

Girding for Prestige: A Study on Conspicuous Consumption, Social Status Display and Materialism

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Abstract

It is asserted in the literature that consumers' desire to display higher social status has positive influence on conspicuous consumption, along with choice of luxurious and prestigious goods. Some evidence is provided to support this understanding, nevertheless, a prevalent perspective is still lacking. Limitations in the field necessitate further studies with new approaches and methodological progression. The aim of this study is to investigate conspicuous consumption in this sense. The sample is composed of residents of two geographically close statistical regions, TRB1 and TRB2, while TRB2 is reported to have the lowest socio-economic development level in Turkey. The participants were invited by e-mails to contribute the study. In January 2017 458 participants from different institutions filled the first page including a 5-point Likert questionnaire and randomly directed to second pages with experiment design. The data was analyzed to test the hypotheses with structural equation modelling to reveal the relationships between conspicuous consumption, materialism and social status display. The results indicate significant relationships between the factors, supporting that social status seeking is positively related to conspicuous consumption, and materialism partially mediates this relationship. The quasi-experiment was designed to test whether intrasexual competition has an impact on conspicuous outfit choice. Consistent with the recent literature, only female participants demonstrated more conspicuous outfit preference, when primed by the experiment scenario in comparison to a neutral situation. Any significance was not found in the gender difference analysis of conspicuous consumption, social status display and materialism relations, while a significant difference is revealed by the quasi-experiment design towards outfit choice. The results promote that conspicuous consumption motivations can be examined further for different product types and situations.

Key words: conspicuous consumption, outfit choice, social status display, materialism.

JEL classification: M31, D12.

1. Introduction

It is part of our social life to inform others about ourselves. This introduction is by no means a mirror of the self, if such thing ever exists. We give information to others about ourselves, to promote or to conduct a purposive communication, when they are actually trying to provide knowledge. This communication process may occur casually, and sometimes targeting social enhancement for a specific goal or status to obtain benefit from social context. Consumption, in this sense, may become an indicator or a preferred manifestation of what we want to communicate about ourselves. In consumer research along with many other conceptualizations, conspicuous consumption is an explicit for of such consumer attitude. It is hereby aimed in this study is to embrace conspicuous consumption phenomenon and outfit in relation to social status and materialism from this point of view.

2. Conceptual Framework

2.1. Conspicuous consumption

Unlike Veblenian view on conspicuous consumption as lavish spending, today the concept is regarded as a tool for communication among people. Conspicuous consumption, and symbolic consumption in general, is not a useless or irrational way of dealing with own sources, but a way of managing sources in exchange of other assets. Baudrillard (2016, pp. 23-24), borders this view critically with showing off beliefs, mindset and joy in a broader sense. Yet it is sufficiently confusing enough to understand how an economic operation translates into so-

called non-economic and humanizing signals (Featherstone, 2005).

According to Leibenstein (1950), consumption has three non-rational aspects, as band-wagon, snob and Veblenian effects. Kotler (1965) recognizes Veblenian consumption in terms of evoking group affinity on consumption, such as social classes, reference groups and culture. Belk (1988), associates consumption with composing the self. A clear definition for conspicuous consumption is made associatively as "a deliberate engagement in symbolic and visible purchase, possession and usage of products and services imbued with scarce economic and cultural capital with the motivation to communicate a distinctive self-image to others" (Chaudhuri, Mazumdar and Ghoshal, 2011).

In consumer studies there is limited effort in measuring and discovering conspicuous consumption via empirical research. Five measures were developed for survey research and methodological limitations still last (Marcoux, Filiatrault and Cheron, 1997; Eastman, Goldsmith and Flynn, 1999; Chung and Fischer, 2001; Chaudhuri, Mazumdar and Ghoshal, 2011; Souiden, M'Saad and Pons, 2011). Furthermore, there is an increasing tendency in the literature to associate conspicuous, or luxury, consumption with sexual selection in the meaning of evolutionary psychology (eg. Saad and Vongas, 2006; Griskevicius, 2010; Hudders et al., 2014 etc.)

Evolutionary perspective brings out several analogies between mating strategies and consumption patterns, which are long since in use by marketers (Miller, 2012). Apart from practical implications hoped by this research interest, due to inability of conventional social theories, Saad (2006) even claims a shift in understanding cultural behavior, choice, cognition and emotions. As it had been asserted many times before, consumption has the force to leave good impressions on others (O'Shaughnessy and O'Shaughnessy, 2002). Therefore, it is thought that conspicuous consumption enhances social status and, thus, is functionalized as an evolutionary weapon.

2.2. Social status display

Society is formed of several cultural, professional and economic groups, thus every society is an aggregation of smaller societies, communities. These groups tend to create distinct hierarchies and classes, while classes are communicated by group members using products as indicators for status and wealth (Chaudhuri, Mazumdar and Ghoshal, 2011).

The "irrational" goods market, where prices are relatively high and consumption occurs through several symbolic processes for leaving impressions on the others, has a large share in economic activities. It is observed not only in capitalized western economies, but also in fast developing economies like India and China. The luxury market in these countries is expected to reach the same level with the developed economies, while it is expanding even more rapidly than general economic activities (Srinivasan, Srivastava and Bhanot, 2014).

When conspicuous consumption is concerned, most of the time scholars tend to mention the class phenomenon and emphasize the status enhancement function. Moreover, in many studies conspicuous consumption is even mentioned as status consumption, which also demonstrates the close relationship between social status, prestige and social desirability and conspicuous consumption (O'Cass and McEwen, 2004). Even in Veblenian view, this "wasteful" consumption is granted a mission as "...people also acquire beliefs from the prestigious agents about who should be imitated, and the most prestigious people will prefer more prestige – indicated by the consumption of status goods..." (Cordes, 2009: p. 118). An economically irrational decision to purchase overpriced goods may then be considered as a rational decision due to price of prestige.

2.3. Materialism

In pursuit of philosophical meaning, giving importance to material objects as goods, products,

possessions or wealth in general is referred to materialism by scholars. Almost all religions, secular moralists and social structures oppose materialism. However, the term is widely used in economics literature to interpret economic choices, including consumer behaviour. Materialistic behaviours as seeking happiness by consumption can be traced back to 15th century in western societies (Belk, 1985). Many research discussed materialism also in developing countries too. Ger (1990) reveals that materialism has a different form in Turkish society, yet it does exist even more in some of the pillars it is defined with. Therefore, it exists but also differs in composition in different types of human groups.

Two approaches arose after 1980s in materialism based consumer studies. While Belk (1984: p. 291) defined materialism as a personality trait as giving importance to worldly possessions, Richins and Dawson (1992) used the term "value system" for placing importance to meta. This means, in Richins' approach materialism can be understood with an explanation as "the more materialistic an individual is, possessions gain more importance to perceive success, acquiring more possessions gain importance for the individual and the individual seeks happiness more in acquiring possessions" (Topçu, 2016: p. 757).

How we define a person is most of the time related to his belongings (McCracken, 1988). This plainly materialistic view leads us to an assumption that enhancing a person's status in society is a process of consuming more prestigious products. Thus, scholars remarked the relationship between materialism and prestigious and conspicuous consumption (Ger, 1990; Eastman et al., 1997; O'Cass and McEwen, 2004; Shukla, 2008; Podoshen, Li and Zhang, 2011; Segal and Podoshen, 2012; Podoshen and Andrzejewski, 2012).

2.4. Conspicuous consumption as a evolutionary tool

In nature, the inevitable genetic struggle of survival cause behaviour patterns due to contexts they are shaped in. This struggle occurs in two ways: living creatures try to stay alive and pass genes on descendants. Thus, survival of genes depend on mating success, as we are descendants of those who were successful in this game. Conspicuous consumption, along with other symbolisms is thought to be a succeeding tool in mating market (Cordes, 2009). Like ostentatious tails, voices, colours of other animals, expensive cars, jewellery, and other luxury communicate efficacy of taking care of family, health and moral values to opposite sex and define our values (Saad and Gill, 2000; Miller, 2012).

Consumer choice is not only determined to effect the opposite sex, but as presented in the evolutionary literature (Zahavi, 1975) and consumer studies (Wang and Griskevicius, 2014), in some particular cases individuals tend to functionalize goods for intrasexual competition too. While intrasexual competition is both common for males and females, previous research revealed higher validity for female consumers (Sundie et al., 2011; Wang and Griskevicius, 2014; Hudders et al., 2014). Nevertheless, conspicuous consumption is a tool in context to evolutionary psychology, to examine the relationship of mating strategies and consumer choice.

3. Research Method

As mentioned above, positive relationships are asserted between conspicuous consumption, social status display and materialism. The structural equation modelling is configured as shown in figure 1. Both direct and indirect effects are calculated to reveal the relations of the mentioned factors.

H1: Social status display is positively related to materialism.

H2: Social status display is positively related to conspicuous consumption.

H3: Materialism is positively related to conspicuous consumption.

H4: Materialism mediates the relationship of social status display and conspicuous

consumption.

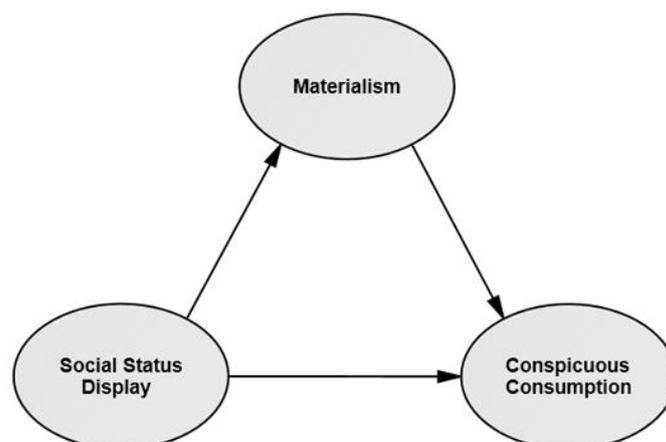


Figure 1. Research Model

At the end of the questionnaire, the participants were randomly directed to a quasi-experiment for testing motivations and their outfit desires for a special event (experiment/ control group X female/male X conspicuous/non-conspicuous outfit). Based on their gender, participants in the experiment group were asked to select the most charming person of the same gender from 4 options. On the next page they were told that the person they chose was their partner's ex-partner from high school, they would meet in the class re-union and they need to choose an outfit for this event. Based on their gender, 2 casual and 2 conspicuous outfits were offered to choose. Conspicuous outfit images were selected from prestigious and high-class brands and style, yet brand names were not shown. The participants of control group were informed that they would go to a dinner where they will meet their high school friends. They were asked to choose an outfit on a page and outfit options were the same with the control group.

H5. Intrasexual competition has an effect on conspicuous outfit choice.

H6a. Intrasexual competition is related to conspicuous outfit choice of female participants.

H6b. Intrasexual competition is related to conspicuous outfit choice of male participants.

	TRB1		TRB2		TOTAL	
Gender		%		%		%
Male	165	58	109	62	274	60
Female	118	42	66	38	184	40
Age		%		%		%
20-30	59	21	51	29	110	24
31-40	102	36	91	52	193	42
41-50	74	26	21	12	95	21
50+	48	17	12	7	60	13
Monthly Income		%		%		%
2000 TL and less	29	14	4	2	17	4
2001-4000 TL	54	19	30	17	10	2
4001-6000 TL	117	38	111	63	84	18
6001-8000 TL	48	17	16	9	248	54
8001-10.000 TL	23	8	12	7	64	14
10.001 TL and more	12	4	2	1	35	7
TOTAL	283		175		458	100

Table 1. Demographics

3.1. Data collection and sample

The questionnaire was compiled of tested scales adopted from 9-item materialistic values scale

(Richins, 2004), social status display scale (Chaudhuri, Mazumdar and Ghoshal, 2011) and conspicuous consumption and outfit choice scale (Chung and Fisher, 2001). Item translation to Turkish was checked and corrected by a pilot study with 43 master students.

The data was collected online in January 2017. The sample consists of 458 participants from different institutions in TRB1 (n=283) and TRB2 (n=175) statistical regions in Turkey. The TRB2 is the most undeveloped region and geographically next to TRB1. Gender, age and monthly income statistics of the participants by region is shown in Table 1, yet significant effect of demographics on SEM is not found.

3.2. SEM analyzes

Before testing the hypothesis, confirmatory factor analyses were conducted to check scale validities. Two items indicating materialism and social status display were distracted since factor loadings were lower than 0,6. Model fit values are shown in table 2.

	α	CMIN/df	GFI	NFI	CFI	RMSEA
Materialism	,857	2,263	,984	,981	,989	,053
Social Status Display	,895	3,297	,987	,958	,970	0,71
Conspicuous Consumption	,863	3,331	,981	,981	,983	,071

Table 2. Confirmatory factor analysis-model fit values

Path analyses were conducted to test the hypotheses as shown in table 3. The results indicate a significant relationship between social status display and materialism (.672, $P < 0,001$), H1 is supported. It is shown in the table that, social status display is significantly related to conspicuous consumption (.569, $P < 0,001$), therefore H2 is also supported. The results reveal a significant positive relationship between materialism and conspicuous consumption (.4, $P < 0,001$), H3 is supported. The indirect effect of social status display on conspicuous consumption over materialism is estimated significant (.268, $P < 0,001$), therefore the mediation hypothesis (H4) is supported as materialism partially mediates the relationship between social status display and conspicuous consumption.

	Direct	Indirect	
MAT <-- SSD	0,672***	-	H1
CC <-- SSD	0,569***	0,268***	H2, H4
CC <-- MAT	0,400***	-	H3

CMIN/DF=2,975, GFI=.911, NFI=.918, CFI=.943, RMSEA=.066, *** $p < 0,001$

Table 3. Path analyzes results

There are slight differences found in gender and region comparisons of the research model. Pairwise z-tests are conducted but the differences are not found significant since z-values are not over |1.96|. Therefore, research data does not reveal any significant difference in structural equation modelling of female and male participants or participants from TRB1 and TRB2.

3.3. Conspicuous outfit choice experiment

Chi-square test is conducted to reveal if outfit choice differs between experiment group and control group. As shown in table 4, the difference is not significant bound to the experiment (4,511; $P > 0,05$). In other words, intrasexual competition does not have a significant effect on conspicuous outfit choice for the whole sample, therefore H5 is not supported. By splitting the file to genders to figure out whether experiment design is related to any of the genders' conspicuous outfit choice, chi-square test is conducted once more. It is presented in table 4 that conspicuous outfit choice of female participants is significantly driven by the experiment prime (12,895; $P < 0,05$) unlike male participants' outfit choice (1,858; $p > 0,05$). Therefore H6a is supported, while H6b is not supported since the relationship is not significant for male

participants.

		Value	Asymp. Sig. (2-sided)
	Pearson Chi-Square	4,511 ^a	,211
	Likelihood Ratio	4,601	,203
^a 0 cells (0,0%) have expected count less than 5. The minimum expected count is 6,94.			
Female	Pearson Chi-Square	12,895 ^a	,005
	Likelihood Ratio	13,769	,003
Male	Pearson Chi-Square	1,858 ^b	,602
	Likelihood Ratio	1,869	,600
^a 0 cells (0,0%) have expected count less than 5. The minimum expected count is 5,42.			
^b 2 cells (25,0%) have expected count less than 5. The minimum expected count is 1,47.			

Table 4. Chi-square tests (experiment/control group X outfit choice)

4. Conclusions

Conspicuous consumption research is aimed to understand consumers' choice on luxury goods and symbolic consumption. This research genre gains importance since it offers social scientists understanding how the consumer culture is shaped and why, and marketers why people would buy things. Some scholars' efforts on adapting evolutionary psychology on conspicuous consumption is a promising endeavour in this sense (Saad and Gill, 2000; Griskevicius, 2010; Sundie et al., 2011). In consumer studies, people's choice of conspicuous goods over non-conspicuous is related to many factors such as prestige seeking, self-esteem and self-image and materialism. In this study it was aimed to examine the topic using social status and materialism while the research is supported with a quasi-experimental design concerning mating strategies.

The hypotheses concerning the model of conspicuous consumption, materialism and social status display are supported in this research. The supported model promotes the understanding that displaying social status evokes materialism and conspicuous consumption. It is also supported in this research that materialism, as a value system, is positively related to conspicuous consumption. Therefore, it is asserted in this research that consumers' desire to enhance their social status, or prestige, or how they present themselves in society, makes them have more materialistic values and prefer more conspicuous goods than others. Consistent with the literature (Podoshen, Li, Zhang, 2011), these findings indicate that consumers would tend to purchase conspicuous products when they value them to be enhancing their status.

Previous research show that, under intrasexual competition prime, female consumers tend to purchase conspicuous goods especially when the goods are visible (Hudders et al., 2014; Wang and Griskevicius, 2014). Consistent with the previous research, the quasi-experiment in the study aimed to reveal intrasexual competition effect on conspicuous outfit choice. Male participants' choice did not reveal any significance, when female participants are found to be more keen on choosing conspicuous outfits in experiment group. Female participants, who were informed about joining a meeting with their partner and partner's ex-partner chose prestigious outfit more than in neutral situation. This would indicate difference of importance given to outfit as a product type or competition as stated in the literature, as well as instrument or sampling errors based on limitations of the study.

The hypotheses in the research on why consumers tend to buy conspicuous products are mostly supported. Even though data gathering process has its limitations, results for female participants is supported concerning outfit choice. In future studies, different sample structures and product groups may overcome limitations, thus examine other aspects of consumers and products and provide more detailed and practical information for marketers and social scientists.

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