

Ph.D. Projects in Economic Sociology

Social Determinants of Innovative Consumption Practices: Use of Computers and Internet in the Russian Households

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Consumption has been an object of study both in economics and sociology. In sociology dominant theories of consumption had a tendency to focus either on symbolic meaning of goods, or on the moral judgments of consumerism: consumption of symbols, conspicuous consumption, and consumption society. Macroeconomics studies the evolution of aggregated consumption and its reaction on macroeconomic shocks and shifts in government economic policies. Microeconomics is focused on the effects of relative price changes and imperfect and asymmetric information on individual consumption behaviour. Behavioural economics tries to explain seemingly irrational consumers' behaviour including savings and consumption credit decisions. Studies of household budgets, especially conducted on Russian data, have a tendency to look at deprived population from the point of view of strategies of survival or focus on income and consumption inequality. Thus, consumption in economics is mostly viewed through the lenses of price, disposable income and (ir)rationality.

The author of this research would like to take a more balanced look on emerging consumption practices as a part of everyday social life from the perspective of economic sociology drawing on the diffusion of innovations instruments. Why are new consumption practices, such as making purchases via Internet adopted by some Internet users, but not the others? Are changes in domains other than individual or household consumption, such as professional life and place of residence, associated with adoption of new consumption practices?

The contribution of this research is intended to add to two distinct, but related fields. First, to the diffusion of innovations literature, which is currently focused on the following elements of diffusion: the innovation, communication channels, time, and a social system, primarily its structure

(Rogers, 2003), by emphasizing the importance of individual life history perspective to the process. Second, to the body of economic sociology studies by focusing on consumption, which has been neglected for a long time in favour of production and distribution (Zelizer, 2005). Theories of practice offers the best framework for answering the stated above research questions, avoiding both extremes of undersocialized and oversocialized individual, providing a tool for analysis of emerging consumption practices, and shifting attention from symbolic communication to actions (Warde, 2005).

Diffusion of innovations studies have identified the following variables related to innovativeness: more years of formal education, greater degree of social status, and upward social mobility. It has been established that income, though highly related to innovativeness, does not offer a complete explanation of innovation adoption (Rogers, 2003: 289). I will focus on the relation not only of the current status of this variables to the innovativeness, but of the changes that have occurred in the respective domains: level of education and number educational institutions attended, current occupational position and number of jobs held during last say, ten years, place of residence and number of relocations, etc.

I argue that not only current status, but the change that has occurred to the status of these variables during a lifetime will explain innovativeness in consumption. The mechanism of such influence is thought to be twofold. First, the change in these variables is accompanied with the accumulation of weak ties (Granovetter, 1973), which is especially articulate in the case of education and occupation. Weak ties are instrumental in gaining access to information that an individual does not possess already, thus leading at least to a potential of innovation adoption. Second, the more change we will see in these variables, the more likely the individual is open to change in other regards, including consumption practices.

The hypotheses would be tested on the data of the Russian Longitudinal Monitoring Survey (RLMS-HSE), a national representative household survey designed to monitor the effects of Russian reforms on the economic well-being and health of household and individuals and carried out since 1994. The database has vast information on household

consumption, expenditures, incomes, geographical and employment mobility of its members, and community data. Of the most interest is RLMS-HSE 18th round administered in 2009, which included a block of questions on new products and services and focused on computer and Internet utilization in the household.

There does not seem to exist a huge digital divide in Russia according to the 2009 RLMS survey. Computers at home are owned by 59% of the general public, as compared to 71% of the individuals from the upper income quintile. Internet at home is in disposal of 46% of all Russian population, and 60% of the upper income quintile representatives. At the same time, online activities differ much more considerably between these two groups. This existing variability in adopting Internet activities allows for applying regression analysis in order to study its social determinants.

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