Chapter VII

Summary, Findings and Conclusions
7.1 INTRODUCTION

Marketing practices have a major impact on the people in their roles as buyers and sellers. To succeed in the dynamic and rapidly evolving environment, marketers need to know all that they can about the consumers.

A consumer market can be defined as all individuals and households who buy goods and services for personal consumption. The marketers are faced with a complex task of evaluating and understanding the consumer buying behaviour, which includes the act of individuals directly involved in obtaining and using economic goods and services. It includes the sequence of decision process that precede and determine the whole act.

With the opening up of the market in the post liberalization period many companies have entered in the market, offering their goods and services. This has made each marketer to realize that he has to constantly upgrade the consumer's knowledge about his products by finding new dimensions. This is because there has been a change in the physical behaviour of the consumer. There is a new consumer emerging today. He is the choice empowered customer who will be the decider of the fate of the product or service at the market place. There is a change in the social environment of the customer especially with the raising customer earnings, and the sharply dropping savings rate, resulting in increasing amounts of disposable income to be spent on the products or services.
Several researchers in the field of consumer behaviour have followed different styles and used different rules in making decisions. Studies have been conducted to find the influence of various factors on consumer behaviour. It is increasingly seen that people of the same demography behave differently based on their personality traits. The persons of different personality traits hold different beliefs about what is the right choice. This fact has led the researcher to probe the inner thinking of consumer and attempt a classification of consumers with almost similar beliefs and lifestyles.

In this study, the researcher has emphasized the importance of lifestyle and its influence on the purchase behaviour of the consumer. This involves evaluating the attitudes, interests and opinions manifested by them and co-relating these to their purchasing and consuming patterns. Since the activities, interests and opinions are externally exhibited attributes, it is possible to classify attributes, and classify people according to them.

7.3 OBJECTIVES OF THE STUDY

The main purpose of this study is to empirically examine the association between the consumers’ general life style and their consumption patterns. It uses the generalized lifestyle basis in order to investigate the relationship between life style consumption pattern and brand choice behavior.
The specific objectives of this study are

1. To segment the sample consumers on the basis of their life style characteristics.

2. To define the profile of the segments in terms of their dominant life styles and demographic characteristics.

3. To identify the impact of the factors influencing purchase decisions of durables on various lifestyle segments.

4. To find the influence of the product attributes on the purchase decision of the selected durables.

5. To examine the brand choice patterns based on the life style of the respondents.

7.4 METHODOLOGY

In this study, Well’s activities, interests and opinions approach (AIO Approach) has been used to operationally measure the lifestyle patterns. The study was conducted in Chennai city in the state of Tamil Nadu in India. The study is descriptive in nature and adopts the survey method. A structured non-disguised questionnaire was used to collect information.

The questionnaire used for the study had three constructs. The first construct was to arrive at the demographic factors of the respondents. It had questions like the age of the respondent, education, income level, location of residence, the type of residence and the nature of residence.
The second construct was to identify the lifestyle dimensions of the respondents. It consisted of data pertaining to the activities, interests and opinions relating to purchase behaviour, socialization, brand opinion and the like on a five-point scale ranging from 1 — strongly disagree to 5 strongly agree.

The third construct was about the details regarding the durables possessed by the respondents. It had questions like the brand of the durables possessed by the respondents both before 2002 and after 2002, the factors that influenced their purchase, the sources of information regarding the durables, their opinion regarding the need and of the product at home, the purpose of buying the products and the attributes that had influenced them on purchase.

Convenience sampling procedure was used for selecting the samples from the huge population of the users of household appliances in the city of Chennai. The scale for measuring the lifestyle dimension has been tested for its reliability and is found to be highly reliable. After testing its reliability, the revised questionnaire was administrated on a total of 900 respondents in Chennai city, 200 in the North Chennai, 200 in Central Chennai and 500 in South Chennai. A total of 750 responses were received. The scrutiny of these responses led to the rejection of 39 responses on account of incomplete responses. Thus 711 completed responses 143 from the North Chennai, 169 from Central Chennai and the 399 from South Chennai have been used for the present study.
Factor analysis with principle component analysis and varimax rotation was applied on the responses of the lifestyle constructs. The 45 statements got reduced to 10 factors or variables. The variables selected for the study are 1) Spending of Leisure time 2) Social orientation 3) Purchase Behaviour 4) Innovation Adoption 5) Family orientation 6) Information seeking 7) Brand opinion 8) Buying decisions 9) Quality opinion 10) Perception.

Cluster analysis was applied to segment the sample consumers on the basis of their lifestyle characteristics. Multivariate analysis was used to analyze the impact of the demographic variables on the lifestyle dimension of each cluster and also for analyzing the purchase decision on the selected durables based on the attributes of the products. Analysis of variance was used to find out the impact of the influencers (family members, friends and relatives, company salespersons and the Dealers) on the purchase decision of the durables among the cluster members. ANOVA was also used to analyze the influence of the selected attributes of the products on the purchase decision of the cluster members.

7.5 MAIN FINDINGS OF THE STUDY

7.5.1 Lifestyle Segments

Applying the K mean clustering technique, a three-cluster solution was arrived at. Using the group mean scores, lifestyle profile of the three groups was given. A brief description of the cluster groups is given below.
Cluster I – Purchase Interested Lifestyle Segment

The members of this segment are characterized by their purchase behaviour, their brand opinion, their buying decisions, social orientation emphasizing on product guarantee and being brand conscious.

Cluster II – Family Oriented Lifestyle Segment

These people are characterized by their strong family attachments. They are information seeking, quality conscious who have a positive perception on life.

Cluster III – Innovative Lifestyle Segment

The members of this group are characterized by high involvement in trying new goods and products. They are neither quality nor brand conscious

7.5.2 Demographic profile of the clusters

The study explored the demographic characteristics of the cluster members in order to find if people belonging to different clusters differed in their demographics. The demographic variables considered for the study are age, education, income, gender, occupation, location of residence, type of residence and nature of residence. Chi square analysis was applied to find the relationship between the cluster member and their demographics. It was found from the analysis that people of different clusters did not differ in their demographic aspects.
7.5.3 Impact of The Demographic Variables on The Lifestyle Dimensions of The Cluster Members

On comparing the influence of the demographic variables on the lifestyle clusters it is seen that

Age does not have a significant impact on the lifestyle variables in the purchase interested lifestyle segment and the family oriented lifestyle segment. But among the innovative cluster members it is seen that the purchase behaviour and the perception of life differ between people of different age groups.

The education of the respondents has an impact on all the three lifestyle clusters. In purchase interested lifestyle segment, brand opinion changes with educational level. In the family oriented lifestyle segment, the quality opinion changes with change in the educational level. In the innovative lifestyle segment, the level of family orientation among the members differs with the level of education.

Gender has a significant impact on all the three-lifestyle segments. Among the purchase-oriented cluster, the extent of the innovation adoption, the level of family orientation and the extent of involvement in the search of information for the new products are different among the males and the females. The usage of leisure time, the extent of innovation adoption, the level of information search, and the perception of life among the family oriented segment differs among males and females. Within the innovation cluster, there is a difference in the usage of leisure time, the purchase
adoption and the buying decisions changed with the change in the location of residence.

7.5.4 Impact of The Influencers on The Purchase Decision of The Durables

The study explored the influence of the family members, the friends and relatives, the company sales men and the dealers on the purchase decision of the durables.

From the analysis it is found that the family members, the company sales men, and the dealers had a significant influence on the purchase decision of the consumer goods but the friends and relatives had a relatively lower influence on the purchase decision of the products. The innovative cluster members were greatly influenced by the company sales persons and the dealers when compared to purchase interested and the family oriented cluster members. The influence of the family members on the purchase decision of the durables is very high among the family oriented cluster. The purchase interested cluster is moderately influenced by all the three sources namely the family members, the company sales person, and the dealers.

7.5.5 Perception on The Need for the Selected Durables

The perception of the respondents on the need for the product was analyzed.
Refrigerator was perceived to be the most highly needed product, by the respondents of the entire three-lifestyle clusters. Refrigerators were greatly preferred as they were treated as an essential product in a hot city like Chennai.

Washing machine and Colour television were also perceived to be highly needed products. They have become part and parcel of every household, in Chennai.

AC is not very highly needed, but there is still has a certain level of requirement in the houses of the respondents. AC is still considered to be a luxury product and it will take a reasonable time to penetrate into the minds of the customers in Chennai. VCD/DVD is used only as a product for entertainment and hence is the least preferred product by the consumers.

7.5.6 The Consumers Opinion on the Purpose of Purchasing the Selected Durables

The opinions regarding the purpose of purchase of the products was analysed among all the three clusters and it was found that there was not much of difference in the opinion regarding the purpose for buying VCD/DVD, Refrigerator washing machine and colour television at home among the different lifestyle segments. It is seen that refrigerator is considered as the most essential product among all the three clusters. The next product considered as essential by the three clusters is Washing machine and Colour Television. VCD/DVD being an entertainment product it is perceived as a comfort product by all the three clusters. Air conditioner
was considered to be a comfort product by the family oriented and the purchase interested cluster members. But the innovative cluster members felt it to be a luxury product.

7.5.7 **Influence of the Information Sources on the Purchase Decision of the Durables**

The influence of the Personal sources (Family, Friends and Relatives), Public Sources (Company salesmen and Traders) and Commercial Sources (Radio, TV, Magazine and Newspapers) on the purchase decision of the durables was examined and it was found that the personal sources and the commercial sources significantly influenced the purchase decision of the durables, whereas the public sources had the least influence on the purchase decision.

**VCD/DVD**: The impact of these sources was highly negligible in the case of the purchase interested and the innovative clusters. The influence of these sources on the family oriented cluster was also not significant. As VCD/DVD was the least preferred product at home, the purchase of it was not influenced by any of the sources.

**Refrigerator**: The purchase decisions of all the three-lifestyle clusters were significantly influenced by the Personal sources (Family, friends and relatives). They were also influenced by the commercial sources but least influenced by the public sources.
Among the personal sources family members had a great influence on the purchase of refrigerator. As consumers generally are close to family members, they are a greater source of information. Among the commercial source TV is a great source of information because of its wide reach. It has a great influence on the purchase decision.

**Washing machine:** The personal source had a great impact on the family oriented cluster and the innovative cluster. The purchase-oriented cluster was influenced equally by the personal and the commercial sources.

In the purchase-oriented cluster, it is seen that family (Personal source) and TV (commercial source) play an equal role in influencing them in making the purchase decision. The family oriented cluster members are highly influenced by the family members within the personal source while making a purchase decision on the washing machine. The family and friends influence the innovative cluster members in making the purchase decision of washing machines.

**Colour Television:** Personal and the Commercial sources have a significant influence on the purchase of colour TV in all the three clusters. The influence of the public sources on the purchase interested cluster and family oriented cluster is not very significant, whereas the influence of these on the innovative cluster is almost negligible.

Within the personal source family members have a great influence on the purchase of colour TV. Among the commercial source TV is a great
source of information and had a great influence on the purchase decision on colour TV.

**Air Conditioner:** The purchase-interested cluster is equally influenced by the personal and the commercial sources of information while making a purchase decision of AC. The family oriented cluster members are influenced by the personal sources whereas the innovative cluster member are highly influenced by the commercial sources.

### 7.5.8 Influence Of the Product Attributes on The Purchase Decision of durables

The influence of product attributes on the purchase decision of the durables was explored and from the analysis it was found that the influence of the attributes on the purchase decision depends on the durables being considered.

**VCD/DVD:** The attributes of the product do not have a significant influence on the purchase decision of VCD/DVD and the influence does not differ among the purchase interested, the family oriented and the innovative cluster members.

**Refrigerator:** The influence of attributes on the purchase decision of refrigerator does not differ among purchase interested, the family oriented and the innovative cluster members.
Washing Machine: The influence of attributes on the purchase decision of washing machine does not differ among purchase interested, the family oriented, and the innovative cluster members.

- Colour Television: While making a purchase decision of colour television, the price factor has a significant influence on the purchase-interested cluster when compared to other clusters.

Air Conditioner: There is no significant difference in the influence of the selected attributes on the purchase decision of Air Conditioner among all the three clusters. It shows that all the respondents irrespective of the lifestyle they follow, give equal importance to all the selected attributes while they make a purchase decision of AC.

7.5.9 Impact of the demographic variables on the Purchase Decision based on Product Attributes

The influence of the demographic variables on the purchase decision based on the product attributes was analyzed as shown below

Appearance: plays a significant role in the purchase decision of the durables among the purchase-interested cluster. It is seen that males give more importance to the appearance of the product. Gender has no role to play among the members of the family oriented and the innovative clusters. Income level of the respondents influence the people of the purchase oriented cluster in the purchase of selected durables based on appearance. People in the income level of 3 to 4 lakhs per annum give a greater
importance to appearance factor while making a purchase decision for durables. Income of the family oriented cluster plays a significant role only in the purchase of VCD/DVD and not of other durable products. Income of the innovative cluster does not have a significant influence on the purchase of the selected durables. The type of residence of the purchase-interested cluster has a significant influence on the purchase decision of refrigerator and colour television. People living in bungalows generally are influenced by the appearance. The family oriented cluster members are not influenced by the type of residence they live. The type of residence of the innovative cluster members has a significant influence on the purchase decision of AC and not on the other durables. The Nature of residence also has a significant role in the purchase decision of durables based on the appearance. It is seen people living in quarters give more importance to the appearance of the products.

Price: On analyzing the influence of the demographic variables on the purchase decision of the durables based on the Price, it is seen that Age has a significant influence on the purchase of refrigerator and colour television among the purchase interested cluster members. It also influences the purchase of colour television among the family oriented clusters. But age does not have a significant influence on the purchase of the durables among the innovative cluster members based on price. Gender has no significant role in the purchase of the durables among all the cluster members. Men and women in all the three clusters do not differ in the importance they give to price while making a purchase decision of the selected durables. Income
level of the respondents does not have a very significant role to play while making a choice of the product based on price, among all the cluster members. It shows that irrespective of the level of income, people of all clusters attach equal importance to price factor while making a product choice. The type of residence of the respondents does not have a very significant influence on the purchase decision of the durables based on the price of the product. The Nature also does not have a significant role in the purchase decision of durables based on the price. Hence it can be concluded that the price is perceived as equally important by all the respondents irrespective of the influence of the demographic variables while making a purchase decision of the selected durables.

Performance: The purchase decision of the durables based on the performance of the purchase interested and the family oriented cluster members are not influenced by the demographic variables. It shows that respondents in both the purchase interested cluster and the family oriented cluster give equal importance to the performance aspect while making a purchase decision of the durables. The demographic variables have a significant influence on the purchase decision of the innovative cluster members. Age, Income and Type of residence of the respondents have a significant influence on the purchase decision of all the durables based on performance. Gender has a significant influence on the purchase decision of VCD/DVD and Washing Machine. The Nature of residence of the respondents does not influence the purchase decision of this cluster members based on the performance factor.
Durability: On analysing the influence of the demographic variables on the purchase decision of the durables based on durability factor, it is seen that Age has a significant influence on the purchase decision of the durables on the innovative cluster. People in the age group of 41 to 50 are more interested in the durability feature as they have a greater product usage experience. The members of the family oriented and the purchase-interested cluster are not much influenced by the age.

Gender does not have a significant influence on the purchase decision of the durables based on the durability. Both men and women of these clusters give equal importance to the durability factor. Income does not have a significant influence on the purchase decision of the durables based on durability among all the three clusters. This shows that respondents of all income groups perceive durability to be an important factor. Type of residence and Nature of residence has no significant role to play in the purchase decision on all the three clusters.

Technology: The analysis of the demographic variables on the purchase decision of the durables based on the technology shows that Age plays a significant role in the purchase decisions of the durables based on technology among the purchase interested and the family oriented cluster. It is seen that youngsters are more influenced by the technology feature. Gender does have a significant influence on the purchase decision of the durables. Income influences purchase decision of the purchase interested and the family oriented cluster. People with higher income prefer products with
greater technology. The Type of residence and the Nature of residence does not have significant influence on the purchase decision of the products.

After sales Service:. The analysis of the demographic variables on the purchase decision of the durables based on the after sales service factor, it is seen that Age does not play a significant role in the purchase decisions of the durables based on after sales service among the purchase interested cluster members. It influences the purchase of refrigerator and washing machine among the family oriented cluster. But the age of the innovative cluster group significantly influenced the purchase decision of durables based on after sales service. Gender has a significant influence on the purchase decision of the durables among the purchase and the family oriented cluster, but does not influence the purchase decision the innovative cluster members. Income does not influence the purchase decision of the durables among all the three cluster members. It shows that respondents of all income levels give equal importance to the after sales service aspect while making a purchase decision of durables. The type of residence and the Nature of residence of the respondents do not have a significant influence on the purchase decision of the durables on the three clusters.

7.5.10 Lifestyle Segments and Brand Choice Patterns

The influence of the lifestyle on the brand Choice Patterns exhibited by the respondents before and after 2002 was analysed and it was found that the brand choice depends on the lifestyle of the respondents.
**VCD/DVD:** The lifestyle of the respondents has a significant influence on the brand choice behaviour of the VCD/DVD. It is seen that the purchase interested cluster, and the family oriented cluster, have a similar perception on various brands before 2002. But the influence of the lifestyle on the brand choice behaviour differed significantly in their recent purchases.

Purchase interested cluster members are the least interested in adopting new products and ideas. They had a preference for 'Philips' brand before 2002, the then leading brand in the market. Their preference has changed to 'Sony' in the recent times, which confirms their lifestyle characters. The family interested cluster members are ones who are concerned with the family members do not prefer a particular brand before or after 2002. The innovative cluster members are ones who always want to buy new products. Hence these cluster members preferred ‘LG’ which had entered into the market only in the late 90’s.

**Refrigerator:** The lifestyle has a significant influence on the purchase behaviour of the refrigerator users. The choice of the refrigerator depends on the lifestyle to which the respondent belongs.

Purchase interested cluster members who are more interested in the well known and established brands in the market, preferred ‘Videocon’ before 2002 and their choice had shifted to ‘Godrej’ and ‘BPL’ after 2002. They did not prefer new brands like ‘Samsung’ and ‘LG’. The family oriented cluster members are very concerned with the family, and...
anything wanted by their family. Hence their choice of brands does not change much before and after 2002. The innovative cluster members are people who are very interested in trying new brands. Hence 'LG' was the dominant brand among these members before 2002, but they do not have any specific preference for any brands in their current purchases.

**Washing Machine:** The lifestyle has a significant influence on the purchase decision of the washing machine before and after 2002.

As the purchase-interested cluster members prefer only well established brands, they preferred 'Videocon' before 2002, but their preference shifted to 'LG' in the recent times. The family oriented cluster members are more family interested and they do not have any specific choice of brands before or after 2002. The innovative cluster members interested in new products and fashions. They did not prefer any particular brand before 2002, but their preference has shifted to 'Samsung' in recent times

**Colour TV:** On comparing lifestyle with the users of Colour TV before 2002, it can be seen there is no much change in the brand choice behaviour before and after 2002.

As the *purchase-interested cluster* members prefer only well established brands their choice was Thompson. The *family oriented cluster* compares the performance and brands, they preferred Sony, Philips and BPL. The *innovative cluster* members always preferred new products and hence their choice was Samsung and LG.
Air Conditioner: The lifestyle has a significant influence on the brand choice behaviour of AC. The choice of the purchase-interested cluster members has shifted from 'National' to 'LG' and 'O general' as they are interested only in well-established products. The family oriented cluster members do not have a specific preference to any of the brands. The innovative cluster members preferred 'Voltas' and 'Carrier'.

7.6 MARKETING IMPLICATIONS

The study establishes the relevance of lifestyle influence on the behaviour of the consumers. This implies that the marketing managers are likely to benefit considerably in targeting and positioning and in their media communication by focusing their attention on the ongoing changes in the lifestyle patterns of their consumers.

The purchase-interested cluster members are people who are very loyal to the shops. They buy only from stores on which they can count on the product guarantee. As they do not keep the products for more than 5 years, this cluster is a potential segment for the market. Marketer in this case can use promotional appeals, discounts credit periods and the like to motivate the consumers in this segment.

Family oriented cluster members are active information seekers. They tend to shop more frequently, visit variety of stores and exhibitions to compare the product, style, quality, price before they make their final choice. Hence display of goods at stores must match the lifestyle of the consumer's whom the marketer intends to approach. The salesmen should have sound
information regarding various brands sold by them and their selling prepositions. They should be well trained to handle consumers who are well informed.

Innovative lifestyle cluster are people who are very interested in trying new products and fashions. They always want to be the trendsetters. This would always lead to make them opinion leaders who in turn would influence the buying patterns of their peers, friends and relatives. Hence marketers must always keep this segment members abreast of the new products introduced and try to motivate this segment to spread a favorable word of mouth for their products and brands to supplement their selling efforts.

7.7 CONCLUSION

From the study it can be concluded that Lifestyle characteristics have a great impact on the purchase behaviour of the clusters. In a consumption environment, a person chooses a product or a brand, which seems to possess a maximum possibility of the definition or elaboration of his life style identity. Alternatively, a person makes a choice in a consumption environment in order to define or actualize his life style, identify it through the products or brands chosen. It can be assumed that the individual’s consumption behaviour can be predicted from an understanding of how he represents his world to himself, if the details of his life style system are known.

The relationship between life style construct and consumer behavior can thus be seen as an individual’s purchases and use of products and
services where these choices constitute part of his life style expression and its reflection. Products and services are selected, purchased and consumed by the individuals, in order for them to define, actualize or extend their life style identity. Consequently, this notion supports the proposition that there is a causal effect of the individual's life style on his consumption behavior.

7.8 SCOPE FOR FURTHER RESEARCH

Consumer behaviour is a highly dynamic area of research. Though a number of research has been carried out in this area, it still holds its own importance.

There are more than 1000 AIO (Activities, Interests, and Opinion) statements, which define the lifestyle characteristics of individuals. Research can further be carried out using these statements, which can define different lifestyle characters and lifestyle clusters.

There may be a lot of distinction in the behavioural patterns, the perception exhibited by the people living in rural, urban and semi urban areas due to their difference in their lifestyles. There is scope to compare the behaviour of these three groups with respect to their lifestyle patterns.

As the study is confined to the Chennai Environment, there is a scope for comparing the lifestyle and behavioural patterns exhibited by the people staying in different metros and cities.

An in-depth study of impact of the factors influencing behaviour patterns on the lifestyle characters of each cluster can be further carried out.