Status based consumption in Hungary

Szabolcs Prónay – Erzsébet Hetesi – Zoltán Veres

The intention of this research is to explore how much a special type of segmentation – lifestyle-based segmentation – can be used in a Hungarian market setting. The goal is to find the answers to the question of what explanatory force lifestyle typologies have and whether it is indeed outdated to analyse consumption patterns based on traditional socio-demographic and status characteristics in Hungary. The results of the qualitative part show that price and discretionary income very often constitute an important limitation to purchases. Quantitative findings – from cluster analysis – indicate that lifestyle-based segmentation is most useful when examining the consumption patterns of the middle class.

Keywords: segmentation, lifestyle, status, consumption

1. Introduction

Market segmentation has two general forms. One classifies consumers based on demographics, social class and psychology, whereas the other focuses on the product, as well as the value and utility, delivered by the product. The advantage of product-based segmentation is that it can better adapt to the characteristics of a particular product or a situation, but its application is limited by the need to segment differently by product categories. In contrast, people-based segmentation is more general, as it concentrates on the consumer as a complex entity who can be investigated while buying various products (Plummer 1974, Greenberg–Schwartz 1989, Bean–Ennis 1987).

In advanced North American and West European societies, lifestyle research has been carried out for several decades, pushing conventional approaches focusing on social status into the background. Around the turn of the millennium, lifestyle research appeared in Hungary, as well. It was a rather momentary segment, so no follow-up research was done based on it. However, there are certain lifestyle typologies that are continuously created and integrate into other research (e.g. TGI lifestyle research done by the Hungarian affiliate of the Kantar Media Group).

Lifestyle research in Hungary has been conducted relying on a great number of attitudes, product categories and brands. In spite of this, value orientation and the consumption concept of certain lifestyle groups is not clear enough. The transitions between the individual lifestyle groups are not known, nor is it known in which areas of consumption the differences between lifestyle groups are the most or the least conspicuous. The goal of this research is to explore how much a special type of
segmentation – lifestyle-based segmentation – can be used in a Hungarian market setting.

2. Background

Traditionally, marketing classifies individuals by demographic criteria. This technique can be easily quantified, but tells little about the factors or the motivation behind the consumption of group members. Its predictive capabilities can be improved by including groups-specific sociological and psychological factors in our investigations (Plummer 1974, Wells 1975, Veal 1993, Ritzer 1996, Corrigan 1997, Vyncke 2002). Research carried out in the USA and Western Europe place most emphasis on the significance of the involvement of psychological factors (Ziff 1971, Fenwick et al 1983, Edris–Meidan 1989, Fullerton–Dodge 1993, Morgan–Levy 2002).

The notion of lifestyle in marketing was introduced by William Lazer (1963), but the purposes of this research adopted the definition by Veal (1993, p. 247.). This defines lifestyle as “a distinctive pattern of personal and social behavior characteristics of an individual or a group”. In practice, it refers to how “the people live and spend their time and money” (Kaynak–Kara 2001). Lifestyle-based segmentation is also called psychographics (Demby 1974). It wishes to stress the importance of psychographic criteria as opposed to and besides purely demographic criteria in forming consumer groups (Ziff 1971, Wells 1975, Bean–Ennis 1987). Buying habits of individuals belonging to the same demographic or socio-economic category may differ. To explore these differences in more depth, it is worth investigating the people’s lifestyles. In addition, it might also be adequate to perform a psychographic analysis in such cases where among the segments set up based on demographic criteria relevant differences in consumption were found, because it can help to explore the reasons for such differences and to understand the group much better (Edris–Meidan 1989, Fullerton–Dodge 1993, Vyncke 2002). The more the target group is understood, the more effective the communication is with it and the more adaptive the positioning is to their needs (Plummer 1974, Hornik 1989, Chiagouris 1991).

Psychographic analysis can be classified into two types, depending on how complex the analysis of consumer lifestyles is. “One dimensional” analyses look at only specific key areas of a consumer’s lifestyle. In general, focus is on lifestyle elements of particular products. The other type is “multidimensional” which seeks to explore complexly defined general lifestyles that can have an explanatory force in other areas of consumption. The former has the definite advantage that it adapts better to the analysis of a product than a general lifestyle (Ziff 1971, Plummer 1974).

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Wells 1975, Van Auken 1978). But, since this particular research is exploratory and analyses broad lifestyle groups, it was decided not to investigate one-dimensional typologies.

Measuring lifestyle was always a great concern. One of the earliest forms of lifestyle measurements is conducted by Wells és Tigert (1971), who named AIO rating. AIO rating looks at how the people examined spend their time (Activities), what they place importance on in their immediate surroundings (Interests), how they view themselves and the world around them (Opinions). Then, some basic characteristics are added, such as stage in life cycle income, and where they live (Plummer 1974). Other methods were made up that took values into consideration, although these methods weren’t suitable for the lifestyle segmentation per se (Rokeach 1973, Schwartz–Bilsky 1990). Values are “desirable, trans-situational goals, varying in importance, that serve as guiding principles in people’s lives” (Vyncke 2002, p. 448.). Some of the best known value based methods are VALS made up by Arnold Mitchelle, and its more popular redefined form VALS2, which deals with personality factors as well (Reece 1989, Shih 1986). Kahle’s (1983) LOV (List of Values) – which cannot measure lifestyle per se – is an effective way of measuring values and it can be a useful contributor to psychographic measurement. Novak and MacEvoy (1990) found that if demographic variables are added to the LOV method, it proves to be a better choice. This calls attention to the fact that although methods containing psychological elements give a deeper insight into segments, this does not mean that efficiency of demographic criteria in a thorough research can be forgotten. Speaking of lifestyle-based segmentation methods, the Sinus Milieu model needs to be mentioned, which is primarily employed in Germany and Austria.

The practical application of lifestyle-based segmentation is especially suitable in marketing communication, the market of leisure activities, Internet advertising, apparel marketing and banking, and even in the non-profit sector – e.g. for museums. Knowing the lifestyle of the target group can assist marketing communication to approach consumers with appropriate messages through the channel that suits the segment the best (Edris–Meidan 1989, Vyncke 2002). In the leisure activities market (Green et al 2006), just as in banking (Peltier et al 2002), apparel marketing (Richards–Sturman 1977) or museum marketing (Todd–Lawson 2001), it is important to know the lifestyle of our target market, so that suitable recreational or cultural activities can be offered to them. Investigating e-commerce, Yang (2004) found that attitudes to online purchases – which a consumer’s lifestyle may refer to – crucially influence the efficiency of marketing communication on the Internet.

Speaking of applicability of lifestyle research in Hungary, it needs to be briefly mentioned to what extent domestic conditions affect the applicability of the method. From a social viewpoint, Hungary differs from the above-mentioned more advanced countries since the rate of poor people is higher, the middle class is
smaller and less differentiated, and its standard of living is far behind that of the Western middle class. Compared to Western countries, the level of discretionary income is much lower. There is good reason to assume that these peculiarities of a transition economy are deepened by the recent crisis. Consequently, experience from previous research (Utasi 1984, Fábián et al 1998, Hankiss 1999, Hankiss–Manchin 1996, Hofmeister-Tóth 2003, Hankiss 2005, Németh et al 2007) suggests that in many segments, price fundamentally influences consumer decisions; therefore the determining power of their means may distort or even suppress the effect of lifestyle characteristics on consumption. Under such circumstances, Hungarian lifestyle research did not primarily appear as a result of the need to explain domestic consumption trends, but due to international influence. Principally, research explored the relationship between social status and lifestyle. This alone raises the question of what explanatory force lifestyle typologies have and whether it is indeed outdated to analyse consumption patterns based on traditional socio-demographic characteristics in Hungary. Our research aims to investigate, with a scientifically valid method, to what extent and how lifestyle-based segmentation can be applied in this market.

3. Research

Research method. Considering the above antecedents and circumstances, the following research objectives have been set:

– reveal lifestyle segments,
– investigate the transitions between lifestyle groups,
– unfold the consumption-specific value orientation of lifestyle groups,
– examine the connection between the social status, the lifestyle and the consumption,
– investigate the role of brands in particular lifestyle groups – how much the social status of the groups relate to brand usage.

Basically, the goal is to find the answer to the question what explanatory force lifestyle typologies have and whether it is indeed outdated to analyse consumption patterns based on traditional socio-demographic and status characteristics in Hungary.

To answer the above questions, a two-step research pattern was launched. Kamakura and Wedel (1995) noted the problem of lengthy questionnaires, typical of lifestyle research. They suggest using the method of tailored interviewing as a solution. Therefore, in the first step, information was gathered through in-depth interviews on everyday activities and consumption of people belonging to a lifestyle group.
In the second step, using the findings of the qualitative phase, regionally representative research (with control sample from the capital) was conducted to identify the quantitative ratios of the correlations discovered.

3.1. Qualitative research

The in-depth interviews focused on five main areas: product and brand usage of consumer goods, cultural and leisure time activities, use of various services, use of higher education as a service, financial services and investment activities. Ten in-depth interviews were made in each of these groups.

The key question of the qualitative phase was to define and recruit the research target group. A recruitment questionnaire was devised which – based on education or product and brand usage – screened out poor people with very low incomes. In recruitment questionnaires, four questions in each group explored product and brand use as well as financial position.

The general structure of in-depth interviews was reorganized to take special features of the examined topic into consideration, which resulted in slightly different interview guidelines for each topic. The structure of in-depth interviews was the following:

1. Principles of way of life, personality.
Here, the subject talked about the goals s/he follows and the principles s/he adheres to in life.

2. Relationship between personality and the examined area (for example higher education).
The subject’s opinion on how s/he judges the importance of supply elements of a given area. Supply had to be split into two groups. The first one included the elements which are naturally part of our everyday life, whereas the second included the ones that may give special pleasure and the feeling of success to the consumer. Finally, it was asked of each of them what difference they perceive between the joy from consuming products and the joy from making use of services.

3. Relationship between lifestyle characteristics and the examined area.
The sources of the elements of the examined area that are extremely important in the subject’s life like products or services deemed important by the subject. It was investigated the role of environment in affecting decision-making and the dimensions of perceived risk and brand loyalty.

4. Description of a subject’s own consumption for a given area.
The subject had to tell about each (about 20 in all) supply element of a given area, and how much a product or service plays an important part in his or her life. Then s/he had to classify him- or herself into one of the 5 consumer lifestyle segments explored by TGI Hungary’s previous research (TGI 2006). Finally, the subject positioned his or her family on a four step scale based on their financial situation.
All the respondents in the in-depth interviews have a gainful occupation; the data on their age and education are illustrated in Table 1 below.

Table 1. Qualitative study sample

<table>
<thead>
<tr>
<th></th>
<th>Secondary level education</th>
<th>College or university degree</th>
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</thead>
<tbody>
<tr>
<td>Women aged 26–35</td>
<td>6 people</td>
<td>4 people</td>
</tr>
<tr>
<td>Women aged 36–50</td>
<td>10 people</td>
<td>7 people</td>
</tr>
<tr>
<td>Men aged 26–35</td>
<td>5 people</td>
<td>8 people</td>
</tr>
<tr>
<td>Men aged 36–50</td>
<td>5 people</td>
<td>5 people</td>
</tr>
</tbody>
</table>

Source: own construction

**Personality and consumption.** The majority of the interviewees said that it is mainly personality and individual preferences that determine what criteria they consider when deciding on the importance of a product or service. Almost all the interviews explicitly showed that all these are greatly limited by discretionary income. They have to think through what they really need, and once they have purchased these and if they still have some remaining money to spend, they may begin to think what special things they long for. Then "...they choose from what they can afford". There is a wide array of special products and services that give the feeling of success: buying perfume, good food, trips (not necessarily abroad), hairdressing, consumer electronics, or a car. The responses include ones that say that a purchase gives the feeling of success when “I manage to buy a curtain at a rock-bottom price, or reupholster two armchairs that others would have already thrown away” – or among leisure time activities the special ones are those that require some extra preparation – theatre or camping. As for investment products, there was a respondent who categorized share purchase as special. Even though our recruitment questionnaire filtered out people with a limited income, “average” consumers also find their disposable income definitely limited.

**Principles of way of life and personality.** Apart from a home and a car, none of the respondents mentioned concrete material goods among their main goals. The most important lifestyle principles (and factors determining the quality of life) included founding a family or security for the family, success in job (regardless of age), health, material security (where they do not always have to think of when the their next salary arrives). Money “should be an instrument, not a purpose”.

**Relationship between lifestyle characteristics and the examined area.** As for consumer goods, the overwhelming majority of our respondents said that the opinion of the environment have almost no impact on their choice, and they exclusively rely on their needs and taste (“I don't care what others buy”) – which is greatly in contrast with the behaviour that, in our opinion, is most characteristic of a great part of society: (“that’s the way we are... many people are like this: if others have it, I should have it as well.”) Almost everybody thinks that “snobbery” and “showing
“off” is only a characteristic of others. For making use of cultural and financial services or spending free time, it is admittedly more important what others think. The feeling of community with those who chose the same provider or product is not typical. As for brand loyalty, satisfaction is most important with the majority of respondents – satisfaction with a positive experience might be enough for loyal consumers to hold on to a brand. Price, however, plays a decisive role here as well because “when I switch a brand, price predominates definitely.” When satisfaction is lowered, the perceived risk of switching is not an important deterring factor, either from the point of view of products or service providers.

Description of subject’s own consumption for a given area. There is a great variety of products/services where brands are important to the respondents – dairy products, household and chemical goods, hygiene products, perfumery, electronic goods, mobile phones, cars – currently no category can be highlighted. Interestingly enough, the majority of our respondents chose the same segment when asked to classify themselves into one of 5 lifestyle segments. The major characteristics of their lifestyles include that they are quality– but not brand– or fashion-oriented, family- and relationship-oriented; demanding of themselves and their surroundings; work is important to them; they love challenges but avoid risky situations; they are deliberate; have good money sense and reject traditional discrimination of male and female roles. This typical choice greatly supports what was concluded during the interviews, but also makes it difficult to explore the explanatory role of lifestyle groups.

3.2. Quantitative research

Based on the findings of the qualitative phase, quantitative research was conducted in the second step – using a sample from Southern Hungary and a control sample from Budapest. The quantitative research aimed to identify to what extent segmentation with lifestyle characteristics is more effective than conventional consumer segmentation based on socio-demographic factors.

In the questionnaire survey, the sample was selected from Southern Hungary (and a control sample from Budapest), ages between 18 and 75. The collective sample was selected from an address list using a systematic method and each subject was personally interviewed. All in all, 2,690 people answered, of which 58% were women and 42% were men. Respondents were asked to answer questions in three blocks using a Likert scale. The first block explored their attitude in relation to work and the way they usually spent their leisure time; the second block identified their consumption habits and the third one, their attitude to brands. In the first step, the goal was to reduce the number of variables through factor analysis. In the second step, eight segments with cluster analysis were distinguished by involving all the variables and factors.

A factor analysis was conducted for each of the three blocks mentioned above. The factors were chosen according to the eigenvalues (it should be above 1.0
for each factor) and to the total variance explained (it should be above 60%). As for work- and leisure time related variables, two factors could be distinguished that jointly explained 63.24% of the variance. The first factor (F1) includes variables for going out to a restaurant, travels abroad and holidays in exotic places – all these indicate a high standard of living, or, as it were, a “noble” lifestyle. Thus, this factor was called “upper middle class life”. The second factor (F2) examined listening to classical music, going to the theatre and an interest in arts, so it was termed “cultural interest”.

Within the questions regarding buying and consumption patterns, five factors were distinguished that explain 62.8% of the variance. The first factor (F3) correlates with hunting for low and special prices or bargains and with careful economizing on the money devoted to shopping. Therefore, it may be called “aspiration for economic effectiveness”. Unlike the previous one, the second factor (F4) implies a joyful buying experience and is characterized by impulsiveness and emotionality rather than a careful purchase. For this reason, this factor was labelled “impulsive purchase”. The third factor (F5) correlates with variables of branded product purchases, so this was called “brand purchase”. The fourth factor (F6) is “advice on purchase”, which means asking for and receiving advice before a purchase. The fifth factor correlates only with a single variable, thus handling this as a separate factor will not facilitate interpretation.

Within the brand choice block, 64% of the variance using three factors was explained. The first factor (F7) shows a relationship between the brand and the consumer’s personality, thus we called this “brand symbolism”. The second factor (F8) correlates with the statements according to which the quality of branded products is better than average. This is the so-called “brand quality” factor. The third one (F9) is “keeping up with fashion” involving the purchase of toiletries and the influence of fashion.

After the factor analysis, the sample was divided into segments using cluster analysis (for details see Table 2). When determining the number of segments, one important aspect was for them to be inwardly homogeneous – accordingly, several smaller but more unified groups should be created instead of some large “cover” segments. Also, the goal was to create a manageable number of markedly different clusters. According to the significance test, the differences between these clusters were significant.
### Table 2. Factors and the clusters (Mean of the five point Likert-scale)

<table>
<thead>
<tr>
<th>Ward Method</th>
<th>Factor 1</th>
<th>Factor 2</th>
<th>Factor 3</th>
<th>Factor 4</th>
<th>Factor 5</th>
<th>Factor 6</th>
<th>Factor 7</th>
<th>Factor 8</th>
<th>Factor 9</th>
</tr>
</thead>
<tbody>
<tr>
<td>Segment 1</td>
<td>1.68</td>
<td>3.12</td>
<td>1.57</td>
<td>2.36</td>
<td>2.04</td>
<td>2.32</td>
<td>2.33</td>
<td>2.34</td>
<td>3.18</td>
</tr>
<tr>
<td>Segment 2</td>
<td>2.19</td>
<td>3.26</td>
<td>2.23</td>
<td>2.86</td>
<td>2.72</td>
<td>2.78</td>
<td>2.96</td>
<td>3.72</td>
<td>3.50</td>
</tr>
<tr>
<td>Segment 3</td>
<td>2.61</td>
<td>3.23</td>
<td>1.95</td>
<td>3.04</td>
<td>2.33</td>
<td>2.90</td>
<td>2.66</td>
<td>2.15</td>
<td>3.09</td>
</tr>
<tr>
<td>Segment 4</td>
<td>2.05</td>
<td>3.17</td>
<td>1.62</td>
<td>3.46</td>
<td>2.32</td>
<td>2.70</td>
<td>2.62</td>
<td>2.09</td>
<td>2.56</td>
</tr>
<tr>
<td>Segment 5</td>
<td>3.40</td>
<td>3.49</td>
<td>3.18</td>
<td>2.86</td>
<td>3.28</td>
<td>3.54</td>
<td>2.78</td>
<td>4.09</td>
<td>3.26</td>
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<tr>
<td>Segment 6</td>
<td>3.00</td>
<td>3.25</td>
<td>2.34</td>
<td>2.93</td>
<td>2.71</td>
<td>3.14</td>
<td>3.34</td>
<td>3.23</td>
<td>2.87</td>
</tr>
<tr>
<td>Segment 7</td>
<td>3.49</td>
<td>3.67</td>
<td>2.10</td>
<td>3.22</td>
<td>2.48</td>
<td>3.91</td>
<td>3.29</td>
<td>2.61</td>
<td>3.19</td>
</tr>
<tr>
<td>Segment 8</td>
<td>1.48</td>
<td>2.58</td>
<td>1.29</td>
<td>3.62</td>
<td>1.90</td>
<td>1.67</td>
<td>2.40</td>
<td>1.40</td>
<td>2.15</td>
</tr>
<tr>
<td>Total</td>
<td>2.54</td>
<td>3.26</td>
<td>2.10</td>
<td>3.02</td>
<td>2.54</td>
<td>2.95</td>
<td>2.87</td>
<td>2.86</td>
<td>3.03</td>
</tr>
</tbody>
</table>

*Source: own construction*

Taking the above into consideration, eight segments were distinguished which can be characterized as follows (Maps were used to illustrate the differences between the characteristics of the segments. Figure 1 shows one example):

**Figure 1. Lifestyle characteristics of the segments**

![Lifestyle characteristics of the segments](image)

*Source: own construction*

**Segment 1: Those seeking inner harmony (8.4%)**

They reject materialistic values. They do not work for money; they are not motivated by financial means and their lives are not driven by consumption. They find leisure time more important and focus on inner values. The consumption pattern
of this segment is very difficult to interpret in terms of socio-demographic characteristics. The group’s value orientation is shown by lifestyle variables (emphasizing inner values) which can explain why they attach little importance to consumption, brands and their symbolic content.

Segment 2: Quality-oriented intellectuals (19.2%)
This is a quality-oriented intellectual group that endeavours to do well and decide well in most areas of life. They search for the best solution and high quality in their purchases. When doing so, they rely on their own value judgments and do not accept the quality suggested by the brand itself entirely. Owing to the high status of this segment, they are not forced to consider price as a primary factor; they can afford to choose a product based on their high expectations. But lifestyle characteristics are necessary to see the general quality orientation of this segment, which can be witnessed in all possible areas.

Segment 3: Those relying on their own values (13.3%)
This segment seeks to manage its – in many respects, limited – means as well as possible. They wish to fulfil themselves and follow their own values both in terms of their lifestyle and consumption patterns. They tend to stick to what works best for them and are not very open to new possibilities. The lower status of this segment explains their lower level of consumption, since they try to economize in all areas of life. Based on their lifestyle characteristics, this segment seems to be slightly closed and ethnocentric.

Segment 4: Lower status workers (14.9%)
This segment includes workers that struggle for a living and whose energies are almost entirely taken up by trying to maintain a moderate standard of living. Their needs have adapted to their means; they decide based on the price and are not really quality-conscious or functionally-minded. Most of all, their consumption can be construed based on their lower status.

Segment 5: Hedonistic youngsters (10.4%)
This is a group of active and open youngsters who enjoy life and try to make the most of it. They look upon their lives as a sort of adventure. They have taken advantage of their opportunities and reached a very high status that allows them to enjoy high quality consumption. They are interested in all areas of life; they are open to new things; they follow fashion and choose brands based on not only functional but also symbolic factors. They look for products that best suit their personality, thus realizing the uniqueness and creativity, which is so characteristic of them, through their consumption.
Segment 6: *Categorizers (17.8%)*

This is a group of consumers with a relatively high status who want to lead a quality life according to separate categories. This means that they work hard so that they can afford this high quality of life, while making sure that they can devote a sufficient amount of quality time to another category of life, like entertainment or leisure time. In the same way, they clearly separate shopping for food, which they find less important and boring, from purchasing articles that they consider more interesting; as these are mostly men, this category presumably comprises electronic goods. With the former, they do not care about the brand, whereas with the latter they find good quality products and well-known brands important and are happy to ask for advice before such purchases.

Segment 7: *Those driven by outer values (10.4%)*

This is a low status segment that wishes to emphasise that which is contrary in its consumption patterns. They are highly brand-oriented and prefer brands with a high prestige that can positively affect their otherwise moderate status. They make their decisions based on other people’s opinions, and well-known brands provide them security both in terms of quality (being an important dimension of their lives) and through recognition from others. At first glance, the consumption and socio-demographic characterization of this segment seem wholly incompatible. Not even lifestyle characteristics can help this very much. By carrying this inconsistency further, their ostentatious consumption, being the most important feature of this segment, becomes clear. In this way, it is their status that explains their consumption pattern.

Segment 8: *The seniors fallen behind (5.6%)*

This is an elderly impoverished stratum living on the edge of the poverty line. They regard consumption purely as a means of subsistence. It is for them a constant battle for lower prices. They are closed and reject new things in both their lifestyle and their consumption. The consumption of this segment is clearly limited by its low status. Lifestyle characteristics add to this picture by shedding a light on the aversion of this segment to new things, which can also be witnessed in their consumption.

4. Conclusion

The results of this qualitative research point to the assumption that in an emerging economy, prices and discretionary income are very often a limitation for average or slightly above-average layers of society in choosing from products and services or brands. This factor, and the fact that classification into lifestyle typology yielded a remarkably homogeneous result, indicates that further exploratory research can contribute to a deeper understanding of the phenomena.
The analysis of the quantitative data leads to the conclusion that the eight clusters, even though they overlap in certain dimensions, clearly separate from one another and show an acceptable degree of inner homogeneity. However, it is important to note that these clusters can only be used for multidimensional interpretation, since it is through examining the whole that it can be identified how a cluster differs from those that are near within a dimension. There is an interdependent relationship between status, consumption and lifestyle. Well-founded results can be obtained when the three areas are jointly interpreted.

In certain segments, status has proven to be a dominant factor determining consumption. This is especially true for lower status, where the income limit largely determines consumption. In these cases, the influence of lifestyle is rather restricted. The influencing role of lifestyle has proved to be especially important when analysing the consumption of the middle class. This is in line with the international experiences on the possibilities of using lifestyle-based consumption in segmentation. In these cases, status draws a rather vague conclusion on consumption, while lifestyle has a good explanatory force. It must be noted that the middle class, being typically broad in advanced countries and which has called this kind of segmentation into life, is rather narrow in Hungary and, based on current trends, continuously shrinking. It poses the question again about what the main dilemma is of investigation.

5. Limitations and further research

When using lifestyle-based segmentation techniques, several limitations have to be considered. By employing this method, the goal is to obtain segments which are not only distinct, but also homogeneous within. These conditions cannot always be met by the psychographic method whose limitations have been explored by many authors (Wells 1975, Edris–Meidan 1989). Among the limitations of the method, Fenwick et al (1983) note that there are no standardized methods for developing psychographic items, thus, it is difficult to link different research and validation of the established lifestyle segments is problematic as well.

Research is still continuing on this aspect. Relying on in-depth analyses – including focus group discussions and further quantitative research – the goal is to give a more precise answer to the fundamental question on whether lifestyle-based segmentation can be applied at all in this country, and if yes, within what constraints. Or, as a result of the powerful limitations of discretionary income, is it more efficient to choose status as a criterion of segmentation?
References

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