

Materialism and Conspicuous Consumption – The Extend Matters. A Study among Consumers in Kerala

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Abstract – Understanding of materialism and conspicuous consumption has been of paramount concern to consumer researchers over the past years. Many countries have found themselves in precarious situations because of profligacy and overconsumption. However in transition economies like India, increase in luxury consumption is a recent trend. This paper examines the extent of materialism & conspicuous consumption in a consumption-based economy like Kerala. This study also explores the comparative prominence of the sub traits of materialism. Results of the survey conducted among 131 respondents showed that though materialism was high among respondents, conspicuous consumption was just above average. The study also showed that possessiveness was the major materialistic trait that was found prominent among consumers followed by non generosity and envy.

Keywords: Conspicuous Consumption, Materialism, Possessiveness, Non- Generosity, Envy, Luxury Consumption

I. INTRODUCTION

The concept of ‘conspicuous consumption’ and ‘materialism’ exist since a long time and has been aspired by many for ages. Recent happenings in the western countries have drawn attention to the role that possessions and their value play in our lives. Many countries have found themselves in precarious situations because of overspending and overconsumption. In western societies, status is increasingly conveyed in more subtle ways; thus status consumption may be reflected in educated or “tasteful” expenditures such as marginalized art-forms and experiences (Chaudhuri & Majumdar, 2006)[4]. Industrialization and technological advancements throughout the 20th century have paved the way for a thriving middle class, the democratization of access to resources, and the continuing desire for and pursuit of consumer goods and services (Mai & Tambyah, 2011)[9]. However, in emerging economies where affluence is a new phenomenon, rising middle and upper class consumers might feel the need to display their newfound wealth. In India, because of the emergence of the service sector and the opening up of the economy, people have access to luxury or western branded products. The rapid increase in incomes of consumers in transition economies, especially for urban middle-class consumers, has led to increased financial mobility. Additionally, the consumers have greater exposure to global media and Western lifestyles which have increased their desires for quality branded products. Since attempting to understand the extent of materialism and conspicuous consumption has been important from a social and economic point of view, this paper examines the extent of materialism & conspicuous consumption in a consumption-based economy like Kerala. By understanding the extent of materialistic behaviour, we can provide a good foundation for discussion and research on materialistic tendencies of consumers.

II. BACKGROUND OF THE STUDY

With its young demographic pattern, India has a huge population in the 25-35 age bracket, and typical consumers in this group have large disposable income and they are ready to pay a price for good product and services. The report titled 'Profitable Growth Strategies for the Global Emerging Middle Learning from the 'Next 4 Billion' Markets' said that annual spending power of Indian consumers is expected to be in excess of \$1 trillion by 2021. It's estimated that in India, emerging middle class would grow to 570 million by 2021 from about 470 million people in 2010. Thus India offers luxury brands unparalleled growth opportunities. The growing significance of a consuming class suggests that India is well-positioned to become the next China

International luxury brands have India on the radar to capture the luxury rupee. However, despite India's strong cultural and historical tradition in luxury, international luxury brands are still navigating a way to win over India's heart and pocket.

III. OBJECTIVES

- i. Assess the extent of materialism & conspicuous consumption in Kerala.
- ii. Assess the comparative prominence of the sub traits of materialism among consumers

IV. LITERATURE REVIEW

The review of existing literature was done to study the key concepts of the study- conspicuous consumption & materialism

A. Conspicuous Consumption

The term conspicuous consumption was first discussed in 'The Theory of the Leisure Class' (Veblen, The Theory of the Leisure Class: An Economic Study of Institutions, 1899)[17]. "Conspicuous Consumption" means the acquisition and display of expensive items to suggest wealth and to attract attention to one's wealth. According to Veblen, individuals emulate the consumption patterns of other individuals situated at higher positions in the social [17]. The social norms that govern such emulation change as the economy and its social fabric evolve over time. Thus the consumption of goods and services for the sake of status has become a phenomenon in many societies.

(Patsiaouras & Fitchett, 2012)[12], focussed on how the all-encompassing concept of "conspicuous consumption" has evolved since the introduction of the term by Thorstein Veblen in 1899 in The Theory of the Leisure Class. The paper discusses and examines the socio-economic factors behind the changing consumption patterns of "conspicuous consumers" throughout the twentieth century.

(Chaudhuri H. R., 2010) [3] proposed an alternative conceptualization of the conspicuous consumption construct as a deliberate motivation to involve in symbolic and visible purchase, possession, and usage of products, which are characterized by the presence of scarce economic and cultural capital, to communicate a distinctive self-image to the significant others. Thus CC is an innate trait, an individualistic variable that motivates consumers to engage in visible form of consumption in order to exhibit her/his uniqueness expressed through product selection and usage. It cannot be classified as a simple attitudinal variable that only develops or influences a certain product preference at a given situation.

(Shukla, Shukla, & Sharma, 2009) addresses the issue of conspicuous consumption among the British and Indian consumers, focusing on the psychological and brand antecedents, using the context of alcoholic beverages while employing a cross-sectional, survey-based methodology[16]. The findings suggest that in both countries psychological and brand antecedents are of crucial importance among consumers in influencing their conspicuous consumption. However, the variables differ in their importance. It was observed that British consumers focused on their actual self-concept in comparison to the Indian consumers who focused on others self-concept while consuming conspicuous brands. The study provides interesting implications for marketers regarding how to develop and manage meaningful engagement with customers in cross-national context.

(John & Brady, 2011) [6] in their study examines how ethnocentric tendencies and conspicuousness of foreign products influence consumer preferences in the context of imports from South Africa, the most developed SADC state, into Mozambique, the least developed SADC state. The survey involved 273 representatives of different ethnic groups. Structural equation modelling was employed to test the model and hypotheses. The paper suggests that the outcome of the consumer dilemma between ethnocentric consumption of domestic products on the one hand, and conspicuous consumption of foreign products on the other, depends upon the consumption mode of products – whether products are publicly or privately consumed.

B. Materialism

Materialism is defined as the importance a consumer attaches to worldly possessions (Belk, 1985) [1] and "represents a mind-set or constellation of attitudes regarding the relative importance of acquisition and possession of objects in one's life" (Richins & Dawson, 1992)[14]. Consumers high in materialism tend to spend money wastefully to enhance their social status (Mason, 1981)[10]. They also conform to desire expensive material possessions in order to avoid losing social prestige (Liao & Weng, 2009)[8]. Materialism is a way of life characterized by the pursuit of wealth and possessions. It is generally regarded as a negative value system as it involves placing possessions and their acquisition at the centre of life with a belief that acquiring more possessions leads to happiness (Podoshen & Andrzejewski, 2012)[13]. Many studies of materialism have been conducted in the recent past to examine various aspects of materialism including its individual or social consequences. However, understanding, and possibly shaping, a society's materialistic tendencies requires a more complete study of the relationship between a society's institutional patterns and the acceptance of materialism by its members. (Kilbourne & Dorsch, 2009)[7] examines five of the institutional antecedents of materialism to understand better how and why it develops as a mode of consumption within a society. More specifically, a model relating materialism and a set of institutionalized patterns of social behavior referred to as the dominant social paradigm was developed and tested in a study of seven industrial, market-based countries. The results suggest that the economic, technological, political, anthropocentric, and competition institutions making up the dominant social paradigm are all positively related to materialism.

(Moschis & Churchill, 1978) [11], presented a materialism scale that included attitudes towards money, as well as attitudes towards possessions. Based on the two main concepts, materialism can be considered a personality trait (Belk, 1985) [1] or a value (Richins & Dawson, 1992)[13]. According to Belk, materialism can be defined as the manifestation of psychological traits, i.e. the importance consumers attach to possessions

Materialism is defined as the importance a consumer attaches to worldly possessions. At the highest level of materialism, such possessions assume a central place in a person's life and are believed to provide the greatest sources of satisfaction and dissatisfaction [1]. Furthermore, Belk identifies three sub traits of materialism: possessiveness, non generosity and envy (i) Possessiveness as 'the inclination and tendency to retain control or ownership of one's possessions'. (ii) Non-generosity is defined as 'an unwillingness to give possessions to or share possessions with others' (iii) Envy, Belk uses (Schoeck, 1966) [15] definition and considers envy as 'displeasure and ill will at the superiority of (another person) in happiness, success, reputation, or the possession of anything desirable.'

V. METHODOLOGY

This section is structured around six methodological elements of the study, namely, research design, sampling technique, data collection, the sample, the instrument and tools for analysis. These are discussed in turn.

A. Research Design

Both exploratory and descriptive research was carried out in this study. Exploratory research was carried out to have a fundamental acquaintance in the area of conspicuous consumption and materialism. Descriptive research was done in the latter stage to gain a better understanding of the topic.

B. Sampling Technique

Sampling method used for the study was mall intercept method. A mall-intercept is a survey whereby respondents are intercepted in shopping in malls. The process involves stopping the shoppers, screening them for appropriateness, and either administering the survey on the spot or inviting them to a research facility located in the mall to complete the interview. While not representative of the population in general, shopping mall customers do constitute a major share of the market for luxury products.

C. Data Collection

A questionnaire based survey was conducted to collect data. Data was collected from 131 respondents whom the researcher judged to have luxury consumption behaviour. The data were gathered from respondents residing in the central part of Kerala- Ernakulum & Thrissur districts of Kerala. Google forms were also used to collect data.

D. Sample Size Estimation

The sample size was estimated to be 128 based on the variations in the data and conveniently fixed to be 135. Of that only 131 data were included in the analysis because of accuracy in the data.

E. Sample

The survey involved 131 respondents. Of these, 7 (5.3%) of the respondents were employed in Public sector, 65 (49.6%) were employed in Private sector, 37 (28.2%) of were ran their own Business and 22 (16.8%) respondents were working in other sectors.

Of the 131 participants, 63 (48.1%) were below the age of 30, 49 (37.4%) were between 31 -45 years, and 19 (14.5%) belong to the age group above 40. The youngest respondent was 23 years old and the oldest 70 years old.

Out of the participants, 19 (14.5%) had monthly salary less than Rs.25,000 ; 53 (40.5%) had monthly salary between Rs.25,000& Rs.50,000 . The rest 59 (45%) had monthly salary greater than Rs.50,000.

The sample was dominated by male respondents (74 per cent) & 59.5% of the participants were married.

F. Instrument

1. *Questionnaire Development*: Questionnaire was developed after extensive literature survey. It contained two main sections - Personal profile of the respondents which had questions on age, gender, marital status, educational qualification and monthly salary. The 2nd section had Likert scale for measuring conspicuous consumption and materialism.

2. *Conspicuous Consumption*: Scale for conspicuous consumption was adopted from (Chung & Fischer, 2001)[5]. This is validated scale and has been used in prior researches. It consists of 4 Likert scale questions which are used to measure conspicuous consumption.

3. *Materialism*: 'Belk's scale' [1] was used to measure the three sub traits of materialism. This scale uses 8 questions to measure possessiveness, 7 questions to measure non generosity and 8 questions to measure envy.

G. Tools for Data Analysis

One sample T Test and Friedman test were used for data analysis. Friedman test was used to compare the significance between several ranks associated with the different sub traits of materialism.

VI. DATA ANALYSIS & DISCUSSION

Data analysis is considered to be important step and heart of the research in research work. The purpose of the data analysis and interpretation phase is to transform the data collected into credible evidence to arrive at meaningful conclusions.

A. Possessiveness Score-Calculation of Bench Mark

In order to measure possessiveness, Belk's materialism scale was used [1]. This construct contains 8 questions. This can generate a score which spreads between 8 (1x8) and 40(8x5). So the benchmark score was found to be 24 [(8+40)/2 that means maximum + minimum divided by two]. That is, if the mean score is significantly greater than 24, it can be claimed that the possessiveness is high (above average) among consumers.

TABLE 1

One-Sample Statistics: Possessiveness				
	N	Mean	Std. Deviation	Std. Error Mean
Possessiveness	131	29.9008	4.79078	.41857

From the table it can be seen that the possessiveness score mean was found that 29.9 with std. deviation of 4.79. In order to find the significance of possessiveness score means, one sample t-test was attempted with the null hypothesis (H_0) -the test value and the mean possessiveness score are same & the alternate hypothesis (H_1) -test value and the mean possessiveness score are not same.

TABLE 2

One-Sample Test: Possessiveness						
Test Value = 24						
	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Possessiveness	14.097	130	.000	5.90076	5.0727	6.7289

From one sample t test it was found that the test was significant with $t=14.097$, $df=130$, $p<0.05$. Hence null hypothesis is rejected and stated that the test value and the mean value are different. Since score mean is greater than the test value, it is proved that possessiveness of consumers is high.

B. Non-Generosity Score-Calculation of Bench Mark

Belk's scale' of materialism [1] consists of 7 questions to measure Non-Generosity. This can generate a score which spreads between 7 (1x7) and 35(7x5). So the benchmark score was found to be 21 [(7+35)/2 that means maximum + minimum divided by two]. That is, if the mean score is significantly greater than 21, it can be claimed that the Non-Generosity is high (above average) among consumers.

TABLE 3

One-Sample Statistics: Non Generosity				
	N	Mean	Std. Deviation	Std. Error Mean
Non Generosity	131	22.5496	3.69035	.32243

From the table it can be seen that the non-generosity score mean was found that 22.54 with std. deviation of 3.69. In order to find the significance of non-generosity score means, one sample t-test was attempted with the null hypothesis (H_0) -the test value and the mean non-generosity score are same & the alternate hypothesis (H_1) -test value and the mean non-generosity score are not same.

TABLE 4

One-Sample Test : Non Generosity						
Test Value = 21						
	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Non Generosity	7.705	130	.021	.54962	.0883	1.1875

From one sample t test it was found that the test was significant with $t=7.7$, $df=130$, $p<0.05$. Hence null hypothesis is rejected and stated that the test value and the mean value are different. Since score mean is greater than the test value, it is proved that non generosity of consumers is above average.

C. Envy Score-Calculation of Bench Mark

In order to measure envy, Belk's scale' [1] of materialism was used. This construct [1] contains 6 questions. This can generate a score which spreads between 6 (1x6) and 30(6x5). So the benchmark score was found to be 18 [(6+30)/2 that means maximum + minimum divided by two]. That is, if the mean score is significantly greater than 18, it can be claimed that the envy is high (above average) among consumers.

TABLE 5

One-Sample Statistics: Envy				
	N	Mean	Std. Deviation	Std. Error Mean
Envy	131	20.2824	3.34037	.29185

From the table it can be seen that the envy score mean was found that 20.28 with std. deviation of 3.34. In order to find the significance of envy score means, one sample t-test was attempted with the null hypothesis (H_0) -the test value and the mean envy score are same & the alternate hypothesis (H_1) -test value and the mean envy score are not same.

TABLE 6

One-Sample Test: Envy						
Test Value = 18						
	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Envy	4.394	130	.000	1.28244	.7051	1.8598

From one sample t test it was found that the test was significant with $t=4.394$, $df=130$, $p<0.05$. Hence null hypothesis is rejected and stated that the test value and the mean value are different. Since score mean is greater than the test value, it is proved that consumers have high envy.

D. Conspicuous Consumption Score-Calculation of Bench Mark

In order to measure conspicuous consumption, (Chung & Fischer, 2001) [5] scale was used. This construct contains 4 questions. This can generate a score which spreads between 4 (1x4) and 20(4x5). So the benchmark score was found to be 12 [(4+20)/2 that means maximum + minimum divided by two]. That is, if the mean score is significantly greater than 12, it can be claimed that the conspicuous consumption is high (above average) among consumers.

TABLE 7

One-Sample Statistics: Conspicuous Consumption				
	N	Mean	Std. Deviation	Std. Error Mean
Conspicuous Consumption	131	12.6947	3.96503	.34643

From the table it can be seen that the conspicuous consumption score mean was found that 12.69 with std. deviation of 3.96. In order to find the significance of conspicuous consumption score means, one sample t-test was attempted with null hypothesis (H_0) -the test value and the mean conspicuous consumption score are same & the alternate hypothesis (H_1) -test value and the mean conspicuous consumption score are not same.

TABLE 8

One-Sample Test: Conspicuous Consumption						
Test Value = 12						
	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Conspicuous Consumption	2.005	130	.047	.69466	.0093	1.3800

From one sample t test it was found that the test was significant with $t=2.005$, $df=130$, $p<0.05$. Hence null hypothesis is rejected and stated that the test value and the mean value are different. Since score mean (12.69) is just above the test value (12), it is proved that conspicuous consumption among consumers is just above average

E. Comparative Analysis of the Predominant Materialistic Trait

The sub traits in Belk's scale for materialism i.e.; possessiveness, non-generosity and envy were tested for dominance using Friedman Test.

TABLE 9

Predominant Materialistic Trait	
Traits	Mean Rank

Possessiveness	2.93
Non Generosity	1.74
Envy	1.33

It was found that, the trait that was dominant among the three materialistic traits was possessiveness with a mean rank of 2.93, followed by non-generosity (mean rank 1.74) & envy (mean rank 1.33)

The significant importance of ranks of the personality traits such as possessiveness, non generosity and envy were tested with Friedman’s two- way analysis of variance by ranks.

TABLE 10

Hypothesis Test Summary				
	Null Hypothesis	Test	Sig.	Decision
1	The distributions of Possessiveness, Non Generosity and Envy are the same.	Related-Samples Friedman's Two-Way Analysis of Variance by Ranks	.000	Reject the null hypothesis.
Asymptotic significances are displayed. The significance level is .05.				

Since in Friedman test, $p < .05$, null hypothesis is rejected. Hence we can assume that there is significant difference in the distributions of possessiveness, non-generosity and envy.

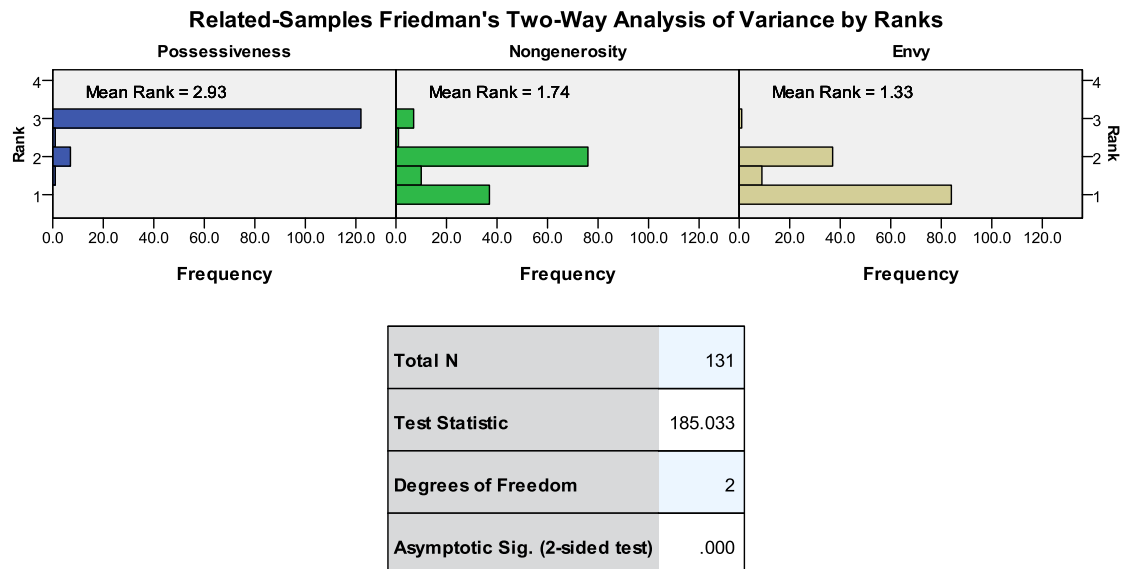


Figure 1: Related Samples Friedman’s Two- Way Analysis of Variance by Ranks

Figure 1 shows the related samples Friedman’s two- way analysis of variance by ranks. The figure shows the mean rank of the three materialistic traits. Possessiveness ranked first with mean score 2.93, followed by non-generosity (1.74) and envy (1.33)

VII. CONCLUSION

Understanding the dynamics of conspicuous consumption and materialism in a consumerist state like Kerala is very important in the current socio economic circumstances. Its important both from a marketing researcher’s as well as from a strategist’s perceptive to understand how conspicuous consumption and materialism works. Belk considered materialism to be a personality trait (Belk, 1985)[1]. Furthermore, Belk identifies three sub traits of materialism: possessiveness, non generosity and envy. This study was however aimed to assess the extent of materialistic and conspicuous consumption behaviour of consumers. For now, we conclude that in terms of materialism, all the three sub traits, i.e. possessiveness, non generosity & envy were found to be significantly high among the respondents. But conspicuous consumption was only found to be just above normal limits.

Another important finding of this study is that possessiveness was found to be the major personality trait that drives materialistic behaviour among consumers. i.e. Consumers who amasses worldly possessions will exhibit a strong tendency to retain control or ownership of one own possessions. But surprisingly, envy was found to be the least prominent of the personality traits – meaning to say that consumers who indulge in materialistic pleasures are least bothered about the success and superiority of another’s!

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