Motives for status consumption: An empirical investigation based on semi-urban women consumers in supermarket settings in Sri Lanka

MMN Swarnamali[1], AM Perera[2], UK Jayasinghe-Mudalige[1#], JMM Udugama[1], HMLK Herath[1], TPSR Guruge[1] and JC Edirisinghe[1]

[1]*Department of Agribusiness Management, Faculty of Agriculture and Plantation Management, Wayamba University of Sri Lanka, Gonawila, Sri Lanka*

[2]*Department of Accountancy, Faculty of Business Studies and Finance, Wayamba University of Sri Lanka, Kuliyapitiya, Sri Lanka*

[#]udith@hotmail.com

Abstract— Consumption of goods and services for the sake of showing status – commonly referred to as 'status consumption', has become a persistent phenomenon in many societies, and it is remarked that urban women, in particular, play a more prominent role in this regard compared to their counterparts. In light of this, the specific objective of this study was to assess this phenomenon in the context of 'semi-urban women consumers utilizing the supermarket setting in Sri Lanka' on the proposition that they, similar to those from urban areas, also tend to: (1) use certain facilities such as Credit Cards for financial transactions (e-COM), and (2) make frequent visits to reputed supermarkets to purchase common household items (FVST)], and this behavior is associated with a set of distinct motives, namely: 'Conformist', 'Hedonic', 'Quality', 'Status' and 'Uniqueness', which are cited in the consumer behavior literature as the key determinants triggering status consumption. A set of attitudinal statements explaining the underlying phenomenon of each motive were formulated and was included in a structured questionnaire; then pre-tested for validation, and was administered with a sample of women consumers (n=200) at reputed supermarkets located in the semi-urban areas in the Kurunegala district during April to May 2014. A number of quantitative methods, including Confirmatory Factor Analysis to configure validity and reliability of statements reflecting motives; Chi-Square analysis, and Probit Regression were applied to analyze the data using the STATA statistical software, where the relationships of e-COM and FVST with those motives, individually and collectively, were of special interest. The results indicate that all five motives induce semi-urban women consumers to utilize the supermarkets located in respective areas to purchase household items, with 'Quality' was rated as the most important motive in this respect, especially amongst the relatively highly educated women. It, however, implies that, albeit significant correlation between e-COM and FVST, none of which can be used as key indicators to signal semi-urban women's behavior on status consumption; thus, warrants further research on this issue.

Keywords— Consumer behavior, Status consumption, Women consumers

I. INTRODUCTION

Status Consumption (SC), which is the consumption of "luxury goods and services at higher prices" to display the "status", has become an increasingly important topic in the area of consumer behavior. According to Eastman *et al.* (1999), the "status" can be acquired through three different means such as: *Assignment* (e.g., nobility); *Achievement* (e.g., outstanding performance in sport or career), and *Consumption.* Kilsheimer (1993), cited in O'Cass and McEwen (2004), defines SC as a motivational processes by which individuals strive to improve their social standing through the conspicuous consumption of consumer products that confer and symbolize status both for the individual and surrounding significant others.

Consumer motives for SC can be categorized into five distinct forms, including: (1) Conformist; (2) Hedonic; (3) Quality; (4) Status, and (5) Uniqueness (Vigneron and Jhonson, 1999), and the importance of each is expressed below with special reference to consumer in a supermarket setting.

Conformist Motive (CM) : For the purpose of this analysis this is defined as *"the desire of individuals to improve their self-concept through shopping at supermarkets and consuming products that are supposed to conform to the expectations and lifestyles of groups to which the individual socially desires, both for the individual and others".* Consumers attempt to signify their social class and status through their consumption is measured through this motive.

Hedonic Motive (HM): This expresses *"the desire of individuals to experience positive feelings and effective status through shopping at supermarkets and the products they bought should provide positive feelings and affective status for the individual"*. Individual pleasure and satisfaction are highly concerned by this motive. Some consumers may be attracted to supermarkets due to the positive emotional experience, which they may expect will result from the shopping experience.

Quality Motive (QM): This motive is defined as *"the desire of individuals to experience high levels of quality, technical superiority and performance levels of products they supposed to buy from supermarkets".* A prestigious brand is expected to exhibit higher levels of quality than similar but, less prestigious brand. Individual's attitude towards the relationship between quality product and supermarket products is measured through this motive.

Status Motive (SM): this can be defined, within the scope of this study, as *"the desire of women's to improve their social standing through the SC or non-SC at supermarkets which sells products that are supposed to confer and symbolize status both to individual and others"*. By this the attitude of women's towards displaying status to others is covered.

Uniqueness Motive (UM): This is defined as *"the desire of women's to demonstrate their uniqueness and /or exclusivity through the consumption of products at supermarkets that are supposed to be different and/or exclusive both by individual and others".* This appears to be a positive relationship between the supposed scarcity of a product and the value of the product for customers.

Whether, and if so, why a particular consumer engages in SC; what motivates her to consume conspicuously, and can the socio-economic and demographics of such a consumer be used to predict motivation for the SC are some important issues to be dealt empirically, since the knowledge generated through which can be used effectively to promote diverse functions related to marketing and value-chain management. In light of this, the specific objective of this study was to assess this phenomenon in the context of semi-urban women consumers utilizing the supermarket setting in Sri Lanka.

II. METHODOLOGY

A. Formulation of Statements to Reflect Motives

The five major motivational categories for the SC identified through review of literature, including: (1) Conformist Motive (CM); (2) Hedonic Motive (HM); (3) Quality Motive (QM); (4) Status Motive (SC); and (5) Uniqueness Motive (UM) were chosen to serve as the base to specify the empirical model.

Given "unobservable nature" of these motives, it was required to formulate a set of statements (Items) to reflect the motives in order to support the empirical analysis (*Hair et al., 1995*). For the purpose of this analysis, twenty five items were set initially to evaluate five types of motives for SC, i.e. with an equal number of items (n=5) for each motive. The next step was to purity those statements to select the most 'valid' and 'reliable' items for further analysis to which Confirmatory Factor Analysis can be used on the data gathered for this purpose.

To gather the data required for validation, a structured questionnaire was developed, which comprises of two sections, including: *Section I* – information pertaining to the respondent, and *Section II* – to assess a women consumer's motives for the SC, in particular.

The 25 statements formulated were included in this section so that a respondent can indicate: "how strongly she agreed or disagreed on the underlying phenomenon in each statement" on a five-point Likert-scale (0 = strongly disagree to 4 = strongly agree). The Pilot Test in this regard was carried out with 30 women consumers at a chain supermarket in Kurunegala in March 2014.

B. Selection of Valid and Reliable Statements

The next step is to select the best representing statements for each motive. Factor Analysis, a statistical technique used for data reduction or structure detection and is applied when discovering which variables in a set form coherent subsets that are relatively independent of one another, can be used in this respect. Given the nature of analysis, the Confirmatory Factor Analysis was applied to ascertain the number of factors that best represent the data (Hair *et al.,* 1995).

A number of techniques, including: (1) the Eigenvalue greater than one criterion, (2) the percentage of variance accounted for by each factor, (3) inspection of the scree plot, and (4) the interpretability of the factors, were adopted to determine the number of statements to be selected as the best representing the underlying structure in the data, i.e. motives for SC.

All four methods were used conjunctively to determine the number of factors that best summarize the data. The selected statements at the end of this process along with the Factor Loadings are reported in Table 1.

Table 1. Final set of statements from Factor Analysis

Factor Item		Factor Loading
Factor 1: Conformist Motive (CM)		
CM1	Sometimes it is necessary to purchase a CG to gain membership of a group	0.608
CM2	Sometimes I am ashamed of products I own because others own better	0.498
CM3	I feel more socially acceptable if I possess a CG as compared with inconspicuous good	0.444
CM4	CGs help me conform to the expectations of my peers	0.559
Factor 2: Hedonic Motive (HM)		
HM1	I am more likely to purchase CG that I would enjoy	0.593
HM2	My reason for consuming CG is that it puts me in a good mood	0.734
HM3	I prefer the CGs that my friends already own	0.648
HM4	CGs give me pleasure	0.687
Factor 3: Quality Motive (QM)		
QM1	I consider the product quality than its price	0.537
QM2	I believe that quality products are always high in price	0.783
QM3	Quality products are always from supermarkets	0.696
QM4	Quality goods always keep me healthy	0.561
Factor 4: Status Motive (SM)		
SM1	It is important that I advertise my success by owning CGs	0.585
SM2	It is important that people know that a CG that I own was expensive	0.696
SM3	People are more likely to accept me if they see me with a CG	0.708
SM4	A CG is worth more if people think it is a status product	0.615
Factor 5: Uniqueness Motive (UM)		
UM1	I am attracted to rare things	0.401
UM2	I enjoy shopping at stores that carry merchandise that is unusual	0.630
UM3	I am more likely to buy a CG if it is unique	0.729
UM4	I value the ability of a CG to make me feel special	0.515

Note: CG = Conspicuous Goods, CM= Conformist Motive, HM= Hedonic Motive, QM= Quality Motive, SM= Status Motive, UM= Uniqueness Motive

C. Collection of Data from Women Consumers

The women consumers (n = 200) used to visit chain supermarkets located in certain cities in the Kurunegala district (e.g. Wariyapola, Kuliyapitiya, Mawathagama and Narammala) were contacted randomly (i.e. every 5th women consumer competes her shopping to make sure the respondent is ready to purchase the goods in her basket and before moving to the cash counter to avoid response hurriedly) within the premises to collect data during March to May 2014. Each women consumer was subject to a personal interview supported by the structured questionnaire with the 20 valid statements on motives.

D. Development of an Index to Evaluate Motives

The scores provided by respondents on the validated set of statements using the five-point likert scale (similar to pilot survey) were used to derive an index for each motive as shown in equation (1) below:

$$\text{MFI}_{ik} = \frac{(\sum X_{ij}/N_k)}{M} \quad (1)$$

Where,

MFI_{ik}	=	"Motivational Factor Index" of kth motive for the ith respondent
X_{ij}	=	Scores given by the ith respondent to j^{th} statement
N_k	=	No. of statements per k^{th} motive
M	=	Maximum Score for a statement

The value of MFI reflects the extent to which a consumer perceives the influence of a motive in concern towards SC and is ranging from 0 to 1 (1 = absolutely concern; 0 = not concern at all).

E. Modelling Consumer Behavior on Motives & SC

Empirically, a women consumer's attempt to express her SC can be attributed to two aspects, such as: being a "Credit Cards User" (e-COM) and "Frequent Shopper" (FVST) to supermarkets. Each motivational factor considered in the analysis may, therefore, contribute to a women consumer's decision to being an e-COM and FVST; however, the importance of each may differ between consumers

The following model was specified to assess the relationship between the SC of women consumers (*dependent variable*) and the five motives in concern and socio-economic and demographic factors of consumers (*explanatory variables*):

$$Y_i = \beta_{0i} + \beta_{1i}*CM + \beta_{2i}*HM + \beta_{3i}*QM + \beta_{4i}*SM +$$
$$\beta_{5i}*UM + \beta_{6i}*AGE + \beta_{7i}*EDU + \beta_{8i}*INC + \varepsilon_i \quad (2)$$

Where, Y_i = Credit Card user (e-COM) [User = 1; Non-User = 0), OR Frequent Supermarket Visitor (FVST) [Visitor = 1; Non-Visitor = 0], and β_{0i} to β_{8i} are the coefficients of ith regression. The terms CM, HM, QM, SM and UM denote the value of MFI for respective motives. Further: AGE = age of the consumer; EDU = level of education; INC = level of income, and ε_i = error term for i^{th} regression.

By taking into account of the dichotomous nature of the two dependent variables (i.e., e-COM vs. Non-e-COM; FVST vs. Non-FVST), Probit Regression analysis (Ashford and Sowden, 1970) was applied to obtain the estimates of coefficients of variables in the model using the *Stata* statistical software (version 11).

III. RESULTS AND DISCUSSION

A. Descriptive Statistics of the Sample

The descriptive statistics of the sample for various categories, including age, education, and income as well as the status of e-COM and FVST along with the values of the MFI for the five motives in concern are reported in Table 2.

### B. Distribution of Value of MFI

The Mean values of MFI for five motives of SC in concern are shown in Figure 1. It shows that 'Quality motive' obtained the highest MFI value (0.67), while 'Status motive' possesses the least MFI value (0.28).

The difference between the value of MFI for e-COMs and non-e-COMs and FVST and Non-FVST with respect to the five motives in concern is illustrated in Figure 2 and 3, respectively

Table 2. Descriptive statistics of the sample

Variables	Percentage (%)	Mean Index Values for Five Motives of SC				
		CM	HM	QM	SM	UM
Age						
18-25	7.5	0.20	0.63	0.64	0.20	0.48
26-45	72.0	0.31	0.64	0.67	0.29	0.58
Above 46	20.5	0.29	0.70	0.68	0.27	0.54
Education						
Up to O/L	4.0	0.36	0.62	0.69	0.34	0.52
Up to A/L	42.0	0.30	0.65	0.68	0.29	0.57
Higher education	54.0	0.28	0.65	0.65	0.26	0.56
Income						
Rs. 15,000-30,000	8.0	0.28	0.59	0.64	0.30	0.44
Rs. 31,000-65,000	55.5	0.29	0.66	0.67	0.26	0.56
Above Rs. 66,000	36.5	0.30	0.64	0.67	0.29	0.59
Shopping Frequency						
FVST	74.5	0.30	0.66	0.67	0.28	0.57
Non-FVST	25.5	0.29	0.63	0.66	0.27	0.54
Credit Card Usage						
e-COM	44.0	0.30	0.65	0.66	0.28	0.58
Non e-COM	56.0	0.30	0.65	0.67	0.27	0.55

Note: CM= Conformist Motive, HM= Hedonic Motive, QM= Quality Motive, SM= Status Motive, UM= Uniqueness Motive
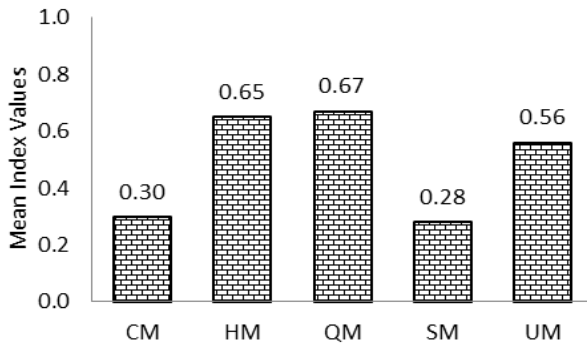
In the case of e-COM, the estimated Mean values for these two categories were 0.498 and 0.492, respectively, which were not significantly different (p=0.458). Further, it shows that Credit Card users consider 'Hedonic motive' and 'Quality motive' as more important. Thereby, it is understandable that e-COM is not a sign of status consumption.

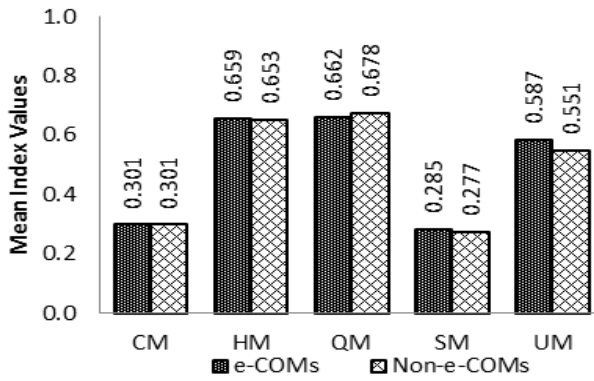Figure 1. Mean Index Values for motives of SC
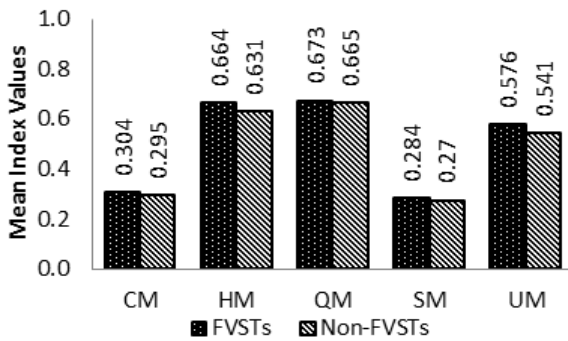
Figure 2. Values of MFI for e-COMs and Non-e-COMs

Figure 3. Values of MFI for FVSTs and non-FVSTs

Chi-square analysis was carried out to assess the association between two dependent variables explaining SC for the purpose of this analysis. The values obtained (8.094; p = 0.004) highlights that there exists a significant association between these two variables at the confident level of 95%.

C. Outcome of Probit Regression

The outcomes of Probit Analysis are reported in Table 3. It shows that there was no significant impact of the variables included in the model on consumer status consumption, except the level of income of a consumer. Therefore, we may suggest that, *ceteris paribus*, women consumers, in general, tend to seek for higher status as their income increases.

IV. CONCLUSIONS

The outcome of this analysis indicates that, in general, the Status Consumption of women consumers is influenced by all five motivational factors considered in the analysis to some extent, but none of which, i.e. Conformist, Hedonic, Quality, Status and Uniqueness, can be considered as the key to decide on semi-urban women consumers purchasing behavior in this respect. Nevertheless, it reveals that Quality Motive was more influential than other motives for this purpose. It also shows that the level of education and income of women consumers trigger this behavior; thus, educated women with high income levels shows their status through purchasing luxury items at higher prices at the supermarket settings compared to their counterparts. Moreover, use of Credit cards and frequent Visits to the supermarkets are highly significantly correlated; thus, both, individually and/or collectively can be used to assess this phenomenon.

Table 3. Results of Probit regression I and II

Variable	Credit Card Usage (Analysis I)			Shopping Frequency (Analysis II)		
	Coefficient	SE	P value	Coefficient	SE	P value
Motives of SC						
Conformist Motive	-0.099	0.716	0.890	-0.027	0.725	0.970
Hedonic Motive	0.451	0.535	0.399	0.297	0.507	0.558
Quality Motive	-0.329	0.695	0.636	0.067	0.698	0.923
Status Motive	0.345	0.649	0.595	0.364	0.653	0.578
Uniqueness Motive	-0.973	0.547	0.859	-0.059	0.536	0.912
Demographic variables						
AGE 2 (26-45 Years)	0.133	0.410	0.746	0.193	0.379	0.611
AGE 3 (Above 46 Years)	-0.322	0.456	0.479	0.171	0.431	0.692
EDU 2 (Up to A/L)	1.008	0.808	0.212	1.022	0.595	0.086
EDU 3 (Higher education)	1.338	0.807	0.098	0.921	0.605	0.128
INC 2 (Rs. 31,000-65,000)	0.572	0.309	0.064	0.810*	0.262	0.002
INC 3 (Above Rs. 66,000)	2.077*	0.349	0.000	1.767*	0.347	0.000

*Note: * significant at 0.05 levels, SE= Standard Error, Regression I: Log likelihood= (-95.140), LR chi² (11) = 84.09, Prob. >chi² = (0), Pseudo R²= 0.3065, Regression II: Log likelihood= (-92.423), LR chi² (11) = 42.26, Prob. >chi²= (0), Pseudo R²=0.1861*

REFERENCES

Ashford, J. R. and Sowden, R. R. (1970). Multivariate Probit Analysis, **26,** 535-546.

Eastman, J. K., Goldsmith, R. E., and Flynn, L. R. (1999). Status consumption in consumer behavior: Scale development and validation. *Journal of Marketing Theory and Practice*, **7** (3), 41-52.

Hair, J. F., Anderson, R. E., Tatham, R. L., and Black, W. C. (1995). *Multivariate Data Analysis with Readings*. Prentice Hall. Englewood Cliffs. New Jersey.

Klisheimer, J. (1993). *Status Consumption: The Development and Implications of a Scale Measuring the Motivation to Consume for Status.* Unpublished Dissertation, Florida State University.

O'Cass, A. and McEwan, H. (2004). Exploring consumer status and conspicuous consumption. *Journal of Consumer Behaviour,* **4** (1), 25-39.

Vigneron, F., and Johnson, L. W. (1999). A review and conceptual framework of prestige seeking consumer behavior. *Academy of Marketing Science Review*, *(1999),* 1-15.