements. Then check the box that best indicates your amount of agreement with A or B. Please indicate your reaction to every question, even though you may not feel strongly on the subject.

A. There are so many problems associated with owning a home and furnishings that I consider it a mistake to buy any more things than I absolutely have to.

B. Owning a home with all appropriate furnishings should be one of the ultimate aims of everyone in our society.

A. I see little status or permanency attached to my dwelling place, and I attach more value to being able to change my surroundings once in a while.

B. I see "home is my castle," and my house and its furnishings give me a sense of permanency and status.

A. I like to buy on credit because I get to use goods even though I can't pay for them all at once.

B. I like to pay cash for goods, even though I must save for a while before making purchases.

A. I like to buy mechanical goods that I need even if they do break down occasionally; owning them is much better than not owning them regardless of problems involved.

B. I don't like to buy mechanical goods; not owning them is much better than owning them because of problems involved.

A. One can often avoid financial difficulties by using available financing plans.

B. One should always attempt to save and pay cash for purchases even if it imposes financial difficulties for a while.

NEXT PAGE, PLEASE
APPENDIX A (continued)

A. If the cost was the same either way, I'd drive a car that I own rather than a rented car.
B. If the cost was the same either way, I'd drive a rented car rather than one that I own.

A. There is little personal satisfaction in working merely to eventually own a home, its furnishings and a car or two.
B. There is great personal satisfaction in working so that one can eventually own a home, its furnishings and a car or two.

A. One who lives in rented housing for long periods of time is foolish as he will never have his "roots" firmly planted.
B. One who lives in rented housing for long periods of time is wise because he then has great flexibility to choose where he wants to live.

A. The trouble with buying a "major" good is that I'm stuck with my purchase for years to come.
B. When I make a "major" purchase I get satisfaction from knowing that I will have the good for years to come.

A. It is necessary to own the things that I need for a suitable existence if life is to be meaningful.
B. I resent having to buy the things necessary for a suitable existence. If I could rent the things I need on a long term basis I'd be much better off.
APPENDIX A (continued)

DIRECTIONS: It is vital that you answer the following questions so that the opinions that you have expressed can be classified with others who participate in the survey. A brief reminder—there is no way in which you can be associated with these answers.

1. What is the age of the major wage earner in your home?
   A. _____ 16-25   D. _____ 46-55
   B. _____ 26-35   E. _____ 56-65
   C. _____ 36-45   F. _____ 66 or over

2. Regarding your place of residence:
   A. _____ Do you own your home?
   B. _____ Do you rent your place of residence?

3. Have you rented or leased any goods (other than your place of residence) within the past year for use by you or your family?
   A. _____ Yes
   B. _____ No
   If "yes," what good or goods were rented? ____________________________

4. How much education has the major wage earner in your home had?
   A. _____ Some grade school or a grade school diploma
   B. _____ Some high school
   C. _____ High school diploma
   D. _____ Some college
   E. _____ College degree
   F. _____ Graduate work or graduate degree(s)

5. What is the occupation of the major wage earner in your home?

6. Have you changed your place of residence in the past two years?
   A. _____ Yes
   B. _____ No
   If "yes," did you move:
   A. _____ From another residence in Atlanta or its suburbs?
   B. _____ From a residence in Georgia, but outside of Atlanta or its suburbs?
   C. _____ From another state?

NEXT PAGE, PLEASE
7. Are you married?
   A. _____ Yes
   B. _____ No

8. Do you have children?
   A. _____ Yes
   B. _____ No
   
   If "yes," how old is your oldest child?
   A. _____ 5 or under
   B. _____ 6 to 10
   C. _____ 11 to 15
   D. _____ 16 to 20
   E. _____ 21 or over

9. What is your family's yearly income?
   A. _____ $2,500 - $5,000
   B. _____ $5,000 - $7,500
   C. _____ $7,500 - $10,000
   D. _____ $10,000 - $12,500
   E. _____ $12,500 - $15,000
   F. _____ $15,000 - $17,500
   G. _____ $17,500 - $20,000
   H. _____ Over $20,000

Please insert the questionnaire in the reply envelope, and mail it as soon as possible.
I deeply appreciate your cooperation!
APPENDIX B: VALIDITY AND RELIABILITY OF THE ATTITUDE SCALE

*t Test for Attitude Statement Validity; Data from the Pilot Study*

<table>
<thead>
<tr>
<th>ITEMS:</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
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<td>33.000</td>
<td>38.000</td>
<td>39.000</td>
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<td>Sum 10 Low</td>
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<td>11.000</td>
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<td>12.000</td>
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<tr>
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<td>26.000</td>
<td>23.000</td>
<td>27.000</td>
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<td>3.500</td>
<td>3.900</td>
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<td>1.300</td>
<td>1.200</td>
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<td>t Value</td>
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<td>5.400</td>
<td>4.910</td>
<td>8.810</td>
<td>5.400</td>
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<td>.001</td>
<td>.001</td>
<td>.001</td>
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<th>9</th>
<th>10</th>
<th>11</th>
<th>12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sum 10 High</td>
<td>32.000</td>
<td>40.000</td>
<td>33.000</td>
<td>38.000</td>
<td>31.000</td>
<td>28.000</td>
</tr>
<tr>
<td>Sum 10 Low</td>
<td>16.000</td>
<td>13.000</td>
<td>13.000</td>
<td>11.000</td>
<td>10.000</td>
<td>10.000</td>
</tr>
<tr>
<td>Difference</td>
<td>16.000</td>
<td>27.000</td>
<td>20.000</td>
<td>27.000</td>
<td>21.000</td>
<td>18.000</td>
</tr>
<tr>
<td>Mean/High</td>
<td>3.200</td>
<td>4.000</td>
<td>3.300</td>
<td>3.800</td>
<td>3.100</td>
<td>2.800</td>
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<td>Mean/Low</td>
<td>1.600</td>
<td>1.300</td>
<td>1.300</td>
<td>1.100</td>
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<td>1.000</td>
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<tr>
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<td>7.630</td>
<td>5.870</td>
<td>4.770</td>
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<tr>
<td>Significant @</td>
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<td>.001</td>
<td>.001</td>
<td>.001</td>
<td>.010</td>
<td>.010</td>
</tr>
</tbody>
</table>

\[
t = \frac{\bar{X}_h - \bar{X}_l}{\sqrt{\frac{S_h^2}{n_h} + \frac{S_L^2}{n_L}}}
\]

where: \( \bar{X}_h \) = mean score for the high group

\( \bar{X}_l \) = mean score for the low group

\( S_h^2 \) = high group variance

\( S_L^2 \) = low group variance

\( n_h \) = number of observations in the high group

\( n_L \) = number of observations in the low group

*Statements 1 and 7 failed to statistically discriminate the upper 10 per cent and the lower 10 per cent of respondents at the .01 confidence level. Thus they were not included in the attitude measurement instrument used in the present study.*
APPENDIX B (continued)

Calculation of the Split-Half Reliability of the Measurement Instrument

1. Pearson product-moment coefficient:

\[ r = \frac{N \Sigma XY - (\Sigma X)(\Sigma Y)}{\sqrt{[N\Sigma X^2 - (\Sigma X)^2][N\Sigma Y^2 - (\Sigma Y)^2]}} \]

where:
- \( N \) = number of pairs of scores
- \( \Sigma XY \) = sum of the products of the paired scores
- \( \Sigma X \) = sum of scores on even numbered statements
- \( \Sigma Y \) = sum of scores on odd numbered statements
- \( \Sigma X^2 \) = sum of the squared scores on even numbered statements
- \( \Sigma Y^2 \) = sum of the squared scores on odd numbered statements

\[ r = \frac{(104)(12919) - (1211)(1030)}{\sqrt{[(104)(15639) - (1211)^2][(104)(11774) - (1030)^2]}} = .60 \]

2. Correction of the product-moment correlation coefficient:

\[ .60 \times 2 = 1.20 \]
\[ .60 + 1 = 1.60 \]
\[ \frac{1.20}{1.60} = .75 \]

3. The significance of the correlation coefficient:

\[ z = r \sqrt{N - 1} \]
\[ = (.75) \sqrt{103} \]
\[ = 7.63, \text{ significant at .05} \]
APPENDIX C: SAMPLE SIZE CALCULATIONS

1. Optimum Sample Size Formula:

\[ \bar{X} + k \sqrt{\frac{s}{n}} \]

where:
- \( \bar{X} \) = mean for the universe
- \( k \) = coefficient for confidence at .95
- \( s \) = variance
- \( n \) = sample size

\[ E = k \sqrt{\frac{s}{n}} \]

where:
- \( E \) = error term

\[ \sqrt{n} = \frac{ks}{E} \]

\[ n = \frac{k^2 s^2}{E^2} \]

2. Summary Data:

<table>
<thead>
<tr>
<th>Variable</th>
<th>Attitude</th>
<th>Education</th>
<th>Age</th>
<th>Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>coefficient for</td>
<td>1.96</td>
<td>1.96</td>
<td>1.96</td>
<td>1.96</td>
</tr>
<tr>
<td>confidence ( k )</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>variance ( s^2 )</td>
<td>52.00</td>
<td>7.70</td>
<td>168.00</td>
<td>41 million</td>
</tr>
<tr>
<td>error term ( E )</td>
<td>1 pt.</td>
<td>.5 yr.</td>
<td>2 yrs.</td>
<td>$1,000</td>
</tr>
<tr>
<td>sample size ( n )</td>
<td>200.00</td>
<td>118.00</td>
<td>160.00</td>
<td>160.00</td>
</tr>
</tbody>
</table>

3. Conclusion:

A minimum of 200 observations will be sufficient to be 95 per cent certain that sample means will be:

\[ \pm 1 \text{ point from the pilot study attitude mean}; \]
\[ \pm .5 \text{ year from the pilot study education mean}; \]
\[ \pm 2 \text{ years from the pilot study age mean}; \]
\[ \pm $1,000 \text{ from the pilot study income mean}. \]

APPENDIX D: MEAN OWNERSHIP ATTITUDE SCORES: *
EFFECTS OF INDIVIDUAL VARIABLES

Home Ownership vs. Non-Home Ownership: Significant at .0005

<table>
<thead>
<tr>
<th>Classification</th>
<th>Mean Attitude Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing Renters</td>
<td>35.41</td>
</tr>
<tr>
<td>Housing Owners</td>
<td>39.43</td>
</tr>
</tbody>
</table>

Age: Significant at .32

<table>
<thead>
<tr>
<th>Age Classification</th>
<th>Mean Attitude Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>16-25</td>
<td>36.00</td>
</tr>
<tr>
<td>26-35</td>
<td>35.10</td>
</tr>
<tr>
<td>36-45</td>
<td>36.77</td>
</tr>
<tr>
<td>46-55</td>
<td>36.60</td>
</tr>
<tr>
<td>56-65</td>
<td>38.71</td>
</tr>
<tr>
<td>66 or over</td>
<td>41.35</td>
</tr>
</tbody>
</table>

Educational Attainment: Significant at .53

<table>
<thead>
<tr>
<th>Education Classification</th>
<th>Mean Attitude Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less Than High School Diploma</td>
<td>38.91</td>
</tr>
<tr>
<td>High School Diploma</td>
<td>38.31</td>
</tr>
<tr>
<td>Some College</td>
<td>37.02</td>
</tr>
<tr>
<td>College Degree</td>
<td>37.07</td>
</tr>
<tr>
<td>Graduate Work or Degree(s)</td>
<td>35.76</td>
</tr>
</tbody>
</table>

Family Income: Significant at .56

<table>
<thead>
<tr>
<th>Income Classification</th>
<th>Mean Attitude Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 7,500 or less</td>
<td>38.91</td>
</tr>
<tr>
<td>7,500-10,000</td>
<td>35.96</td>
</tr>
<tr>
<td>10,000-12,500</td>
<td>35.88</td>
</tr>
<tr>
<td>12,500-15,000</td>
<td>37.24</td>
</tr>
<tr>
<td>15,000-17,500</td>
<td>37.32</td>
</tr>
<tr>
<td>17,500-20,000</td>
<td>38.47</td>
</tr>
<tr>
<td>20,000 or over</td>
<td>38.15</td>
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</tbody>
</table>

*High scores indicate high ownership preferences; low scores indicate low ownership preferences.
APPENDIX D (continued)

Occupational Status: Significant at .81

<table>
<thead>
<tr>
<th>Occupation Classification</th>
<th>Mean Attitude Score</th>
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</thead>
<tbody>
<tr>
<td>Professional and Technical</td>
<td>36.29</td>
</tr>
<tr>
<td>Managers, Government Officials and Business Proprietors</td>
<td>37.09</td>
</tr>
<tr>
<td>Clerical and Sales</td>
<td>37.63</td>
</tr>
<tr>
<td>Service Workers and Laborers</td>
<td>37.64</td>
</tr>
<tr>
<td>Retired and Unemployed</td>
<td>38.46</td>
</tr>
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Mobility: Significant at .74

<table>
<thead>
<tr>
<th>Mobility Classification</th>
<th>Mean Attitude Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Have Not Moved in Past Two Years</td>
<td>37.61</td>
</tr>
<tr>
<td>Moved Within Metropolitan Atlanta</td>
<td>38.27</td>
</tr>
<tr>
<td>Moved to Atlanta From Another</td>
<td>35.68</td>
</tr>
<tr>
<td>Georgia Residence</td>
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</tr>
<tr>
<td>Moved From Out of State</td>
<td>38.13</td>
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</table>

Past Leasing-Rental Experience: Significant at .09

<table>
<thead>
<tr>
<th>Classification</th>
<th>Mean Attitude Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Have Leased-Rented in Past Year</td>
<td>36.62</td>
</tr>
<tr>
<td>Have Not Leased-Rented in Past Year</td>
<td>38.22</td>
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</table>

Family Life Cycle Stage: Significant at .55

<table>
<thead>
<tr>
<th>Life Cycle Stage</th>
<th>Mean Attitude Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single</td>
<td>37.59</td>
</tr>
<tr>
<td>Married, No Children</td>
<td>37.92</td>
</tr>
<tr>
<td>Married, Oldest Child Under 5</td>
<td>39.95</td>
</tr>
<tr>
<td>Married, Oldest Child 6-10</td>
<td>36.56</td>
</tr>
<tr>
<td>Married, Oldest Child 11-15</td>
<td>36.93</td>
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<td>Married, Oldest Child 16-20</td>
<td>36.33</td>
</tr>
<tr>
<td>Married, Oldest Child 21 or Over</td>
<td>36.65</td>
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</tbody>
</table>
APPENDIX E: SIGNIFICANCE OF THE MAIN EFFECTS OF THE INDEPENDENT VARIABLES ON OWNERSHIP ATTITUDE SCORES: AN ALTERNATIVE MODEL CONTAINING INTERACTION EXPRESSIONS

<table>
<thead>
<tr>
<th>Variable</th>
<th>Level of Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home Ownership vs. Non-Home Ownership</td>
<td>.70</td>
</tr>
<tr>
<td>Age</td>
<td>.22</td>
</tr>
<tr>
<td>Educational Attainment</td>
<td>.05</td>
</tr>
<tr>
<td>Family Income</td>
<td>.33</td>
</tr>
<tr>
<td>Occupational Status</td>
<td>.13</td>
</tr>
<tr>
<td>Mobility</td>
<td>.18</td>
</tr>
<tr>
<td>Past Leasing Experience</td>
<td>.94</td>
</tr>
<tr>
<td>Life Cycle Stage</td>
<td>.25</td>
</tr>
</tbody>
</table>
APPENDIX F: MEAN OWNERSHIP ATTITUDE SCORES:*
EFFECTS OF SIGNIFICANT VARIABLE COMBINATIONS

The Home Ownership-Educational Attainment Interaction: Significant at .05

<table>
<thead>
<tr>
<th></th>
<th>Some High School Diploma</th>
<th>Some College Degree</th>
<th>Graduate Degree(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home Owners</td>
<td>56.58</td>
<td>45.25</td>
<td>39.64</td>
</tr>
<tr>
<td>Non-Home Owners</td>
<td>47.15</td>
<td>54.65</td>
<td>42.97</td>
</tr>
</tbody>
</table>

The Mobility-Life Cycle Interaction: Significant at .03

<table>
<thead>
<tr>
<th></th>
<th>Moved From GA to Atlanta</th>
<th>Moved Within Atlanta</th>
<th>Have Not Moved</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Moved From State</td>
<td>Metro Area</td>
<td>Moved From Metro Area</td>
</tr>
<tr>
<td>Single</td>
<td>27.63</td>
<td>91.33#</td>
<td>37.21</td>
</tr>
<tr>
<td>Married, No Children</td>
<td>25.35</td>
<td>64.59</td>
<td>37.80</td>
</tr>
<tr>
<td>Married, Oldest Child</td>
<td>28.93</td>
<td>63.46#</td>
<td>38.46</td>
</tr>
<tr>
<td>Child Under 5</td>
<td>24.99</td>
<td>-----+</td>
<td>39.17</td>
</tr>
<tr>
<td>Married, Oldest Child</td>
<td>22.47</td>
<td>-----+</td>
<td>36.57</td>
</tr>
<tr>
<td>Child 6-10</td>
<td>11.99</td>
<td>-----+</td>
<td>56.13</td>
</tr>
<tr>
<td>Married, Oldest Child</td>
<td>36.57</td>
<td>23.88</td>
<td>35.79</td>
</tr>
</tbody>
</table>

*High scores indicate high ownership preferences; low scores indicate low ownership preferences.

#An inadequate number of observations led to abnormal estimates of mean attitude scores.

+No observations existed in these cells.
APPENDIX G: MEAN OWNERSHIP ATTITUDE SCORES:*
EFFECTS OF COMBINATION VARIABLES
WHICH APPROACHED SIGNIFICANCE

The Home Ownership-Mobility Interaction: Significant at .07

<table>
<thead>
<tr>
<th></th>
<th>Home Owners</th>
<th>Non-Home Owners</th>
</tr>
</thead>
<tbody>
<tr>
<td>Have Not Moved in Past Two Years</td>
<td>48.93</td>
<td>40.27</td>
</tr>
<tr>
<td>Moved Within Atlanta Metropolitan Area</td>
<td>40.85</td>
<td>39.47</td>
</tr>
<tr>
<td>Moved to Atlanta From Another GA Residence</td>
<td>66.98*</td>
<td>86.18*</td>
</tr>
<tr>
<td>Moved From Out of State</td>
<td>24.64</td>
<td>26.19</td>
</tr>
</tbody>
</table>

The Home Ownership-Age Interaction: Significant at .06

<table>
<thead>
<tr>
<th>Age</th>
<th>Home Owners</th>
<th>Non-Home Owners</th>
</tr>
</thead>
<tbody>
<tr>
<td>16-25</td>
<td>43.01</td>
<td>46.83</td>
</tr>
<tr>
<td>26-35</td>
<td>45.54</td>
<td>44.31</td>
</tr>
<tr>
<td>36-45</td>
<td>40.21</td>
<td>31.35</td>
</tr>
<tr>
<td>46-55</td>
<td>38.37</td>
<td>36.16</td>
</tr>
<tr>
<td>56-65</td>
<td>40.31</td>
<td>40.66</td>
</tr>
<tr>
<td>66 or Over</td>
<td>64.68*</td>
<td>88.87*</td>
</tr>
</tbody>
</table>

The Age-Educational Attainment Interaction: Significant at .07

<table>
<thead>
<tr>
<th>Education</th>
<th>16-25</th>
<th>26-35</th>
<th>36-45</th>
<th>46-55</th>
<th>56-65</th>
<th>66 or Over</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less Than High School Diploma</td>
<td>61.56*</td>
<td>51.09</td>
<td>19.44</td>
<td>30.21</td>
<td>31.27</td>
<td>----+*****</td>
</tr>
<tr>
<td>High School Diploma</td>
<td>48.17</td>
<td>48.18</td>
<td>48.10</td>
<td>50.00</td>
<td>43.74</td>
<td>----+*****</td>
</tr>
<tr>
<td>Some College</td>
<td>36.98</td>
<td>42.21</td>
<td>34.55</td>
<td>31.66</td>
<td>44.04</td>
<td>50.25</td>
</tr>
<tr>
<td>College Degree</td>
<td>43.02</td>
<td>38.70</td>
<td>36.52</td>
<td>34.59</td>
<td>37.37</td>
<td>46.83</td>
</tr>
<tr>
<td>Graduate Work or Degree(s)</td>
<td>34.87</td>
<td>44.46</td>
<td>40.27</td>
<td>39.88</td>
<td>45.98</td>
<td>----+*****</td>
</tr>
</tbody>
</table>

*High scores indicate high ownership preferences; low scores indicate low ownership preferences.

#An inadequate number of observations led to abnormal estimates of mean attitude scores.

+No observations existed in these cells.
APPENDIX G (continued)

The Occupational Status-Past Leasing/Renting Experience Interaction: Significant at .08

<table>
<thead>
<tr>
<th>Occupation Classification</th>
<th>Have Leased/ Rented In Past Year</th>
<th>Have Not Leased/ Rented In Past Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional and Technical Managers, Government Officials and Proprietors</td>
<td>51.51</td>
<td>49.14</td>
</tr>
<tr>
<td>Clerical and Sales</td>
<td>57.49</td>
<td>47.29</td>
</tr>
<tr>
<td>Service Workers and Laborers</td>
<td>54.53</td>
<td>49.07</td>
</tr>
<tr>
<td>Retired or Unemployed</td>
<td>45.42</td>
<td>46.23</td>
</tr>
</tbody>
</table>

The Mobility-Past Leasing/Rental Experience Interaction: Significant at .09

<table>
<thead>
<tr>
<th>Mobility Classification</th>
<th>Have Leased/ Rented In Past Year</th>
<th>Have Not Leased/ Rented In Past Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Have Not Moved in Past Two Years</td>
<td>47.84</td>
<td>41.36</td>
</tr>
<tr>
<td>Moved Within Atlanta Metropolitan Area</td>
<td>39.20</td>
<td>41.12</td>
</tr>
<tr>
<td>Moved to Atlanta From Another GA Residence</td>
<td>75.69*</td>
<td>77.47#</td>
</tr>
<tr>
<td>Moved From Out of State</td>
<td>22.43</td>
<td>28.40</td>
</tr>
</tbody>
</table>

*An inadequate number of observations led to abnormal estimates of mean attitude scores.

+No observations existed in these cells.
The Past Leasing Experience-Life Cycle Interaction:
Significant at .06

<table>
<thead>
<tr>
<th>Life Cycle Stage</th>
<th>Have Leased/ Rented In Past Year</th>
<th>Have Not Leased/ Rented In Past Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single</td>
<td>55.42*</td>
<td>48.82</td>
</tr>
<tr>
<td>Married, No Children</td>
<td>44.47</td>
<td>43.48</td>
</tr>
<tr>
<td>Married, Oldest Child 5 or Under</td>
<td>45.52</td>
<td>42.78</td>
</tr>
<tr>
<td>Married, Oldest Child 6-10</td>
<td>49.22</td>
<td>42.18</td>
</tr>
<tr>
<td>Married, Oldest Child 11-15</td>
<td>39.69*</td>
<td>46.51*</td>
</tr>
<tr>
<td>Married, Oldest Child 16-20</td>
<td>55.02*</td>
<td>70.30*</td>
</tr>
<tr>
<td>Married, Oldest Child 21 or Over</td>
<td>34.69</td>
<td>35.56</td>
</tr>
</tbody>
</table>

*An inadequate number of observations led to abnormal estimates of mean attitude scores.
VITA

Robert W. Obenberger was born on July 29, 1942 in West Bend, Wisconsin. He was raised in West Bend and Hartford, Wisconsin, and was graduated from Hartford Union High School in June, 1960.

In September, 1960 he entered the University of Wisconsin at Whitewater, and majored in Business Administration. After graduating from Wisconsin--Whitewater in June, 1964 he entered graduate school at Northern Illinois University and was graduated with a Master of Science in Marketing in August, 1966.

After teaching for five years at Indiana State University, he became a doctoral student at Louisiana State University in the Fall of 1971. He majored in Marketing, and minored in Sociology and Management Communications. He is currently a candidate for the Doctor of Philosophy degree in Marketing at Louisiana State University.

He has accepted a teaching position at the University of Wisconsin--Green Bay, beginning in August, 1974.
EXAMINATION AND THESIS REPORT

Candidate: Robert W. Obenberger

Major Field: Marketing

Title of Thesis: The Ultimate Consumer's Attitudes Toward Property Ownership: Conceptual and Empirical Foundations

Approved:

[Signatures]

Major Professor and Chairman

Dean of the Graduate School

EXAMINING COMMITTEE:

[Signatures]

Wendell H. Hester (P44)

[Signatures]

Raymond Reeder

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Fred K. Riedel

Date of Examination: July 2, 1974