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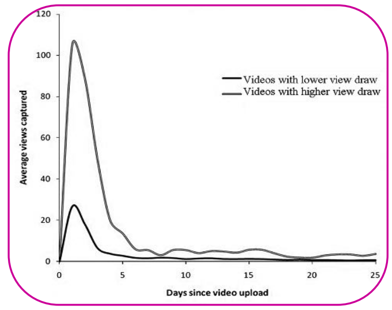
BANDWAGON EFFECT IN POLITICAL AND ECONOMIC GROWTH



Simran Kaur
Management Student, Indira Gandhi Institute of Cooperative Management, Lucknow.

1.0. ABSTRACT

This study focuses on the effects of the emerging bandwagon effect among the people and its impact on political and economic growth of a nation. Bandwagon effect is a psychological phenomenon that influences people to follow an individual or a particular fashion generated. Bandwagon effect refers, the extent to which the demand for commodity is increased due to the fact that others are also consuming the same commodity. It represents the desire of the people to purchase a commodity in order to conform with the people they wish to be associated with. It is readily indulging among people and forcing them to change their behaviour as well as their thinking. Thus it has become important to study its impact on economic and political growth of the nation. It will be also useful to take into consideration the market position in future as well as present.

KEYWORDS: *Psychological culture, Political behaviour, Economic behaviour.*

2.0. INTRODUCTION

Bandwagon effect is a set of conduct or beliefs that spread among people, as fads and trends that lead to an individual adopting it. The increasing popularity of a product or phenomenon encourages more people to "get on the bandwagon" too. The bandwagon effect explains why there are fashion trends.

Bandwagon markets have dynamics that differ from those of conventional products and services. Marketing a product or service that embodies bandwagon effects is difficult at the start when the user set is small, and the bandwagon benefits are also small. The bandwagon often ends up in a ditch before it can get under way. Once enough consumers have gotten on a bandwagon, however, it may be unstoppable. A key concept in the theory of bandwagon effects is “critical mass.” Bandwagon products and services that do not reach a certain level of demand, the critical mass, can have only limited success and may fail altogether. Those that do reach critical mass often grow thereafter at a very rapid rate.

3.0. BANDWAGON EFFECT AS ECONOMICAL TERM

In microeconomics, bandwagon effect describes interactions of demand and preference. The bandwagon effect arises when people's preference for a commodity increases. As the number of people buying increases, bandwagon effect increases. This interaction potentially disturbs the normal results of the theory of supply and demand, which assumes that consumers make buying decisions solely based on price and their own personal preference, but according to Bandwagon effect people just follow the crowd.

Bandwagon effect refers to the demand or desire for a good by a person who wants to be in style because possession of a good is in fashion and therefore many others have it. It is the most important objective of marketing and advertising strategies of several manufacturing companies who appeal to go in for a good as people of style are buying it.

For example, when famous people wear different clothes, everyone just want to look like them all over the world. Sunglasses can be the best example. They started the fashion and everyone on the streets are the followers.

When the correlation is positive we refer to 'bandwagon' effects, and when negative, 'reverse bandwagons'. The expression "network effect" is applied most commonly to positive network externalities as in the case of the telephone. Negative network externalities can also occur, where more users make a product less valuable, but are more commonly referred to as congestion. Over time, positive network effects can create a bandwagon effect as the network becomes more valuable and more people join, in a positive feedback loop.

More the number of people the consumers find have bought the good, the greater the demand for the good in question and further to the right demand curve for the good lies. This is a bandwagon effect. Thus, a bandwagon effect is an example of a positive network externality in which the quantity demanded of a good that an individual buys increases in response to the increase in the quantity purchased by other individuals.

4.0. BANDWAGON EFFECT AND POLITICS

The bandwagon effect refers to the tendency of voters to be supportive of a candidate purely because he or she is perceived as popular. Thus a small or local success for a candidate – a good outcome in an early primary, or a jump in a local poll – can lead infectiously to a broader popularity, however undeserved by other criteria.

The effect is far from being the only influence on voter decision-making. But its existence has been demonstrated in several well-known social science experiments, and the importance that candidates, journalists and voters now deliberately place on early primary contests. Perhaps because of the unflattering light it sheds upon the electoral process, the bandwagon effect is seldom called by its right name.

If the bandwagon effect is merely about electability, then in a sense it is less worrisome. To the extent that a voter is decidedly partisan, and merely wants to choose the most electable candidate to lead his party to victory in the nationwide contest, his sensitivity to other voter choices during the primaries would be perfectly rational.

Literally every revelation of public opinion prior to the national election feeds back into that opinion and distorts it. And because that feedback effect can cause strange, sudden movements, upward or downward, in a candidate's popularity, the management of political campaigns is now largely about the management of those irrational swings – damping the slumps, boosting the surges, and getting the candidate's poll numbers to peak at election time.

The logical way to prevent these herd-like movements is not only to condense elections to the fewest possible dates, but to hide poll results from the public, at least until all votes are cast. In the world of commerce, information is routinely kept secret to prevent unwanted feedback effects. But in a society with a bedrock faith in free speech, the censorship of poll results seems unlikely at best.

5.0. BANDWAGON EFFECT AND CONSUMER BEHAVIOUR

The bandwagon effect is an observed social behavior in which people tend to go along with what others do or think without considering their actions. The likelihood of this is greatly increased as more and more people adopt an idea or behavior; this has led to the pejorative description "herd effect" in reference to this interesting behavioral phenomenon. It can be seen at almost all levels of human interaction, and being aware of its influence may help individuals make calculated decisions that are based on their beliefs and values rather than the temptation to go along with a group.

When people see some new idea or product and wonder if they should adopt it, evidence of others enjoying and having fun is highly influential.

Numbers are important for the bandwagon effect to take hold. If we see three people on the bandwagon and know that hundreds have not joined, then the reverse effect will take place and we will be less bothered to join. If, on the other hand, we see the wagon nearly full with lots of people we know or admire, then we will desperately try to grab the 'final' places.

Once bandwagons have enough participants they are often self-sustaining and people get on board for social rather than ideological reasons.

Bandwagons often have limited lifetimes and eventually run out of steam. People will quickly abandon the 'sinking ship' if they see others leaving.

6.0. CONCLUSION

The bandwagon effect is a phenomenon whereby the rate of uptake of beliefs, ideas, fads and trends increases the more that they have already been adopted by others. With the increase in population, bandwagon also increases.

The bandwagon effect refers to people doing certain things because other people are doing them, regardless of their own beliefs, which they may ignore or override. The perceived "popularity" of an object or person may have an effect on how it is viewed as a whole.

The bandwagon effect has wide implication and is commonly seen in politics, consumer economics and social behaviour. In politics, the bandwagon effect can be seen in such instances as when voters chose to vote for the most popular candidate or the candidate who is favoured to win. Also, in politics the bandwagon effect can be seen when voters in different time zones become affected by how regions in earlier time zones voted. In consumer economics, the bandwagon effect can be seen when people's preference for something increases as the number of people buying it increases.

Some negative results of the bandwagon effect include mass stock market crashes and economic depressions. The most urgent negative aspect of the bandwagon effect is the fragility of people's behaviour when it is based on limited information or information which is subject to change. It may be fair to assume that the more quality information a person is able to obtain, the less likely they are to succumb to the bandwagon effect.

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Simran Kaur
Management Student, Indira Gandhi Institute of Cooperative Management, Lucknow.