Chapter-I

Introduction

1. Concept of Lifestyle Marketing
2. Concept of Lifestyle
3. Relationship Between Lifestyle and the Consumer Decision Process
4. Factors Influencing Lifestyle
5. Missions of Lifestyle Marketing
6. Criteria to Identify the Lifestyle
7. Objectives of the Study
In the context of the changing environment in India and as a result of liberalization of the Indian economy, entry of multinational corporations, and the globalization of markets, the Indian marketer is being, pressurized into becoming more and more competitive every day. Prior to this, he was operating in a sheltered market. The focus of his effort was on production; he used only very elementary marketing skills.

This scenario has now changed. The shackles have been removed. As a result, the industrial activity is increasing, per capita income is rising and the consumers are becoming more and more knowledgeable and demanding.

Further, the entry of well-known multinational brands into the country is forcing Indian enterprises to emphasize on quality. The advantages that occur to a brand from price and product features are getting quickly neutralised.

In addition, changes are taking place in the technology as well as the basic values of the people. The values are learned as a result of interactions with certain institutions of which family, religion, school and peer groups play an important part. The family no longer exercises the same influence as it used to do in instilling values in their children, the influence of institutionalised religion has declined; school begins at an early age and even the teaching styles are also changing. Reduced workweeks, trend towards life simplification, changes in morals,
greater youth orientation, all these are influencing lifestyles like they did
never before.

Knowledge of lifestyles provides the marketers with a new way of learning about their markets and the ways in which they can be supplied with products that are most acceptable to them.

Lifestyle a market gives information on the rewards people seek in their activities and interests and a notion of the number and types of roles in which the consumers see themselves. In this process, the product developer does not see his market as an outsider, but in fact, becomes more of a member of it.

It helps advertising to integrate more effectively its products and services into an existing way of life and make them appear natural and necessary there. A study of the lifestyles of a market helps the copywriter or artist to have a better idea of the type of person he is trying to communicate with. This has implications for the setting of the advertising, the type and appearance of the characters, the nature of music and artwork, etc. It provides insights into the basic tone of voice for the advertisement, that is, whether the tone should be serious or humorous, authoritative or cooperative, contemporary or traditional.

It helps in finding ways of increasing the new product’s productivity, thereby adding to the contribution to profit made by the product. This happens because products and services derived from lifestyling have a
built-in market orientation. Since they are conceptually evolved from the need systems of the market, they are likely to have true customer relevance as solutions to problems or as rewards. It reduces the risk for the product developer by enabling him to target on at least a couple of interrelated needs as against trying to market to a single assumed market need.

It is a provocative new system of market segmentation and, accordingly, helps in suggesting new product concepts as well as market-oriented renovations of existing products\(^1\). The need for lifestyling the market can be better appreciated by looking at the penalty for not lifestyling from the beginning. Hanan\(^2\) states—

“This penalty can be two fold - once manufactured, the product is physically instead of merely conceptual. Its plasticity has been compromised; it is more difficult to change perhaps even impossible. In addition, its developmental and original positioning costs have been entirely sunk. New costs for repositioning fatten its investment base, prolong its negative cash flow, raise its eventual break-even point and may prevent its profit centering according to plan.”

Thus, a thorough understanding of the lifestyle concept can equip the marketer with a tool that enables him to increase his profitability, reduce the risk of product failures and place him in a better position as compared to his competitors.

---

2. Ibid.
1. **Concept of Lifestyle Marketing**

   It is a strategy for the understanding of a market in terms of its most meaningful, recurrent patterns of activities and attitudes and then tailoring products and services and their promotional strategies to fit these patterns.

   The use of this approach encourages the “existing markets to reveal latent needs that are not yet being served and brings to lore, ways and means through which the existing needs may be satisfied, more meaningfully. Furthermore, lifestyle marketing also allows disclosure of similar needs in adjacent markets, and enables new markets to be seen in the light of their familiarity to the existing markets.

   Thus, lifestyle marketing is concerned with the pattern of such activities that recur frequently among a customer group, and result in heavy purchases of goods and services. It identifies the thought patterns and self-images that accompany these activities so that the members of the group can be efficiently promoted to.

2. **Concept of Lifestyle**

   Broadly speaking, a family or individual’s characteristic manner of living is called its lifestyle. Max Weber originally used the term ‘lifestyle’ in 1963. He defined lifestyle patterns as a ‘systems concept’ and referred to it as a distinctive mode of living in its aggregate and broadest sense.
According to him, lifestyle embodies “patterns that develop and emerge from the dynamics of living in a society”.

The concept of lifestyle has resulted from a “merging of the objectivity of the personality inventory” (Trait-Factor theory) with the rich consumer-oriented descriptive detail of the quantitative motivation, research investigation or the psychoanalytic theory.

Various researchers have differently defined the term ‘lifestyle’. While some researchers have viewed lifestyle analysis as including demography and personality, others have included attitudes, interests and socio-economic considerations. Rokeach concerned himself with an individual’s deeply held values, which are not likely to substantially change over time. Plummer used activities, interests, opinions and demographics for lifestyle identification. According to Kelly and Lazer, lifestyle is concerned with “those unique ingredients or qualities, which describe the style of life of some culture or group and distinguish it from others.”

He opines that lifestyle is the manifestation of one’s self-image or self-concept that develops as a result of the culture one lives in and the individual situation and experiences that one comes across from day to day. According to him, it is the conscious and unconscious way in which one lives.

Feldman and Theilbar\(^8\) have defined lifestyle from a sociological point of view, in terms of four characteristics. First, lifestyle is a “group phenomenon.” An individual’s lifestyle is influenced by “participation in social groups and relationships with others.” By implication, then, a person’s lifestyle can be predicted with a fair degree of accuracy from the demographic and sociological profile (description) about that person. Second, lifestyle “pervades many aspects of life and commits him to a certain consistency of behaviour.” Consequently, it becomes easier to predict how a person will behave in other areas if his conduct in one aspect can be known. Third, lifestyle implies a “central life interest”. There are a number of central life interests which go into the making of an individual’s lifestyle like family, work, leisure, education, religion, drugs, etc. Fourth, lifestyles “vary according to sociologically relevant variables.” A number of variables like age, sex, ethnicity, social class, region, rate of social change, etc. cause a variation in lifestyles.

---

Thus, lifestyle involves the interaction of culture, values, resources, symbols, permits and sanctions, which can be portrayed in terms of a lifestyle hierarchy which is shown in Figure 1.1

**Fig. 1.1 : Lifestyle Hierarchy**


In agreement with the above, Kotler\(^9\) states that a person’s lifestyle refers to the person’s “pattern of living in the world as expressed in his or her activities, interests and opinions. Lifestyle portrays the “whole person” in interaction with his or her environment.” Lifestyle is, therefore, reflected in what a family or individual purchases, the way it is purchased.

---

and the manner in which purchases are consumed. Thus, the aggregate of consumer purchases and the manner in which they are consumed, reflect a society’s lifestyle and so one can speak of the Indian lifestyle, family lifestyle, lifestyles of various social classes and lifestyles of specific groups of individuals in different stages, of life cycle.

Alfred Adler⁴⁰ points out that every person strives to be superior than the other and that there are innumerable ways of doing it. “One person tries to become superior through developing the intellect, while another bends all of his efforts to achieving muscular perfection. The intellectual has one style of life, the athlete another. The intellectual reads, studies, thinks. He lives a more sedentary and more solitary life than the active person does. All of a person’s behaviour springs from his style of life. The person perceives, learns and retains what fits his style of life and ignores everything else.”

Thus, the individual desire to maintain or enhance their present lifestyles. In the light of this, lifestyles play a “dual, role”. Hawkins, Best and Coney¹¹ feel that this dual role is played firstly, “as a basic motivator for many purchase and use activities” and secondly, as “the initiator of new consumer decisions” which emerge because of changes in lifestyles.

The maintenance and enhancement of lifestyle is manifested in the consumption of high involvement products. It also, however, influences, directly or indirectly, the consumption of many low involvement products. The changes in lifestyles bring in new consumption-related problems and opportunities. These changes may be gradual or dramatic and sudden.

Lifestyle studies, thus, “build up the profiles of the consumers in terms of their daily life patterns, their work habits and leisure activities, their interests and self-perceptions, their aspirations and frustrations, their attitudes towards their families and others and their beliefs and opinions about the environment around them. It adds flesh to the bones of the demographic consumer profiles and reveals how products are used, what they mean to the consumers and how they fit into the fabric of day to day life.”

3. **Relationship Between Lifestyle and the Consumer Decision Process**

The lifestyles are closely related to the consumer decision process. Marketers have developed several models of the consumer buying process. Kotler\(^\text{13}\) uses a five-stage model of the buying process, which consists of problem recognition, information search evaluation of alternatives, purchase decision and post-purchase behaviour.

---


Hawkins, Best and Coney\textsuperscript{14} have also defined the consumer decision process as consisting of five interrelated decision process stages, viz., “problem recognition, information search, evaluation and selection, outlet selection and decision implementation and post-purchase processes.” They emphasise that these phases are affected by “internalised environmental influences, generalised motivating influences, products or brand evaluations and information processing.”

According to them, the consumption related problems arise because consumers attempt to maintain or enhance their existing lifestyles. The lifestyles and the consumer purchase decisions are “mutually dependent and a variation in one will bring adjustments and changes in the other.” It is thus, a continuous process wherein lifestyles not only cause changes in purchase decisions but also get altered under their impact. This “circular relationship” between lifestyles and the consumer purchase decisions is shown in Figure 1.2. The marketing manager, therefore, stands to gain by studying the lifestyles of the target markets.

4. Factors Influencing Lifestyle

Hawkins, Best and Coney\textsuperscript{15} have classified the factors influencing lifestyles into ‘external factors’ and ‘internal factors’. The external factors

\begin{itemize}
\item ibid.
\end{itemize}
The internal factors “consist of individual development and individual characteristics”. Individual development includes learning, and childhood socialisation and individual characteristics include motivation and personality features.

A brief description of each of these factors is given in the following paragraphs.\[16\]

16. The description of factors influencing lifestyles in this section is based on Hawkins, Best and Coney (1986).
4.1. **External Factors**

**Culture** is “that complex whole which includes knowledge, belief, art, law, morals, customs and any other capabilities and habits acquired by man as a member of society.”\(^{17}\) It provides information regarding “how things are”, what are the basic values and, thus, what is right and wrong, or good or bad in any given situation. It, therefore, provides boundaries within which most individuals think and act. Violation of cultural norms results in sanctions or penalties ranging from mild social disapproval to punishment. Culture is acquired and is not static. It changes with the changes in the larger environment.

**Demographics** are used to describe a population in terms of its size, structure and distribution. It consists of relatively apparent and descriptive characteristics of a group of persons like age, income, education and occupation. The distribution of the population is related to the geographic region describing it as rural or urban.

**Reference group** is a group that an individual uses a guide for behaviour in a specific situation. The presumed values of the group are the basis of the current behaviour of an individual. While a person may belong to many groups simultaneously, he uses only one group as a point of reference in any given situation. The reference group can exercise

---

three types of influences, viz., informational, normative and identification influences.

The informational influence occurs when an individual uses the behaviour and opinions of reference group members as a potentially useful piece of information, as, for example, in the case of use of a particular brand.

The normative influence occurs when an individual fulfils group expectations to gain a direct reward or to avoid a penalty or sanction. This takes place when a person purchases a particular brand to win the approval of his group.

The identification influence occurs when the individual uses the perceived group norms and values as a guide for his own values and attitudes.

The degree of reference group influence is, however, determined by the visibility of the usage situation, individual’s commitment to the group, importance of the activity or the product to the group and the individual’s confidence in the purchase situation.

Social class system is a hierarchical division of a society into relatively distinct and homogeneous groups with respect to attitudes, values and lifestyles. In practice, however, pure social classes do not exist. What exists is a series of status continuum reflecting various dimensions, which the overall society values. These dimensions can be classified into two.
(a) Achievement-oriented, including education, occupation, income, and type and place of residence.

(b) Ascribed, including race, age, sex and status of a person’s parents.

There is a partially causal relationship between the above two dimensions as a result of which they set limits on one’s lifestyles. Social class exercises a considerable influence on media usage, information search, store choice and product consumption.

**Family** is defined as a group of two or more persons related by blood, marriage or adoption who reside together. It is a basic consumption unit for consumer goods and the consumption pattern of an individual member is dependent on that of the other family members. The family may be either a nuclear family or an extended family.

A nuclear family is the immediate group of father, mother, child or children. It also includes a single parent family. A person generally functions in two distinct nuclear families during his lifetime, viz., family of orientation and family of procreation.

The extended family includes the nuclear family as well as the additional members or relations, staying together. A household is an individual or a group of people who share a common dwelling. Most households pass through an orderly progression of stages, each with its own characteristics, financial situations and purchase patterns which is known as a family life cycle.
Each stage in the family life cycle poses a series of problems, which must be resolved. The solution of these problems is intimately bound to the selection and maintenance of a lifestyle and in turn to the consumption of certain products.

In many family purchase decisions, the primary consumers are neither the decision-makers nor the purchasers. A family member can play various roles in a purchase decision. These roles are initiator, influencer, decider, buyer and user. How the family members interact in a purchase decision is largely dependent upon two things: the role specialisation of different family members and the degree of involvement of each member in the product area of concern.

4.2. Internal Factors

The internal influences are unique to the individual consumer. The activity that links the various external influences and marketing practices to the consumers decision process is called information processing. It is the means by which information from group influences, the situational context and marketing efforts is incorporated into the lifestyles and purchase decisions. Individual development and individual characteristics are partly determined by the information received and processed from the culture,- social class, reference groups and family.

Individual development takes place through learning and childhood socialisation.
Learning is defined as those changes in responses and response tendencies that result from the effects of experience. In terms of lifestyle and purchase decisions, we learn about needs, tastes and preferences and price quality relationships. With an increase in the purchase experience, we learn about the most effective sources of information, the best place to shop, the brands to avoid and the brands on which we can rely. The marketer must, therefore, understand how people learn and how learning could be influenced.

Childhood socialisation refers to a person acquiring the skills of becoming a consumer gradually over time. This process begins at quite an early stage in life. The actual process of purchase and consumption influences significantly one’s level of living as well as that of members of one’s family. The marketer must try to understand how children learn to become consumers and must also study the impact of advertising on children.

Individual characteristics are those that energise, direct and shape a particular pattern of purchase and consumption behaviour. They include motives, personality, self-concept and attitudes.

Motives are the forces that initiate and direct consumer behaviour. Motives may be either physiological or psychological.

Personality is a consistent pattern of responses to environmental stimuli, which permits categorisation of people in a number of ways. A consumer’s reaction to a need, a routine situation or new stimulus is
determined by his normal mode of coping with the environment. Personality has been found to act with other variables as a moderator to determine behaviour. It is a meaningful intervening variable accounting for individual differences.

**Lifestyles** are the patterns, in which, people live and spend money and time. The lifestyles are learned by individuals and are the derivatives of social values and personality. Similarly, values are generalised beliefs and expectations about behaviour. They are important determinants of lifestyles. The changing values provide the basis for differences amongst lifestyle segments. :

**Self-concept** is the way an individual perceives himself. It has live components\(^\text{18}\) : an organised set of motivations; a series of social roles to which the person is committed along with a knowledge of how to play them; a more general set of commitments to social norms and their underlying values; a set of cognitive abilities including the ability to create and understand symbols, and a set of ideas about one’s qualities, capabilities, commitments, and motives—a self-image—that is developed by the individual in the course of his socialisation.

Lifestyle is thus, an outward manifestation of the self-concept. The symbols people use to form and express their self-concept include the goods and services they buy and the way they use them.

---

Attitudes represent the basic orientation for or against some object such as a product. They are formed out of the inter-relationships between personal experience and lifestyles and other factors. The attitudes are composed of cognitive (beliefs), affective (feelings), and behavioural (response tendencies) components which tend to be consistent with each other.

Thus, each of these factors influence lifestyles and are also influenced by them resulting in situations where lifestyles are changing or responding to changes in the environment, sometimes gradually and at other times speedily. This calls for a continuous appraisal of markets by the marketers and an adaptation of marketing strategies to suit these variations.

5. Missions of Lifestyle Marketing

The marketers may employ lifestyle marketing to accomplish three main purposes. These are listed below:

1. To bail out an existing product which is selling below its forecast potential or, whose life cycle is on the down side with sales steadily on decline. This results in extending the life cycle of such products.

2. To bring in new profits requiring the developer to create a range of related new product opportunities for sale in an existing or similar market. This results in vertical and horizontal line extensions.
3. To generate new product opportunities in vaguely defined areas of general interest with many apparent possibilities.

6. **Criteria to Identify the Lifestyle**

Not all lifestyles are of interest to the marketer. There are six criteria that help identify such lifestyles. These are as follows:

1. They must exist in the real world. These lifestyles should be observable and predictably be expected to continue to exist tomorrow.

2. They must be reasonably discreet. The component roles in the lifestyles must be closely interrelated to one another, yet they should be perceptibly different in kind from all other lifestyles, i.e., the amount of overlap between them should be small.

3. They must be commercialisable in the sense that they should involve heavy use of products and services so that they offer a major market opportunity to the developer.

4. They must be meaningfully repetitive, so that successive product use or re-use is motivated and encouraged. This would ensure a continuous demand for goods and services.

5. They must be quantifiable, in terms of numbers, so that the percentage of heavy users, low users and non-users can be identified.
6. They must be commonly advertisable to. They must accept same advertising appeals, the same rank order of benefits and use the same media of advertising.

It is only when the above criteria are fulfilled that the advertisers and marketers would be able to utilise them for making an action plan to reap maximum benefits. Before we move on to the research methodology used here for the identification of lifestyles, let us take a look at the studies conducted in India and abroad for identifying the lifestyles of the consumers.

7. Objectives of the Study

The study has been conducted with the following objectives in view:

1. To study and analyse the consumer's lifestyle.
2. To study the impact of advertising and marketing strategies on consumer's lifestyle.
3. To study the lifestyle prevailing amongs the middle class consumers.
4. To analyse the influence of income, education and occupation on consumer's lifestyle.
5. To examine the relationship between lifestyle and the perceptions relating to the function of advertising, media preferences of the different lifestyle of consumer's groups.
6. To identify the purchasing behavior of people belonging to the different lifestyle in terms of shopping, brand loyalty and store loyalty etc.

7. To analyse the purchasing dimension and effect of marketing strategy for Fast foods and Clothing products.