

# A Sociological Review on Organizational Strategy and the Social Structuring of Consumer Dynamics of Inequality in Developing Economies

**Md. Azmir Hossain<sup>1</sup>**

Associate Professor, Department of Business Administration, Faculty of Business Studies, Dhaka International University, Dhaka, Bangladesh & PhD Research Scholar, Department of Management, Guru Kashi University, TalwandiSabo, Bathinda (Punjab) -151302

**Md. Asiqur Rahman<sup>2</sup>**

Assistant Professor, Department of Accounting and Information Systems, Faculty of Business Studies, University of Barishal, Barishal-8254, Bangladesh

**Jamsedur Rahman<sup>3</sup>**

Associate Professor, Department of Sociology, Faculty of Arts and Social Sciences, Dhaka International University, Dhaka, Bangladesh

**Sohag Datta<sup>4</sup>**

Associate Professor, Department of Business Administration, Dhaka International University, Dhaka, Bangladesh

**Md. Motiar Rahman<sup>5</sup>**

Assistant Professor, Department of Business Administration, Z.H Sikder University of Science and Technology, Sariatpur, Bangladesh

**Md. Shafikul Islam<sup>6</sup>**

Lecturer, Sociology, Ramdeb Shaikh Khabir Uddin College, Sundarganj, Gaibandha, Bangladesh

## **Keywords:**

*Consumer inequality,  
Organizational  
strategy, Sociology,  
Social stratification,  
Developing economies,  
Market access,  
Consumption patterns,  
socioeconomic  
disparities*

**Abstract:** The role of organizational strategy in defining consumer access and exclusion patterns is vital and in most developing economies such decisions only worsen existing inequalities. This is important since the strategic decisions relating to pricing, sustainability, and market positioning can make or break the difference between consumers and non-consumers. Although there has been an increasing body of research on sustainability and corporate strategy, sociological studies have paid little attention to how decisions made by firms structurally produce consumer inequality and the majority of studies have only paid attention to economic consequences but ignored the social processes that define access to goods and services. The study is a qualitative secondary data review based on academic sources, institutional reports, and sociological theories, which synthesize data on organizational influences using thematic analysis. The review demonstrates that social hierarchies are frequently supported by strategic choices and recreate the obstacles to the marginalized consumers. The research is valuable in that it incorporates the fields of strategic management and sociology to describe these inequalities.

## **1. Introduction**

Organizational strategies have become entrenched in the modern business practices especially in the dynamic economic settings of the developing countries. The current situation is that firms are under increasing pressure to work towards enhancing their competitiveness and implementing sustainability policies at the same time, addressing changing consumer demands. These pressures ensure that strategic decision-making is an influential factor that ensures that some people or organizations win and some lose market access. In the case of developing economies where socio-economic inequalities are already high, consumer inclusion and exclusion patterns commonly depend on the corporate policies of pricing, distribution, and branding. The consumption in such situations is not only affected by personal income; it is also predetermined by the institutional vulnerabilities, imbalanced market structures and social stratifications which define the access to products and opportunities. Sociologically, organizational decisions are not merely economic decisions, but they are actively involved in the construction of differences based on classes in consumptions that recreate advantages of some groups and restrict others.

Despite the increased body of scholarship on CSR, sustainability, and ethical marketing, much of the available research is based on environmental performance, financial performance, or the reputational benefits that firms get when they brand themselves ethically. The social consequences of organizational strategy have received little attention particularly the reproduction and reinforcement of consumer inequality in developing societies by corporate actions. The sociological theories can provide valuable information in this regard. The ideas of economic, cultural, and social capital introduced by Bourdieu help to understand the process of making consumption a status symbol, whereas the structuration theory suggested by Giddens helps to understand how the organizational practices and societal structures constantly influence each other. These paradigms can be used to describe why some marketing or sustainability choices favor consumers who are more culturally literate, urbanized, or digital. Current literature does not tend to look at these underlying processes, but rather at superficial results like more sales or a better brand image. This leads to a literature gap that ignores the social aspects of segmentation, pricing, green marketing and certification systems that might limit the participation of low-income or marginalized consumers.

This gap highlights the necessity of a sociological analysis linking the strategic behaviour of firms to the general societal trends in the developing economies. Inequality in consumption is indicative of structural barriers that are deep rooted,

such as geographical divisions, and class division, gender division, and information asymmetry and predetermines consumer preferences even before they arrive in the market. These structural divides can be increased without the intention of the firms making strategic decisions. An example is that products that are sustainability oriented can be too expensive such that low-income earners cannot afford it, or the marketing campaigns can be done to only the urban and the educated population thus making the unequal participation patterns normal. These inequities are further intensified by institutional voids like lax regulation, ineffective consumer protection systems or lack of proper distribution channels. The secondary information found in different developing-country settings exemplifies that access to safe food, green products, digital services and branded goods is usually indicative of the underlying social order, and not necessarily solely based on economic considerations. The sociological approach is therefore necessary in explaining the lurking processes that organizations are involved in shaping consumer inequality.

It is on this basis that the current study takes a secondary-data sociological review in examining the role of organizational strategy in the process of social structuring of consumer inequality in developing economies. The synthesis of academic research, institutional reports, and theoretical perspectives helps the study to highlight the contribution of pricing strategies, market segmentation, sustainability initiatives and branding practices to the determination of who benefits or is excluded by the contemporary markets. In this way, strategic-management frameworks can be combined with sociological theories of class, power and access, to give a multidimensional view of inequality in consumption. The review is both theoretical and practical in that, theoretically, it helps fill the gaps between the management studies and consumer sociology; sociologically, it demonstrates how organizational decisions help to reproduce the society; and practically, it provides information to policy makers and companies that want to develop more inclusive strategies. Finally, the introduction places consumer inequality not as a by-product of market forces, but as a patterned result, which is partly influenced by the strategy adopted by the organization.

## **2. Review of Literature**

The concept of consumer inequality is becoming a multi-dimensional phenomenon not solely dependent on such individual factors as education or income, but also on organizational and institutional factors. Organization structures, employment regimes, and institutional legacies are critical in the determination of the pattern of consumption and access to goods and services in developing economies

(Tomaskovic-Devey and Avent-Holt, 2019). Through investigation of organizational strategies, such as size, formalization, and institutional embedding, sociological research can help explain the role of inequalities in their production and reproduction both at micro and macro level (Avent-Holt and Shams, 2025). This literature review examines these dynamics, with an emphasis on how organizational structures are the cause of consumer inequality in developing economies.

## **2.1 Theoretical and Conceptual Foundations**

Organizations are central locations of stratification that shape income and consumption patterns by creating hierarchies within the organization and resource allocation practices (Avent-Holt and Shams, 2025). The notion of inequality regimes in organizations, including formal policies, informal practices, and cultural norms, evidences how companies systematic allocate benefits and losses to the members (Tomaskovic-Devey and Avent-Holt, 2019). Sociologically, consumer inequality cannot be perceived wholesomely without an examination of these organizational processes that mediate material resources access.

As a different concept, consumption inequality tends to be a more direct measure of welfare, especially in situations where non-monetary transactions and informal economies are widespread (OECD, 2018). Income represents earning power, but consumption is the embodiment of real material well-being, which is a more subtle indicator of the social stratification (Chakrabarti et al., 2016). Thus, the connection between organizational structures and consumption patterns is a crucial approach to the perception of inequalities in the developing economies.

## **2.2 Organizational Size, Structure and Stratification**

One of the strongest empirical results is that the wage of employees in bigger organizations tends to be higher than that of employees in smaller organizations, something that is repeated in different developing circumstances (Li, 2015). The existence of structured career ladders, formalized policies, internal labor markets, and access to benefits are all factors that explain the existence of this size-earnings premium, which makes employees more income-stable and growth-oriented (Li, 2015; Fang and Iceland, 2018). All these organizational benefits are directly translated into increased consumption capacity, which strengthens consumer inequality.

In addition to size, organizational legacies and institutional embedding are very important in determining inequality. In the transitional economies, the socialist system of work units (danwei) in China still affects the access to housing,

healthcare, and welfare, which influence the long-term consumption patterns (Fang and Iceland, 2018). Equally, it is linked to increased income inequality and privatization and growth of private firms which are more favorable to the more skilled and access to formal jobs, leaving informal or former state-dependent workers behind (Anonymous, 2017).

### **2.3 Sociological Evidence and Patterns of Consumption**

The consumption patterns are not homogenous across social levels; they do not represent merely the level of material ability, but also the cultural and symbolic aspects of inequality. Research of Indian households demonstrates that standardized distributions of consumption show a consistent set of statistical regularities across groups, but that there are structural differences in actual consumption, namely through organizational affiliation and type of employment (Chakrabarti et al., 2016; Chatterjee et al., 2015). Likewise, Chinese studies have shown that with the increase in household income, consumption does not shift towards survival-oriented goods (food and shelter), but development-oriented goods (education, healthcare, and leisure) and that the consumption upgrading is disproportionately benefiting the upper social classes (Journal of Chinese Sociology, 2017).

Consumer preferences and social behavior are also influenced by inequality. Economic inequality has been revealed to enhance the tendency towards status consumption whereby people seek goods and services that would indicate social status (Velandia-Morales et al., 2022). This gives rise to a feedback process in which organizational and institutional benefits are converted into material and symbolic consumption inequality in developing economies with a high rate of economic growth and market liberalization (Pechdin et al., 2023).

### **2.4 Macro- Structural Forces and Organizational Mediation**

The productive formation of the developing economy, its industrial complex and the distribution of sectors, has a great impact on income and consumption inequality (Morsy & Shimeles, 2023). Inequality can be decreased by structural change especially by the transition of low-productivity sectors like agriculture to higher-income sectors like industrial and service sectors as long as the process is accompanied by inclusive organizational practices (Morsy and Shimeles, 2023). These structural changes are mediated by organizations which decide who enjoys the fruits of new jobs, wage rises and social benefits (Avent-Holt and Shams, 2025).

The nature of the formal and informal sectors is also dual, which makes the consumer inequality landscape even more complex. Informal businesses usually

offer insecure jobs with low social welfare, which prevents consumption upgrading to a considerable part of the population (Study, 2021). On the other hand, formal organizations with internal hierarchies and welfare-based benefits allow employees to have stable and higher consumption (Li, 2015; Fang and Iceland, 2018). Organizational regimes, therefore, are the key mediators between the macro-level economic processes and the outcomes of consumption at the individual level.

## **2.5 Policy Implications and Interventions**

Identifying the organizational basis of consumer inequality is significant to the policy. The growth in the aggregate economy is not sufficient to decrease the level of inequality without organizational changes that increase the access to formal, stable jobs (Tomaskovic-Devey and Avent-Holt, 2019). Policies on social welfare need to reflect structural settings, so that its interventions extend to the populations limited by informal or precarious employment (Frontiers in Sociology, 2023). Welfare measures are consumption-based, not only income-based, which will give a more precise understanding of inequality and help to design specific policies (OECD, 2018).

Moreover, the consumer inequality can be reduced by promoting inclusive organizational practices, encouraging labor formalization, and improving the availability of benefits. Policies should support structural changes that help to reduce inequality in organizational development and inequality in consumption and access to developmental goods (Morsy & Shimeles, 2023; Pechdin et al., 2023). The dual nature of organizations as the place of opportunity and the place of stratification is one of the key factors in sustainable and inclusive development strategies in developing economies.

The social organization of consumer inequality in developing economies is based on the strategies of organizations, employment and institutional contexts. Formal and larger organizations usually offer greater income, benefits, and consumption upgrading opportunities, whereas the informal or precarious jobs strengthen the disadvantage. Consumption inequality comprises not only material differences, but also symbolic and cultural levels of social stratification. The macro-structural and organizational-level causes of inequality, which need to be tackled by policymakers, are those that will encourage inclusive development, limit disparities in consumption, and provide equitable access to goods and services. The sociological knowledge of organizational stratification can give a critical picture to the issue of consumer inequality in developing economies.

### **3. Gaps and Future Research**

Although there is increasing evidence, there are still considerable gaps in the literature. There are limited researches that directly associate organizational strategies with consumption inequality, especially when it comes to developing economies (Chakrabarti et al., 2016). Informal sector organizations, historical institutional legacies, cross-country analysis are limited areas of research. The sociological theories of stratification should be combined with the empirical studies of consumption patterns in the future to gain a deeper insight into how organizational and institutional processes create inequality (Avent-Holt and Shams, 2025; Journal of Chinese Sociology, 2017).

### **4. Objectives of the Study**

#### **A. Main Objective:**

To test the relationship between organizational strategies and structures and the social structuring of consumer inequality in developing economies.

#### **B. Specific Objectives:**

- a. To examine how consumer inequality is related to organizational features (e.g., size, formalization, employment regimes).
- b. To explore the impacts of institutional legacies and past organizational practices on consumption capacity and social stratification.
- c. To determine how the formal and informal sectors of organizations mediate access to resources, income, and opportunities of consumption.
- d. To understand policy and structural interventions which could ease consumer inequality by reforming organizations and adopting inclusive workers policies.

### **5. Methodology of the Study**

This paper uses a secondary data-driven qualitative research design to investigate the connection between the strategies in organizations and the social organization of consumer inequality in the developing economies. Since the research is exploratory and analytical, we need secondary data as it is a strong and effective method of gaining insight into the patterns, mechanisms and theoretical perspectives without the limitations of collecting primary data. The secondary sources are especially appropriate in this study because they provide access to the vast number of empirical data, policy documents, and sociological studies in various contexts, which will allow making comparisons and gaining a deeper understanding of the organizational and institutional variables that influence consumer inequality.

## **5.1 Data Sources**

The research employs numerous sources of secondary data which include:

- a. Empirical evidence on organizational size, employment regimes, wage differentials, and consumption patterns is provided in academic journal articles (Li, 2015; Fang and Iceland, 2018; Chakrabarti et al., 2016). These sources allow discerning theoretical frameworks and working mechanisms between organizational structures and consumer inequality.
- b. Macroeconomic data, consumption surveys, and policy assessments are provided by policy reports and publications of the international organizations (OECD, 2018; Morsy and Shimeles, 2023) that are applicable to developing economies.
- c. Reports by institutions and governments especially those reporting past and structural employment practices, privatization trends and welfare related organizational regimes in countries like China, India, and Bangladesh. Such reports can be used to put organizational strategies in the context of institutional legacies and social policy framework (Fang and Iceland, 2018; Anonymous, 2017).
- d. Online repositories and secondary data that contains quantitative data on consumption and income, which can be used by the study to examine trends of inequality among various socio-economic groups (Chatterjee et al., 2015).

## **5.2 Data Collection and Analysis**

The data collection and analysis will be based on both qualitative and quantitative research approaches. The systematic search of online databases, academic search engines, organizational repositories was used to gather secondary data, focusing on the research published in 2010-2025 to make the analysis relevant to current trends in developing economies. The sources used in the data collection process were given priority to those that specifically study the nexus of organizational structure, employment regimes and consumption patterns.

Thematic approach was adopted to analyze it. They were filtered and tabulated and synthesized to generate information about the important themes including the size of organizations, formal and informal employment, institutional legacies of the past, wage differentials, and consumption patterns. This methodology enables the combination of both quantitative results (e.g., consumption surveys, wage statistics) and the qualitative results (e.g., case studies, policy analyses) to get a complete picture on how organizations organize consumer inequality.

### **5.3 Secondary Data Justification**

The use of secondary data is explained by a number of reasons. First, it allows access to large scale and longitudinal studies which would otherwise be costly to reproduce by use of primary data collection. Second, it enables international comparisons and investigation of various organizational settings in developing economies. Third, the abundance and variety of secondary sources make it easy to combine empirical data with the sociological theories, such as inequality regimes, stratification, and consumption dynamics.

To conclude, the secondary data analysis methodology is a rigorous, cost-effective, and comprehensive approach to research about how organizational strategies contribute to consumer inequality in developing economies. Through a combination of several sources, the research provides an insight into a complex picture of structural and institutional attributes that define disparities in consumptions.

## **6. Discussion and Analysis of the Study**

This argument looks at how organizational policies and institutional arrangements interact with consumer inequality in emerging markets. Based on sociological theory, empirical data, and cross-country studies, the discussion emphasizes processes by which organizations can determine access to resources, consumption, and recreate social stratification.

### **6.1 Organizations as Places of Inequality**

The organizations play a key role in creating and maintaining inequality. They do not passively hold the stream of economic opportunity; instead, the internal hierarchies, policies and informal practices actively organize how resources are distributed among members (Avent-Holt and Shams, 2025). Regimes of inequality, which are reward systems, promotional channels, and cultural practices, dictate the beneficiaries of employment, training, and social networks, which directly influence the ability of people to consume (Tomaskovic-Devey and Avent-Holt, 2019). These structures can also have a strong impact on the general trends in consumer inequality especially in developing economies where formal employment is frequently concentrated within limited large organizations.

### **6.2 Organizational Inequality and Consumption**

Compensations, benefits, and more secure jobs should always be offered by larger organizations than by smaller firms (Li, 2015). This size-earnings premium is a direct translation into consumption capacity, which allows the employees of bigger

organizations to enjoy better housing, education, healthcare, and consumer goods (Fang and Iceland, 2018). Smaller companies, in particular informal or family businesses do not have formal benefits and internal labour markets, which makes their consumption possibilities limited and social stratification stronger.

### **6.3 Informal vs. Formal Employment**

The formal and informal employment is one of the most important aspects of consumer inequality. In the formal sector, there are structured wages, social security, and access to credit and housing, which lead to upward consumption mobility (Study, 2021). Conversely, informal workers have precarious income, no benefits and limited access to basic services. The result of this segmentation is the creation of long-term inequalities in material well-being, which strengthens structural inequality despite macroeconomic growth (Morsy & Shimeles, 2023).

### **6.4 Institutional Legacies and History**

Past institutional practices and organizational legacies are influential in determining consumption inequality. As an example, the socialist-era system of the work unit (danwei) in China still has an impact on access to housing, healthcare, and social welfare and shapes future consumption trends (Fang and Iceland, 2018). Likewise, in other developing economies, organizational inclusion and exclusion can be historically determined by hierarchies and caste structures or colonial institutional frameworks, which generates long-term differences in the material well-being and consumption potential (Avent-Holt and Shams, 2025).

### **6.5 Social Class and Consumption Inequality**

The consumption inequality does not imply only the difference in income but also the difference in social classes. Greater wealth households invest in development-oriented consumption (schooling, healthcare, recreation) and low-income households are limited to survival-oriented consumption of food and basic housing (Journal of Chinese Sociology, 2017). Organizational affiliation is a very strong determinant of the position of the classes: workers in large, formalized organizations have more disposable income to use in developmental consumption, whereas workers in informal or small businesses encounter consumption stagnation.

### **6.6 Status Consumption and Symbolic Capital**

Economic disparity has an effect on other forms of consumption other than materialistic needs. Evidence indicates that increased perceived or real inequality will promote status consumption, in which people consume products and services

that indicate social status (Velandia-Morales et al., 2022). Organizations mediate this process, in that they offer unequal distribution of high-paying jobs, which strengthen social differentiation through material and symbolic consumption. Status consumption is therefore a process through which organizational inequalities are reproduced in a social way.

### **6.7 Organizational Mediation and Structural Transformation**

The mediation of inequality by economic structural change, e.g. changes in agriculture to industry or services, is mediated by organization (Morsy & Shimeles, 2023). Although sectoral changes avail chances of earning more income and better consumption, such opportunities are accessible only to the members of the organization. The structural change is enjoyed in large, formal businesses by the workers in a disproportionate manner and the workers in the informal sector are left behind which restricts the equalizing impact of the economic growth.

### **6.8 Determinants of Wages and Internal Labor Markets**

It is in organizations that wages differentials and access to resources are driven by internal labor markets, which are characterized by promotion ladders, skill development, and performance-based rewards (Li, 2015). The employees who have access to structured career paths gain more earnings and consumption capacity whereas the ones with no access are stagnated. Organizational hierarchies are reflected in local consumer inequalities due to the arrangement of these internal markets across sectors and regions, which generate local patterns of consumer inequality.

### **6.9 Education, Skills and Organizational Access**

Organizational placement is closely associated with education and skill levels. More skilled people will be employed in large and formal organizations, and less skilled employees can be left with unformal jobs (Chakrabarti et al., 2016). This conformity increases inequality of consumption: educational attainment acts as an intermediate between access to organizational resources and subsequent consumption patterns. Emerging markets where they have a low level of education or skill acquisition programs have acute structural obstacle to fair consumption.

### **6.10 Gender and Organizational Inequality**

The intersection of organizational strategies and gender results in various access to income and consumption. Women tend to get jobs in low-paying, non-professional, or temporary roles, which restrict their purchasing power compared to the male

representatives (Tomaskovic-Devey and Avent-Holt, 2019). The gendered hierarchies are strengthening the social inequality because the limited opportunities of women to participate in the organization process lead to the inequality of the access to the material resources and developmental consumption.

### **6.11 Urban-Rural Divide**

Consumer inequality is also further developed as a result of urban-rural divide. City dwellers tend to have formal jobs with fixed wages and benefits, whereas rural residents tend to have informal jobs or seasonal jobs (Morsy & Shimeles, 2023). The geographic differences are therefore mediated through organizational structures, which strengthens regional differences in consumption patterns. The policies to deal with consumer inequality should hence be done on both organizational and spatial levels.

### **6.12 Policy Implication to Have Reduced Consumer Inequality**

The interventions of policies should focus on the organizational structures. Consumption disparities can be reduced by strengthening formal employment, enhancing inclusive organizational policies, and social protection to informal workers (Frontiers in Sociology, 2023). Also, the policies must target equal opportunities to educational opportunities and skill acquisition, to allow more people to be involved in resource-endowed and highly paid organizations. Policymakers can focus on structural causes of consumer inequality instead of only focusing on income disparity by focusing on organizational mechanisms.

### **6.13 Lessons and Comparisons in the World**

In comparison with other countries, including China, India, and Brazil, the organizational strategies are decisive to determine consumption inequality (Li, 2015; Chatterjee et al., 2015). Although macroeconomic growth offers opportunities, inequality prevails in case the access to formal organizations is unequal. The measures that can help developing economies to reduce structural consumption inequalities are inclusive employment, worker rights, and welfare-contingent organizational strategies.

### **6.14 Organizational Inequality and Long-Term Development**

The long-term effects of organizational inequality are on the economic and social development. Lack of equal access to organizational employment with stable and high pay limits human capital formation, consumer spending in the critical areas, and intergenerational poverty (Fang and Iceland, 2018). The issue of organizational

stratification is thus not only a social justice issue but also an important aspect of sustainable development plans in the developing economies.

### **6.15 Future Directions**

Although more focus is directed on organizational factors that affect consumer inequality, there are still considerable gaps. There is a shortage of research linking organizational strategies to consumption results in varying developing situations. The sociological, economic and policy viewpoints will have to be incorporated in future studies, including the informal sectors, gendered hierarchies in organizations and regional differences. As pointed out in the discussion, consumer inequality in developing economies is socially organized and mediated through organizational strategies and institutional contexts.

The access to high-income jobs and welfare-associated benefits are based on the organizational size, internal labor markets, formalization, and historical legacies, which shape the ability to consume and levels of social stratification. Interventions to tackle the issue of consumer inequality that should be implemented through policy should therefore consider organizational responses, nurture inclusive employment, and improve access to formal labor markets. With the conceptualization of organizations as key contributors to inequality production, developing economies will be able to devise more effective measures of lessening disparities and encouraging sustainable and equitable consumption.

## **7. Findings and Suggestions**

### **7.1 Findings**

- a. Organizational size is also a major factor that contributes to consumer inequality because big companies provide better wages, benefits, and stable jobs that increase the level of consumption (Li, 2015; Fang and Iceland, 2018).
- b. The employment in the formal sector allows access to a better social protection, credit, and welfare-related resources, which allows employees to have a higher level of consumption than informal sector workers (Study, 2021).
- c. Small and informal businesses do not have formal pay and benefits, which restrict consumption possibilities and contribute to the strengthening of economic inequalities (Morsy & Shimeles, 2023).

- d. The past institutional practices, including the Chinese system of danwei or laboring practices in colonies, still affect organizational inclusion and material resource access, which impact the consumption patterns across generations (Fang and Iceland, 2018).
- e. The capability of employees to consume both in a survival and a developmental way directly depends on wage differentials in organizations that are based on internal labor markets, promotion ladders, as well as skills requirements (Li, 2015).
- f. One of the most important factors that determine access to high-paying organizational jobs is education and skills level, as higher-skilled employees have more disposable income, and low-skilled workers are restricted by the structure (Chakrabarti et al., 2016).
- g. Gender difference in the participation in organizations supports consumer inequality because females tend to be clustered in low-waged, informal, or temporary jobs with limited access to benefits (Tomaskovic-Devey and Avent-Holt, 2019).
- h. Geographic variables, such as urban-rural distance, influence organizational accessibility and income stability, which is one of the factors that influence regional disparities in consumption patterns (Morsy & Shimeles, 2023).
- i. Consumer inequality can only be decreased with economic growth unless there is an implementation of inclusion-based organizational policies that increase formal work and even access to benefits ( *Frontiers in Sociology*, 2023).
- j. Status consumption and symbolic capital also indicate the process of the social reproduction of organizational and income inequalities, where those with more money consumer goods and services that signify social distinction (Velandia-Morales et al., 2022).

## **7.2 Recommendations**

- a. Policymakers are encouraged to facilitate organizational practices that are inclusive and offer more people access to formal jobs, which will allow them to enjoy the benefits of stable wages and welfare-related benefits (Tomaskovic-Devey and Avent-Holt, 2019).
- b. To increase the purchasing power of informal sector workers, governments ought to adopt labor policies that make them less vulnerable, including social protection, minimum wage, and credit accessibility (Study, 2021).

- c. Companies must embrace open internal labour markets characterized by clear promotional routes and skill capacity developing plans to minimise wage differentials and to allow vertical consumption mobility (Li, 2015).
- d. Education and professional training are also essential in empowering the low-skilled employees with skills to occupy organizational positions with high wages thereby reducing structural consumption disparities (Chakrabarti et al., 2016).
- e. There should be gender sensitive policies that will provide women with equal employment opportunities and wage equality as well as access to benefits that will all address organizational and societal barriers to consumption equality (Tomaskovic-Devey and Avent-Holt, 2019).
- f. The root causes of inequality through historical and institutional legacies need to be reformed by altering organizational practices, privatization policies, and equitable distribution of resources (Fang and Iceland, 2018).
- g. They should reduce regional inequalities in the access to formal jobs by fostering investment in rural locations, building infrastructure, and ensuring regional organizational growth (Morsy & Shimeles, 2023).
- h. Employee welfare programs such as healthcare, housing, and retirement benefits should be incorporated into organizations to increase consumption stability in the long run and decrease social inequality (Frontiers in Sociology, 2023).
- i. Policymakers and institutions need to track inequality in consumption based on both income and expenditure measures to implement specific interventions based on the real standards of living (OECD, 2018).
- j. Lastly, creating social programs and organizational cultures to decrease the social reproduction of inequality via consumption practices can be achieved by promoting understanding of status consumption and symbolic inequality (Velandia-Morales et al., 2022).

## **8. Conclusion**

This paper emphasizes the fact that consumer inequality in the developing world is not only a product of individual income or economic development but it is entrenched in the organization, structure, and institutional heritage. Organizations are also major brokers of economic opportunity, as they dictate access to stable jobs, wages, and benefits and social resources that have a direct impact on consumption capacity. Formal organizations with large and well-organized internal labor markets and welfare-related benefits always allow a higher degree of upward consumption mobility, and smaller, informal and precarious firms tend to maintain the poor. The

historical institutional order, including the work unit of the socialist era or the labor policies of the colonial period, still determines the inclusion in the organization and the access to material resources and brings long-term differences between the social groups. Education and skills, as well as gender, also overlap with organizational placement, as it is who can and cannot take part in high-paid jobs and who is limited to low-income and low-consumption jobs. Besides, regional inequalities, especially the urban-rural divide, increase the structural aspects of consumer inequality and illustrate that the geographic context interacts with organizational and institutional aspects.

In addition to the material consumption, there is status-oriented or symbolic consumption, which shows how organizational benefits are converted to social distinction, which strengthens stratification in society. According to the analysis, macroeconomic growth will not be enough to decrease inequality without other interventions employing the organizational practices, formalization of labor, and equal access to the benefits. Inclusive employment policies, education and training, gender equity and welfare schemes can fill consumption gaps, and the observed patterns of consumption are a better measure of the overall social welfare than income itself. In general, the insight into organizations as the key players in organizing consumer inequality enables the policymakers, theorists, and practitioners to treat the causes of disparities, rather than the symptoms. Through the incorporation of the organizational, institutional, and sociological approaches, developing economies can seek approaches that can lead to the minimization of structural inequality, an increase in social mobility, and sustainable equitable development among all members of the society.

## References

1. Anonymous. (2017). Income inequality and privatization: A multilevel analysis comparing prefectural size of private sectors in Western China. *Journal of Chinese Sociology*. <https://journalofchinesesociology.springeropen.com/articles/10.1186/s40711-017-0055-4>
2. Avent-Holt, D., & Shams, S. (2025). Organizations and stratification: Toward a relational inequality model. In *Oxford Handbook of Social Stratification*. Oxford University Press. <https://academic.oup.com/edited-volume/45896/chapter/537740554>
3. Chakrabarti, A. S., Chatterjee, A., Nandi, T. K., Ghosh, A., & Chakraborti, A. (2016). Quantifying invariant features of within-group inequality in consumption across groups. *arXiv*. <https://arxiv.org/abs/1601.02463>

4. Chatterjee, A., Chakrabarti, A. S., Ghosh, A., Chakraborti, A., & Nandi, T. K. (2015). Invariant features of spatial inequality in consumption: The case of India. *arXiv*. <https://arxiv.org/abs/1507.04236>
5. Fang, C., & Iceland, J. (2018). Housing inequality in urban China: The heritage of socialist institutional arrangements. *Journal of Chinese Sociology*, 5(1), 12. <https://journalofchinesesociology.springeropen.com/articles/10.1186/s40711-018-0082-9>
6. *Frontiers in Sociology*. (2023). Retelling social inequalities in the era of market competition: Review and discussion for sustainable welfare development. <https://www.frontiersin.org/articles/10.3389/fsoc.2023.1085278/full>
7. *Journal of Chinese Sociology*. (2017). Social class differences in consumption propensity in contemporary China – from survival-oriented consumption to development-oriented consumption. <https://journalofchinesesociology.springeropen.com/articles/10.1186/s40711-017-0066-1>
8. Li, J. (2015). Organization size and economic stratification in urban China: 1996–2006. *Journal of Chinese Sociology*, 2(17). <https://journalofchinesesociology.springeropen.com/articles/10.1186/s40711-015-0019-5>
9. Morsy, H., & Shimeles, A. (2023). Structural change and inequality in Africa. *Journal of African Economies*, 32(S2), ii228–ii250. [https://academic.oup.com/jae/article/32/Supplement\\_2/ii228/7118992](https://academic.oup.com/jae/article/32/Supplement_2/ii228/7118992)
10. OECD. (2018). *For good measure: Measuring the distribution of household income, consumption and wealth*. OECD Publishing. [https://www.oecd.org/en/publications/for-good-measure\\_9789264307278-en/full-report/component-6.html](https://www.oecd.org/en/publications/for-good-measure_9789264307278-en/full-report/component-6.html)
11. Study. (2021). Inequality, persistence of the informal economy, and club convergence. *World Development*. <https://www.sciencedirect.com/science/article/abs/pii/S0305750X20303387>
12. Tomaskovic-Devey, D., & Avent-Holt, D. (2019). *Organizational inequality regimes*. Oxford University Press. <https://academic.oup.com/book/5536/chapter/148470748>
13. Velandia-Morales, A., Rodríguez-Bailón, R., & Martínez, R. (2022). Economic inequality increases the preference for status consumption. *Frontiers in Psychology*. <https://www.frontiersin.org/articles/10.3389/fpsyg.2021.809101/full>