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## UNIT 2 CONSUMER BEHAVIOUR AND LIFESTYLE MARKETING

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### Objectives

After reading this unit you should be able to :

- define and illustrate the concept of lifestyle marketing
- describe the role of lifestyle analysis and how it fits into other approaches to study of consumer behaviour.
- identify the characteristics of lifestyle
- learn about AIO inventory and VALS classification used in "Lifestyle Analysis"
- get a glimpse of lifestyle studies in India
- describe current applications and trends in lifestyle marketing.

### Structure

- 2.1 Introduction
- 2.2 Demographics, Psychographics and Lifestyle
- 2.3 Characteristics of Lifestyle
- 2.4 Influences on Lifestyle
- 2.5 Approaches to Study Lifestyle
- 2.6 Application of AIO Studies
- 2.7 Lifestyle Profiles in Indian Context
- 2.8 VALS System of Classification
- 2.9 Applications of Lifestyled Marketing
- 2.10 Summary
- 2.11 Key Words
- 2.12 Self-assessment Questions
- 2.13 Further Readings

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### 2.1 INTRODUCTION

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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. The Marketing Dictionary of Rona Ostrow and Sweetman R. Smith describes lifestyle as "a distinctive mode of behaviour centred around activities, interests, opinions, attitudes and demographic characteristics distinguishing one segment of a population from another. A consumer's lifestyle is seen as the sum of his interactions with his environment. Lifestyle studies are a component of the broader behavioural concept called psychographics."

Harold W. Berkman and Christopher Gilson define lifestyle as "unified" patterns of behaviour that both determine and are determined by consumption. The term "unified patterns of behaviour" refers to behaviour in its broadest sense. Attitude formation and such internal subjective activities may not be observable, but they are behaviour nonetheless. Lifestyle is an integrated system of a person's attitudes, values, interests, opinions and his over behaviour.

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### 2.2 DEMOGRAPHICS, PSYCHOGRAPHICS AND LIFESTYLE

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Demographic variables help marketers "locate" their target market and psychographic variables provide the marketer with more insight about the segment. Psychographics is, in common parlance, lifestyle analysis or AIO research. In its most widely practised form, a psychographic study consists of a long list of statements designed to capture relevant aspects of a consumer, like personality, hinting motives, interests, attitudes, beliefs and values. When the study



becomes oriented towards a particular product, the consumers have to respond to statements which are selected for the purpose i.e. on products, brands, services, competitive situations etc.

The demographic and psychographic lifestyle approaches are highly complimentary and work best together. People hailing from the same sub-culture, social class and even occupation follow quite different lifestyles. If we can create a fictitious Mrs. Mathur to look at possibly it may be like this: She may choose to live a "belonging" lifestyle which will be reflected in her wearing conservative clothes, spending considerable time with her family and participating in social activities. Or she can be an "achiever" marked by an active personal life and playing hard when it comes to travel and sports. It can be seen that lifestyle depicts the "whole person" in active interaction with his environment.

The lifestyle analysis adds a great amount of understanding to a typical demographic description. A person buying a new designer shirt may be 34 years old, married and living in a three bedroom house and having 2 children. The lifestyle analysis would help marketers to paint a more human portrait to their target market.

For instance the "young, upwardly mobile" lifestyle group cutting across sub-cultures, social class, occupation etc. is now being increasingly used by Indian marketers as their market group. This finds its expression in advertising appeals "He loves the feel of the city... The skyscrapers... The crowds... The pretty faces... And the heedy feeling of being successful... Above all the freedom of being himself." So says the advertisement for Pantaloon cotton trousers from Manz Wear. Another advertisements for men's underwear from Bhilwara loudly announces "for the man who plays many roles-here comes the very best in wearunders via the grand fashion avenues of Paris...Champs Elise". The behavioural differences between prospects that do not show up in demographic figures come alive in lifestyle patterns. Lifestyle, analysis leads to more comprehensive and penetrating profiles of how consumers think and act than may be available from other approaches.

### Activity 1

Collect 10 advertisements (ads) involving the promotion of ready-made garments. Find out, how many of these ads are "playing up" the lifestyle appeal of target customers. Identify, what lifestyles have been projected through these ads.

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## 2.3 CHARACTERISTICS OF LIFESTYLE

Feldman and Theilbar describe lifestyle by the following characteristics:

### 1 Lifestyle is a group phenomenon

A person's lifestyle bears the influence of his/her participation in social groups and of his/her relationships with others. Two clerks in the same office may exhibit different lifestyles.

### 2 Lifestyle pervades various aspects of life

An individual's lifestyle may result in certain consistency of behaviour. Knowing a person's conduct in one aspect of life may enable us to predict how he/she may behave in other areas.

### 3 Lifestyle implies a central life interest

For every individual there are many central life interests like family, work, leisure, sexual exploits, religion, politics etc. that may fashion his interaction with the environment.



#### 4 Lifestyles vary according to sociologically relevant variables

The rate of social change in a society has a great deal to do with variations in lifestyles. So do age, sex, religion, ethnicity and social class. The increase in the number of double income families and that of working women have resulted in completely different lifestyles in the 1980's in India.

### 2.4 INFLUENCES ON LIFESTYLE

Cultural and societal variables establish the outer boundaries of lifestyle specific to our culture. The interaction of group and individual expectations and values creates a systematic pattern of behaviour. This is the lifestyle pattern that determines purchase decisions. When goods and services available in the market are in tune with lifestyle patterns and values, consumer market reactions are favourable. And purchases that reinforce these patterns further illuminate these lifestyles. Lazer's lifestyle hierarchy brings out these interactions.

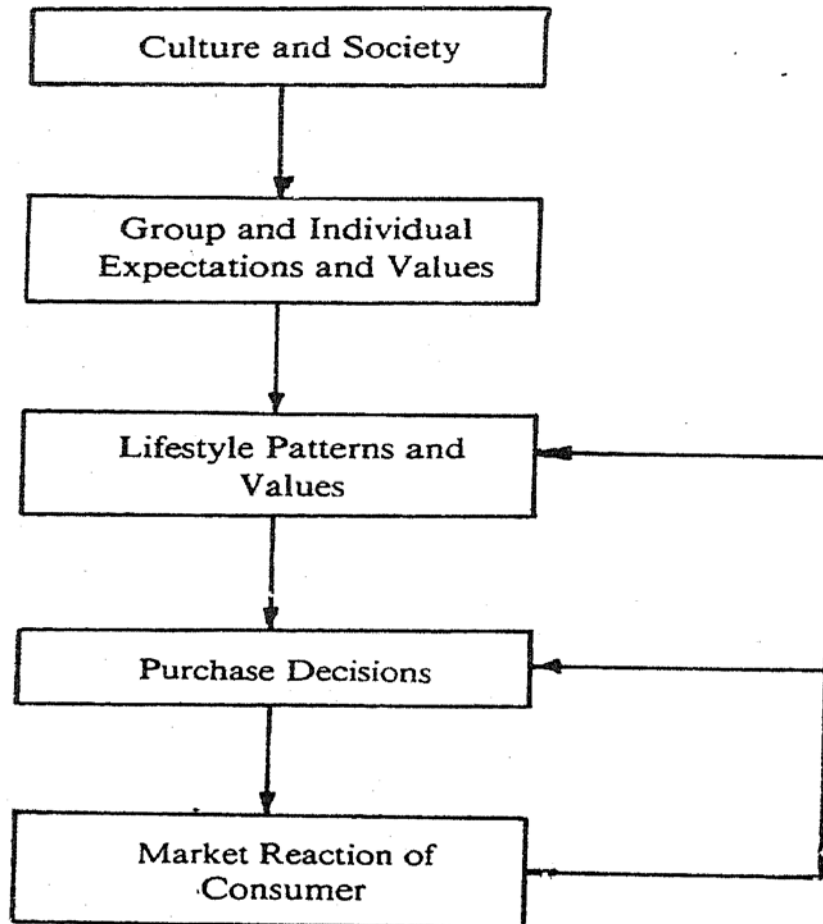


Figure 1 : Hierarchy of Influences on Lifestyles

### 2.5 APPROACHES TO STUDY LIFESTYLE

The study of lifestyle is interdisciplinary. It draws on a variety of disciplines such as anthropology, psychology, sociology and economics. Marketing uses this eclectic approach for segmenting, targeting and positioning which forms the core of marketing strategy. Because lifestyle refers to the way in which people live and spend money, consumers psychographic profiles are derived by measuring different aspects of consumer behaviour such as:

- 1 Products and services consumed
- 2 Activities, interests and opinions
- 3 Value systems
- 4 Personality traits and self-conception
- 5 Attitude towards various product classes

Many approaches are available to the study of psychographic variables. One of the ways is to study the lifestyle variables by an AIO inventory for use in segmenting, targeting and positioning. Another lifestyle approach is by using VALS typology. We will expand on these concepts now.



### AIO Inventories

AIO studies envisage a wide variety of variables and measures the major dimensions shown below :

Activities	Interests	Opinions	Demographics
Work	Family	Themselves	Age
Hobbies	Home	Social	Education
Social events	Job	Politics	Income
Vacation	Community	Business	Occupation
Entertainment	Recreation	Economics	Family size
Club member	Fashion	Education	Geography
Community	Food	Products	City size
Shopping	Media	Future	Lifecycle
Sports	Achievements	Culture	Dwelling

**Source :** Joseph T. Plummer--The Concept and Application of Lifestyle Dimensions, Journal of Marketing.

Let us take a closer look at these variables :

- What are activities? Activities indicate how a consumer/family spends his/her/their time.
- What are interests? Interests are a family's or consumer's preferences or priorities.
- What are opinions? Opinions are how a consumer feels about a wide variety of events and things.

In order to explore an individual's activities, interests and opinions, respondents are given lengthy questionnaires in which they are asked how strongly they agree or disagree with statements such as:

- I would like to become an actor
- I usually dress for fashion and not for comfort
- A woman's place is in the house
- I-often have drinks before dinner
- I love the outdoors.

The statements can be general or product-specific. They can be pertaining to individual or family/household. For instance, the classifications of different type of Psychographic statements for traveller's cheques are given below:

	Individuals/Personal	Family/Household
General	"I think about my safety and security when planning a trip".	"When on vacation our family is always shopping"
Product-Specific	"Travellers' cheques are for people who are inexperienced travellers".	"We really appreciate peace of mind that travellers cheques provides."

In constructing an inventory of such lifestyle statements researchers first go through market research studies that might be of help in isolating psychographic variables. Motivation research studies which reveal consumer's reflections on their experiences and needs are a good source. Based on such reviews psychographic statements are prepared which bring out the range of activities, interest and opinions that the researcher wishes to evaluate. In constructing a psychographic inventory, it has to be thoroughly assessed whether consumers will understand the meaning of the each of the statements as the marketer expected them to be interpreted. It is also important to avoid statements that lead consumers to make a socially acceptable response which really does not reflect their true feelings or likely ways of interaction with environment. In responding to an inventory as explained above consumers are usually asked to rate in a quantifiable rating scale as is used in marketing research studies, the extent of their agreement or disagreement with each statement and results are statistically evaluated. Thus psychographic research produces quantifiable insights that are usually presented in tabular format. The measurement is similar to the measurement of personality traits in that it requires the use of self-administered questionnaire or inventories.



For example:

	Agree completely	Agree somewhat	Agree a little	Disagree a little	Disagree somewhat	Disagree completely
"I am the kind of person who carefully plans whatever I do"						
"Before trying a new product or service I seldom seek the advice of others"						

Some studies have used factor analysis (see Unit 17 on multivariate analysis) for revealing grouping of behaviour styles in purchasing. The factors in one study referred to how the different groups of consumers reacted to and used a variety of products. For instance, how does a "dress conscious man" use

- a) Suits
- b) Shoes
- c) Dress Shirt
- d) Sport Shirt etc. can be one factor

### Activity 2

- a) Construct a questionnaire with about 30 AIO statements with specific reference to 'camera buyers and users'.
- b) Administer this questionnaire to approximately 100 respondents and carry out factor analysis of responses.
- c) Can you develop any hypotheses which will distinguish between heavy and light users of a camera?

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## 2.6 APPLICATION OF AIO STUDIES

Studying the lifestyle closely through the AIO inventory of heavy/medium/light users of a product has been found to be immensely useful for marketers. In the US studies have been done regarding the heavy use of beer, eye make-up and bank credit cards. When it was revealed that 23% of the people who drink beer consume 80% of the beverage sold, the heavy beer user became the advertising target of the new campaign. William Wells and Douglas Tigert used an AIO inventory to probe the heavy user of eye cosmetics. Demographic data revealed that such women were young, well educated and metropolitan. But she also tended to be a heavy smoker and more inclined than the average woman to make long distance telephone calls. From the responses to statements, she emerged as one who fantasises about trips around the world, and as one who wanted a very stylish home.



In a study Plummer applied to bank credit card users, males who used bank charge cards heavily were described as urbane and active with high income level and occupational and educational achievements. The heavy card user places high value on personal appearance consistent with his career and lifestyle. He was found to buy at least three new suits a year, to belong to several organisations and revealed contemporary attitudes and opinions.

Thus, a study of personality, lifestyle and social class gives a more comprehensive consumer profile and not a mere physical description of demographics. Using the AIO inventory, the Chicago based advertising agency of Needham, Harper and Steers have identified five female lifestyle groups and five male lifestyle groups. We have Indian parallels of these types and you may try to recall the advertisements given alongside in brackets to identify the lifestyle portrayed through these characters and decide whether they conform.

### Female Lifestyle Types

1. Cathy the contented housewife (Beena Ganguly in the Dalda Refined Oil advertisements?)  
Cathy epitomises simplicity. She is devoted to her family and faithfully serves them as mother housewife and cook. She enjoys a relaxed pace and avoids anything which might disturb her equilibrium.
2. Candice-the chic suburbanite. (Kitu Gidwani in the Halo Shampoo advertisement?)  
Candice is an urban woman. She is well educated and genteel. Socializing is an important part of her life. She is a doer, interested in sports and the outdoors, politics and current affairs. Her life is hectic and lived at a fast clip. She is a voracious reader and there are few magazines she does not read.
3. Eleanor-the elegant socialite. (Shyamolie Verma in the Lakme advertisement?)  
Eleanor is a woman with style. She lives in the city because that is where she want to be. She likes the socio-economic aspects of the city in terms of her career and leisure time activities. She is fashion conscious and dresses well. She is financially secure and hence not a careful shopper. She shops for status and style and not for price. She is a cosmopolitan woman who has travelled abroad and wants to.
4. Mildred-the militant mother. (As an exercise, can you think of an example so as to draw a comparison?)  
Mildred is a woman who got married young and had children before she was ready to raise a family. Now she is unhappy. She is frustrated and vents her frustration by rebelling against the system. Television provides an ideal medium for her to live out her fantasies.
5. Thelma-the old fashioned traditionalist. (Lalitaji of the Surf advertisement?)  
Thelma is a lady who has lived a good life. She has been a devoted wife, a doting mother and a conscientious housewife. Even now, when most of her children have left home, her life is centred around the kitchen. She lacks higher education and has little appreciation for the arts or cultural activities. Her spare time is spent watching TV.

To make these distilled profiles even more useful for segmenting markets for specific products aimed at women, the researchers then portrayed these segments in terms of an index of product usage. To illustrate, the following data on use of cosmetics by the above female psychographic segment reveal very interesting information..

	Thelma	Eleanor	Candice	Cathy	Mildred
I often wear very expensive tolgene	79	175	111	80	82
Lipstick	100	156	111	100	81
Hair Spray	114	150	92	100	72
Nailpolish	76	142	100	88	142
Hair Coloring	200	142	150	65	15
Eye Make-up	31	135	115	104	127
Wig	80	124	100	106	103
Breath Freshner	132	139	86	82	93
Medicated Face Make-up	70	106	94	106	140
Cleaning Face Creame or Lotion	96	129	107	82	121
Suntan Lotion	35	126	126	118	140



Hand Lotion	100	99	108	100	95
Shampoo	90	92	107	106	111

Combining these various pieces of information we can infer that Thelma-the traditionalist is most likely to use hair colouring, but least likely to use make-up. In contrast a marketer of a leading line of cosmetics, say Lakme in India is likely to prefer a target women like Eleanor. Such women are predisposed to using cologne, lipstick, hairspray, nailpolish and various other forms of expensive make-up.

Similarly the suggested male lifestyle types are :

- 1 Ben-the self made businessman. (Reminiscent of Gavaskar in Dinesh advertisement?)
- 2 Scott-the successful professional. (Shekhar Kapur in the Digjam advertisement?)
- 3 Dale-the devoted family man. (Zafer Lalji in the Cadbury advertisement?)
- 4 Fred-the frustrated factory worker. (Ramu in the Nirodh advertisement?)
- 5 Herman the retiring homebody. (Dadaji in the Dabur Chyavanprash advertisement?)

## **2.7 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. 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.
- Newspaper and magazine reading figures are impressive-particularly for 16 to 19 years age group.

Another major study using psychographic approach carried out by pathfinders, a marketing research agency in India covering 10303 working and non-working women aged between 18-45 years with family income of more than Rs. 350/- p.m. in 36 towns and cities across the country has come up with 8 identifiable types of Indian housewives.

**The gregarious hedonist:** Found predominantly in the east, she is most likely to speak *Bengali* and is intensely extroverted and liberal. She does not believe in sacrificing her life just to keep her family happy. Self-indulgent and willing to spend money on new products, she is a marketing man's dream.

**The contemporary housewife:** She is on the threshold of change. While she has not given up many traditional values, she aspires for modernity and is least likely to be living in north India. Though she is happier than she was five years ago. She feels the need to do something more meaningful besides housekeeping. She is fashion-conscious, but still uses fairness skin cream and her idea of trendy clothes does not go beyond the sari.

**The affluent sophisticate:** She lives mainly in the west zone, and seems to live by the motto: "Have money, will spend". She is the highest user of all kinds of consumer products and indulges more in activities-even simple ones like writing a cheque or using a telephone-which are out of reach of most housewives. She is comfortable talking to men outside her family circle, and would not mind if her children marry outside the community. One out of three do some form of exercise and are careful about their figures.



The tight-fisted traditionalist: Leading a sheltered life, she prefers to follow the film stars in her dress habits but is particular about prices. She restricts her circle of friends to within her community and believes that girls should be educated especially to enable them to get good husbands. A majority live in north India.

The troubled home-body: Neither a leader nor an emulator, she is largely illiterate and is least exposed to the media. Her three prized possessions are watches, transistors and bicycles. Fashion takes a back seat and the fate, according to her, is written in the stars

The anxious rebel: Less likely to be found in the south, she would much rather be working than staying at home. She is anxious, thrifty but discerning in her shopping, though quite willing to try out new food recipes, and loves to spend on her children and guests.

The contented conservative: She is extremely confident and probably the most efficient householder of all. She is a great optimist, is very conscious of the family's health and is, by and large, the advertising man's dream she believes that ads are a great source of information.

The above study confirms the view that the Indian housewife sees herself basically as a traditional provider. The survey also reveals that an increasing number of urban women are beginning to see themselves in a more modern context.

### Activity 3

Select at least 10 consumer durable and non-durable products and identify which of the above categories of Indian women will you target these products to. Also identify the selling appeals and or propositions you would use to market these products to these women types.

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## 2.8 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.



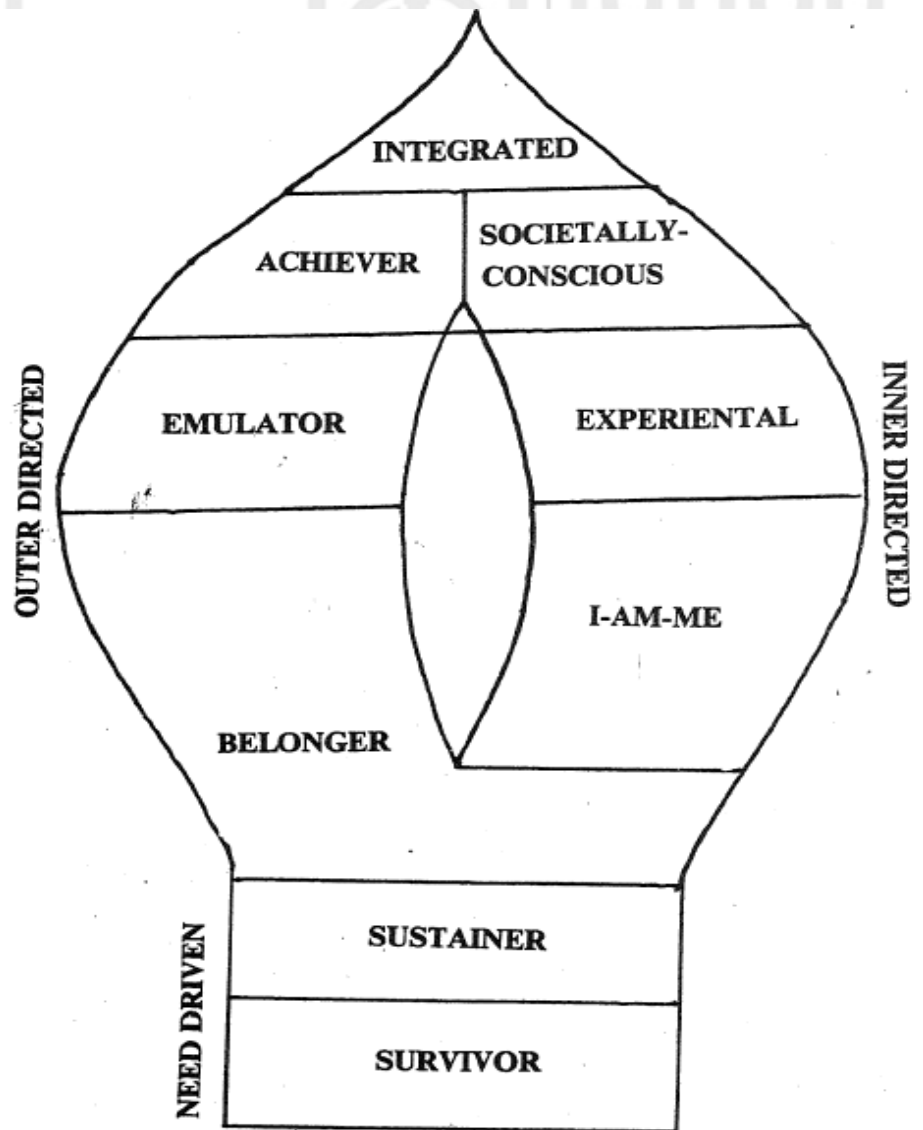


Figure 2 : SRI's Values and Lifestyle Segments

(Source: Thomas C. Thomas in "Values and Lifestyles-The New Psychographics.)

Among the need driven there are survivors and sustainers. In the case of survivors the purchase motivation is found to be price dominant. 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. 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. He is a simple, frugal person, who seeks information and reads labels carefully.

Apart from the purchase motivations described above, the characteristics of the nine VALS segments identified by the SRI international study can be summarised as follows:

- 1 Survivors: are disadvantaged people who tend to be despairing, depressed and withdrawn.
- 2 Sustainers: are disadvantaged people who are struggling to get out of poverty.
- 3 Belongers: are people who are conventional, conservative and unexperimental; who would rather fit in than stand out.
- 4 Emulators: are upwardly mobile and status conscious; they want to make it big in life.
- 5 Achievers: are leaders who make things happen, work within the system and enjoy the good life.
- 6 "I-AM-ME": are people who are typically young, self-engrossed and are given to whims.



- 7 Experimentals: are people who pursue a rich inner life and want to directly experience what life has to offer.
- 8 Societally Conscious People: have a high sense of social responsibility and want to improve conditions in society.
- 9 Integrations: are people who have fully matured psychologically and who combine the best elements of inner directedness and outer directedness.

### VALS-2 Classification

In a more recent development on lifestyle and value system. SRI now offers findings from a very comprehensive study, termed the VALS 2. The VALS 2 typology draws heavily on Maslow's need hierarchy and tries to explain the lifestyle orientation of the various segments based on the values sought by each of them in their life.

VALS 2 typology classifies the American population into 3 major consumer groups- the principle oriented, the status oriented, and the action oriented. These are then further sub-divided into eight distinctive lifestyle segments. Figure 3 below shows the VALS 2 segmentation segments. The three major segments as noted above are defined in terms of self orientations of people. The principles oriented represent consumers whose choices are governed by their beliefs rather than their need for other peoples, approval. The choices of status oriented consumers, on the other hand, are directed by the action, approval and opinion of other people. The action oriented consumers are those who are motivated by a need for social or physical activity, variety and risk bearing. The eight sub-divisions that these major self orientations have been divided into also differ in terms of their resources. Resources in this typology have been defined as physical, psychological, and demographical factors that become enabling variables in consumer's choice making behaviour. A description of the lifestyles and brief socio-economic profile of all the eight sub-segments of VALS 2 is given below.\*

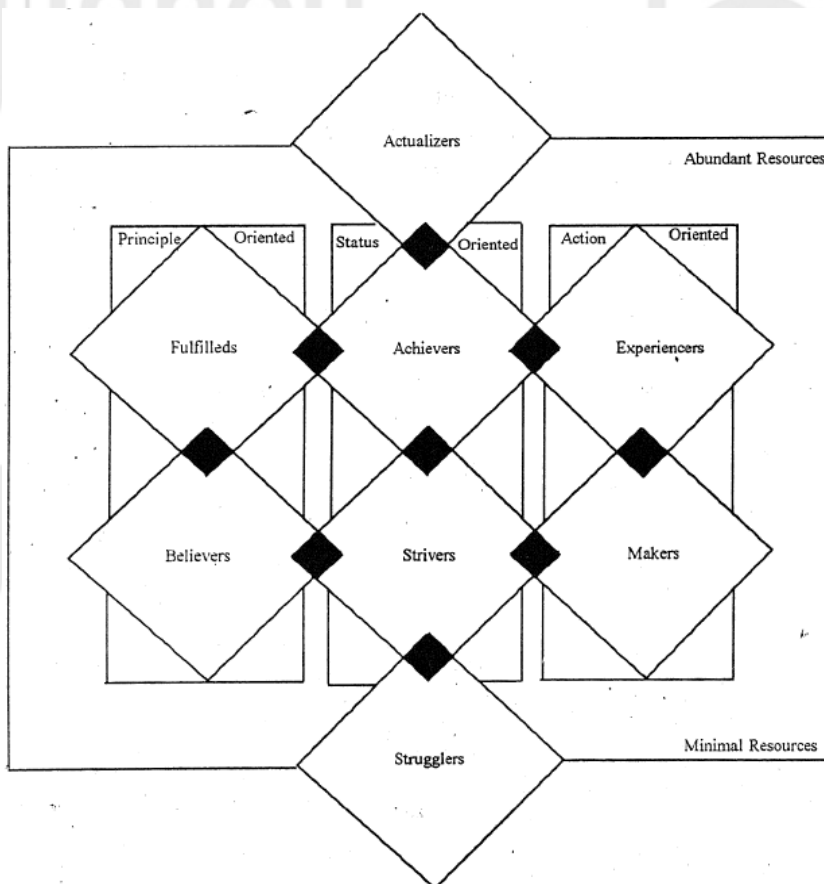


Figure 3: VALS-2 Classification

\* Description of the Profiles have been quoted from Schiffman and Kanuk Vth edition PP. 83 PH1.



The principle oriented people have been divided into 2 classes, the fulfilleds and the believers.

**Believers** are conservative, conventional people with concrete beliefs and strong attachments to traditional institutions: family, church, community, and the nation. Many *Believers* possess moral codes that are deeply rooted and literally interpreted. They follow established routines, organized in large part around their families, and the social or religious organizations to which they belong. As consumers, they are conservative and predictable, favoring American products and established brands. Their education, income, and energy are modest but sufficient to meet their needs.

**Fulfilleds** are mature, satisfied, comfortable, reflective people who value order, knowledge, and responsibility. Most are well educated, and in (or recently retired from) professional occupations. They are well-informed about world and national events and are alert to opportunities to broaden their knowledge. Content with their careers, families, and station in life, their leisure activities tend to center on their homes. *Fulfilleds* have a moderate respect for the status quo, institutions of authority, and social decorum, but are open-minded about new ideas and social change. *Fulfilleds* tend to base their decisions on strongly held principles and consequently appear calm and self-assured. Although their incomes allow them many choices, *Fulfilleds* are conservative, practical consumers: they are concerned about functionality, value, and durability in the products they buy.

The status oriented people have been further subdivided into 4 classes, the actualizers, the achievers, the strivers and the strugglers.

**Actualizers** are successful, sophisticated, active, "take-charge" people with high self-esteem and abundant resources. They are interested in growth and seek to develop, explore, and express themselves in a variety of ways—sometimes guided by principle, and sometimes by a desire to have an effect to make a change. Image is important to Actualizers, not as evidence of status or power, but as an expression of taste, independence, and character. Actualizers are among the established and emerging leaders in business and government, yet they continue to seek challenges. They have a wide range of interests, are concerned with social issues, and are open to change. Their lives are characterized by richness and diversity. Their possessions and recreation reflect a cultivated taste for the finer things in life.

**Achievers** are successful career and work-oriented people who like to—and generally do—have control of their lives. They value structure, predictability, and stability of over risk, intimacy, and self-discovery. They are deeply committed to their work and their families. *Work* provides them with a sense of duty, material rewards, and prestige. Their social lives reflect this focus and are structured around family, church, and business. Achievers live conventional lives, are politically conservative, and respect authority and the status quo. Image is important to them. As consumers, they favor established products and services that demonstrate their success to their peers.

**Strivers** seek motivation, self-definition, and approval from the world around them. They are striving to find a secure place in life. Unsure of themselves and low on economic, social, and psychological resources, *Strivers* are deeply concerned about the opinions and approval of others. Money defines success for *Strivers*, who don't hate enough of it and often feel that life has given them a raw deal. Strivers are easily bored and impulsive. Many of them seek to be stylish. They emulate those who have more impressive possessions, but what they wish to obtain is generally beyond their reach.

**Strugglers'** lives are constricted. Chronically poor, ill-educated, unskilled, without strong social bonds, aging, and concerned about their health they are often despairing and passive. Because they are so limited, they show no evidence of a strong self-orientation, but are focussed on meeting the urgent needs of the present moment. Their chief concerns are for security and safety. *Strugglers* are cautious consumers. They represent a very modest market for most products and services but are loyal to favorite brands.

The action oriented segment comprises of two subsegments of Experiencers and Makers.



**Experiences** are young, vital, enthusiastic, impulsive, and rebellious. They seek variety and excitement, savoring the new, the offbeat, and the risky. Still in the process of formulating life values and patterns of behavior, they quickly become enthusiastic about new possibilities but are equally quick to cool. At this stage in their lives, they are politically uncommitted, uninformed, and highly ambivalent about what they believe. *Experiences* combine an abstract disdain for conformity and authority with an outsider's awe of others' wealth, prestige, and power. Their energy finds an outlet in exercise, sports, outdoor recreation, and social activities.

*Experiencers* are avid consumers and spend much of their income on clothing, fast food, music, movies, and video.

**Makers** are practical people who have constructive skills and value self-sufficiency. They live in a traditional context of family, practical work, and physical recreation, and have little interest in what lies outside that context. *Makers* experience the work by working on it-building a house, raising children, fixing a car, or canning vegetables-and have sufficient skill, income, and energy to carry out their projects successfully. *Makers* are politically conservative, suspicious of new ideas, respectful of government authority and organized labor. but resentful of government intrusion on individual rights. They are unimpressed by material possessions other than those with a practical or functional purpose (e.g. tools, pickup trucks, or fishing equipment).

#### Activity 4

How can the VALS 2 typology be used to develop advertisement campaigns for a chain of health clubs? Which particular segments would you target and why?

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#### Applications of VALS Classification

Marketers have put to good use this concept which is based on the idea that individuals pass through a number of developmental stages" with each stage affecting the person's attitudes, behaviour and psychological needs.

As the preceding portraits have revealed, VALS can be used to

- 1 Identify target market characteristics and usage.
- 2 Guide executional and strategic approaches.
- 3 Identify key media for target groups.
- 4 Guide merchandising efforts.

The new advertising appeals being tried for products in India and the convenience oriented retailing emerging in the country namely fast food restaurants, speciality shops for apparel as well as other products, etc. are representative of the marketing thrust resulting from targeting at selected lifestyle groups for nichemanship.

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## 2.9 APPLICATIONS OF LIFESTYLED MARKETING

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The most striking uses of lifestyle concept and allied research have been made in positioning of new products, repositioning of existing products, developing new product concepts and creating new product opportunities in specific fields. In congruence to the product concept chosen, lifestyle research is utilised for selecting media, formulating media and promotion strategies and improving retail performance. Lifestyle concept is also utilised as a framework for presenting research recommendations, since it is capable of offering to the marketers, potraits of target group expressed in an uncomplicated manner.



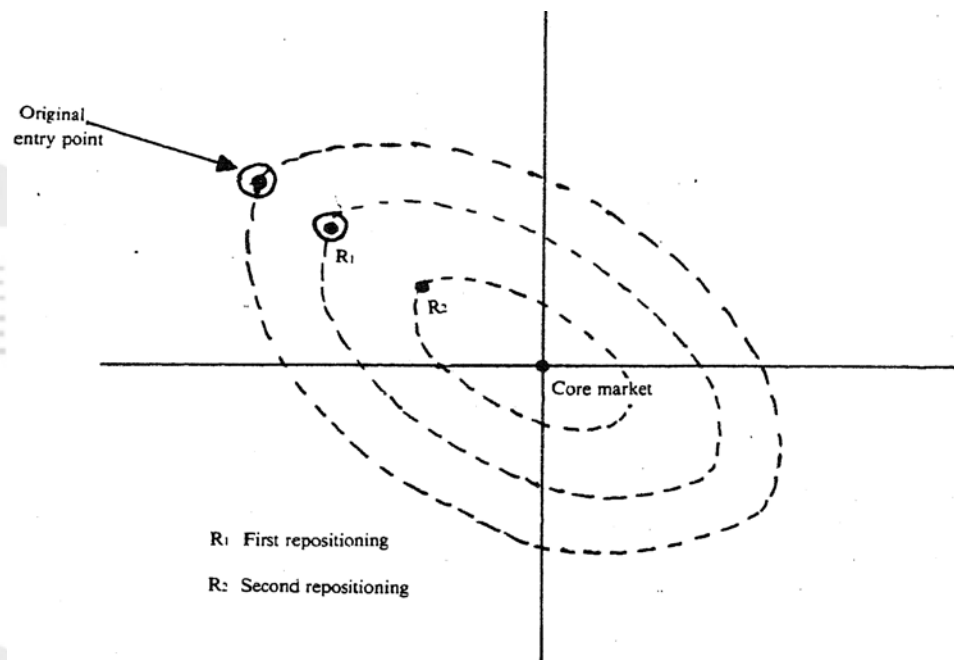
## Positioning of New Products

Positioning comprises finding the most profitable niche for a new product in terms of target market. Lifestyle research, for example, an AIO portrait, of heavy users for any given consumer product not only tells us how old they are, where they live and to what socio-economic group they belong, it also tells us what products are they likely to buy, what their interests and opinions are. This provides an unusually rich body of data for use in marketing decisions related to the positioning of a new product.

Decisions concerning the precise target group at which the product is to be aimed, the product image to be designed, the media vehicle and the type of promotion strategy to be taken so that the complete product package is in conformity with a particular lifestyle/styles.

## Repositioning an Old/Existing Product

Sometimes existing products may sell well below their forecast potential or the company may discover a new, more profitable niche, nearer to the core market where it may now want to position the product. Repositioning is often a contingency planned for in the new product development process, primarily as a remedial measure. Generally in markets where the competitive activity is high, the need while positioning the product for the fixed time is to get a foot hold in the market. After gaining market penetration, establishing distribution and creating a certain degree of market acceptability, the manufacturer may, through repositioning, or a series of repositionings move the product closer to the core market. Lifestyle marketing strategies help considerably in reducing the amount of 'market grouping' that repositioning may entail.



**Figure 3: Progressive Repositioning of an Existing Product**

Further in case of existing products, the market offering is physical instead of merely conceptual.

The physical attributes are difficult to change completely, the development and original positioning costs have already become sunk costs. Repositioning then becomes a good strategy. Lifestyle repositioning would involve moving the product closer, to the psychographic profile of the core market segment, by altering its image or some of its attributes to suit the lifestyle of the core segment. Recent examples of repositioning the product have been the efforts of Johnson and Johnson Ltd., to move their baby shampoos and lotions to the adult market by changing the promotional and packaging strategy of the product to appeal to the growing "natural healthy look" lifestyle.

Mahindra & Mahindra are currently repositioning their Jeep, by aiming it at the lifestyle of the successful professional who prefers a rugged lifestyle instead of a sophisticated one, is the outdoor type and values his comfort.



### Developing New Product Concepts

Study of existing market segments and analysis of their needs have typically been used to conceptualise on new product opportunities. Traditionally, demographic segmentation, or standard consumer classification of major groups like the educated youth, the young collegiate, the urban housewife etc. have been used to define and study the segments. Lifestyle studies on the other hand can be used to complement the demographic studies in terms of market *needs*, customer and non-customer attitudes, the opinions related to product usage and the interests of the target customers, to be able to define the product attributes which may be congenial to certain lifestyles. For example users of fluoride toothpaste may have different expectations from it. Some use it as a medicinal aid to oral hygiene; others feel it should give cosmetic benefit. Even among these who use it as a medicine, there are two sets of expectations, some believing that a medicine ought to taste like a medicine while others strongly feel that just because the fluoride toothpaste has a medicinal ingredient, it need not taste like one. In developing the concept of a new fluoride toothpaste, you will find that a complete inventory of Attitudes, Interests and Opinions of the consumers will help you in defining the attributes of the final product, as you can define the requirements of the different lifestyle segment and then conceptualize as to which segment you wish to aim the product at.

### Creating Promotional Strategies

Lifestyle information is helpful in developing promotional strategies in a number of ways. It gives the decision maker a much more complete profile of the type of consumer who will be at the receiving end of the communication. Lifestyle data suggests the style of language, the tone of voice and even the appeal that may be utilized to reach that kind of consumer. Further, lifestyle information indicates how the product or service fits into people's lives, how they feel about it and how they may be using the product or service to communicate with others. This information can be utilized by the marketer to decide upon the kind of image he wants to imbue the product with.

The Indian marketing scenario, especially for consumer durables, is becoming fiercely competitive. Hence companies are realizing that merely highlighting the attributes of their product or of the company in terms of demographic or geographic dimensions is not enough to be successful in the market place. Marketers have come to appreciate that buying behaviour is influenced by the consumer's lifestyle. Companies dealing in cosmetics, apparel, packaged food etc. are seeking opportunities in lifestyle segmentation. Stores, especially those dealing in apparel, have started keeping merchandise which goes with a particular lifestyle. The Bata-North star advertisement aiming at the "Young, western oriented, fun loving crowd" is an example of this approach. Further, the fact that Bata Ltd. has expanded its product range to and also a full range of active sports wear under "Power", bring out their attempt at lifestyle marketing. The growing westernization of youth in our country and the resulting change in lifestyle is responsible for the ever increasing demand for jeans in the country.

Denim as a lifestyle-fabric is fast gaining acceptance in the country, transcending demographic segments and marketers are making use of this phenomenon.

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## 2.10 SUMMARY

Consumer behaviour is still a young discipline and most of the research now available has been generalised only during the past fifteen years or so. Innovations such as the lifestyle concept and AIO research represent ways to move the study of consumers away from isolated, often unrelated projects towards broader integrated systems and research techniques.

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## 2.11 KEY WORDS

**Belief:** a descriptive thought that a person holds about something.

**Attitude:** an attitude describes a persons enduring favourable or unfavourable cognitive evaluations emotional feelings and action tendencies toward some object or idea.

**Lifestyle:** it refers to the person's pattern of living in the world as expressed in his activities, interests and opinions.



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## 2.12 SELF-ASSESSMENT QUESTIONS

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- 1 Think about one of your female relatives (Mother, Aunt, Sister etc.) and then examine the psychographic segments of female population described in the unit. Into which psychographic segment does this relative belong? What lifestyle characteristics served to select the category?
- 2 Examine the recent print advertisement for packaged food and apparel to determine how the product is represented in each and is being positioned?
- 3 Analyse which VALS type best describes you and then find an advertisement in a magazine or newspaper that appeals to this VALS type?
- 4 Imagine yourself as a retailer for menswear and propose how you would use lifestyle approach to succeed in your venture?

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## 2.13 FURTHER READINGS

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Kotler, Philip : *Marketing Management : Analysis, Planning, Implementation and Control*, Prentice Hall of India Pvt. Ltd., Delhi, 1987.

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