

## **Influence of Materialism, Social Status Display and Brand Consciousness on Status consumption among working women in Klang Valley**

**Sukjeet Kaur Sandhu<sup>1\*</sup>, Laily Binti Paim<sup>2</sup>, Kamaljeet Kaur<sup>3</sup>**

<sup>1</sup>Faculty of Business, Communication and Law, INTI International University, Persiaran Perdana BBN, Putra Nilai, 71800 Nilai, Negeri Sembilan, Malaysia.

<sup>2</sup>Department of Resource Management and Consumer Studies, Faculty of Human Ecology, Universiti Putra Malaysia, 43400 UPM Serdang, Selangor, Malaysia.

<sup>3</sup>Faculty of Business and Accounting, Infrastructure University Kuala Lumpur, 43000, Kajang, Selangor, Malaysia.

**Corresponding Author:** [sukjeetkaur.sandhu@newinti.edu.my](mailto:sukjeetkaur.sandhu@newinti.edu.my)

### **Abstract**

The study measures the influence of materialism, social status display and brand consciousness on status consumption among working women in Klang Valley. A total of 410 working women completed the questionnaire which were collected using mall intercept method. The focus on luxury branded items was narrowed down to three categories which were clothing/scarfs, shoes and handbags. The results revealed that materialism, social status display and brand consciousness has a significant relationship with status consumption.

### **Introduction**

The love for luxury products in Malaysia has grown rapidly over the years. Based on a report by Euromonitor (2016), luxury products in Malaysia continue to benefit from the strong GDP (Gross Domestic Product) performance with over 5 percent growth in the year 2016. The enhanced economic performance has increased consumers' disposable incomes and thus, giving them the financial freedom to acquire luxury products, which have also become easily attainable. Additionally, consumers' purchasing preferences may also be governed by their social perception of the products' worth and prestige. Status is most often complemented by a selection of economic, social, and emotional benefits and hence it can be valuable to have a higher rank than others.

The enhanced economic performance has increased consumer's disposable incomes and thus, giving them the financial freedom to purchase luxury products which have become easily accessible. Additionally, consumers' purchasing preferences may also be governed by their social perception of the products' worth and prestige. Status consumption has become very obvious across Malaysia and many parts of Asian countries. In Malaysia status consumption has rampant, portraying the level of affluence among Malaysian consumers (Danziger, 2004). If women are to dominate the consumer market, thus it is important for businesses to understand their status motives. Their buying behaviour should be carefully monitored as they are emerging and important market segment. The majority of the consumers

of luxury products, particularly females, enjoy the shopping experience by going window-shopping. Hence, physical luxury product outlets can provide enhanced customer's experience because the customer is able to personally inspect the products in addition to receiving professional advice when making their choices.

It would seem that status consumption is highly related to consumers' yearnings to increase their social reputations by buying conspicuous products and brands. It is often portrayed through conspicuous consumption. Consumers often associate status products with brands. Luxury goods, such as Bonia handbags, Jimmy Choo high heels, and Chanel suits signal superiority, high price, uniqueness, and a projection of personality (Euromonitor, 2014). Luxury, prestige, conspicuousness, and brands are concepts that have strong connection with status consumption. Luxury products have always been marketed as illustrations for high-involvement decision-making processes. It has been indicated that status consumption is an action that is driven by the desire to proclaim one's place within the society by means of displaying one's financial affluence.

Luxury items, such as designer clothes, accessories, and beauty and personal care products, have grown concurrently with the increasing number of women workers (Euromonitor, 2013). Undeniably, women would not hesitate to buy luxury items for themselves and their children, which result in the steep increment in the sale of the luxury goods. In a study done by Nielsen (2011), women were found to make most of the purchasing decisions in a household, and this trend has been growing. The research also indicates that 90 per cent of women believed that their roles are changing for the better. For Malaysian women, 89 per cent of them were optimistic in terms of better education, financial stability, and increasing purchasing power.

On the other hand, materialism is demonstrated by purchasing expensive or high-end branded goods or services. According to Durvasula and Lysonski (2010), those who are possible to employ money as a sign of power are prone to buy luxury products to reveal their social influence. Money is often used for vanity reasons; it displays one's achievement through owning expensive houses, cars, and personal apparel. In fact, consumers indulge in materialistic values because they regard money as representing the path to material acquisitions.

Prestige-seeking is the result of multiple inspirations, particularly self-expression and social status display. Kanuk and Schiffman (2004) reported that social status display is a measure of a member's social stature in each social class in relation to predefined status factors. These factors may comprise wealth, ability, and prestige, which play a huge part in influencing consumers' purchase decisions. Social status display is defined as an important factor that can stimulate conspicuous consumption (Marcoux, Filiatrault, & Cheron, 1997). Consumers would purchase certain products because they are influenced by the perceived prestige of acquiring conspicuous brands (Steenkamp, Batra & Alden, 2003). This observation is supported by Goldsmith, Flynn, and Eastman (1996), who stipulated that consumers' buying behaviours are often driven by their desires to reach a certain status or prestige by acquiring such products. Thus, a consumer's conspicuous tendency could be linked to his or her desire for social acceptance. Similarly, Wong and Zhou (2005) explained that people's desire to buy certain brands could be a symbolic mark of wanting to gain group membership. The stronger the desire for better social status display, the more social status symbols would be acquired (Eastman et al., 1999).

The society has become extremely brand-conscious, which has led to the belief that equates higher price with higher quality. The recent growth in brand consciousness may be due to women consumers buying only familiar and favorable brands. It was reported that brand consciousness involves more than just being aware or preferring certain brand names; it comes from understanding that brand names offer personal relevance that becomes a signal of functionality or a symbolic value (Achenreiner & Rausch, 2001).

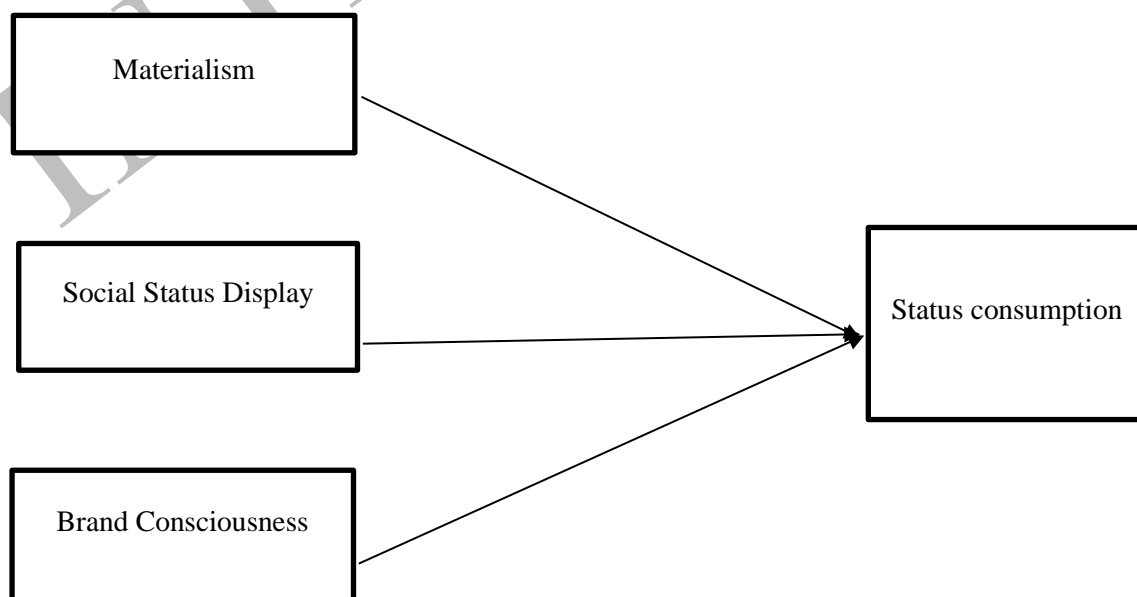
Nelson and Devanathan (2005) defined brand consciousness as unique and being similar to materialism, and thus should be factored as an individual difference variable. Some individuals are attuned to brands in general, and this consumer style can affect their preferences for brand names. Keum, Devanathan, Deshpande, Nelson, and Shah (2004) demonstrated that brand-conscious consumers would rely on the media and celebrities for the hottest styles, release, and brands.

## Materials and Methods

### *Conceptual Framework*

From the literature review, the below conceptual framework was developed to test the relationship of brand consciousness, materialism and social status display with status consumption.

Conceptual Framework



### *Research Objective*

- 1) To examine the relationship between materialism and status consumption.
- 2) To examine the relationship between social status display and status consumption.
- 3) To examine the relationship between brand consciousness and status consumption.

### *Sample and Questionnaire*

The survey focused on working women in Klang Valley using non-probability sampling method. 410 respondents were used where respondents were asked to fill in the information of their luxury personal apparel (handbag, shoes, and clothing) and followed by the rest of the section

measuring social status, brand consciousness, money attitude and status consumption and lastly their demographics information. Social status was measured by using the scale developed by O’Cass and Frost (2002) meanwhile brand consciousness was measured by using the famous scale developed by Shim and Ghert (1996). The Yamauchi and Templer (1982) scale was used to measure the money attitude variable but the distrust dimension was removed as it is not suitable for the study, while women emotions dimension was introduced in the scale. The status consumption measurement used the Eastman and Goldsmith (1999) scale.

The study utilized the mall-intercept technique. Four shopping malls were chosen namely KLCC (Kuala Lumpur City Centre), One Utama Shopping Centre, Pavilion Mall and Mid Valley with each shopping mall having 110 questionnaires being distributed. Working women were intercepted especially those exiting from luxury stores focusing on shoes, handbag and cloths. Screening questionnaire was asked if they were working women and have purchased luxury products (handbag, shoes or cloths).

### Results and Discussion

Table 1 presents the demographic profiles of the respondents. In terms of race distribution, the Malays accounted for 52.9%, followed by the Chinese with 27.5%, the Indians with 15.8%, and the other races and ethnicities with 3.8%. The majority of respondents were below 30 years old 66.3% and followed by 30-40 years old (27.1%). A total of 6.6% respondents were 40 years old and above. Next, from the total number of Malaysian working women respondents, 58.8% of them were single, 18% were married with children, and 15.9% were married without children. In respect to the education level, 41.7% of the respondents were degree holders, followed by diploma holders 25.6%, SPM or below 14.1%, and the rest were postgraduates and STPM holders. In terms of income level, the respondents earning RM3,000-RM4,999 comprised the largest group (39.2 %), followed by those with a monthly income of RM1,000-RM2,999 (28.5%), and those below RM1, 000 accounted for 11.2%. It could be summarized that the respondents were mostly Malays, less than 30 years old, and unmarried. Also, most of them were degree holders with income ranging between RM3,000 and RM4,999.

Table 1: The frequency distribution of the respondents based on backgrounds

<b>Variable</b>	<b>Frequency (N=410)</b>	<b>Percentage (%)</b>
<b>Race</b>		
Malay	217	52.9
Chinese	113	27.5
Indian	65	15.8
Others	15	3.8
<b>Age</b>		
Less than 30 years	272	66.3
30-40 years	111	27.1
Above 40 years	27	6.6
<b>Marital Status</b>		
Single	241	58.8
Married with children	74	18.0
Married without children	65	15.9
Divorced	30	7.3

Education Level		
SPM or less	58	14.1
STPM	34	8.2
Certificate/Diploma	105	25.6
Degree	161	39.2
Postgraduate	52	12.9
Monthly Income		
Below RM1000	46	11.2
RM1000 –RM2999	117	28.5
RM3000-RM 4999	160	39.0
RM5000-RM6999	51	12.4
RM7000-RM9999	32	7.9
RM10,000 above	4	0.9

In this study, the Cronbach Alpha method was used to measure the reliability of the 40 questions that were used to measure (in Likert Scale) the materialism, brand consciousness, social status display and status consumption. The Cronbach Alpha value was equivalent to 0.89, verifying that this model is suitable for this study.

Table 2: Regression of Factors towards Status Consumption

Model	Standardized		Understandized	t
	Coefficient		Coefficient	
p	Beta	Std. Error	Beta	
Constant		.873	2.830	.005
Materialism .001	.141	.044	.148	3.209
Social Status Display .000	.125	.022	.260	5.548
Brand Consciousness .000	.346	.067	.245	5.145
F= 36.982	R <sup>2</sup> = 0.468			
Sig-F 0.000				

The derived multiple coefficient of determination  $R^2$  is 0.468 which means 46% of variations in the dependent variable are explained by the set of predictors. This also means that the accuracy of the variables social status display, brand consciousness and materialism in predicting status consumption is 44%. Table 1 shows the parameter estimates of the regression which represent the regression coefficient or slope of each predictor variables. The t-statistic indicates the significance of the constant and each of the parameter estimates. The regression model has constant of 2.83 and is significant at the level of 0.05 ( $p=0.00$ ). Parameter estimates for brand consciousness, social status and money attitude is 0.148, 0.260, and 0.245 respectively. The statistics provide the significance of each parameter estimates. Money attitude was the most significant explanatory variable in predicting status consumption with the significant level of 0.000. The F-ratio derived (36.982) was large enough to render the analysis of variance yield a significant result at the 0.01 level ( $p=0.00$ ), implying that the regression

model as a whole is significant and can be accepted to represent the relationship between the dependent and the explanatory variables of the study.

The finding is similar to Yasin (2009) which describes brand consciousness consumers as those who pay attention to brand names and are interested in buying well-known brand names. Shukla (2008) also highlighted brand association influence status consumption. Brand plays a very important role in status consumption and it is often as the antecedent variable. This notion is also supported by Elliot and Wattanasuwan (1998) who found that brands help in building a symbolic meaning and also building an unconscious aspect of self-identify in social setup.

As for the materialism variable, this conforms to the findings in past research, that in general materialistic consumer tend to consume than others, with clear intention to consumer products that generate social recognition or status for the owner (Mason, 2001). One of the work done by Wang and Wallendorf (2006) related to materialism is status signaling as a mean to product satisfaction. Some materialistic consumer use status consumption to fill the void and reduce the dissatisfaction by displaying materialism possession and gaining a sense of increased quality of life even if temporary. Thus, materialism becomes very essential part of status consumption.

On the other hand, acquiring symbolic brands is capable of providing symbolic benefits, such as improving one's social status and as a display of fortune (Chandon, Wansink & Laurent, 2000). These circumstances are prevalent within societies that value economic and social statuses (Wong & Ahuvia, 1998). Among the members of these societies, the brands' symbolic meanings are emphasised, which lead to the buying of specific brands that can convey strong impressions of the owner (O'Cass & Frost, 2002). The rarity of luxury serves a role in impressing others, because in a consumer society, rarity and price can amplify one another, and so also, the value of the good on social display (Mark & Paul, 2014)

### **Conclusion**

As a conclusion, brand consciousness, social status display and materialism are critical element which should be taken into consideration. Consumers who are engaged in status consumption pays much attention to their brand of the item purchase. Thus, marketers can tap in to this area and find out brands, which are generally favourable among working women. The insights will help marketers better understand and target emerging consumer, and develop appropriate marketing strategies.

Materialism also influences the Malaysian working women towards status consumption. Generally, people with high level of materialism have higher tendency to engage themselves in status consumption, and this research has proven it. The stronger the desire for better social status display, the more social status symbols would be acquired. Since women today plays a considerably more imperative part as consumers than they did in the past. They secured more financial independence and the clout to participate in household purchasing decisions that had been the sole domain of men, their status motives has evolved. The female market today can't as a single market segment but an entire market. Retailers and manufacturers should now consider women purchasing power when marketing car, entertainment and household goods

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