

The Impact of Materialism and Idealism on Utilitarian Consumption and Conspicuous Consumption

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Abstract

The aim of this study is to reveal the impact of materialism and idealism on utilitarian and conspicuous consumption. A survey was used as the data collection method and convenience sampling was used as the sampling method. A total of 400 people participated in the survey. According to the results of the structural equation model analysis, it was determined that the achievement dimension of materialism positively affected conspicuous consumption, and both achievement and happiness dimensions positively affected utilitarian consumption. It was concluded that idealism has a negative effect on conspicuous consumption and a positive effect on utilitarian consumption.

Keywords: Idealism, Materialism, Conspicuous Consumption, Utilitarian Consumption

Introduction

As consumers have different physical, psychological and sociological characteristics, they also have different expectations from the services offered to them and the products they own. For materialistic people who are very interested in things and see them as an integral part of their lives, the main thing is that what they have makes them happy, is a symbol of success for them and gives them a sense of ownership (Podoshen et al., 2012). In contrast to these individuals who attach too much importance to materials, those who are oriented in the direction of idealism philosophy mainly think about others and examine whether others will be harmed or not in every action they take (Forsyth, 1980). This raises the question of what kind of consumption behavior materialistic and idealistic individuals will exhibit. In this regard, this study tries to find an answer to the question of whether materialistic and idealistic individuals will behave in a vanity-oriented or utilitarian manner while shopping.

Those who consume in order to gain respect, to be appreciated by others, and to express their own style are vanity-oriented individuals who always want to be at the center of attention (Shukla, 2008). As for utilitarian individuals, they view shopping as a task and are based on the assumption that consumers are rational problem solvers (Ekber and Gurbanova, 2021).

This study consists of an introduction, literature review, hypothesis development, research methodology, analysis and findings, conclusions and recommendations, and references.

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Literature Review

Conspicuous Consumption

According to Veblen, conspicuous consumption refers to the situation where a person possesses expensive items in order to draw attention to his/her wealth, inflate his/her ego, and emphasize his/her high level of living, and overindulges in displaying them (Lewis and Moital, 2016). Goldsmith et al. (1996) argue that an important motivating force influencing a wide range of consumer behavior is the desire to gain status or social prestige from the purchase and consumption of goods (O'Cass and Frost, 2002).

Conspicuous consumption is known as consumption that sees demonstration and impressing other individuals as a goal, and that tends to exhibit its position, status and level of prestige in the environment, organization, space (Güleç, 2015). Conspicuous consumption, the desire for membership and uniqueness through the public display of goods or the use of status symbols are phenomena that define and characterize consumer behavior (Patsiaouras and Fitchett, 2012). Trigg (2001) argues that conspicuous consumption is the behavior in which an individual can demonstrate wealth through consumption (Shukla, 2008).

Utilitarian Consumption

Utilitarian consumption is motivated by functional needs and includes aspects of products or services that are considered essential (Ekber and Gurbanova, 2021). Consumers who perform their consumption behaviors in the direction of utilitarianism basically pay attention to the physical qualities and function of the product in this process (Köker & Maden, 2012). Utilitarian consumers buy products with utilitarian values such as functionality, durability, price and physical performance (Razzaq, 2018).

Idealism

The consumption that people make throughout their lives depends on their personal characteristics, attitudes, psychological structures, as well as the ethics and ideologies that are formed within the framework of all these. Ethical ideologies are divided into idealism and relativism. Idealism is the idea that when a certain behavior is to be performed, the person who will perform it examines all the possible consequences that may arise, and acts by considering the welfare of others while evaluating them (Ufuk, 2004). Individuals who have adopted the idealist approach want the result of their work to not harm others in any way, and they want other people to be satisfied with the result (Gügerçin & Ay, 2016).

One of the ideas put forward by idealism is that the realities are spiritual rather than physical, and that the main purpose of human life is to show the nature of his/her creation and his/her environment and to present it effectively (Erkılıç & Himmetoğlu, 2015).

Materialism

Materialism is the way people use money, which is a material resource, and all available and possible materials to increase their level of living, improve their welfare and develop themselves in various ways (Aslay et al., 2013). Materialism has been defined as “the importance the consumer attaches to the things in the world” (Sharda and Bhat, 2018). People who have turned materialism into the most important

part of their lives are known as materialists, and the most basic connections, interests and focal points of these people throughout their lives are material assets and substances, and the satisfaction or dissatisfaction of such consumers depends on this (Çabuk and Araç, 2016).

Most of the research on materialism in consumer psychology uses scales developed by Belk (1985) or Richins and Dawson (1992) (Goldsmith and others, 2012).

As a result of the research, it has been revealed that materialism has aspects related to sociology and psychology, and the theories about it draw attention with 3 common points (Aslay et al., 2016): Possession (Centrality) Oriented Materialism: Materialistic individuals have the main goal of possessing the material assets they desire and make every effort to do so.

Materialism as a Demonstrator of Achievement: Materialistic individuals nevertheless often judge success both for themselves and for other people by the goods, money, wealth, property, etc. they possess and acquire. In this way, material resources and assets again become indicators of success.

Materialism Focused on Achieving Happiness: Materialistic consumers need material resources in order to feel happy, to feel satisfied, to access the pleasure they want and to fulfill their needs by enjoying it. Money, wealth, property, etc. are all sources of their happiness.

Hypothesis Development And Research Model

Materialism- Conspicuous Consumption

Many points that materialistic individuals focus on can overlap with conspicuous consumption. In both structures, it is seen that there is an excessive need for material possessions (Doğan et al., 2017). Belk defined materialism as “the importance the consumer attaches to having the world” (Podoshen and Andrzejewski, 2014). People who are materialistic not only consume a lot, but also consume rare products and “status goods” (Quadir, 2012). Materialism refers to the excessive importance people attach to material objects in their lives (Chacko et al., 2018). On the other hand, conspicuous consumption refers to wasteful purchasing practices and leisure activities that aim to label association with a superior social class (Chacko et al., 2018). Conspicuous consumption is known as the act of buying expensive things, especially things that attract people’s attention (Shukla, 2008). As can be seen, people who are materialistic and exhibit conspicuous consumption tendencies attach importance to material goods and objects.

Based on the discussion above, we can propose the following hypotheses:

H1. Materialism has a positive effect on conspicuous consumption.

H1.1. The achievement dimension of materialism has a positive effect on conspicuous consumption.

H1.2. The centrality dimension of materialism has a positive effect on conspicuous consumption.

H1.3. The happiness dimension of materialism has a positive effect on conspicuous consumption.

Idealism- Conspicuous Consumption

Veblen criticized that consumption was carried out for purposes far above the purpose of sustaining life, and emphasized that the individual took these actions for personal satisfaction in the social sense. One of the issues that bothered him was that the wealth of individuals was wasted and squandered instead of creating benefits for society (Güleç, 2018). Idealistic individuals try to achieve the desired

result with the most correct and moral actions they can and at the same time, they also consider the welfare of others (Burucuoğlu and Erdoğan, 2016).

Considering the above, the following hypothesis can be put forward:

H2: Idealism has a negative effect on conspicuous consumption.

Materialism - Utilitarian Consumption

Materialistic individuals are attached to materials, and at the same time they have feelings of excessive possessiveness and control over the products they own (Quadır, 2012). Materialism involves the consumption of products that contain the benefit of use. Individuals with materialistic tendencies also expect great psychological and social benefits from the products they buy (Aslay et al., 2013).

In line with these discussions, the following hypotheses can be proposed:

H3. Materialism has a positive effect on utilitarian consumption.

H3.1. The achievement dimension of materialism has a positive effect on utilitarian consumption.

H3.2. The centrality (ownership) dimension of materialism has a positive effect on utilitarian consumption.

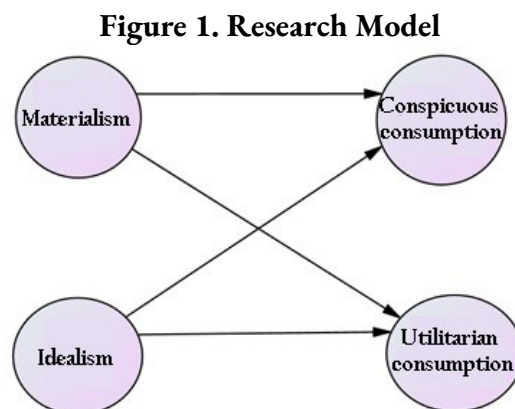
H3.3. The happiness dimension of materialism has a positive effect on utilitarian consumption.

Idealism-Utilitarian Consumption

Idealistic individuals think about the welfare of others and generally tend to believe that harming others is always preventable (Haesun Park-Poaps, 2005). Bentham, the main representative of the philosophy of utilitarianism, based on Hutcheson's principle that "as many people as possible should be as happy as possible", tried to keep the concept of utilitarianism away from egoism and individualism. However, at the same time, the question that utilitarianism needs to find an answer to here is which actions, in what way, and what kind of a good, happy life can be achieved (Aygün, 2018). The concept of "happiness" mentioned here actually means that not only one person but everyone should be happy. We have already argued that idealism tries to reach the most accurate result with the most accurate methods. Utilitarian consumption, in the same way, defines consumption that will benefit you, that will satisfy your needs and satisfy you. As far as we can see, the relationship between them is a positive one.

H4: Idealism has a positive effect on utilitarian consumption.

Based on the proposed hypotheses, the research model in Figure 1 was adopted.



Research Methodology

The research population was people aged 15 and over. Data was collected from 400 people through a questionnaire prepared via Google Form. The items used to measure utilitarian consumption were adapted from Razzaq et al. (2018), the items used to measure conspicuous consumption were adapted from Shukla (2008), the items used to measure materialism dimensions were adapted from Podoshen et al. (2012), and finally, the items used to measure idealism were adapted from Forsyth (1980). The items were presented with a five-point Likert-type scale. The process of obtaining data for the survey study started on September 10, 2019 and lasted until November 30, 2019. SPSS 24 program and AMOS 23 program were used for the analysis. Factor analysis and structural equation modeling were used as analysis methods.

Analysis And Findings

Of the participants, 39.2% were male and 60.8% were female. 77.5% of the participants are in the age group 15-24, 22.5% in the age group 25-50. 27.8% of the participants are in the low income group, 44.2% in the middle income group and 28% in the high income group.

Factor and Reliability Analysis

The items measuring the research variables were analyzed by factor analysis to determine the factors. The results of the analysis are given in Table 1.

Table 1. Factor analysis

| KMO=0,837, Bartlett, df=378, Approx. Chi-Square=4.526E3 p<0,001 | | | |
|---|------------------------|---------------------------|-------------------------|
| Factor | Factor loadings | Explained Variance | Cronbach's Alpha |
| Idealism | | 17.239 | 0.896 |
| If an action could harm an innocent person, it should not be done. | .818 | | |
| In no way should you act in a way that jeopardizes the dignity and well-being of another person. | .803 | | |
| Benefits that come at the expense of impairing the welfare of others are never necessary. | .793 | | |
| One should never harm anyone psychologically or physically. | .772 | | |
| Regardless of the amount of profit you make, it is always wrong to do something that can harm others. | .767 | | |
| One must ensure that one's actions do not harm others. | .739 | | |
| Human dignity and welfare should be the most important issue in society. | .701 | | |

| | | | |
|---|------|---------------|--------------|
| Even if there is a small risk, others should not be exposed to risk. | .649 | | |
| Conspicuous Consumption | | 12.650 | 0.815 |
| I shop to be famous. | .866 | | |
| I go shopping to gain respect. | .848 | | |
| I shop to attract the attention of others. | .834 | | |
| I shop to show who I am. | .777 | | |
| I buy products that show that I am a rich person. | .684 | | |
| I improve my image with the products I use. | .511 | | |
| Utilitarian Consumption | | 11.641 | 0.677 |
| I make a plan in advance for what I plan to buy. | .783 | | |
| Saving money when shopping is important to me. | .769 | | |
| I mostly spend money only on what I need. | .672 | | |
| It is important for me to find the cheapest prices for the things I need. | .666 | | |
| Saving time when shopping is important to me. | .596 | | |
| Materialism (Centrality) | | 8.283 | 0.633 |
| I try to live a simple life in terms of wealth (possessions). | .746 | | |
| I enjoy buying things. | .696 | | |
| I like luxury. | .648 | | |
| Materialism (Happiness) | | 6.944 | 0.650 |
| I would be happier if I had more. | .768 | | |
| It bothers me that I can't have what I like. | .755 | | |
| If I had what I don't have, my life would be better. | .752 | | |
| Materialism (Achievement) | | 4.851 | 0.675 |
| I like to have things that surprise people | .669 | | |
| The things I own say a lot about the kind of person I am. | .656 | | |
| I admire people with expensive cars, houses and clothes. | .532 | | |
| Total Variance Explained | | 61.608 | |

Hypothesis Testing

Structural equation modeling was used to test the hypotheses. First, six variables were included in the analysis as research variables. These variables are three dimensions of materialism (achievement, centrality, happiness), idealism, conspicuous consumption and utilitarian consumption. After the first analysis, the items measuring the centrality dimension of materialism were removed from the analysis since they worsened the model fit values and the analysis was repeated. Model fit values were obtained as CMIN/DF = 2.330, CFI = 0.914, GFI = 0.909, RMSEA = 0.058.

As a result of the analysis, all hypotheses were accepted except hypothesis H1.3 and H3.1. (hypothesis H1.2. could not be tested because the items measuring the centrality dimension of materialism were removed).

Table 2. Structural equation model output

| | | | Estimates | P | Hypotheses | Result |
|-------|------|-------|-----------|------|------------|--------------|
| consp | <--- | matu | .352 | *** | H1.1. | Accepted |
| consp | <--- | matx | .076 | .245 | H1.3. | Not accepted |
| consp | <--- | ideal | -.147 | *** | H2 | Accepted |
| util | <--- | matu | -.194 | .026 | H3.1. | Not Accepted |
| util | <--- | matx | .125 | .050 | H3.3. | Accepted |
| util | <--- | ideal | .301 | *** | H4. | Accepted |

Consp- Conspicuous consumption, Util- Utilitarian consumption, Matu- achievement, Matx- happiness, Ideal-Idealism, ***p<0.001.

Conclusions and Recommendations

The aim of the study is to determine the effect of materialism and idealism tendencies on utilitarian and conspicuous consumption.

The achievement dimension of materialism positively affects conspicuous consumption. Businesses offering vanity-oriented products/services may target consumers who use items to reflect their success. While designing the marketing mix, these businesses may pay attention to the elements that characterize the success of the user.

The achievement dimension of materialism negatively affects utilitarian consumption. Those who see acquiring things as success will make less utilitarian purchases. These consumers will place less emphasis on saving and make less planned purchases.

The happiness dimension of materialism positively affects utilitarian consumption. Businesses that offer products/services to those who attach importance to saving and make planned purchases can target consumers who are happy to acquire goods. While designing the marketing mix, these businesses may pay attention to include elements that characterize the happiness of the user.

Idealism has a negative effect on conspicuous consumption. Businesses that offer vanity-oriented products/services can explain to consumers that consuming these products/services will not harm others.

Idealism has a positive effect on utilitarian consumption. Businesses that offer market offers characterized by saving money and time, cheapness, and necessity can target idealists.

This research deals with the relationship between socio-psychological variables (materialism and idealism) and marketing variables (conspicuous consumption and utilitarian consumption). To the best of our knowledge, there is no research in the literature that deals with the relationships between these variables together. Considering this situation, it is expected that this research will make a theoretical contribution.

One of the primary limitations of this study is its use of convenience sampling, which hinders the ability to generalize the findings (Akbarov and Cafarova, 2020).

In future research, it would be useful to investigate whether various demographic variables (especially income) have a moderating effect on the relationships addressed in this study.

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