

Research Article

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Consumer Lifestyle In Relation To Business Growth: Insights From Indian Ceramic Industry

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Abstract:

There is a continuous upsurge in the study of consumer lifestyle by marketers to predict consumer action. In the present scenario, it is the changing lifestyle that leads a business to prosperity or takes it to downfall. It has been seen that the emergence of more competitive firms in a globalised and ever changing environment has taken the competition to new heights and poses an increased level of threat of survival to the non performing firms. The changing lifestyles also make the industry to adopt new and more innovative techniques from manufacturing to marketing in order to grow in a sustained way. This study is an attempt to analyze the contribution of lifestyle of consumers as a growth driver of Indian ceramic market with special emphasis on ceramic tiles. The study thus focuses on determinants of lifestyle and includes 148 ceramic tile consumers as respondents of the study. The study results signify the role of changing lifestyle in growth as well as creation of new opportunities in ceramic industry in India.

Keywords: Attitude, Consumer life-style, Personality, Social-class, Style-statement.

INTRODUCTION:

Ceramic tiles have become an integral part of home furnishing and decoration. Ceramic tiles are being used globally to give a decorative accent to home from inside and as well as from outside. The Ceramic Industry has witnessed a huge transformation and technology development from last two decades and its success relies upon the technology revolution in the 20th century which led to the production and greatest technology advancement in ceramics. The Industry is one of the oldest till date having a date of existence around seven to eight thousand years ago and was used for the first time in Holy Land. The usage and source of ceramic tiles can also be traced back to the old Egypt. But in India, it came into existence about a century ago and has transformed over time to form a strong industrial manufacturing base. Indian ceramic industry is deeply rooted into traditional pottery making, and took shape slowly and evolved to find its place in the market for variety of items. The industry is in continuous modernizing phase by implementing new innovations in product quality and design to emerge as a modern industry with world class competitiveness to face the global challenges. In India, the ceramic sector has small, medium and large enterprises offering variety of products ranging from crockery to art ware and sanitary wares to stone wares. The small and

medium enterprises have a large contribution in Indian ceramic sector. The increase in the technical ceramics segment due to demand for high-alumina ceramics, cuttings tools and structural ceramics led this industry as a major manufacturer and supplier on the global market platform across the globe.

REVIEW OF LITERATURE:

There are a number of researches conducted in India and abroad focusing on the lifestyle of consumers but no significant study has been conducted considering lifestyle of consumers with respect to ceramic tile usage and preferences. For further insight about the various studies the literature related to ceramic has been explored. Teigeiro et.al.(2006) studied supply companies in the spanish ceramic sector with information and the knowledge needed on markets, tendencies and consumers for appropriate planning of ceramic product design and found that in regard to the medium and high segments of the Spanish market, it is necessary to change the communication focus and the communication strategy. Ruben and Maroto (2010) revealed that the planning and scheduling of the orders in ceramic industry has not changed much and scheduling the clients orders in the shop remains as a manually solved problem. Boonthawan & Montree (2011) investigated the

moderating effects of Societal Activity (SA) of corporate social responsibility on the relations between brand loyalty and its antecedents. The study showed that implementing societal activity of corporate social responsibility allowed consumers to have a strong positive attitude toward the product, slight increase in the brand loyalty and consumer satisfaction. There are numerous studies conducted with lifestyle as focus. More and more marketers want to see through the eyes consumers to conduct business on terms that consumers find meaningful on a personal level and to establish a long term association with them. Lazer (1963) indicated that lifestyle analysis is important in formulating marketing strategy and concluded that lifestyles of consumers play an important role in predicting consumer behaviour. Similarly, Plummer (1971) studied the lifestyle profiles and its various aspects of the commercial credit card users. Richard and Sturman(1977) used lifestyle analysis for segmenting the female users of apparels. Blackwell (1980) and Mitchell (1983) in his study revealed that life style analysis is an important tool to monitor changes in the population. Forrest and Blumberg (1981) revealed the lifestyle as a principle which allowed management to assess accurately the needs of relevant market segment, because demographic descriptions have proved inadequate for this task. Becker et.al (1985) tried to divide consumers market by identifying different personalities of consumers. Blackwell and Talarzyk (1983) concluded that it is key to successful retail business to implement a portfolio management approach based on lifestyle analysis which fulfils needs of the key target markets. Aaker et al. (1982) used life style data of consumers and confirmed its use in promotion. Berry(1983)used life style segmentation to create an effective brand identity amongst consumers. Verma and Hanspal (2000)used lifestyle analysis to profile the middle class consumers of Delhi. Chaterjee (1995)conducted a study to understand the brand association of clothing brands with lifestyle attributes. Kaynak and Kara (1996) concluded that Psychographic or Lifestyle refers to consumers' Activities, Interests and Opinion(AIO).Shirali and Singh (1997) in their study segmented men into different lifestyle groups by identifying them on the basis of status symbol. Sathish and Rajamohan (2012)stressed upon the relationship between consumer behaviour and lifestyle marketing and from the study results found that new techniques and approaches and the lifestyle concept with the introduction of AIO research which included moves to understand consumers away from isolated, often unrelated projects towards broader integrated systems and research techniques. Jung and Merlin (2002) in their study found that lifestyle branding is a legitimate movement that is steadily growing and the companies implementing lifestyle

branding with careful thought and consideration for the brand and the customer will reap the true benefits of lifestyle branding.

Consumer lifestyle and Underlying Attributes:

Consumer lifestyle is the foundation of all marketing activities that allows marketers to better predict prepare for consumer's future action. Study of consumer lifestyle help the marketer to be more consumers oriented. It is the study of lifestyles that help marketers to anticipate the change in consumer behaviour. This is the reason about the popularity of consumer lifestyle analysis being extensively used by marketers to formulate and strategize the way different from others. In order to understand it clearly, the variables have been divided into external and internal / personal variables in the study (Fig1). The external variables create a set of conditions for internal variables to exist and make a mark on lifestyle. Marketers study the internal/personal aspects like motivation, perception, attitudes, beliefs and values with other related attributes like needs and wants to clearly view consumer lifestyle. These factors are influenced by the external attributes like social factors which influence the lifestyle of consumers by generating a sense of competition in the society with respect to lifestyle. In the same way, other attributes like peers, reference groups and family members also act the same way upon the personal variables.

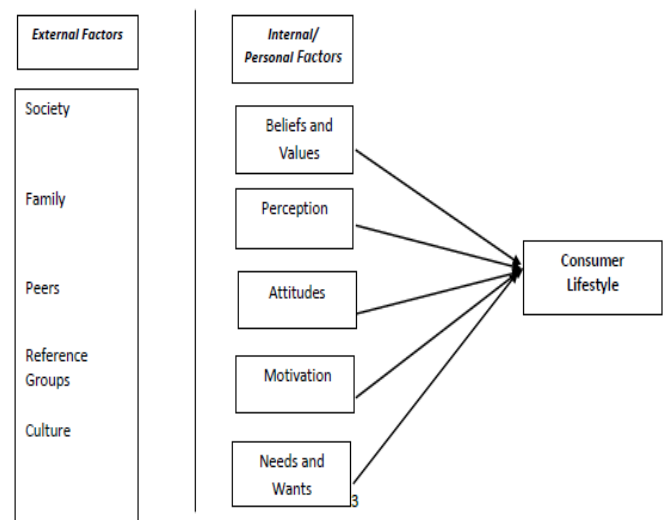


Fig. 1. Consumer Lifestyle and its attributes

Hypothesis:

The following hypotheses were tested in this study:

H₀₁: There is no significant relationship between monthly income and usage of tiles as a mark of style statement.

H₀₂: There is no significant relationship between tile as a necessary input in house and its usage as a source of societal lifestyle.

H₀₃: There is no significant relationship between purchase of new and innovative tiles and usage of tiles as a mark of style statement in the society.

Sample Selection:

The objective of this study was to analyze the role of lifestyle of Indian consumers with respect to the growth of ceramic tile market in India. The study covered 148 ceramic tile consumers as respondents. The area selected for the study included cities of Dehradun, Haridwar, Meerut and Noida from north India. Each city was administered 45 questionnaires totalling the number of questionnaires to 180. Out of 45 administered questionnaires to each city, the

Analysis of Data:

response for each city was: Dehradun-38 Haridwar-36, Meerut- 33 and Noida-41 respondents. Thus giving in total 148 returned questionnaires with a response rate of 77.89%.

Sources of Data:

The study employed primary data collected from the respondents with the help of questionnaire and secondary data from already available resources like internet,journals, books, magazines and business newspapers. The relationship between attributes of lifestyle and their impact as a growth driver for ceramic industry was tested with the help of correlation and Chi-square tests.

Table 1. Descriptive statistics of the variables.

Variables	Mean	Std. Deviation	N
Gender	1.2027	.40338	148
Age	3.2365	1.12704	148
Marital Status	1.2230	.41765	148
Education	2.7568	1.21006	148
Occupation	2.2162	1.05328	148
Monthly Income	2.6959	1.19897	148
Usage	2.3514	1.21703	148
Style Statement	2.4122	1.20616	148
Input	2.3649	1.20175	148
Trend	2.5068	1.15762	148
Ambience	2.3716	1.21935	148
Innovation	2.2432	1.12861	148
Social factor	2.3919	1.17592	148
Finishing	2.2432	1.12861	148

Source: Primary data

The data was analysed using SPSS version 17.0. Table-1 shows the descriptive statistics where mean (M), Standard deviation (SD) are demonstrated. The demographic variables and variables of lifestyle were selected and entered in the table. The sample's perceived mean score on the trend of tile due to its utility, looks & convenience was found higher amongst all of the variables of lifestyle (M=2.50, S.D = 1.15); Usage of floor tile was more than wall tiles (M=2.35,S.D.=1.21) and Tiles as a source of style

statement (M=2.41, S.D = 1.20); tile as a necessary input (M=2.36,S.D.=1.20); tile as a source of soothing environment (ambience) (M=2.37, S.D=1.21); Usage of Innovative tiles (M=2.24, S.D=1.12); Tiles as a source to reflect social-class (M=2.39, S.D=1.17); Tiles as a beautiful finisher and adds better look to the house (M=2.24, S.D = 1.12). The trend of tiles usage due to its utility looks and convenience demonstrates a high level of contribution amongst the variables of lifestyles.

Table 2.1: Correlation between variables monthly income and tiles as a source of style statement in the society

Correlations			
		Monthly Income	I use tiles because it display a style statement in my society
Monthly Income	Pearson Correlation	1	.337**
	Sig. (2-tailed)		.000
	N	148	148
I use tiles because it display a style statement in my society	Pearson Correlation	.337**	1
	Sig. (2-tailed)	.000	
	N	148	148

Source: Primary data ** . Correlation is significant at the 0.01 level (2-tailed).

Table 2.1 shows the relationship between monthly income and tiles as a source of style statement in the society. The coefficient of correlation is found to be 0.337(r =.337) and the significance level is 0.000 (p=0.000) which implies that there is a positive correlation between monthly income and tiles as a source of style statement in the society.Hence, the null hypothesis (NH₀₁) is rejected since the relationship is significant (p<0.01).

Table 2.2 Chi square Test

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	145.353 ^a	16	.000
Likelihood Ratio	122.910	16	.000
Linear-by-Linear Association	16.651	1	.000
N of Valid Cases	148		

Source: Primary data a. 15 cells (60.0%) have expected count less than 5. The min.expected count is 0.73.

The chi-square among monthly income and tiles as a source of style statement in the society are presented in table 2.2. The value of chi square was found =145.353, which is much higher than the table value 26.296 at df=16. This further confirms the relationship between monthly income and tiles as a source of style statement in the society.

Table 3.1 : Correlation between statements tiles as a necessary input and tiles usage as statement of Social lifestyle.

Correlations			
		Tiles has become a necessary input for any house	Tiles reflect lifestyle of my social-class
Tiles has become a necessary input for any house	Pearson Correlation	1	.177 [*]
	Sig. (2-tailed)		.031
	N	148	148
Tiles reflect lifestyle of my social-class	Pearson Correlation	.177 [*]	1
	Sig. (2-tailed)	.031	
	N	148	148

Source: Primary data*. Correlation is significant at the 0.05 level (2-tailed).

Table 3.1 shows the relationship between tiles as a necessary input for any house and tiles as a source to reflect social lifestyle. The coefficient of correlation is found to be .177 (r =.177) and the significance level is 0.031 (p=0.031) which implies that there exists a positive correlation between tiles as a necessary input for any house and tiles as a source to reflect social lifestyle. Hence, null hypothesis (NH₀₂) is rejected since the relationship is significant (p<0.05).

Table-3.2 Chi Square Test

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	77.849 ^a	16	.000
Likelihood Ratio	92.020	16	.000
Linear-by-Linear Association	4.623	1	.032
N of Valid Cases	148		

Source: Primary data a. 15 cells (60.0%) have expected count less than 5. The minimum expected count is 0.81.

The chi-square among tiles as a necessary input for any house and tiles as a source to reflect social lifestyle is demonstrated in table 3.2. The value of chi square was found = 77.849, which is much higher than the table value 26.296 at 16 degrees of freedom. This further confirms the relationship between tiles as a necessary input for any house and a source to reflect consumer lifestyle.

Table4.1: Correlation between statements Innovative Tile Technology and tiles as style statement

Correlations			
		I am interested to purchase tiles with innovative technology and designs	I use tiles because it display a style statement in my society
I am interested to purchase tiles with innovative technology and designs	Pearson Correlation	1	.211 [*]
	Sig. (2-tailed)		.010
	N	148	148
I use tiles because it display a style statement in my society	Pearson Correlation	.211 [*]	1
	Sig. (2-tailed)	.010	
	N	148	148

Source: Primary data *. Correlation is significant at the 0.05 level (2-tailed).

Table 4.1 shows the relationship between interest in purchasing tiles with innovative technology and tiles as style statement in the society. The coefficient of correlation is found to be 0.211(r =.211) and the significance level is

0.010($p=0.010$) which implies that there is a positive correlation between interest in purchase of tiles with innovative technology and tiles as style statement in the

society. Hence, the null hypothesis (NH_0) is rejected since the relationship is significant ($p<0.05$).

Table 4.2 Chi square Test

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	50.437 ^a	16	.000
Likelihood Ratio	58.741	16	.000
Linear-by-Linear Association	6.526	1	.011
N of Valid Cases	148		

Source: Primary data a. 15 cells (60.0%) have expected count less than 5. The minimum expected count is .73.

The chi-square test among tiles with innovative technology and tiles as style statement in the society is demonstrated in table 4.2. The value of chi square = 50.437, which is much higher than the table value 26.296 at 16 df. This further confirms the relationship between tiles with innovative technology and tiles as style statement in the society

DISCUSSION:

The prime objective of the study was to examine the role of lifestyle as a growth driver for Indian tiles sector. The hypothesis stating relationship between income and purchase of tiles as a style statement by the consumers was rejected. The reason may be attributed to the fact that availability of low cost tiles with trendy looks for price-sensitive consumers have made it as a source of style statement for low income group people. Whereas, high income groups prefer it as a source of basic statement of their lifestyle.

The study results show that consumers view tiles as a necessary input for house and also a source of status and lifestyle. The results confirm the consciousness of consumers with regard to flourishing, thriving, good fortune success or social status. Consumers also view tile as a source of prosperity which often encompasses wealth and include others factors which are independent of wealth, such as happiness and health. Acceptance of alternate hypothesis with assumption that consumers having perception that tile are a requirement in any house also implies that tiles act as a style statement and trend setter in the society and reflects that there is a positive and strong relation between the two variables.

Hypothesis which assumes no significant relationship between purchase of new and innovative tiles and usage of tiles as a mark of style statement in the society was also rejected. The rejection of hypothesis implies that the consumers of tiles regard the usage of new and innovative tiles in the house as a mark of style statement in the society. Consumers view new designs like 3D tiles with latest and modern patterns to create a soothing environment and try to display self-image as distinctive and most innovative consumer within the society.

CONCLUSION:

The present findings are result of the study carried out in northern part of India. The findings reveal that growth of ceramic tiles in India is routed to lifestyle of consumers. The results depict that the consumers adopt new and innovative technology as a part of their changing lifestyle. It has also been observed that domestic ceramic tile usage has been moved out from its traditional use which was earlier limited to kitchens and bathrooms to all the spaces in the house. The extended use has become a norm for the houses in a more intensive way and consumers have started to affiliate their personality and status factors with the tiles they use. It was also found that consumers have changed and they are looking for something different from their goods and services providers today. Understanding their evolving needs, lifestyles and aspirations is the underlying key to success for the tiles companies. The wide usage of tiles may be directed to the lifestyle which is still in upsurge and more and more consumers are linking their purchases with lifestyle. The present study is an addition to various researches in the field of consumer behaviour to correlate the lifestyle of consumers and its attributes which emerge in different forms along with consumers' linking of tile usage with style statement. It reflects that the lifestyle comparison within the social class as well as elevated environmental factors play a vital role in purchase of tiles. The social competitiveness and changing lifestyle works as a driver to the growth engine for this growing sector.

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