# VALUE PERCEPTIONS AND VALUE ORIENTATIONS AMONG YOUNG ADULT CONSUMERS IN BANGALORE, INDIA

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## ABSTRACT

Values are commonly regarded as the most deeply rooted, abstract formulations of how and why consumers behave as they do. Values exert a major influence on the consumer's decision making in any situation where a conflict of choice exists. This paper throws insight upon the value perceptions and value orientations of young adult consumers in Bangalore, India. The variables under study are ten values adapted from Kahle's List of Values- LOV (1983). The total sample for the present study is 1478 respondents who are young adults in the age group 18-25 years residing in Bangalore, India. The paper also analyses the influence of gender and regional background on the value orientations of young adult consumers. Information regarding the personal values that are important to the target market, which influences their purchase behaviour, would be valuable to the manufacturers and the marketers in the product design, development, positioning and advertisement decisions.

**KEYWORDS:** Psychographics, Values, Young Adults, Consumer Behaviour

## INTRODUCTION

Every person in this world is a consumer of an incredible variety of goods and services. However, each individual has different tastes, likes and dislikes and follow diverse behavioural patterns while making purchase decisions. Although marketers recognize the need to understand the differences in consumer behaviour, rarely do they go beyond the demographic diagnosis of their consumers.

Psychographics segmentation, based on consumer attitudes, opinions, life style and values, is a realistic approach that allows the marketer to look at their clients as real people or entities, and understand how they feel, think, react and evaluate. Among the various psychographic variables, values play a significant role in shaping consumer behaviour. Values are commonly regarded as the most deeply rooted, abstract formulations of how and why consumers behave as they do. Values exert a major influence on the consumer's decision making in any situation where a conflict of choice exists. Personal values are acknowledged as an underlying determinant of consumer's attitudes and behaviour (Homer and Kahle, 1988). A significant number of researchers suggest that values affect various aspects of consumer behaviour and attitudes (Becker and Connor, 1981).

Values are mental images that affect a wide range of specific attitudes. These in turn influence the way a person is likely to behave in a specific situation, e.g. purchase of new apparels: the evaluation, choosing among alternatives and finally paying for a particular type of apparels, is largely a function of core cultural beliefs and values. Values are passed on from parents to children and are reinforced by the major institutions of society such as schools, business and government, the mass media, reference groups, etc. (Lawan, A. Lawan, Ramat Zanna, 2013).

This paper throws insight upon the value perceptions and value orientations of young adult consumers. Information regarding the personal values that are important to the target market, which influences their purchase behaviour, would be valuable to the manufacturer and the marketer in the product design and development, positioning, and advertising campaigns and other marketing strategies.

The objectives of the study are:

- To identify the values which are perceived to be important among young adults.

- To explore the differences in the value perception and value orientation of young adults across demographics such as gender and regional background.

This study is conducted in the urban areas of Bangalore which has a cosmopolitan population exhibiting a modern lifestyle. The variables under study are ten values adapted from Kahle's List of Values- LOV (1983). The total sample for the present study is 1478 respondents who are young adults in the age group 18-25 years residing in Bangalore.

Non-probability sampling methods such as judgemental and convenient sampling methods were adopted to select the respondents for the study. Judgmental sampling method was adopted to identify to whom the questionnaire should be administered. One criteria adopted in the study to select respondents was that they should be in the age group of 18 – 25 years. Convenient sampling was adopted to administer the questionnaire to young adult visitors to malls in Bangalore. The selection of malls was based on their locations covering the North, South, East and West zones of Bangalore city.   Data collection for the study commenced in November 2012 and extended till March 2013. Data analysis and interpretation was done in April & May 2013.

The data was processed and tabulated using Microsoft Excel 2007 and SPSS version 19. Data analysis was performed by using software package - IBM SPSS (Statistical package for Social Sciences) version 19. The statistical tools employed were Frequency and Percentage distributions, Mean and Standard Deviation and Cronbach Alpha for reliability tests. Differences in value orientations across gender and regional background was ascertained using *t* statistic and ANOVA respectively.

Table 1 presents the demographic distribution of respondents based on gender.

**Table 1: Gender of Respondents**

| Gender | Frequency | Percent |
|--------|-----------|---------|
| Male | 804 | 54.4 |
| Female | 674 | 45.6 |
| **Total** | **1478** | **100** |

**Source:** Primary Data

The above table indicates that of the total 1478 respondents, 804 (54.4%) were male respondents and 674 (45.6%) were female respondents. Bangalore is a cosmopolitan city with influx of people from other states of India. These respondents were representing 28 different states of India, signifying diverse ethnic and cultural background. The respondents were further grouped according to the state of origin into four regions of India such as North, South, East and West. This was done to study the differences in value perception and orientation among young adults from different regions. The states covered under each region are:

**Northern Region:** Delhi, Haryana, Himachal Pradesh, Jammu & Kashmir, Punjab, Uttar Pradesh

**Southern Region:** Karnataka, Tamil Nadu, Andhra Pradesh, Karnataka, Kerala

**Eastern Region:** Agartala, Assam, Sikkim, Bihar, Jharkand, Manipur, Megalaya, Nagaland, West Bengal and Odisha

**Western Region:** Maharashtra, Goa, Gujarat, Madhya Pradesh and Rajasthan

**Table 2: Regional Background of Respondents**

| Region | Frequency | Percent |
|--------|-----------|---------|
| South | 1053 | 71.2 |
| East | 165 | 11.2 |
| North | 156 | 10.6 |
| West | 104 | 7.0 |
| **Total** | **1478** | **100** |

**Source:** Primary Data

According to Table 2, majority of the respondents were from Southern India (71.2%).

The variables of the study were ten personal values adapted from Kahle's List of Values (LOV, 1983). The original List of Values had nine values; it was modified to suit the requirements of the present study as follows:

- The value "excitement" found in the original LOV was removed as it could be mis-interpreted by the age group under reference and also because it is similar to the value 'fun & enjoyment in life'.

- Two values were added to the list that is relevant for the study. The values added are: 'Simplicity' and 'Being Independent'.

To analyze the internal consistency of the variables viz., The List of Values, a reliability test was carried out and it was found that the List of Values (LOV) scale used for the study was highly reliable with a Cronbach's Alpha value of 0.903.

**Hierarchy of Values Important to Young Adults**

The respondents were asked to rate the ten values on a 9 point scale according to the level of importance of each value to them. A small descriptor was provided for each value to establish a common approach to rate each value and avoid subjective/multiple interpretations.

The following table presents the hierarchy of these values in terms of the calculated mean values.

**Table 3: Hierarchy of Values Important to Young Adults**

| Values | Mean | Std. Deviation |
|--------|------|----------------|
| Sense of Belonging | 7.71 | 1.881 |
| Self-respect | 7.69 | 1.870 |
| Fun and enjoyment of life | 7.42 | 1.980 |
| Security & Comfort | 7.37 | 1.938 |
| Being Independent | 7.34 | 2.054 |
| Being Well-respected | 7.33 | 1.868 |
| A sense of accomplishment | 7.25 | 1.906 |
| Self-fulfillment | 7.23 | 1.958 |

| Table 3: Contd., | | |
|---|---|---|
| Warm Relationships with others | 7.13 | 1.870 |
| Simplicity | 6.94 | 1.925 |

**Source:** Primary Data

Among the list of values that young adults in the age group 18-25 perceive to be important, **'Sense of belonging' was rated as the most important value** (mean score 7.71). The feeling that family and friends care about them is very important to this age group. The institution of the family and the family support system are the main drivers in life.

The second important value for this segment is '**Self- respect'** (mean score 7.69). Self-esteem, belief in one's own worth, preserving self-image are very important to the 18-25 age group of young adults who are predominantly college going students doing under graduate/post graduate/professional studies. Though they are mostly under the supervision of their parents, they do not like to be treated like kids. They expect their parents, teachers and colleagues to treat them with respect and are very sensitive about this. They desire to stand up for their beliefs and values.

The third important value cherished by young adults is **'Fun and enjoyment of life'** (mean score 7.42). Seeking adventure, novelty and change and enjoying food and leisure very clearly describes the general disposition of the young adult population. It is that phase of life where they lead a carefree life, not bogged down with work or family responsibilities and seek fun and enjoyment in all that they do. They also seek adventure in this phase. They look for Novelty in everything and get bored with tradition. Change is embraced easily and sought after in all that they do.

The fourth value cherished by this group is **'Security & Comfort'** (mean score 7.37). Safety and secure surroundings are perceived to be important for the young adults to lead a carefree and happy life.

**'Being Independent'** was considered as the fifth important value (mean score 7.34) by the respondents. Being self reliant and self-sufficient displays the characteristic of the present day young generation. They are highly technology savvy, have knowledge accessible at their finger-tips, and prefer to work independently.

The value considered sixth important to young adults is **'Being well respected'** (mean score 7.33). Having social recognition, respect and approval from others is important to this age group. The young adult population seeks to be affiliated to groups or individuals who share their ideals, likes and interests. Being identified as part of a group and conforming to the standards of expectations of modern youth culture is important to them.

**Sense of Accomplishment** (mean score 7.25) is the seventh important value for the young adult population. Being successful and doing something which was never done before are attributes that can be associated with this age group. They are go-getters and achievers and desire success in all their endeavours.

**Self Fulfillment** (mean score 7.23) is eighth in the value hierarchy for young adults. Being creative, enjoying what is being done and achieving inner harmony is preferred by this group. Satisfaction comes from being happy with one-self and doing what is pleasing.

The value considered ninth important to young adults is **'Warm relationships with others'** (mean score 7.13). Maintaining cordial relations with others is required but not considered to be very important to this age group. Being independent is perceived to be more important than warm relationships others.

The least important in the value hierarchy for young adults is **'Simplicity'** (mean score 6.94). Being unassuming,

straight forward, and down to earth are not the preferred traits for this age group. On the contrary, they prefer to have the best things in life, high quality items, latest in fashion and technology. Young adults are attention seekers and love to flaunt and display their skills, abilities and possessions and are seldom simple.

The study analyses the values orientations of the respondents based on the value categories mentioned by Kahle in his List of Values (1983). The list of values is further grouped under three categories as External values, Internal Individual values and Internal Inter-personal values. Understanding young adult population based on their value orientations would facilitate manufacturers and marketers to further fine tune their marketing strategies and cater to this population segment based on their psychographic attributes.

The following table presents the hierarchy of value orientations in young adults in terms of the calculated mean values.

**Table 4: Hierarchy of Value Orientations in Young Adults**

| Value Dimensions | Mean | Std. Deviation |
|---|---|---|
| External Values<br>[Sense of belonging, Being well  respected, Security & comfort] | 7.49 | 1.48070 |
| Internal Individual Values<br>[Self-fulfillment, Self respect, A sense of accomplishment, Simplicity, Being Independent] | 7.31 | 1.44328 |
| Internal Interpersonal Values<br>[Warm relationships   with others, fun and enjoyment of life] | 7.29 | 1.57839 |

**Source:** Primary Data

The above table indicates that most of the young adult respondents attach greater importance to External values such as Sense of belonging, Being well respected, Security & Comfort with a mean score of 7.49, followed by Internal Individual values such as Self-fulfillment, Self respect, Sense of accomplishment, Simplicity, Being Independent with a mean score of 7.31.

Internal Interpersonal values such as Warm relationships with others, fun and enjoyment of life with a mean score of 7.29 was comparatively lower in their preference.

The study explores the differences in value perception and value orientation of young adults across demographics such as gender and regional background.

**Gender Based Value Orientations**

**Table 5: Differences in Mean for Value Orientations across Gender**

| Group Statistics | | | | | |
|---|---|---|---|---|---|
| | Gender | N | Mean | Std. Deviation | Std. Error Mean |
| External values | Male | 804 | 7.2852 | 1.52137 | .05365 |
| | Female | 673 | **7.7439** | 1.39110 | .05362 |
| Internal interpersonal values | Male | 804 | 7.1853 | 1.62115 | .05717 |
| | Female | 674 | **7.4206** | 1.51712 | .05844 |
| Internal individual values | Male | 804 | 7.1823 | 1.48065 | .05222 |
| | Female | 674 | **7.4656** | 1.38278 | .05326 |

**Source:** Primary Data

**Table 6: *t* Test for Value Orientations across Gender**

| | | Levene's Test for Equality of Variances | | | | |
|---|---|---|---|---|---|---|
| | | F | Sig. | t | df | Sig. (2-Tailed) |
| External values | Equal variances assumed | 5.315 | .021 | -5.999 | 1475 | .000 |
| | Equal variances not assumed | | | -6.047 | 1463.517 | .000 |
| Internal interpersonal values | Equal variances assumed | 5.032 | .025 | -2.861 | 1476 | .004 |
| | Equal variances not assumed | | | -2.878 | 1458.239 | .004 |
| Internal individual values | Equal variances assumed | 3.908 | .048 | -3.775 | 1476 | .000 |
| | Equal variances not assumed | | | -3.797 | 1458.891 | .000 |

**Source:** Primary Data

The above table indicates that there is significant difference in the orientation among male and female respondents. Female respondents were found to be with higher orientations towards all the categories of values than the male respondents ($p < 0.01$).

**Region-Wise Value Orientations of Respondents**

**Table 7: Differences in Mean for Value Orientations of Young Adults across Regional Background**

| | | N | Mean | Std. Deviation | Std. Error | 95% Confidence Interval for Mean | |
|---|---|---|---|---|---|---|---|
| | | | | | | Lower Bound | Upper Bound |
| External values | North | 141 | 7.5934 | 1.28365 | .10810 | 7.3797 | 7.8071 |
| | South | 1052 | 7.4591 | 1.52981 | .04717 | 7.3666 | 7.5517 |
| | East | 165 | 7.4424 | 1.51200 | .11771 | 7.2100 | 7.6748 |
| | West | 104 | **7.8718** | .88413 | .08670 | 7.6999 | 8.0437 |
| | **Total** | **1462** | **7.4995** | **1.47155** | **.03849** | **7.4241** | **7.5750** |
| Internal interpersonal Values | North | 141 | 7.3050 | 1.38715 | .11682 | 7.0740 | 7.5359 |
| | South | 1053 | 7.2816 | 1.61777 | .04985 | 7.1838 | 7.3794 |
| | East | 165 | 7.2121 | 1.59568 | .12422 | 6.9668 | 7.4574 |
| | West | 104 | 7.5962 | 1.21894 | .11953 | 7.3591 | 7.8332 |
| | **Total** | **1463** | **7.2984** | **1.57007** | **.04105** | **7.2178** | **7.3789** |
| Internal individual values | North | 141 | 7.5248 | 1.11958 | .09429 | 7.3384 | 7.7112 |
| | South | 1053 | 7.2754 | 1.49871 | .04619 | 7.1848 | 7.3660 |
| | East | 165 | 7.2242 | 1.49972 | .11675 | 6.9937 | 7.4548 |
| | West | 104 | **7.6250** | .89342 | .08761 | 7.4513 | 7.7987 |
| | **Total** | **1463** | **7.3185** | **1.43455** | **.03751** | **7.2450** | **7.3921** |

**Source:** Primary Data

**Table 8: ANOVA Showing Value Orientations of Young Adults across Regional Background**

| ANOVA | | | | | | |
|---|---|---|---|---|---|---|
| | | Sum of Squares | df | Mean Square | F | Sig. |
| External values | Between Groups | 17.910 | 3 | 5.970 | 2.767 | **.041** |
| | Within Groups | 3145.812 | 1458 | 2.158 | | |
| | **Total** | **3163.722** | **1461** | | | |
| Internal interpersonal values | Between Groups | 10.753 | 3 | 3.584 | 1.455 | .225 |
| | Within Groups | 3593.263 | 1459 | 2.463 | | |
| | **Total** | **3604.016** | **1462** | | | |
| Internal individual values | Between Groups | 19.194 | 3 | 6.398 | 3.122 | **.025** |
| | Within Groups | 2989.494 | 1459 | 2.049 | | |
| | **Total** | **3008.688** | **1462** | | | |

**Source**: Primary Data

It was found that respondents from the Western Region display a higher orientation towards both External Values and Internal Individual Values (p value <0.05) compared to the other regions. There is no significant difference in the orientation towards Internal Interpersonal Values across regional back ground of the respondents.

## CONCLUSIONS

Globalisation and the opening up of the Indian economy have introduced the Indian society to new cultural and social norms. However, this process has not eradicated traditional Indian values and beliefs. Young people in particular want the best of both worlds. The study reveals that value perception and value orientations are highly present among the Indian young adult segment. There should be a paradigm shift in the mind set of manufacturers and marketers to consider consumers as individuals with unique values and beliefs that determine their buying behaviour. They should transcend from focusing on demographic aspects and move to psychographic aspects.

The study also throws light on the fact that value orientations are different across gender. Young women were found to be with higher orientations towards External Values, Internal Interpersonal Values and Internal Individual Values than young men. This aspect should be factored into product design, development, positioning and advertisement decisions. Similarly the regional background of the consumer segment has a bearing on their value orientation. Young adult from the Western Region display a higher orientation towards both External Values and Internal Individual Values compared to the other regions. In India psychographic profiling of consumers is still in its stage of infancy. This study focuses on values as an important psychographic variable that influences consumer behaviour. International and National marketers must understand the underlying value systems in each of their markets and adapt their marketing strategies accordingly in order to succeed in their endeavours.

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