



## EFFECT OF EDUCATION, INCOME AND OCCUPATION ON CONSUMER'S LIFESTYLE

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### ABSTRACT

A study of consumer's life style and effect of marketing and product advertising strategy on it can make successful any product. Because it helps the copywriter and artist to have a better idea of the type of the person he is trying to communicate with. Analysis of consumer's lifestyle also helps in finding way 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 life styling have a built-in market orientation. Presently Fast Food and Clothing industry is increasing day by day. New companies are coming to India for its operations including McDonalds, Pizza Hut, TNZ, Peter England and many more. For better market analysis of different Consumer's Life Style is very necessary. In this paper examines the impact of major socio-economic factors of education, income and occupation on the lifestyles of consumers.

**Key words:** Life Style, education, income and occupation

### INTRODUCTION

Lifestyle is the most holistic segmentation approach in that it tries to take into account virtually anything, and everything, that might help marketers identify and reach desirable target markets. Typically, a traditional lifestyle analysis segments markets using variables from the social sciences in combination with (or instead of) the more commonly used demographic descriptors (e.g., age, race, sex). The underlying premise is that people who are similar in terms of such things as attitudes, opinions, motivation, and orientation, access to resources, values, and interests are also similar as consumers. As such, lifestyle segments oftentimes are defined in terms of how consumers choose to spend their time and money. Some of the better known commercial lifestyle products available to consumer marketers are VALS2, and the Activities, Interests, and Opinions (AIO) inventory. PRIZM NE and MOSIAC are the most widely discussed of the commercial products that also incorporates geodemographics (e.g., the zip code, international location) to facilitate marketer efforts to reach particular lifestyle segments.

Since the 1980's, Consumer Culture Theory (CCT) research, also known as qualitative, interpretive, postmodernist, and poststructuralist research (Arnold and Thompson, 2005), has suggested the need for an alternative approach to lifestyle segmentation. Unfortunately, the debate between the traditional and CCT camps oftentimes has been framed in highly abstract terms, leaving some readers a bit perplexed by CCT, particularly with regard to its practical implications. As such, the purpose of this paper is to present a succinct summary of the two approaches and offer some specific suggestions as to when CCT might be more useful in marketing practice. Despite market saturation as well as the economic crisis, a wide range of new car types, such as luxury vehicles, small city cars and cars with low fuel consumption enter markets with great success (Oderkerken-Schroeder et al., 2010; Oliver and Lee, 2010). Economists and marketing academics have traditionally been interested in identifying the factors explaining consumer choice and decision-making processes in retail contexts (e.g. Hansen et al., 2010), concentrating on new goods markets, including new car markets (e.g. Bucklin et al., 2008; Dasgupta et al., 2007; Oderkerken-Schroeder et al., 2010).

## EDUCATION AND LIFESTYLE OF CONSUMERS

A comparison of the respondents belonging to different lifestyles was made on the basis of their educational qualifications. The respondents were classified into three groups, 'literate', 'well-qualified' and 'highly-qualified'. The respondents possessing educational qualification upto matriculation were classified as 'literate'; those who had completed graduation were termed as 'well-qualified', and those with post-graduate qualifications were classified as 'highly-qualified'.

A comparative analysis was made with the help of analysis of variance for each of the lifestyle groups. The following are the results of the analysis.

### A COMPOSITE VIEW ON EDUCATION AND LIFESTYLE

The following conclusions emerge from the comparison of educational qualifications and lifestyles.

- The 'stay-at-home traditionalists' are likely to be well educated and highly qualified; they may be either graduates or post-graduates. This finding is contrary to the common belief that education frees people from traditions.
- The respondents belonging to the 'progressive provident' lifestyle has shown no significant differences on account of educational qualifications. This suggests that progressiveness or thriftiness is not necessarily dependent upon educational qualifications.
- The 'social-climbers' belong to the literate or well-qualified group. They do not belong to the highly qualified group. Thus, the highly educated people appear to be less socially active than the literates and the well-qualified ones.
- The 'security-seekers' are also not influenced by the educational qualifications and can belong to any of the above three groups. This suggests that, in a country like India, higher education may not necessarily promote the feelings, of security in an individual because of the lack of opportunities available here.
- The individuals represented by the 'conservative' lifestyle tend to be either literate or well qualified. The higher educated middle-class people do not have a conservative lifestyle. This suggests that higher education plays an important role in reducing conservatism.

Educational qualifications appear to bring no significant differences in the lifestyle represented by the 'Independents'. Thus, the need to live in nuclear families, independent of the joint families, is not related to the level of education.

In terms of education, we find that the literates are more likely to adopt the lifestyles of the 'social-climbers' or the 'conservatives'. The well-qualified graduates are likely to be represented by the lifestyles of the 'stay-at-home traditionalists'; the 'social climbers', the 'conservatives' and the 'privileged'. The highly qualified (post-graduates) appear to be identifying themselves more with the 'stay-at-home traditionalists'. This is contrary to the belief that higher education results in greater progressiveness or higher social involvement.

The above analysis shows that people from different educational backgrounds are likely to have different lifestyles.

Thus, while identical appeals could be used to tap the middle-class people, who are literate and well qualified, different appeals shall have to be designed for the highly qualified groups. In fact, they are the ones who tend to keep the traditions alive and are also not necessarily socially active. The media used to reach them is also likely to be different as compared to that used for the literates and well qualified.

## INCOME AND LIFESTYLES OF CONSUMERS

On the basis of their monthly disposable incomes, the respondents were classified into three categories: the lower middle class, the middle- middle class and the upper-middle class. Respondents having a monthly disposable income ranging from Rs. 5,000 per month to Rs. 13,999 per month were classified as lower middle class, those having an income ranging from Rs. 14,000 per month to Rs. 19,999 month were classified as middle-middle class, and respondents having an income ranging from Rs. 20,000 to Rs. 40,000 were classified as upper-middle class. The analysis of variance was undertaken to find out whether the different lifestyle groups also varied on account of income. The results are reported in the following paragraphs.

The results of the foregoing analysis can be summarized as follows: The 'stay-at-home traditionalists' belong to the middle-middle income category having monthly disposable incomes ranging from Rs. 14,000 to Rs. 19,999. The 'progressive provident', belong to families whose monthly income lies between Rs. 5,000 to Rs. 19,999 i.e., the lower middle and the middle- middle class.

The 'social-climbers', the 'security-seekers' and the 'privileged' show no significant differences on account of monthly disposable income; they may belong to any of the three income categories.

The people belonging to the 'conservative' lifestyle appear to belong to the lower middle and the middle-middle income group. They have monthly disposable income ranging from Rs. 5,000 to Rs. 19,999. People of such a lifestyle do not appear to belong to the upper-middle income group. Those belonging to the 'independent' lifestyle have monthly disposable income ranging from Rs. 5,000 to Rs. 13,999.

However, people from none of these lifestyles were 'found to be significantly associated with the upper-middle income group. Thus, with the exception of the 'social-climbers', 'security-seekers' and the 'privileged', the income levels for all the lifestyle groups were significantly different.

The above findings indicate that income does influence lifestyles. The findings are in line with the earlier findings in a study conducted by Schaningir. He examined the relative effectiveness of social class and income as well as their combination over a wide range of consumption areas. The study emphasized that the role of income was likely to vary in significance in accordance with the type of product or service under study and also according to differences in lifestyles. The author used frequency of usage criteria for non-durable, and quality or feature level indices for durable products. The results showed that social class was superior to income for segmenting the food and non-soft drink market or non-alcoholic beverage markets, shopping behavior and evening TV viewing. Income was found to be superior to social class for major appliances, soft drinks, mixers and alcoholic beverages. The combination of income and social class was found to be superior for make-up and clothing, automobile and TV ownership

## OCCUPATION AND LIFESTYLE OF CONSUMERS

The occupational status of the respondents belonging to the middle- class staying in Meerut Division were categorized into five groups: students, services (includes professionals employed in organizations); profession (includes the self-employed professionals), business and housewife.

Out of the 436 respondents, approximately 31 per cent were students, 44 per cent were in-service, 8 per cent were professionals, 7 per cent were businessmen and 10 per cent were housewives. In order to ascertain whether there were any significant differences between the six occupational categories on the seven-lifestyle factors, the F-value for the six occupational categories for the seven-lifestyle factors were computed.

## COMPOSITE VIEW ON OCCUPATIONAL CATEGORIES AND LIFESTYLE

The following conclusions emerge comparison of occupational status and lifestyles:

Differences in the lifestyles and occupational status categories of the middle-class people are significant in the case of the 'stay-at-home traditionalists', the 'progressive provident', the 'conservatives', the 'privileged' and the 'Independents'. The differences are not significant in the case of the 'security-seekers' and the 'social-climbers'.

People from the 'stay-at-home traditionalists' lifestyle are most likely to belong to four occupational groups: those in-service, businessmen, professionals and housewives. The students are not likely to belong to this lifestyle. The 'social-climbers' and 'security-seekers' do not seem to differ significantly on account of occupational status. They could thus, be represented by any or all-occupational categories. Occupational status brings significant differences as far as the 'progressive provident' are concerned. The results show that businessmen are likely to subscribe to the 'security-seekers' lifestyle. This appears to be true in the light of uncertainty and competition involved in their day to day business activities.

The 'conservatives' are represented by the occupational categories of the student, the businessmen, those in-service and the housewives. The professionals are not likely to belong to the 'conservative' lifestyle. These findings support the findings on educational qualifications, which state that education reduces conservatism.

For the 'privileged' lifestyle, the differences are significant. The businessmen, those in service, the professionals and housewives are most likely to be represented by this particular lifestyle. Thus, they appear to be satisfied with what they have achieved and are likely to have a sympathetic attitude towards youth, who, they feel, are more under-privileged than them. Students, on the other hand, are the ones who are least likely to belong to this particular lifestyle. This could be because they still have time and opportunities to achieve and also because they have not yet had the time and opportunity to reflect back upon what they have lost or gained.

## CONCLUSION

The 'independents' also differ significantly on the occupational status. They are most likely to be represented by those who are in business or in professions or are housewives. It seems that these people desire to maintain their own identities and find it difficult to cope with the strains of staying together in a joint family. The students and those who are in service are least likely to belong to this lifestyle. Thus, the difference in the occupational status is expected to induce an individual to belong to a different lifestyle.

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