

Effect of Values and Life Style on Consumer Online Purchase Intention

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ABSTRACT

Life style is an individual's activities, interests and ideas about various issues. Consumers make consumption under the influence of these dynamics. Life style has an important place in the individual's consumption decisions. Lifestyle marketing is a process of establishing relationships between products offered in the market and targeted lifestyle groups. It involves segmenting the market on the basis of lifestyle dimensions, positioning the product in a way that appeals to the activities, interests and opinions of the targeted market and undertaking specific promotional campaigns which exploit lifestyle appeals to enhance the market value of the offered product. Lifestyle is an integrated system of a person's attitudes, values, interests, opinions and his overbehaviour. This research focused on the least studied area of marketing in the circumstances in which it was carried out. All the ideas are interlinked in it to increase the customer online purchase intention. This paper presents a brief review of the literature, lifestyle profiles in Indian context, VALS system of classification, limitations of the study and conclusion.

Keywords: Life Style, Values and Life Style (VALS), Customer Online Purchase Behavior, Lifestyle Marketing.

1. INTRODUCTION

Consumer behaviour includes an examination of the range of customer's needs, attitudes, and motivation to purchase. Values that are at the core of an individual value system and also generalisable can provide important information for marketing professionals. In today's world, people witness rapid changes. Thanks to the developments in technology, production methods have changed, and industrialization has advanced. The aim of all advancements is to raise the quality of life and facilitate the way people live. Little has been taken into account, though, concerning that these advancements would have a price to pay. This price is the negative influence on natural resources accompanied by the consumption increasing with production. As a result, a certain amount of imbalance is observed on resource consumption, and ecological destruction has been increasing steadily [20]. In India, the way of living is largely influenced by family, education system, culture, and society. Plenty of research has been carried out to understand the influence of lifestyle on consumer behaviour. India being the fastest growing economy in the global market the young Indian trends and the changing lifestyle becomes great opportunities to marketers and organizations. Adapting and developing products that depict lifestyle of an individual would influence the consumer buying process, hence, this study therefore emphasis on examining the impact of lifestyle of Indian youth during the purchase decision. India has witnessed a huge transformation in the consumer lifestyle which has been influenced by the geo-demographics, socio-cultural factors, psychographics, preferences norms, and behavior [12]. The Indian consumer today wants to lead a life full of luxury and comfort. The numbers are huge and signify

the fact that more and more people are leaving the traditional stores and purchasing from online stores. With the increase in mobile, especially, smartphone penetration and a complimentary rise in the mobile internet penetration, online shopping has become easier. It has been seen that in the past few months, many online stores closed their websites to be the only application exclusive. Changing prospectus with an “on the go” lifestyle is one of the key factors for influencing buying behavior that exhibits a high relevance for formulating marketing strategies. In India, the online retail industry has shown a steady and rapid growth

over the years. The Indian online retail market is predicted to grow over 4-fold to touch \$ 14.5 billion (over Rs. 88,000 crore) by 2018 on account of the rapid expansion of e-commerce in the country (Economic Times). As the number of online purchasers has increased tremendously, it also became the motivation for the present study. The purpose of this paper is to understand the lifestyles (Product oriented, price oriented and brand oriented) influence on purchase decision of shopping goods among the Indian youth [15]. The research examines the lifestyles influence on purchase decision. Customer’s preference of products is based on product, price and brand of the products.

2. LITERATURE REVIEW

Life style is a broad concept referring to what people do, what is their motivation for their actions, and what those behaviors mean to other people [1]. Life style was put forward by Max Weber. Weber defined the term as differences between social groups [7]. Previous experiences, culture, demographic attributes, economic conditions, and values of consumers have an influence on their lives. Activities, attitudes, interests, and expectations of consumers are formed by aforementioned factors. Measurement methods which are most frequently used in life style studies are as follows: Activities, Interests and Ideas, Rokeach Values System, Values List, Values and Life Styles (VALS), and Values and Life Styles 2 (VALS2). VALS2 was employed in this study to measure the life styles of the participants. There is some information about the scale below. VALS was developed by Stanford Research Institute in 1980. A survey containing 800 questions about demographic characteristics, activities, financial situations, and product consumption styles were prepared in VALS, research, and the basis of life style method was laid [10]. Through the late 1980s, VALS2 was developed since VALS had been considered substandard to estimate consumer behaviors. 400 questions were prepared to estimate consumer behaviors by VALS2 [10]. Accordingly, 8 life style segments were determined as follows:

Innovators comprise of inquisitive, active, successful, and sophisticated people with leadership characteristics who are well-informed of new ideas and technologies and who buy products and services reflecting the characteristics of high social class. Thinkers comprise of mature and calm people who value knowledge and world affairs, order, and responsibility and who make comprehensive research before making decisions.

Achievers comprise of in-control individuals whose social lives center on family, career, and success and who are active in market and are attached to premium products and services to prove their success.

Experiencers comprise of young people who like the new, offbeat, and risk and who spend much of disposable income on clothes, fashion, fast-food, music, movies, and cinema.

Believers comprise of conservative individuals who value family, religion, and social rules and do not spend on the things they do not need.

Makers comprise of self-sufficient individuals who are committed to traditions and family and whose interests, except for child-raising, home-mechanics, hands-on activities, and vegetable growing, are rather undeveloped.

Strivers comprise of image-conscious individuals who are attached to fashion products and entertainment and other consumers’ opinions and who consider money as the source of success.

Survivors comprise of individuals with low income and educational level who are old, non-communicative, and without strong social relations. They do not spend on luxury due to their low income levels.

The author [21] highlighted the role of social influence in the virtual world. According to him, a person’s judgment to buy a product is often strongly affected by people who are close, rather than strangers. According to [22] social influence is one of the key drivers of the online purchases. The social influence is the referent power of people in the decision-making process of an individual. In the virtual world where online shopping takes places, the social influence can be exerted by family, peers and groups, both offline (physical) as well as online in the form of e-WOM [23].

3. LIFESTYLE PROFILES IN INDIAN CONTEXT

In India, one of the agencies is trying to create a psychographic profile of the Indian child based on a sample of over 4463 in 8 metros and mini-metros. Advertisements are featuring children in advertisements for varied products and marketers feel that this makes the whole family involved and is consistent with our life experience [17]. As an outcome of these studies the emerging profiles of the Indian children are given below:

1. 6-7 years: A fun seeker, heavily influenced by the family and by teachers.
2. 8-10 years: A role player, influenced primarily by school and by friends.
3. 11-15 years: An emulator, influenced by the peer group. At this stage, gradual non-acceptance of the family begins.
4. 16-18 years: Young adults, almost entirely conforming to the group.

Some of the Interesting Findings of this Survey are:

- Children love to see commercials on TV.
- They have their favourite actors and cricketers.
- Most of them are adventurous and like trying out new brands.
- Children feel savings are necessary.
- A very large percentage of children visit religious places.

As it was a tough task to see the impact of all the above factors on online purchase intentions separately, the participants were asked to list out the four most important factors that prompted them (consumers) to make a last minute decision to make an online purchase. After much discussion and deliberation, the participants agreed on the following four factors: (i) social influence; (ii) brand image; (iii) previous experience of shopping online; and (iv) attitude towards e-word of mouth (e-WOM). According to the participants after a person has examined and evaluated all the characteristics of a product, including its price and wants to purchase it online the above mentioned four factors can prove detrimental.

4. VALS SYSTEM OF CLASSIFICATION

Another widely used lifestyle classification system is the Values and Lifestyle classification developed by Arnold Mitchell. The VALS system of classification classifies adults (18+) in the US into distinctive lifestyle groups. Each group is based on inner psychological needs (values) and behaviour response patterns (lifestyles) which their values predict. The psychological theory used in VALS draws heavily on Abraham Maslow's Hierarchy, on Needs. The VALS theory and database were first applied to markets in 1978. VALS provides a dynamic framework of values and lifestyles; which helps to explain why people act as they do as social groups and as consumers. VALS, unlike some other approaches, waves together:

1. Demographics, 2. Attitudes, 3. Activities, 4. Consumption patterns, 5. Brand preferences. 6. Media graphics.

The VALS study leads to the identification of four major groups i.e. the need driven (the poor and uneducated), the outer directed (the middle or upper income class consumer whose lifestyle is directed by external criteria) and the inner directed (people who are motivated more by inner needs than by the expectations of others. The fourth segment, called integrated represents individuals who have been able to combine the best of both outer directed and inner directed values. The model given below covers all four major types. These groups, in turn, are divided into nine specific VALS segments. Among the need driven there are survivors and sustainers. In the case of survivors the purchase motivation is found to be price dominant [14]. They are also not very knowledgeable shoppers. The sustainers are motivated by brand names, guarantees and are generally impulse buyers. The outer directed belongers go for proven popularity of products. They are brand loyal and careful shoppers. The outer directed emulators buy products to impress other people and use products to announce status. The achievers buy high tech items. They want original, top of the line products. They are brand conscious and very loyal [19]. The inner directed I-AM-ME's go after fads and do not mind being avantgarde. The inner directed experimental buy products for the sake of experimenting. They get tremendous amount of satisfaction from the purchase process itself. The inner directed societally conscious customer wants value for money.

5. LIMITATIONS OF THE STUDY

World's resources are limited and decreasing. Consumption models and life styles of the consumers change with the developing world as well. Current consumers demand many things such as suitability, quality, functionality, difference, and convenience all at once. Meeting these demands without threatening environment and human health and making sacrifices from people's life styles will result in benefits for everyone at community, business, and consumer levels. Determining the conditions leading to the emergence of sustainable consumption and the factors that have an influence on it will contribute much to both business and academic circles [15]. The fact that there was no study exploring the relationship between life styles and sustainable consumption and the aforementioned importance of the issue led to this study aiming to explore the relationship between sustainable consumption and life styles. Another aim of the study is to explore the relationship between consumer attitudes to environmental protection and sustainable consumption tendencies. Consumers whose ages were over 18 and who were living in the central district of Erzurum province were included in the study [20]. The life styles and the sustainable consumption behaviors of the consumers were not evaluated in terms of any brand or product. Therefore, the results cannot be generalized by product group, brand, or region.

6. CONCLUSION

Lifestyle of young Indian has a positive influence on the product purchase decision. The findings can help the marketers, to expand the vision of marketing strategies and emphasis on impact of several variables while developing promotional strategies that can help to enhance the performance of the product in the market and get closer to the consumer. It is evident from the study that consumers give importance to product, price and brand that associates with their lifestyle hence the decision on choice of products reflects their lifestyle. Also the relationship between the demographics and lifestyle enables the marketer to develop personas of customers and develop products catering to the lifestyle of customers. Consumers choose the brand in alliance of the lifestyle to display their lifestyle. Brands are adopted as a means to communicate their way of living. It can be interpreted that purchase of brands is influenced by the lifestyle. With the results indicating product appearance and lifestyle having a positive influence on the purchase decision, it can create a unique experience for customers itself could do the selling. It can build an emotional connect around the features instigating repeated purchases of the same brand. The relationship with lifestyle connects to the behaviour of the consumers to search and discover payment easiness modes, and discounts giving a sense of satisfaction and happiness. The discovery encourages the feeling of achievement which exhibits their lifestyle. Price-oriented lifestyle is concerned about involvement and how it will add to the experience. The results of the study can be used to integrate with consumer profile and assist the marketer for developing the marketing strategies. Lifestyle segments behave differently and their characteristics have a great impact on the purchase decision. During the buying process, youth prefer products or brands which possess a notable possibility that imitates their lifestyle. An individual makes the selection of products in order to define their lifestyle. The results conclude the proposed model indicating the influence of lifestyle on purchase decision of Indian youth.

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