



UNIVERSIDADE CATÓLICA PORTUGUESA

Consumption Over the Life Cycle: Life Cycle Stages as Determinants of Consumer Behaviour

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by

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To Everyone,

My Sincere Thanks

Resumo

O consumo, uma prática presente na vida humana desde os primórdios da civilização, tem sido tradicionalmente associado à sobrevivência biológica dos indivíduos. No entanto, análises contemporâneas revelam que o consumo vai além da mera funcionalidade. Atualmente, as pessoas consomem para obter prazer e satisfação, com desejos e prazeres que evoluem ao longo dos diferentes ciclos de vida.

Este estudo investiga a influência dos ciclos de vida nos padrões de consumo em Portugal, utilizando uma abordagem multidisciplinar que integra perspectivas económicas e sociológicas. Através de um design de métodos mistos, a pesquisa combina dados estatísticos do Instituto Nacional de Estatística (INE) com informações qualitativas provenientes de entrevistas.

Os principais resultados revelam que, embora as despesas essenciais — como alimentação, habitação e transporte — continuem a dominar os orçamentos familiares em Portugal, os padrões de consumo sofrem mudanças significativas ao longo do ciclo de vida. Notavelmente, os gastos com educação e habitação aumentam com a presença de dependentes, enquanto nas fases mais avançadas do ciclo de vida há um foco maior no lazer e em despesas planeadas. Além disso, os padrões de consumo tendem a tornar-se mais uniformes à medida que os indivíduos envelhecem.

Esses resultados contribuem para o campo da sociologia portuguesa ao aprofundar a compreensão das práticas de consumo em evolução. O estudo destaca a complexa relação entre os ciclos de vida e as práticas de consumo dos indivíduos, enriquecendo as perspectivas sociológicas sobre o consumo contemporâneo em Portugal.

Palavras-chave: Consumo, Sociedade de Consumo, Ciclos de Vida

Número de palavras: 8.988 palavras

Abstract

Consumption, a practice that has been integral to human existence since the earliest stages of civilization, has traditionally been linked to the biological survival of individuals. However, contemporary analyses reveal that consumption extends beyond mere functionality. Today, people engage in consumption for enjoyment and pleasure, with desires and pleasures that evolve throughout different life stages.

This study investigates the influence of life stages on consumption patterns in Portugal, employing a multidisciplinary approach that integrates economic and sociological perspectives. Through a mixed-methods design, the research combines statistical data from the National Statistics Institute (INE) with qualitative insights from in-depth interviews.

Key findings reveal that while essential expenses — such as food, housing, and transportation — continue to dominate household budgets in Portugal, consumption patterns exhibit significant changes over the life cycle. Notably, spending on education and housing increases with the presence of dependents, whereas later life stages are marked by a focus on leisure and planned spending. Additionally, consumption patterns become more uniform as individuals age.

These findings contribute to the field of Portuguese sociology by deepening the understanding of evolving consumption practices. The study highlights the complex interplay between life stages and consumption practices, enriching the sociological perspectives on contemporary consumption in Portugal.

Key-Words: Consumption, Society of Consumption, Life Cycles

Number of words: 8.988 words

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Glossary

INE – Instituto Nacional de Estatística

FLC - Family Life Cycles

RQ - Research Question

COICOP - Classificação do Consumo Individual por Objetivo

IRDF - Inquérito às Receitas e Despesas das Famílias

IDF - Inquérito às Despesas das Famílias

EU – European Union

G1 – Group 1

G2 – Group 2

Chapter 1

Introduction

Consumption practices play a central role in contemporary societies, which are, by nature, consumer societies. However, consumption is no longer just about acquiring goods and services; it also involves emotional, symbolic, and social dimensions. Traditionally, Maslow (1943) famous "hierarchy of needs" proposed that human needs follow a specific order. Nevertheless, in modern market economies, this hierarchy no longer holds strictly true. Today, consumers often prioritize hedonic and symbolic aspects of consumption over basic physiological needs, influenced by society and the lack of immediate scarcity.

This shift highlights the relationship between consumption behaviours and the broader social and cultural contexts in which they exist. Life is a journey marked by distinct phases, each presenting its own set of challenges, opportunities, and requirements. These stages not only influence personal growth, but also shape consumption patterns and financial planning strategies.

Given this complexity, it is crucial to examine the interplay between consumption behaviours and social contexts in which they occur, often referred to as life cycles. This study delves into this dynamic, aiming to uncover whether there is a connection between life stages and individual consumption behaviours.

The main purpose of this study is to determine whether consumption practices are influenced by different stages of life and to evaluate how sociodemographic characteristics, particularly age and generational differences, impact the significance of these factors among Portuguese consumers. Specifically, this study aims to answer the RQ: "How do consumption patterns change as individuals progress through different life cycles?"

To enrich the understanding of consumption patterns in contemporary Portuguese society, the study will build on existing literature and use "Life Cycle Theory" and "Human Life Cycle Theory" as its analytical frameworks. These theories will guide the analysis of how consumption behaviours evolve across various life stages and how they are affected by sociodemographic factors.

The study will employ a mixed-methods approach, combining both qualitative and quantitative research methods. Quantitative data will be obtained from the Family Expenditure Survey conducted by the National Statistics Institute (INE) from 2000 to 2023. Qualitative data will be gathered through in-depth interviews, allowing for a detailed exploration of individual experiences and perspectives on consumption. This data will be then rigorously analysed to identify patterns, trends, and correlations between the variables under analysis.

The structure of this dissertation comprises five fundamental chapters, designed to offer a comprehensive view of the research subject.

Chapter 2, Literature Review begins with an overview of the concept of “consumption” in modern society, tracing its evolution from traditional economic perspective to the inclusion of hedonic aspects. This chapter then explores the concept of “life cycles”, highlighting relevant theories and key theoretical frameworks that will further support the methodology of this study.

Chapter 3, Methodology, outlines the research design and methods employed to investigate consumption patterns in Portugal. This chapter details the data collection and analysis processes, ensuring that the study’s objectives are effectively addressed.

Chapter 4, Results, presents the findings from both qualitative and quantitative methods used in this research, directly addressing the RQ. It includes an overall interpretation of data collected throughout the study, as well as identification of spending patterns in Portugal.

Finally, Chapter 5, summarizes the key findings, discussing how societal norms influence and redefine needs, priorities and desires across different life cycles. The chapter concludes with implications of the findings, suggestions for future research, and a discussion of the study’s limitations.

Chapter 2

Literature Review

2.1. Consumption

2.1.1. Consumption: From Economic Utility to Social Practice

Consumption is a fundamental practice that enable humans to satisfy their needs (Heilbrunn, 2020). In 1943, Abraham Maslow proposed his famous "hierarchy of needs," arguing that a need remains unmet until the previous one is satisfied. Theoretically, we start by fulfilling physiological needs, followed by safety and social needs, esteem needs, and finally self-actualization (Figure 1). However, in the modern market economy, this pyramid is no longer valid, as consumers do not strictly adhere to this hierarchy.

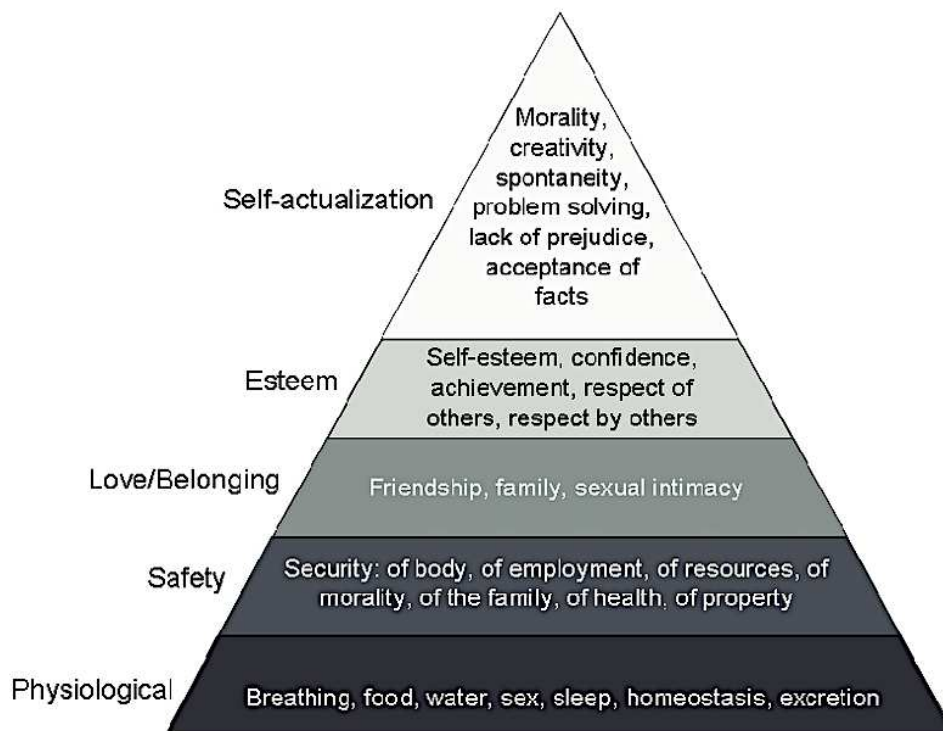


Figure 1 - Maslow's hierarchy of needs

Source: (Maslow, 1943)

In a modern society of opulence like ours, consumption is a constant presence. Given this context, defining consumption solely as a microeconomic concept is no longer sufficient. As Maza & Roche (1998) points out objects and the human and physical relationships they imply cannot be reduced to mere materiality. Consumers now engage in consumption not just to satisfy their needs, but also for its symbolic meaning, affirming their identity and social belonging.

Human sciences have introduced this alternative perspective, where consumption transcends the traditional economic optimization based on limited resources. It involves existential processes that encompass individual, social, cultural, and emotional dimensions (Du Bois, 1993). We must now consider the multidimensions of consumption, as we consume to communicate with others, connect with our past, and express our ideals and aspirations.

Building on this initial reflection, the object of the sociology of consumption becomes evident. While purchasing decisions are often influenced by financial constraints, it is now acknowledged that their determinants are not solely economic and are not always rational and utilitarian in nature (Marcus-Steiff, 1962). The sociology of consumption seeks to explore these multifaceted dimensions of consumption, recognizing that what and how we consume is deeply intertwined with our social, cultural, and emotional lives.

2.1.2. Consumption: Sociological Theoretical Frameworks

Consumption as a sociological theory first emerged in the early 20th century with the work of sociologist Georg Simmel. Simmel (1904) explored how consumption practices are embedded in social life, suggesting that consumption is not merely an economic activity but a social and cultural process. His work established the basis for understanding how consumption practices both reflect and shape social relationships and identities.

Following Simmel, sociological theories of consumption have evolved to address various dimensions of how consumption intersects with social structures and cultural practices. These frameworks reveal that consumption is deeply

intertwined with social meanings, identities, and group dynamics, extending beyond the mere fulfilment of needs to encompass expressions of status and personal identity.

In 1980, J.G. Hanna extended Maslow's hierarchy of needs by incorporating the idea that individuals use consumption to influence others and seek change (Figure 2). Complementing this idea, Heilbrunn (2020) in his "Consumption as a System of Roles" model (Table 1), found that, in consumption, there are several roles an individual can play alternately or simultaneously. One of these roles is the **influencer**, who significantly impacts brand choice due to their competence and authority. The influencer can exert a positive or negative reaction on the **decision-maker**, who has the final purchasing power due to their budgetary control. This influence can lead the decision-maker to become the **buyer**.

Hanna's (1980) extension and Heilbrunn's (2020) contribution looked at how people use products and services not only to meet their own needs, but also to influence others' consumption behaviours. Consumption isn't just about personal satisfaction; it's also about communicating and connecting with others. Wanting to fit in with a particular group or express identity through consumption is a key aspect of the sociology of consumption.



Figure 2 - Maslow's hierarchy of needs extension

Source: (Hanna, 1980)

The alliance of all these ideas invites sociologists to reflect on the different meanings of consumption for individuals. The act of consuming involves now the satisfaction of a need (**practical function**), but also the pursuit of pleasure (**symbolic function**) that goes beyond this basic necessity. This concept was important for developing new frameworks and showed how social belonging affects what we choose to consume.

ROLE	DESCRIPTION	EXAMPLE
Buyer	The person who performs the formal act of purchase, whether or not they have the freedom to choose the brand or place of purchase;	The child who is asked to go buy bread or the newspaper for their parents;
Initiator	The person who starts the decision-making process by making the need apparent in the consumption unit;	The child who, returning from school, will encourage their parents to inquire about buying a family computer;
Influencer	The person who has a significant role in the choice of a brand, due to their competence or authority;	The opinion leader who will promote the purchase of a particular fashion item;
Informer	The person who, based on their competence, involvement, or ability to access relevant information sources, will provide relevant information regarding the purchase of a product;	The teenager who will obtain information necessary for the purchase of a family television or stereo system;
Decision-Maker	The person who has the power of the final decision regarding the purchase due to their budgetary power;	A mother may decide to buy a brand of cereal that is more nutritious and less playful than the one her child would have spontaneously chosen;
User	The person who will consume or use the chosen product and will therefore evaluate the product, especially in relation to their expectations;	Parents avoid repurchasing food products that their children are reluctant to consume;
Gatekeeper	The person who, due to their power or influence, will block or at least control the decision-making process.	The mother who opposes the purchase of a new family car or who overrides her child's desire in terms of clothing choices.

Table 1 - Consumption as a system of roles

Source: (Heilbrunn, 2020)

Building on this symbolic function of the act of consumption, several other social frameworks have been developed over the years. A significant one is the concept of **hedonic consumption**, which explores how the pursuit of pleasure and sensory experiences drives consumer behaviour. This approach highlights the importance of understanding how products and services are consumed, not just for their practical use, but for the emotional and experiential satisfaction they provide.

2.1.3. Hedonic Consumption

In modern society, the era of necessity has given way to the era of opportunities. As society has evolved, the nature of consumption has shifted from fulfilling basic needs to seeking pleasure and personal satisfaction. Heilbrunn (2014) defines consumption broadly as a set of significant practices through which individuals exchange value and meaning and maintain social ties. This broader view underscores the need for sociologists to explore what brings value and meaning to consumers in today's context.

Nowadays, emotional and symbolic dimensions of consumption play a significant role in consumer behaviour. Individuals often prioritize emotional desires over utilitarian motivations, imbuing objects with subjective meanings that exceed their intrinsic attributes (Holbrook & Hirschman, 1982). This sociological perspective on emotional desires has led to the development of the concept of **hedonic consumption**.

One of the first studies that introduce the concept of hedonic consumption was conducted by Joannis (1967), where he explored the different types of human motivations in the act of consumption. His research identified three key motivations: hedonistic, altruistic, and self-expressive, as shown in table 2. These findings corroborate the idea that people no longer consume solely to meet basic needs but also to seek personal pleasure, please others, or express their individuality.

TYPES OF MOTIVATIONS	GOALS	EXAMPLES
Hedonistic motivations	Seeking personal pleasure and personal well-being.	I buy myself a pretty dress to please myself.
Altruistic motivations	To please others / people around us.	I buy flowers to offer to my husband.
Motivations for Self-Expression	Express our personality, modulate our image.	I am buying a bright red convertible car.

Table 2 - Types of motivations

Source: (Joannis, 1967)

Hedonic consumption recognizes that consumers are not merely rational agents optimizing utility, based on limited resources. Instead, they are driven by desires for pleasure and sensory experiences. Citing Campbell (2001:135), "many of the cultural products offered for sale in modern societies are consumed because they serve as support for the elaboration of daydreams."

Complementing this hedonistic perspective, De Radkowski (2002) argues that human societies function as rigid systems that transform desire into necessity. In his view, what is desirable often becomes institutionalized and mandatory in consumer society, blurring the lines between necessity and desire.

Campbell's (2001) and Radkowski's (2002) theories converge in highlighting that modern consumption is not solely driven by utility or necessity but is deeply influenced by emotional, symbolic, and cultural factors (Figure 3). Both theories show that modern consumption is now very different - not only in terms of volume and variety - but also in the experiential and emotional nature of the act of consuming.

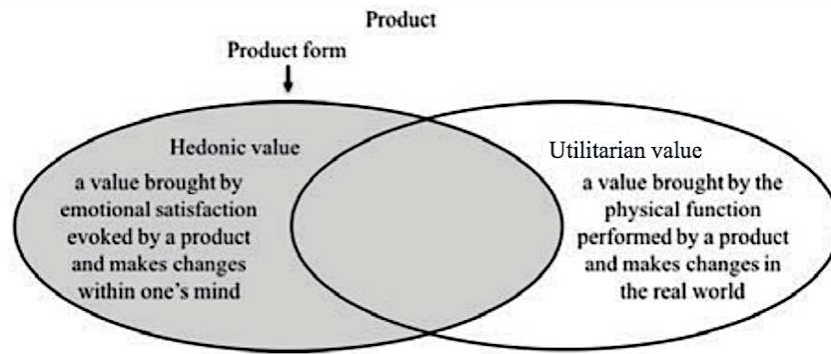


Figure 3 - Structure of utilitarian and hedonic values

Source: (Goto et al., 2019)

Building on the new perspective that modern consumption is driven by more than just practical needs, it becomes essential to explore the various factors that influence these consumption practices, besides the emotional ones. By examining the influencing variables, we can gain a comprehensive understanding of the complex dynamics that govern how and why individuals make consumption choices.

2.1.4. Influencing Variables in Consumption Practices

Consumption decisions are not made in a vacuum; they are deeply shaped by both economic and social contexts of the consumer. While economic factors like income level and professional status are often emphasized, it is equally important to recognize the impact of social variables. Variables such as age, education level, gender, and place of residence play a critical role in shaping consumption behaviours.

Halbwachs (2011) critiques the argument that expenditure variations are solely influenced by income changes, emphasising also the importance of the social environment in shaping individual tastes and preferences. Baudelot & Establet (2011) argue that the constraints imposed by social existence, family

traditions, local culture, and value systems are key to understanding consumption habits.

Figure 4 illustrates the interaction between economic and social factors shaping household consumption in Portugal from 1995 to 2021. The figure provides a detailed breakdown of consumption trends by type of goods and services, clearly showing the impact of major economic events such as the *Financial Crisis*, in 2008, and the *COVID-19 pandemic*, in 2020. These economic factors have significantly affected consumption in Portugal, as shown.

However, while the figure highlights the impact of these economic events, it is equally important to recognize the role of sociological factors. For example, increasing education levels and evolving family structures register in Portugal over the analysed period have also significantly shaped consumption patterns in a positive way.

These sociological elements are not merely supplementary but are integral to understanding the observed consumption trends. A multidimensional approach to the concept of consumption is therefore essential for a comprehensive understanding of how consumption behaviours have evolved over time in Portugal.

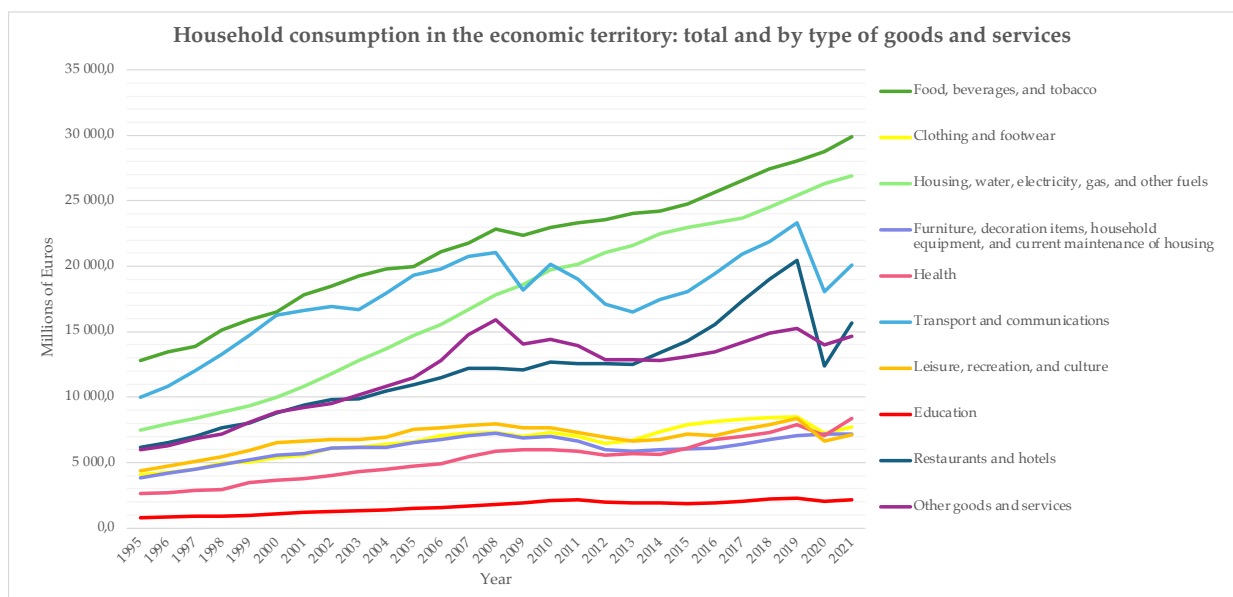


Figure 4 - Household consumption in Portugal, 1995-2021

Source: (PORDATA, 2024)

2.2. Lifecycles

2.2.1. Socio-demographic Criteria: Age

Among all sociodemographic variables, age is a critical factor that significantly influence consumption patterns and behaviours. As individuals progress through different stages of life, their needs, preferences, and consumption habits evolve. These changes are not only a reflection of biological aging, but also of the social roles and expectations associated with different life stages. According to Halbwachs (2011), it is the social relationships that produce the needs, social practices, and thus the consumption structure of different social groups.

Therefore, companies often use age to define their target markets and adapt their offers based on this segmentation (Clauzel et al., 2016). In this section, we address three specific audiences: children, adulthood, and seniors, who constitute particularly attractive groups for companies. According to the Instituto Nacional de Estatística (INE), Portuguese population is commonly divided into three main age groups: 0-14 years, 15-64 years, and 65 or more years (Figure 5).

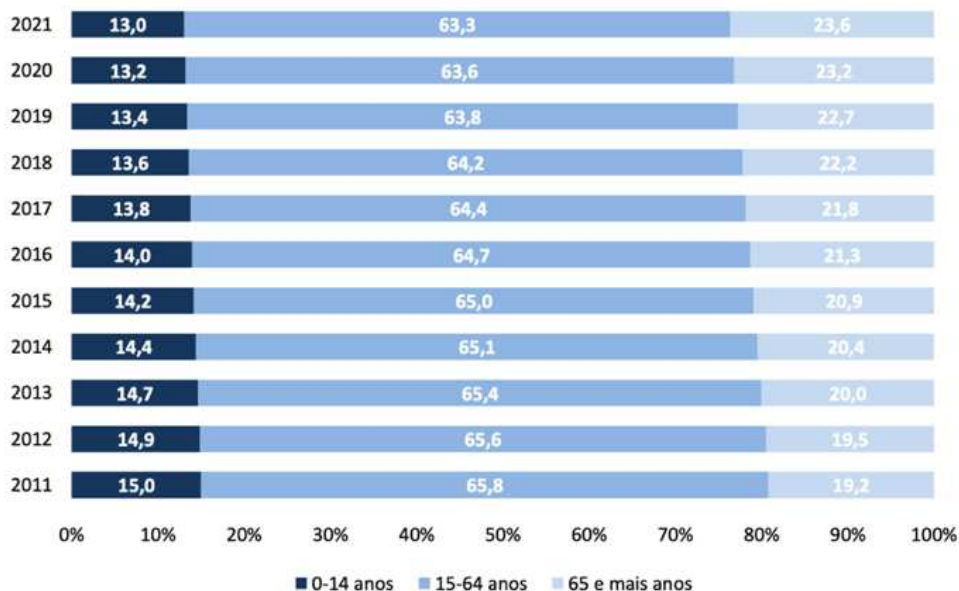


Figure 5 - Population distribution by age groups (%), Portugal 2011-2021

Source: (INE, 2024)

2.2.1.1. Children (0 – 14 years)

Despite disagreements in defining the exact age range for children, this group is essential for market segmentation. Children have become significant actors in society and family decision-making, and they represent the future adult consumers. Retaining young consumers is now considered crucial for companies and brands (Clauzel et al., 2016).

Children are particularly responsive to sensory stimulation, entertainment, and technology at the point of sale. They value the friendliness and familiarity of the commercial space and place great importance on relationships with salespeople.

2.2.1.2. Adulthood (15 – 64 years)

Adolescence is a crucial phase marked by learning and the transition from childhood to adulthood. Four fundamental phenomena characterize adolescence: pubertal development (Donval & Boukris, 1990) cognitive development (Bréjard et al., 2005), social development (Galland, 2006), and identity formation (Seid & Erikson, 1951).

Adolescents are highly sensitive to peer opinions and pay special attention to consumption trends. They aim to achieve two potentially conflicting goals: conforming to the social codes of their group while asserting their autonomy and identity.

2.2.1.3. Seniors (65 years and older)

Seniors, particularly those up to 65 years old, play a crucial role in intergenerational transfers, using their financial resources to support both their children and parents. This influence indirectly affects the consumption patterns of other age groups.

Holbrook & Hirschman (1982) model highlights that, when consuming, individuals seek products or services that meet their initial needs (physiological, utilitarian), but also satisfy expectations of a psychological, hedonistic, or sociological nature. Based on this statement, it is expected that as individuals and families age, their consumption patterns continue to evolve, as they don't have the same priorities and needs. To fully understand these dynamic changes, it is essential to consider not only age-based segmentation, but also the broader concept of life cycles. While more complex, the concept of life cycles, which is intrinsically linked to age, constitutes the central focus of this study.

2.2.2. Life Cycle Analysis

In life, individuals advance through various phases that can be collectively referred to as life cycles. Researchers like Erikson (1963) have pioneered the psychological study of human development, proposing a series of stages that individuals progress through from infancy to old age (Table 3). Erikson's scheme is composed of eight stages: Infancy, Early Childhood, Play Age, School Age, Adolescence, Young Adulthood, Adulthood, and Old Age.

ERIKSON'S SCHEME	
STAGE	SPECIFIC TASK AND "VIRTUE"
1. Infancy	Basic Trust vs. Mistrust : Hope
2. Early Childhood	Autonomy vs. Shame, Doubt : Willpower
3. Play Age	Initiative vs. Guilt : Purposefulness
4. School Age	Industry vs. Inferiority : Competence
5. Adolescence	Identity vs. Identity Diffusion : Fidelity
6. Young Adulthood	Intimacy vs. Isolation : Love
7. Adulthood	Generativity vs. Stagnation : Care
8. Old Age	Integrity vs. Despair : Wisdom

Table 3 - "Eight Ages of Man"

Source: (Erikson, 1963)

In the early stages of Erikson's model - Infancy, Early Childhood, and Play Age - individuals develop trust, autonomy, and initiative. Infants rely on caregivers for essentials, building trust. In Early Childhood, toddlers start to express preferences, growing autonomy. Lastly, Play Age's children begin to influence family purchases (Wackman, 1972), by starting to take initiative and actively choose toys and activities.

In the middle stages - School Age and Adolescence - the focus shifts to develop skills and identity. School Age is about gaining competence through interactions and academic success. Adolescence is centred on forming our identity by exploring personal values. Later stages - Young Adulthood, Adulthood, and Old Age - involve seeking "intimacy" with other, contributing to society, and reflecting on life experiences.

In this model, the individual is never viewed in isolation, but in interaction with others and across generations, which led to the development of the **Family Life Cycle (FLC)** concept. Wells & Gubar (1966) define the family life cycle as a composite variable that integrates family size into its temporal evolution. According to their theory, the FLC consists of six key stages: the Bachelor Stage, the Newly Married Couples, the Full Nest I, the Full Nest II, the Empty Nest, and the Solitary Survivors (Table 4).

	LIFE STAGE	DESCRIPTION	SUBCATEGORY	SUBCATEGORY DESCRIPTION
1	The Bachelor Stage	Young, single people	_____	_____
2	Newly Married Couples	Young, no children	_____	_____
3	The Full Nest I	Young married couples with dependent children	a. Youngest child under six	Families where the youngest child is under six years
			b. Youngest child six or over	Families where the youngest child is six years or older
4	The Full Nest II	Older married couples with dependent children	_____	_____
5	The Empty Nest	Older married couples with no children living with them	a. Head in labor	The head of the household is still working
			b. Head retired	The head of the household is retired
6	The Solitary Survivors	Older single people	a. In labor force	Single individuals who are still working
			b. Retired	Single individuals who are retired

Table 4 - Stages and subcategories of the family life cycle

Source: (Wells & Gubar, 1966)

This division begins with young, single individuals, in the **Bachelor Stage**, whose consumption habits are often heavily influenced by social trends and peer behaviour (Clauzel et al., 2016). As they transition into the **Newly Married Couples** stage, their focus shifts to setting up their households, reflecting their new shared lifestyle.

With the arrival of children, families enter the **Full Nest I** stage. During this period, a significant portion of their budget is allocated to childcare, education, and family-oriented goods and services. The **Full Nest II** stage continues this focus, with increased expenditures on the education and well-being of older children as they approach adulthood.

The **Empty Nest** stage, which typically involves older couples whose children have left home, signals a shift in focus and resources. This stage can be a time of re-evaluation and new beginnings. Finally, the **Solitary Survivors** stage represents the later years of life, where individuals may focus on healthcare, personal care, and activities that support social engagement and independence.

This stage highlights the importance of planning for a comfortable and fulfilling retirement.

Understanding these life cycles is essential for sociological analysis, however, studying it can be very challenging due to changing social norms and family structures. Modern life cycle models now include stages and categories that were not significant in past literature, such as the rise of single-parent, blended families and never-married singles, which complicate the traditional model, as shown in Figure 6.

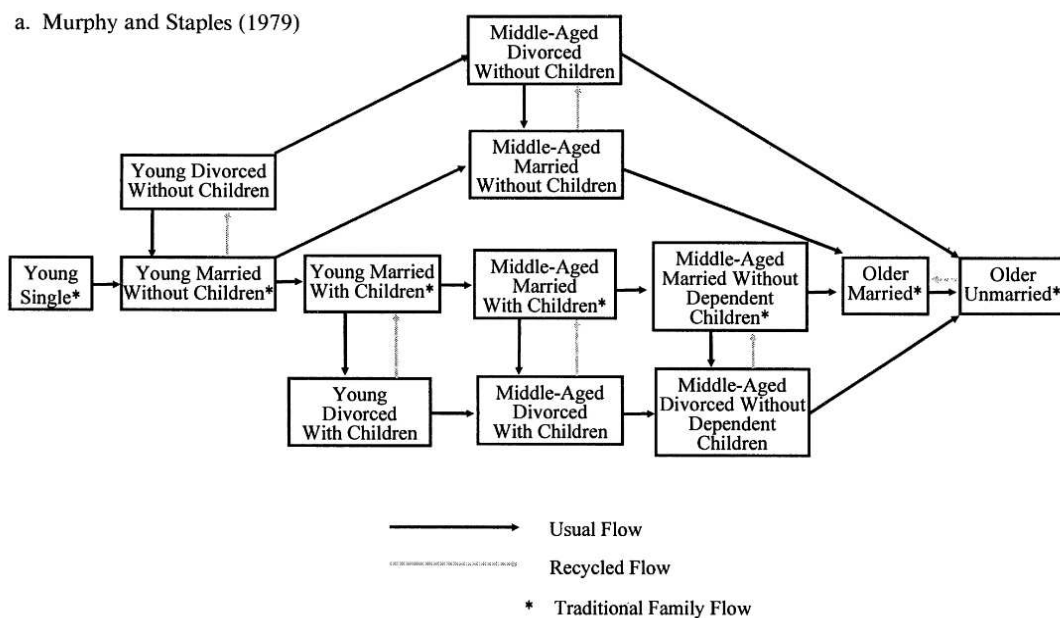


Figure 6 - Modernized household life-cycle model

Source: (Murphy & Staples, 1979)

This insight into life cycle's models sets the stage for a detailed exploration of consumption practices across these different life cycles. By examining how expenditure profiles shift over time, we can better understand the underlying trends and factors influencing consumption throughout an individual's life. This leads us to our next focus: an examination of consumption practices across different lifecycles, highlighting the changing dynamics of consumer behaviour.

2.3. Consumption Practices Across Different Lifecycles

The well-known hump-shaped profile of lifecycle expenditures, first introduced by C. Thurow (1969), highlights how consumption expenditure increases through middle age and declines sharply thereafter (Figure 7), emphasizing the importance of comprehensive financial life planning (Choudhary, 2019). This function highlights how spending behaviours typically vary across different life stages.

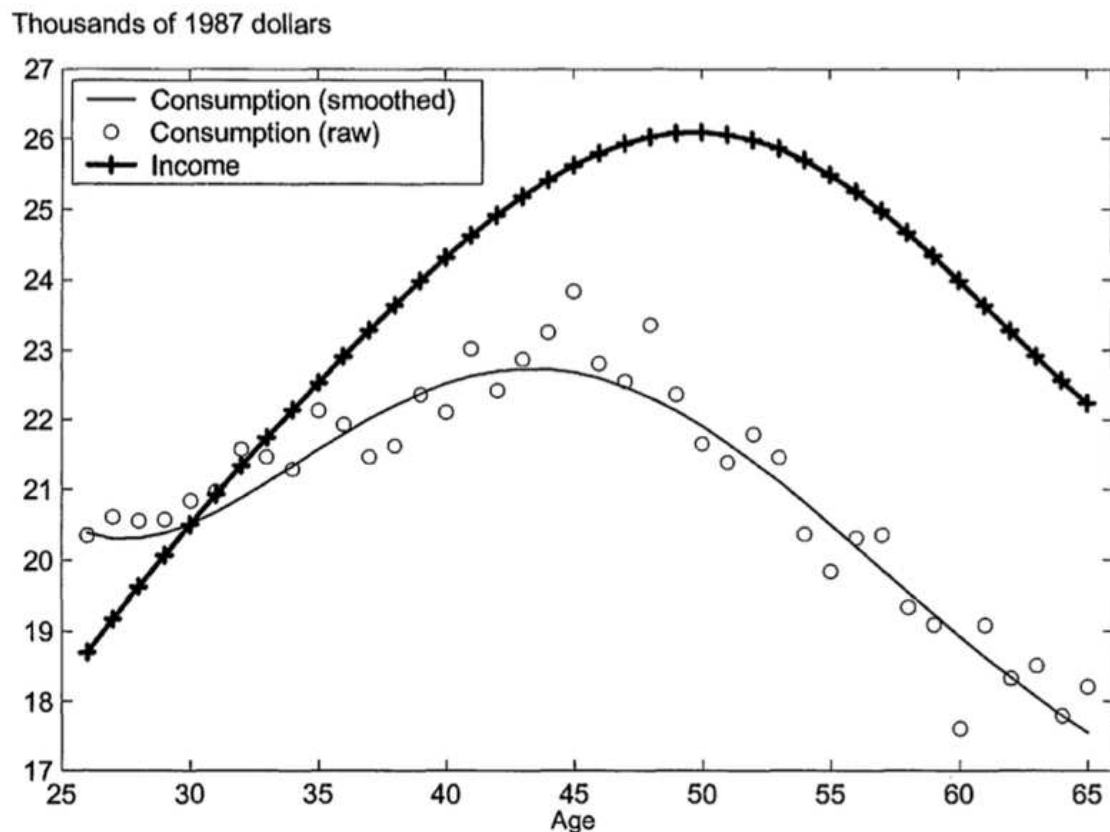


Figure 7 – Hump-shaped model: consumption and income over life cycle

Source: (C. Thurow, 1969)

In the study of consumption patterns over different life cycles, Jean Baudrillard’s insights provide a compelling framework for understanding how the significance of consumer goods shifts over time. Baudrillard (1995:56) argues:

Common consumer objects are becoming less significant in terms of social category, and even income, as the greatest disparities are attenuated, see

their value as a distinguishing criterion diminish. It is even possible that consumption (in the sense of expenditure, purchase, and possession of visible objects) progressively loses the eminent role it plays today in the variable geometry of status, in favour of other criteria and other types of conduct. Ultimately, it will be the apanage of all, when it means nothing anymore.

This perspective is particularly relevant when examining how consumption behaviours and the meanings attached to consumer goods change over the course of an individual's life. For instance, in the early stages of life, during Adolescence, individuals often use consumption to signal social status and identity, favouring trendy or branded items to fit in with peers. Wortzel (1977) study on young singles supports this idea, noting that their consumption is more oriented towards personal growth and experiences rather than traditional goals like marriage.

As these individuals start transition into parenthood - entering Erikson's Adulthood stage - they move into the Full Nest I and II phases of the family life cycle, where their consumption is heavily centred around childcare, education, and family-oriented goods and services.

During the Empty Nest stage, which aligns to Erikson's later Adulthood and the beginning of Old Age, there is a notable shift in consumption patterns. This stage often emphasizes personal fulfilment, experiences, and health-related products. Solitary Survivors tend to prioritize the quality-price ratio, social interactions, and comfort in their consumption decisions (Vanhamme, 2001). This change reflects a broader shift towards improving quality of life, emphasizing comfort and convenience as people age.

Building on existing research, some other patterns emerge in how different spending categories change over the lifecycle. For instance, recent studies of Kitao & Yamada (2024) found out that food, a necessary good, exhibits a hump-shaped pattern of consumption, but while food at home gradually and slightly

declines, food away from home starts to fall sharply at around age 40. This shift suggests a change in dining habits and priorities as individuals age.

Similarly, expenditures on some items, such as medical care and utilities (fuel, light & water), continue to increase throughout the life cycle, reflecting ongoing needs and the impact of aging on health and living conditions. In contrast, spending on clothing & footwear tends to decline throughout the lifecycle, possibly indicating a shift in priorities or reduce demand on these areas due to a growing disinterest.

Chapter 3

Methodology

3.1. Investigation Methods

This chapter presents the research methods selected for the ongoing investigation, building on insights from the literature review to address the primary research question (RQ): “How do consumption patterns change as individuals progress through different life cycles?”. To answer this question, this study employs a mixed-methods design, combining both quantitative and qualitative methods, in a process called triangulation (Patton, 1990).

Consumption patterns from an economic point of view, have been extensively studied, with several frameworks discussed in the literature review chapter. However, existing research in Portugal primarily focuses on quantitative approaches. To address this gap and provide a more comprehensive understanding, this study incorporates qualitative methods alongside the quantitative analysis.

Quantitative methods involve the numerical representation and manipulation of observations for the purpose of describing and explaining the phenomena that those observations reflect (Babbie, 2021). This study uses quantitative data to identify patterns and trends in household expenditure in Portugal, providing a broad overview of consumer behaviour over the years.

The choice of quantitative methods is justified by the need for a comprehensive analysis of spending patterns, enabling the identification of general trends and statistical relationships applicable to a larger population. Statistical data from the *Inquéritos às Despesas Familiares (IDF)* conducted by the Instituto Nacional de Estatística (INE) from 2000 to 2023 will be analysed for this purpose.

To complement the quantitative findings, this research will also apply qualitative methods. Within qualitative data collection, three main methods could be used: interview, observation, and diary (White & Rayner, 2014). The present study will use in-depth interviews as the sole qualitative method. This

approach, compared to other interviewing methodologies, allows for more effective control of the sample and the flexibility to reformulate questions whenever necessary to ensure a comprehensive understanding of the interviewee's responses (Kothari, 2004).

The main goal of these interviews is to explore the motivations behind the expenditure patterns identified in the quantitative data, providing context and potentially validating or expanding upon the quantitative results. The interviews will be analysed thematically, and relevant excerpts will be transcribed. This approach will enable drawing conclusions and comparing findings with other studies in the same field. Informed by the literature review, the interview questions will be designed to apply a cross-case analysis (Babbie, 2021) seeking patterns and contrast across different households under study.

By combining quantitative and qualitative methods, the research seeks to offer a more holistic understanding of family consumption patterns in Portugal. Quantitative methods provide a broad, generalizable overview of spending trends, while qualitative methods offer deeper insights into the motivations and contexts behind these trends. This approach also addresses the limitations of previous research, which predominantly relied on quantitative methods, while offering valuable insights into the complex factors that influence household spending decisions throughout the lifecycles.

Chapter 4

Analysis and Discussion of the Results Obtained

Chapter 4 presents the results of both the qualitative and quantitative methods applied on the ongoing investigation, building on the previous mentioned RQ. This research has two primary objectives: first, to identify changes in consumption patterns in Portugal by analysing data from the *Inquéritos às Despesas Familiares (IDF)* conducted by the *Instituto Nacional de Estatística (INE)* between 2000 and 2023. Second, to provide a sociological perspective by exploring the motivations behind consumption and its symbolic meaning for consumers, through in-depth interviews.

The chosen time horizon for this study seemed appropriate because it spans over two decades of economic, social, and demographic changes in Portugal, allowing for a comprehensive analysis of long-term trends in consumption patterns. As will be demonstrated in the following chapters, this period also includes major economic events and subsequent recovery phases that have significantly impacted consumer behaviour. Furthermore, IDF has experienced format changes over the years, and, for that reason, the study period was strategically limited to ensure the consistency and reliability of the data sample.

4.1. Quantitative Approach

The quantitative approach forms a key part of the research, and it is conducted on two levels. First, it examines overall consumption trends in Portugal as a whole, offering a broad perspective on how household expenditure has evolved over the years. Second, it delves into a more detailed analysis by categories of consumption identified below, which will allow the identification of the most significant trends in Portuguese consumption. This two-steps approach will set the stage for the subsequent sociological analysis, aimed to understand and conclude on how hedonistic values influence consumer buying decisions throughout different life cycles.

The first edition of this survey, called *Inquéritos às Receitas e Despesas Familiares* (IRDF) included five major expense categories. Starting in 2000, the INE adopted the *Classification of Individual Consumption by Purpose* (COICOP), which is used across the European Union (EU) to facilitate comparisons between Portuguese and European consumption patterns.

Currently, the categorization by INE, includes twelve major expense categories: *food products and non-alcoholic beverages* (C01), *alcoholic beverages and tobacco* (C02), *clothing and footwear* (C03), *housing and utilities* (C04), *household equipment and maintenance* (C05), *health* (C06), *transportation* (C07), *communications* (C08), *leisure, entertainment, and culture* (C09), *education* (C10), *hotels, restaurants, and cafes* (C11), and *other goods and services* (C12). These categories reflect the diverse aspects of consumption that are shaped by social factors, such as age, family dynamics, educational backgrounds, and cultural preferences.

Figure 8 provides an overview of the evolution of household consumption by item groups, from 2000 to 2023. The analysis of these categories reveals how individuals and families allocate their financial resources and make consumption over time, reflecting overall consumption patterns in Portugal.

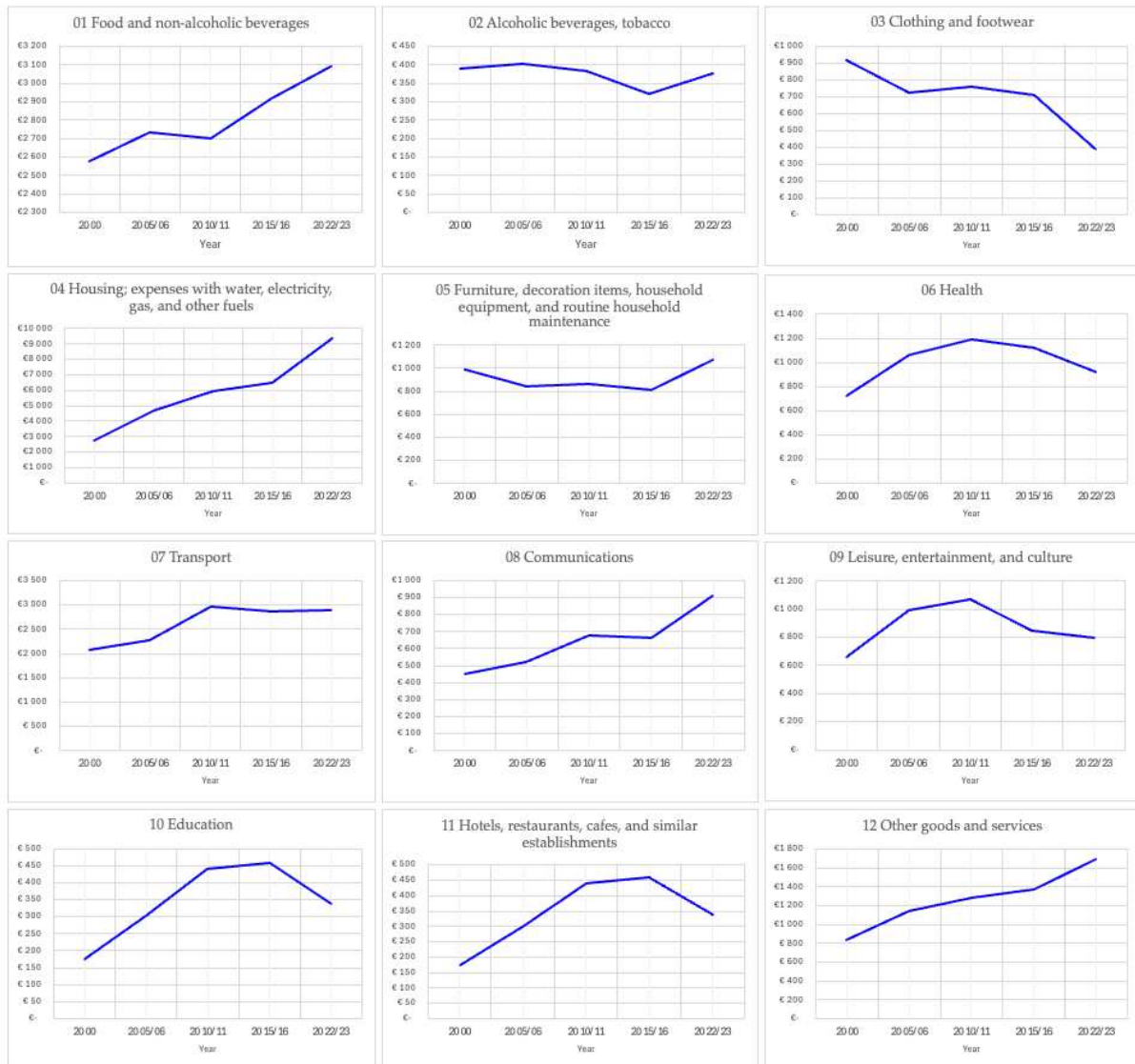


Figure 8 - Household consumption by item groups

Source: (Instituto Nacional de Estatística (INE), n.d.)

This figure allows for an in-depth examination of consumption behaviour across the country and highlights general consumption patterns over time. For instance, most categories show an overall upward trend, indicating increasing consumer spending over the years. However, some categories experience

fluctuations, which may suggest shifts in consumer preferences or lifestyle choices over the years.

Despite these observations, looking at this picture as a whole does not provide sufficient insights into how consumption varies over life cycles. Therefore, the next section will break down the data to conduct a more in-depth analysis of consumption behaviours over time. This analysis aims to relate these behaviours to sociological and demographic factors, helping to identify the underlying reasons behind these consumption patterns.

4.1.1. Trends in Household Spending Over Time

This subsection presents the trends of consumption by more detailed item groups. To do that, the nine categories of INE were divided in two main groups (Figure 9), based on the percentage of total consumption. The first group (G1) includes essential expenses on *Food* (C01), *Housing* (C04), *Transportation* (C07), and *Hotels, restaurants, and cafes* (C11). These four categories dominate the structure of household consumption, accounting for between 62.8% in 2020 and 72.9% in 2023.

The second group (G2) covering the total of 17.9% in 2020 and 10.1% in 2023, includes expenses on *Clothing and footwear* (C03), *Health* (C06), *Leisure, entertainment, and culture* (C09), and *Education* (C10). The remaining categories not included in the analysis are considered to have a minimal impact, due to their low percentages compared to these two groups, and therefore are not significant for this study.

The relative percentage and positioning of these expenses, which vary over the analysed period, suggest an increase in the socioeconomic development level of the country. For instance, expenses in the first group have shown more stability, reflecting a balanced distribution over time, with the exception of *Housing* expenses. Conversely, the second group has experienced a general decreasing trend, suggesting that non-essential consumption – such as *leisure, entertainment and culture*, as well as *clothing and footwear* – has stabilized and become more uniform with the time.

Overall, the percentage share of the categories has become less disparate over the years, especially in the period of 2022-2023, suggesting a more balanced approach to consumption in Portugal and highlighting a shift in consumption patterns over the period.

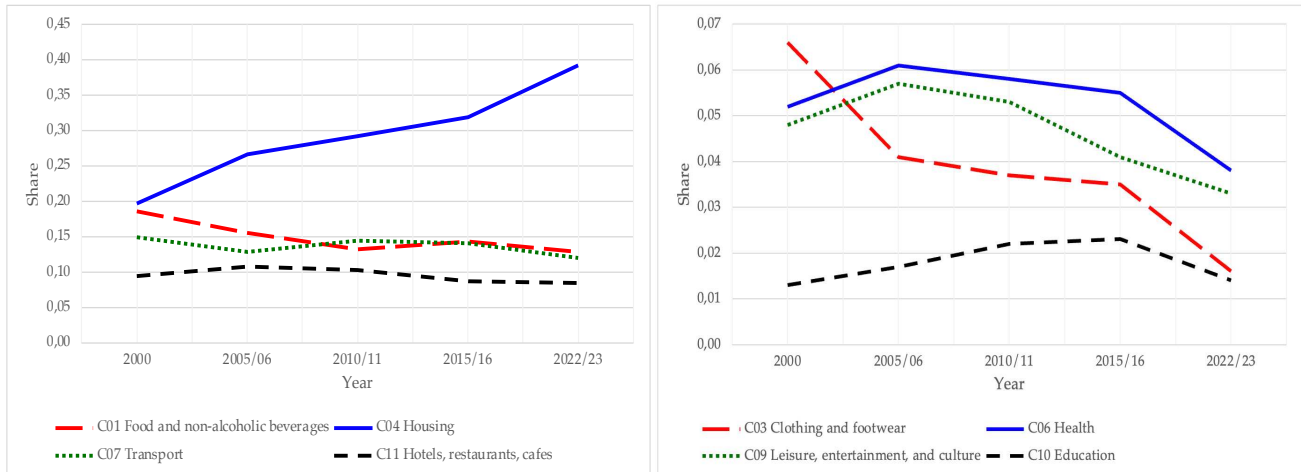


Figure 9 - Consumption shares by item groups

Source: (Instituto Nacional de Estatística (INE), n.d.)

Table 5 illustrates the trend in household consumption by item groups, alongside the position occupied by each category in the total consumption. Generally, a decline trend is observed in all categories, except for the *Housing* (C04) category, which has registered an increase for almost 50% over the past 23 years, consistently occupying the number one position in the ranking.

This upward trend reflects the strong preference among Portuguese households for homeownership. According to Banco de Portugal (2022), only 2.0% of homeowners would prefer to rent, while 63.5% of renters aspire to own their homes and have not yet done due to financial constraints. This strong inclination towards owning one's primary residence likely contributes and explains the growing importance of *housing* in household spending.

	2000		2005/06		2010/11		2015/16		2022/23	
C01	18,65%	2º	15,54%	2º	13,26%	2º	14,31%	2º	12,93%	2º
C04	19,77%	1º	26,64%	1º	29,22%	1º	31,93%	1º	39,29%	1º
C07	14,97%	3º	12,90%	3º	14,50%	3º	14,06%	3º	12,08%	3º
C11	9,45%	4º	10,84%	4º	10,35%	4º	8,77%	4º	8,56%	4º

Table 5 - Expenditure categories of household budget in 2000-2023 (G1)

Source: (Instituto Nacional de Estatística (INE), n.d.)

Food expenditures (C01) have declined since the early 2000s, marking the most significant decrease among household budget categories. This trend persists despite a stable increase in the number of private households within the resident population (Table 6). It is important to note, however, that while the number of private households has risen, according to PORDATA (2023), the average number of members per household has been decreasing over the same period. (Table 7).

Período de referência dos dados (2)	Agregados domésticos privados na população residente por Tipo de agregado; Anual	
	Tipo de agregado	
	Total	
	Local de residência (Portugal) (3)	
	Portugal	
	PT	
	N.º	
2023	4 382 030	
2022	4 102 589	
2021	3 939 898	
2020	4 122 184	
2019	4 200 212	
2018	4 182 630	
2017	4 132 891	
2016	4 105 280	
2015	4 100 824	
2014	4 077 224	
2013	4 017 247	
2012	4 018 588	
2011	4 008 871	
2010	3 942 057	
2009	3 910 889	
2008	3 879 117	
2007	3 836 195	
2006	3 819 142	
2005	3 767 305	
2004	3 738 156	
2003	3 678 408	
2002	3 605 457	
2001	3 575 544	
2000	3 544 098	

Agregados domésticos privados (Série 1998 - N.º) na população residente por Tipo de agregado; Anual
Agregados domésticos privados (Série 2011 - N.º) na população residente por Tipo de agregado; Anual
Agregados domésticos privados (Série 2021 - N.º) na população residente por Tipo de agregado; Anual

Table 6 - Private households within the resident population in 2000-2023

Source: (Instituto Nacional de Estatística (INE), n.d.)

Família						
Anos	Famílias clássicas por número de indivíduos					
	Total	1	2	3	4	5+
2001	3 650 757	631 762	1 036 312	918 735	718 492	345 456
2011	4 043 726	866 827	1 277 558	965 781	671 066	262 494
2021	↓ 4 149 096	↓ 1 027 871	↓ 1 382 996	↓ 894 451	↓ 611 861	↓ 231 917

Table 7 - Families according to *Censos*: total and by number of individuals

Source: (PORDATA, 2023)

The second group of expenses is characterized by a general decrease across all categories (Table 8), with the most notable reduction observed in *Clothing and footwear* (C03), which dropped from 6.60% in 2000 to 1.60% in 2023. This trend may be attributed to sociological factors, such as the rise of second-hand clothing stores, as well as economic factors, where individuals may choose to allocate their spending to other essential categories.

Furthermore, there has been a steady decrease in *Health expenses* (C06). This trend stands out given the demographic composition of Portugal, where the majority of the population consists of adults, followed by seniors, and then, adolescences. Despite this decline, it is also important to note that this category of expenses have consistently remained the fifth-largest category of overall expenses since 2000.

	2000		2005/06		2010/11		2015/16		2022/23	
C03	6,60%	5°	4,10%	7°	3,70%	7°	3,50%	7°	1,60%	7°
C06	5,20%	6°	6,10%	5°	5,80%	5°	5,50%	5°	3,80%	5°
C09	4,80%	7°	5,70%	6°	5,30%	6°	4,10%	6°	3,30%	6°
C10	1,30%	8°	1,70%	8°	2,20%	8°	2,30%	8°	1,40%	8°

Table 8 - Expenditure categories of household budget in 2000-2023 (G2)

Source: (Instituto Nacional de Estatística (INE), n.d.)

4.1.2. Results

The analysis reveals significant changes in household expenditure patterns over the past decades. While essential categories like *Food*, *Housing*, and *Transportation* continue to dominate household budgets, expenditures on non-essential items such as *Clothing* and *Leisure* have decreased. These shifts reflect important broader socioeconomic trends, especially, periods of financial crisis, such as the Global Financial Crisis in 2008 and the Covid-19 pandemic in 2020, where most households experiencing a decline in income, reported cutting back on expenditures for food, clothing, travel, or other consumer goods and services (Banco de Portugal, 2021).

Moreover, the increase in the number of private households, coupled with a decrease in average household size, underscores evolving consumption patterns and helps to explain the rising costs in housing, driven by the housing crisis in Portugal. The stated trends align with the idea defended by Barreto (2000) that changes in household budgets reflect an improvement in well-being, shown by lower spending on food and clothing and higher spending on housing, transportation, and culture.

Overall, these trends highlight the dynamic nature of household budgets and the impact of economic conditions on spending priorities, setting the stage for understanding the motivations behind these expenses. By exploring personal experiences and societal factors, we can gain a deeper understanding of the underlying causes of these trends and their implications for household financial management and well-being.

The quantitative analysis provides a foundation for the next phase of the research, which will use in-depth interviews to explore why these spending patterns occur and to gain further insights on the previous mentioned eight categories of consumption. By examining personal experiences and societal factors, this part of the study aims to understand the reasons behind these trends and their impact on household finances and well-being. The upcoming sociological analysis will investigate how social factors influence spending decisions over time.

4.2. Qualitative Approach

In this research, consumption is examined as a social construct. As discussed, seeing consumption solely from an economic perspective is not sufficient. To address this limitation, the study will incorporate in-depth interviews to complement the economic insights with sociological perspectives. Through these interviews, this study seeks to establish a connection between different socialisation contexts and consumption practices, with the specific goal of identifying patterns throughout individuals' life cycles.

4.2.1. Sociodemographic Characterization of Interviewees

Data collection took place between July and beginning of August of 2024. A convenience sample was used, consisting of individuals from the various categories of FLC model by Wells & Gubar (1966), as well as the “Eight Ages of Man” model proposed by Erikson (1963), previously analysed in the literature review chapter.

A total of 8 interviewees participated in this process. The sample included 57.14% female and 42.86% male participants. Age distribution was as follows: 42.9% of the population was aged 19 and 36 years, 14.29% were between 37 and 54 years old, and 42.9% were between 55 and 72 years old. This distribution was carefully designed to ensure representation of nearly all life stages.

To ensure anonymity and protect interviewees' identities, fictional names — Interviewee A, Interviewee B, Interviewee C, Interviewee D, Interviewee E, Interviewee F, and Interviewee G — were assigned. Despite this anonymity, the consumption profiles of the participants will be detailed, as well as their sociodemographic information which is organized by age, gender, occupation, household size and life stage, as detailed in Table 9.

Interviewee ID	Age	Gender	Occupation	Household Size	Life Stage
Interviewee A	24	Feminine	Student	3	Young Adulthood Bachelor Stage
Interviewee B	28	Feminine	Commercial Manager	2	Adulthood Newly Married Couple
Interviewee C	32	Feminine	Psychologist	3	Adulthood Full Nest I
Interviewee D	53	Masculine	Administrative Assistant	4	Old Age Full Nest II
Interviewee E	58	Masculine	Accountant	3	Old Age Full Nest II
Interviewee F	65	Feminine	Retired	1	Old Age Solitary Survivors
Interviewee G	68	Masculine	Driver	2	Old Age Solitary Survivors

Table 9 - Sociodemographic composition of the interviewees

Source: own elaboration

4.2.2 Interview Results

This chapter examines how consumption patterns evolve across different life stages, focusing on the shifting priorities and spending behaviours of individuals. By conducting a descriptive analysis of interview data, we explore how financial decisions and expenditures are influenced by key life stages and transitions, including *Young Adulthood*, the transition to *Adulthood*, and later stages as *Full Nest* stages and *Solitary Survivors*. This structured approach allows us to compare findings with existing theories and highlight significant trends that may not be evident from quantitative data alone.

In analysing the consumption patterns over the lifecycle, it is crucial to first understand the goals and priorities of individuals at different stages of life. Given that this study spans various life stages, it's expected that these priorities and areas of interest will vary significantly from one individual to another.

4.2.2.1. Young Adulthood

Individuals in the Young Adulthood stage, typically single adults without children, displayed consumption behaviours heavily centred on identity formation and social belonging (Erikson, 1963). At this stage, the pursuit of self-expression and integration into social groups tends to influence spending patterns, as shown in “Consumption as a System of Roles” model by Heilbrunn (2020).

Interviewee A provides a clear illustration of these behaviours. Being financially dependent on their parents, this participant consumption habits are largely shaped by this dependence. As she explains: “my parents mainly cover my rent - as a student living away from home - and university tuition fees. As for my personal expenses, I have an allowance that I use to usually buy clothes and go out for dining/parties”.

This statement validates not only the previous mentioned frameworks, but also fits in the hedonic consumption concept described by Campbell (2001), where the focus is on immediate pleasure and sensory experiences. *Interviewee A* appears to prioritize enjoying the present moment by social activities, dining out,

and purchasing clothing, with little focus on long-term financial planning. The lack of concern for future savings is typical of individuals at this life cycle, where immediate pleasures and group activities often take precedence over saving money.

4.2.2.2. Transition to Adulthood

As individuals transition from *Young Adulthood* to *Adulthood*, their consumption patterns and priorities often shift significantly. This is evident in the case of *Interviewee B*, a 28-year-old, that despite still receiving some financial support from her parents, is beginning to focus on long-term financial goals. When asked about her major life plans, she straightforwardly said:

My main goal has been to buy a house for several years now. I have been working in Porto for five years, and buying a home is the next step, though it's challenging due to the housing crisis in Portugal, especially in big cities like Porto.

This shift from spending on immediate pleasures and social activities to focusing on a more substantial financial goal, in *Interviewee B's* case, homeownership, aligns with (McLeod & Ellis, 1982) theory. Their research shows that consumption decisions vary significantly across different life cycles, being one key stage of this variation, the formation of families through marriage, which often leads individuals to prioritize long-term financial goals.

Interviewee B's experience also reflects wider societal trends in Portugal, which were also highlighted in the quantitative findings of this study. Young adults in Portugal face growing barriers to entering the housing market (Banco de Portugal, 2021) due to economic conditions and the housing crisis in major cities.

4.2.2.3. Full Nest Stages

In the Full Nest stages an interesting pattern emerges priorities of the individuals often begin to align, particularly regarding investments in children's education. Despite the differences in age and life stages, *Interviewees C, D, and E*, prioritize educational expenses for their children. This again, aligns with the FLC theory, which states that during the Full Nest phases, families primarily focus on expenditures related to their dependents. *Interviewee C* reflects:

Right now, my daughter is attending a private school. Along with the fixed costs of the car and house, I also must cover the school fees, the school transportation, and her meals. It's a sacrifice time, and we get help from her grandparents, otherwise would be impossible. But my husband and I always agreed that providing our kids with a good education is our top priority.

The previous testimony aligns with the transition from *Adulthood* to the *Full Nest* life stage theory defended by Wells & Gubar (1966) which is associated with increased expenditures on insurance, childcare, apparel for infants and young children.

4.2.2.4. Solitary Survivors

As individuals reach the Solitary Survivors stage, a shift towards more solitary and family-centred activities becomes evident. Early in life, individuals often prioritize social activities with friends. Over time, however, they tend to enjoy more solitary activities or time with loved ones and family, gradually spending less time with friends. For example, *Interviewee A* says that "spend most of the weekends hanging out with friends, going to birthday parties and trying new activities together, such as surfing or skating". In contrast, *Interviewee E* says:

I spend the weekends at the family house, cooking, gathering with family and rarely going out with friends. I only do that for special events, like a city walk or some cultural event such as the city annual Book Fair or Craft Fair.

Similarly, *Interviewee G* states:

Now that my children are grown and independent, and I have more free time, I find myself enjoying solo activities like gardening or traveling with my spouse. I spend less time with friends and more time focusing on personal enjoyment and family experiences.

This progression underscores that early in life, consumption patterns are more influenced by friends due to the time spent with them and the process of discovering one's identity. As individuals age, their focus shifts towards more personal and family-centred activities, reflecting a deeper sense of self and changing priorities.

Another pattern that emerges when analysing consumption over life cycles is the increase in planned purchases over impulsive ones. *Interviewees F* and *G* noted that since they no longer have dependents, they are less likely to make impulsive purchases. Instead, their spending now focuses on planned activities, which aligns with their current priorities. As *Interviewee F* put it:

Now that I don't have to worry about dependents, I've noticed I'm less impulsive with my spending. I'm more focused on planning things like trips and dining out. It's nice to invest in experiences I can really enjoy.

This trend highlights an important aspect of hedonic consumption, as it suggests that this type of spending becomes more consistent in the latter stages of life, where individuals' consumption often shift from focusing on essential utilities like education and housing, to prioritizing pleasurable expenses.

Regarding the level of satisfaction with their current consumption patterns, all participants responded positively. However, when it came to the practice of tracking their monthly expenses, most admitted not to do so, except for *Interviewee E*, who uses his agenda to track expenses on a monthly basis. *Interviewee B* stated that she "monitors the bank account transactions but finds it hard to manage cash spending". On the contrary, *Interviewee G* prefers to use cash, which makes tracking expenses more challenging.

This leads to the next section of the study, which involves collecting a sample of monthly expenses from the individuals under analysis. This will help gain a clearer understanding of their spending patterns and habits, particularly in relation to how they manage and track their finances.

4.2.3. Monthly Expenses Analysis

Given the observed pattern of not recording regularly their expenses, interviewees were asked to track their monthly expenses for the purposes of this study. The objective of this section is not to analyse the precise amounts allocated to each expense category, but rather to examine the progress across different life stages. For that reason, and to ensure participants' privacy, only the percentages of total consumption are used and presented in this study.

Following the same approach outlined in the quantitative methodology chapter, it is important to note that this study does not cover all the expense categories within the household budget. Instead, it focuses on tracking changes in the eight major expense categories across life cycles.

The results were divided in two groups based on the primary expense category to better understand the factors influencing each type of spending. The first group is constituted by *Interviewee B, C and E*, who identified *Housing (C04)* expenses as their largest expenditure.

	C01		C03		C04		C06		C07		C09		C10		C11	
Interviewee B	12,18%	4°	7,12%	5°	53,30%	1°	0,20%	7°	21,42%	2°	5,02%	6°	0,00%	8°	19,60%	3°
Interviewee C	22,09%	3°	4,18%	6°	49,27%	1°	0,36%	8°	14,55%	4°	3,36%	7°	39,60%	2°	7,55%	5°
Interviewee E	14,18%	3°	1,94%	7°	14,75%	1°	3,99%	5°	0,00%	8°	2,73%	6°	6,71%	4°	14,30%	2°

Table 10 - Interviewee COICOP spending allocation (G1)

Source: own elaboration

This result is largely explained by the life cycle each participant is experiencing. For instance, as mentioned before, *Interviewee B* is transitioning from young adulthood to adulthood and is working on building independence. To manage this, she relies on family support to cover some fixed expenses. As she explains:

I currently have very high fixed expenses. I recently bought a car, and I am paying off the loan, along with fuel costs, which take up a large portion

of my salary. Additionally, I'm paying rent for a two-bedroom apartment in Porto, which further increases my fixed monthly expenses. So, I have to rely on extra help of my parents to face these expenses.

As for the other two participants, they are in similar situations. *Interviewee C* attributes this allocation of money to “a recent house purchase in Braga”, while *Interviewee E* explains that “the mortgage on our main home is already paid off, but since my youngest son is still in university, a big portion of money goes toward his student room rent.”

This pattern clearly illustrates the impact of having dependents on household budgeting. Supporting this point, both *Interviewees C* and *E* report high expenses in categories like *Food and Non-Alcoholic Beverages (C01)*, *Transport (C07)* and *Education (C10)*, acknowledging that these spending areas are heavily driven by their children's needs, validating the conclusions drawn so far.

The second group of participants is in the later stages of the FLC model, specifically in the Full Nest II and Solitary Survivors phases. For this group, the major expense category is *Hotels, restaurants, cafes, and similar establishments (C11)*.

This pattern indicates a notable shift in priorities. Housing expenses become less prominent compared to expenditures on leisure activities. Additionally, the absence of education-related expenses, as illustrated in Table 11, validates the idea that dependents have a significant impact on family consumption patterns.

	C01		C03		C04		C06		C07		C09		C10		C11	
Interviewee D	12,46%	2°	0,92%	7°	10,19%	4°	1,08%	6°	12,05%	3°	3,90%	5°	0,00%	8°	27,18%	1°
Interviewee F	18,04%	3°	1,02%	7°	22,35%	2°	3,76%	6°	8,81%	5°	9,52%	4°	0,00%	8°	29,08%	1°
Interviewee G	14,15%	3°	0,31%	7°	14,05%	2°	5,05%	5°	12,05%	4°	0,36%	6°	0,00%	8°	18,15%	1°

Table 11 - Interviewee COICOP spending allocation (G2)

Source: own elaboration

When asked about their main financial concerns at this stage of life, all participants in Group 2 indicated that they were focused on enjoying life's small pleasures, as they no longer have significant fixed expenses, primarily because their mortgages are either already paid off or nearly resolved. Reflecting (Vanhamme, 2001) theory, Solitary Survivors tend to prioritize the quality-price ratio, social interactions, and comfort in their consumption decisions

This group also shows a greater uniformity in spending, with expenses reaching a maximum of 29.08%, compared to the other group, where some expenses accounted for up to 53.30% of the budget. This suggests that individuals in the later stages of life tend to allocate their money more evenly across various services, avoiding significant expenditures in any particular category.

To better understand this significant shift, each participant was asked to define themselves as a consumer. *Interviewee D* described himself as follows:

I always think twice before spending money and have tried to save since I started working. Being thrifty is important to me, perhaps because of my job. However, there's one area I don't hold back: travel. I love exploring new places and cultures. It's my way to have fun and create lasting memories, so I usually do not save on that.

On another hand, *Interviewee F* said:

I would define myself as a typical Portuguese consumer. I don't cut corners on food — one of my greatest joys is gathering the family and cooking for them on weekends, from appetizers to desserts. It really makes me happy. In other areas, I try to be careful with money, mainly because I have a granddaughter, and I might need to help my family out financially in the future.

Lastly, *Interviewee G* described himself as:

I feel like I don't spend much day-to-day, as a consumer. I only cover common expenses like fuel and occasional meals out, since I'm often on the road due to my job, and it's not worth coming home for lunch. On weekends, I enjoy going to the coffee, but I rarely spend much on it.

4.2.4. General Results

The consumer self-portraits reveal a clear trend: as people progress through life, they increasingly prioritize spending time with loved ones and investing in experiences that foster shared moments of connection and enjoyment, such as meeting at a coffee, gathering with family, or traveling together, as mentioned by our interviewees.

This shift in priorities is further validated by a notable decrease in spending on *Clothing and footwear (C03)* as individuals age, with expenses ranging from 7.12% in the early stages of life to just 0.92% in later years. This pattern underscores a growing preference for moments of connection and experiences over physical items, as people move through different stages of life.

The contrast between spending on durables/consumables versus experiences, has been extensively studied by sociologists. Research by (R. Douthitt & Fedyk, 1988) found that families with dependents often see certain items, such as durables, meals eaten away from home, and adult clothing, as luxuries, and their spending on these items increases as children grow older. This not only validates the notion that children needs and desires impact family spending habits (Heilbrunn, 2005), but also illustrates that spending on these items tends to follow a U-shaped pattern.

However, the present study, along with recent findings by Kitao & Yamada (2024) present different perspectives, showing that spending on *Clothing and footwear (C03)* actually decreases throughout the entire life cycle. This suggests that while families might prioritize certain luxuries when children are young, overall, individuals spend less on personal clothing as they age, often attributing more importance to experiences over material goods.

In contrast, *Health (C06)* expenses exhibit a clear upward trend in this study, reaching the highest value of 5.05% during the Solitary Survivors stage. The relationship between health expenses and aging individuals has been confirmed by various studies (Barreto, 2000). However, our findings contradict (Wells & Gubar, 1966) theory, which claims that peak spending on medical products occurs during the Empty Nest II household stage.

The divergence between existing literature and the findings in this analysis highlights the complexity of consumption patterns. It reveals that, while children significantly influence spending during certain life stages, consumption dynamics also shift, reflecting broader changes in priorities and needs over the years.

Finally, Figure 10 illustrates the trends discussed so far and highlights significant variations in consumption over the life cycle. The radial chart demonstrates a reduction in the extremes of spending categories, indicating a convergence in expenditure patterns, throughout the individual's life cycle.

Overall, we can derive from this study that initially, there is a substantial allocation toward *Housing (C04)* expenses, mostly related to rent payments and the purchase of the first home. These expenses decrease over time, as the investment transitions to regular loan payments, eventually reaching the lowest value once the mortgage is paid off.

Conversely, there's a distinct pattern in *Health (C06)*, which steadily increase as individuals progress through the life cycle, peaking in the later stages. The same trend applies to the *Hotels, restaurants, cafes, and similar establishments (C11)* category. While spending in this category is consistent across all life stages, it reaches its highest levels in the later phases of the model.



Figure 10 - Radial Chart: COICOP expenditure distribution of interviewees

Source: own elaboration

Chapter 5

Conclusion

This research documents the evolution of consumption patterns in Portugal over recent years, illustrating how these patterns are reshaped across different life stages, from a sociological perspective. The research adopts a multifaceted view of consumption, recognizing it as both a social and economic practice. Based on this, the study employs both quantitative data and qualitative data. By integrating these methodologies, the research provides a richer and more comprehensive view of consumer behaviour in Portugal.

Quantitatively, the analysis of INE data from 2000 to 2023 reveals that essential expenses – such as food, housing and transportation - dominate household consumption. In this chapter, was also highlighted how major economic factors, such as the Housing Crisis, Covid-19 Pandemic, and Financial Crisis of 2008, have introduced variations in spending patterns. This underscores the importance of considering the economic component of consumption. However, while this economic perspective captures the broad trends in expenditure, it does not fully explain the motivations behind spending patterns.

This gap is addressed through in-depth interviews, which explore the reasons behind consumption in greater detail, and confront already existing literature. The analysis of expense lists further enhances the understanding of which expenditure categories have become particularly significant in household budgets of the interviewees.

The positive correlation between life cycles and consumption practices, leads to the conclusion that early in life, spending is heavily influenced by education and social activities with friends. As individuals age, spending shifts from impulsive purchases to more planned expenditures, with an increased emphasis on housing, in early stages of the life cycle, followed by leisure activities and experiences, such as dining out and travel, in latter stages of the life cycle.

The presence of dependents also significantly influences household spending, with substantial portions allocated to children's education and housing.

Additionally, the study identifies evolving trends: certain expenses, such as health and leisure, tend to increase in the latter half of the lifecycle, while expenses like housing often decrease. Lastly, it was also noted that consumption tends to become more uniform over the human life cycle.

These findings reinforce several sociological theories and frameworks, validating the perspective that consumption is a social construct shaped by personal goals, societal expectations, and the symbolic meanings of goods and services. Despite its limitations - mainly related with the reduced number of participants - his research represents a step forward, opening new perspectives for the Sociology of Consumption in Portugal.

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Appendix 1 - Interview

Generic Questions

1. If you had to describe yourself as a consumer, what traits would you highlight?
2. Which categories of consumption are most important to you?
3. Where do you think you allocate most of your income on a monthly basis? (order the eight categories: food, beverages, clothing, housing, etc.)
4. Do you track your monthly expenses? If so, what methods do you use (e.g. spreadsheets on excel, budgeting apps)?
5. If your monthly income increased, to which consumption categories would you allocate more resources?
6. How do you typically make purchasing decisions (impulse buys or planned purchases)?
7. What are your main financial priorities at this stage of life?
8. Are you generally satisfied with your consumption choices?

Household Information Influences on Consumption

9. Can you describe the size and composition of your household?
10. How does the daily life of your household influence your consumption decisions?
11. Are you currently providing financial support for children or other dependents? How does this influence your spending habits?

Influences on Consumption

12. What are your main areas of interest?
13. In what ways do your friends affect your consumption choices?
14. How do you typically spend your free time? Could you describe some activities you do alone or in a group?
15. How has your professional journey influenced your consumption habits?
16. How has the rise of e-commerce and online shopping changed your consumption habits?

Influence of Life Cycles

17. How have different phases of your life influenced your consumption practices?
18. What significant changes have you noticed in your consumption habits over time?
19. What are your main financial concerns at this stage of life? How do they impact your spending decisions?
20. How do you imagine your consumption habits to change in the future?
21. Are you planning for any major life events in the near future (e.g., buying a house, starting a family)? How do you expect these events to affect your consumption?

Extra Question

22. Would you like to collaborate in filling out a short monthly expense list to complement this analysis?