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INDIA'S NEW MIDDLE CLASS: Meet The Call Center Couple

Jagdish Sheth
Emory University



Introduction

Just as the political independence of 1947 and the economic reforms of 1991 transformed India into one of the world's largest democracies and business entrepreneurship respectively, the rise of the New Middle Class which I refer to as The Call Center Couple (CCC) will transform India's family structure, markets and workplace as we know today.

While independence resulted in democratization of politics and economic reforms resulted in democratization of wealth, the rise of The New Middle Class will forever democratize the family and employment markets.

The Call Center Couple (CCC)

Who is this Call Center Couple as a symbol of the New Middle Class and how it will influence markets, work and family?

The Call Center Couple is a young family where both husband and wife have college degrees and both have to work to economically survive and achieve their aspirations. Neither wants to have their parents to live with them. They believe parents deprive their freedom and independence, and possibly interfere in their new life style. In other words, parents are no longer an asset, but bordering on becoming a liability. What matters to this New Middle Class is personal independence and freedom. In the United States, we often refer to them as DINKS (Dual Income No Kids). Time has become the most scarce resource and since both work, there is permanent time shift and time poverty for daily activities of shopping, working, sleep and recreation.

They cannot live without a personal cell phone of their own. They communicate by instant text messages to each other continuously. Nobody will be home between 8am to 8pm on Mondays through Fridays. And The Call Center Couple has a

hard time catching up with what they want to or need to do over the weekend. Sunday becomes very precious and the couple resents any intrusion from the boss or from other family members. To cope with life, both are desperately latching on to spirituality (independent of religious rituals) and to holistic life style with yoga and meditation.

The Call Center Couples are everywhere and transcend the traditional metro vs. non-metro market definitions as they also transcend religion and subcultures of India. In fact, while the percentage may be greater in the metro markets, the absolute numbers of this New Middle Class are much bigger in non-metro markets. The most common language both at work and at home is English even though both of them come from the same linguistic and cultural heritage.

In my view, rise of this New Middle Class is widespread, one way and a permanent discontinuity from the past. In other words, it is a non-linear change in values, opinions and activities from the previous generations. And the generation gap is no longer twenty five years but as short as ten years. Often, the younger sister or brother cannot relate to their older siblings within the same family if they are seven to ten years apart.

The joint family or even the extended family tradition will give way to a nucleus family structure where the definition



of family itself is narrowed to husband, wife and any children. It does not include parents, brothers and sisters or uncles, aunts and cousins.

How will this non-linear change affect markets, family unit and the workplace? Here are some thoughts:

Outsourcing Comes Home

The Call Center Couple has neither the time nor the inclination to make things at home. Instead, they will outsource the traditional homemaking activities such as cooking, cleaning and childcare. What happened to pickles will also happen to papad, cooked rice, vegetables, curry and chapati. This New Middle Class will buy products and services instead of making them at home. And this goes for laundry, house cleaning and child care.

The good news is that when consumers make things at home, it is not calculated in the gross domestic product (GDP) of a nation but when they buy it from the market place, it is. This will also generate faster economic growth. The bad news is that the Call Center Couple will, over time, become incompetent in homemaking skills and therefore, cannot pass them on to the next generation. Succession stops here.

I have also observed again and again that when the society gives up an activity by outsourcing to others, it always comes back as a hobby. For example, hunting, fishing, gardening, and baking breads have already emerged as hobbies in most advanced countries. The fastest growing hobby is cooking and the fastest growing cable channel is the Food Channel. We are making ordinary chefs into celebrities just as we do with show business (Bollywood) actors and professional sports players.

Goodbye to the Neighborhood Provision Store

This Call Center Couple cannot relate to the age old neighborhood provision store owner who had a multi-generation relationship with their parents and grandparents. The delivery boy came everyday to replace the daily necessities. Similarly, the milk man, the laundry man and recyclable newspaper waste collector are not welcome anymore because there is nobody at home during the working hours. Even more importantly, this New Middle Class wants to buy only branded products which are ready to consume. The Call Center Couple has no time to do the value add to unbranded grains such as rice, wheat and dhals or fresh vegetables from the market. And they want to do one stop shopping at a modern, self service supermarket or hypermarket such as the Big Bazaar and the Metro. Branding matters a lot to them and they are both quality conscious and value conscious.

When Wants Become Needs

What were wants and aspirations of the past generations are all at once becoming necessities of this New Middle Class. The Call Center Couple cannot live without cell phones, credit cards, flat screen televisions, laptop computers and a motorized vehicle such as a motorcycle or a scooter but preferably a car.

Of course, The Call Center Couple does not have the means to satisfy all these needs. Furthermore, as a starter family, the real needs of child rearing and child education as well as

taking care of aging parents will just begin. Therefore, affordability and ability to pay will put even more stress on The Call Center Couple, resulting in a highly stressed employee at the workplace. The Indian employers of tomorrow will have to understand and intervene in this home-work blurring of boundaries and the home-work balance.

The need to do financial planning, making a will and trust, balancing short term vs. long term financial stability, and building a healthy balance sheet will become not just a nice thing to do but a necessity.

Blurring Roles and Responsibilities

This New Middle Class Couple will be different from its parents in roles and responsibilities. The traditional role of the husband as the bread winner, wife as the homemaker and mission of marriage to procreate next generation (who will be better off than them) is likely to go away. Also, The Call Center Couple will be more egalitarian between the husband and the wife. It will demand the husband to contribute toward household chores, including cleaning, cooking and child care. It will also mean that working outside the home by the wife will not be discretionary but a permanent necessity.

Friendship Replaces Kinship

Friendship will replace kinship for socialization and support as The New Middle Class embraces new values, beliefs and activities. In other words, there will be less common with family members, especially with the older generation and more in common with friends from college, workplace or neighborhoods. This has enormous implications for marketers with respect to their messages and media. The New Middle Class and their friendship cohorts are perfect targets for social networking and mobile media for communicating about brands, stores and products.

Spiritualism Coexists with Materialism

As the New Middle Class disassociates with heritage and embraces contemporary values and life styles, it will increasingly struggle with self identity. Greater the materialism driven by wants becoming needs as well as friendship replacing kinship as a social anchor, it will search for meaning of life by turning to spiritualism, yoga and meditation. In other words, spiritualism will coexist with materialism more so than the past generations where spiritualism followed successful materialism at different stages of a family life cycle.

Conclusion

Whether this is good or bad for the future of society is for the historians to debate and judge. My view is that it is inevitable and most likely irreversible at least in the short run. However, most demographic shifts are not linear and often they reverse back to the older ways with a more contemporary context.