DISCOVERING THAI SENIOR CONSUMERS' PATTERNS OF CONSUMPTION IN BANGKOK

Saravudh Anantachart

Advertising Program, Department of Public Relations
Faculty of Communication Arts, Chulalongkorn University, Bangkok 10330, Thailand

ABSTRACT: While technology and medical sciences have become advanced, people stay healthier, get wealthier, and live longer. It is expected that in the near future, many countries around the world will enter the so-called aging society. In Thailand, the number of people aged 60 and over will be doubled by the year 2025. That means older people will dominate the consumer market. However, there have been a few research pieces concerning the issue. Therefore, the current study attempts to explore this interesting market from the marketing communications perspective. Four hundred Thai senior consumers in Bangkok were face-to-face surveyed. Key consumption pattern variables studied were their product purchasing behavior, activities, interests, and opinions. The findings firstly describe demographic profiles of the sample. Next, opinions on how they purchase products/services, types of products/services they buy, and their buying patterns were elaborated. Factor analysis was then utilized to explore each of the lifestyle dimensions, composed of activity, interest, and opinion. In the end, eight lifestyle patterns of the senior consumers were discovered. They are *the concerns, the moderns, the family-orienteds, the enjoyables, the conservatives, the down-to-earths, the pessimistics*, and *the materialistics*. Research implications are also discussed.

Keywords: Seniors, Aging, Consumer behavior, Marketing communications, Thailand

INTRODUCTION

From a recent report by the United Nations [1], the number of world population reaches 6.97 billion persons in 2010. Among that number, 11.2 percent is 60 years old or over. And, by the year 2050, the proportion will be moving up to 22.0 percent. In contrast, the number of children aged 15 or lower is projected to decline over the next 40 years. Another notable change is the increase in population's median age. From these figures, it presents that population aging has become a worldwide phenomenon. In other words, many countries are moving toward a so-called aging society. Drolet, Schwarz, and Yoon [2] point out two major causes of population aging. First, people nowadays live longer and stay healthier due to advances in medical sciences and technologies. Second, number of new population has been decreasing because of higher cost of living.

In 2010, Thailand's population had a median age of 34.2 years while its life expectancy at birth was 74.4 years [3]. And these numbers are projected to increase more in the future. The senior is defined here as a person who is 60 years old or over

because this is the age standardized and used by the United Nations [1] and that most Thai workers retire. The number of senior people in Thailand is 7.6 million persons or 11.7 percent of people of all ages in 2009 [4]. That already makes Thailand become an aging society. Moreover, the number will be doubled in 2025 when Thailand has 14.9 million seniors who are 60 years old or over.

From the marketing perspective, population aging would change the consumer market in many ways; for example, more discretionary incomes that the seniors have, various types of products and services they will consume, and their unique activities, interests, and opinions on everything [2, 5]. Despite its growing size, seniors have received relatively little attention from consumer and communications researchers, in comparison with other age groups. As Snyder [6] explains, the key to capture the senior market is to understand their important values and beliefs. Therefore, the goal of this paper is to explore Thai seniors' viewpoints on product consumption and discover their shared values as reflected in patterns of consumption based on lifestyle dimensions. The findings should help understand this interesting and growing market's behavior and be a good starting point in order to better manage their health and environment.

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* *Correspondence to: Saravudh Anantachart*
  E-mail: saravudh.a@chula.ac.th

Table 1 AIO lifestyle dimensions and elements

Dimensions	Elements
Activities	Work, hobby, social events, vacation, entertainment, club membership, community, shopping, sports
Interests	Family, home, job, community, recreation, fashion, food, food, media, achievements
Opinions	Themselves, social issue, politics, business, economics, education, products, future, culture

Source: Adapted from Plummer [15].

CONSUMER PATTERNS OF CONSUMPTION

Although the senior consumer is a growing market, treating this group as a homogenous one would be an incorrect practice. As a basic marketing principle, all consumers are neither equal nor similar [7]. They have to be segmented into groups in some way. Consumer classification can help marketers and communicators to adjust their marketing mixes and communications programs to reach target markets effectively.

In old days, demographic variables were usually utilized as a key factor in dividing consumers into segments. For example, the variables often used are sex, age, education, income, marital status, religion. Such demographic variables work on the basis that people who have the similar characteristic would behave in the same way [8]. However, as marketspaces and consumer behaviors change, those surface characteristics could not differentiate consumers well enough. Psychographic variables were then introduced to address shortcomings of demographic method while offering as an alternative way to segment markets [9]. With psychographic method, it comprehensively investigates consumers' motivations for purchasing and using products and their patterns of consumption [10]. In other words, while demographics attempt to describe what people buy, psychographics add on why the buy.

From an economic approach, patterns of consumption reflect how aggregate consumers spend their incomes for products and services, based on their social and economic factors, for example, region, tenure of estate, consumption expenditure, household size [11]. By using a Quadratic Almost Ideal Demand System (QUAIDS) model, Panpimai [12] found that such factors have an influence on Thai household's consumption patterns for all eleven groups of products and services that she tests.

Nevertheless, one of the contemporary psychographic approaches used recently in the fields of marketing and communications is lifestyle method. This type of research is initially developed by Wells and Tigert [13]. Using a quantitative research procedure, a large inventory of statements on activities (what one does), interests (what one wants), and opinions (what one thinks) is measured. It is often made into an acronym AIO. Detail of AIO dimensions and elements is shown in Table 1. With large data from samples, marketers can develop profiles of individual consumers who resemble each other in terms of their AIO lifestyles, and link them to their product consumption. Such knowledge from lifestyle research helps explain consumer motivation and shared values, initiate ideas to better communicate product attributes and features with target consumers, and even be enrichment to demographic data [8, 14].

In addition, from a cross-cultural perspective, lifestyle is cultural-specific [16]. Results from lifestyle segmentation in one country are difficult to apply to consumers in different cultures. Besides, cultures could have an impact on consumer lifestyles. For example, Tai and Tam [17] compare lifestyles of consumers in Hong Kong and Singapore. They find out that, although most people in both countries are mainly Chinese, Hong Kong consumers are more fashion-conscious and appearance-concerned whereas Singaporean ones are more home-oriented and place a higher value on family and education. Hence, lifestyle is a useful segmentation tool for only a within-country arena. In other words, lifestyle is a reflection of values, interests, opinions, and behaviors of consumers in a particular country [18].

Lifestyle data can contribute to understandings of consumer's product purchase and consumption when both types of information are interrelated. This, in turn, will guide marketers and communicators how to design an effective program and appropriate media campaign to reach consumers under each lifestyle pattern [7, 8]. Studying with U.K.'s consumers aged 55 and over, Myers and Lumbers [19] find four typologies of older shoppers with different shopping patterns. For example, *targeted shoppers* like to shop alone and go directly to specific shops for needed items while *shopaholics* often shop with friends or family and

go shopping whenever they can. Therefore, direct marketing would be used to reach the formers while ambient media are more appropriate with the latters.

METHOD

Survey research was used as a method to collect data from seniors in Bangkok, the capital of Thailand. The proportion of senior citizens (with 60 years old and above) to all age groups in Bangkok was 16.9 percent, comparing with 11.7 percent for the whole country [4]. It means that Bangkok has been facing the population aging situation more than overall average. A self-administered questionnaire was given to a convenience sample of 400 seniors which was drawn from various areas of Bangkok and vicinity areas, including inner and outer city. The actual proportions of population, in terms of gender (male 45: female 55) and age (60-69 years old 55: 70-79 years old 32: 80 years old and above 13), were used as criteria to draw a quota sample, to partially reflect the real picture of Thai population.

A questionnaire used was composed of three main sections. First, six basic demographic questions were asked. The next section dealt with opinions and viewpoints on how the samples purchased products and services, types of products and services they bought, and their buying patterns. Based on the AIO lifestyle framework developed by Plummer [15, 20], the last part of the questionnaire was composed of 36, 49, and 48 four-pointed, Likert-typed activity (A), interest (I), and opinion (O) scale items, respectively. Each sample was asked to indicate his/her level of agreement or disagreement with AIO statements. These items were developed, designed, and selected based on their relevance with senior consumers. Reliability coefficients of each lifestyle dimension was 0.85, 0.86, and 0.88, respectively.

RESULTS

Sample characteristics

As designed, the gender and age of the survey samples are proportionate following the current figures of Thai population. That is, females outnumber males by 10 percent (220 and 180, respectively). Meanwhile, as the number of people decreases when getting older, this proportion is reflected with the sample ages. Those with 60-69 years old are 220 persons while the *70-79* and *80 and over* year groups are 128 and 52, respectively (Table 2). About 58.1 percent of the senior samples completed their primary or secondary schools. Another 15.5 percent did not have formal education

Table 2 Demographic profile of the senior consumers

Demographic variables	N	%
Gender		
Male	180	45.0
Female	220	55.0
Age		
60-69 years old	220	55.0
70-79 years old	128	32.0
80 years old and above	52	13.0
Education		
No formal education	62	15.5
Primary schools	73	18.3
Secondary schools	159	39.8
Bachelor degrees	85	21.3
Graduate degrees	20	5.0
Current occupation*		
No job	219	56.3
Business owners	113	29.1
Private sectors' employees	51	13.0
Government's employees	6	1.6
Income**		
No income	28	7.0
THB1 - 10,000	159	39.7
THB10,001 - 20,000	115	28.7
THB20,001 - 30,000	47	11.8
THB30,001 and more	51	12.8
Marital status		
Single	68	17.0
Married	225	56.2
Divorced	23	5.8
Widowed	84	21.0

Note: Total number of sample is 400.
　　　　*Missing cases = 11
　　　　**THB31 = USD1

while the rest 26.3 percent finished their bachelor or higher degrees. Although 56.3 percent of the seniors mention that they retire or do not work now, the other 43.7 percent is still active working for their own businesses, for private companies, or for government's units. In terms of income, only seven percent of the sample answer that they did not have income from any source while the majority (68.4 percent) had income between THB1 and THB20,000. And the proportion of the sample with an income of THB20,001 or more is 24.6 percent. Last, more than half of the seniors surveyed (56.2 percent) are married. However, it is interesting to note that another 17 percent is still single while the rest 21 and 5.8 percent are widowed and divorced, respectively.

Market behaviors

Next, the survey samples were given 29 four-pointed, Likert-typed statements relating to their product or service purchase. As shown in Table 3, that there should be a special discount for seniors; I

Table 3 Means and standard deviations for senior consumers' opinions on product/service purchase

Statements	M	SD
I like to use credit cards when purchasing products/services.	1.78	1.04
I like to try or buy new products/services.	2.17	1.11
I am afraid to use products/services with negative rumors.	3.30	0.95
I rely on brand names when buying products/services.	3.25	0.92
I prefer buying necessity products to buying luxurious ones.	3.51	0.73
I like to buy products with free samples.	2.91	1.04
I regularly purchase hair care products.	2.53	1.10
I usually change channels during TV commercial breaks.	2.57	1.06
Sometimes, I buy products because of their packaging.	2.20	1.09
I like products that are made-to-order/special for me.	2.29	1.14
I like to buy domestic products rather than foreign-made products.	3.18	0.79
I usually go shopping alone.	2.41	1.16
Price is the first criteria I consider when purchasing products.	3.33	0.87
I always ask for opinions from my family before making decision.	2.69	1.09
I like to buy a bulk quantity of products.	2.56	1.10
I used to purchase products via the internet.	1.34	0.83
I like products that come with warranty.	3.31	0.85
Ancillary services are more important than the products I buy.	2.43	1.02
I regularly buy anti-wrinkle products.	1.96	1.06
I usually follow others to purchase products.	1.69	0.92
I always seek information before buying products.	2.66	1.11
I usually products that reflect who I am.	2.72	1.15
There should be a special discount for seniors.	3.60	0.69
I like products that allow credit purchase.	2.00	1.11
Advertising has a major influence on my product purchase.	2.92	1.02
In-store demonstration booths can persuade me to buy products.	2.82	1.05
I usually tell others if the products I use are good.	2.89	1.12
If the brands I currently use launch a new product, I will be glad to try.	2.45	1.08
If the products I use do not perform well, I will not use them again.	3.39	0.95

Note: Total number of sample is 400.
Each statement was a four-pointed, Likert-typed scale, ranging from "strongly disagree" (1) to "strongly agree" (4).
Reliability coefficient for all scale items is equal to 0.79.

prefer buying necessity products to buying luxurious ones; if the products I use do not perform well, I will not use them again; price is the first criteria I consider when purchasing products; and I like products that come with warranty, are the top five statements that the senior samples agree most with means of 3.60, 3.51, 3.39, 3.33, and 3.31, respectively. Meanwhile, the five statements that the seniors agree least are that, I like products that allow credit purchase (M=2.00); I regularly buy anti-wrinkle products (M=1.96); I like to use credit cards when purchasing products (M=1.78); I usually follow others to purchase products (M=1.69); and I used to purchase products via the internet products (M=1.34).

In addition, it is found that more than half of the senior consumers (n=257 or 64.5 percent) like to go shopping during afternoon or evening hours while the rest go out in the morning or night times. When asking whom the seniors go shopping with, 31.6 percent (n=126) said no one. Another 20.1 percent

(n=80) and 19.3 percent (n=77) mention whole family and kids, respectively. In terms of store type, the seniors go shopping most frequently at hypermarkets (e.g., Tesco Lotus, Big C) (n=145 or 36.4 percent), followed by department stores (n=79 or 19.8 percent) (e.g., Central, Siam Paragon) and local flea markets (n=69 or 17.3 percent). Types of product- or service-related activities that they have most frequently are food purchase, doctor visit, eating out, medicine purchase, and cloth buying while nightlife, car-related product purchase, cigarette buying, working out, and sport product purchase are the least ones the seniors have.

Meanwhile, seniors' top three information sources before purchase are family members, advertising materials, and friends while one-fourth say they never seek any information. In case of purchase-related problems, timing that the seniors usually file complaints to shopping stores are immediately after getting a defect product and when receiving bad services, while almost half of the sample (n=180)

Table 4 Senior consumers' patterns of consumption based in AIO lifestyles

Patterns	Eigenvalues	% of variances
The concerns	4.05	12.67
Item examples:		
- I like to be a good-looking person.		
- Western cultures have too many influences on Thais.		
- I like to follow news from various sources.		
The moderns	3.76	11.73
Item examples:		
- I enjoy using computers and the internet.		
- I usually use mobile phones.		
- I usually go out to meet friends.		
The family-orienteds	2.47	7.72
Item examples:		
- I help take care my grandchildren.		
- I enjoy cooking at home.		
- I like to see everything in my house is well-organized.		
The enjoyables	2.42	7.55
Item examples:		
- I like to drink alcoholic beverages.		
- I enjoy night life and going to parties.		
- I do not like to spend a weekend with family.		
The conservatives	2.39	7.46
Item examples:		
- I like to go to temples and do meditation.		
- Korean popular culture is unacceptable.		
- Most of Thai teenagers nowadays behave improperly.		
The down-to-earths	1.81	5.65
Item examples:		
- I like to go shopping at local flea markets.		
- I love to travel around the city by mass transportation.		
- I like to buy medicines from drugstores rather than see doctors.		
The pessimistics	1.52	4.76
Item examples:		
- Living in condominium makes me feel stressful.		
- I will never get good things back when doing well to others.		
- I feel terrible when thinking about death.		
The materialistics	1.50	4.70
Item examples:		
- I did have a plastic surgery.		
- Foreign products have better quality than domestic ones.		
- I like to eat Western's fast foods.		

Note: Factor analysis with varimax rotation method is used.

do nothing.

Patterns of consumption

The questions on lifestyle patterns are composed of three main dimensions: activity, interest, and opinion. Factor analysis with varimax rotation was first run to group items from each lifestyle dimension into sub-lifestyle patterns. The results show that, for the activity dimension, 36 items measured are classified into 9 patterns. Forty-nine interest items are statistically distributed into 12 patterns while the last 48 opinion items are divided into 11 patterns. Then, these 9 activity, 12 interest, and 11 opinion patterns are used as inputs to run

another factor analysis, with varimax rotation, to find out the overall senior consumers' lifestyle patterns. As shown in Table 4, the final results indicate eight patterns of consumption based on the combined activity-interest-opinion (AIO) lifestyles. Eigenvalue of each pattern found is greater than 1.00 while the total percentage of variances explained by those eight patterns is 62.3. Under each pattern name, examples of items from activity, interest, and/or opinion sub-dimensions are also presented.

First, *the concerns* are senior consumers who look closely on what have been happening in Thai society. So, they care and criticize much on current

situations in the country. They like to follow news from mass media, like to learn new things, want to stay healthy, concern on what they will eat. The second group, *the moderns*, is the one who usually catches up with trends. They like to use computers, play the internet, be interested in technology, travel around, eat out, go shopping, watch movies at theaters. They also enjoy city life and still want to work though already retired.

Next, *the family-orienteds* might be different from the first two patterns. They would enjoy taking care of grandchildren while cooking, gardening, watching Thai dramas at home. Seniors under this consumption pattern also like to do community services and love to keep home well-organized. *The enjoyables* are those who feel young at heart. They neither want to spend time with family nor watch television. They like to gamble, smoke cigarettes, drink alcoholic beverages, enjoy night life.

The fifth pattern, *the conservatives*, is a senior who like to go to temples, do meditation, avoid eating meats. Their viewpoints are quite old-fashioned, so they think Korean popular culture is not acceptable, or Thai teenagers nowadays behave improperly. *The down-to-earths* are those who have simple lives. They enjoy shopping at local flea markets, travel by using mass transportation, like Thai foods much, enjoy Thai music, and buy medicines rather than go to see doctors.

Among other patterns, *the pessimistics* are the most negative one. They feel that no matter how much they do good karma, they would never get something good in return. In addition, they think that death is a horrible thing, and living in condominium makes them feel uncomfortable. Last, *the materialistics* are seniors who obsess with what they possess. They did have plastic surgeries, love luxurious products, especially Western brand names.

DISCUSSION

The current research attempts to explore market behaviors and consumption patterns of Thai senior people as they are a potential market for many products and services nowadays. The findings confirm that the senior consumers are interesting. Their general viewpoints on marketspaces remain similar to other consumer cohorts in many ways, for example, seeking discounts, concerning on price. Nevertheless, as the capacity of senior person's short-term memory is declining which leads to its reduced processing speed and lowering information encoding [21], they would be more likely to prefer well-established brands, have small consideration sets, and have high intention to repeatedly purchase brands they previously buy [22].

Besides, it is empirically found that Thai senior consumers are not homogenous. The concept of lifestyle is built upon the social-psychological theories that people develop constructs with which to interpret, predict, and control their environments [7]. In terms of their patterns of consumption, eight lifestyle typologies are described based on seniors' activities, interests, and opinions. According to Maslow's hierarchy of needs, most of seniors would have an interest in higher-ordered needs, like social needs, self-esteem, or self-actualization, as their lower-ordered needs have already been fulfilled [23]. That is, they would enjoy with everyday activities, have more time to reflect on their personal interests, and independently show their strong opinions. The results are also consistent with another economic study [11] showing that Thai senior consumers would have more needs in health services, entertainment, social engagement, and vehicles.

There are still some limitations from the study. First, the data collection was done only in Bangkok. Generalization of the results to the whole country must be cautious. Future research should be done with senior people in every region of Thailand. Second, due to the nature of a long AIO battery of questions, the survey respondents might be fatigue or tired, and quickly complete the questionnaire without focused intentions. Incentives or proper settings should be provided in future studies.

For research implications, the findings should be a good input for marketers who want to segment and target this growing market, as their market behaviors are both similar and unique to other age cohort groups at the same time. For marketing communicators, with various consumption patterns of senior consumers, it could be a basis to design separate communication programs to better reach seniors who have different activities, interests, and opinions. For policy makers, understandings from this study should be used to help develop a better health communication plan fitting up well with seniors' changing environments.

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