

Lohas:the Rise of Ethical Consumerism



Commerce

KEYWORDS : Lohas, Definition, New consumers, Ethics, Segments and consumer transition.

THIYAGARAJ .V.

Assistant Professor of Commerce, PG & Research Dept. Of Commerce, Chikkanna Government College, Tiruppur ,India.

ABSTRACT

Lifestyles of Health and Sustainability (LOHAS) are defined as a demographic defining a particular market segment related to sustainable living, "green" ecological initiatives, and generally composed of a relatively upscale and well-educated population segment."This new era of ethical consumerism only shows signs of accelerating and penetrating further into consumer consciousness. Perhaps the LOHAS model represents the new mode of activism for the 21st century—here's to sustainability and future generations.Researchers have reported a range of sizes of the LOHAS market segment. The five LOHAS segments are,Lohas,Naturalites,Drifters,Conventionals and Unconcerned.

INTRODUCTION

Simple living encompasses a number of different voluntary practices to simplify one's lifestyle. These may include reducing one's possessions, generally referred to as Minimalism, or increasing self-sufficiency, for example. Simple living may be characterized by individuals being satisfied with what they have rather than want (Linda Breen Pierce 2000). Although asceticism generally promotes living simply and refraining from luxury and indulgence, not all proponents of simple living are ascetics (Griffiths, et al., 2010) Simple living is distinct from those living in forced poverty, as it is a voluntary lifestyle choice.

Adherents may choose simple living for a variety of personal reasons, such as spirituality, health, increase in quality time for family and friends, work-life balance, personal taste, frugality, or reducing personal ecological footprint and stress. Simple living can also be a reaction to materialism and conspicuous consumption. Some cite socio-political goals aligned with the anti-consumerist or anti-war movements, including conservation, regrowth, social justice, ethnic diversity, tax resistance, and sustainable development.

DEFINITION: Lifestyles of Health and Sustainability (LOHAS)

"It is defined as a demographic defining a particular market segment related to sustainable living, "green" ecological initiatives, and generally composed of a relatively upscale and well-educated population segment."

NEW LOHAS CONSUMERS

For new comers to the LOHAS space, "LOHAS" is an umbrella acronym that stands for Lifestyles of Health and Sustainability. It refers to a wide range of industries, corporate activities and products/services that are designed to be environmentally conscious, sustainable, socially responsible, and/or healthier—both for people and the planet. The LOHAS consumer, in particular, is the leading-edge portion of the population that is attracted by their belief systems and values and who make their purchase decisions with these criteria in mind. LOHAS consumers are also used as predictors of upcoming trends, as they are early adopters of many attitudinal and behavioral dynamics.

ETHICAL CONSUMERISM

The unbridled momentum of the LOHAS market is astonishing. This new era of ethical consumerism only shows signs of accelerating and penetrating further into consumer consciousness. Perhaps the LOHAS model represents the new mode of activism for the 21st century—here's to sustainability and future generations. As some existing LOHAS principles, products and services mainstream, other new ones will begin to penetrate and displace the old—in essence creating a continuous lifecycle of innovation and mainstreaming.

PRODUCTS AND SERVICES

The marketplace includes goods and services such as

- ✓ Green and sustainable building
- ✓ Socially responsible investing
- ✓ Natural household products (paper goods and cleaning products)
- ✓ Complementary, alternative and preventive medicine (Naturopathy, Chinese medicine, etc.)
- ✓ Fair trade products
- ✓ Literature in the Mind/Body/Soul, Holistic Health, and New Age genres
- ✓ Organic and locally grown food
- ✓ Organic and natural personal care products
- ✓ Hybrid and electric cars as well as city bicycles
- ✓ Sustainable or Ecotourism and
- ✓ Energy efficient electronics/appliances.

SCOPE

LOHAS is a recognized market segment in the USA, Western Europe and Asian countries including Japan, Singapore and Taiwan.

The Japanese government has a campaign called "**Cool Biz**", it encourages offices to allow their workers to remove the tie and adopt light-colored business suits. This made a great contribution to the environment as offices adjusted their thermostats up to 28 degree Celsius, subject to the government's instruction.

ENVIRONMENTALISM

Simple living may be undertaken by environmentalists. For example, Green parties often advocate simple living as a consequence of their "four pillars" or the "Ten Key Values" of the Green Party of the United States. This includes, in policy terms, their rejection of genetic modification and nuclear power and other technologies they consider to be hazardous. The Greens' support for simplicity is based on the reduction in natural resource usage and environmental impact. This concept is expressed in Ernest Callenbach's "**green triangle**" of ecology, frugality and health.

ENVIRONMENT AND ECONOMICS

A new economics movement has been building since the UN conference on the environment in 1972, and the publication that year of Only One Earth, The Limits to Growth, and Blueprint For Survival, followed in 1973 by Small Is Beautiful: Economics As If People Mattered.

Recently, David Wann has introduced the idea of "simple prosperity" as it applies to a sustainable lifestyle. From his point of view, and as a point of departure for what he calls real sustainability, "it is important to ask ourselves three fundamental questions: what is the point of all our commuting and consuming?"

What is the economy for? And, finally, why do we seem to be unhappier now than when we began our initial pursuit for rich abundance?"

Researchers have reported a range of sizes of the LOHAS market segment. For example, World watch Institute reported that the LOHAS market segment in the year 2006 was estimated at \$300 billion, approximately 30% of the U.S. consumer market (Everage, Laura, 2002) and, a study by the Natural Marketing Institute showed that in 2007, 41 million or 13% of the Americans were included within the LOHAS demographic. In Japan roughly 17 million adults or 12% of the population are LOHAS consumers.

LOHAS stands for Lifestyles of Health and Sustainability, and describes an integrated, rapidly growing market for goods and services that appeal to consumers whose sense of environmental and social responsibility influences their purchase decisions. The Natural Marketing Institute's (short: NMI) estimates the US LOHAS consumer market of products and services to be USD 209 billion – sold across all consumer segments.(Todd, Kaiser,2008).

The five LOHAS segments as defined by NMI include:

LOHAS: Active environmental stewards dedicated to personal and planetary health. These are the heaviest purchasers of green and socially responsible products and the early adopters who influence others heavily.

Naturalites: Motivated primarily by personal health considerations. They tend to purchase more LOHAS consumable products vs. durable items.

Drifters: While their intentions may be good, DRIFTERS follow trends when it is easy and affordable. They are currently quite engaged in green purchasing behaviours.

Conventionals: Pragmatists who embrace LOHAS behaviour when they believe they can make a difference, but are primarily focused on being very careful with their resources and doing the 'right' thing because it will save them money.

Unconcerned: Either unaware or unconcerned about the environment and societal issues mainly because they do not have the time or the means – these consumers are largely focused on getting by.

HOW LOHAS IS CHANGING BUSINESS IN ASIA

Spending over \$300+ billion dollars annually, the demographic called LOHAS continues to change the way marketers conceptualize the 4 P's of marketing. LOHAS is Lifestyles of health and sustainability. The consumer groups identifying themselves with LOHAS are a megatrend not to be overlooked or taken for granted.

Consumers have traditionally expected governments to take the lead in protecting the environment, but now they are looking more to the corporate world to take action, rather than individuals. Increasingly, Asians want economic growth but believe it should be achieved through greener industry.

Market research conducted in 2010 revealed an untapped multi-billion dollar demand from households with significant purchasing power that relates to exactly this. THE LOHAS Asia and NMI research on China, for example questioned 1,000 consumers across the five cities of Beijing, Chengdu, Dalian, Guangzhou and Shanghai. Results showed that 88% agreed that it is important for companies to be mindful of their impact on society. With China having overtaken Japan as the world's second-biggest economy, the LOHAS consumer demand is on the rise month by month and there is urgency for the market to respond.

CONCLUSION

Hence, in this context, simple living is the opposite of our modern quest for affluence and, as a result, it becomes less preoccupied with quantity and more concerned about the preservation of cities, traditions and nature. The *White House Peace Vigil*, started by simple living adherent Thomas in 1981.

- *systematic empowerment of people (as opposed to making and keeping them dependent), as the basis for people-centered development*
- *systematic conservation of resources and the environment, as the basis for environmentally sustainable development*
- *evolution from a "wealth of nations" model of economic life to a one-world model, and from today's inter-national economy to an ecologically sustainable, decentralizing, multi-level one-world economic system*
- *restoration of political and ethical factors to a central place in economic life and thought and*
- *Respect for qualitative values, not just quantitative values.*

Many with similar views avoid involvement even with green politics as compromising simplicity, however, and advocate forms of green anarchism that attempt to implement these principles at a smaller scale, e.g. the Eco village. Deep ecology, a belief that the world does not exist as a resource to be freely exploited by humans, proposes wilderness preservation, human population control and simple living.

REFERENCE

- 1.Linda Breen Pierce (2000). Choosing Simplicity. ISBN 978-0-9672067-1-4. Rather than being consumed by materialism, we choose to surround ourselves with only those material possessions we truly need or genuinely cherish. | 2.Cortese, Amy (July 20, 2003). "They Care About the World (and They Shop, Too)". Business Section (New York Times). | 3. Everage, Laura (2002). "Understanding the LOHAS Lifestyle". Gourmet Retailer Magazine (Nielsen Business Media). Retrieved 2014-04-06. | 4. Judith Rosen (2002-05-27). "Crossing the Boundaries:Regardless of its label, this increasingly mainstream category continues to broaden its subject base". – Publishers Weekly. | 5. David Moore (June 17, 2002). "Body & Soul, yoga w/o the yoyos". Media Life. | 6. Cohen, Maurie J. (2007). "Consumer credit, household financial management, and sustainable consumption". International Journal of Consumer Studies 31 (Volume 31 Issue 1): Page 57–65. doi:10.1111/j.1470-6431.2005.00485.x. | 7. Halweil, Brianink =; Lisa Mastny; Erik Assadourian; Linda Starke; Worldwatch Institute (2004). State of the World 2004: A Worldwatch Institute Report on Progress Toward a Sustainable Society. W. W. Norton & Company. p. 167. | 8.Griffiths, Michael. B., Fleming Christiansen, and Malcolm Chapman. (2010) 'Chinese Consumers: The Romantic Reappraisal'. Ethnography, Sept 2010, 11, 331–57. | 9.Parry, Richard. "Ancient Ethical Theory". Stanford Encyclopedia of Philosophy. Retrieved 16 September 2012. | 10.Marie Kondo (2014) The Life-Changing Magic of Tidying Up, ISBN 978-1607747307.