



MATERIALISM AND COMPULSIVE BUYING: AN EXPLORATION OF INDIAN YOUTH

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Abstract

In the modern life style, compulsive buying is found to be very common and consequently the studies on antecedents of compulsive buying have increased in recent years. Materialism and compulsive buying are the two important factors which influence the buying decisions of consumers and also distinguish them from each other. India is one of the oldest civilizations and has profound values on money, materialism and consumption. However, during last two decades the wave of globalization has brought India much closer to rest of world both culturally and economically. Advancement of shopping malls, retail brand, exclusive stores and use of media with best of its creativity and reach to persuade consumers has made a positive change in the consumer response to market stimuli. In this perspective, the present study aims at exploring the antecedents of materialism and compulsive buying in modern youth. Data has been collected from 81 under graduate students (Economics, Psychology & English) and 72 postgraduate students (Management) students studying in different institutes/colleges/universities in Delhi NCR and the findings have been discussed in the light of available literature.

Key Words: Materialism, Compulsive buying behaviour, Graduating and Post-graduating students.



1. INTRODUCTION

Materialism and compulsive buying behaviour are underscore concepts for marketers, researchers and pollsters. A lot of research has taken place vis-à-vis materialism and compulsive buying in western countries. In the modern life style, compulsive buying is found to be very common and consequently the studies on antecedents of compulsive buying have increased in recent years. The study of emergence of these moot issues needs to be emphasized more in context to Indian culture.

India is one of the oldest civilizations and has profound values on money, materialism and consumption. The concept of materialism is not new to Indian culture. Allusion of materialism is in ancient Indian philosophy. Compulsive buying as a concept is also not a recent origin as well, though the term has been recently in use. The term Oniomaniacs is the technical term used for compulsive buying which means buying maniac. The buying is basic necessity and part and parcel of lifestyle of common man. Compulsive buying is when one indulges in excessive buying. The new generation in India is showing signs of high materialism (Gupta, 2011; Lindridge and Dibb, 2003, Larsen et al., 1999; Venkatesh, A., 1994). The recent study in India has established account for socioeconomic changes happening in India (Mishra, 2014) that draw attention to the chances of increasing consumerism in India.

Materialistic attitude is one of the determinants of compulsive buying (Yurchisin and Johnson, 2004) and thus influences the buying decisions of consumer. Researchers found out that materialistic attitude are the main cause that gives rise to compulsive buying tendencies (Dittmar 2005; Richins, 2004). Compulsive Buying and Materialistic attitude puts the afflicted person into severe consequences (Faber and O 'Guinn, 1989) in terms of personal, social and financial difficulties. Materialism and compulsive buying are the two important factors which influence the buying decisions of consumers and also distinguish them from each other.

However, during last two decades the wave of globalization has brought India much closure to rest of world both culturally and economically. There has been drastic change



in consumption habits of Indian consumers in general and Indian Youth in particular. Advancement of shopping malls, retail brand, exclusive stores, and use of media with best of its creativity and reach to persuade consumers has made a positive change in the consumer response to market stimuli. It has been found that youth are the most afflicted ones, as the age increases the compulsive buying tendency decreases. Compulsive buying attitude is inversely related to age i.e. youth easily get captured into the clutches of this bad pattern. There have been number of studies that shows how the compulsive buying tendencies emerge among youth, the context of study here is that how these deviants are badly affect the Indian Youth. The life course approach has been drawn on to explain the interaction among these two depraved behaviours. Compulsive buying and materialism have been studied on vast scale all over the world. The purpose here is to how these behaviors are developed overtime. Studies have shown that level of affliction varies from person to person. The context of study is to find out the factors that lead to this variation with the help of life course model.

In this perspective, the present study aims at exploring the antecedents of materialism and compulsive buying using the Life course model. Data will be collected from 200 postgraduate (management) students studying in different institutes in India and the findings would be discussed in the light of available literature.

2. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

2.1 Materialism

Researchers have contributed towards construct (R W Belk, 1984; Burroughs and Rindfleisch, 2002; Richins and Dawson, 1992) and consequences of Materialism (Larsen, et. al., 1999; Rindfleisch, Burroughs and Denton, 1997; Sirgy, 1998).

Materialism has been conceptualized as a personality trait (R W Belk, 1984; 1985) and source of satisfaction in life (Richins, 1987). Materialism is inherent in almost all the cultures (Mukerji, 1983) and is a part of basic human nature and personality (Rubin, 1986). Materialism has also been conceptualized as a value to consumer (Richins, 1987;



Richins and Dawson, 1992). People seek pleasure in possessing materialistic things rather than non materialistic things such as personal associations, personal incidents and personal attainment. An individual is said to be materialistic if he values material and worldly possessions more than social relations commitments and obligations. Materialism person confers importance to objects rather than people around them and their experiences and achievements in life. For them materialism can be measured with the amount of acquisitions they have, which defines their level of success and happiness (Richins and Dawson, 1992). Studies have shown that there is inverse relationship between materialism and well being (Ruchins & Dawson, 1992; Kasser & Ahuvia, 2002; Kasser and Ryan, 1993; 1996).

2.2 Compulsive Buying

Compulsive buying is a chronic, excessive and uncontrollable shopping and spending habit (Black, 2007; Faber & O'Guinn, 1989). Compulsive buying has been identified by O'Guinn and Faber as "a response to an uncontrollable drive or desire to obtain, use, or experience a feeling, substance, or activity that leads an individual to repetitively engage in a behavior that will ultimately cause harm to an individual and/or to others". Compulsive buying has harmful psychological and financial consequences such as low self-esteem (Scherhorn et al, 1990), greater level of depression (Sneath et al, 2009) anxiety (O Guinn and Faber, 1989) unmanageable debt. There are immediate positive rewards that reinforce the repetitive buying but these positive rewards are temporary and have negative consequences in long term (O Guinn and Faber, 1989; Faber and Christenson, 1996; Eccles, 2005; Manchanda, 2011). Compulsive buying is an erudite demeanour. People over a period of time acclimatize to the compulsive buying tendencies. The impression of compulsive buying can be observed right from childhood (Scherhorn et al, 1990; Halga Dittmar, 2005). Once habituated it is difficult to hold back (O'Guinn and Faber, 1989).



2.3 Materialism and Compulsive Buying

Both compulsive buying and materialism are entrenched during childhood. Materialism is the strongest anticipator of compulsive buying. Materialistic values can be identified by the significance an individual attaches to the ownership and possession of the material objects and compulsive buying tendencies makes people buy objects to covenant with their individuality and disposition issues. High correlation is found between materialism and compulsive buying behaviour (Ridgway et. al., 2008). Thus materialistic individual are more prone to occupy compulsive buying propensity (O'Guinn & Faber, 1989; Dittmar et al 1996; Dittmar 2005; Mowen and Spears, 1999; Manchanda, 2012). Young generation is more vulnerable to materialistic tendencies and compulsive buying behaviour because of their increasing global exposure (Nguyen, 2003; Achenreiner, 1997). Studies have shown that young generation is more prone to such environment through their peers and adapt to such behaviour more easily (Moschis, 2007, Bachmann et al., 1993; Guo, Z., & Cai, Y., 2011). The age and compulsive buying behaviour are negatively related as people in their early young age show stronger compulsive buying behavior (d'Astous, 1990; O'Guinn and Faber, 1989) this tendency diminishes with age (Manchanda, 2014).

2.4 Hypothesis Development

The current study intends to study the interaction of materialistic tendencies and compulsive buying behaviour of young students.

H₁: There is no significant difference between materialistic tendencies and compulsive buying behaviour of young students in Delhi NCR

H_{1a}: There is a significant difference between materialistic tendencies and compulsive buying behaviour of young students in Delhi NCR

The data has been collected from graduates and post graduate students thus a comparison of materialistic and compulsive buying tendencies can be studies among graduate and post graduate students.



H₂: There is no significant difference in materialistic tendencies of graduate and post graduate students

H_{2a}: There is a significant difference in materialistic tendencies of graduate and post graduate students.

H₃: There is no significant difference in compulsive buying behaviour of graduate and post graduate students

H_{3a}: There is a significant difference in compulsive buying behaviour of graduate and post graduate students.

At the same time gender difference can also be studied for materialistic tendencies and compulsive buying behaviour.

H₄: There is no significant difference in materialistic tendencies of males and females.

H_{4a}: There is a significant difference in materialistic tendencies of males and females.

H₅: There is no significant difference in compulsive buying behaviour of males and females. H_{5a}: There is a significant difference in compulsive buying behaviour of males and females.

3. RESEARCH METHODOLOGY

Primary data analysis is done to test the hypothesis of the study. The data has been collected through self administered questionnaire survey technique. The questionnaire is divided into three parts, first part contains the existing reduced materialism scale of Richins and Dawson (2004), the Second part contains the compulsive buying behaviour measure developed by Faber and O'Guinn (1992) and the third part was for demographic information in which details on age, gender etc. was asked. The data was collected on five point likert type scale ranging from strongly agree to strongly disagree.

Random sampling has been used to collect data from under graduate students and post graduate students of various universities, colleges and educational institutions situated in Delhi NCR. The survey was completed by 81 graduates (Economics, Psychology & English) and 72 postgraduate (Management) students. The sample respondents were 40



percent males and 60 percent females. The age of the respondents varies between 17 to 25 years.

4. DATA ANALYSIS AND DISCUSSION ON FINDINGS OF DATA ANALYSIS

The mean score of materialistic scale of graduating students was found to be higher than the mean score of post graduating students. 22 percent of graduating students showed strong compulsive buying tendencies and 14 percent post graduating students showed strong compulsive buying behaviour. Correlation was conducted to test the first hypothesis of the study. Materialism and compulsive buying behaviour was found significantly highly correlated ($r=0.86$, $p<0.000$) for graduate and post graduate students of Delhi NCR. Thus the first null hypothesis was rejected. Thus it can be said that both graduate and post graduate students show high association in the sample data set. This confirms to the previous findings of positive and high correlation between them (Faber & O'Guinn, 1988; Joji, & Raveendran, 2008).

An independent-samples t-test was conducted to compare materialism level of graduating and post graduating students. The second hypothesis was tested by comparing the mean value of average scores of materialism scale for graduate students ($M=4.2$, $SD=1.804$) with mean of average scores of materialism scale of post graduate students ($M=3.9$, $SD=.728$) by applying t test and it was found that there was no significant difference in materialistic tendencies of graduate and post graduate students ($t_{151}=3.88$, $p=0.86$), thus the second null hypothesis was not rejected. This shows that both graduate and post graduate students have scored above average on materialism scale. The findings also show that both graduate and post graduate students show high materialistic tendencies and there is no significant difference found in them.

The third hypothesis was tested by comparing the mean value of average scores of compulsive buying behaviour scale for graduate students ($M=5.1$, $SD=.617$) with mean



of average scores of compulsive buying behaviour scale of post graduate students ($M=3.4$, $SD=1.381$) by applying independent t tests and it was found that there was a significant difference in compulsive buying behaviour of graduate and post graduate students (t_{151} , $p=0.043$), Thus the third null hypothesis was rejected. The findings also show that both graduate and post graduate students show compulsive buying tendencies but the tendencies are fading with education level and age. Graduating students show high compulsive buying tendencies as compare to post graduating students (Hanley & Wilhelm, 1992). Only 12 percent of post graduating students fall in the age group category of 17 to 21 years but at the same time 91 percent of graduating students are in this age group. 88 percent of post graduating students fall in age group 22 to 25 years and only 9 percent of graduating students are in this age group category.

The fourth hypothesis was tested by comparing mean value of average scores of materialistic scales for males ($M=4.7$, $SD=1.281$) and females ($M=3.9$, $SD=.968$) and it was found that there was a significant difference in materialistic tendencies of males and females (t_{151} , $p=0.014$), thus fourth null hypothesis was rejected. The findings show that males show high materialistic tendencies than females. 39 percent of males were highly materialistic as compare to 19 percent females who shows high materialism.

The fifth hypothesis was tested by comparing mean value of average scores of compulsive buying behaviour scales for males ($M=3.95$, $SD=1.38$) and females ($M=4.12$, $SD=.891$) and it was found that there was a significant difference in compulsive buying behaviour of males and females (t_{151} , $p=0.014$), thus fourth null hypothesis was rejected. From the above data analysis it was found that the mean score of males was lower than females for compulsive buying scales. The findings show that females are more severe compulsive buyers as compare to males.

5. IMPLICATIONS AND SCOPE OF FUTURE STUDY

The study has implications for policy makers, academicians, marketers etc. Both materialism and compulsive buying behaviour are negative traits of human being



(O'Guinn & Faber 1989, Faber & Christenson, 1996; Black, 1996; Hassay & Smith, 1996, Scherhorn, Reisch & Raab 1990, Christopher & Schlenker, 2004). This there is an imperative need to tackle the increasing negative tendencies in young generation.

6. CONCLUSION AND FUTURE SCOPE OF STUDY

The results of the study bring in the question that if the young generation is really moving towards materialism and compulsive buying tendencies (Ger & Belk, 1996). The future research need to address the question arising from the findings of the study. The future confirmatory studies can be conducted on different samples to verify the findings of this research. If such tendencies are long-established then there would be a need to address the predicament.

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