A study on the Impact of Lifestyle on Young Indian Consumer Purchase Decision

Kiran L Maney
Jain University
(kiranlmaney@gmail.com)

Soney Mathews
Bangalore University
(drsoneymathews@gmail.com)

With the recent economic growth in India a new generation of consumers are growing continuously who give importance to the way of life. The study focus on youth lifestyle and their influence while purchasing shopping goods. A survey instrument was developed using Likert's scale and data was collected from the college students in the city of Bangalore. Findings revealed that youth purchases products that reflect their lifestyle and they use brand name as a criterion to exhibit their lifestyle at workplace and social gatherings.

Keywords: Lifestyle, Purchase Decision, Shopping Goods, Decision Making, Youth, Consumer Behaviour

1. Introduction

Lifestyle is the way of living. It is expressed at work and social gatherings leisure behavior. Lifestyle patterns on an individual and group basis includes activities, attitudes, interests, opinions, values, and allocation of income. Lazer (1963) conceptualized the lifestyle concept for consumer analysis. Lazer defined lifestyle as a system concept and referred to a distinctive way of living. This concept was quickly adopted in wider sense in marketing. (Plummer, 1974, p. 33) termed "the more you know and understand about consumers, the more effectively you can communicate and market to them". The term lifestyle gained momentum in research to understand values and lifestyle and became a standard tool in marketing and social science related research across the world (Chu and Lee, 2007). A lot of studies related to lifestyle and consumer behaviour has been done to understand the relationship between lifestyle and consumer behaviour. Lifestyle can be adopted as a tool of segmentation, where consumers can be classified based on lifestyle characteristics, each segment is identified with specific characteristics (Kamakura and Wedel, 1995).

Lifestyle segmentation technique has been valuable for advertising planning (Kaynak and Kara, 1996). Lifestyle is the embodiment of the self-concept and is developed by combination of past experiences, internal characteristics, ones' surroundings (Hawkins, Best and Coney, 2000). The study revealed how young Indian live and generate different lifestyle though different ways of living. Lifestyle reveled peoples culture, value system and personality. These traits were adopted to express themselves through activities, interests, and opinions (Wells and Prensky, 1996). Lifestyle is a personalized factor which is a resultant of amalgamated effect of surroundings, culture and social life (Blackwell, Miniard and Engel, 2005).

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 fasted 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. (Joseph & Singh, 2013) 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. The Indian consumer today wants to lead a life full of luxury and comfort. 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. 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. The research examines the lifestyles influence on purchase decision. Customers preference of products is based on product, price and brand of the products.

2. Methodology

In this empirical work, questionnaire based survey was employed to collect the data from Bangalore city. The youth in Bangalore are combination of youth from different parts of India. This study includes the youth of age group 15 -35 years as stated by national youth policy, 2014 and this age group constitutes of 27.5% population of India. In 2011 census counted 563 million of 10-35 years. The study included shopping goods (Richard H, 1958), whose functional life exceeds three years. Shopping goods are the products that consumers desire and compare the product, price and brands. Sample collection technique adopted is multistage random sampling technique and the data was collected from 977 respondents. A structured and pre-tested questionnaire was adopted as tool of data collection. All the questions were closed ended and five point Likert-scale was adopted to measure the items, devoted on strongly disagree (1) and strongly agree (5).

The theory of planned behaviour (TPB) defines the relationship between attitudes and behaviour, and this theory is largely used to envisage the customer behaviour based on their attitudes and behavioural intentions. Based on this theory it can be concluded that certain factors influence the behaviour of customers in a certain way during the purchase of products or while deciding to purchase the products. Customers buy products because of its appearance, benefits or components replicate their

lifestyle, there has to be a strong relationship between these product features and lifestyle. Price discounts are widely used sales promotion strategies in offline and online (Dawson & Kim, 2009).The study (Orth, McDaniel, Shellhammer, & Loeptcharat, 2004) examined the relationship between consumers' brand preferences, brand image, and lifestyle. Brand image influences consumer behaviour and affects their perception of the brand (Zhang, 2015).The figure 1 represents a proposed model with the core concentration on the youth lifestyle. After examining the related review of literature on lifestyle and purchase decision, relevant insight was gained. On the basis of this TPB theory and the review of literature the following hypothesis were constructed.

H1: Product oriented lifestyle has a positive influence on the choice of product.

H2: Price oriented lifestyle has a negative impact on purchase decision.

H3: Brand oriented lifestyle is positively connected with product appearance.

H4: Lifestyle has a significantly positive influence on the purchase decision.

   Figure 1 represents the proposed theoretical model for this research study. This model framework includes the lifestyle construct comprises of product oriented lifestyle, price oriented lifestyle, and brand oriented lifestyle and consumer purchase decision. The model brings the relationship between lifestyle of youth and purchase decision. The arrows indicate the influence of product, price, and brand oriented lifestyle on the purchase decision.
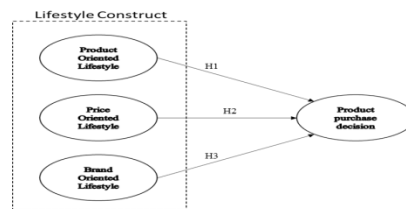

Figure 1: Proposed Research Model

3. Data Specification

This study data included 977 usable (1000 distributed) sample data collected from respondents in Bangalore, India. The respondents demographic profile is represented in the Table 1 which includes age, gender, marital status, profession and family income.

Table 1 *Summary of Respondents Profile*

Demographics	Classification	Frequency	Percentage (%)
Gender	Male	422	43.2
	Female	555	56.8
Age Group	18 – 22 years	305	31.2
	23 – 27 years	273	27.9
	28 - 32 years	229	23.4
	33 - 37 years	170	17.4
Current Profession	Student	344	35.2
	Studying and Working	194	19.9
	Employed	338	34.6
	Businessman	67	6.9
	Professional	34	3.5
Marital Status	Married	345	35.3
	Unmarried	632	64.7
Highest Educational qualification attained	PUC	53	5.4
	Diploma	157	16.1
	Undergraduate	306	31.3
	Post Graduate	329	33.7
	Professional qualification	132	13.5
Family Annual Income	< 90,000 INR	11	1.1
	90,001 INR to 2,00,000 INR	238	24.4
	2,00,001 INR to 5,00,000 INR	438	44.8
	5,00,001 INR to 10,00,000 INR	275	28.1
	Above 10,00,001 INR	15	1.5

The above Table 1 displays that 422 Males and 555 Females representing 43.2% and 56.8 % of male and female respondents respectively took part in the research survey study. Majority of the respondents are in age group of 18 – 32 years, followed by respondents in the age group of 23 - 27 years (27.9%), the smallest number of respondents were in the age group 32 to 37 years (17.4 %). The study showed that majority64.7 % of respondents were unmarried and 35.3 % were married. In terms of education qualification attainment of respondents 5.4 % were PUC, 16.1 % diploma holders, 31.3% undergraduates, 33.7 % have completed their post-graduation and 13.5 % of respondents are professionally qualified. The Table 1 also indicates the family income of respondents 1.1% earned <90,000 INR, 24.4 % earned between 90,001 INR to 2,00,000 INR, while 44.8% family income earned between 2,00,001 INR to 5,00,000 INR, 28.1% of the respondents earned between 5,00,001 INR to 10,00,001 INR the remaining 1.5% earned above 10,00,001 INR.

Results and Discussions
Structural Model and Hypothesis Testing
The structural model was confirmed using regression to validate the path (route) coefficients and the effect of the dependent and independent variables. Multiple regression was used to test the hypothesis and the results are presented below.

3.1 Relationship between Product Features and Lifestyle
H: Product oriented lifestyle has a positive influence on the choice of product.

Table 2 *Showing the Regression Analysis for H1*

Model (R^2 =0.810)	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	-.071	.087		-.818	.413
Product Component	.828	.016	.806	51.309	.000
Product Benefit	.147	.020	.122	7.287	.000
Product Appearance	.083	.015	.089	5.703	.000
a. Dependent Variable: Lifestyle					

The F test of 1385.99 shows that the overall regression is significant. R^2 =0.810 indicating that the regression is has an equitable fit. The regression analysis shows that the independent variables – product component, product benefit, and product appearance have a positive influence on the lifestyle. The results indicate that the product feature dimensions influence the lifestyle. Product component (t=51.309, and sig = 0.000), Product benefit (t=7.287, and sig=0.000), and Product appearance (t-5.703, and sig=0.000) positively influence lifestyle of youth. Table 2 indicates that product component, product benefit and product appearance (T=-.818, sig=0.000) collectively explains 81 percent of variance caused on dependent variable lifestyle due to independent variables. The regression equation:
Lifestyle = -.071+.828 (Product Component) + .147 (Product Benefit) + .083 (Product Appearance).

LS = = -.071+.828 PC + .147 PB + .083 PA

Product feature can have appealing and symbolic value for lifestyle and can communicate benefits verbally to give a quality impression, and can communicate the lifestyle association. With the results indicating product appearance having a positive influence on the lifestyle, 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. Often consumers correlate the features with the quality of the product and can be used as an influential element.

3.2 Relationship between price dimension and lifestyle
H2: Price is positively influenced by the lifestyle.

Table 3 *Showing the Regression Analysis for H2*

Model (R^2 =0.625)	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.044	.191		5.480	.000
Discount Fascinated	-.286	.031	-.182	-9.229	.000
Payment Easiness Fascinated	1.060	.028	.756	38.450	.000
a. Dependent Variable: Lifestyle					

Note: the dependent variable is lifestyle where R^2 =0.625, F = 811.29, Sig=0.000

Table 3 shows lifestyle is positively influenced by price dimensions – price discount and payment easiness. Discount (t=-9.229, sig=0,000) and payment easiness (t=38.450, sig =0.000) are a significant factors and influence lifestyle positively.

Price discount offers monetary advantage and an enticement to encourage consumers to purchase the product. The results indicating a positive influence confirms the economic effect of price. The relationship with lifestyle of young Indian 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 regression equation:
Lifestyle (LS) = 1.044-0.286 Price discount (PD) + 1.060Payment easiness (PE)

LS = = 1.044 – 0.286 PD + 1.060 PE

3.3 Relationship between Brand Dimension and Lifestyle
H3: Brand has a negative influence on the lifestyle of youth.

Table 4 *Showing the Regression Analysis for H3*

Model (R² =0.447)	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.087	.231		.376	.707
Brand Image Fascinated	.912	.033	.668	28.021	.000
Brand Value Fascinated	.014	.043	.008	.323	.747
a. Dependent Variable: Lifestyle					

Findings (Table 4) indicates that R² =0.447 has a correlation and a reasonable fit. The overall sig=0.707 >0.05 shows that relationship between lifestyle and brand dimensions exists however independent variable brand do not have negative influence on the lifestyle. Brand image (sig=0.000) shows to have a negative influence on lifestyle. Rejection of the hypothesis results to acceptance to alternate hypothesis showing that brand has a positive influence on the lifestyle.

Brand image and value may develop an emotional link with lifestyle. Consumers buy brands in alignment with their existing or expected lifestyles confirms the results of study on Chinese consumers (Wang, Siu, & Hui, 2004). 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.

3.4 Relationship between the Variable Lifestyle and Purchase Decision
H4: Lifestyle has a significantly positive influence on the purchase decision.

Table 5 *Showing the Regression Analysis for H4*

Model (R² = 0.699)	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2.536	.135		18.731	.000
Product-Oriented Lifestyle	-.306	.012	-.491	-24.962	.000
Price-Oriented Lifestyle	.160	.018	.160	9.005	.000
Brand-Oriented Lifestyle	.511	.020	.500	25.697	.000
a. Dependent Variable: Purchase Decision					

Table 5 shows lifestyle is a significant factor influencing purchase decision of shopping goods (t=18.731, sig=0.000). The results show that lifestyle positively influence the purchase decision. R² =0.699 shows that the overall regression is significant. All the dimensions of lifestyle (product-oriented lifestyle, price-oriented lifestyle, brand-oriented lifestyle) influences the purchase decision making of the youth.

Purchase decision (PD) = 2.536 – 0.306 Product-Oriented Lifestyle (PdOL) + .160 Price-Oriented Lifestyle (POL) + .511 Brand-Oriented Lifestyle (BOL)

PD = 2.536 – 0.306 PdOL + .160 POL + .511 POL

Based on the findings the following segments were developed to understand the relationship between consumer lifestyle and purchase decision. The proposed model of different lifestyle in relationship with purchase decision is indicated with the results. The results validate the proposed model describing the influence of lifestyle of youth has an influence on purchase decision of youth.

Product Oriented Lifestyle – A lifestyle segment that revolves around product features including appearance, benefits, and components. The lifestyle includes displaying or exhibiting products at the workplace and home and is considered as pride. The products are chosen or selected based on their lifestyle. Youth here are characterised by a strong involvement with product features. This segment of youth like to buy products that appear and display their lifestyle and prefer to buy products that exhibit their lifestyle.

Price Oriented Lifestyle – A lifestyle segment that includes lifestyle which has an orientation towards price discount and payment easiness mode. Gathering information on price discounts encourages youth to buy the product. Youth are characterised has treasure (discount and payment easiness) hunters. Youth with this lifestyle are choosy in selecting products for purchase and always consider and wait for any discount sales and enjoy buying goods at a discounted price and exhibiting their happiness is their lifestyle.

Brand Oriented Lifestyle – The members of this segment encompasses a lifestyle that reflects around brands. The youth lifestyle is characterised as a brand-oriented lifestyle who prefer exhibiting brands at the workplace and social gathering. Youth are more concerned about the brands they purchase and make efforts to display the brand name at a social gathering. Higher brand value is perceived to be a higher brand image.

4. Conclusions

The research findings indicated that 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 apt 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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