

# TRANSITIVITY OF CONSUMER PREFERENCE: A COMPARISON BETWEEN CATEGORIES OF SELECTED VARIABLES

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## ABSTRACT

The study relates the consistency of choice and preference among Filipino consumers to selected variables. One hundred twenty-four respondents categorized into high school students, college students, professionals and farmers were included in the survey. Transitivity of responses were compared among categories of variables such as age, sex, occupation, education and civil status. Significant differences across categories of all variables except age were observed. Professionals, college graduates, and females had the highest transitivity of responses under categories of occupation, education and sex, respectively.

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**KEY WORDS:** Consumer preference. Transitivity. Age. Sex. Education. Occupation. Civil status.

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## INTRODUCTION

Scarcity has long been considered society's major economic problem. Human wants, on the other hand, are insatiable and people are forced to make hard choices that may lead only to partial satisfaction of many of their desires and aspirations. According to Glahe and Lee (1980), this does not really imply that human wants are unlimited. However, due to the scarcity of man's resources, and the diversity of his possible choices, man has to limit

his preference to goods available to him.

Tastes and preferences of people play a critical role in their consumption choice and are influenced by income, age, sex, occupation and education (Layard and Walters, 1978). In the use of time for instance, some individuals prefer to spend their time drinking native wine in a corner store, others prefer to go fishing, while still others prefer to stay at home and listen to soap opera. Individually, decision making varies. Some people give

priority to food and clothing while others may consider recreation more important.

Individual preferences follow either the Axiom of Comparison which states that if A is preferred to B and B is preferred to A, then A and B are indifferent; or the Axiom of Transitivity which states that if A is preferred to B and B is preferred to C, then A must be preferred to C. Weinstein (1968) in his experiment on transitivity of preference postulated that consistency of preference ordering is an acquired skill, hence more difficult for younger people to achieve. Studies on the transitivity of preferences of different categories of consumers are still limited, hence this investigation. Specifically, the proportions of transitive responses among different categories of respondents in relation to age, sex, civil status, occupation and educational attainment were determined and compared.

### METHODOLOGY

A pre-tested questionnaire was used in the survey involving 124 respondents. These respondents were selected using the simple random sampling method. They were categorized into groups of high school students, college students, professionals and farmers with a minimum of 30 respondents for each category. Each of the respondents was asked to select which of the goods offered was most preferred by him and to rank them from highest to lowest. Then every respondent was again required to

select two pairs of goods over 10 pairs of comparisons.

The items included in the preference ordering were cash, one sack of rice, a pair of pants, sweepstakes tickets, and a digital watch. All items have the same market value of P300.00. The age, sex, civil status, occupation and educational attainment of the respondents were the variables included.

Descriptive statistics such as frequency counts, percentages, ranks and totals were employed to summarize the responses of the respondents. The chi-square test was then used to relate categories of selected variables to the responses of consumers. The 10% level of significance was used in all statistical tests.

## RESULTS AND DISCUSSION

### *Transitivity and Age*

In general, percentages of transitive responses show the consistency of the respondents' choice. Table 1 shows the percent transitive response of respondents across age categories. The chi-square test indicated that there were no significant differences across age categories. This is in contrast to the findings of Weinstein (1968) that young people are mostly liable to commit inconsistencies in their choice. This inconsistency might be attributed to the fact that younger people tend to explore new experiences. In this study, the higher percentage of transitive responses of younger persons may be due to their improved educational status as most of them

**Table 1.** Percentages of transitive responses in relation to age.

Age	Sample Size	Percent Transitive Response
14 - 17	23	57.6
18 - 21	25	60.6
22 - 30	38	57.1
31 and above	38	57.9
$\chi^2 = 3.24^{ns}$		$\chi^2 (0.10) = 6.25$

ns = not significant

were students, and to their increased exposure to communication media like radio, television and newspaper.

#### *Transitivity and Occupation*

Table 2 presents the percentages of transitive responses in relation to occupation. Results showed significant differences across occupation categories at the 10% level. Profes-

sionals gave the highest percentage of transitive response (70.0%) while farmers obtained the lowest percentage (36.4%). This suggests that farmers committed the highest inconsistency in preference. The probable reason for this was the greater tendency of farmers to choose risky prospects with higher future returns. It might also be

**Table 2.** Percentages of transitive responses in relation to occupation.

Occupation	Sample Size	Percent Transitive Response
Farmers	30	36.4
Students		
High School	34	58.8
College	30	63.3
Professionals	30	70.0
$\chi^2 = 7.67^*$		$\chi^2 (0.10) = 6.25$

\*significant at the 10% level.

attributed to their lower level of education. The high transitivity of responses among professionals was probably due to their educational attainment. These results also support the report of Sicut (1982) which emphasized that education as a human resource contributes to consistency in decision making.

*Transitivity and Educational Attainment*

Analysis of the percentages of transitive responses indicated significant differences across education categories at the 10% level as shown in Table 3. These findings suggest that the higher the educational attainment, the greater is the percentage of transitive responses. The elementary level respondents showed the lowest percentage (27.3%) while the college graduates gave the highest percentage (71.0%). This result supports the claim of Weinstein (1968) that the lower the educational attainment, the greater

is the tendency to commit inconsistency in choice.

*Transitivity and Sex*

Results revealed significant difference in the percentages of transitive responses between sex categories at the 10% level (Table 4). Female respondents showed a higher percentage (72.7%) than male respondents (47.1%). This indicates that females are more consistent in their choice than males. The probable reason for the higher inconsistency of choice among males is that they are generally more risk-loving than females. This is based on the observation that male respondents tended to prefer sweepstakes tickets to cash of P300.00.

*Transitivity and Civil Status*

Single individuals have higher percentage of transitive responses than married respondents (Table 5). Single respondents have 68.3% transitive response, married people

**Table 3.** Percentages of transitive responses in relation to educational attainment.

Educational Attainment	Sample Size	Percent Transitive Response
Elementary	11	27.3
High School	48	60.5
College	34	61.8
College Graduate	31	71.0
$\chi^2 = 6.48^*$		$\chi^2 (0.10) = 6.25$

\*significant at the 10% level.

Table 4. Percentages of transitive responses in relation to sex.

Sex	Sample Size	Percent Transitive Response
Male	70	47.1
Female	54	72.2
$\chi^2 = 7.88^*$		$\chi^2 (0.10) = 2.71$

\*significant at the 10% level.

Table 5. Percentages of transitive responses in relation to civil status.

Civil Status	Sample Size	Percent Transitive Response
Single	82	68.3
Married	33	60.6
Widowed/Separated	9	22.2
$\chi^2 = 11.60^*$		$\chi^2 (0.10) = 4.60$

\*significant at the 10% level.

have 60.6%, while widowed/separated respondents have 22.2%. The low percentage of transitive response among widowed/separated

respondents was probably due to the fact that most of them were farmers who were shown to have the lowest transitivity of response in Table 2.

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