

Life Style Analysis: A New Approach

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This paper presents a life style model which covers most of the relevant life style characteristics. The paper also makes reference to some analytical techniques that can be used in the analysis of life style data.

The concept of life style has been recognized by both behavioral scientists and marketing scholars as an important determinant of human behavior. More than fifty years ago Alfred Adler coined the term "style of life" to refer to the goal a person shaped for himself, and the ways he employed to achieve it. More recently sociologists¹ viewed it as a possible criterion for social stratification. The concept received even greater recognition in the marketing literature,² and has been used both as a dependent variable, and an independent variable in studies of buying behavior.

Life style reflects the overall manner in which people live and spend time and money. Operationally, a person's life style can be measured and described in two ways:

1. By the products the person consumes. This approach follows to a large extent Levy's³ statement that a consumer's personality (life style) can be seen as the peculiar total of the products he consumes.
2. By the person's activities, interests and opinions (AIO).

From a marketing management point of view, understanding consumer's life style requires more than just knowing the products they consume. The use of AIO as a measure of life style has, therefore, received wide acceptance in consumer behavior studies supplementing traditional demographic and socioeconomic variables.

The proper use of AIO or any other measure of life style is based, however, on (1) the assumption that the set of life style attributes are fairly exhaustive and (2) on the utilization of appropriate analytical techniques in analyzing the life style data.

With regard to the exhaustiveness assumption, an examination of the currently used AIO's reveal that they are not based on an explicit theoretical model for determining the appropriate dimensions of life style. Numerous AIO's come from "intuition, hunches, conversations with friends, reading, head scratching, day dreaming and group or individual narrative interviews."⁴ It is thus the primary purpose of this paper to suggest a *life style model* which attempts to cover most of the relevant

¹ Mayer, K. B., *Class and Society* (New York: Random House, 1955); and Kahl, J. A., *The American Class Structure* (New York: Holt, Rinehart and Winston, 1965).

² William Lazer, "Life Style Concepts and Marketing", in Stephen A. Greyser (ed.) *Toward Scientific Marketing* (Chicago: American Marketing Association, 1963); David G. Moore, "Life Styles in Mobile Suburbia", *ibid*; John M. Rathmell, "Life Style Influences and Market Behavior—An Introduction", *ibid*; Robert L. King, "Life Styles Research and Consumer Behavior", in L. George Smith (ed.) *Reflections On Progress in Marketing* (Chicago: American Marketing Association, 1964); E. A. Pessemier and D. J. Tigert, "Personality, Activity and Predictors of Consumer Behavior", in J. S. Wright and J. L. Goldstucker (eds.) *New Ideas for Successful Marketing* (Chicago: American Marketing Association, 1966).

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³ Sidney J. Levy, "Symbolism and Life Style", in Greyser *op. cit.* and see also William D. Wells, "Backward Segmentation", in Johan Arndt, *Insights into Consumer Behavior* (Boston, Mass.: Allyn and Bacon, Inc. 1968).

⁴ William D. Wells and Douglas J. Tigert, "Activities, Interests and Opinions" (University of Chicago Working Paper, September 1969).

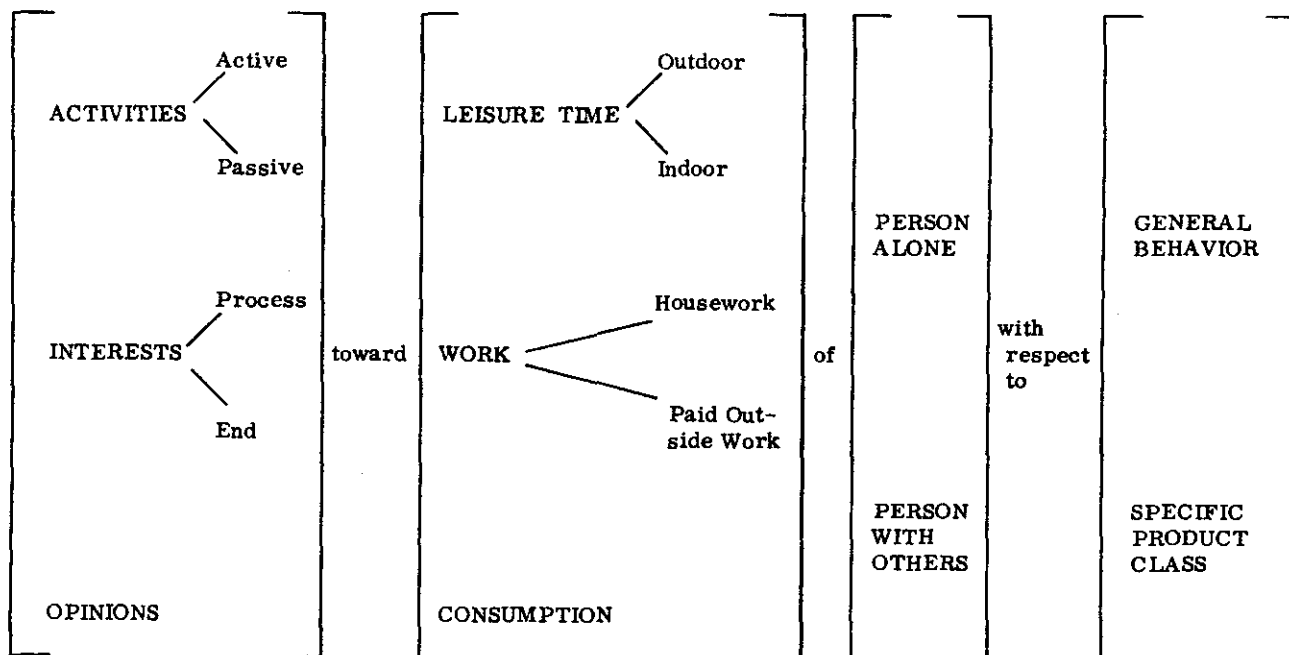


Figure 1
A MODEL OF LIFE STYLE: WOMEN

life style characteristics. In addition, brief reference will be made to some analytical techniques that can be used in the analysis of life style data.

A MODEL OF LIFE STYLE

To date, despite the great interest in life style, there is no explicit theoretical model which covers all the relevant aspects of one's style of life. In developing such a model primary concern was given to exhaustiveness and relevance for marketing strategy.

Whereas no model can assure exhaustiveness, it is believed that a fairly complete picture of a person's life style can be obtained by describing his activities, interests and opinions toward leisure time, work and consumption when concerned with one's self and the self in a social setting. This model is summarized in Figure 1.

The completeness of the model was tested by examining whether consumer's self description of life style can be categorized in these categories and whether existing life style measures and descriptions can be positioned in this framework. Classifying 300 female AIOs which are frequently used in a variety of commercial and academic studies,⁵ according to the life style model suggest that there are a number of areas which are *not* covered by the commonly used set of AIOs. For example, outdoor leisure time activities, interests and opinions and especially as they relate to the person's interaction with others are hardly included. Similarly no coverage is provided for the activities, interests and

opinions toward the woman's non household work. This category seems to be extremely important when working women are included in the sample. In general, it seems that traditional sets of AIOs suffer from a lopsided emphasis on activities, interests and opinions (toward work, leisure time and consumption) of the individual alone, deemphasizing his social interactions. These findings and the uneven distribution of AIO statements among the various cells is clearly demonstrated in Figure 2.

To assure the relevance of life style to the marketing manager and recognizing the fact that consumer response to any marketing stimuli is a function of both their general and situation specific characteristics,⁶ each of the cells was further divided into general (non product related) and product specific attributes.

The differences between these two classes of life style measures is in the types of factors included in the definition of life style. The general life style measures include customer characteristics such as price consciousness, child orientation, compulsiveness as a housekeeper, home orientation, community orientation, credit usage, self confidence, opinion leadership, innovativeness and financial optimism.⁷

On the other hand product-specific life style measures are designed specifically for a given product class. Some of these items are, of course, identical to the general life style measures, but

⁵ See, for example, the Market Facts, Inc. AIO questionnaire.

⁶ For a discussion of this issue see Ronald E. Frank, William F. Massy and Yoram Wind, *Market Segmentation* (Englewood Cliffs, N. J.: Prentice Hall, Forthcoming 1971).

⁷ Wells and Tigert, "Activities, Interests and Opinions", *op. cit.*

		Leisure time				Work				Consumption	
		Outdoors		Indoors		Housework		Paid Outside Work			
		Self	Social	Self	Social	Self	Social	Self	Social	Self	Social
Activities	Active	L		M	L	H	M			H	L
	Passive	L		M		L				L	L
Interests	Process	L	L	H	L	M		L		L	
	Product	L		M		M	L			H	
Opinions	Opinions		L	M		H	L	L		E	H

L = Low M = Medium H = High E = Extremely High

Figure 2
DISTRIBUTION OF TRADITIONAL AIO STATEMENTS WITHIN THE CATEGORIES OF THE LIFE STYLE MODEL

they are selected for inclusion because of their specific hypothesized relevance to the product class studied. For example, in the life style model a housewife's general active outdoor leisure time activities can be described in the following statement:

"I often play a team sport such as bowling or tennis doubles." Her equivalent product specific (food) active outdoor leisure time activities can be presented as:

"When going on picnics, my friends always take sandwiches and quick to fix foods rather than preparing something elaborate."

Similarly, most of the cells in Figure 2 can be designed to cover general and situation specific life style characteristics. This of course had considerable implications for the design of life style studies, since a separate set of product specific life style statements is required for each product class.

In addition, recognizing the strong interrelation between stage in life cycle and life style, separate parts of the life style questionnaire were devoted to married women and working women.

UTILIZING AND VERIFYING THE MODEL

Life style measures have been utilized primarily as bases for market segmentation. In evaluating any set of life style measures as well as in the evaluation of the life style concept itself one has to examine four interrelated issues:

1. The operational measures of life style
2. The utilization of life style measures in (segmentation) research models
3. The unit of analysis employed
4. The research procedures utilized

1. The Operational Measure of Life Style

The use of life style as a basis for segmentation is conceptually appealing. Yet the lack of a commonly accepted theory(ies) of life style, which could guide the selection of life style attributes to be included in any segmentation study, detracts from the operational usefulness of this concept. Without such theoretical guidelines, the researcher is confronted with numerous possible attributes that could, but not necessarily should, be included in the model. The life style model presented here is an initial attempt to provide guidelines for the selection of relevant attributes.

2. The Utilization of Life Style in (Segmentation) Research Models

The utilization of life style measures as the independent variable in segmentation research models may reveal "new" bases for segmentation and provide better insight into the nature of the various segments. The inclusion of such measures in segmentation models is generally accepted by marketing practitioners on the grounds that "whereas demographics describe *who* the buyers are, psychographics provide some of the casual understanding of *why* a consumer is a buyer."⁸

The usefulness of any set of life style measures depend, however; on their predictive efficacy and their ability to discriminate between various market segment.

⁸ Alan Nelson, "A National Study of Psychographics" paper presented at the American Marketing Association Conference, Atlanta, June 1969.

A set of general and product specific life style attributes derived from the life style model is currently being analyzed with respect to its ability to discriminate among consumers with diverse food usage and loyalty patterns. The result of this and similar studies on other product classes could empirically verify the life style model.

3. *The Unit of Analysis*

Whereas the desired unit of analysis in segmentation studies is the family or the spending unit, most of the general life style characteristics which have been used as descriptor variables are either those of the husband or the wife and not a combined measure. Furthermore, many of the life style studies have ignored the specific life style characteristics of people at different stages in their life cycle. For example, working women have certain idiosyncratic characteristics which may have to be included in the battery of life style attributes.

Appropriate life style measures that will take into account the relevant characteristics of the desired unit of analysis should therefore be developed.

4. *The Research Procedure*

Many of the segmentation studies utilizing life style characteristics have used simple correlation and cross tabulation to relate the various AIO, and other background characteristics to product usage data.⁹ Yet, given the multivariate nature of life style data a multiple discriminant analysis seems to be a more appropriate procedure to establish the relevant life style profile of the various segments. Following this procedure the researcher can find

⁹ See, for example, Douglas J. Tigert, Richard Lathrope and Michael J. Bleeg, "The Fast Food Franchise: Psychographic and Demographic Segmentation Analysis". University of Chicago unpublished working paper, 1970.

out if group mean profiles differ significantly and, if so, which component differences contribute most to the profile differences, after taking into account the fact that profile attributes themselves are correlated. Moreover, one can find how well the life style variables included in the discriminant function assign respondent to the correct segments.

In using life style attributes in discriminant analysis one may want first to reduce the set of life style attributes via the use of factor analytic techniques of the first, second or even third order.¹⁰

IN CONCLUSION

Eight years ago at the December meeting of the American Marketing Association, one session was devoted to the relatively new concept of life style. Since that time, life style analysis has gained a prominent role in many commercial segmentation studies. During this period the focus has been on how to utilize life style data in the design of marketing strategies, leaving the development of life style measures to trial and error procedure. At this stage of our understanding and usage of life style measures it is necessary, however, to examine the future direction of life style analysis.

It is such examination and reflection on the "current state of the art" that have led to this paper and its attempt to suggest a life style model and appropriate multivariate analytical techniques for the analysis of its data.

The model is a first attempt at an operational conceptualization of life style. It is thus hoped that it will stimulate further work in this direction leading to better models and more effective and efficient analysis of life style data.

¹⁰ On higher order factor analysis, see R. J. Rummel, *Applied Factor Analysis* (Evanston: Northwestern University Press, 1970).