



Social Stratification

Social stratification refers to the hierarchical arrangement of individuals in a society based on factors like wealth, income, and social status. It's a global phenomenon with varying degrees of impact on different cultures.



Economic Stratification

The U.S. is an example of a society with significant economic stratification, where wealth and income disparities are stark. It's divided into classes such as the upper, middle, and lower classes.



Caste System

In India, the traditional caste system is a form of social stratification based on hereditary classes called "castes." Though legally abolished, its remnants persist, influencing social interactions and opport...



Social Status & Education

In Japan, social stratification largely depends on educational attainment and occupational prestige. The society values academic achievement, which significantly impacts career opportunities and social standing.



Ethnicity & Race

South Africa's history of apartheid has left a legacy of racial stratification. Despite its end in 1994, disparities in wealth, education, and employment among ethnic groups persist.



Gender Stratification

Gender stratification is prevalent in Saudi Arabia, where societal norms and legal frameworks have historically limited women's rights and access to opportunities.

IB Impact

Market Segmentation & Behavior



Companies need to recognize the stratification within their target markets to tailor their products and marketing strategies effectively. For instance, luxury brands may target the upper class in economically stratified societies, while affordable products might be marketed to the middle and lower classes.

Human Resource Management



Multinational corporations (MNCs) must navigate varying forms of stratification when managing a diverse workforce. Awareness of social hierarchies can help in creating equitable policies, fostering inclusivity, and ensuring that HR practices are culturally sensitive and compliant with local norms.

Corporate Social Responsibility (CSR)



Businesses engaged in CSR initiatives must consider social stratification to address societal needs effectively. For example, initiatives aimed at improving education or healthcare access should be designed with an understanding of which social groups are most disadvantaged.

Legal and Ethical Considerations



Understanding the local context of social stratification helps businesses comply with laws and regulations aimed at reducing inequality. Additionally, it informs ethical business practices, ensuring that companies do not inadvertently perpetuate or exacerbate social disparities.

Negotiation and Communication



Effective communication and negotiation in international business require an understanding of the social hierarchy. Respecting social norms and statuses can facilitate smoother interactions and build stronger relationships with local stakeholders.

Strategic Planning



Businesses must integrate knowledge of social stratification into their strategic planning to anticipate and mitigate risks. For instance, entering a market with high economic disparity might require strategies to address potential social unrest or consumer sensitivity to price changes.