Modernity and Lifestyle: Analysis of Generation Y on Creative Industry Product

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Abstract: Along with the development of information technology, creative industries now are growing very rapidly such as crafts, food and fashion industries which have differentiation and are innovative. Generation Y as the generation that is born in the era of communication technology have lifestyles with active use of communication technologies and interact in social media and the internet. Generation Y is also suspected to have a high modernity, considering them being in a modern environment that push the growth off creative industry’s product demand. This study tried to investigate the relationship between modernity and lifestyle and its outcome including purchase intention and purchase decision toward creative industry product. The population of this research is the generation Y living in the city with the sample taken using purposive sampling and the analysis technique used is Structural Equation Modeling (SEM). The results showed that the consumer modernity did not significantly influence the purchasing intention and purchasing decision while lifestyle significantly influences purchase intention and purchase decision. The research proves that generation Y's purchase intention in the creative industry products, significantly influence the purchase decision. This study implies that generation Y in the purchasing decision, heavily influenced by lifestyle and more dominant on the use of communications technology, so further research is recommended in the study of the lifestyle that motivated the use of communications technology.

Key words: Modernity, lifestyle, purchase intention, purchase, decision

INTRODUCTION

The convergences of telecommunication and computing technologies and services provide new offerings which are integrated through the digital network and affect social change and commercial (Gaines, 1998). The development of modern technology, both hardware and information technology has led to more emerging products of creative industries in various categories such as entertainment, food, fashion, etc., that provide cultural transformation offering value leisure amenities, symbolic and an image of the ease and practicality that the wearer is regarded as a modern society (Despres, 1996; Gospodini, 2006; Kolar and Zabkar, 2010). Enthusiasts of creative industry products are quite large, especially among young people who do like the new products. These young people are known as generation Y, modern millennials and familiar with all forms of technology development and they are updated with latest trends (Casidey, 2012).

Several previous studies have examined the purchase behavior of generation Y (Gilboa and Yavetz, 2010; Caasidy, 2012; Lissits and Kol, 2016) view of modern affecting purchases (Gospodini, 2006; Elchardus and Keere, 2013) and lifestyle (Lin and Shih, 2012) gives the argument that the generation Y which is the segmentation in terms of age in the purchase decision and his interest are influenced by the increasing use of information technology, increasing social relationships, tastes of the group or community, the symbolic value that reflects the modernity or the trend of openness to change.

An increase in social relations that were transformed by the increasing use of social media provide knowledge faster on the Y generation, especially knowledge on the various types of products of the creative industry thus whether lifestyle that has been practiced can influence the purchasing decisions considering the lifestyle can also be changed as soon as the incoming information and generation Y as an open-minded modern generation which might be rational or emotional, whether those giving the impact on the purchasing decisions of creative industry products, given that some studies provided different argument on modernity and lifestyle (Hung, 2013; Neuvonen et al., 2014; Ageev and Ageeva, 2015) which are sustainability-oriented.

Objective of the study: This study will test the significance of modernity and lifestyle towards purchase

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intention and purchase decision of generation Y in the creative industry products. This study aims to examine the relationship between modernity, purchase intention and purchase decision; examine the relationship between lifestyle, purchase intention and purchase decision.

**Literature review**

**Generation Y:** Generation Y is those born between 1981-2000 (Brown et al., 2015) they are called millennials and first-generation high-tech generation (Norum, 2003). Generation Y has a characteristic of feels less guilt in being an aggressive consumer well educated, confident, tolerant, socially/politically conscious, like relaxing time/vacation have an income that is used to meet their lifestyle (Brown et al., 2015) like hang-out, music, buy symbolic things (McIntyre, 2011) fashion (Casidy, 2012) and prefer online shopping (Lissitsa and Kol, 2016).

Generation Y as the generation that has high spending power and open technology (Gurth and Soyez, 2016) purchasing decisions do not always produce a rational decision because it has been much influenced by the opinion from outside, including the use of social media as a result of communication technology, mass media and the internet (Katz, 2001; Kim and Jang, 2014). Thus, the generation Y in the interest of purchase and purchase decision possibly influenced by lifestyle and the effects of modernity that has been practiced.

**Modernity:** Consumer purchasing decisions may be formed by the orientation of consumption, in accordance with the generation (consumption-oriented meaning generation) where culture are producing subsystems in the form of a creativity a managerial and a communication which results in the form of new products or new symbols which are responded by the generation that is in the culture (Solomon et al., 2006; Suhartti and Pramono, 2016). The consumer chooses an innovation depending on whether the decision is a high effort or a low effort one. Here consumers become aware of an innovation, thinks about it gathers information about it and forms an attitude based on this information and whether the new product would affect the psychology, social, economic, finance or safety risk (Hoyer and Maclnnis, 2008).

Modernity considered as a west-centric paradigm that is understood as a result of the power of global capitalism thus becoming west-centric modernity which is the interconnections between elements of western hegemony and heterogeneity as a practical situation. Over time, modernity has shifted meaning as the industrialization of production and consumption and as the negotiation process of socio-economic change (Hung, 2013).

Xiao (2005) explains that the modern consumer is someone who is educated, follow all the latest trends as well as satisfied with the standard of living and the financial situation faced. This is in accordance with the characteristics of generation Y (Brown et al., 2015). Thus, a person is said to have modernity if it has life satisfaction and follows the new trend. One characteristic of modernity is the ownership of items that reflect modern identities, among which are the ownership of apartments, cars, architecture, clothing, art objects, etc. (Larson, 2003).

On the other hand, modernity was giving the effect of a dilemma where the west-centric paradigm tend to be rational while in the society there is a dilemma between the rational and emotional cognitive and socio-cultural (Hoijer et al., 2006; Hung, 2013; Elcardas and Keere, 2013). The dilemma between tradition and modernity on women’s clothing stores (Badameh et al., 2016) and technological strategies (Casas, 2006). Thus, consumers are faced with the difficulty in making decisions, especially in the situation of late-modernity.

**Lifestyle:** Lifestyle is a pattern of consumption reflecting a person’s choice of how he or she spends time and money and referring to the attitudes and values of a person so as to form a pattern of behavior (Solomon et al., 2006). In a modern consumer society, people are free to choose products, services and activities. Selection of products and services can form statements on which social identities is a person including (Solomon et al., 2006).

Lifestyle may be considered as group identities, depending on the approach used. Not just a demographic or economic but it can also be based on hobbies. Therefore lifestyle is grouped in activity, interests and opinions (Solomon et al., 2006). Activities include work, hobbies, social events, holiday, entertainment, club membership, community, shopping and sports. Interests include family, home, job, community, recreation, fashion, food, media and achievements. Opinions include themselves social issues, politics, business, economics, education, products, future and culture (Solomon et al., 2006; Yu, 2011).

**Purchase intention and purchase decision:** Customer differences is the basis for the marketers in determining consumers. Customer differences based on geographic, demographic, situation factor, lifestyle, psychographic, modernity (Lin and Shih, 2012; Kotler and Keller, 2012; Visser, 2016; Luukvoenwattana, 2016). Consumer demand associated with the segment of the market which can be identified from preferences for product benefits, consumer interaction effects, choice barriers, bargaining power and profitability (Bock and Uncles, 2002). In a consumer
purchase decision consider the benefits and risks of each alternative choice through a variety of integrated information, both positive and negative (Peter et al., 1999). When consumers purchase, consumers think of a set of benefits and risks that will be encountered when deciding to buy a product. Risks faced could be physical risks, financial risks, functional risks and psycho-social risks (Peter et al., 1999; Kotler and Keller, 2012).

Consumer decision making is a presentation of some of the implications of them are knowledge, meanings, belief towards product, brand, dealer, quantity, timing and payment method (Peter et al., 1999; Kotler and Keller, 2012; Huang, 2013; Kuo and Chen, 2015; Intan, 2016) personality traits and prestige sensitivity (Casidy, 2012). In the generation Y and urban, interests and purchasing decisions are influenced by factors of consumer culture and consumer identity (Pullman et al., 2001; Ashmore et al., 2012), symbolic meaning (Kim and Jang, 2014). Thus, consumers in their purchasing decisions are colored by symbolize value and symbolize status which in general is a reflection of consumer’s lifestyles and consumer modernity. Even at generation Y, the product selection socially affects the use of language preferences (Bell and Puzakova, 2016).

MATERIALS AND METHODS

Research model

Research design: This study uses quantitative methods to the entire population of Surabaya city residents who are in the age group of 15-30 year (born in 1981-2000) with a total sample of 180. Data was collected using questionnaires which contain variables of modernity, lifestyle, purchase interest and the purchase decision. Tests conducted on generation Y associated with the interest and purchases of products of creative industry. Data were analyzed using Structural Equation Modeling (SEM). The structural models to be tested can be seen in Fig. 1. Figure 1 can be explained that modernity and lifestyle of generation Y is predicted to affect the interests and purchasing decisions on products of creative industry. Thus it can be made the hypothesis:

- \( H_1: \) There is a significant relationship between modernity and purchase intention
- \( H_2: \) There is a significant relationship between modernity and purchase decision
- \( H_3: \) There is a significant relationship between lifestyle and purchase intention
- \( H_4: \) There is a significant relationship between lifestyle and purchase decision
- \( H_5: \) There is a significant relationship between purchase intention and purchase decision

![Fig. 1: Conceptual model](image)

Measurement items: A questionnaire was developed based on the literature review that test typology of lifestyle, using the approach of AIO (Attention, Interest and Opinion) and modernity, all items were developed from existing scale and measure with a 5-point Likert scale from strongly disagree to strongly agree. The content of each variable have indicators: modernity consists of value creativity have knowledge and democracy have life attitude to accept new things and open to change, respect time and more oriented towards the future rather than the past have the plan and organization, believe in science and technology, own items with modern identity and the economic activity is based on open competition. Lifestyle: activity, interest and opinion. Purchase intention: preference brand, dealer, timing, payment method, brand familiarity. Purchase decision: product stability, situational factor, perceived risk.

RESULTS AND DISCUSSION

Data analysis

Respondents profile: The test result data show that modernity does not significantly influence consumer purchase interest. This is evident because the path coefficient is negative -0 with the value of CR amounting to -0.772<1.96 and obtained a significant probability (p) of 0.440> the significance level (α) which is 0.05. So, the first hypothesis (H₁) consumer modernity has a significant influence on purchase interest is not proven. Consumer modernity is not significantly influenced the purchase decision. This is evident because the path coefficient is positive with a value of 0.073 C.R. amounted to 0.485<1.96 and obtained a significant probability (p) of 0.628> the significance level (α) which is 0.05. So that, the second hypothesis (H₂) consumer modernity significantly influence the purchase decision is not proven. Thus, modernity does not influence interest and purchase decision on creative products.
Lifestyle has a significant influence on purchase interest. This is evident from the marked positive path coefficient of 0.303 with a value of CR amounted to 2.066>1.96 and gained a significant probability (p) of 0.039 which is less than the significance level (α) which is 0.05. So that, the third hypothesis (H3) lifestyle significantly influence the interest in the purchase of products is proven. Lifestyle has a significant influence on purchase decisions. This is evident from the marked positive path coefficient of 0.397 with a value of CR amounted to 2.381>1.96 and gained significant probability (p) of 0.026 which is less than the significance level (α) which is 0.05. Thus, the fourth hypothesis (H4) lifestyle has a significant influence on product purchase decisions is proven.

Purchase interest significantly influences the purchase decision. This is evident from the marked positive path coefficient of 0.419 with a value of CR amounted to 3.091>1.96 and gained significant probability (p) of 0.002 which is less than the significance level (α) which is 0.05. Thus, the fifth hypothesis (H5) purchase interest has a significant influence on product purchase decisions is proven.

**Structural model:** Data were analyzed using Structural Equation Modeling (SEM). A structural equation model was employed using AMOS 22 to examine the relevant hypotheses under examination. An observation of the goodness of fit indices Chi-square 134.854, CMIN/DF 1.274, probability 0.0073, RMSEA 0.068, GFI 0.930, AGFI 0.974, TLI 0.986 and CFI 1.035 values were good fits to the data. Figure 2 as resulting model structure.

**Modernity generation Y (purchase intention and purchase decision):** The purpose of this study is to determine how generation Y modernity, affect the interests and purchase decisions on creative product. The study’s findings indicate that modernity has no effect on either the interest or the purchase decision. It can be explained by the data characteristics of the respondents by type of product interests (Table 1) known that the creative products are in demand by generation Y consumers but there are factors that affect the buyer involvement, namely the impact of products on the financial situation, interest in the product and its impact on the social environment (Parment, 2013) and situational factors which consists of expected income, expected price and expected product benefits (Kotler and Keller, 2012). Thus it can be said that the creative product indeed attracts the attention of consumers but not necessarily interested in buying it because of high-priced products will affect consumer financial situation so that in any purchase decision, consumers are very cautious.

On the other hand, although generation Y has a characteristic as an aggressive consumer (Srinivasan, 2012) and liked the creative products which are symbolic (McIntyre, 2011; Casidy, 2012) but the modernity they have as indicated in the measurement which is oriented to the future have a plan well-educated and knowledgeable, these things are the characteristics of rational consumer. A rational consumer would think over and over to buy, for their consideration of the impact of the purchase decision, including the financial impact. The rational consumer could be the result of education and knowledge of consumers it is said that the Y generation is educated (Brown et al., 2015).

Modernity does not affect the interest and purchase decisions, it can be explained that Millennials are very enthusiastic about the use of telecommunications and computing technology (Gaines, 1998) but it has grown so rapidly and caused the sharing economy effects which in the era of digital technology as it is now has entered the realm of market needs and the progress has been exploited by consumers that in the purchase decision prefers the most efficient and inexpensive way to meet their needs, also it can be said that the sharing economy as an

![Figure 2: Structural model](image)

### Table 1: Characteristics of respondents by type of product interests

<table>
<thead>
<tr>
<th>Product type</th>
<th>N*</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advertising</td>
<td>27</td>
<td>15.00</td>
</tr>
<tr>
<td>Architecture</td>
<td>27</td>
<td>15.00</td>
</tr>
<tr>
<td>Art goods</td>
<td>40</td>
<td>22.22</td>
</tr>
<tr>
<td>Crafts</td>
<td>86</td>
<td>47.78</td>
</tr>
<tr>
<td>Design</td>
<td>50</td>
<td>27.78</td>
</tr>
<tr>
<td>Fashion</td>
<td>60</td>
<td>33.33</td>
</tr>
<tr>
<td>Video, film and photography</td>
<td>47</td>
<td>26.11</td>
</tr>
<tr>
<td>Interactive game</td>
<td>57</td>
<td>31.67</td>
</tr>
<tr>
<td>Music</td>
<td>83</td>
<td>46.14</td>
</tr>
<tr>
<td>Art performance</td>
<td>53</td>
<td>29.44</td>
</tr>
<tr>
<td>Publishing and printing</td>
<td>42</td>
<td>23.33</td>
</tr>
<tr>
<td>Computer and software</td>
<td>54</td>
<td>30.00</td>
</tr>
<tr>
<td>Television and radio</td>
<td>59</td>
<td>32.78</td>
</tr>
<tr>
<td>Research and development</td>
<td>11</td>
<td>7.22</td>
</tr>
</tbody>
</table>

N* = 180 where every item addressed by more than one person, so the number of % of respondents per item, showing the percentage of all respondents.
alternative form of distribution of commodities exchanges and transactions considered to be more efficient and cheap (Harti, 2016).

**Lifestyle generation Y (purchase intention and purchase decision):** Based on the results of data analysis it can be concluded that lifestyle significantly affects the interests and purchase decisions of generation Y on the creative industry products. From the data in Table 1, it is known that the generation Y in the lifestyle group based on activities, they generally prefer hobbies, holiday, entertainment and shopping. Generation Y is a generation who closely follow trends in the use of the internet for shopping and fulfilling lifestyle (Parment, 2013; Ageev and Ageeva, 2015; Dhanapal et al., 2015) and tend to be the hedonist, extravagant and having great connectivity (Lissita and Kol, 2016). The findings are also supported by the data in Table 1 about the most favorite creative industry products are the product of craft, music, fashion and television shows.

Although, this Y-generation, in many purchasing decisions consider situational factors such as financial problems but in order to meet the current lifestyle activity for them is not expensive. For example, to support the lifestyle of entertainment now enjoying music can be acquired easily and cheaply by downloading via the Internet globally so as to encourage the consumption of music technology (McIntyre, 2011) as well as the activity of shopping, especially for products such as fashion and crafts, generation Y prefer to buy online because it is considered to save money and free time (Lissita and Kol, 2016) though it is said that the millennial generation is the most enthusiastic to go to shopping malls (Gilboa and Yavetz, 2010) but because the majority of this generation have low income and are still studying or have recently graduated (Table 2) for the purchase decision to meet their lifestyle they are still considering their income and income sources (Kim and Jang, 2014).

The study’s findings are also supported by the fact that the lifestyle of generation Y from the interest groups, show an interest in the family and the food while their opinion shows the orientation on the future, economics and education (Table 3 and 4). From these data it can be seen that although the generation Y has a high lifestyle activities in hobbies, holiday, entertainment and shopping but they are still considering the future, particularly related to the environment and about the sustainability (Barr et al., 2011) low-carbon
Table 4: Hypothesis testing results

<table>
<thead>
<tr>
<th>Variables</th>
<th>Estimate</th>
<th>SE</th>
<th>CR</th>
<th>p-values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase intention---lifestyle</td>
<td>0.303</td>
<td>0.147</td>
<td>2.066</td>
<td>0.039</td>
</tr>
<tr>
<td>Purchase intention---modernity</td>
<td>0.176</td>
<td>0.228</td>
<td>0.772</td>
<td>0.449</td>
</tr>
<tr>
<td>Purchase decision---lifestyle</td>
<td>0.073</td>
<td>0.150</td>
<td>0.485</td>
<td>0.628</td>
</tr>
<tr>
<td>Purchase decision---purchase</td>
<td>0.397</td>
<td>0.099</td>
<td>2.381</td>
<td>0.026</td>
</tr>
<tr>
<td>Purchase decision---purchase</td>
<td>0.419</td>
<td>0.186</td>
<td>2.301</td>
<td>0.002</td>
</tr>
</tbody>
</table>

(Neuvonen et al., 2014) and adoption of ecological innovation (Galtung and Syrte, 2016) as well as to support the current education to be available easily and cheaply by reference from online sources (Marien, 1995; Harte, 2016). Thus, the generation Y’s lifestyle can still be met then the lifestyle is affecting the purchase interests and decisions on creative industry products.

CONCLUSION

From the analysis and discussion we can conclude that modernity generation Y does not affect the purchase interest and decisions because modernity emphasizes the rational rather than emotional symbolic although some studies said that there are symbolic elements in modernity but the consumer situational factors, play a bigger role in influencing interest and purchase decisions. In terms of lifestyle, generation Y affect the purchase interest and purchase decisions on products of creative industries but situational factors is still an important consideration in purchase decisions such as the financial capabilities and future considerations.

LIMITATIONS

The findings of this research still has a lot of limitations which are in terms of the number of samples and depth of research.

SUGGESTIONS

So, this may be a suggestion for future research in order to investigate further about the modernity and lifestyle associated with the perception on financial and environmental issues. This study so implies that generation Y in the purchasing decision, heavily influenced by lifestyle and more dominant on the use of communications technology, so further research is recommended in the study of the lifestyle that motivated the use of communications technology.

REFERENCES


