

Outline the nature of  
supermarket power  
on the high street and  
beyond



**ASSIGN  
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Outline the nature of supermarket power on the high street and beyond. For this essay, I will attempt to construct an argument based on outlining and explaining supermarket power and where it comes from. To do this, I will go back to the very basics of consumerism and build up from there to the market power and buying power of supermarkets. Defining Consumption Consumption is defined as the “ utilization of economic goods in the satisfaction of wants or in the process of production resulting chiefly in their destruction, deterioration, or transformation”, (Merriam Webster, 2013).

This definition sets the tone for consumer society and consumption itself. Kevin Hetherington describes a consumer society as a “ label used to refer to a society which is defined as much by how and what people purchase and use as by what they make or do. ” (Hetherington, 2012, p. 13) Social consumption is affected by two main factors: need and want. Need is something of necessity, for example food, shelter. A want is something that an individual requires mostly out of impulse without any essential need for the product or service. Why do we consume?

An individual consumes for many reasons. Some of which are outlined below.

- They are influenced by the media and advertising.
- Social status.
- The theory of “ keeping up with the Joneses”.
- The economy encourages it and thrives on it.
- The need for identity. Schouten and McAlexander theorize subculture by using the example of the Harley Davidson Bike Club and it’s role in society. This is an excellent example of the progression of a product within the consumer society. It is a product that has spawned it’s own specific society and identity. At present, there are numerous Harley clubs all over the world with individuals who associate and identify with the Harley

Davidson brand and product. That society then use that brand and product to convey their own identities. Another example of a company that has created a subculture is the World of Warcraft online game. Their followers have used the game to create their own culture of gaming fanatics. However, like many activities, their reputation perceives them to be social out-casts despite the fact that they are a collective group. Identities can be created with a product and brand but unfortunately so can stereotypes.

Income is a necessity when it comes to consumption however the level of income can be the deciding factor of social status (and in some cases even identity) due to income being the main method of consuming assets. When an individual is employed and has a higher disposable income than other people, their social status goes up and they inevitably become a valuable strength for the consumer market. The media is generally responsible for making products and services look attractive and irresistible to the public. The marketing of products and services are focused directly on target audiences whom are derived and identified by market research.

The media can also exploit the fame of celebrities to convey messages to the public to set trends. These trends encourage and influence the general public to consume. The psychology of this can be interpreted as by purchasing items that are conveyed to us by the media, we can ultimately become what they portray. An example of this would be the marketing of Beats by Dr Dre. They are expensive, designer headphones that were previously advertised by Canadian singer Justin Bieber. Mr Bieber was pictured in magazines wearing a specific style of the headphones.

His fans purchased the exact style of headphones as he wore; subconsciously wanting to be closer to him or possibly in some cases to be just like him. Endorsements by celebrities are extremely popular nowadays and with the popularity of social media, endorsement is everywhere. Bauman's Theory Social scientist Zygmunt Bauman believes that collectively, a group of consumers can be divided and defined into two groupings. One group is called the " seduced". The seduced are members of the public who are constantly consuming goods and services and have the disposable income to do so.

This is a type of person who has a definitive job and who treats the idea of identity with a lot of consideration. They convey themselves to others very carefully and are free to spend to conform. The other group Bauman refers to as the " repressed". Bauman defines this group as those " who are excluded from this consumer society or who are pushed to its margins", (Hetherington, 2012, p. 28). He considers this group to include individuals who are in jobs without a salary, part-time employment, the disabled and people with basic pensions. Development of Mass Consumption

The development of the world's first department store in Paris in 1869 saw the real start of mass consumption. The idea behind the department store was to have many forms of mass-produced goods all under one roof. It became a place of luxury where the seduced could be catered for. The idea of a department store was of importance to women in the Victorian era because it meant that they could peruse the store's wares without the need of a chaperone. It was a safe haven for women to shop without causing a scandal by being seen in the street on their own.

Back then; the Victorian era was notorious for having dangerous streets where women of status could be harassed. The department store became popular amongst high society and spread across Europe. The development of this idea has led to modern day department stores such as Debenhams and Harrods. These stores continue to assist the seduced into mass consumption. Market Power Hetherington defines market power as the “ power to influence market conditions, including price, independently of competitors. ” (Hetherington, 2012, p. 66) An example of market power is when a shop (e. . Centra) has a special offer “ meal deal” consisting of items reduced in cost by half price or less. These special offers often influence the consumer’s choice of meal. Buyer Power Hetherington defines buyer power as the “ relative bargaining power between firms and their suppliers”. (Hetherington, 2012, p. 66) An excellent example of present day buyer power is Musgraves ownership of the McGuigan Vineyard in Australia. This allows Musgraves to sell the wine at reduced prices that suit them and the consumer. It acts a conduit.

Marketplace monopoly is a “ position where a firm... has the power to prevent, restrict or distort competition in a particular market”, (Hetherington, 2012, p. 72). Large companies such as Tesco use their market power and buyer power to dominate the marketplace and place themselves in situations where they draw a large percentage of consumers within an area to their shops. They entice customers with their low prices, loyalty schemes (club card points), purchase offers and large selections. In Waterford County there are five Tescos; many of which dominate the consumer market in their respective areas.

Conclusion It is impossible to attempt to summarize or condense the explanation of consumption in its entirety because it is a subject that is forever changing. It is an industry that is influenced by endless factors. It is also an industry that has many means of advertising and drawing its public in. With the influence of big conglomerates, the marketplace can be dangerous for the smaller store. The larger company will almost always dominate the marketplace and in this present economy, it is the survival of the strongest.

The market was created for the public's needs and now it can go as far as to dictate society's needs and wants. Word count: 1265 References:

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