Abstract

India is expected to become one of the global super powers in the next couple of years as the country’s youth are expected to contribute to the demographic dividend of the country leading to its economic growth. Almost fifty two per cent of the country’s population comprises of young people below the age of twenty five years. The country has seen the entry of a large number of multinational companies that offer a lot of products and services meant for the youth segment. The research focuses on studying the factors that are likely to affect the conspicuous consumption of lifestyle products and services among the urban Indian youth residing in the city of Bengaluru. The urban Indian youth of the city have been considered for this study because the city has gained prominence both nationally and globally for having a cosmopolitan outlook that attracts young people from all over the country and the world who wish to pursue educational, entrepreneurship and employment opportunities in the city. From the review of literature it becomes apparent that there is a need to understand how emerging market economies are likely to conspicuously consume for status. There is a general consensus among academic researchers and marketers that the intention to signal status may motivate conspicuous consumption. Lifestyle products and services that are often used by consumers as part of their daily lives are likely to be used for signalling their status and wealth. Psychological and brand antecedents have been found to influence conspicuous consumption, though their effects are expected to vary across different societies globally. The perceptions, aspirations and attitudes of consumers are likely to affect their propensity to participate in conspicuous consumption for status indication. Besides the functional benefits of brands, consumers are likely to be influenced by brand symbolism when contemplating conspicuous consumption for status and prestige indications. Brand symbolism is expected to help customers derive quality and image associations from the brand that may help them in achieving their esteem needs. The study considers a set of sixteen lifestyle products and services about which the perceptions and attitudes of the urban Indian youth are sought on various aspects that may affect conspicuous consumption. Consumer research studies have indicated the importance of status orientation, materialism and status consumption for conspicuous consumption. The study aims to find out the levels of status orientation, status consumption and materialism among the urban Indian youth in the city. It has been found that there is a need to find more information about the attitudinal and behavioural aspects of the urban Indian youth that may affect their choice of lifestyle products and services.
for indicating status. The present study aims to find the demographic and attitudinal variables that are likely to influence conspicuous consumption of the lifestyle items. The study attempts to find the perceptions of the urban Indian youth towards different aspects of the lifestyle products & services chosen for the study. Some of the aspects on which information has been sought from the young people in the city are about the item(s) which are perceived to be capable of being used for status indication, the item(s) that have been purchased in their households over the last one year, their likelihood of participating in decision making for the purchase of the item(s) in the future, the importance given by them to brand name, their perceived importance for price of the item(s) and whether they considered the situational factors of use of the item(s) to be important for purchase consideration of the item(s). The study highlights the demographic, psychological and product characteristics that are likely to influence the perception and choice of lifestyle items for conspicuous consumption. Empirical proof of the reliability and validity of the scales used in the study are illustrated. Using cluster analysis four youth clusters have been identified with distinct status orientation, status consumption and materialistic orientations. Urban Indian youth are found to have high levels of traditional status orientation and modern status orientation. Their levels of status consumption and materialistic orientation are found to be moderate. Using correlation, simple regression and multiple regression, the study outlines two empirical models that show the linkages of demographic and attitudinal factors that are likely to influence the interest among the urban Indian youth for status products and their willingness to pay more for products with status. Using discriminant analysis two additional empirical models have been developed in the study that illustrate the factors that may be considered important to identify different groups of urban Indian youth who are likely to have different propensities for conspicuous consumption basis their status consumption levels and their perceived importance for the prestige value of products. Significant demographic, psychological, brand, price and situational factors that are likely to influence conspicuous consumption of lifestyle products and services are also highlighted using logistic regression. Data analysis also reveals that lifestyle items like mobile phones, clothes, watches, motorbikes, laptops, cars, educational qualifications attained and club membership are likely to be considered for conspicuous consumption by the urban Indian youth. The present study thus contributes to theoretical domain of consumer behaviour, gives information about the urban Indian youth that can help marketers and illustrates the aspirations of the young people which may help policy makers.