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PROPOSAL FOR THE MODEL OF HOUSEHOLD LIFE CYCLE REDEFINITION

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Abstract

The model of household life cycle represents a sequence of developmental stages through which a household, as a cluster of both related and unrelated people living together in one housing unit, can undergo during its whole existence. Today, a number of such non-family or so called household groupings are experiencing boom. Therefore, we decided, within this article, to study various new household structures for the purpose of creating an updated version of the model of household life cycle that is yet not presented in marketing literature. To meet this objective, we applied the theoretical method of abstraction, induction, deduction and synthesis. Our effort resulted in revised version of the model of household life cycle including all recently emerged types of household clusters. The implication of the outcome of this article we see in the benefit of understanding the pattern of consumer behaviour.

Key words: consumer behaviour, household, household life cycle, model of household life cycle.

Introduction

From a marketing point of view, a family represents the most important consumer unit in the whole society. Today, the traditional model of a family, consisted of woman as a mother, man as a father and children living and sharing the common residence is violated by the change of social and demographic profile of a society. Divorces, delayed marriages, delayed parenthood, cohabiting way of living, same sex coupling, never marrying or having children contributed to the creation of so called non-traditional "family" forms. Since, the term family has been usually used in the connection to the group of people with opposite gender and not in the connection to single, never married or same sex couples; this term was replaced by the new one – a household. Whereas, the number of households of different composition has been experiencing significant boom in recent years, we decided, within this paper, to devote our attention on studying various household structures with the intention to propose a

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comprehensive up-dated model of the household life cycle that would serve marketers as a suitable tool for predicting changes in consumer behaviour.

Aims, materials and methodology

Within this article, we decided to focus on studying different existing household structures and their transformation changes in time with the main aim to develop a proposal for updated version of the model of household life cycle that would capture developmental phases of individual household compositions within their existence. The rationale or reason behind the development of modified model of household life cycle lies in the absence of such model in the scientific literature. To construct the updated model of household life cycle, we used secondary data obtained via foreign scientific literature, researches and studies dealing with examined issue and applied theoretical methods of cognition, namely the method of abstraction, induction, deduction and synthesis.

Literature review

Consumer behaviour is very unpredictable and changing frequently in the connection to a number of various factors. Household life cycle belong to one of personal, or frequently denoted demographic, factors influencing and changing consumer purchase, spending and consumption behaviour. As a household proceeds its developmental stages over time, it is changing its compositional structure and consequently, together with this, its needs and hence the structure of needed, purchased and consumed goods and services are changing as well. Therefore, the household life cycle, capturing the sequence of developmental and transformation stages of a household as a basic unit of society, represents one of crucial factors having a direct and significant impact on consumer's way of deciding and behaving on a marketplace.

Household

While in the past, a society needed only the term family for the denotation of a group of people who were linked together by a certain bloodline, relational, social or other tie and who lived together in one housing unit, now this term is not sufficient. Under the influence of significant demographic changes in the society, not only the character of the society but also the structure of a family and the way how people coexist with each other were exposed to the fundamental transformation. To these influential changes there is included declining fertility rate, increasing divorce rates, rising proportion of single-person and lone parent households, the trend of non-parenting, the pattern of delay timing of parenthood and marriage, the greater tendency towards cohabiting coupling of one or two-sex adults without formal marriage and the pattern of children to live with parents longer than in the past (Sarah IRWIN, 2000). Consequently, the term household was introduced for covering primarily and naming generally non-traditional forms of "family" that incurred as a result of mentioned sociodemographic changes. According to V. Sivakumar, the term household is used for the description of all people "both related and unrelated, who occupy a housing unit" (V. J. SIVAKUMAR, 2008, p. 71). Alternatively, a household can be defined as a cluster of people



living together "excluding people living in institutions, prisons and persons without a permanent residence" (Gerrit ANTONIDES, 1998 and W. Fred van RAAIJ, 1998, p. 27).

Whereas, a household acts as a substitute for a family, what refers to its functions, they are the same as in the family's ones (V. J. SIVAKUMAR, 2008):

- securing economic well-being providing financial means and securing economic welfare of household members to the future,
- providing emotional support creating appropriate and pleasant emotional background for supporting household members,
- choosing appropriate household life style establishing suitable and convenient lifestyle and its values for a household, and
- socializing members of household imparting basic cultural values, social norms, life attitudes, traditions and code of behaviour to children.

Considering the classification of households, we recognize these two basic types of households (Laura LAKE, 2009, Leon G. SCHIFFMAN, 2004 and Leslie L. KANUK, 2004):

- Family households groups of persons related by blood, marriage and adoption (e.g. childless couples, couples getting married at later age, couples having children at later age, single parents of adopted or misbegotten child, divorced parent with child and extended families including parents and adult children who returned to home, children's spouses, grandchildren and possibly cousins), and
- Non-family households groups of non-family members (e.g. unmarried couples, divorced individuals without children, single person living alone, roommates, elderly persons living with non-family members and same-sex couples).

Household Life Cycle

Likewise, the family life cycle illustrates life developmental stages of the family, the household life cycle, in this spirit, divides the time of household's existence into various separate time periods – phases through which it could go through. The household life cycle, was basically developed from the family life cycle by adding non-traditional, nonconventional and modern structures of families, formed together with the metamorphosis of demographic, cultural and social background in which the society lived, for which it was pieced out the title of household. Exactly, the specific life events such as divorce, common societal trends, e.g. reduction of birth rate, as well as the certain life decisions like the decision of not having children or to marry brought about the birth of new household types. Specifically, declining fertility rate contributed to the establishment of a new household type, i.e. married childless couples; increasing divorce rate caused the creation of single parent households, lone-parent households and mingles; the pattern of delay timing of parenthood and marriage lead to the generation of delayed full nest households; and the tendency to stay unmarried resulted in origination of middle and older-aged bachelors. Each of these individual types of household acts as a separate phase within the concept of the household life cycle. The mechanism explaining crossing these individual stages is based on the same transitory variables that are valid for the family life cycle, i.e. the marital status, the employment status, the age and presence of children supplemented by other variables including mentioned life events, decisions and current trends in the society.



The concept of the household life cycle is sharing the resembling characteristic features as the concept of the family life cycle, namely universality in utilization, dynamics in retaining the variability of consumer patterns and multidimensionality in its variable composition. The difference against the family life cycle lies in the fact that the household life cycle enriches the stages of traditional family development by the progression stages of various diverse kinds of households, as opposite to a family, and therefore acts as a more actual, complex and precise indicator of consumer behavior.

Model of Household Life Cycle in Time

One of the first historical versions of the household life cycle was introduced by P. Murphy and W. Staples in year 1979. The nature of the model was based on extending the stages of the family life cycle by "those who do not have children and those whose marriages end in divorce" (Paul WEBLEY, 2002; Carol BURGOYNE, 2002; Stephen LEA, 2002; Brian YOUNG, 2002; p. 4) representing deviations from the traditional family structure. Eventually, the model was consisted of thirteen individual stages, from which seven stages, i.e. young single, young married without children, young married with children, middle-aged married without dependent children, older married and older unmarried represented the stages of traditional family life cycle and rest of them, namely young divorced without children, young divorced with children, middle-aged divorced without children, middle-aged married without children, middle-aged divorced with children and middle-aged divorced without dependent children were classified as non-traditional – household developmental stages (see the Figure 1 Murphy and Staples Model of Household Life Cycle).

Further similar concept of the household life cycle was developed by M. Gilly and B. Enis in 1982. They incorporated into the model several important issues interrupting traditional family life cycle, such as progressive increase in women as the head of household, growth in single-person households and single-parent households headed by a mother, increase in couples delaying having children and ones not having children (Ignacio R. BELLÓN, 2000, Marcelo R. VELA, 2000 and Joaquin A. MANZANO, 2000) and identified thirteen stages of the household life cycle, i.e. bachelor I, bachelor II, bachelor II, young couple, childless couple, older couple, full nest I, full nest III, delayed full nest III, single parent I, single parent II and single parent III stage (see the Figure 2 Gilly and Enis Model of Household Life Cycle).



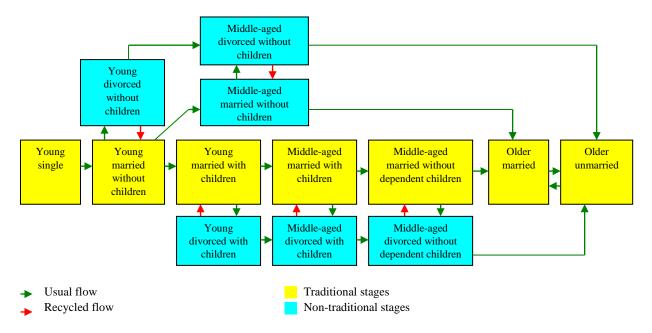


Figure 1 Murphy and Staples Model of Household Life Cycle

Source: KOEKEMOER, Evan. 2006. *An Investigation into the Family Life Cycle within a South African Context*. Port Elizabeth: the Faculty of Business and Economic Sciences.

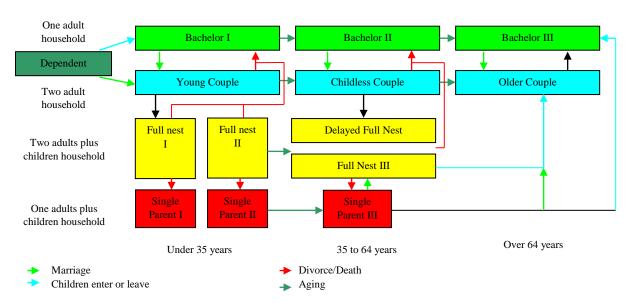


Figure 2 Gilly and Enis Model of Household Life Cycle

Source: KOEKEMOER, Evan. 2006. *An Investigation into the Family Life Cycle within a South African Context*. Port Elizabeth: the Faculty of Business and Economic Sciences.

And finally, the last version of the household life cycle model we would like to mention here is the one designed by Wilkes in 1995. He created fifteen-stage model by combining the classification proposed by W. Wells and G. Gubar and M. Gilly and B. Enis (Rex DU, 2004 and Wagner A. KAMAKURA, 2004). Namely, he classified bachelor stage, young married couple without children, full nest I, full nest II, full nest III, delayed full nest, empty nest I, empty nest II, old single, young divorced without children, young divorced with child under age six, young divorced with child older than six, middle-age divorced without children,



middle-age divorced with children under age six and never married person (see the Figure 3 Wilkes Model of Household Life Cycle).

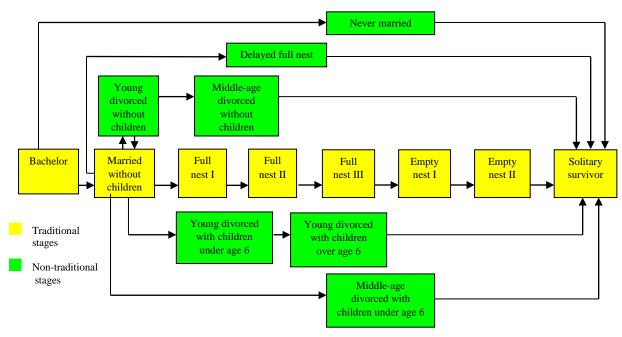


Figure 3 Wilkes Model of Household Life Cycle

Source: own elaboration based on LOKKEN, Sheri L. 1997. *The Effect of Household Life-Cycle Stages, Poverty, and Demographic Characteristics on Rental Expenditures*. Texas: Texas Tech University.

Proposal for Household Life Cycle Redefinition

Whereas, in recent years, there has been a significant drop in the number of traditional families and conversely a rise in the volume of households as non-traditional version of "families", the original model of the family life cycle as a tool for predicting consumer behavior and segmenting market became insufficient and incomplete. In addition, taking into a consideration that a household start to occupy the same position of the most important consumer unit as a family, this called for marketer's comeback to studying its consumption in order to be able to satisfy their needs by appropriate products and services and to update, under current societal conditions, out-of-date and insufficient model of the family life cycle. As a result of their effort, the new model of household life cycle was proposed and introduced capturing specific structure of needs and peculiar group of buying habits of unconventional groups of people living together in one housing unit. In this spirit, we developed a proposal for new version of the household life cycle based on the combination of the models proposed by P. Murphy and W. Staples, M. Gilly and B. Enis and R. Wilkes with the addition of three lately formed and rapidly expanding types of households, i.e. mingle household (i.e. household of a loving or married couple living in separated residences), cohabiting couple household (i.e. household consisted of unrelated same or opposite sex individuals) and same sex household (i.e. gay and lesbian) households (see the Figure 4 Proposal for the Model of Household Life Cycle Redefinition).



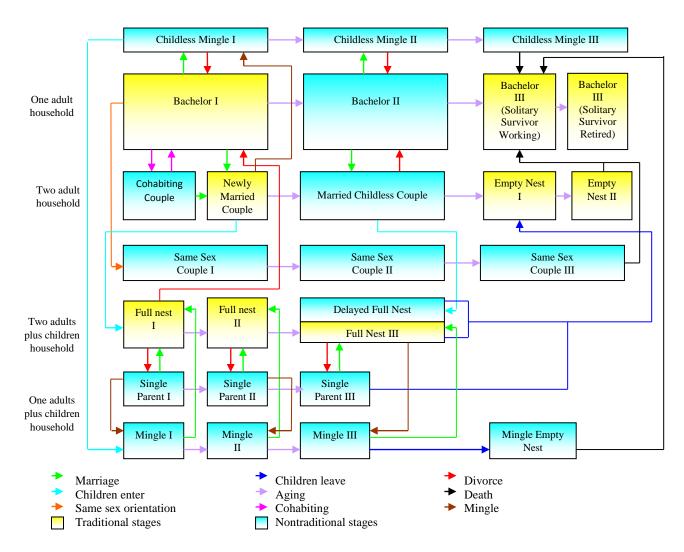


Figure 4 Proposal for the Model of Household Life Cycle Redefinition Source: own collaboration

Conclusion

Modern society, characterized by a huge number of changes in demographic and social conditions of the world, causes that a traditional composition of a family consisted of woman as a mother, man as a father and children is gradually disappearing and its position is taken by various new non-family clusters that experts started to denote as households. Like a family, also a household evolves and changes over time. These developmental changes are captured by the transitory stages that together form the household life cycle. Exactly, the model of household life cycle was the main subject of this article. The reason why it is important to deal with the concept of the household life cycle is that it serves as an explanatory variable helping marketers to better understand behavioral, consumption and spending patterns of a household. The basic principle behind this model resides in its division into a specific number of groups of time periods or phases depicting basic characteristics of situational, biological, mental and economic background surrounding them through which marketers are able to understand their need, consumption and spending profile and consequently they are able to create suitable product offer and apply attractive promotion and selling practices. For this



purpose, we developed and presented, within this article, a proposal for updated version of the household life cycle, by using three existing models, i.e. P. Murphy and W. Staples, M. Gilly and B. Enis and R. Wilkes one, and adding three lately emerged household structures, reflecting all the developmental stages of various household structures occurring and existing in today's society.

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