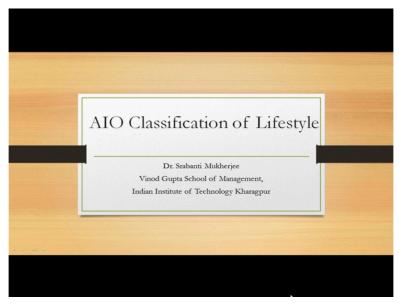
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Module No. #04 Lecture No. #20 AIO Classification

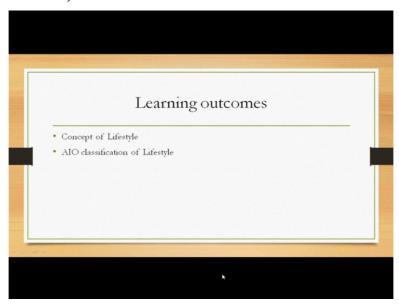
Welcome. And Today, we are going to discuss about the, AIO Classification of Lifestyle.

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And, I, Dr Srabanti Mukherjee, from Vinod Gupta School of Management, Indian Institute of Technology, Kharagpur, would be explaining this Concept to you.

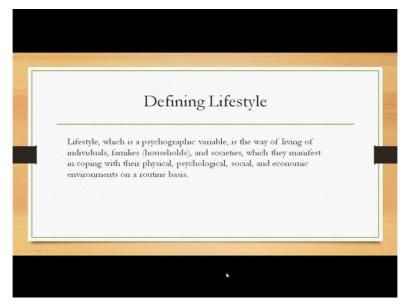
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The Basic Learning Outcome is the, Concept of Lifestyle, and AIO Classification of

Lifestyle.

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So, first we try to define, Lifestyle. What Lifestyle is? Lifestyle, which is a Psychographic variable, is the way of living of Individuals, Families and Households, Societies, which they manifest in coping with their physical, Psychological, Social, and Economic environment, on a routine basis. Which means, that is how, we define as a, Flamboyant Lifestyle, Rugged Lifestyle, Happy-Go-Lucky Lifestyle, or different kind of Lifestyles, like this.

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So, Lifestyle is articulated in both, Work and Leisure Behaviour patterns. But, and this is obviously, an Individual specific thing. And, it can be shown in my Actions, Attitude, Values, and Distribution of Expenditure. See, if I am a very Happy-Go-Lucky type of Person, then of course, I may spend more on Parties. I may spend more on Soft Drinks. I may like to hang

out with my Friends. So, my Expenditure will be skewed towards that, rather than my

Expenditure on basic Food items, maybe.

It also reveals, the People's self-image, or self-concept, or the way they perceive themselves,

and trust the way, they are comprehended by others. Like, I want to project myself, as a very

Happy-Go-Lucky, which I am telling that, I want to project myself, in that way. And

obviously, I am going to Dress, in that way. I am going to feel that, some particular Movie

Star is having this kind of Personality, so I am going to copy that Person.

Or, if I feel that, any of my Peers is like that, I am going to imitate that kind of action. And, I

want to actually have a Self-Projection in the Society, in the way based, whatever my

Lifestyle is. In other words, Lifestyle is a combination of Motivation, Needs, Wants, and is

subjective as per, different Environmental Dynamics, such as Culture, Family, Reference

Group, and Social Class. Exactly, what I wanted to tell.

If, I perceive that, I am belonging to an Upper Class. I am an Upper Class Person. Then,

regarding my choice of Jewellery, regarding my choice of a Car, regarding my choice of even

dress, everywhere, I will try to project that, I belong to Upper Class. I will always try to buy,

some Branded and Expensive items, for Socially Visible consumption. Like, Clothes, Car,

Jewellery, which the Society can see.

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Hence, the Study of Lifestyles, which is also called Psychographics, is a significant factor, in

shaping the purchase decision of the contemporary Consumers, may it be Rural, or may it be

Urban.

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So, Feldman and Theilber, describe the Lifestyle, by the following characteristics. They said, Lifestyle is basically a Group Phenomenon. Why? Because, a Person's Lifestyle, bears the control of his or her involvement in the Social Groups, of his or her interaction with others. Two Doctors in the same Hospital, may exhibit different kind of Lifestyle. Even, Two Person of same Income Group, may exhibit different kind of Lifestyle

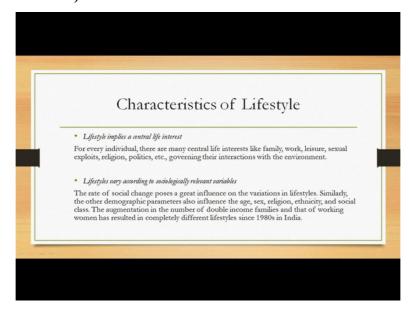
A Person staying in the Rural area, suddenly if the Income Level increases, and the similar Income, if the Urban Corporate Executive is having. So, both of them, with this additional Income, may demonstrate different Expenditure Pattern. For example, the Rural Person could buy, more Jewellery. He will make his House, from Two Storey to Three Storey. Whereas, when you talk about this Urban Person, he may be buying an expensive Car.

He is going for investing, in the Mutual Funds. Or, he is buying an Air Conditioner, or this kind of thing. Or, maybe he is buying, a very expensive Mobile, or other Gadgets. So, it is actually a Group Phenomenon. Secondly, is the Lifestyle, pervades various aspects of Life. An Individual's Lifestyle, may result in certain kind of stability of the Behaviour. Knowing a Persons, the demeanour in one facet of Life, may facilitate us to foresee, how he or she may act in certain situation.

As right now I said, if an Urban Corporate Executive is having some additional Income, then how he is going to use that Money. If Central Government announces DA for its Staffs, then how this People of different Central Government, different category of Central Government Staff, is going to use this Money. As a Marketer, how I can capitalise this increase in DA of

the Central Government Employees, that has to be understood.

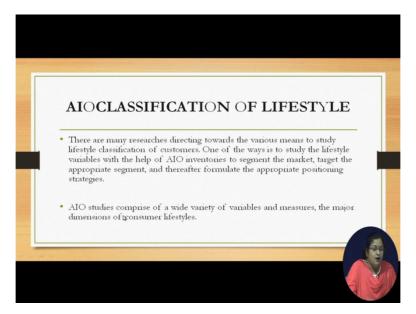
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Lifestyle implies, a Central Life Interest. For every Individual, there are always a Central Life Interest like, how much time, I am a Family Oriented Person, I am a Balanced Person, I can make a Work Life Balance, or I am a Workaholic, I am very much married to my Career. So, what kind of Person, I am. So, that is my Central Value. What is my opinion about the Politics? What is my opinion about Religion?

So, that actually will determine, my Actions also, and my Purchase Pattern also. Lifestyles vary, according to Sociologically relevant variable, like the rate of Social Change, poses a great influence in the Variations of Lifestyle. So similarly, the other Demographic Parameter also influences the Age, Sex, Religion, Ethnicity, Social Class, and all this. And, these are some of the parameters, which influences Lifestyle.

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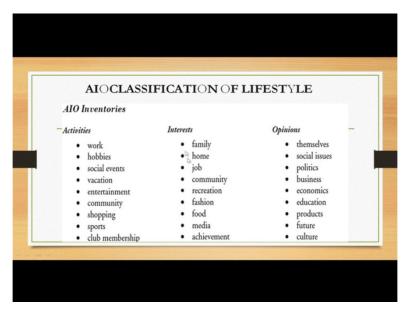


Now, we know that, there is an Augmentation in the number of Double Income Household. And, that has substantially increase the Money, in the hands of Middle or Upper Middle Income Families, but reduce the Time for the Family House Hold Activities. So, that is how, different Family Gadgets like, say, Washing Machine. Then, Dishwashers. This kind of concepts, are becoming very popular.

Or, this kind of Products rather, are becoming very popular. Now, there is an appropriate way of classifying this Lifestyle, which will help us, to segment the Market, based on the Lifestyle of the Customer. There are many approaches like that. Like, VALS Classification is there. VALS Typology is there. Then, we have AIO Classification. There are some other classifications, as well.

But, a popularly used classification, which I am going to discuss now, is the AIO Classification. Which means, Activities, Interest, and Opinion. These are Three Parameters. And, there are this particular Study, has actually listed certain Inventories under, Activities, Interest, and Opinion. And, based on the Activities, Interest, and Opinion of the Customer, could be grouped into, different Lifestyles.

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So, we will see. These are the Inventories. One is like, Activities, Work. What kind of Work, usually I do? What is my Occupation? Then, my Hobbies, Social Events. How do I spend my Vacation? I may spend my Vacation, in a leisurely way, by watching Movies, in YouTube, and all. I may be, you know, I like Tourism. So, maybe, I will you go for some Foreign Tours, or some even Domestic Tours. Because, I like to spend my Vacation in Tours.

Now again, what kind of Tours? I may like to take my Family, to a Resort, and spend a very calm and quite Vacation. Or, I may want to go some Hill Station, and make an adventurous kind of Tourism. I may go for a Trekking also. So, what do I do? How to spend my vacation, can determine my Lifestyle? And, it could help in classifying actually, the different kind of Customers. So, Entertainment. What entertains me, actually. Maybe, some People like Sports.

Some People like Movies. Some People like, some Outdoor Games. Something like that. So, community. What kind of Community, I am in? Then, my Shopping pattern, my Sports habit, my Club Membership? Similarly, the Interest. What is my Central Interest? Is my Central Interest, my Family? Then, all my Purchases would be, actually directed to the needs of my Family. Home, Job, Community, Recreation, Fashion, Food, Media, Achievement. And, Opinions, are about myself. How do I think about myself? A very serious Person.

Or, do I think about, a very Happy-Go-Lucky Person. Or, I think that, I am a very Political. Or, I am Leftist, or I am Rightist. Also, that way, these things, that determines Social issues like, how do I perceive, about certain things that, Woman was can go to Pubs and Bars, even after 8:30, till Midnight. Or, I think that, I am a very Conservative Person. And, I think, No,

Women should come back Home, before 8:30, or before it is too Night. So, that is a very much Social Values, which I have. So, which comes under this, AIO Classification.

So, Business. Regarding Business, whether, I am at a venture some, or not. Economics, Education, Product. Like a different Product, what is my perception. I think that, consumption of Alcohol is Good. Or, I may think that, consumption of Alcohol is not so Good. But, it is Socially acceptable thing. Then unless, I harm somebody else. What is my opinion about my Future? Where, I want to see myself? Then, in what kind of Culture, I belong to?

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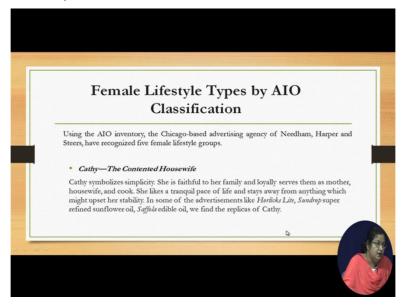
So, Use of AIO Classification. As, some Researches on Lifestyle, by the AIO Inventory of Heavy, Medium, Light users of the Product, turn out incalculably constructive for Marketers. Ideally, identifying the Heavy users, facilitates the selection of the target audience, specifically for Products like, Cigarette, Alcohol, or so and so forth. Even, the Television watching habits. William Wells and Douglas Tigert, use the AIO Inventory first, to explore the Heavy user of Eye Cosmetics.

Demographic Data, exposed that the Heavy users of Eye Cosmetics, were normally Young, Well Educated, and Metropolitan Woman. Now, further the Survey reveals that, these respondents were also inclined towards Heavy Smoking, and habituated in Long Distance Telephone Calls. From the Survey, it was revealed that, they are the Aspirers for Trips around the World, and as once, who wanted to a very Fashionable Home, with all Modern and Classy Furniture.

Another Study, that Plummer applied, for Bank Credit Card users. And, he has shown, that the Males, who used Bank Credit Cards, heavily as Debonair, and Dynamic with High Profile background, with respect to Income, Occupation, and Education. The Heavy Card users, they placed a huge importance on Individual manifestations, consistent with his Career and Lifestyle. Normally, this type of Customers, bought at least, Three New Suits, in a Year. So, they spend more. That is why, they are more inclined towards, Credit Card.

And, they think that, their Future Income, would be higher, than their Present Income. That is the reason, they are spending little more. That is, their opinion about Future, here. That, their future earnings would be more. That is why, they are spending more, on Credit Card. This kind of behaviour, we can see in a, Young Age IT Professionals, in our Country also. And, they belong to several Organisation, Clubs, demonstrated a tendency to reveal, Modern and Fashionable options.

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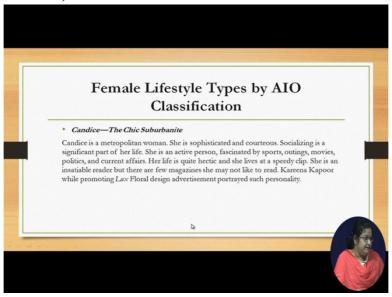
Now, Needham Harper and Steers, they in context of US, has applied this AIO Classification, to classify Women, in US. And, this can be applied, in Indian context, or any other Countries context also. Because, these are Five different types of Lifestyle of Women, which they have talked about. The First one is the Cathy, the Contented Housewife. They have named Cathy, to the Contented Housewife.

So, Cathy symbolises Simplicity. She is faithful to her Family. Loyally serves them as, Mother, Housewife, Cook. She likes a tranquil pace of Life. Stays away from anything, which

might have upset her Stability. Husband may work out, and she just want a Household Peace. So, in some of the Advertisement like, Horlicks Lite, or Sundrop shows that, she is the Lady of the House, who is also in the Middle Age, having a full-fledged Family.

And, she is concerned about, her Husband's Health. Because, the Husband is also, in the early 40's. So, that is why, she may be using Horlicks Lite, or you know, Sundrop Super, or Saffola Edible Oil. And, this kind of images in the Advertisement, what we see, is the Replica of Cathy.

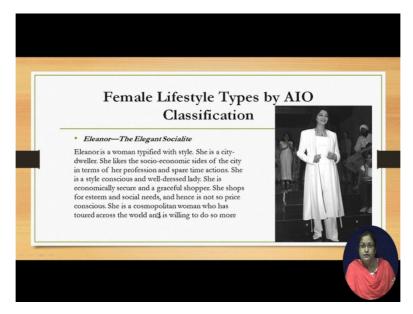
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Candice. Candice is the Chic Suburbanite. So, she is a Metropolitan Woman. She is Sophisticated, Courteous. Socialising is a significant part of her Life. So therefore, she goes for Sports, Outings, Movies. She speaks about Politics, Current Affairs. And, her life is quite Hectic. She goes for Parties. She enjoys companies of her Friends. And, she is an Insatiable Reader, as there are few Magazines.

But, there could be few Magazines, which she like to read, and there can be few Magazines, which she may not like to read. For example, when we see Kareena Kapoor, by promoting Lux Floral Design. So, that is this kind of Personality, very Chic Suburbanite. And, wants a very Elegant look kind of, in the Society.

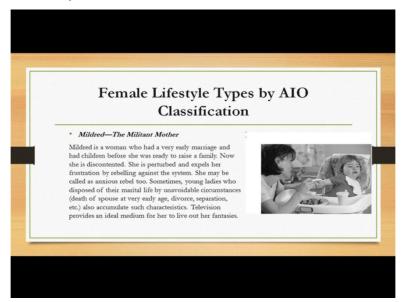
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Another was the Eleanor, who is an Elegant Socialite. And, you can see the picture, the kind of image. She is a City Dweller. She likes Socio-Economic sides of the City, in terms of her Professional, and Spare Time Action. She is a Style conscious, Well-Dressed Lady. And, she is economically secure, and a graceful Shopper. And, she shops for, Esteem and Social need. So, not very Price conscious, but very much Brand conscious.

She is a Cosmopolitan Woman, who has toured across the World, and willing to do so. So, she is also an informed Customer. And, Marketer has to give, provide more information to her, for choice of the Products. She is not very sceptical about spending Money. But, at the same time, she wants a better value for Money.

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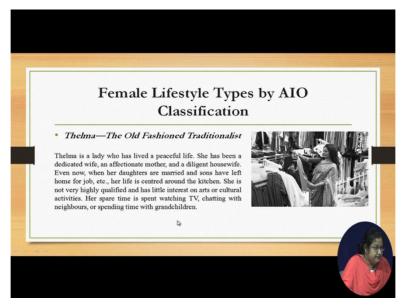


And, that should look Elegant. The third one is the Mildred, who is a Militant Mother. Now,

Mildred, we can find, in and around of ours. She is a woman, who had a very early marriage, and had Children, before she was ready to raise up the Family. So now, she is very discontented, perturbed, expels her frustration, by rebelling against the system. She may be called an, anxious rebel too.

Sometimes, Young Ladies, who are disposed of their Marital Life, by some unavoidable circumstances, death of Spouse, at very early age Divorce, Separation, etcetera, also accumulate this kind of characteristics. Television provides an ideal medium for her, to live out her fantasies.

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Thelma, you can see here. She is an Old Fashioned Traditionalist. Thelma is a Lady, who lived a peaceful life. She has been a dedicated Wife, affectionate Mother, diligent Housewife. But now, Daughters are married. Sons, have left their home, for Job. Her life, is centred around Kitchen. And, she is not very highly Qualified, and has little interest in, Arts and Cultural activities. But, she is spent time, in watching Television, chatting with Neighbours, spending time with Grandchildren, may be occasional shopping for the Grandchildren, or their Children. So, like this.

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And, but mostly, kitchen centric. Buying, different kind of pickles, you know, different recipes. So, all these things, she might be trying at that moment. What is the relevance, of this kind of Study? The relevance is, see, to make the categorization even more functional, for segmenting Markets, the specific designed for Women, the Contemporary Researches have projected the segments, in terms of indicator of, Product usage pattern.

So, if we try to give an example. For example, Thelma, when we are talking about, she may use Hair Dye. But, she is not about to use, some kind of Make-Ups. Whereas, when we are talking about Eleanor, the Elegant Socialite, she maybe, you know, using very much Branded Cosmetics, like Olay. So, this kind of, or Revlon, or this kind of high-priced Brands. Or, maybe, Tanishq Jewelleries, De Beers Diamond, or this kind of Products, she will be more fond of.

Chic Suburbanite, when we are talking about, maybe, very, very, fashionable dresses, trendy dresses. Then, different kind of gadgets. Electronic gadgets could be thought of, for her. On the contrary, so therefore, that is what, we are trying to say. So, here I have mentioned about Lakme India, which principally targets the Eleanor's. And, they for Perfumes, Body Spray, Lipstick, and so on and so forth. So, these are basically the implication to identify, the suitable target segment.

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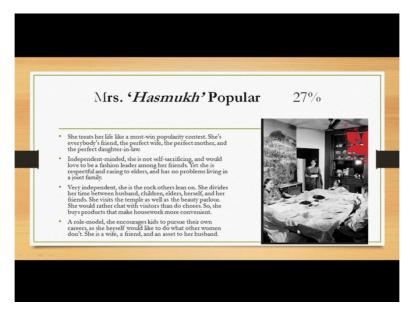


And accordingly, you know, you perform your promotional activity also. So that, in your Promotional Activity also, you portray that kind of Person, in the Advertisement. Then, another Study, which was done by Pathfinders India. And, this has been provided by, Mr Sankara Pillai, for my own book. So, I am just explaining this particular Study. And, this has been for Psychographic Segmentation, based on Lifestyle, for the Indian Ladies

So, the earlier one, which Needham and Harper, I was talking about, is regarding the, US Ladies. But still, that is also applicable in Indian context. But, in India, specifically, Pathfinder has done this kind of Study. It is the Research Division of Lintas, and a Forerunner of QED Research. It was the Pioneer in the Psychographic Segmentation, and, this is known as PSNAP. PSNAP meaning, the Study of Nations Attitudes and Psychographics.

There were Five Rounds, conducted in 1985, 92, 96, 99 and 2005. And, this has been only Systematic Consistent effort, by tracking the Woman Psychographics in India. Essentially, it is classified, based on the Attitudinal Battery of about 130 Statements, the 10000 Housewives, who form the Main Target Groups, for most FMCG Products. Lowe, the Communication Group of Lintas, has termed these Five Categories, as Five Faces of India. And, this has named as, Lowe Faces: Mrs Urban India.

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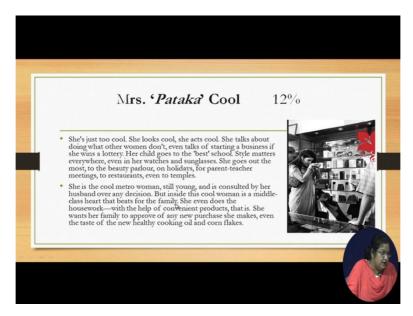


Mostly, this has been done, in Urban context. So, this has actually, the Lifestyle segmentation, of the Urban Ladies, in India. So, the first segment, they have named as, Mrs Hasmukh Popular. This constitute of 27%, of the Household. You can see the Picture also, gives us some glimpses of this kind of Lifestyle. So, she treats her Life, like a must win Popularity Contest.

She is everybody's Friend, perfect Wife, perfect Mother, perfect Daughter in Law. Independent Minded, not very Self-Sacrificing. And, would love to be Fashion Leader, among her Friends. So, more inclined for Boutique Sarees, Jewelleries, and all this. And, she is respectful and caring for Elders, and no problem in living in the Joint Family. Very Independent. And, she divides her Time between, Husband, Children, Elder, then herself, her Friends.

She visits Temple, as well as, she visits Beauty Parlour. So, in both context, even if you design the Promotional Message, you can show her in performing, both kind of activities, actually. She is a Role Model. As a Role Model, she encourages Kids, to pursue their own Careers, which she herself, would have liked to do. She is a Wife, a Friend, and an Asset to her Husband.

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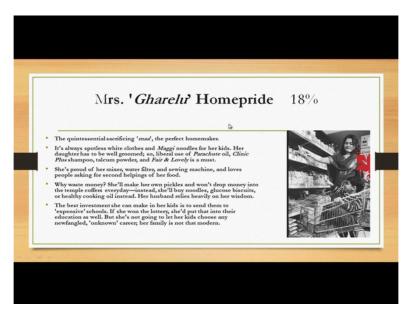


The kind of Product. This kind of Ladies are buying, are mostly, the House Hold items, or some Personal Care items like, several kind of Cosmetics, some Beauty Products, and this one. Mrs Pataka Cool, 12% of the Urban Ladies. She is just too cool. She looks cool. She acts cool. She talks about doing, what the other woman don't. Even, talks of starting a Business, if she wins a lottery. So, little bit Venturesome.

And, her child, goes to the Best School. So, she is very careful about selecting the Best School. She is a very careful about selecting. If the Family wants to buy an Apartment. The House should be bought, in a Best Location, or in the Posh Location, of the City. So, this kind of consent, she is having. So, she is engaged in, this kind of Purchasing Behaviour.

She goes to Beauty Parlour, Restaurants, Temples. And, Cool Metro Woman, but little Young. And but, is consulted by her Husband. So, this kind of Ladies also can take part, in Financial Decision of the Family, like buying Mutual Fund, or in Banking activities, and all this. So, she makes different kind of new purchases like, healthy Cooking Oil, Cornflakes, or several other, like Masala Oats, or this kind of new things, she wants to try it for her Family.

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Mrs Gharelu Home Pride. This is for mainly the Homemakers, 18%. And, this is like the Maa, the perfect Homemaker, basically. And, she likes a spotless White Clothes for her Kids, Eastern Food for her Kids, like Maggi. Then, she wants their Child, to be well groomed. So, Parachute Oil, Clinic Plus Shampoo, Talcum Powder, Fair & Lovely, this kind of Products, she likes much. And, she wants some Household Gadgets like, Mixer, Water Filter, Sewing Machine.

And, she loves People, asking for second helpings of the Food. So understood, that she likes to cook and serve also. So, Kitchen, Recipes, and Semi-Cooked Food, may also, catch her attention. But, she thinks that, she is very value conscious. She likes to spend on, different Household items. But, she also thinks that, what gives me, the best return out of it, best value for Money, out of it.

So, that is why, she will buy, instead of going, you know, to buy, make her own pickles, and spending time on that, she will buy Noodles, Glucose, Biscuits, healthy Cooking Oil, Cornflakes, some very healthy, but easily cooked Food, for the Children. For her, again, just like Pataka Cool, for her also, the best Investment could be, sending the Children, to the expensive Schools. And, her Family is little Traditional, not that Modern. So, Behavioural Pattern would be, accordingly done.

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The next classification is, Meri Awaaz Suno, Attention Seeker, kind of Customers. That is, 31%. Here, the purpose of her existence is to be, getting noticed. So although, her Family is not so modern, but she does not like to stay in the joint Family. Her husband takes the major decision on, even issues on Family size, Family Monthly Budget, and all these things. Husband is taking the issues. So whenever, so she also tries to get some attention.

Because, in the house hold decisions, she is not having much say. So, when she is going out for Shopping, for Market and all, she tries to be well dressed, and all. So that, you know, even when she is going to buy Vegetables, Good Knight, Chips, Cokes. So, she is very well dressed. Any Money in hand would be spent, in buying, Nail Polish, to match her latest Shoes. So that, it catches the attention of People. It is well noticed. Should be happier, if you admire her Outfit, rather than her Cooking. So, like that.

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The next is the, Hey Bhagwan Moaner. This is 12% of the Urban population. So, this is like, this is little bit of a Lower Middle Income Housewife, not much educated. And therefore, she cannot get all the things, which the Urban People, I mean, the Upper Class Ladies, which the other People, which we are talking about there, much more in a secure situation.

They are not in very secure situation, this Hey Bhagwan Moaners. But, they have the aspiration. If they get some Money, they aspire to, you know, follow the Lifestyle, of the other Ladies, or the affluent Ladies. So, maybe, the pouch packs of the Shampoos, like Dove or TRESemme, or the pouch packs of Surf Excel, the Unbranded Cosmetics, these actually catches her attention.

Because, she aspires to become like, the Upper Class Ladies, but she does not have money. So, she also may be very interested, in joining different kind of contest, which is there, with some Products. So that, if she gets some lottery, she can buy some Gold Jewellery, or some good things.

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So now, these are the different Lifestyles, which has been talked about. And, the Implications to the Marketers, are particularly, for Targeting and Positioning the Product. Since, you know, how to Segment the Market, and what are the Potential Segment, you should target, that you can find out. Whether, you are talking about the Hey Bhagwan Moaner, then you will design, pouch packs maybe.

Or, you are coming up with the, low end variations of, different Brands of Nail Polish, or something. Or, small size of Nail Polish, or Lipstick, even the Branded Lipsticks, in a very Small Size, so that it can satisfy their aspiration. So, whom are you targeting. Based on that, you can actually design your, Promotional Message. Of course, by your Positioning, and your Promotional Message.

But, you will actually, you have to create a replica, in the Promotional Message also like, when Tanishq shows the couple like Amitabh Bachchan and Jaya Bachchan, the kind of image of Jaya Bachchan is shown, that matches with the Product, Tanishq Diamond. Or, in Kalyan Jeweller also, they have been shown. So expensive Jewellers. It quite well matches with the kind of image, which has been shown by Jaya Bachchan, the Interiors, which has been shown in and around her.

So, you have to create the slice of life, even in the Advertisement, if you really want to target this particular segment. So that, they can identify themselves, with the Models, or the Advertisements. You have to select a Distribution Strategy, accordingly. If you are targeting a Customer like, Meri Awaaz Suno, you can see, they prefer to go to buy Vegetables, from the

Mandi's every day. Little bit of vegetables, they will buy every day. So that, they can go frequently to the Market.

And because, that is the only outlets, where they can actually, dress up, and they can seek attention, they can talk to People, mingle with the People, and, you know, interact with other House Wives, and all. So, for them, you know, the Departmental Stores are not targeting actually, this kind of People. What rather, Departmental Stores can target, Gharelu Home pride, Pataka Cool, or maybe, Hasmukh Popular.

And then, of course, different Sales Promotion Offers, Free Gifts, this may catch the attention, of course of the, Hey Bhagwan Moaner, and so on and so forth. So, this is how, you know, if you try, if you can, you know, use AIO Classification, that is the Activities, Interest, and Opinion of People. So, you can actually, best on that. You can classify the Customers, in several Lifestyle segments. And accordingly, you can position and plan your Products, as well as the Promotion and Distribution activities.

So, this much for today. Thank you. And, see you in the Next Session.