Attitude Formation-2

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Learning Objectives

- The Multi-Attribute Model
  - ***The Attitude Toward Objects (ATO) Model (1972)***
  - ***The Ideal Point Multi-Attribute Model***
- Theory of Reasoned Action (Fishbein, 1980)

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The Multi-Attribute Model

The Attitude Toward Objects (ATO) Model (1972)

Fishbein presented the model with a set of equation. The ATO equation is as follows:

$$\text{ATO} = \sum_{n}^{i=1} b_i e_i$$

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where ,

- ATO = attitude towards object
- b_i = the relative importance of attribute *i*
- e_i = the product's perceived performance on attribute *i*
- n = number of salient attributes

The Multi-Attribute Model

The Ideal Point Multi-Attribute Model

The ideal point multi-attribute attitude model, therefore, can be represented by the following equation:

$$A_p = \sum_{i=1}^{n} W_i \left[I_i - X_i \right]$$

Where

A_p = attitude towards a product

W_i = relative importance of attribute i

I_i = ideal performance of the product on attribute i

X_i = belief about product's actual performance on attribute i

N = number of salient attributes

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THEORY OF REASONED ACTION (FISHBEIN, 1980)

Adhering to the social psychology framework, the theory of reasoned action was developed by Martin Fishbein and Icek Ajzen in 1975 and 1980, respectively.

TRA not only focuses on the steps of attitude formation but also appraises social and marketing parameters. TRA can be analyzed based on three broad constructs. They are as follows:

(i) Behavioural intention (BI)

(ii) Attitude toward behaviour (AB)

(iii) Subjective norm related to behaviour (SN)

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THEORY OF REASONED ACTION (FISHBEIN, 1980)

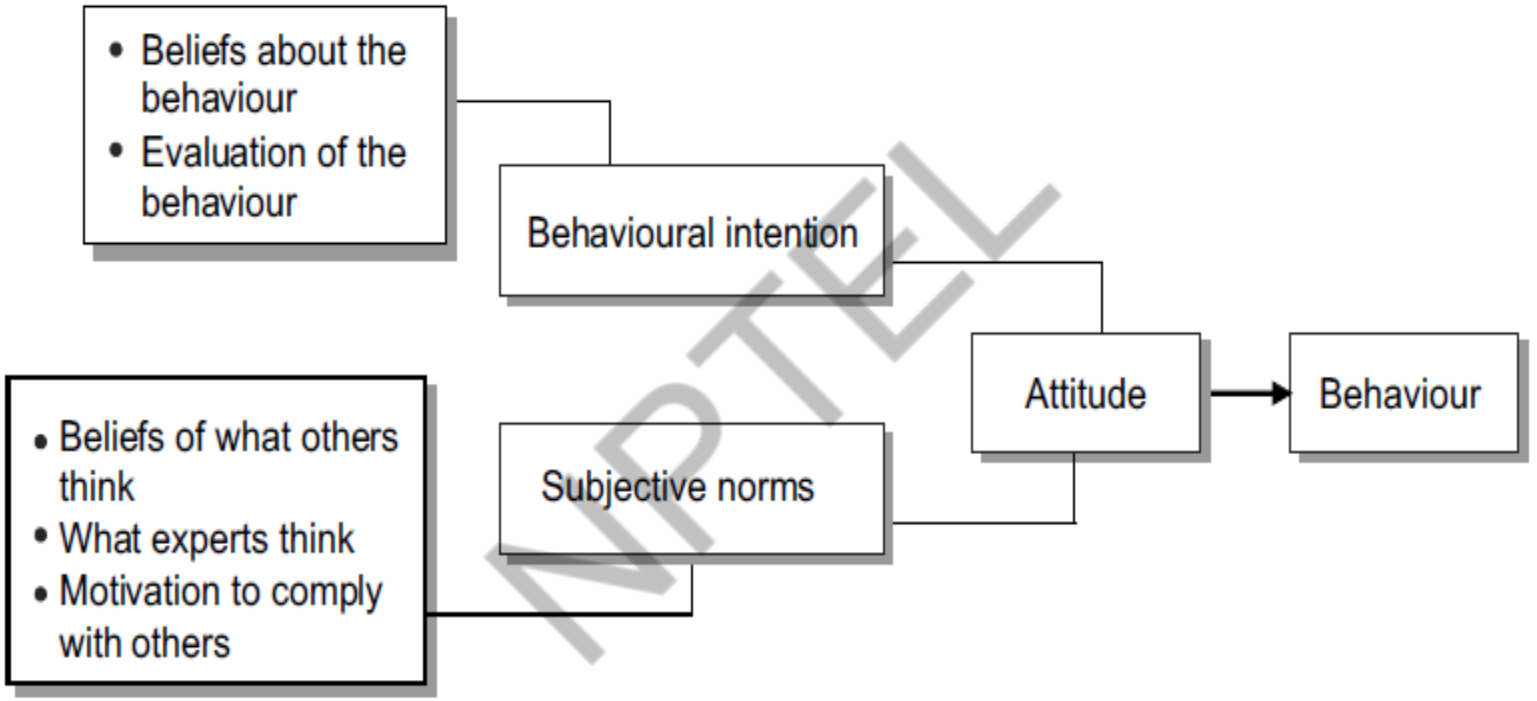
TRA model can be expressed by the following equation:

$$BI = W1\ (AB) + W2\ (SN)$$

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where B = behaviour, BI = Behaviour intention, AB = attitude toward performing the behaviour, SN = the subjective norm, W1 and W2 are empirically determined weights through regression analysis.

TRA MODEL BY DIAGRAMMATIC EXPRESSION



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Figure 8.2 TRA model

Source: Figure drawn on the basis of assumptions of TRA developed by Martin Fishbein, 1980

Social Marketing Context



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Changing Attitude

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Learning Objectives

- **How to change attitude?**
- **Impact of persuasive communication on attitude**
- **Marketing implications of attitude**

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How to change attitude?

- *By altering the consumer's beliefs*

Consumer beliefs can be altered by several ways. Marketers normally believe that shifting beliefs about products will in effect derive more positive attitudes and persuade the consumers in favour of their products. Government, sometimes, deliberately looks to alter many myths, false beliefs, and irrelevant predispositions. The advertisements of pulse polio vaccination by superstar Amitabh Bachchan or the widespread HIV awareness campaign are some of the recent examples.

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How to change attitude?

- *By developing new beliefs*

  Apart from altering the existing beliefs, new beliefs can be formed by means of non-personal endorsements and genuine source messages. For example, to make consumers believe that the *Tanishq* is also a festive brand, Tanishq has launched its *Subham* series in this Diwali.



Source: https://www.tanishq.co.in/shubham/collection

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How to change attitude?

- *By changing attribute importance*

Changing attribute's importance is far more intricate than altering beliefs about a brand. Nonetheless, various marketers have productively used their own strategies to contradict this.

In general, it is a time-taking procedure where marketers try to communicate to the consumers (by means of understated commercials, teaser campaigns, and other promotion stuffs) that the most significant attributes are nothing but the unique selling propositions of their own brand.

In a recent example, *Dove* soap came out with their USP '3/4 moisturizing substance' and *Britannia* milk biscuits or *Horlicks* biscuits used the 'strength of a glass-full of milk' as their USP.

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How to change attitude?

- *By changing ideal points*

Many new products/brands are coming up with completely innovative traits.

The marketers of the existing products are also putting their effort to incorporate some innovative traits in their products. In this case, the marketers opt for changing consumers' perception about the ideal product attributes. This, undoubtedly, is not an easy job.

Nonetheless, in the present era of information snowed under, some level of innovation, proper planning, and foreseeing the changing trend of perception of the customers can get the purpose served.

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How to change attitude?

- *Changing the relative evaluation of attributes*

When too many brands clutter in the same product category, brands try to emphasize on some distinct features or attributes. Sometimes, this can be done with product differentiation.

For example, *Garnier* is advertised as a root-nourishing shampoo, while *Clinic All Clear* as an anti-dandruff shampoo. *Sunsilk* has differentiated their product into eight different colours and claims that all these products cater to different needs of the customer.

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How to change attitude?

- *Changing brand beliefs*

This is done by changing the attitudes of the consumers by altering beliefs or predispositions about a brand in the already established product category.

Sometimes, there may be disputes in terms of brand perception. For example, of late the U.S. Department of Transportation (DOT), with the Federal Aviation Administration (FAA) and the Pipeline and Hazardous Materials Safety Administration (PHMSA), has banned Samsung Note 7 in aircrafts with effect from Saturday, October 15, 2016. Samsung has called off the production of the same.

Samsung has also announced that the customers who have pre-booked for the same may choose "Galaxy S7" or "S7 edge" as alternative. Apart from that they have announced some other free facilities like virtual reality headset, cordless headphone, special voucher of $50 etc. if the customer chooses any alternative for Note 7 (which they have pre-ordered).[Source: Anandabazar Patrika, 17.10.2016].

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How to change attitude?

- *Adding new attribute*

  A new attribute can be identified by the marketers about a product. They may also add an attribute for improvisation of the product.

  For instance, *Colgate*, had added the content 'active salt', as salt helps the gums and teeth to be stronger. *Close-up* toothpaste had also made a number of renovations like 'micro granules' and so on.

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How to change attitude?

- *Shifting general brand rating*

This implies to changing the consumer's overall assessment of a brand depending on the changed notion about the product and brand attributes. For example, due to rapid escalation of trendy designs and value-added services of the mobile handsets, the product's positioning has evolved from being just a 'communication medium' to a 'style statement'.

For example, Google Pixel and Pixel XL smartphones are now made available on Flipkart for pre-order. The product claims to have the highest rated smartphone camera, a battery that lasts all day. One of the USP of the brand is the unlimited storage for photos and videos. Further, Google claims that it's the first phone with the Google Assistant built in.

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Can attitude be really changed?

- Attitudes can change primarily due to social influence.
- Attitudes can also be altered due to the cognitive dissonance.
- However, *Counter-attitudinal advocacy* is difficult to practice on a mass scale, therefore, the marketers often try to change the mass attitude through persuasive communication in mass media like advertising.

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Types of Attitudes

1. **Cognitively based attitudes or Object Appraisal .**

2. **Affectively based attitudes or value-expressive attitude.**

3. **Behaviorally based attitudes or self-perception based attitude (**Bem,1972)

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Impact of Persuasive Communication on Attitude

- The study of **persuasive communication** was initiated under Hovland with the Yale Attitude Change approach. This approach examined the pre-conditions under which persuasive messages can change attitude.

- The Yale Attitude Change approach focused on three factors for the same-

  a. who *(the source of the communication) said*

  b. what (the communication itself)

  c. to whom (the audience).

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Impact of Persuasive Communication on Attitude

- Petty and Cacioppo's **elaboration likelihood model** claimed that attitude could be changed through persuasive communication by two routes.

  - The **central route to persuasion**
  - The **peripheral route to persuasion**

- Attitude change will be more long-lived if the same happens through the central route as people feel the message is rational and relevant.
- However, sometimes peripheral routes are resorted to catch the initial attention of the audience even if the product requires central route to persuade them. For example, insurance products.

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Some more points to ponder

- Petty, Cacioppo, & Goldman (1981) found that if the relevance is strong, people were more influenced by argument quality rather than source quality. It is reverse in case of low relevance.

- People's ability to attend to message content may be influenced by outside distracters, need for cognition or by the complexity of the message and how much they seek information from the society.

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To conclude

- Researches (Shavitt ,1990) have put forth that usually cognitively based attitudes could be changed by using the central route to persuasion and affectively based attitudes can be changed by using emotional persuasion.

- Marketers also need to consider about the culture in which they are operating. Han and Shavitt (1994) observed that Americans were most influenced by ads that focused on independence and self-improvement while Koreans were persuaded by ads which focused interdependence and social standing.

- To conclude, advertisements work best if they are tailored to the kind of attitude they are trying to change.

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MARKETING IMPLICATIONS OF ATTITUDE

Area(s)	*Inference(s)*	*Action(s)*
Market segmentation	Divide the market into suitable clusters on the basis of product/brand beliefs, relative importance of attributes to different segments of customers, identifying the right segment to target, etc.	Select the appropriate marketing strategy based on lifestyle and benefit segmentation
Competitive analysis	Possibility of benefit, beliefs, and promoting the USP of the company's brand as compared to the competitors	Alter the product's positioning, if required. Company may go for product differentiation or brand line extension
Designing marketing mix	Developing ideas about new products, communication mix, developing proper distribution channel, and pricing strategy	Setting price in line with the consumers' perception, developing proper distribution channel, and identifying the most impact-making promotional message, media and brand ambassadors
Marketing opportunity analysis	Constant monitoring of attitudinal change due to demographic or psychographic change	Cater new markets based on the newly found upward or downward marketing opportunities
Altering the consumer's attitude	Proper understanding of consumer's changing perceptions about the product and the brand due to the change in their demographics and external marketing environment	Develop positioning and particularly the repositioning strategy by the company

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Thank you

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Exercise on Attitude formation

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Mr. Ram Singh frequently travels by aircrafts from Kolkata to Delhi. Usually he chooses an airline based on time preference, price, customer support. He prefers meal service from the airlines rather than buying the same during fly. He believes that travelling in a full service airline is prestigious. Most of his friends prefer Jet Airways. So, he can conform to his group's choice if he travels by the same. He feels the brand that advertises more is good.

- He was asked to jot down the criteria and put relative importance to them.
- The list of seven most important criteria with their weights looked as follows.

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Criteria (C_i)	Weights (W_i)
Time preference (C_1)	0.13 (W_1)
Price (C_2)	0.15(W_2)
Customer support (C_3)	0.17(W_3)
Meal (C_4)	0.09(W_4)
Prestige (C_5)	0.11(W_5)
Group conformity (C_6)	0.3(W_6)
Advertising (C_7)	0.05(W_7)

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He was asked to rate different airlines on a 5 point Likert Scale where 5 meant the most preferred and 1 the least.

We can see the scorecard in the next slide.

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Criteria	Weights	Air India	Jet Airways	Indigo
Time preference (C_1)	0.13 (b_1)	2(e_{11})	4	5
Price (C_2)	0.15(b_2)	4	3	4
Customer support (C_3)	0.17(b_3)	2	5	4
Meal (C_4)	0.09(b_4)	4	1	1
Prestige (C_5)	0.11(b_5)	4	3	2
Group conformity (C_6)	0.3(b_6)	2	5	1
Advertising (C_7)	0.05(b_7)	1	5	4

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The Multi-Attribute Model

The Attitude Toward Objects (ATO) Model (1972)

Fishbein presented the model with a set of equation. The ATO equation is as follows:

$$\mathrm{ATO} = \sum_{n}^{i=1} b_i e_i$$

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where ,

- ATO = attitude towards object
- b_i = the relative importance of attribute *i*
- e_i = the product's perceived performance on attribute *i*
- *n* = number of salient attributes

Criteria	Weights	Air India	Jet Airways	Indigo	bie_{1j}	bie_{2j}	bie_{3j}
Time preference (C_1)	0.13	2	4	5	0.26	0.52	0.65
Price (C_2)	0.15	4	3	4	0.6	0.45	0.6
Customer support (C_3)	0.17	2	5	4	0.34	0.85	0.68
Meal (C_4)	0.09	4	1	1	0.36	0.09	0.09
Prestige (C_5)	0.11	4	3	2	0.44	0.33	0.22
Group conformity (C_6)	0.3	2	5	1	0.6	1.5	0.3
Advertising (C_7)	0.05	1	5	4	0.05	0.25	0.2
				$\Sigma bieij$	2.65	3.99	2.74
				i=1,..,7			

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Therefore, with this formula, the preference for the airlines (ATO scores) are as follows:

ATO for Air India= $\Sigma b_i e_{i1}$; i=1,..,7

= 2.65

ATO for Jet Airways= $\Sigma b_i e_{i2}$; i=1,..,7

= **3.99**

ATO for Indigo= $\Sigma b_i e_{i3}$; i=1,..,7

= 2.74

Clearly Mr. Ram Singh has a strong positive attitude about Jet Airways as compared to other airways.

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The Multi-Attribute Model

The Ideal Point Multi-Attribute Model

The ideal point multi-attribute attitude model, therefore, can be represented by the following equation:

$$A_p = \sum_{i=1}^{n} W_i \left[I_i - X_i \right]$$

Where

A_p = attitude towards a product

W_i = relative importance of attribute *i*

I_i = ideal performance of the product on attribute *i*

X_i = belief about product's actual performance on attribute *i*

N = number of salient attributes

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Criteria	Weights	Air India	Jet Airways	Indigo (X)	Ideal Brand (I)
Time preference (C_1)	0.13 (W_1)	2(e_{11})	4	5	5
Price (C_2)	0.15(W_2)	4	3	4	5
Customer support (C_3)	0.17(W_3)	2	5	4	5
Meal (C_4)	0.09(W_4)	4	1	1	5
Prestige (C_5)	0.11(W_5)	4	3	2	5
Group conformity (C_6)	0.3(W_6)	2	5	1	5
Advertising (C_7)	0.05(W_7)	1	5	4	5

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Criteria	Weights (Wi)	Air India	Jet Airways	Indigo (X)	Ideal Brand (I)	$Ii-X_i$	Wi(Ii-Xi)
Time preference (C_1)	0.13	2(e_{11})	4	5	5	0	0
Price (C_2)	0.15	4	3	4	5	1	0.15
Customer support (C_3)	0.17	2	5	4	5	1	0.17
Meal (C_4)	0.09	4	1	1	5	4	0.36
Prestige (C_5)	0.11	4	3	2	5	3	0.33
Group conformity (C_6)	0.3	2	5	1	5	4	1.2
Advertising (C_7)	0.05	1	5	4	5	1	0.05
						ΣWi(Ii-Xi)=	2.26

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Following the ideal point multi-attribute attitude model we could say, the attitude score of Indigo airlines is = 2.26.

In a similar way, the attitude score of Air India is = 2.35 .

In a similar way, the attitude score of Jet Airways is = 1.01

Hence, the most favourable attitude was found for Jet Airways as it is closest to the ideal brand

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Now....

According to Metro (Thursday 6 Oct 2016) **IndiGo Has Just Announced Child-Free Zones** for its premium seats, meaning that children under the age of 12 aren't allowed to sit in those areas.

This may add another attribute for evaluating the airlines. And hence, let us ask Mr. Ram Singh to fill up the table again..

Now, let us assume we got the following table...

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Criteria	Weights	Air India	Jet Airways	Indigo
Time preference (C_1)	**0.08**	2(e_{11})	4	5
Price (C_2)	**0.15**	4	3	4
Customer support (C_3)	**0.05**	2	5	4
Meal (C_4)	**0.09**	4	1	1
Prestige (C_5)	**0.03**	4	3	2
Group conformity (C_6)	**0.1**	2	5	1
Advertising (C_7)	**0.1**	1	5	4
Child free zone(C_7)	**0.4**	1	1	5

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Criteria	Weights	Air India	Jet Airways	Indigo	bie_{1j}	bie_{2j}	bie_{3j}
Time preference (C_1)	0.08	2	4	5	0.16	0.32	0.4
Price (C_2)	0.15	4	3	4	0.6	0.45	0.6
Customer support (C_3)	0.05	2	5	4	0.1	0.25	0.2
Meal (C_4)	0.09	4	1	1	0.36	0.09	0.09
Prestige (C_5)	0.03	4	3	2	0.12	0.09	0.06
Group conformity (C_6)	0.1	2	5	1	0.2	0.5	0.1
Advertising (C_7)	0.1	1	5	4	0.1	0.5	0.4
Child free zone	0.4	1	1	5	0.4	0.4	2
				$\Sigma bieij$	2.04	2.6	3.85
				i=1,..,7			

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Therefore, with this formula, the preference for the airlines (ATO scores) are as follows:

ATO for Air India= $\Sigma b_i e_{i1}$; i=1,..,7

= 2.04

ATO for Jet Airways= $\Sigma b_i e_{i2}$; i=1,..,7

= 2.6

ATO for Indigo= $\Sigma b_i e_{i3}$; i=1,..,7

= 3.85

Clearly Mr. Ram Singh has a strong positive attitude about Indigo as compared to other airways.

Hence, attitude could be altered by changing the relative importance of the attributes in the mind of the customers as well as introducing new attributes.

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Thank you

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CONSUMERS' VALUES

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Learning Objectives

- The concept of value
- Relevance of Values in Consumer Behaviour
- Vinson, D. E., Scott, J. E., & Lamont, L. M. (1977) model of Consumer Value System
- Impact of Values in Marketing Strategy Formulation

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The context

- The role of values in Consumer Behaviour is still a nascent area of research.
- Rokeach(1973) and Gordon(1976) have developed scales for measuring consumers' value.
- Later on Donald E. Vinson, Jerome E. Scott and Lawrence M. Lamont in the year 1977 have investigated the role of value on consumer decision making and its implications to the marketers.

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Conceptualization of the term "value"

- **Anthropological perspective:**

Thomas and Zaraniecki (1927) define values as the “. . objective, social elements which impose themselves upon the individual as a given and provoke his reaction. This definition focuses on in life styles and cultural patterns

- **Sociological perspective:**

From sociological perspective , “value” refers to the ideologies and customs. Bronowski(1959) stated "a value is a concept which groups together some modes of behavior in our society.“

- **Psychological perspective:**

From psychological perspective , “value” refers to the standpoint of attitudes and personal motives. Rokeach(1968) defined value as “a centrally held, enduring belief which guides actions and judgments across specific situations and beyond immediate goals tomore ultimate end-states of existence.

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Relevance of Values in Consumer Behaviour

- Values are intensely held visions about good, pleasing, precious, and important. Values are central points of people's existence (Rokeach, 1973). Rokeach states "various combinations of values significantly differentiate men from women, hippies from non-hippies, hawks from doves, policemen from unemployed Negroes, good students from poor students, retail merchants from salesclerks, Jews from Catholics, Democrats from Republicans, and so forth."
- Many behaviours are acted out to realize values. Values control the shaping of attitude and the way in which information is processed; for example, most of the Indian female smokers feel hesitant to buy cigars from shops directly. Students do not consume cigarette in front of their teachers and elders in most of the suburban towns in India.
- Recent marketing research has shown that values have a noteworthy influence on, among other things, television watching habits, activity preference, selection of a store, shaping the consumer decision-making factors, selection of products and brands, and cigarette smoking (Becker and Conner, 1981; Kahle, 1985; McQuarrie and Langmeyer, 1985; Pitts and Woodside, 1984).

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Relevance of Values in Consumer Behaviour

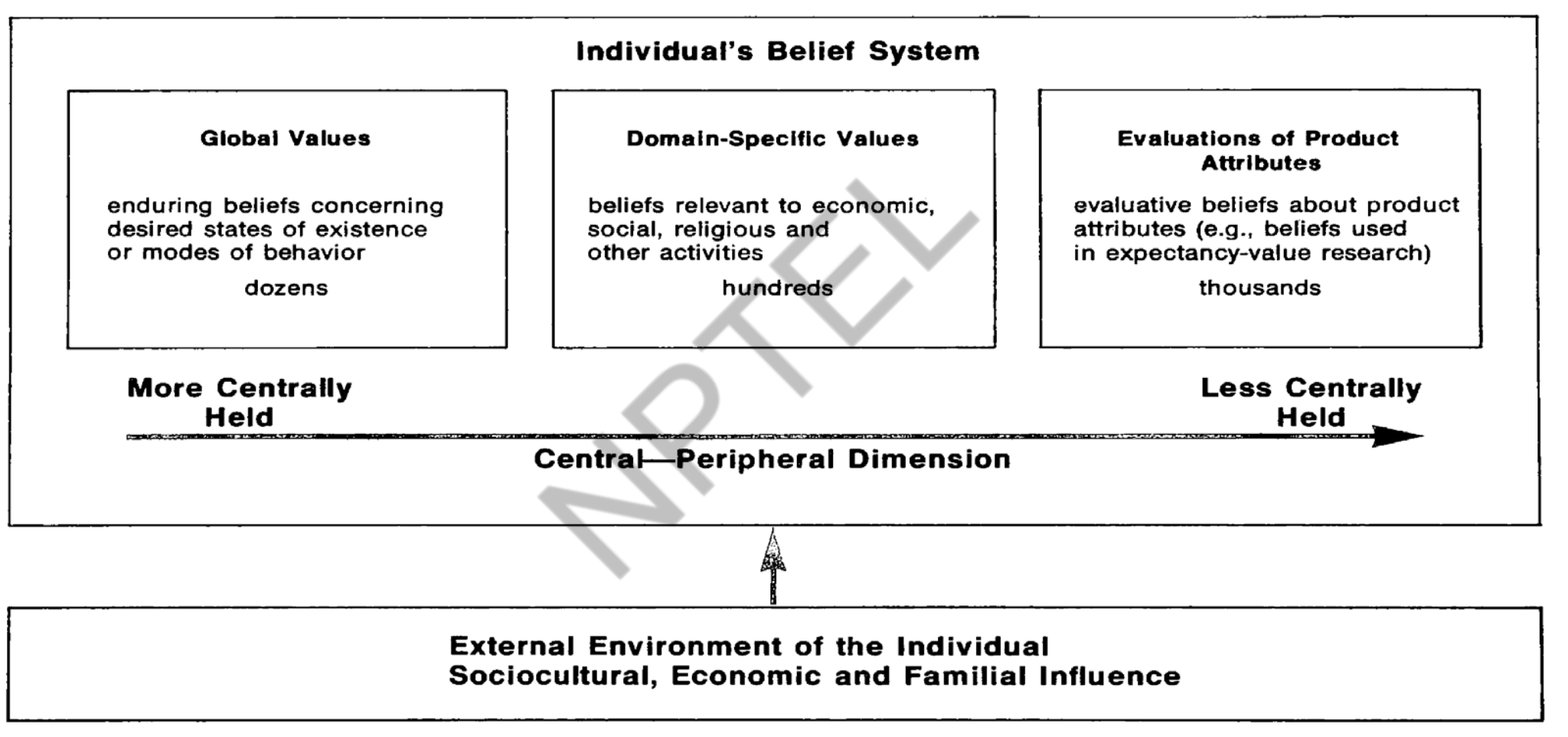
- Values provide indications about how a particular culture functions when all the social functions rotate around the core cultural values of the society.

- Some researchers analyse values as the individual's depiction of a society's aspiration. If culture has to be understood, exploration of the values of people in that culture shows the most potential preparatory point.

- Even for cross-cultural research, value is the key issue. Kahle (1986) recognized that values diverge among geographic sections in the US. Nonetheless, the comparative value varying internationally has also been an area of interest by many scholars (Berrien, 1966; Zavaloni, 1980).

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A Model of Consumers‘ Value Systems



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Source: Vinson, D. E., Scott, J. E., & Lamont, L. M. (1977). The role of personal values in marketing and consumer behavior. *The Journal of Marketing*, 44-50.

In a study, Vinson, D. E., Scott, J. E., & Lamont, L. M. (1977) have shown more liberal consumers will have the following value system.

Global Values	Domain-Specific Values	Automobile Attributes	Consumer Products	Social Issues
Exciting life[a]	Durable Products	Operate on unleaded gas[a]	Compact Cars[a]	Air pollution[a]
Equality	Non-polluting products[a]	High speed capabilities	Outdoor Recreation[a]	Freedom of press[a]
Self-respect	Health promoting products	Handling		Control of housing discrimination[a]
Forgiving	Products easy to repair	Quality workmanship[a]		
Intellectual	Quiet products[a]	Advanced engineering[a]		
Logical[a]	Help eliminate environmental pollution	Low level pollution emission[a]		

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In a study, Vinson, D. E., Scott, J. E., & Lamont, L. M. (1977) have shown more traditional consumers will have the following value system.

Global Values	Domain-Specific Values	Automobile Attributes	Consumer Products	Social Issues
National security[a]	Prompt service on complaints	Smooth riding[a]	Standard-size cars	Crime control
Salvation[a]		Luxurious interior[a]	Stylish attractive clothing	The drug problem
Polite		Prestige[a]	Television	
Social recognition		Large size		
		Spacious interior[a]		

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Global or Core Values

- One small example may be the alternative science that has been continuously practised in India since times immemorial. *Ayurveda* is a distinctive type of medication made solely of basils and natural weeds. *Ayurveda* has also been talked about in the primordial Indian epics like *Ramayana*. Even today, when the western concept of medicine has reached its zenith, there are people looking for alternative methods of treatment for its multifarious qualities. The Government, looking at this issue, had to incorporate the *Ayurvedic* and *Unani* practitioners into mainstream government-run hospitals and health centres as integral part of the National Rural Health Mission (NRHM).

- With growing complications in lives these days, people are continually looking for some means to get some peace of mind, the '*Shanti*'. Meditation and spirituality are some attempts to attain peace of mind. Meditation and yoga are identical with Indian mysticism.

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Global or Core Values

- Every culture is defined by its own set of values those are imbibed by its affiliates.

- Some cultures may focus towards individualism and some towards attainment of social goals. According to the researches by Wirthlin Worldwide, hard work, respect for learning, and honesty are the primary values considered by the Asian executives. On the contrary, the business people of US or Europe lay more emphasis on the values of sovereignty, independence, and freedom of expression.

- This diversity in values plays a categorical role behind the success and failure of marketing efforts across the cultures and countries.

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Global or Core Values

- In many cases certainly the cultural values are general; for example, the values of health, freedom, wisdom, etc. Nevertheless, several sets of values are undeniably being accumulated from the cultural heritage, religion, tradition, and overall beliefs and principles of life in any country.

- Especially, in a country like India, the cultural value varies like its vast geography. People speak in diverse languages, dress in different ways, pursue different religions, have totally different food habits across the states; nonetheless they pursue some common values like respecting the elders, honesty, hardwork, and deep-rooted philosophy of harmony.

- So whether it is a festive juncture or a minute of sorrow, people partake with all their heart, experiencing the bliss or curse together. A festival or a celebration in India is by no means constrained to a family. The entire society or environs take part to celebrate the occasion. Let us consider an Indian wedding case. May it be a Hindu, a Parsi, or a Christian wedding; it is considered not just the union of two souls, rather it is taken as the unification of two families.

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Global or Core Values

- Another extensively pursued phenomenon in India is the *Doctrine of Karma* which states that one should only focus on his work and not on its outcome and behave impartially as every act returns in full circle with the re-birth of an individual.

- Nonetheless, the most significant aspect of India in the recent past is the emergence of the new age woman. Women in India were primarily homemakers till 1980s. This myth is breaking now. Today, especially in metros and other cities, women are often the bread earners of the house or are at par with their male counterparts.

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Global or Core Values

- Even in rural India, with the *Swanirvaar* projects women are getting self dependent in terms of economy and are, in many cases, the principal contributor in their household expenses. The augmentation in the cost of living and inflation rate are also some parameters behind the upsurge of women economic empowerment.

- The splendour of the Indian people lies in their strength of tolerance while maintaining their own entity and rich cultural heritage.

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Domain Specific Values

- People can develop certain values specific to economic transactions through economic exchange and consumption.
- They may acquire social values through familial and peer group interaction.
- They may develop religious values through religious instruction and so on.
- Some examples of domain specific values are:

Manufacturers should provide prompt service on complaints, guarantee products to work as advertised, be responsive to true needs of consumer etc. (Vinson et al, 1977)

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Evaluations of Product Attributes

- These beliefs are related to products attributes .
- For example, products should be durable, long lasting, fairly, reasonably priced, non-polluting etc..

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Impact of Values Marketing Strategy Formulation

Market Analysis and Segmentation

- “If large market segments can be identified on the basis of value profiles, the marketing strategist could develop programs which would maximally enhance the important values of consumers in each market segment”. (Vinson et al, 1977)
- The researchers identified four central values that drove brand choice for them, namely, freedom, belongingness, excellence, and connection. As the example projects, one female surfer in the study held close to the ‘belongingness’. She articulated her inclination towards ‘belongingness’ by wearing popular brands of clothes.
- Some facets of brand reflections such as style and class tend to be common across cultures, but others like religious practices or sub-cultural myths are more likely to be pertinent in particular places. The Japanese emphasize more on serenity, while Spaniards stress on fervour, and the US people have an inclination towards rugged appeals.

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Impact of Values Marketing Strategy Formulation

- Product Planning

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- "Careful assessment of value orientations and emerging value trends will allow the identification of new product opportunities and the repositioning of existing products." (Vinson et al, 1977).
- A special case may be referred here. Processed and tinned food marketers have a typical challenge with respect to the Indian market. *Tropicana* experienced this problem in their fruit juice in tetra pack. The processed food market in India is purely an urban phenomenon.
- In rural India, conventional food practices are still prevalent and western style items have limited appeal. People still prefer to cook food in traditional ways for their family. Normally housewives take pride and get satisfied if they can cook something their family members like. *Roti*, *parathas*, *idli*, *utthapam*, etc., are always more adored by the housewives. The consumption expenditure of such food is low and these homemade foods are healthy too. Processed food are tried out by some urban families normally when there is time constraint to cook or when people want some change in taste.
- Hence, the manufacturers of processed food are yet to create any major value proposition for the consumers of all segments to buy. The products that are difficult to replicate or to make at home, like noodles, have gained quick acceptance but the western style products and semi cooked curries or processed fruit juice have not been accepted so far. Brand marketers are struggling to make that happen.

Impact of Values Marketing Strategy Formulation

- **Promotional Strategy**

❖ “Since global and consumption values appear to be connected to the importance of product attributes and the appeal of different product classes, this suggests that a promotional strategy designed to create and reinforce a preference by appealing to centrally held values may be highly effective. Thus, the promotional messages for a product or service could be developed to not only refer to the desirable attributes of the product but also to enhance these global and consumption values associated with the product attributes.” (Vinson er al, 1977)

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Last but not the least…

- Values are centrally held cognitive elements that stimulate motivation for behavioural response.
- There are three major values-the global values, consumption-related values and the values associated with product attributes. These are hierarchically interconnected.
- Hence, “an individual's attributes are ultimately based upon his values, and changing values could have a profound impact upon these attitudes and upon behaviour as well.”(Vinson et al, 1977)

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AIO Classification of Lifestyle

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Learning outcomes

- Concept of Lifestyle
- AIO classification of Lifestyle

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Defining Lifestyle

Lifestyle, which is a psychographic variable, is the way of living of individuals, families (households), and societies, which they manifest in coping with their physical, psychological, social, and economic environments on a routine basis.

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Conceptualizing Lifestyle

- Lifestyle is articulated in both work and leisure behaviour patterns and (on an individual basis) in actions, attitudes, values, and distribution of expenditure.
- It also reveals people's self image or self concept; the way they perceive themselves and trust the way they are comprehended by others.
- In other words, lifestyle is a combination of motivations, needs, and wants and is subjective as per different environmental dynamics such as culture, family, reference groups, and social class.
- Hence, the study of lifestyles (called psychographics) is a significant factor in shaping purchase decisions of the contemporary consumers—rural or urban.

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Characteristics of Lifestyle

Feldman and Theilbar describe lifestyle by the following characteristics:

- *Lifestyle is a group phenomenon :*

A person's lifestyle bears the control of his/her involvement in social groups and of his/her interaction with others. Two doctors in the same hospital may exhibit different lifestyles.

- *Lifestyle pervades various aspects of life*

An individual's lifestyle may result in certain kind of stability of behaviour. Knowing a person's demeanour in one facet of life may facilitate us to foresee how he/she may act in other situations.

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Characteristics of Lifestyle

- *Lifestyle implies a central life interest*

For every individual, there are many central life interests like family, work, leisure, sexual exploits, religion, politics, etc., governing their interactions with the environment.

- *Lifestyles vary according to sociologically relevant variables*

The rate of social change poses a great influence on the variations in lifestyles. Similarly, the other demographic parameters also influence the age, sex, religion, ethnicity, and social class. The augmentation in the number of double income families and that of working women has resulted in completely different lifestyles since 1980s in India.

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AIOCLASSIFICATION OF LIFESTYLE

- There are many researches directing towards the various means to study lifestyle classification of customers. One of the ways is to study the lifestyle variables with the help of AIO inventories to segment the market, target the appropriate segment, and thereafter formulate the appropriate positioning strategies.

- AIO studies comprise of a wide variety of variables and measures, the major dimensions of consumer lifestyles.

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AIOCLASSIFICATION OF LIFESTYLE

AIO Inventories

Activities

- work
- hobbies
- social events
- vacation
- entertainment
- community
- shopping
- sports
- club membership

Interests

- family
- home
- job
- community
- recreation
- fashion
- food
- media
- achievement

Opinions

- themselves
- social issues
- politics
- business
- economics
- education
- products
- future
- culture

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Use of AIO classification

- Some researches on the lifestyle by the AIO inventory of heavy/medium/light users of a product turn out incalculably constructive for marketers. Ideally, identifying the heavy users facilitates the selection of a target audience.
- William Wells and Douglas Tigert used an AIO inventory to explore the heavy user of eye cosmetics. Demographic data exposed that the heavy users of eye cosmetics were normally the young, well educated, and metropolitan women.
- Further, the survey revealed that these respondents were also inclined towards heavy smoking and habituated in long distance telephone calls. From the survey, they appeared to be aspirers for trips around the world, and as ones who wanted a very fashionable home with all modern and classy furniture.
- In a study that Plummer applied to bank credit card users, he described the males who used bank credit cards heavily as debonair and dynamic with a high profile background with respect to income, occupation, and education. The heavy card user placed a huge importance on individual manifestation consistent with his career and lifestyle. Normally, these types of customers bought at least three new suits a year. They belonged to several organizations and clubs and demonstrated a tendency to reveal modern and fashionable opinions.

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Female Lifestyle Types by AIO Classification

Using the AIO inventory, the Chicago-based advertising agency of Needham, Harper and Steers, have recognized five female lifestyle groups.

- ***Cathy—The Contented Housewife***

Cathy symbolizes simplicity. She is faithful to her family and loyally serves them as mother, housewife, and cook. She likes a tranquil pace of life and stays away from anything which might upset her stability. In some of the advertisements like *Horlicks Lite*, *Sundrop* super refined sunflower oil, *Saffola* edible oil, we find the replicas of Cathy.

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Female Lifestyle Types by AIO Classification

- *Candice—The Chic Suburbanite*

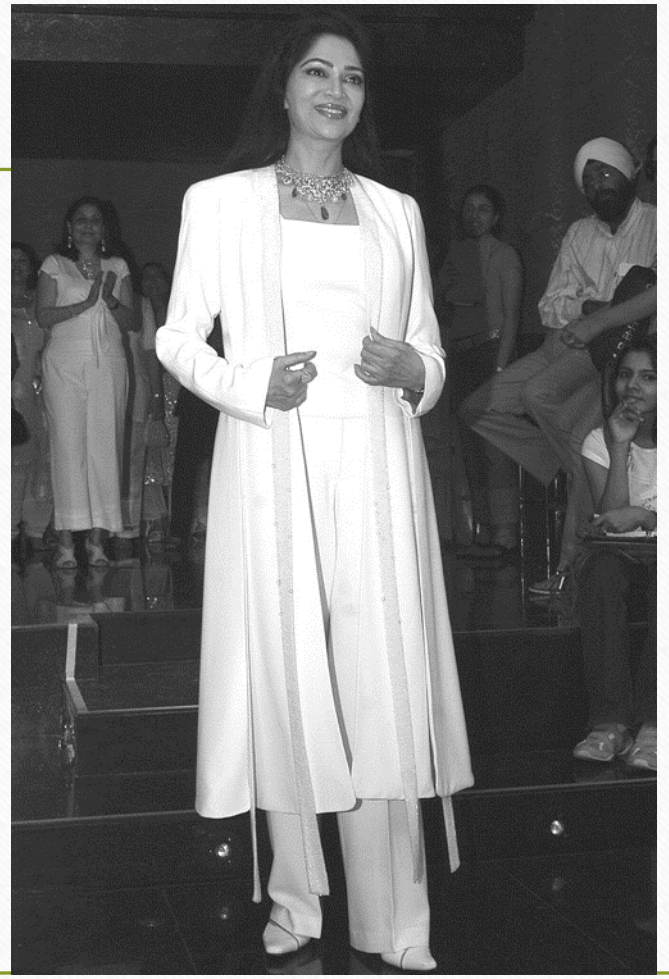
Candice is a metropolitan woman. She is sophisticated and courteous. Socializing is a significant part of her life. She is an active person, fascinated by sports, outings, movies, politics, and current affairs. Her life is quite hectic and she lives at a speedy clip. She is an insatiable reader but there are few magazines she may not like to read. Kareena Kapoor while promoting *Lux* Floral design advertisement portrayed such personality.

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Female Lifestyle Types by AIO Classification

- *Eleanor—The Elegant Socialite*

Eleanor is a woman typified with style. She is a city-dweller. She likes the socio-economic sides of the city in terms of her profession and spare time actions. She is a style conscious and well-dressed lady. She is economically secure and a graceful shopper. She shops for esteem and social needs, and hence is not so price conscious. She is a cosmopolitan woman who has toured across the world and is willing to do so more



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Female Lifestyle Types by AIO Classification

- *Mildred—The Militant Mother*

Mildred is a woman who had a very early marriage and had children before she was ready to raise a family. Now she is discontented. She is perturbed and expels her frustration by rebelling against the system. She may be called as anxious rebel too. Sometimes, young ladies who disposed of their marital life by unavoidable circumstances (death of spouse at very early age, divorce, separation, etc.) also accumulate such characteristics. Television provides an ideal medium for her to live out her fantasies.



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Female Lifestyle Types by AIO Classification

- *Thelma—The Old Fashioned Traditionalist*

Thelma is a lady who has lived a peaceful life. She has been a dedicated wife, an affectionate mother, and a diligent housewife. Even now, when her daughters are married and sons have left home for job, etc., her life is centred around the kitchen. She is not very highly qualified and has little interest on arts or cultural activities. Her spare time is spent watching TV, chatting with neighbours, or spending time with grandchildren.



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Relevant Marketing Strategy for this Classification

- To make this categorization even more functional for segmenting markets for specific products designed for women, the contemporary researchers have projected these segments in terms of an indicator of product usage.
- To exemplify, we can infer that Thelma—the traditionalist—is more probable to use hair dye, but least likely to use make-up.
- On the contrary, a marketer of a leading line of cosmetics, for example, *Lakme*, in India will principally target the Eleanors. Such women are inclined to using perfumes, body spray, lipsticks, hairspray, nailpolish, and various other forms of expensive make-up.

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Mrs- Urban India- A Business opportunity Waiting (Adopted from Mukherjee S., Consumer Behavior, Cengage Learning, 2012.

- Pathfinders India, the research division of Lintas and the forerunner of QED Research, was a pioneer in psychographic segmentation, conducting P:SNAP (Study of Nation's Attitudes and Psychographics).
- There were five rounds conducted in 1985, 1992, 1996, 1999, and 2005. This has been the only systematic and sustained effort at tracking the women psychographics in India. Essentially it classified, based on an attitudinal battery of about 130 statements, the 10,000 housewives who form the main target groups for most FMCG products. Lowe, the communication group of Lintus, has termed these five categories as five faces and named their studies as "Lowe-faces: Mrs. Urban India.

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Mrs. '*Hasmukh*' Popular 27%

- She treats her life like a must-win popularity contest. She's everybody's friend, the perfect wife, the perfect mother, and the perfect daughter-in-law.
- Independent-minded, she is not self-sacrificing, and would love to be a fashion leader among her friends. Yet she is respectful and caring to elders, and has no problems living in a joint family.
- Very independent, she is the rock others lean on. She divides her time between husband, children, elders, herself, and her friends. She visits the temple as well as the beauty parlour. She would rather chat with visitors than do chores. So, she buys products that make housework more convenient.
- A role-model, she encourages kids to pursue their own careers, as she herself would like to do what other women don't. She is a wife, a friend, and an asset to her husband.



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Mrs. '*Pataka*' Cool 12%

- She's just too cool. She looks cool, she acts cool. She talks about doing what other women don't, even talks of starting a business if she wins a lottery. Her child goes to the 'best' school. Style matters everywhere, even in her watches and sunglasses. She goes out the most, to the beauty parlour, on holidays, for parent-teacher meetings, to restaurants, even to temples.
- She is the cool metro woman, still young, and is consulted by her husband over any decision. But inside this cool woman is a middle-class heart that beats for the family. She even does the housework—with the help of convenient products, that is. She wants her family to approve of any new purchase she makes, even the taste of the new healthy cooking oil and corn flakes.



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Mrs. '*Gharelu*' Homepride 18%

- The quintessential sacrificing '*maa*', the perfect homemaker.
- It's always spotless white clothes and *Maggi* noodles for her kids. Her daughter has to be well groomed; so, liberal use of *Parachute* oil, *Clinic Plus* shampoo, talcum powder, and *Fair & Lovely* is a must.
- She's proud of her mixer, water filter, and sewing machine, and loves people asking for second helpings of her food.
- Why waste money? She'll make her own pickles and won't drop money into the temple coffers everyday—instead, she'll buy noodles, glucose biscuits, or healthy cooking oil instead. Her husband relies heavily on her wisdom.
- The best investment she can make in her kids is to send them to 'expensive' schools. If she won the lottery, she'd put that into their education as well. But she's not going to let her kids choose any newfangled, 'unknown' career; her family is not that modern.



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Mrs. '*Meri Awaaz Suno*' Attention Seeker

31%



- The purpose of her existence is to be noticed. Society places too many restrictions on her, her family is not modern, and she doesn't like the idea of staying in a joint family. Her husband takes major decisions on his own even on issues like family size and monthly budget.
- She dresses up even when she goes to the market for vegetables, *Good Knight* mosquito repellent, chips and *Coke*—after all, she doesn't get out anywhere else.
- Any money in hand would be spent in buying nail polish to match her latest shoes. She'd be happier if you admired her outfit rather than her cooking. Win a lottery and invest in gold or save in a bank? Never! She'd rather spend the money now that she has it.

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Mrs. '*Hey Bhagwan*' Moaner 12%

- 'Oh, my life is so bad! Poor me! I wasn't educated beyond primary school; otherwise I could have done so much. I don't have money, so I can't send my kids to expensive schools. What's the point in saving and scrounging without even telling my husband? We'll never live the lifestyle of the rich and the famous. My husband hasn't even got me out of this lower middle-class drudgery—how much can a skilled man do in a mini-metro? And the family? Thank God, we don't have to live in a joint family; I'm not prepared to make any more sacrifices. It's bad enough that my husband takes all major decisions by himself. Oh, when will my life change?'
- She cooks, cleans, saves, hoards, and dresses plainly. She dreams of winning a lottery, of owning a home, and having gold jewellery. She is fatalistic, but doesn't pray much. She hopes that will somehow improve in the future.



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Implications to the Marketers

- Targeting and Positioning
- Designing promotional campaign
- Selecting distribution strategy
- Designing sales promotion offers

so on and so forth….

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