

Influence of life events on retirees' consumptive behavior of leisure and hospitality products

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Abstract

Previous research of senior consumer in hospitality and tourism has centered on motivation, benefits sought, behavioral pattern and comparative studies. Differentiating the proposed research from the existing literature, this study focuses on life events as a factor impacting senior leisure and hospitality behavior changes. The aim of this study attempts to examine whether and how a positive event or a negative event occur in later life will have an impact on the consumption preferences and consumptive behavior changes of hospitality and leisure products.

Three hundred Taiwanese retirees will be surveyed. The instrument consists of three sections: (1) variables related to life events; (2) variables related to consumption-coping behavior including motivation changes and use pattern changes; and (3) variables related to participants' demographic and socioeconomic background.

This research will contribute to a better understanding of how life events can influence retirees' consumption choices of hospitality and tourism products. The results will help hospitality industry to provide relevant and meaningful consumptive experiences to the retirees.

Keyword: life event, senior, retiree, leisure behavior, hospitality product.

Introduction

The hospitality and leisure travel scholars have harped on the importance of the mature consumer market for some time thanks to their higher discretionary income, greater free time to enjoy hospitality and leisure products, and their tendency to travel greater distances and for longer length of time, all coupled with the fact that the baby boomers are marching into retirement (Hendricks & Cutler, 2003; Littrell, Paige, & Song, 2004). Literature in this area has centered on several themes. Researchers have attempted to extend various motivational theories into the context of the mature leisure and hospitality consumers (Goosens,

2000; Jang & Cai, 2002). A related research theme has to do with the investigation of benefits sought by the mature travelers (Loker & Perdue, 1992; Lehto et al, 2001). A third general theme has been to profile the mature consumers by examining their behavioral patterns, attitudes and socioeconomic variables (Bai et al, et al.2001; Hsu, 2001; Huang & Tsai, 2003; Shim, Gehrt, & Siek, 2005). Comparative studies of mature consumers are common. Researchers have conducted cohort comparisons examining mature travelers over time, or examining mature consumers in relation to their younger counterparts (Lehto et al, 2008; Moschis & Unal, 2008).

Differentiating the proposed research from the existing literature, this study focuses on life events as a factor impacting senior leisure and hospitality behavior changes. Past literature has indicated that life events such as death of a spouse or birth of a grandchild can exert significant influences on consumers' consumptive behavior (Lee, Moschis, & Mathur, 2001). In addition, research has indicated that stress-free events can also result in consumer changing behavior (Mathur, Moschis, & Lee, 2008). Although some research has been done on the relationship between life event and customer preference change, it appears that very limited research findings are available concerning the effect of life event on leisure consumptive behavior. Janke, Nimrod, and Kleiber (2008) was the first study investigating changes in leisure involvement following the death of a spouse and showed that leisure activity was an important mechanism for coping with stressful events.

More specifically, this study attempts to investigate whether and how a positive event or a negative event occur in later life will have an impact on the consumption preferences and consumptive behavior changes of hospitality and leisure products. Individuals in retirement are the population of interest, due to two considerations. When people approach retirement, they are likely to change their consumption habits in anticipation of role transition (Wagner & Hanna, 1983). Secondly, people tend to experience the largest number of life changing events in their fifties and sixties (Silver, 1997).

Mature Taiwanese consumers serve as a case in point. Similar to many other countries in the world, the population is ageing as people who over 65 years old increased from 8.81% of the total population in 2000 to 10.63% in 2009 (Department of Household Registration, M.O.I., 2009). And similar to other countries, mature Taiwanese consumers are a major consumer market segment for the hospitality and tourism industry (Ministry of Transportation and Communication of Taiwan, 2008).

Conceptual Development

The pursuits undertaken in leisure time can include home based, and those outside the home. For the purpose of this study, Our focus is on the consumptive activities outside the home. Knight and Ricciardelli (2003) suggest that good

health condition, activity involvement, personal growth, happiness, close relationships can help seniors to achieve a successful later life. These factors are directly related to engagement in leisure activities.

Previous research suggested that an individual with a life-threatening experience often reevaluates what is important in life and reorganizes priorities through an honest reflection of his or her life (Kinnier et al, 2001). As consumers are likely to re-evaluate their consumption priorities due to major life changes, their needs for specific products may develop or intensify (Lee et al., 2001). Most past research focused on negative life events. Findings suggested that leisure activities can provide a positive context for adjustment after negative events by restoring a sense of well-being and social connectedness (Kleiber, Hutchinson, & Williams, 2002). Mroczek and Kolarz (1998), for instance, discover that travel is frequently utilized among seniors to offset negative emotions, such as disillusionment and distress. On the other hand, other found that both positive and negative affects could be significant factors impacting seniors' travel motivation (Jang & Wu, 2006). One study showed the transition to retirement increased individual's participation in informal and physical leisure activities but not in formal (Janke, Davey, & Kleiber, 2006). Gender differences in retirees' consumption behavior have been well documented (Lehto et al., 2008).

Based on previous literature, we hypothesize that

H1a: Life events after retirement will influence retirees' motivations and use pattern of restaurants;

H1b: Life events after retirement will influence retirees' motivations and choices of leisure travel products/experiences;

H2: Positive and negative life events will have different influence on retirees' consumptive behavior of hospitality and leisure products.

H3: Gender exerts moderating effects on how life events change retirees' consumptive behavior of hospitality and leisure products.

Methodology

Three hundred Taiwanese retirees will be surveyed. The data collection will occur in December 2010. Our convenience sample come from the retirees who take classes at various community colleges in Taipei, Taiwan.

The instrument consists of three sections:

- (1) variables related to life events; The selection of the events and its measures were guided by the approach utilized by (Mathur et al., 2008), as their chosen life events are particularly relevant to middle-aged and older people. Our measures exclude events that are related to work (e.g. changed jobs), since our sample is people who retired. See table 1. The occurrences and magnitude will be measured using a 5 point Likert scale.

Table 1
Life Events Scale

1. Moving to a different place
2. Marriage
3. Birth or adoption of a child
4. Divorce or separation
5. Last child moved out of household
6. Death of spouse
7. Death of a parent or close family member
8. Birth of first grandchild
9. Financial status a lot worse than usual
10. More responsibility for aged relative
11. Chronic illness or condition diagnosed
12. Serious injury, illness or major surgery
13. Community crisis or disaster (hurricane, crime, fire, flood, earthquake, etc.)
14. Mother or father was put in a nursing or retirement home

(2) Variables related to consumption-coping behavior including motivation changes and use pattern changes.

(3) Variables related to participants' demographic, socioeconomic background and variables related to living environment and household situation.

Expected Contribution

This research will provide insights into how life events can influence retiree's consumption choices of hospitality and tourism products. The results will yield significant implications for the hospitality and tourism businesses that strive to provide relevant and meaningful consumptive experiences to the retirees.

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