

**THE EFFECTS OF CULTURAL VALUES, MATERIALISM AND
RELIGIOSITY ON CONSPICUOUS CONSUMPTION.**



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UUM
Universiti Utara Malaysia

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Universiti Utara Malaysia

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Kolej Undang-Undang, Kerajaan dan Pengajian Antarabangsa
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ABSTRAK

Tingkah laku penggunaan barangan mewah untuk kemegahan telah lama dikaji di negara-negara Barat. Kajian terhadap penggunaan barangan mewah untuk kemegahan biasanya dilakukan dalam kalangan pengguna dewasa. Namun begitu, pembelian barangan mewah telah menjadi fenomena di Negara-negara Asia terutamanya di kalangan pengguna muda. Pengguna barang mewah tidak lagi tertakluk kepada pengguna yang berada sahaja tetapi wujud dalam setiap lapisan masyarakat termasuklah generasi baru pengguna muda. Pengguna yang tidak mampu juga didapati berkelakuan sedemikian. Oleh itu, objektif utama kajian ini adalah untuk mengkaji pengaruh nilai-nilai terhadap tingkah laku penggunaan barangan mewah iaitu nilai budaya, nilai kebendaan dan nilai agama dalam kalangan Generasi Y. Sejumlah 262 responden telah digunakan dalam menganalisis data menggunakan analisis regresi berganda untuk menentukan hubungan di antara konstruk-konstruk. Hasil dapatan kajian mendapati bahawa orientasi nilai merupakan faktor penting dalam menentukan sikap terhadap penggunaan barangan mewah untuk kemegahan. Kajian ini juga mengambil kira peranan 'sikap terhadap barangan mewah' sebagai pemboleh ubah perantara. 'Sikap terhadap barangan mewah' menunjukkan hubungan yang signifikan sebagai faktor perantara antara nilai budaya dan nilai agama terhadap 'tingkah laku berbelanja barangan mewah untuk kemegahan' kecuali nilai-nilai kebendaan tidak mempunyai hubungan yang signifikan dengan pemboleh ubah perantara.

Katakunci: Penggunaan Barangan Mewah, Nilai-nilai Budaya, Sikap terhadap Barangan Mewah, Nilai-nilai Kebendaan, Nilai-nilai Agama

ABSTRACT

Conspicuous consumption behaviour had been studied primarily in Western countries long time ago. Research on conspicuous which normally associated with luxury products focused on adult consumers only. However, luxury goods purchases are becoming an emergent phenomenon in most Asian countries especially among young consumers. Luxury consumers are no longer restricted to the affluent consumers, but also appeared in all classes of people including a new generation of young people. People who cannot really afford to buy luxury products may also be engaged in doing so. Therefore, the purpose of this study is to examine the influence of values on conspicuous consumption behaviour, specifically, the influence of values orientation (i.e. cultural values, material values and religiosity) on the Generation Y consumers. A total of 262 respondents were included in the data analysis, in which the multiple regression analysis was performed to examine the relationships among the constructs. The findings indicated that values orientation plays a key role in determining conspicuous consumption behaviour. This study also accounts for the mediating effect of attitude toward luxury brands. Attitude toward luxury brand was shown to be significant to mediate cultural values and religiosity on conspicuous consumption except for material values were found to have insignificant relationship with the mediating variable.

Keywords: Conspicuous Consumption, Cultural Values, Luxury Brands, Material Values, Religious Values

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CHAPTER 1

INTRODUCTION

This chapter discusses the research background, problem statement, research objectives, research questions, theoretical framework, hypotheses and significance of the study, including conceptual definitions and limitations.

1.1 Introduction

Research in consumption and consumer behaviour has become an interest of researchers from various disciplines (De Mooij & Hofstede, 2011). Many factors have been identified as significant in providing a good understanding of consumption behaviour, arising from differences in culture, psychology and economics. These factors also relate to each other, especially culture which has been shown to have an influence on consumption and consumer behaviour and which has drawn increasing attention from scholars in recent years (Soares, Farhangmehr & Shoham, 2007).

The motives behind consumption can be partially understood in terms of the classic psychological theory of Maslow (1943). Maslow proposed five categories of needs that humans attempt to satisfy: 1) physiological, 2) safety and security, 3) love/belonging, 4) self-esteem and 5) self-actualization (Maslow, 1954). People must satisfy one level before they proceed to the next level in the hierarchy; once physiological and safety needs are met, for example, then the belonging/love needs can be addressed. This process continues until all needs in the hierarchy are satisfied. The first two levels are considered lower order needs, those which are essential for life itself (e.g., food, water, shelter). The next three layers are considered higher-order needs; these may never materialize for people who fail to meet the basic needs.

Developing countries such as Asia have largely met the lower-order needs which are essential to life. However, they are now experiencing growth in consumption which transcends merely that which is necessary for survival (Subrahmanyam & Gomez-Arias, 2008). Consumers in these countries are now emphasizing their self-esteem needs and love/belonging needs (social relationships) (Subrahmanyam & Gomez-Arias, 2008). Consumption of material goods is one mechanism by which consumers can satisfy these higher-order needs (Ger, 1997). People will often consume luxury products in order to demonstrate their status or to achieve a sense of belonging in a society. Income is a crucial factor in consumption, but even people who cannot really afford to buy luxury products may do so due to this motivation (Kuisma, 2008; Belk, 2001, as cited in

Subrahmanyam & Gomez-Arias, 2008). Consistent with this, a new phenomenon has emerged: the luxury brand culture, wherein people from all income brackets and at all age levels engage heavily in buying luxury products.

Luxury-brand culture has spread to developing countries, especially Asia (Chadha & Husband, 2006). Since Asian countries are at different levels of economic development, ranging from super-rich countries such as Japan to emerging nations like China and India, Chadha and Husband (2006) developed a conceptual framework which they called the “spread of luxury model.” This model describes the stages of luxury culture and attempts to explain how it has spread in Asia. While Maslow’s framework is useful for a basic understanding of human needs, exploring cultural factors and value orientation can assist researchers in explaining and understanding the motivations behind consumption of luxury products and conspicuous consumption.

1.2 Background

Conspicuous consumption was first discussed more than one hundred years ago by Thorstein Veblen (1899 republished 1994) in his book *The Theory of the Leisure Class*. Veblen, an economist and sociologist, introduced the term "conspicuous consumption" to describe the behavioural characteristics surrounding the accumulation of wealth during the Second Industrial Revolution (1867-1914).

Since then, it has been an interest of researchers from various disciplines, especially marketing, even though the topic of conspicuous behaviour is rooted in an economic perspective (Podoshen & Andrzejewski, 2012).

During the Second Industrial Revolution people bought high-prestige goods in order to express their status in society. Veblen (1899) stated that affluent Americans were spending their wealth on unimportant things to impress others (Chaudhuri & Majumdar, 2006) and to satisfy their self-esteem needs by displaying their status. Veblen narrowed the concept of conspicuous consumption to the upper class only, but some scholars argue that it can appear in the middle and lower class also.

In marketing, conspicuous consumption is normally associated with the purchase of status or luxury goods (Chaudhuri & Majumdar, 2006) where price is not the buyer's main concern. A consumer chooses a certain item for two purposes: symbolic or emotional. A symbolic purpose is where consumers choose an item in order to express their personality, social status or group affiliation; an emotional purpose is where the product is chosen because it fulfils an internal psychological need, such as the need for change or novelty (Kim, Forsythe, Gu & Moon, 2002).

Cultural differences may effect a reversal in Maslow's hierarchy of needs, particularly in Asian societies (Gambrel & Cianci, 2003; Subrahmanyam & Gomez-Arias, 2008). People in Asian societies place more importance on social harmony,

group loyalty and group recognition than on physiological needs. Since Maslow's hierarchy is based on individualistic societies, it may not be applicable to collectivistic countries. However, as Chadha and Husband (2006) stated, strong luxury cultures do exist in collectivist nations and luxury consumption has become a mechanism by which collectivist people express their status.

Luxury brand culture is not limited to a certain group of consumers only; this culture can be observed across all age, racial and geographic strata and has become a global phenomenon. Normally studies of luxury brands have examined consumers with a certain income level. The purchase of branded goods and luxury goods is generally associated with high-income individuals. However, one important market segment has received little attention from researchers on branded shopping and luxury brands, namely the youth market. The youth market refers to consumers between 14 and 29 years old (Wolburg & Pokrywczynski, 2001; Chau & Ngai, 2010). They are also known as "Generation Y." These consumers were born, grew up and developed within the global consumer culture (Slater & Tonkiss, 2001 as cited in de La Velle, 2007).

Marketers have recognized a huge opportunity in this market segment, especially in the area of luxury goods. This potential was first identified by research on Generation Y which showed that they are strong branded product purchasers and are interested in brand name goods (Bakewell & Mitchell, 2003a; Goldgehn, 2004; Howe & Strauss, 2007). They are also likely to seek out more conspicuous goods and are a key market

for publicly consumed luxury products (Taylor & Cosenza, 2002; Riquelme, Rios, & Al-Sharhan, 2011; Eastman & Liu, 2012). Moreover, research has shown that Generation Y consumers tend to be affluent and can afford to buy luxury goods (Martin & Turley, 2004) that they have high buying power compared to the previous generation, and that they exhibit a different shopping style than previous generations.

Religion is another important factor that had been given little attention by researchers of consumer behaviour. This factor may have a significant effect on consumer behaviour, especially consumption behaviour (Mokhlis, 2009). People with different religious backgrounds and different levels of religiosity will act differently when making decisions about consumption (Delener, 1990; Essoo & Dibb, 2004; Sood & Nasu, 1995).

1.3 Problem Statement

Culture can shed light on differences in consumer motives. To date, consumer research on culture has been focused primarily on general values (Gregory, Munch, & Peterson, 2002; Sun, Horn, & Merritt, 2004) or sub-cultural factors such as ethnicity (Kim & Kang, 2001; Lindridge & Dibb, 2003). As religion is a part of culture, there is need to understand the influence of religion on consumer behaviour. However, not much attention had been given to the topic of religion even though research has demonstrated the importance of religiosity in a decision making context where religion

can be used as a guideline to avoid uncertainty (Schwartz, Shalom & Huisman, 1995). Religion also plays an important role between genders (Miller & Hoffman, 1995) in shaping attitudes as well as behaviour particularly on conspicuous consumption behaviour.

Most studies of conspicuous consumption have been done in the context of Western cultures, which are individualistic (e.g.: Segal & Podoshen, 2013; Shukla, 2008; Amaldoss & Jain, 2005; O'cass & Frost, 2002; Chao & Schor, 1998). Only a few researchers have studied conspicuous consumption in non-Western cultures (e.g.: Podoshen, Li & Zhang, 2011; John & Brady, 2010; Acikalin, Gul & Develioglu, 2009; Wong & Ahuvia, 1998). Research clearly shows that there are differences in the purposes for which Western and non-Western consumers choose to buy and display goods, especially luxury goods (Truong, Simmons, McColl, & Kitchen, 2008; Mason, 2001; Wong & Ahuvia, 1998). Western consumers buy luxury goods in order to appear unique rather than to display their wealth or social status, whereas non-western consumers buy luxury goods in order to show off their wealth and status in society. Therefore, the motivation to behave conspicuously may differ between cultures.

There is also a need to understand the concept of conspicuous consumption behaviour from a theoretical perspective, because most of the literature on conspicuous consumption approaches it from an economic perspective focused on status achievement only (Campbell, 1995; Chaudhuri & Majumdar, 2006). Since conspicuous consumption

has marketing implications, it needs to be understood from a marketing point of view which involves consumer behaviour and socio-psychological models (Mason, 1981; Brewer, 1991; Chaudhuri & Majumdar, 2006). Mason (1981) mentioned that consumer behaviour is too complicated to be dealt with by economics alone. In short, the exact nature of the motivation for conspicuous consumption has not been fully investigated.

In the field of marketing, conspicuous consumption is associated with luxury goods. A great deal of research has been done on the topic of luxury (Mandhachitara & Locksin, 2004; Prendergast & Wong, 2003; Riley & Lacroix, 2003; Vickers & Renand, 2003; Piron, 2000; Dubois & Laurent, 1996; Mc Kinsey, 1990), but there is still not enough known about the relationship between the purchase of luxury brands and conspicuous consumption behaviour. Income is the crucial factor, people with limited financial resources are expected not to engage in luxury and conspicuous consumption. This is not the case in developing countries such as Asia, where consumers are becoming more inclined towards consuming luxury products. Even people who logically cannot afford to buy luxury products will nevertheless do so (Kuisma, 2008; Belk, 2001, as cited in Subrahmanyam & Gomez-Arias, 2008). Along with these two aspects (conspicuousness and luxury), a discussion of consumer behaviour and consumption must also consider material value.

Finally, research also showed that consumers 30 to 50 years old used to be the most important market for luxury goods; because of this, adult consumers have been explored in depth (Phau and Cheong (2009). However, there is little information on luxury goods in the youth market segment particularly with regards to conspicuous consumption behaviour. Less attention has been given to young emergent consumers, especially college-age Generation Y, and their symbolic and status consumption, despite the fact that this group tends to spend more on branded goods and is ready to try newer goods including status goods (Chao & Schor, 1998; Taylor & Cosenza, 2002). This generation also have become a target market by marketers as they have a high level of spending power (Martin & Turley, 2004; Wolburg & Pokrywczynski, 2001) and concern more on brand name goods. Eastman and Liu (2012) mentioned that Generation Y has been found to represent a prime market for clothing and status marketers of publicly consumed luxury items and they have a higher level of status consumption compared to other generations (e.g., baby boomers).

There are two major factors that could explain the phenomenon of luxury goods in Asian especially among young consumers: the economic growth in Asian countries (Vigneron & Johnson, 1999; 2004) and the increasing number of 'new luxury goods'. The 'new luxury goods' is differ from traditional luxury goods which is being more affordable, more accessible and targeting new customers (Silverstein & Fiske, 2003).

Twitchell (2002) mentioned that the new targeting consumers are younger than previous consumers of luxury used to be, more numerous and more flexible in financing where they make their money far sooner.

For all of these reasons, there is a need to understand the motivation of Generation Y consumers to behave conspicuously since they are an emerging generation with great total spending power (Rugimbana, 2007). A recent study by Fernandez (2009) showed that Generation Y consumers in Malaysia are brand conscious when it comes to clothing because they believe that through such purchases they can create their own identity and be different from others. Marketers need to understand the importance of Generation Y consumers, especially in the college age bracket, and to be aware of the attraction and buying power of the “youth market.”

Since previous studies have largely been limited to developed countries there is a need to understand this concept in developing countries. Of particular interest for this study is the Asian context, specifically Malaysia, based on previous studies of conspicuous consumption in Malaysia by Kuisma (2008) and Fernandez (2009) who demonstrated that Malaysian consumers’ in general but particularly young consumers engage in conspicuous consumption. This suggests a need to understand, and an interest in exploring, this behaviour among Malaysia’s youth market.

1.4 Research Questions

In order to understand the study, the following questions were identified:

1. What is the relationship between value orientations (cultural value, material value and religiosity) and conspicuous consumption?
2. Is there any significant influence between values orientation (i.e. cultural value, material value, and religiosity) and attitude toward luxury brands?
3. Do attitude toward luxury brands significantly mediates the relationships between values orientation (i.e. cultural value, material value, and religiosity), and conspicuous consumption?



1.5 Research Objectives

The aim of this study is to examine the impact of different values orientations on conspicuous consumption. Specifically, this study aims:

1. To investigate the effects of values orientation (i.e. cultural value, material value, and religiosity) on conspicuous consumption.
2. To examine the influences of values orientation (i.e. cultural value, material value, and religiosity) on attitude toward luxury brands.
3. To investigate whether attitude toward luxury brands mediates the relationships between values orientation (i.e. cultural value, material value, and religiosity) and conspicuous consumption.

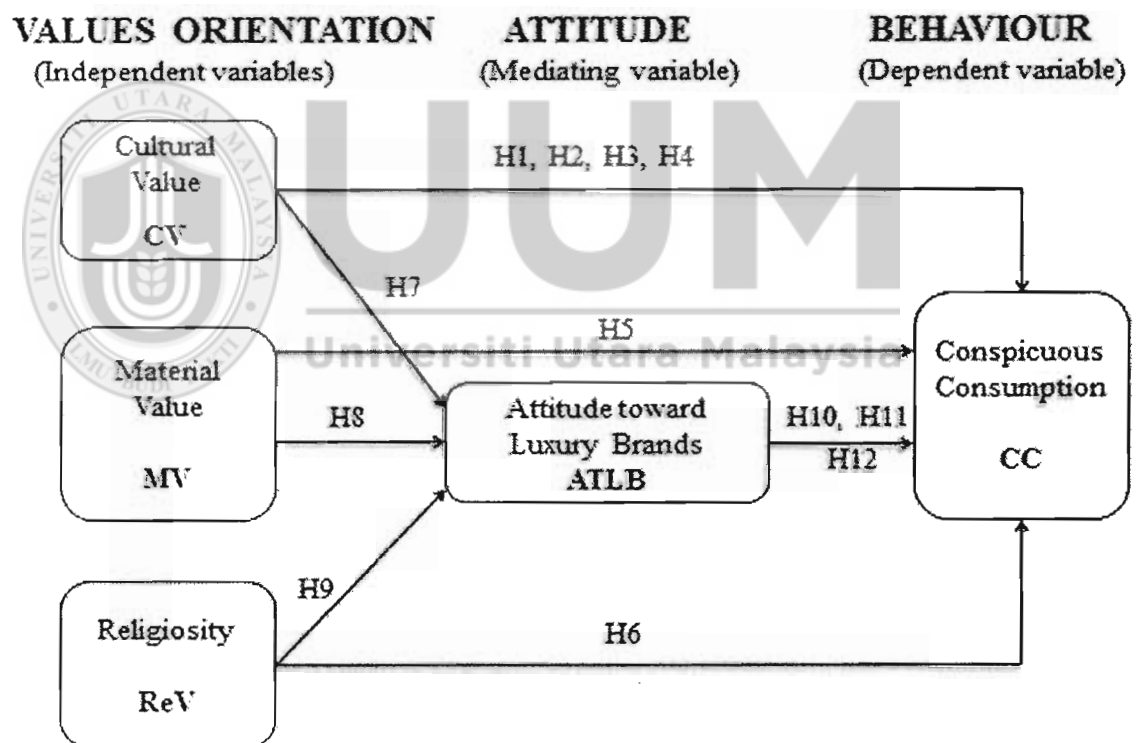


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1.6 Research Model

Figure 1.1 shows a research model of the variables significant to this study, developed based on the review of available literature. The primary constructs of interest are depicted here and the conceptual model is further developed and described in chapter 2.

Figure 1-1
Research Model



1.7 Hypotheses Statements

Based on the objectives and theoretical model of the study, the following hypotheses were developed:

- H1: Collectivism is positively related to conspicuous consumption.
- H2: Masculinity is positively related to conspicuous consumption
- H3: High uncertainty avoidance is positively related to conspicuous consumption
- H4: High power distance is positively related to conspicuous consumption
- H5: Material values are positively related to conspicuous consumption
- H6: Religiosity is positively related to conspicuous consumption.
- H7: Cultural values are positively related to Attitude toward luxury brands (ATLB).
- H8: Material values are positively related to Attitude toward luxury brands (ATLB).
- H9: Religiosity is positively related to Attitude toward luxury brands (ATLB).
- H10: ATLB mediates the relationship between cultural values and conspicuous consumption.
- H11: ATLB mediates the relationship between material values and conspicuous consumption
- H12: ATLB mediates the relationship between religiosity and conspicuous consumption.

1.8 Significance of Study

This study possesses both theoretical and practical utilities. In terms of theory, it will contribute to the knowledge of the relationship between culture and conspicuous consumption behaviour. In terms of practice, it will provide relevant information on how conspicuous consumers behave and will therefore be of significant use to marketers, especially to product or brand managers.

Since conspicuous consumption behaviour is a universal phenomenon, there is a need to understand the motivation of conspicuous consumers around the world, even though this behaviour was originally observed in affluent Western cultures (Chen, Aung, Zhou & Kanetkar, 2005). This study explores some of the reasons why developing countries in Asia specifically Malaysia have become conspicuous consumers even though they have different culture from Westerners (Amaldoss & Jain, 2005).

The literature since 1899 has focused primarily on Western consumers. This study will expand the theoretical understanding of how culture influences conspicuous consumption behaviour to include a non-Western perspective, specifically Malaysia.

Consumer behaviour is related to culture; therefore an appropriate way to understand the behaviour is by looking at the surrounding culture. The basic model by Kotler (1994) also identify culture is one of the factor in understanding behaviour (Manrai & Manrai, 1996). Culture is a dynamic force for both humanity and its

environment because of the interaction of both factors (human and environment) (Manrai & Manrai, 1996). This study attempts to address that cultures also may have an impact on consumption especially for conspicuous consumption.

Previously, much of the academic literature on conspicuous consumption comes from economics perspective (e.g.: Mason, 1998; Bagwell & Bernheim, 1996; Basmann et al. 1988; Leibenstein, 1950; Veblen, 1899 republished 1994). However, a growing level of interest in the marketing exists (Truong et al., 2008) across variety of area (e.g.: (Eastman & Liu, 2012; Podoshen, Li, & Zhang, 2011; Teimourpour & Hanzae, 2011; O'Cass & McEwen, 2004; Vickers & Renand, 2003; Vigneron & Johnson, 1999; Dubois & Czellar, 2002, Dubois & Duquesne, 1993). Therefore, an accurate understanding of conspicuous consumption concept should be done because there is not enough understanding of the concept of conspicuousness from marketing point of view since this concept is originally rooted from economic perspectives.

The gap between economist and marketing theorists become noticeable (Patsiaouras & Fitchett, 2012). It has been argued that there are not enough research have been done to explain the concept of conspicuous behaviour (Brewer, 1991) especially on Gen Y topics. Failure to understand the phenomenon of conspicuous consumption may create problems for marketers of luxury goods for example, they may fail to respond to demand from consumers if they believe that they will lose their market if they reduce the price of their goods (Amaldoss & Jain, 2005). However, it is difficult

for marketers to make these complicated decisions since conspicuous consumption motivation has not been fully investigated (Chaudhuri & Majumdar, 2006). This study attempts to remedy this deficiency by providing some useful findings that can be used by the marketers of luxury goods in order to market their goods efficiently.

The findings of this study will assist luxury retailers to formulate a suitable marketing strategy by providing the information they need to understand why their consumers behave the way they do. More specifically, the study will provide useful information to local and foreign companies wishing to penetrate the Malaysian luxury goods market by giving them a general understanding of how Malaysian consumers perceive luxury goods and whether there is an existing demand for luxury goods in Malaysia.

For marketers, a better understanding of how and why people value their possessions would enable them to better serve their customers by managing the marketing mix to maximize value to the customer while providing profit to the firm. Marketers should understand that this type of behaviour which is conspicuous consumption behaviour do exist among Asian countries. Therefore, marketer should look at this segmentation of people as they become a potential market segment to the marketers.

Because it consists entirely of students aged 18 - 29 years old, findings may not represent the larger population of Malaysian consumers but instead be limited to youth consumer which is from private college. Private college students were chosen in this study because they have greater spending power due to their family income background (Wolburg & Pokrywczynski, 2001) since the fee to enter the private college is higher compared to public college. Therefore, only people with certain income bracket will allowed their children to enter this type of college.

The fact that participants were chosen from private university students may also limit the generalizability of findings. According to Marcoux, Filiatrault, & Cheron (1997) the use of students is common in marketing studies, and the type of respondent has no influence on the study whether on quality or reliability perceptions.

The delimitations of the research study indicate its parameters. According to Punch (1998), delimitation of the study refers to what the study does and does not include. In this case, the study includes private universities, Klang Valley and Selangor, and no others. On top of that, this study only focusing on college aged consumer compared to other aged bracket. The study examines both tangible and intangible luxury goods.

1.9 Definition of Key Terms

To operationally define a concept is to render it measurable by looking at the behavioural facets or properties derived from the concept (Sekaran, 2002). Hence, this study defines the key terms given below.

1.9.1 Hofstede's Dimension of Culture - Cultural Values

Cultural values refer to the collective means that can be used to classify the norms and values shared among a given society. In this study, cultural values refer to Hofstede's (1980) four cultural dimensions: individualism-collectivism, masculinity-femininity, power distance, and uncertainty avoidance. Originally Hofstede developed these dimensions to study cultural values in the workplace but they have proven to be applicable to other settings as well.

1.9.2 Material values

Material values refer to the degree to which a consumer stresses the importance of acquiring and possessing things. Material values exist when people place more attention or emphasis on material objects.

1.9.3 Religiosity

Religiosity refer to a belief in God and commitment to follow a specific set of principles, values and beliefs laid out by God. In this study religiosity are treated as the role of religion in consumer behaviour. Religiosity can be divided into two forms: religious affiliation and religious commitment. Religious affiliation is defined as the association of individual towards a particular religion, such as Islam, Christianity or Buddhism. Religious commitment is defined as the degree to which religion plays an important role in people's lives especially in their beliefs, knowledge and attitudes. Religion is one of the most important cultural forces and influences both the behaviour and the attitudes of consumers.

1.9.4 Attitude towards Luxury Brand (ATLB)

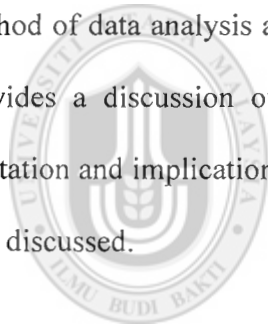
In this study, attitudes towards luxury brands (ATLB) are divided into two dimensions; evaluative attitude toward luxury brands and interest toward luxury brands. Evaluative attitude toward luxury brands is defined as the opinion of an individual about luxury brands for example, what do they think about luxury brands? Interest toward luxury brands is defined as how important the individual thinks luxury brands are to him/her.

1.9.5 Conspicuous Consumption

Conspicuous consumption is defined as lavish spending on goods or services by consumers for two possible purposes: (1) displaying wealth and status, and (2) being unique.

1.10 Organization of Chapter

The following sections of this report are organized as follows: Chapter 2 presents a comprehensive literature review followed by hypotheses. Chapter 3 offers a discussion of the methods employed to conduct this study. Chapter 4 presents the method of data analysis and discusses extensively on results of the findings. Chapter 5 provides a discussion of the findings. Finally, chapter 6 provide a conclusion and limitation and implication for both theoretical and practical. Direction of future research also discussed.



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CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

This chapter outlines the theories used in this study to explain the relationship between the selected dependent and independent variables. The purpose of this study is to determine the relationship between Hofstede's (1980) cultural dimensions, material values, religiosity, conspicuous consumption and consumer attitudes toward purchasing global brand goods. This chapter focuses on the literature relating to Maslow's hierarchy of needs and four of his cultural dimensions as well as on material values and religiosity, and explores their influence on young consumers' decisions to consume conspicuously. In addition, the spread of luxury culture in Asian countries and the attitudes of consumers toward global brands are also discussed. Previous research related to the present study is analysed and discussed in terms of this study's research objectives and hypotheses.

2.2 Human Needs

People's needs are subjective. Different people have different needs, and these differences are influenced by various factors such as cultural background, economic status, financial capabilities and income. Abraham Maslow's (1954) theory of human needs proposes five levels of needs, and states that an individual will try to satisfy lower-level needs before they move on to higher-level needs. The first level is physiological needs; these are the most basic needs of a human being, such as food and shelter. The second level needs are safety and security: the need to avoid harm or danger. The third level needs are belongingness and love: the need to be accepted by other individuals and groups. The fourth level is self-esteem and the fifth is self-actualization.

Maslow's hierarchy of needs can be useful in understanding the needs of human beings in consumption situations. Although financial status and income are important, human beings will consume no matter what their income level is in order to fulfil higher levels of need.

Consumption is related to the pursuit of material goods and is therefore considered a higher order need. At this level it is assumed that all subsistence needs (food, shelter) have been met (Ger, 1997; Clarke, Doel & Housiaux, 2003). However, as pointed out by Belk (2001), humans act to satisfy their higher-order needs even they don't have a money to do so. He cites various examples where luxury products are consumed by the poor who logically should not do so since they are not able to afford it.

Todaro (1982), in his discussion of the economic situation of developing countries, classified countries into low-income (LICs), lower-middle-income (LMCs), upper-middle-income (UMCs), and high-income (HICs) (Todaro & Smith, 2009). He then evaluated them based on three characteristics; 1) sustenance (the ability to meet their citizens' basic needs), 2) self-esteem and 3) freedom (Todaro & Smith, 2009). Based on per capita income Malaysia is classified as an upper-middle-income country (UMC). Malaysia is on freedom component which is Malaysia has achieved high economic growth and high income. In terms of freedom, Malaysia has greater power and control over nature and the physical environment (Todaro & Smith, 2009). Freedom is also a result of wealth, since wealth gives people the freedom to have greater leisure or purchase more goods and services. As a result, wealth tends to increase the importance people place on material wants (Todaro, 1982), meaning that as the economic level of Malaysia rises, people are expected to engage in conspicuous consumption.

2.3 Value - Attitude - Behaviour system

Homer and Kahle (1988) discussed values as a type of social recognition that facilitates the process of adapting to a new environment. According to Kahle (1983, as cited in Homer and Kahle, 1988), "values are similar to attitudes in that both are adaptation abstractions that emerge continuously from the assimilation, accommodation, organization and integration of environmental information in order to promote interchanges with the environment favourable to the preservation of optimal functioning."

Values are the most abstract element of social cognition and they reflect the most basic characteristics of adaptation. These abstractions can be viewed as prototypes in order to better understand which attitudes and behaviour are manufactured.

Values have cognitive, affective and behavioural components (de Mooij & Hofstede, 2011). Values as a component of cognition guide individuals in choosing the situations they want to enter and their actions in that situation (Kahle, 1980, as cited in Homer and Kahle, 1988). Influence theoretically flows from abstract values to attitudes and then to a specific behaviour. Although values are expressed in abstract terms, people generally know what their preferred "state of being" is. Values are affective in that individuals feel emotional about them. Finally, values have a behavioural component in that they are an intervening variable that, when activated, leads to a

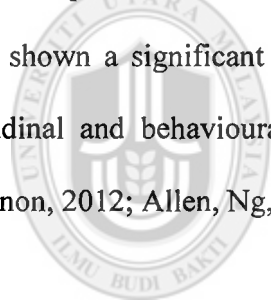
particular action (de Mooij & Hofstede, 2011). Values influence consumers' attitudes and behaviours directly or indirectly by shaping their shopping patterns.

Once a value is learned, it will assimilate into an individual's value system, within which values are organized based on priority (Rokeach, 1973). Once a value becomes part of a value system, the individual can use it as a guide in making decisions or for conflict resolution. The values that an individual holds are reflected in his or her attitudes and behaviour. Consumption behaviour is shaped by the value construct acting on the attitude construct. Values also determiners of an attitudes and behaviour (Rokeach, 1968). Homer and Kahlo (1988) referred to this flow as the *value - attitude - behaviour* hierarchy.

Given that value - attitude - behaviour theory demonstrated the importance of these three components in shaping individuals' attitudes and judgments and guiding their actions, it can usefully be applied in understanding consumer behaviour particularly the purchase of durable and non-durable goods, ownership and media usage. In addition, many researchers have suggested that values have a causal relationship with behaviours, contending that explicit and fully conceptualized values form the criteria for judgment, preferences and choice (Homer and Kahlo, 1988).

Values can influence consumers' attitude and behaviours directly or indirectly. Carman (1977) stated that values influence behaviours both directly and indirectly through intervening attitudinal variables (e.g.: shopping patterns, exposure to certain types of media) (Gregory, Munch & Peterson, 2002; Carman, 1977). Carman studied how values influence shopping behaviour and media exposure patterns (directly and indirectly) through the intervention of attitudes regarding activities, interests and opinions. His study developed a model that proposes a causal relationship between terminal and instrumental values and consumption behaviour.

Most empirical research has presented correlation evidence as support for the relationship between values and attitudinal or behavioural outcomes. Numerous studies have shown a significant relationship of attitudes and behaviour in a wide variety of attitudinal and behavioural outcomes (e.g.: Wells, Kleshinski, & Lau, 2012; Cai & Shannon, 2012; Allen, Ng, & Wilson, 2002; Gregory et al., 2002).



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2.4 VALUES

A value is an abstract idea. It defines what is right, what is good and what is desirable for an individual that can be accepted by society (Hofstede, 1984). Values are highly subjective which are related to emotional beliefs that guide a person in their life choices to achieve a desired goal. Values can reach beyond specific actions and situations depending on the culture in which an individual was raised. Value can also serve as guidelines by which to evaluate the behaviour of others, and to determine which values are more important (Smith & Schwartz, 1997).

From a marketing perspective, values can be seen as factors that influence consumer preferences and purchase decisions (Hofstede, Steenkamp & Wedel, M., 1999; Carman, 1977). Any value held by an individual can become part of their lifestyle (Douglas, 1977). Values not only influence individuals but also affect cultures at the regional or national level, such that one group of people may collectively hold a different set of values from another group of people (De Mooij, 2004; Sharma, 2010; Shukla, 2010). Hofstede (1984) studied the impact of culture at the national level and found that there are significant differences in values between people from different national backgrounds.

Since values can be studied at both the individual and national level, it is worth investigating the influence of values arising from different national backgrounds on consumption behaviour. In this study three types of values (cultural values, material values and religiosity) are explored to better understand the effect of values on conspicuous consumption behaviour.

2.4.1 Cultural Values: Hofstede's Four Dimensions of Culture

Culture can be described as a society's personality, whereas values can be described as an individual's personality. Culture binds people together to become a society (Watson, Lysonski, Gillan & Raymore, 2002). Theories that have been developed to characterize values and culture include Kluckhohn and Strodtbeck (1961), Rokeach (1973), Schwartz (1994), Trompenaars (1993) and Hofstede (1980). Hofstede's theory of cultural dimensions is one of the most popular frameworks, and has been used to examine the effects of culture on a wide range of marketing theories (e.g., Fam & Merrilees, 1998; Liu, Furrer & Sudharshan 2001; Mortenson, 2002). Hofstede's theory is central to the present study, which applies it in discussing and analyzing the effect of culture on consumer behaviour, particularly conspicuous consumption.

Geert Hofstede, an organizational sociologist, introduced his theory of cultural dimensions in 1980. Hofstede based his theory on his earlier (1967-1969) study of cultural solutions to organizational problems, which involved 117, 000 IBM employees in 40 nations from whom he collected responses to 32 value statements (Ng, Lee, & Soutar, 2007). Hofstede's seminal study provided the first empirically and conceptually based set of value dimensions that could be used to compare cultures. The value dimensions developed by Hofstede are widely accepted (Watson et al., 2002) and numerous studies from various disciplines have applied them to a wide range of topics, including global brand image strategy (Roth, 1995), development of new products (Nakata & Sivakumar, 1996), communication processes (Aakar & Maheswaran, 1997; Aaker & Williams, 1998), service quality expectations (Donthu & Yoo, 1998), relationship marketing (Money, Uscategui & Sharma, 1999), segmentation in international marketing (Steenkamp & Ter Hofstede, 2002) and marketing ethics (Yoo & Donthu, 2002).

Most studies on culture and value have focused on ethnic groups or geographic subgroups (Saegart, Hoover & Hilger, 1985; Gentry, Tansuhaj, Manzer & John, 1988). Relatively little research has examined culture's influence on the consumption behaviour and patterns of young consumers (Jung & Kau, 2004; Mokhlis, 2009), especially Generation Y consumers. Also, few studies have used Hofstede's dimensions as an

integrated framework; instead, most have examined only one or two dimensions separately (Jung & Kau, 2004).

Therefore, this study is trying to understand the underlying factors that may contribute to Generation Y consumption behaviour from the perspective of cultural values, especially Hofstede's cultural dimensions.

2.4.1.1 Individualism - collectivism

The terms "individualism" and "collectivism" were created by social theorists in the 19th century (Watson & Morris, 2002). The individualism and collectivism constructs have been discussed in many contexts in the social sciences (Triandis, 2002), for example in the areas of values (Hofstede, 1980; Kluckhohn & Strodtbeck, 1961), social systems (Parsons & Shils, 1951), morality (Miller, Bersoff & Harwood, 1990), religion (Bakan, 1966) and cultural patterns (Hsu, 1983).

Although Hofstede's (1980) cultural dimensions were originally only tested in a work environment, the implications of the individualism/collectivism dimension has since been explored in a wide variety of contexts, including family, personality and behaviour, language, school, work, management methods, consumer behaviour, health and disability, political systems and legislation, and religion (Hofstede, 2001).

Individualism is defined as “a loosely knit social framework in which people are supposed to take care of themselves and of their immediate family only.” Collectivism is characterized by “a tight social framework in which people distinguish between in-groups and out-groups, they expect their in-group to look after them, and in exchange for that they feel they owe absolute loyalty to it” (Hofstede, 1980b, cited in Kirkman, Lowe & Gibson, 2006).

Hofstede's individualism-collectivism dimension has received the most attention from researchers (e.g. Kagitcibasi, 1997; Smith & Schwartz, 1997). For example, studies have examined the influence of reference groups (Childers & Rao, 1992; Webster & Faircloth III, 1994), information sharing (Hirshman, 1981; Webster, 1992), leadership opinions (Ownbey & Horridge, 1997), ethnocentrism (Shimp & Sharma, 1987), innovation (Kalliny & Hausman, 2007), service performance (Birgelen et al., 2002) and advertising (Albers-Miller & Gelb, 1996).

Individualist people can be thought of as those who are independent. Individualist societies are mostly found in Western cultures such as the United States, Canada, Northern Europe, Australia and New Zealand (Hofstede, 1984). Individualist people are more concerned with personal goals and place a higher priority on individual achievement (Lam, Lee & Mizerski, 2009), usually through superior performance and success. Individualist people believe that happiness can be gained through individual achievement. They tend to be egocentric, autonomous, self-reliant and self-confident,

all of which contribute to their independence (Abe, Bagozzi & Sadarangani, 1996). Individualist people usually prefer to be different from others so that they can highlight their achievements as opposed to those of others. They tend to buy foreign goods through which they can display their status and success to others.

Collectivist people can be thought of as people who are interdependent toward each other in all aspects of their life and work. Collectivist societies are mostly found in Asia, Africa, Mediterranean Europe, the Middle East and Latin America (Hofstede, 1984; Markus & Kitayama, 1990). Collectivist people are more concerned with the group; in a business context they rely heavily on their organization, and believe that their organization is concerned with their wellbeing (Hofstede, 1980). Group achievement is more important than individual achievement (Lam, Lee & Mizerski, 2009) and they prefer group rewards (Lam, Lee & Mizerski, 2009).

Their personality tends to be more obedient, especially to the will of the group, and more concerned with relationships, both of which make them more comfortable in a group (Abe, Bagozzi & Sadarangani, 1996). They prefer to be similar to others rather than stand out as individuals. Collectivist people may try to imitate others in order to fit in and gain social acceptance from their reference group (Yaveroglu & Donthu, 2002). A reference group is normally family, friends or colleagues, although it can be any group of people to whom an individual compares themselves. Collectivist people rely heavily on their reference group, especially in decision-making. Collectivist people also tend to

be ethnocentric, meaning that they prefer to buy domestic goods; they can therefore be categorized as patriotic consumers (Yoo & Donthu, 2005) who choose to buy domestic goods because they feel that they are obliged to protect domestic markets.

However, since they are strongly influenced by their group, their purchase choices also depend on the group. If society as a whole places a higher value on foreign goods, then collectivist consumers will follow the trend because they do not want to be different from others. The decision to buy or not to buy is particularly influenced by their reference group when it comes to deciding whether to buy high or low involvement goods. Branded goods are seen as high involvement because of their high price (Kuisma, 2008), while generic goods are seen as low involvement because of their low price. In short, collectivist consumers prefer to follow what the group decides rather than making independent decisions.

Based on Hofstede's (1980) criteria, Malaysia is a collectivist culture with a score of 26 on the Individualism Index of Values (Hofstede, 2001). According to this scale, Malaysian consumers tend to prefer domestic goods over foreign goods. However, recent studies have proven that Malaysian consumers are becoming more accepting of foreign goods. Wan Zawayah Wan Halim (2004), for example, found that Malaysian consumers have been more exposed to foreign goods in recent years and are becoming more willing to purchase them. Many factors have contributed to this exposure, including advertising and travelling abroad for business or study. This

openness toward foreign goods is reflected strongly in young consumers, especially Generation Y consumers, because they have more access to information about, and are more exposed to advertisements for, foreign brands through the internet.

2.4.1.2 Masculinity - Femininity

Masculinity-femininity refers to the degree of differentiation between male and female roles in the society; it can be thought of as whether that particular culture is “tough” or “tender.” Masculine-oriented cultures can be thought of as “tough,” with dominant “masculine” values such as assertiveness and independence, and place more emphasis on the acquisition of money and material things. Masculine-oriented people tend to be weak in interpersonal relationships because they are less concerned with other people (Hofstede, 1980).

By contrast, feminine-oriented cultures can be thought of as “tender” in that the dominant values are politeness and caring for others. Feminine-oriented people are more concerned with their relationships with others. They want to build good relationships and place a high importance on caring for others’ well being. Therefore, they are likely to live interdependently (Hofstede, 1980).

Masculine-oriented individuals have a strong work motivation. They will go to great lengths to achieve the goals set by their organization, and are willing to sacrifice their personal life and accept high job-related stress. Feminine-oriented individuals prefer to have a good quality of life; they will not sacrifice their personal life for their

work. They prefer to do their tasks peacefully and avoid stress, and they tend to be more concerned with their families and relatives' well being.

A number of studies have been done on the masculinity-femininity dimension to explore questions such as service performance, how sex roles relate to innovation, and conflict resolution or negotiation. Based on Hofstede's analysis, Malaysia today would be classified as a feminine-oriented culture with a Masculinity Index (MAS) score of 53, ranking 25th out of 53 countries surveyed (Hofstede, 2001).

2.4.1.3 Uncertainty avoidance

Uncertainty avoidance refers to whether a culture or individual is rigid or flexible. People with a high level of uncertainty avoidance are rigid: they try to avoid uncertainty by creating ways to protect themselves from ambiguous situations. People with low uncertainty avoidance are flexible: they can accept and adapt to an uncertain or ambiguous situation. Hofstede (1980) defined the uncertainty dimension as the degree to which one feels threatened by ambiguous situations or uncertain conditions, and the degree to which one attempts to avoid such situations.

High uncertainty avoidance people try to avoid uncertain situations by establishing formal rules and creating a more structured environment. They expect people to follow the rules so that everything remains under control, especially at work. They tend to avoid confrontation with people who have unexpected ideas or display

abnormal behaviours. They believe in absolute truths and rely heavily on the ability and expertise of others, especially when buying imported goods.

Low uncertainty avoidance people are more flexible and do not feel threatened by uncertain and ambiguous situations. They can adapt and accept to any situation. Low uncertainty avoidance cultures tend to have less formal rules and less structured societies.

A review of past research shows that this dimension is very popular with researchers who have used it to test a variety of consumer behaviours, especially in the areas of perceived risk (Gentry et al., 1988), brand loyalty (Kanwar & Pagiavlas, 1992; Hui et al., 1993), innovativeness (Hui et al., 1993; Tansuhaj et al., 1991; Kalliny & Hausman, 2007), and information searching (e.g. Garner & Thompson, 1986; Hirshman, 1983).

Uncertainty avoidance can influence consumer behaviours; its influence can be seen in the ways people react to uncertain situations (Yoo & Donthu, 2005). In dealing with imported goods, for example, people with high uncertainty avoidance may avoid buying a product that they perceive as risky. They tend to be more brand loyal, meaning that if they feel comfortable with a particular brand they will continue to purchase that brand. As might be expected, such people are difficult to persuade to try a new product because they are wary of new goods. They also tend to be reluctant to engage in

information searching, especially with respect to newly released products or when purchasing a product for the first time, for example a foreign product (Yoo & Donthu, 2005).

When purchasing an imported product for the first time, uncertainty may arise because the customer has no way to gauge the quality of the product before purchasing it (Yoo & Donthu, 2005). People with high uncertainty avoidance would therefore be expected to avoid purchasing imported goods since this will produce anxiety or uncertainty. People who are low in uncertainty avoidance, by contrast, are more willing to try new, potentially risky, goods. Based on Hofstede's country analysis, Malaysia is classified as a high uncertainty avoidance culture, ranking 25th out of 53 countries surveyed (Hofstede, 2001).

2.4.1.4 Power Distance

Power distance can be defined as the degree to which power is equally distributed within a society. Hofstede (1980) described power distance as a society's level of acceptance of unequal distribution of power in institutions or organizations.

In a high power distance culture, power is not held equally among individuals – that is, some of them have a great deal of power and some of them have little or no power. In a high power distance culture power tends to be centralized; certain people have autonomy but the majority do not and there is a formal hierarchy of authority which people are expected to follow. People in a high power distance culture accept

this inequality in power, autonomy and even wealth. Such cultures tend to be tightly controlled and individuals are expected to follow the instructions of a higher authority. High power distance cultures are often found in Asian societies (Phau & Prendergast, 2000).

People in a high power distance culture also place more importance on prestige and on the accumulation of wealth and power. Since power enables them to control others, people wish to easily and visibly display their status and wealth as a way of signifying their power. As a consequence, discrimination often exists within such cultures, whether by age, gender, family, social class, education level or job position (Yoo & Donthu, 2005).

In low power distance cultures, power is relatively equally distributed among the members of society. The gap between the powerful and the less powerful is small. Individuals in such a society do not accept inequality in their society and view it as something to be reduced as much as possible. There are few issues of social status, class or caste because everybody is seen as essentially being at the same level, and there tends to be little or no discrimination based on demographic factors (age, gender, education level), family status, social class, or job position. People are expected to work harmoniously and share everything with others.

Research on the power distance dimension has been done in many areas of study, including marketing issues such as advertising appeal, information exchange behaviour, and issues of innovation and service performance.

In a high power distance culture, the government plays a significant role in influencing citizens. For example, the government may feel an obligation to protect domestic markets and therefore will go to great lengths to ensure that domestic markets are not affected by imported goods. People in a high power distance culture tend to be strongly influenced by their government. To discourage people from buying imported goods, the government may place barriers to imports such as high tariffs or limits on quantity. The Malaysian government, for example, encourages citizens to buy Malaysian goods by imposing a high tax on imported goods.

In short, people in a high power distance culture are more patriotic in their buying habits and therefore they are less likely to buy foreign goods (Spenser-Oakley, 1997). By contrast, people in a low power distance culture tend to be more willing to consume imported goods, because they see no difference between foreign goods and domestic goods.

This study chose to use Hofstede's cultural dimensions to test cultural variables for several reasons. First, the dimensions are a well-established framework and the most frequently-chosen approach to the study of cultural influences (Yoo & Donthu, 1998). Hofstede's framework has been widely used in many different fields, especially psychology, marketing and management (Sondergaard, 1994; Steenkamp, 2001). Second, Hofstede's cultural dimensions are often used by researchers exploring various backgrounds, such as the influence of cultural variables in international marketing studies (e.g. Dawar et al., 1996; Engel et al., 1995; Samiee & Jeong, 1994, Sivakumar & Nakata, 2001; Sondergaard, 1994).

Although Hofstede's theory was originally developed in the work and human resource management contexts, it has successfully been applied in business and marketing studies (e.g. Milner et al., 1993; Sondergaard, 1994; Engel et al., 1995; Dawar et al., 1996; Sivakumar & Nakata, 2001; Shamkarmahesh et al., 2003). The framework can also be applied to understanding behaviour in the context of religious and political situations.

Most importantly, many studies have proven the relevance of Hofstede's cultural dimensions in international marketing and consumer behavior, especially in the areas of innovation, service performance, advertising appeal, information exchange behavior, sex role portrayal (Soares et al., 2007) and consumption behavior.

2.4.1.5 Critique of the application of Hofstede's Theory

Hofstede's (1980) cultural dimensions have generated a great deal of interest, as is evident from the number of citations his work has garnered (Yoo & Donthu, 2005; Orr & Hauser, 2008), but it has always been a controversial theory and the literature includes both criticism and support. Most of the criticism relates to methodology (Sondergaard, 1994; Westwood & Everett, 1987). Hofstede's study has also faced criticism because of the lack of generalizability of the findings — the respondents of his study came from one company only, therefore cannot be representative of the whole population (Chiang, 2005). A third criticism is that the respondents were mostly male, therefore it may be biased (Merker, 1982, as cited in Chiang, 2005). A fourth issue is the method of data collection: Hofstede used a single method of data collection rather than multiple methods (Triandis, 1982). Other critics allege that Hofstede's cultural instrument was insufficient, especially with respect to the validity of the dimension constructs when applied at an individual level of analysis (Blodgett, Bakir & Rose, 2008). Finally, some scholars have suggested that Hofstede's cultural items lack face validity and are low on reliability, and that some of the constructs do not form a coherent structure after factor analysis (Blodgett et al., 2008).

Another area of criticism has been the theoretical aspects of Hofstede study. Some critics feel that the dimensions are too narrow and only represent the spectrum of work-related values which are not the same as national values; they argue that one cannot assume that Hofstede's cultural values correspond to national cultural values (Sorge, 1983). Others have criticized the labeling of specific dimensions such as masculinity-femininity, claiming that such labeling is sexist (Triandis, 1982) and suggesting that it should be changed to "career success-quality of life" to avoid misinterpretation (Adler, Doktor & Redding, 1986). The power distance dimension has also received criticism as being a poor indicator by which to measure inequality of power among people (Westwood & Everett, 1987).

Despite the criticisms that have been leveled at this theory, researchers from various disciplines agree that the dimensions are a well-established framework (Laurent, 1983). It has been widely used in marketing, international business, management, advertising and consumer behavior studies (Sondergaard, 1994; Steenkamp, 2001; Orr & Hauser, 2008) and has become the most influential construct for cultural classification analysis (Kirkman, Lowe & Gibson, 2006). Furthermore, Hofstede's dimensions are often used to operationalize cultural variables in international marketing research (e.g. Dawar et al., 1996; Engel et al., 1995; Samiee & Jeong, 1994, Sivakumar & Nakata, 2001; Sondergaard, 1994; Orr & Hauser, 2008).

Although Hofstede's framework was first used in a work related context and applied in human resource management, it has since been applied to business and marketing studies (e.g. Milner et al., 1993; Sondergaard, 1994; Engel et al., 1995; Dawar et al., 1996, Sivakumar & Nakata, 2001; Shamkarmahesh et al., 2003). Most importantly, many studies have confirmed the relevance of Hofstede's cultural dimensions to the understanding of international marketing and consumer behavior, for example in the areas of innovation, service performance, advertising appeals, information exchange behavior and sex role portrayal (Soares et.al, 2007).

Although this dimension has received criticism from various scholars, it has been proven that these dimensions make sense and they have greatly influenced the conceptualization of culture (Triandis, 1982). Many researchers agree that the constructs are theoretically and empirically valid (Chiang, 2005) and it is generally accepted that this theory has been influential in explaining national cultural variations (Redding, 1994; Sondergaard, 1994).

2.4.2 Material values

Material values mainly refer to the importance that people place on possession and the belief that possessions will bring them happiness. A materialist views material things and money as important for personal happiness as well as social progress. Material values can be defined as a personality trait, a personality value that becomes an attitude toward acquiring and possessing things (De Mooij, 2011).

Belk (1984) referred to material values as a combination of three personality traits: possessiveness, envy and non-generosity. People with these three traits emphasize possessions and material things. They are more focused on “product possession” or ownership of things and feel envy if others have accumulated more possessions. This is because, those who score higher on these three dimensions on the Belk scale (an indicator of emotional reactions and a measure of personality) tend to find the greatest sources of dissatisfaction and satisfaction in life from their possessions (Belk, 1985). These three dimensions measured the degree to which an individual values his or her material items, their willingness to share their items and whether they feel jealous or envious when others acquire more goods than themselves.

Richins and Dawson (1992) then defined material values as a personal value which guides people in decision making, especially in decisions about consumption. Material values as a value consists of three components which are all based on “product acquisition”: acquisition as a central goal in life, acquisition as a symbol of success and acquisition as pursuit of happiness (Richins & Dawson, 1992). Richins and Dawson conceptualized material values based on cognitive belief as opposed to emotional reactions. Therefore, the value-based definition of material values is the extent to which people think that success is judged by the things people own and that happiness is having material possessions, and the degree to which material possession is at the centre of their life. Belk’s definition is based on possession, while Richins and Dawson’s definition is based on acquisition which is purchase behaviour.

Material values were treated as a value rather than traits based on the study by Csikszentmihalyi and Rochberg-Halton (1981) who have claimed that material values is a value which can be distinguished into two types; terminal and instrumental. Terminal material values can be defined as a person desired an object based on their own desire towards possession. Whereas, instrumental material values is the desire of people towards possession because they believe that the objects they own can boost their self-actualization. In other words, instrumental material values are believed to make others’ life better, safer and more enjoyable.

Finally, when material values become a part of a consumer's or person's value system, it becomes part of their lifestyle: they make a high level of material consumption as a goal of their life. This lifestyle can be influenced by their cultural system if material interests are a priority in a society. Therefore, we need to understand the level of material values in certain societies.

Material values are well established in Western society, and has become a cultural orientation which is strongly associated with Western life (Swinyard, Kau & Phua, 2001; Kilbourne & Pickett, 2008; Cleveland & Chang, 2009; de Mooij, 2011). However, people in developing countries are beginning to imitate this Western-style material culture (Ger & Belk, 1996; Kilbourne & Pickett, 2008; Podoshen, Li & Zhang, 2011; Podoshen & Andrzejewski, 2012). Recently, material values have become a truly global phenomenon in most non-Western countries, especially in Asia (Podoshen & Andrzejewski, 2012).

Studies have found that materialist-oriented people are likely to use material goods as a mechanism for displaying their success, status and prestige. They are likely to think of the acquisition of objects as a path to happiness in their life (Belk, 1984).

However, research on material values especially in the field of psychology has shown that a materialist orientation is associated with suffering. Materialist-oriented people have a lower level of life satisfaction and well-being (Burroughs & Rindfleisch, 2002; Roberts & Clement, 2007; Seneca, 2009), suffer higher levels of depression and social anxiety (Schroeder & Dugal, 1995), and exhibit lower levels of self-actualization and self-esteem (Richins & Dawson, 1992). In addition, materialist-oriented people are less happy in life compared to non-materialists and have lower quality of relationships to others (Burroughs & Rindfleisch, 2002). Therefore, in order to overcome the negative effect of material values, people will normally engage in possession of material things. They believe that, through material things, especially luxury items, they can boost their level of confidence.

Most academic researchers have come to view material values as a set of personality traits, as a personal value, or as an attachment style. In this study, a material value is viewed as a value. The material value is used to understand young consumers' attitude towards the purchase of luxury goods. Studies have shown that material-oriented people have certain motivations towards the purchase of luxury goods. Materialist-oriented people believe that by acquiring luxury goods they signal to others and themselves about their achievement and status in society normally which associated with power, wealth and prestige. They employ luxury goods as visible evidence that they are successful or they rank higher in society (Eastman, Goldsmith & Flynn, 1999).

They also feel that by acquiring the best goods, the most expensive goods or the highest-status goods, they will confer a higher status on themselves and will communicate to others that they are wealthy and privileged (Fournier & Richins, 1991). Materialist-oriented people place a higher value on goods that can be recognized easily in public because they get additional pleasure from showing off the product, rather than from simply acquiring or using it (Richins, 1994).

Fitzmaurice and Comegys (2006) found that materialist-oriented people are aware of the latest technology such as cell phones. Younger people and college-age consumers are often associated with these technology developments. They are the major purchasers of all kind of gadgets which are seen as luxury goods, especially I-phone and other smart phones. If they can afford to buy the newest version of technological gadgets they are seen as wealthy and have a higher social status among their peers.

In this study, material values are discussed as a value, as suggested by Richins and Dawson (1992). Ahuvia and Wong (2002) also defined material values as a value with the construct “personal material values”. As mentioned above, the material value scale by Richins and Dawson (1992) consists of 3 components: “acquisition centrality”, “acquisition as the pursuit of happiness”, and “possessions as a definition of success”.

Centrality refers to the fact that people who are materialists place possessions and acquisition at the centre of their life (Richins & Dawson, 1992). People who are high in their level of material values put possessions and acquisition as the most important things in life. This is supported by Daun (1983), who defined material values as a life-style in which material consumption is a goal.

The reasons why materialists place possessions and acquisition at the central of their life is because they feel that possession and acquisition bring them happiness. They view possessions and acquisition as essential to their satisfaction and well-being, and believe that it will result in social advancement (Ward & Wackman, 1971, as cited in Richins & Dawson, 1992). This phenomenon has been studied by several scholars such as Bloch and Bruce (1984), Holbrook et al. (1984), Hirschman and LaBarbera (1990) and Kamptner (1991).

A materialist considers material well-being as evidence of their success (Dubois, 1995). Materialists also "tend to judge their own and other's success by the number and quality of possessions accumulated" (Richins & Dawson, 1992). Therefore, people who are materialists tend to judge their own and others' success based on what they own.

There are two types of material values: terminal and instrumental (Csikszentmihalyi & Rochberg-Halton, 1981). A terminal material value is defined as people who value possessions for their own sake only. Such people are likely to claim that they are not a materialistic, but that they buy luxury goods because they want that particular product and/or because the product is high quality.

An instrumental material value is defined as people who value their possessions for how those possessions make others see them. Such people buy luxury goods because they want others to see them as different, and because they want to highlight their status within the society.

2.4.3 Religiosity

Religion has been recognized to have an impact on people's life as well as to the societies. For people, religion can be used as a guidance, support and hope of life. It is because religion can be used as a tool by people in order to understand their life better (Pargament & Hahn, 1986) even in a good time or a bad time (having problem) and how to solve if there is a problem (Gorsuch & Smith, 1983). In addition, religion can be used as a reference for an individual to maintain self-esteem (Spilka et. al, 1985). The major impact of religion is on a social values system where religion can be a mechanism for certain countries (e.g. Middle east countries - Islamic values) to stimulate the economic growth and industrial development (Weber, 1904).

Studies have examined religion's influence towards people's values, habits, **attitudes and behaviours**. Religion influence behaviour can give an impact on two perspectives; firstly, religion strongly influence on cognitive and psychological behaviour of an individual's such as emotional, experience and thinking (Chamberlain & Zika, 1992; McDaniel & Burnett, 1990; Pollner, 1989). Secondly, religion influence on beliefs of an individual. As a result, individuals have different attitudes and behaviour compared to others in a population (McDaniel & Burnett, 1990).

Greeley (1963) have described three models in order to understand religion influence on behaviour; 1) religion influence the members of group where religiosity of this group of people will influence the social system, 2) later, that social system will influence religious activities and belief of the people, and, 3) religion as a predictor of certain behaviour.

Therefore, in this study, religion will act as a predictor of the consumers towards consumption behaviour of foreign goods and their conspicuousness. This is because religious factors have an effect on luxury consumption as well as conspicuous consumption. Teimourpour and Hanzae (2011) studied religious factors and cultural factors in order to understand Iranian consumers' behaviour with respect to luxury consumption. They found that cultural factors contribute to the differences in Iranian behaviour towards luxury goods and also identified the role of religion in consumer behaviour.

In culture, religious can influence all aspects of consumer behaviour, either directly or indirectly. However, only a limited number of studies have included religion as an element of culture with respect to consumer behaviour (Essoo & Dibb, 2004); Mokhlis, 2009). Religion is of interest because it is a cultural factor that exerts an important influence on people's value, attitude and behaviour at both the individual and group levels.

Religious influences can be studied in relation to many other fields, such as the relationship between religious affiliation and economic behaviour (Mayer & Sharp, 1962, as cited in Sood & Nasu, 1995) or the relationship between religion and consumption (Hirschman, 1983 as cited in Sood & Nasu, 1995).

Although religion's impact on consumption-related behaviour has been studied in the marketing literature, religion has not been examined adequately in consumer behaviour literature (Mokhlis, 2009). Mokhlis (2009) mentioned that there are many reasons for this lack of literature on the topic of religion and consumption, as stated by Hirschman in 1983. The first is that researchers from the fields of consumer behaviour and marketing did not realize that there was a possible link between religion and consumption behaviour. Another reason is that some people view the topic of religion and its relationship to behaviour as taboo, too sensitive for objective study. Finally, religion as a topic may have simply been overlooked by researchers as a variable for consideration in consumer behaviour and marketing research.

Mokhlis (2009, 2010) supports Hirschman's (1983) suggestions, even though Hirschman made those arguments some years ago when only a few studies had investigated religion as either a variable in, or a predictor of, consumption patterns. This is supported by Cutler (1991) who analyzed the frequency of religion-related papers published in marketing literature from 1956 to 1989 and found only 35 articles that focused on religious beliefs; most of them (nearly 80%) were published in the 1980s (Mokhlis, 2009, 2010; Taks & Shreim, 2009). Only six papers out of 35 were directly conducted within the consumer behaviour field (Mokhlis, 2009, 2010)

Essoo and Dibb (2004) and Alam, Mohd, and Hisham (2011) claim that the role of religiosity systems has not yet been fully acknowledged in consumer research, even though at least one study found that there is a significant influence of religion in both sociology and psychology.

Religious influence is significant because religion affects the importance an individual places on material and his or her attitudes towards owning and using goods and services (Essoo & Dibb, 2004). Literature in the marketing field also argues that religion is a key element of culture and thus obviously influences behaviour including the purchasing decisions of consumers (Hirschman, 1981; Delener, 1990).

In consumer behaviour, the influence of religion can take two forms (Harrell, 1986): direct and indirect. Direct influence refers to the influence of religion on a person's choices, whereas indirect influence refers to the influence of religion on an individual's attitudes and values, which then influence his or her choices (Essoo & Dibb, 2004). Therefore, in this study religion is considered as a value that can guide people's behaviour, especially in the decision-making process.

A number of studies have examined the influence of religion on people's values, habits, attitudes and behaviour (Essoo & Dibb, 2004). It is claimed that religion has a direct effect on individual behaviour (Sood & Nasu, 1995). Studies by Chamberlain and Zika (1992), McDaniel and Burnett (1990), Pollner (1989) and Witter et. al. (1985) all confirms that there is strong influence of religion on the cognitive aspects, such as emotion, experience, thinking, behaviour, and well-being. However, few studies have examined religion's effect on consumption behaviour particularly on luxury or status consumption.

There is a study, by Riquelme et al. (2011), which established a relationship between religious affiliation and status consumption particularly in Muslim consumers in Kuwait. They measured the personality traits (e.g., materialism) of Muslim consumers as a factor in explaining status consumption. They found that materialism had a significant influence on consumer's attitudes and feelings toward status consumption among Muslim consumers.

Another study by O'Cass, Lee, & Siahtiri (2013) examine the role of religiosity on status consumption and fashion brand among Muslim consumers. They found out that Muslim consumers' religious commitment affects the degree to which they are status conscious and more on fashion brand status.

Therefore, in this study, religiosity is measured to understand whether this value has an effect on college-age and young consumers. Two dimensions of religiosity were used in this study: religious affiliation and religious commitment. These two dimensions are described in the following paragraphs.

2.4.3.1 Religious Affiliation

Religious affiliation can be defined as the individual's attachment to a particular religious group. Religious affiliation can be defined as part of one's "cognitive system" (Hirschman, 1983). According to Berger (1961), Gurvitch (1971), and Merton (1937), a cognitive system is a set of principles or beliefs, values, expectations and behaviours which are shared by members of a group (as cited in Essoo & Dibb, 2004).

Engel (1976) studied the influence of religious affiliation on consumer behaviour in Brazil. He found out that religious groups may differ in their perception of goods and services, and that this difference then affects their behaviour with respect to purchasing. Another study, Thompson and Raine (1976) also investigated the relationship between religious affiliation and buying behaviour by looking at the factors in play when a consumer considers buying a product at a store attached to a certain religious affiliation.

Their results showed that the store sold more goods to Protestants than to other religious groups.

Other studies have looked at different angles of religious influence, such as the relationship between religious influence and innovation, brand loyalty, weekend entertainment, family decisions on housing and pets, and information processes (e.g. Hirschman, 1981; Hirschman, 1983; Hirschman, 1982).

A study by Bailey and Sood (1993) examined the consumption behaviour of US consumers from different religious affiliations: Buddhist, Hindu, Muslim, Jewish, Catholic and Protestant. The research examined whether the shopping behaviour of minority religious groups differed from that of majority groups for purchases of an expensive product (in this case a stereo sound system). Interestingly, they found that there was a significant difference between minority groups and majority groups. The authors also found that Islamic shoppers were more impulsive because they were less informed about their purchase; it can be said that Islamic shoppers are riskier shoppers in contrast to Hindu shoppers who are more likely to be rational shoppers (Essoo & Dibb, 2004).

Recently, a study by Mokhlis (2010) examined the shopping styles of consumers across religious group (Muslim, Buddhist and Hindu) in Malaysia. There are five shopping styles among consumers in Malaysia; fashion conscious, quality conscious, careless, recreational and confused by over choice. He found out that Muslim consumers are “brand conscious” where they prefer to buy expensive and well-known brands (Mokhlis, 2010). While Buddhist are “price conscious” shoppers where they often prefer to buy lower price products and concern on products that value for money. Whereas Hindus are fall under “recreational” shoppers which is they do not concern on the quality of the products because they do not want to spend much time on shopping.

Bailey and Sood (1993) suggest that additional research should investigate low-involvement goods such as "sensitive" goods and services that either fit or clash with particular religious beliefs (e.g. cosmetic surgery is viewed negatively by Muslim and some other religion), materialistic goods or environmentally sensitive goods (Essoo & Dibb, 2004).

2.4.3.2 Religious Commitment

Another approach to studying religiosity in consumer behaviour is to examine religious commitment (McDaniel & Burnett, 1990). Religious commitment includes both cognitive and behavioural measures. The cognitive measure can be defined as how strongly an individual holds their religious beliefs (McDaniel & Bunnet, 1990), while the behavioural measure is defined as the level of an individual's participation in organized religious activities (Mokhlis, 2009).

Religious commitment or can be said as religiosity can be referred as the degree of belief by the people on specific values and ideas that are held and practices by individual (Essoo & Dibb, 2004).

In McDaniel and Bunnet (1990), the authors investigated the influence of religiosity on the importance consumers assigned to various retail department store attributes. The authors found that religious commitment was significant in predicting the evaluative criteria of retail departments. For example, consumers with a high degree of cognitive religious commitment viewed sales personnel friendliness, shopping efficiency and product quality as important factors in selecting a retail store.

A study by Sood and Nasu (1995) which compared the effects of religiosity on purchased behaviour of Japanese and American consumers found out that there is no significant difference among Japanese consumers. **This is because religion is not** important in Japanese culture. By contrast, in American consumers they found

significant differences between the purchasing behaviour of devout and casual Protestants, with the former being more economical, love to buy discounted products and prefer foreign brand goods.

Essoo and Dibb (2004) performed a similar study in Mauritius which involved **Hindu, Muslim and Catholic consumers**. They found that religiosity differences correlated with different shopping behaviours; for instance, Muslim consumers, whether devout or casual, showed no difference in shopping behaviour except for trendy shoppers. Trendy shopper can be defined as those who "attach more importance to brand names, availability of well-known brands in retail stores and always buying up-market brands" (Essoo & Dibb, 2004, pg.703). Hindu consumers on the other hand fell into four categories: demanding, practical, thoughtful and innovative. Catholic shoppers also fell into four types: demanding, practical, trendy and innovative.

A recent study by Mokhlis (2006) investigated the influence of religiosity on shopping behaviour in a non-Western culture, namely Malaysia. This study examined three components of shopping behaviour: quality consciousness, impulsive shopping and price consciousness. The findings showed that there are significant differences in shopping behaviour among Malaysian consumers with different levels of religiosity. Highly religious individuals are more likely to be concerned with price and the quality of the product. They were also less likely to make impulsive purchases.

2.5 ATTITUDE

Attitudes are essential elements in the consumer behaviour field (Gil, 2009). The study of attitudes has been an interest of researchers since early 1960, including how attitudes are developed and established and their influence on human behaviour. Attitude is the most important construct in social psychology (Al-Rafee & Cronan, 2006; Allport, 1935). In general, an attitude can be defined as an individual's preference for (Bass & Talarzyk, 1972) and evaluation of some symbol or object (Katz, 1960). Ajzen (1991) mentioned that attitudes are important factors in marketing because they can help predict an individual's behaviour and intention (Al-Rafee & Cronan, 2006) in certain areas such as consumption and the decision making process.

A review by Trafimow and Finlay (1996) found that attitude was the best predictor of intention in 29 out of 30 studies. Previously, Beck and Ajzen (1991) had found that attitude is the most significant predictor of intention and the best predictor of the actual behaviour.

2.5.1 Attitude toward Luxury Brands

Over the past century, research has been conducted on luxury in diverse disciplines including historical analysis (e.g. Berry, 1994), economics (Bagwell & Bernheim, 1996; Coelho & McClure, 1993), economic psychology (Braun & Wicklund, 1989; Leibenstein, 1950; Mason, 1981; Veblen, 1899), marketing (Dubois & Laurent, 1993; Kivetz & Simonson, 2002a, b). However, even though quite a number of studies have been done over the past several decades, research on the topic of consumer attitudes toward luxury is still scarce (Dubois, Czellar & Laurent, 2005).

Normally research on luxury consumption has been focused on affluent consumers only (de Barnier, Rodina, Valette-Florence, & Grenoble, 2006). However, there is another segment of consumers that needs to be considered: non-affluent consumers who also bought luxury brands. This is because the need and desire for luxury consumer brands are not limited to a certain segment of the population. People today, whether affluent or not, are more brand-conscious due to changes in the luxury market including providing more and easier access and not focusing on loyal customers only (Dubois & Duquesne, 1993).

The most significant factor in the decision to purchase a luxury brand is level of income (Dubois & Duquesne, 1993). However, the effect of culture and should not disregarded. The rise in income level has made it possible for even a non-affluent society to afford to buy luxury brands. In short, consumers of luxury brands are not necessarily affluent (Vickers & Renand, 2003).

A study by Dubois, Czellar and Laurent (2005) identified three types of consumers with respect to their attitude toward luxury: elitist, democratic, and distance. The differences between these three segments are described in Table 2-1.



Table 2-1

Three categories of consumer's attitudes toward luxury.

	ELITIST	DEMOCRATIC	DISTANCE
View of luxury	<p>Traditional vision of luxury as appropriate only for a small elite</p> <p>The 'happy few'</p>	<p>Modern vision of luxury as open to a larger audience.</p> <p>The 'happy many'</p> <p>Open-minded attitude toward luxury</p>	<p>Negative vision of luxury as a different world to which they do not belong.</p> <p>Negative feelings toward luxury</p>
Attitude toward luxury	<p>Luxury should be accessible to only a few people – very expensive, cannot be mass produced.</p> <p>Some education is needed to fully appreciate luxury goods and services.</p> <p>Use luxury goods to differentiate themselves from others – should not be available in supermarkets.</p>	<p>Luxury should be available to many people – can be mass produced.</p> <p>No special education is needed to fully appreciate luxury items.</p> <p>Not used luxury items are not used as a mechanism to differentiate self from others – could be sold in supermarkets.</p>	<p>Negative vision of luxury – regard luxury items are useless and too expensive, luxury is old-fashioned and flashy, and luxury consumers are snobbish and emulate the rich – luxury should be taxed more.</p> <p>Unlikely to buy luxury goods and do not know much about luxury.</p>

Source: Dubois, Czellar & Laurent (2005).

Previous studies found that consumer attitudes are multidimensional constructs (Batra & Ahtola, 1991). In the context of luxury brands, Dubois and Laurent (1994) proposed four dimensions of luxury brands in order to understand consumer's attitudes toward luxury: evaluative attitudes toward luxury brands, interest toward luxury brands, personal rapport with luxury, and mythical/symbolic values attached to luxury.

This study looks at only the first two dimensions (evaluative attitudes toward luxury brands and interest toward luxury brands), because they look at the concept of luxury from the consumer's point of view. Evaluative attitudes toward luxury brands is defined as the consumer's opinion about luxury brands and what he thinks about them, while interest toward luxury brands refers to the significance that luxury brands hold for an individual, whether he thinks that luxury is important or is curious about luxury (Dubois & Laurent, 1994).

In this study, consumption is treated as a behaviour resulting from the attitudes held by an individual. Consumer possession of an object takes place through the process of consumption. Consumption of an object can have two types of significance: 1) public meaning and 2) private meaning. The meaning of a possession will further reflect the behaviour of conspicuous consumption, because possessions play an important role in communicating information about a person and his or her social relationships (Richins, 1994; Douglas & Isherwood, 1979).

Public meanings, as described by Richins (1994, p.505), refers to "the subjective meanings assigned to an object by outside observers (non-owners) of the objects." It implies that the members of a society at large agree on some aspects of an object's meaning. Private meanings refer to the personal meanings of an object, what it signifies to its possessor. Richins (1994) described private meanings as "the sum of the subjective meanings that an object holds for a particular individual" (p.506). It may include elements of an object's public meaning, but the owner's personal history in relation to the object also plays an important role. Publicly consumed luxury goods (cars, handbags, watches) can be classified as conspicuous goods while privately consumed luxury goods (refrigerator, furniture, cosmetics) are less conspicuous since they are not displayed to the general public.



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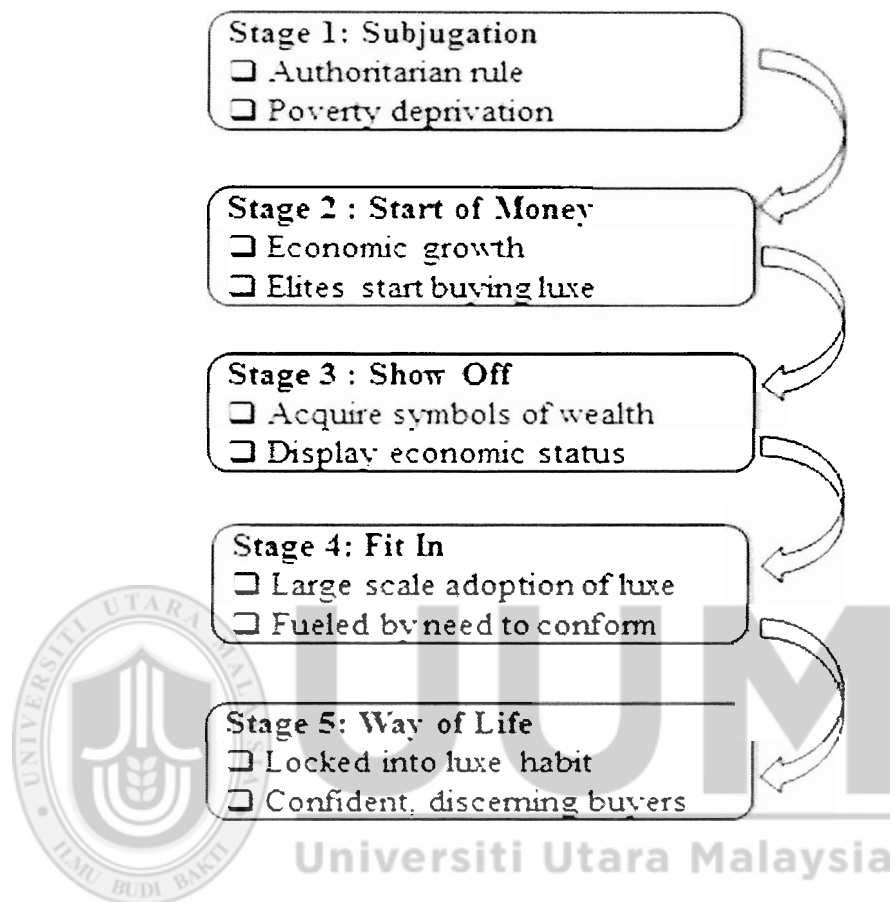
2.6 BEHAVIOUR

2.6.1 Luxury Brands in Asia

Generally, luxury goods can be defined as goods or goods that rarely become the subject of intense price competition (Kapferer, 1997, as cited by Mandhachitara & Lockshin, 2004). In the minds of consumers, luxury goods are exclusive because they are desired by many but are owned by few (Mandhachitara & Lockshin, 2004). Luxury consumption in the West has been widely studied since Thorstein Veblen's 1899 classic book *The Theory of the Leisure Class* (Chadha & Husband, 2006). However, Chadha and Husband point out that only a few studies of luxury brands in Asia have been done, especially in exploring the subject from a sociological or business point of view.

Chadha and Husband (2006) also noted that the spread of luxury culture in Asian countries has typically followed a five-stage process. They suggested the following model; called the “spread of luxury model,” to better understand luxury culture among consumers in Asian countries (see Figure 2.1).

Figure 2.1 : The Spread of Luxury Culture Model



Stage 1: Subjugation. Every country in Asia has gone through this stage. For example, Malaysia, Singapore and India were under British domination for many years. The Philippines lived under centuries of Spanish control and Indonesia under the Dutch. At that time, the indigenous people lived a miserable life. They had to work hard to live but earned only a little money, and thus lived in poverty.

Stage 2: Start of money. In this stage, the economy has grown and people have money for the first time. Household appliances such as televisions sets and washing machines become the new luxury items for the emerging middle class. With increasing prosperity and wealth, some luxury companies from European countries begin opening stores in Asian countries. At the same time, a smaller group of elite consumers are already buying and wearing luxury goods such as Hermes bags and European jewellery (Chadha & Husband, 2006). Among Asian countries, Japan was the first to move into this stage.

Stage 3: Show off. In this stage, people announce their financial capabilities to others and Thorstein Veblen's dictum comes into play: There is "no point in merely possessing wealth, you have to make sure it is 'always in evidence' to gain the esteem of others" (Chadha & Husband, 2006, p.44). In collectivist countries at this stage, people try to imitate what others do in order to place themselves in the same strata of society. For example, if trend-setters carry Gucci or Prada as a status marker, others will copy them and want to be exactly like them. People try to acquire the symbols of wealth and to display them in the most conspicuous manner.

Stage 4: Fit in. At this stage luxury culture spreads further. The acquisition of luxury goods is perceived not as a method of showing off or standing out from the crowd, but rather as a necessity in order to fit in with others. This stage is called "fit in" because at this stage the entire society has bought into this new set of rules (the

requirement to carry status marker goods). Many Asian cultures are firmly in this stage. For example, if the group prescribes that you carry Gucci and Prada, you do exactly that. If you don't carry an appropriate status marker, you are considered socially deficient.

Stage 5: Way of life. At this stage luxury brand goods have simply become a way of life. According to Chandha and Husband (2006) Japan is in this last stage, as are Hong Kong and Singapore.

“The Spread of luxury” model not only explains the stages that a country has been through but predicts what stage will come next. As such, it assists companies in planning their next moves. In addition to understanding the process by which luxury spreads, we need to identify the various types of luxury consumers. According to Du Bois et al. (1994), luxury consumers can be divided into three types: excursionist, excluded and affluent. Excursionists are consumers who access the luxury goods domain only in certain situations, such as when they are on holiday; excluded are consumers who have no access to luxury goods, and affluent are consumers whose access is more or less constant.

Chandha and Husband (2006), on the other hand, introduce three different categories of luxury consumers whom they call luxury gourmands, luxury regulars and luxury nibblers. The behaviour and lifestyle of each category are different, which gives marketers different opportunities to market their goods.

Luxury gourmands are at the top end of luxury consumers. This type of consumer devours luxury in great big bites. They wear designer labels from head to toe. These people also tend to be high net worth individuals with upwards of a million dollars in financial assets.

Luxury regulars are affluent people with financial assets in excess of US\$100,000. They are typically professionals such as lawyers and doctors, entrepreneurs running their own businesses, executives in senior and middle management positions, bankers and consultants. They consume luxury items on a regular basis.

Luxury nibblers are those who partake in a few small items of luxury every season. They buy one bag or one watch or whatever they can afford. They are typically young people with no savings, but with an increasing income and a well-paying job. Luxury nibblers are an example of the new "asset poor, income rich" mindset.

Chandha and Husband (2006) state that most Asian luxury nibblers have very little in savings but love to spend what they earn and are not afraid to use credit cards to buy what they want. These consumers may spend relatively small amounts over a year, but there are large numbers of them and therefore they contribute substantially to the profit of luxury brands.

Different country have different culture. Differences in culture affect the nature and level of luxury consumption. Research shows that consumers in developed countries tend to perceive domestic goods as being higher quality than foreign goods (Damanpour, 1993) while consumers in developing countries tend to perceived imported goods as high in quality than domestic goods. They also prefer to consume foreign brands because foreign brands can enhance their image as being cosmopolitan, sophisticated, and modern (Zhou & Wong, 2008).

Literatures show that perception toward luxury and motivation on luxury in an Asian context is not common. Even less information are available in comparing Asian attitudes to luxury compared to Westerners (Teimourpour & Hanzae, 2011).

2.6.2 Conspicuous Consumption Behaviour

2.6.2.1 Definition of Conspicuous Consumption

Conspicuous consumption behaviour can be defined as "the motivational process by which individuals strive to improve their social standing through consumption of consumer goods that confer or symbolize status for both the individual and surrounding others" (Eastman, Goldsmith & Flynn, 1999, p.310). Other studies have suggested that conspicuous consumption can be defined as a consumer's tendency to use conspicuous goods in order to impress others and display their wealth (Coleman, 1983) and portray their status in society (Hong & Zinkhan, 1995; Bagwell & Bernheim, 1996; Mason, 1998, 2001; O'Cass & Frost, 2002; O'Cass & Frost, 2004) through acquisition and expenditure (Shukla, 2008).

More recently, Chaudhuri and Majumdar (2006) gave the meaning of conspicuous as "eye-catching" and "prominent" or famous in addition to the previous meaning of "wasteful and lavish consumption" in order to enhance one's social prestige. In a recent article by Souiden et al. (2011), conspicuous consumption refers to the purchase of visually conspicuous brands that enable consumers to reflect their social status, convey their self-image, and boost their self-esteem. Generally, conspicuous consumption refers to the consumption of luxury items (Souiden et al., 2011).

Instead of being defined as a motivation process, conspicuous consumption can also be defined as behaviour (Trigg, 2001): the display of wealth through expensive or lavish leisure activities and luxury expenditures on consumption or services. The most important thing is not the actual level of spending but what an individual spends compared to others.

There are two groups of conspicuous goods: visually conspicuous and verbally conspicuous. A visually conspicuous product is one that can be easily noticed and identified as a luxury item by others (e.g., a Coach handbag or a Rolls Royce automobile). A verbally conspicuous product is one that is highly attractive and interesting and that can be easily described to others (Schiffman & Kanuk, 2004; Souiden et. al., 2011). Therefore, we can see that conspicuous consumption also relates to the concepts of status and luxury as well as ostentation.

The most common mechanism for conspicuous consumption is the consumption of luxury goods. People buy conspicuous goods in order to acquire the prestige (Belk, 1988; Grubb & Grathwohl, 1967; Shukla, 2008) that comes with owning brand name luxury goods (Ziccardi, 2001; Dubois & Laurent, 1994). It has been shown that consumers are more likely to buy luxury goods because of their symbolic aspects, such as status and prestige, rather than because they wish to utilize the functionality (Amaldoss & Jain, 2005).

However, luxury is a subjective concept, which means that a product or service which is a luxury to one person may be just an ordinary item to others (Phau & Prendergast, 2000). It depends on the economic level of the country in which they live. People from developing countries may see certain brands of imported goods as luxury from their perspective, but people from developed countries may see the same brand as an ordinary product. In the context of this study, certain brands may be seen as luxury for Generation Y consumers but not by members of the previous generation who are established in their life. It can be concluded that consumers at every level consumer goods to satisfy their social status and achievement needs (O'Cass & McEwen, 2004).

Veblen (1899) identified two motives for conspicuous consumption behaviour: a) **pecuniary emulation** and b) **invidious comparison**. Pecuniary emulation refers to consumers who strive to show off their image and place themselves in the class of people above them. Invidious comparison refers to consumers who strive to differentiate or distinguish themselves from the class below them. Therefore, people choose to behave conspicuously by means of luxury goods because luxury goods fulfil both motives: they satisfy the possessor's primary need of prestige (Belk, 1988; Shukla, 2008) and allow the possessor to derive satisfaction from others' reactions toward them, as people who can afford to consume luxury goods (Wong, 1997).

Previously, the concept of conspicuous consumption only referred to the behaviour of those in the upper class, with Veblen's fundamental theory primarily concerned with members of the wealthiest class who desired to differentiate themselves from others by acquiring, displaying and consuming conspicuous goods (Bagwell & Bernheim, 1996). However, studies have shown that this behaviour is also established in various income bracket, from rich to poor (Basmann et. al., 1988; Riquelme et. al., 2011). Conspicuous consumption is practiced in order to increase a person's position in society by signalling their wealth to the general public and communicating their affluence to others (O'Cass & Frost, 2002).

2.6.2.2 Theories related to Conspicuous consumption

Conspicuous consumption studies have applied several theories in order to understand the target behaviour. Some of these are adapted from theories of socio-psychology such as achievement motivation (McClelland), social comparison theory (Festinger, 1954), role playing theory (Goffman), social conformity theory (Chaudhuri & Majumdar, 2006), theory of optimal distinctiveness (Chaudhuri & Majumdar, 2006), social motivation theory (Moschis, 1981), and the theory of self-completion (Braun & Wicklund, 1989). All of these socio-psychological theories can be applied to marketing as well as consumer behaviour studies.

Braun and Wicklun (1989) used the theory of self-completion to discuss the impact of acquisition of material possessions, especially status goods, on people with lower self-esteem. Their findings show that possession of status goods is often a characteristic of people with identity crises and/or who feel insecure in society. For example, a person with negative physical characteristics (e.g., abnormally short) may purchase luxury goods and engage in conspicuous consumption to counterbalance his physical weaknesses.

Another study by Acikalin et al. (2009) explained conspicuous consumption based on social motivation theory (Moschis, 1981) and social comparison theory (Festinger, 1954). Some studies have treated conspicuous consumption as an independent variable while others have treated it as a dependent variable (e.g.: Chen, Aung, Zhou, & Kanetkar, 2005). In this study, conspicuous consumption is treated as dependent variable (DV) that influenced by values and attitude. This study applies the construct of conspicuous consumption developed by Marcoux et al. (1997), who applied the concept of conspicuous as their independent variable and used various theories to explain conspicuous consumption among Finnish consumers. The theory used by Marcoux et al. (1997) are; the theory on reason for buying by Woods, Cheron and Kim (1985), the meaning of consumption by Tharp and Scott (1990) and consumption values by Sheth, Newman and Gross (1991)

2.6.2.3 Previous Studies on Conspicuous Consumption

Phau and Prendergast (2000) identified two motives for conspicuous consumption: pecuniary emulation and invidious comparison. However, Rae identified two other motives of conspicuous consumption: vanity and self-expression (as cited in Phau & Prendergast, 2000). Vanity is defined as "an excessive pride in one's appearance (physical vanity) or accomplishments (achievement vanity)" (Durvasula & Lysonski, 2008, p.231). Self-expression is defined as an individual's tendency toward the expression of their image through certain mechanisms, normally the possession of material objects.

Conspicuous consumption motives as stated by Rae and by Phau and Prendergast (2000) can be associated with cultural factors, particularly the dimensions of collectivism and individualism. Two motives (pecuniary emulation and invidious comparison) by Phau and Prendergast's motivation (2000) are applicable to collectivist cultures while other two motives (vanity and self-expression) by Rae study is applicable to individualist culture. Therefore, these motives can be used as a guideline to understand conspicuous consumption constructs and concepts for collectivist and individualist culture.

Other studies have discussed the topic of conspicuous consumption in relation to various areas such as preferences towards foreign and domestic goods (Marcoux et al, 1997), brand value (O'Cass & Fross, 2002), and ethnic identification (Chen et. al, 2005; Wiedman et. al, 2007; Shukla, 2008).

People who engage in consuming goods for symbolic purposes will often consume luxury goods (Chadha & Husband, 2006). The pecuniary emulation motive is one explanation of why people behave that way. Luxury goods can be used as a mechanism to acquire the symbols of wealth and display them in the most conspicuous manner (Chadha & Husband, 2006). It is the most effective way to show off. Conspicuous consumption can also take the form of consumption of services where people can display their wealth through extensive leisure activities, luxury spa visits, or luxury vacation and hospital services (Trigg, 2001).

Marcoux, Filiatrault and Cheron (1997) explored the attitudes of Polish consumers toward goods made in Poland as opposed to goods made in Western countries in an attempt to understand the reason that Polish consumers preferred to purchase local versus foreign Western goods, which were seen as luxury product. The researchers looked at socio-cultural variables such as ethnocentrism, susceptibility to interpersonal influence and the conceptual meaning of conspicuous consumption. They found that the dimension of patriotism was the most important variable that influenced a consumer's preference for Polish goods as opposed to Western goods. From the finding,

they conclude that Polish consumers valued domestic goods more than Western goods. The study also found that only three elements (patriotism, social status demonstration and interpersonal mediation) were considered important by Polish consumers when choosing between local and Western goods. A third finding with regards to conspicuous consumption variables was that only two out of the five constructs used to measure conspicuous consumption were significant, namely social status demonstration and interpersonal mediation. These two constructs play an important role in consumers choosing whether or not to consume Western goods. It can be concluded that pecuniary emulation was the underlying motive behind the decision by Polish consumers to Western goods.

In contrast to the study from Marcoux et al. (1997) which chose five specific items by which to measure conspicuous consumption (materialistic hedonism, communication of belonging to/dissociation from the group, social status demonstration, interpersonal mediation and ostentation), Chaudhuri and Majumdar (2006) examined conspicuous consumption at a conceptual level and explored the evolution of conspicuousness as shown in previous literature. They suggest that the conspicuous consumption construct need not remain restricted to Veblen's (1899) original meaning. Furthermore, the authors suggest that conspicuous consumption constructs should be expanded by incorporating more generalized and broader dimensions.

Previous studies have identified several dimensions of conspicuous consumption, including being seen or identified by others, public consumption (Bearden & Etzel, 1982; Grimm, Agrawal & Richardson, 1999), self concept (Sirgy, 1982) and uniqueness (Tepper-Tian, Bearden, & Hunter, 2001). Conspicuous consumption has been explained in the literature as a function of several constructs; Chaudhuri and Majumdar posit a construct composed of "ostentation and signalling," "uniqueness" and "social conformity."

Marcoux, Filiatrault and Cheron (1997) state that social status demonstration is a dimension of conspicuous consumption. However, O'Cass and Frost (2002) tested conspicuous consumption and status consumption separately in a study of brand association and consumption behaviour. The study examined four elements of brand association (brand familiarity, brand symbolism, brand-aroused feeling and self-image/brand image congruency) in the context of status consumption and conspicuous consumption tendencies. Their analysis found that brand symbolism, self-image/brand-image congruency and brand-aroused feelings were the strongest predictors for both status consumption and conspicuous consumption of a specific brand. The evidence suggests that if consumers do not consider these three items (brand symbolism, self-image/brand-image congruency and brand-aroused feeling) to be important, they will not believe that brands can possess or confer status. However, the findings related to brand

familiarity indicate that consumers do not have to be familiar with a brand in order to mark that brand as a status brand and conspicuously consume it.

People who are engaged in conspicuous consumption normally engage with the consumed product not only for the purpose of utilizing that product but more importantly to visualize what they spend compare to others and to enjoy the fact that people will notice their consumption (Duesenberry, 1949). Invidious comparison is a motive for people with this attitude.

Normally, possession of certain objects is central to the sense of self. The four hierarchies of self are individual, family, community and group (Rapoport, 1982, cited in Belk, 1988). This hierarchy shows that self exists not only as an individual phenomenon but also as a collective phenomenon. The distinction between individual self-conception and collective self-conception can be signalled through the sharing of consumption symbols. Symbols help to signal group membership and define the group self. For instance, although a person may be more individualist personally, sometimes they will still define themselves through a group identity at various levels. Just as an individual may use personal possessions such as jewellery, automobiles, make-up and clothing to define an individual sense of self (Solomon, 1986), they may also use these things to demonstrate their membership in a family, community or group.

This motivation can be found among youth consumers or Generation Y consumers who normally spend more on branded goods than members of other generation cohorts. Wee (1999), who studied the global teenage lifestyle, found that young people especially teenagers expend more on lavish purchases especially on branded goods. Findings from these studies help to explain why each generation of teenagers, especially Generation Y consumers, have their own values and attitude relating to branded goods.

A study from Chen, Aung, Zhou, and Kanetkar (2005) looked at conspicuous consumption as a dependent variable. Their study investigated the moderating and mediating effect of acculturation on the relationship between a person's identification as Chinese and conspicuous consumption of Chinese consumer goods in Canada. Acculturation dimensions may function as moderators or as mediators. The dimensions of acculturation are language, media exposure, social interaction and national identification. The dimensions of conspicuous consumption are status, ostentation and material values. Chen et al.'s (2005) findings indicate that ethnic identification is related to conspicuous consumption.

As a finding, this study also found that acculturation dimensions do not moderate the relationship between ethnic identification and conspicuous consumption. However, two items from the acculturation dimension which is language and media exposure do mediate the relationship between ethnic identification and conspicuous consumption.

The findings also indicate that Chinese consumers with Chinese cultural values are more willing to engage in conspicuous consumption. That is, Chinese consumers purchase luxury goods in order to meet the purposes of material values, ostentation and status display (Chen et. al, 2005). These findings complement those of with previous studies, and confirm that conspicuous consumption holds a cultural meaning among East Asians (Schutte & Ciarlante, 1998; Wong & Ahuvia, 1998; Piron, 2000).

In addition, socio-economic factors such as age, gender, income level and education have an impact on consumer decisions with respect to certain goods. A study by O'Cass and McEwen (2004) found significant differences in conspicuous consumption between males and females; females have more conspicuous consumption tendencies than males, but this finding is limited to goods such as fashion clothing and sunglasses, and to consumers between 18 and 25 years old. This is supported by the recent study from Chadha and Husband (2006) which found that women are the biggest purchasers of luxury brands, especially in Asian markets. In addition, gender is often an important exploratory variable linked to preferences for the purchase of various goods (Marcoux, Filiatrault & Cheron, 1997).

Different ages also have different tendencies towards conspicuous consumption. As cited by Marcoux et. al. (1997), who studied the factors underlying the attitudes of Polish consumers towards Western goods, young adult consumers are more open to change and Western influences (Bar-Haim, 1987). Age also has a significant effect on

the types of goods that are consumed, as shown in a study by Shukla (2008) that focused on middle-aged consumers who consume conspicuously in the context of automobile buying. Researchers and marketers tend to be tightly focused on marketing and advertising to young people (Lindstrom & Seybold, 2003; Grant, 2004) and to ignore the importance of understanding the behaviour of the middle-aged consumer and how it relates to conspicuous consumption.

Middle-aged consumers are described by Cavanaugh (1990) as between 40 and 60 years old. People in this age range are more stable in terms of income and career, and in general spend more on investment assets such as housing, cars, etc., as compared to young consumers who spend mainly on clothing, the internet and mobile phones (Spero & Stone, 2004). However, in contrast to this, a study from Chadha and Husband (2006) indicates that in most Asian markets the biggest spenders on luxury brands are young consumers between the ages of 20 and 30. Chadha and Husband classify this type of consumer as "luxury nibblers" and they are usually young people with increasing incomes and well-paying jobs. Based on their age, this type of consumer is also a Generation Y consumer.

Income factors should not be ignored when discussing conspicuous consumption. It has been shown to be an influential factor in conspicuous consumption behaviour (Shukla, 2008; Riquelme et al., 2011). Congleton (1989) and Rauscher (1993) suggest that "income factors exert an amplification effect and a discouragement effect affecting

conspicuous behaviour" (Shukla, 2008). Therefore, when discussing luxury and conspicuous consumption the influences of income and financial capability are significant. As mentioned above, some goods which are viewed as luxury items by one group of consumers may be seen as ordinary goods by people with unlimited income or financial assets. However, the concept of conspicuous consumption also exists among non-affluent consumers who believe that luxury goods are both hedonic (pleasant and bought for pleasure) and symbolic (reveal who customers are) (Dubois, Czellar & Laurent, 2005). In addition the concept of ostentation can be applied, wherein luxury goods can be used ostentatiously to display wealth in order to secure social status.

Ostentation relies not only on buying a product because of its high price, but on the fact that the price is known by others (Marcoux et. al., 1997). In that sense, people who are concerned with their status will often engage in status consumption. Status consumption is defined as the consumption of goods or services for the purpose of achieving social status. According to Dawson and Cavell (1986), status can be achieved through the ownership of high-status goods such as expensive cars, houses, jewellery, and vacations, or characteristics such as how many racehorses they own, do they have their own yacht, or do they have valuable works of art hanging on the wall. Social status demonstration refers to a situation in which people want to show off their success, wealth and prestige to others.

A review of literature showed that conspicuous consumption has its own impact on Western and non-Western societies. Conspicuous behaviour can be understood by people's motives and these motives can reflect cultural values, whether individualistic or collectivistic. However, research on conspicuous consumption studies in Asian countries is still lacking even though Asian countries represent a rapidly-growing market in the luxury industry and have become a primary target for many luxury companies from all over the world.

2.7 Youth consumers

Youth consumers have become an interest of researchers from many different areas. Youth consumers normally referred as Generation Y with "youth market" segmentation in marketing. As early as the 1920s, marketers have recognized the value of the youth market as a strong segmentation for marketing opportunities (Noble & Schewe, 2003).

In marketing, consumers' population falls into several generational cohorts. A generational cohort is defined as a group of individuals born during the same time period who have similar identity and experiences (Taylor & Cosenza, 2002). Generational cohorts can be categorized as matures, baby boomers, Generation X and Generation Y. Each of these cohorts represents a different age bracket: "matures" were born between 1909 and 1945, "baby boomers" were born between 1946 and 1964; Generation X was

born between 1965 and 1976; Generation Y was born between 1977 and 1995. Generation Y are thus the children of baby boomers (Taylor & Cosenza, 2002).

Youth consumers which is Generation Y consumers are usually classified as those born between 1977 and 1994 (Wolburg & Pokrywczynski, 2001), although a study by Goldgehn (2004) classified Generation Y as those born between 1981 and 2000. Based on age, then, youth consumers or Generation Y consumers are 14-31 years old as of 2013.

Youth consumers have certain characteristics. They are viewed as a generation with very high buying power and are large population compared to other generational cohorts (Nowak, Thach, & Olsen, 2006). They are strongly influenced by peer pressure (Fernandez, 2009), spend family money and have the power to influence the spending habits of their parents (Grant & Stephen, 2005; Taylor & Cosenza, 2002). They also have different shopping styles compared to previous generations, in that they are more focused on brand name goods (Bakewell & Mitchell, 2003; Howe & Strauss, 2007). Moreover, these young consumers are pampered by their parents who have large disposable incomes. Youth consumers tend to be affluent, technology literate, and highly educated (Martin & Turley, 2004). Therefore, members of this younger generation are often technology savvy consumers for whom the Internet has a major influence on their decision making style, especially in regards to consumption.

Most research on youth consumers has focused on demographic and attitudinal characteristics of the generation, not on consumption motivations and behaviour. A few studies have looked at youth consumer or particularly on Generation Y consumers, including attitudes toward advertising (Beard, 2003), celebrity endorsers (Bush et al., 2004; Stevens et al., 2003), corporate sponsorship (Bennett & Lachowets, 2004) and internet related behaviour (Freestoner & Mitchell, 2004). Very few academic studies have focused on shopping styles of youth consumers and how these consumers make their purchase choices.

In addition, there is little information about specific subgroups within Generation Y, namely college-age Generation Y (those aged 18-22), because most researchers focus on the entire generation and disregard any subgroups. According to Wolburg and Pokrywczynski (2001), college-age Generation Y are an important segment to study because they are trendsetters, brand-conscious and brand loyal, early adopters and exert influence over their parents' purchasing behaviour. This college market also has more disposable income compared to previous generation teens (Tomkins, 1999) and will have a higher standard of living in future associated with a college degree once they graduated. Therefore, in this study, youth consumers are referred as college-age Generation Y people who aged between 18-25 years old and this term used interchangeably throughout this thesis.

Marketers nowadays are aware that the buying habits Generation Y consumers establish now will have a significant impact in the retail and market worlds. These habits include the following: Generation Y is influenced more by the internet than by any other advertising media. They prefer to shop in branded stores (Wolburg & Pokrywczynski, 2001). They love to shop because they are more affluent (Goldgehn, 2004). They tend to seek out more conspicuous goods (Eadie et. al., 1999; Taylor & Cosenza, 2002), to be more conspicuous, and to place more emphasis on status consumption (Riquelme et. al, 2011).

Researches have studies the effect of young consumers compared to adult consumers in consumption. This is because different ages have different tendencies towards conspicuous consumption. Middle-aged consumers are described by Cavanaugh (1990) as between 40 and 60 years old. People in this age range are more stable in terms of income and career, and in general spend more on investment assets such as housing, cars, etc., as compared to young consumers who spend mainly on clothing, the internet and mobile phones (Spero & Stone, 2004). As cited by Marcoux et. al. (1997), who studied the factors underlying the attitudes of Polish consumers towards Western products, young adult consumers are more open to change and Western influences (Bar-Haim, 1987).

Age also has a significant effect on the types of products that are consumed, as shown in a study by Shukla (2008) that focused on middle-aged consumers who consume conspicuously in the context of automobile buying. Researchers and marketers tend to be tightly focused on marketing and advertising to young people (Lindstrom and Seybold, 2003; Grant, 2004) as important as understanding the behaviour of middle-aged consumer and how they relates to conspicuous consumption.

As Chadha and Husband (2006) indicates that in most Asian markets the biggest spenders on luxury brands are young consumers between the ages of 20 and 30. Chadha and Husband classify this type of consumer as "luxury nibblers" where they are usually young people with increasing incomes and well-paying jobs.



2.8 Research Framework and Hypothesis Development

The main objectives of this study are to understand; 1) how values (cultural value, material values, and religiosity) impact youth consumers' behaviour, and 2) how these values affect their attitudes and behaviour. To achieve these goals, hypotheses have been developed based on the conceptual model and relevant literature related to the components of the model.

This section is divided into five parts: 1) Potential impact of Hofstede's (1980) cultural dimensions on conspicuous consumption of foreign goods, 2) material values and its relationship to conspicuous consumption, 3) religiosity and conspicuous consumption, 4) attitude toward luxury brands and conspicuous consumption, and 5) attitude toward luxury brands as a mediating variable. It is believed that motivation to engage on conspicuous consumption among Asians differ from Western countries (Phau & Prendergast, 2000). In addition, the philosophies of Confucius and Hofstede's cultural dimensions have been shown by studies to be influential in shaping Asian consumers' intention toward luxury goods (Phau & Prendergast, 2000).

The research framework is organized around six constructs (see figure 2.1): cultural values, material values, religiosity, interest toward luxury brand, evaluative attitudes toward luxury brands, and conspicuous consumption. The model illustrates the relationship between cultural values, material values, and religiosity (independent

variables) and conspicuous consumption (dependent variable). Cultural values, material values and religiosity were expected to positively influence conspicuous consumption behaviour. This model also accounted for the intervening role of attitude in the relationship between independent and dependent variables. This model drew on the theory of Value-Attitude-Behaviour with the premise that value and attitude have an influence on behaviour. This model allowed the researcher not only to investigate the influence of values on behaviour but also to cast some light on the role of attitude in this relationship.

2.8.1 Cultural Values and Conspicuous Consumption.

The analysis of cultural values will be conducted based on underpinning theory from Hofstede (1980) that explains the cultural values and conspicuous consumption behaviour of consumers. Thus hypothesis development will be based on four dimension of Hofstede (i.e. collectivism, masculinity, uncertainty avoidance and power distance) consistent with previous study of Hofstede's cultural dimension where they analyse each of the dimension in their study (to name a few, i.e. Teimourpour & Hanzee, 2011; Yoo, Donthu & Lenartowicz, 2011; de Mooij & Hofstede, 2010).

2.8.1.1 Collectivism and Conspicuous Consumption

The cultural value of individualism vs. collectivism has a major influence on consumers' decision-making especially with regards to preferences for a product as well as what brand they want to consume (Tse et. al, 1989; Allen, 2001; Kim et. al., 2002; Gary, Munch & Peterson, 2002).

Individual-oriented people have different consumption values from collective-oriented people. Individual-oriented people tend to be more conspicuous than collective-oriented people (Wong, 1997). Individual-oriented people tend to place more value on objects and to express their emotion through material objects. For example, they tend to prefer to live in detached houses with private gardens, to have security systems for their home, and to buy life insurance. They are concerned more with personal pleasure and social superiority. They read more books and use computers more frequently because their main source of information is online media (Hofstede, 2001).

Collective-oriented people are ethnocentric consumers. They prefer to buy domestic goods and are more patriotic (Yoo & Donthu, 2005). They love to live in harmony with others. They do not need other methods of security because they believe that their social network can secure them; they depend more on each other, therefore they prefer to live in apartments or flats. They rely on their social network as their main source of information because they use fewer computers and read fewer books. They watch more television (Hofstede, 2001).

On that, collective-oriented people tend to be ethnocentric consumers for two reasons (Yoo & Donthu, 2005). First, they are only familiar with domestic brands. Second, they tend to close their minds towards foreign brands because they feel obligated to buy domestic goods in order to make sure that the domestic markets are protected.

However, some studies have proven that even though Malaysia is a collectivist country, its citizens are being exposed to more foreign goods and are becoming more willing to consume them. According to a study by Wan Halim (2004), who studied the effects of ethnocentrism, materialism attitude and prestige sensitivity on consumers' purchase intentions of Malaysian-made goods, Malaysian consumers today are more willing to purchase imported goods based on their perception that imported goods are high in quality and are a way to express their material status.

The changes in Malaysian consumers' attitudes towards imported goods may be due to Malaysian society's increasing urbanization and commercialization, which causes increasing social mobility and social change (Wan Halim, 2004). The consequences of social mobility, such as study or travel or doing business abroad, mean that people have more exposure to foreign culture and goods, and increase the tendency of Malaysian consumers to purchase imported goods.

Malaysian consumers' increasing tendency to purchase imported goods may also be due to the materialistic values which have arisen in Malaysian society (Wan Halim, 2004). Consumers purchase imported goods because they want to express their power in terms of money and status. This may lead to more conspicuous consumption behaviour. In a collectivist culture, people try to behave the same as the rest of society in order to make sure that they are accepted by that society. So, when they belong to a group whose other members like to purchase imported goods, they also will to buy them.

Another study by Kuisma (2008) supports the theory that Malaysian consumers are becoming more status-conspicuous shoppers. Kuisma (2008) studied the intention to purchase luxury goods in Malaysian and Finnish consumers. He found that Malaysian consumers are more conspicuous than Finns. However, he also found that the presence of a reference group affects an individual's intention to purchase luxury goods, and that reference groups are important to Malaysian consumers when it comes to high involvement in purchases of luxury goods. In a collectivist society, family and reference group can influence the decision to make any given purchase.

Purposes of this study, Hofstede's (1980) individualism-collectivism dimension will be applied to the attitudes and behaviour of youth consumers in Malaysia. Malaysian consumers are identified as having a collectivist value with index of 26, as such, they will depend on group influence to decide whether to buy an imported luxury product or not. In addition, Asian societies are characterized as interdependent, focused

on the group rather than on personal needs, and have a high level of social conformity (Kim et. al., 1994; Markus & Kitayama, 1991; Dubois, Czellar & Laurent, 2005).

Furthermore, Hofstede stated that collective-oriented people will imitate what their group does. If their reference group places more value on foreign goods, then they will try to fulfil that value. Bourne and Francis (1957) proposed the "theory of reference group" as the basis of the decision-making process for luxury items (as cited in Gil, 2009). Given that collective-oriented people tend to imitate what society does, it is hypothesized that collectivism is positively related to conspicuous consumption.

H1: Collectivism is positively related to conspicuous consumption.

2.8.1.2 Masculinity and conspicuous consumption

One of the characteristics of a masculine-oriented culture is an emphasis on the acquisition of money and possessions. A masculine-oriented people place more value on wealth and material success. They also tend to be materialistic and status seeker. In masculine-oriented culture, men are more dominant than women. They have different roles based on gender, especially when it comes to decision-making. Men normally will make decisions about expensive goods such as a car, whereas women will make decisions about relatively unimportant goods, such as household grocery shopping (Hofstede, 2001).

Masculine-oriented people are status seekers. They purchase status goods more frequently because they think that status goods will highlight their achievement and success in life. They also tend to buy jewellery and expensive product even for their home. They also wore expensive watches. Masculine-oriented people more often preferred to buy foreign goods because they believe that owning foreign product is a way to show off (Hofstede, 2001). In a masculine culture, symbols of status are very important because people can use them as a measurement of success, achievement, and performance both in life and in work. Therefore, masculine-oriented people tend to be conspicuous because they prefer wearing very expensive product to show off their status and they believe that status can be used to express one's success and position in society.

In contrast, feminine-oriented people place more value on life satisfaction and welfare. They are less likely to show off their status on material and wealth. Feminine-oriented cultures have equal roles regardless of gender. They tend to share every decision making process with their partners, especially buying and shopping decisions, place more value on homemade goods because they think that foreign goods are less attractive (Hofstede, 2001) or less appealing than domestic goods. They also wear cheap watches, buy less jewellery and make purchase decision because they want to use the product not to show off (Hofstede, 2001).

Gender role differences were popularized by Deborah & Tannen (1990, cited in Hofstede, 1998). Gender can be different based on the way of thinking, feeling and acting. Hofstede (1989, 1998) dubbed a culture with distinct differences based on gender as a “gender culture” based on masculinity-femininity dimension.

Differences in “gender cultures” extend to conflict situations and how individuals resolve conflicts. Masculine-oriented people tend to use confrontational methods rather than negotiation. For example, regarding foreign goods, masculine-oriented consumers tend to use confrontational solutions while feminine-oriented consumers prefer harmony-enhancing solutions (Yoo & Donthu, 2005). Masculine-oriented people tend to listen to only one side of an issue, normally the negative side, especially with regards to foreign goods. In contrast, feminine-oriented people will listen to both sides of an issue or question and try to find the positive side of a product such as quality, variety and accessibility. Feminine-oriented people try to find harmonious solutions in a crisis situation. They also tend to show greater acceptance of imported goods, even they may prefer home made goods.

Malaysian consumers as a whole were identified as having a feminine-oriented culture with an index of 50 score based on Hofstede's country index. However, studies have shown that youth consumers in Malaysia are more accepting of branded goods, especially imported branded apparel (Fernandez, 2009) even they are supposed to have a

feminine-oriented culture as proposed by Hofstede. Therefore, a second hypothesis is suggested as follows:

H2: Masculinity is positively related to conspicuous consumption

2.8.1.3 Uncertainty avoidance and conspicuous consumption.

First-time purchasers of imported or foreign goods may see a perceived risk to consumers since the goods are of unknown quality. People with low uncertainty avoidance consume more status goods and tend to have a high tolerance for consuming foreign goods. Therefore, they accept the risk and uncertainty associated with imported goods. They are also more willing to try new, risky goods. People with low uncertainty avoidance normally try to search for information about the new product. They also prefer to invest in highly risky goods where they can potentially gain a lot of money especially stocks investment (Yoo & Donthu, 2005; Hofstede, 2001). People with low uncertainty avoidance are often not well groomed because they believe that people will look at who they are not what they are wearing.

In contrast, people with high uncertainty avoidance tend to consume more "purity" goods such as mineral water, fresh fruit, sugar, textile washing powder. People with high uncertainty avoidance will avoid buying imported goods because imported goods produce anxiety and uncertainty in them. They also believe that domestic goods should not have to compete against foreign goods. People with high uncertainty avoidance are brand loyal; therefore they will not purchase goods with which they are

not familiar. They prefer to invest in gold because there is less risk associated with them than with stocks. People with high uncertainty avoidance are often well groomed because they believe that their good appearance will help them face a threatening world and that people will pay attention to the way they dress.

Based on the arguments above, people with low uncertainty avoidance tend to be more conspicuous than people with high uncertainty avoidance. Since Malaysian society is high in uncertainty avoidance, it is expected that they will not engage in consumption of foreign goods or in conspicuous consumption behaviour.

Based on Hofstede's, Malaysians score 36 of uncertainty avoidance index. The dimension of 'uncertainty avoidance' helps to explain why, for example, foreign brand is preferred over other brands: it has the desired prestige status as defined by the Asian community (Phau & Prendergast, 2000). This study will test Hofstede's uncertainty avoidance value against conspicuous consumption with the following hypothesis:

H3: High uncertainty avoidance is positively related to conspicuous consumption.

2.8.1.4 Power distance and conspicuous consumption

Power distance normally relates to the power of one person over others. Inequality in power distance can be seen in areas such as prestige, wealth and power (Hofstede, 2001). In dealing with foreign goods, the government can play an important role in influencing its citizens' attitude towards imported goods. People in societies with a high power distance tend to follow the government's lead.

Some governments will restrict certain foreign goods from entering their domestic market. For example, the Malaysian government, though it does not officially restrict foreign goods from entering the Malaysian market, has engaged in a campaign to encourage consumers to buy and appreciate domestic goods. Also, the government charges a high tax on some foreign goods. In addition, people in a high power distance culture will not buy imported goods because they are patriotic people.

They feel responsible for obeying and serving their home country (Yoo & Donthu, 2005), therefore they view buying domestic goods as a way to express their loyalty to their country. They also believe that domestic goods should have greater privileges than foreign goods (Yoo & Donthu, 2005). Cultures with high uncertainty avoidance are not likely to engage in conspicuous consumption behaviour because they choose to buy domestic goods rather than imports.

Based on Hofstede's power distance index, Malaysia has a score of 104 and ranked number one out of all 53 other countries. This shows that Malaysia is a very high power distance culture. Therefore, a fourth hypothesis is suggested as follows:

H4: High power distance is related positively to conspicuous consumption.

2.8.2 Material values and Conspicuous Consumption

Material values as a value system is one in which goods or materials play a central role in a person's life (Martin, 1993). Research suggests that people high in material values believe that the possession of certain goods will provide the greatest satisfaction (Martin, 1993; Belk, 1985; Belk & Pollay, 1986).

Materialistic people value things and achievements more than they value people or relationships (Wong, 1997). They are less likely to be involved in interpersonal associations (Richins, 1994), romantic relationships and friendships because they put more priority on financial success (Kasser & Ahuvia, 2002).

Richins and Dawson (1992) found that materialist-oriented people value financial security more than "warm relationships with others." The researchers also found a negative correlation between material values and relationships with friends and satisfaction with family (Richins & Dawson, 1992). Therefore, there is evidence that high materialistic-oriented people put money and other material concerns at the centre of

their lives. For them, material things and money are more important than others including interpersonal relationships.

Happiness is an essential part of daily life, and people are constantly trying to fulfil their need to be happy. However, materialist-oriented people are not bothered if they are suffering in other areas of their life as long as they can get what they want in terms of material possessions. This is according to Belk (1985) who found evidence of a negative relationship between material values and life satisfaction. Many later studies have also proven this negative relationship, including Richins (1987), Richins and Dawsons (1992), Dawsons and Bamossy (1991), Kasser (2002) and Ryan and Dziurawiec (2001).

The existing literature also suggests that highly materialist-oriented people will have a lower level of satisfaction with life (Roberts & Clement, 2007; Seneca, 2009) in at least three aspects: lower level of life satisfaction (Ahuvia & Wong, 1995; Belk, 1984; Kasser, 2002; Keng et.al, 2000; Richins & Dawson, 1992; Sharpe & Ramanaiah, 1999), high depression and social anxiety (Schroeder & Dugal, 1995) and lower level of self-actualization if they put more priority on financial success (Kasser, 2002).

In the context of Asian cultures, a study in Singapore by Keng, Jung, Juan and Wirtz (2000) studied the relationship between material values and life satisfaction. These authors also noted that people with a higher level of material values are less

satisfied with their lives than people with a lower level of material values. Swinyard, Kau, & Phua (2001) studied the relationship between material values, life satisfaction or happiness, and religiosity in Singapore; they also found that a material value has a negative relationship with life satisfaction.

However, materialistic-oriented people are not bothered if they are not satisfied with their life so long as they can fulfil their hedonic aspects of acquisition. They believe that happiness can be gained through the acquisition of possessions, especially luxury goods because they can behave conspicuously.

A person's success is often measured by their social status. Social status demonstration refers to a situation in which people want to show off their success, wealth and prestige to others (Marcoux et. al, 1997). According to Smith, Speck and Roy (2008), socioeconomic status is defined as "one's sense of position in a social system with respect to the portrayal in the media" (p.1200). According to Richins (1987) and Richins and Dawson (1992), low materialist-oriented people are more satisfied with their socioeconomic status than high materialistic-oriented people. The economic situation of a country also has a significant influence on the level of material values among its people; some research on the influence of a country's economic situation on the level of material values suggests that people in less affluent nations will be more materialistic than those from affluent nations (Inglehart & Abramson, 1994; Abramson & Inglehart, 1995).

Kamineni (2005) as cited by Seneca (2009, p. 40) stated that "the crucial dimensions of possessions for any materialist are utility, appearance, financial worth and the ability to convey status, success and prestige." People's need for appearance will result to the increased of material values (Phau & Prendergast, 2000). As a consequences, there is an increasing demand for conspicuous and status goods in order to show their success to others.

This can also be related to the concept of ostentation. Ostentation was first pointed out in a study by Veblen (1912) who addressed the issues of status and conspicuous consumption. Veblen's studies showed that people of a higher socioeconomic class engage in consumption as an ostentatious display of their wealth and success in order to secure their social status.

Marcoux et al. (1997) stated that ostentation relies on buying a product because of its high price, and the fact that the price is known by others. According to Dawson and Cavell (1986), status can be achieved through the ownership of high-status goods such as expensive cars, houses, jewellery, and vacations. Kilsheimer (1993) stated that status consumption always involves the purchase of goods that increase one's social status. Later, Richins (1994b) found that "materialists were more likely to consume in public if a brand was perceived as expensive in relation to a similar product" (as cited in Gil, 2009).

Richins and Dawson (1990) stated that materialist-oriented people use material goods to display their success, status or prestige to others. They also (1992) found that materialist-oriented people show a great importance of acquisition and possession of goods and services which can increase their social status. This finding is closely related to the idea that possession is a way of defining success. The most important point is that materialist-oriented people tend to buy more luxury goods than others (Belk, 1985). Seneca (2009, p.41) stated that "studies have shown that those high in material values place a higher value on expensive items and associate such items with success". They place more value on the social meaning of goods and feel that goods (especially luxury goods) are more effective on communicating certain meanings to others and at the same time can project their identity to others (Fitzmaurice & Comegys, 2006).

A study from Chen et al. (2005) found that Chinese immigrants in Canada purchase luxury brands to meet the purposes of material values, ostentation and status. This complements existing literature which indicates that conspicuous consumption holds cultural meaning among East Asian peoples (Wong & Ahuvia, 1998; Piron, 2000).

The finding from Wong & Ahuvia (1998) is significant for a study of Generation Y consumers, who think that they must have their own identity so they can differentiate themselves from others. Moreover, Herbig et al. (1993) stated that conspicuous consumption behaviour increased as the level of material values for each new generation increased (Bakewell & Mitchell, 2003b).

In addition, materialistic consumer cultures are increasingly represented in Asia as evidenced by the growth of American and European branded houses in certain Asian countries (Phau & Prendergast, 2000). The implication of this argument is that materialist-oriented people can fulfil their need for happiness in several different dimensions by consuming a certain product/brand purchase.

Therefore, it can be said that **conspicuous consumption** is a behaviour of accumulation, acquisition and possession used to bring attention to oneself and as a mark of how they want others to perceive them (Shukla, 2008). Thus it is hypothesized that material values will be positively related to conspicuous consumption.

H5: Material value is positively related to conspicuous consumption.

2.8.3 Religiosity and Conspicuous Consumption.

Sood and Nasu (1995) performed a cross-cultural study on the effects of religiosity on purchased behaviour of Japanese and American consumers. The authors found no difference among Japanese consumers, as religion is not important in Japanese culture. By contrast, in American consumers they found significant differences between the purchasing behaviour of highly religious and mildly religious Protestants, the former being more economical in purchasing behaviour where they only purchase on sale goods. They also shopped in low-price stores and were also willing to accept foreign-

made goods. (Mokhlis, 2009). Its show that religion does have an important influence in shaping the consumption behaviour of American people.

A study by Riquelme et al. (2011), which established a relationship between religious affiliation and status consumption. Their research particularly focused on Muslim consumers in Kuwait as Islam is the main religion in that country. Their research measured the personality traits (e.g., materialism) of Muslim consumers as a factor in explaining status consumption. They found that materialism had a significant influence on consumer's attitudes and feelings toward status consumption among Muslim consumers.

Another study by O'Cass, Lee, & Siahtiri (2013) examine the role of religiosity on status consumption and fashion brand among Muslim consumers. They found out that Muslim consumers' religious commitment affects the degree to which they are status conscious and more on fashion brand status.

Studies also showed that highly religious individuals (high in commitment) were more likely to have a moderate and balance in life and reach more satisfied in life. They were more likely tended to value more on traditional sex role orientation (Wilkes, Burnett & Howel, 1986). In shopping and retailing, they were more satisfied if the retail store can provide a good and friendly retail assistance whose can provide and entertain them while they are shopping. This is because highly religious individuals

were sociable and would like to engage in people (McDaniel & Burnett, 1990). Before engaging in consumption, highly religious individual will search for more information about the goods they want to consume compared to non-religious individual. They also more preferable to buy national brands compared to foreign brand and they would prefer to buy in cash and avoid using credit term (Delener, 1989).

Based on that, it shows that religion is an important element in shaping consumer's shopping behaviour as they considered status as an important aspect of shopping a product. Therefore, the study proposes the following hypothesis:

H6: Religiosity is positively related to conspicuous consumption.

2.8.4 Values orientation (cultural value, material value and religiosity) - Attitude toward Luxury Brands (ATLB) - Conspicuous Consumption.

Phau and Prendergast (2000) studied the influence of awareness, purchase and dream value of luxury brands. Dream value in this study is referred to as the desire to own. The study was conducted in Singapore, an Asian country, and provides a social and cultural analysis of the trends in Singapore and other Asian cities such as Hong Kong. Singaporeans were found to be increasingly status conscious, materialistic and brand conscious.

A study by Jung and Kau (2005) looked at culture's influence on consumer behaviour as reflected among three ethnic groups in Singapore: Chinese, Malays and Indians. Kau, Jung, Tambyah & Tan (2004) used Hofstede's (1980) cultural framework to identify various consumer behaviours that could be influenced by culture, such as information sharing, family decision making, opinion leadership, ethnocentrism, perceived risk, brand loyalty, innovativeness, information searching and opinion seeking.

Most Asians, who come from collectivist societies, place more importance on family but they differ in their level of collectivism. Kau, Jung, Tambyah & Tan (2004) stated that this difference in level of collectivism is detectable among three ethnic groups in Singapore. According to a study from Tham (1985), 53.8% of Malay respondents mentioned that loyalty to one's culture as an important value together with way of life. Malay respondents believed that religion binds them together as a community and holds their collective identity (cited in Kau, Jung, Tambyah & Tan, 2004)).

Contrast that with a recent study by Kau, Tan and Wirtz (2000), which found that the importance placed by the Singaporean Chinese on values that emphasize the importance of family is declining; only 67.4% of Chinese respondents agreed that family is the most important thing compared to 78.2% of Malays and 80% of Indians. The diminishing of Chinese values regarding the importance of family may be due to the influence of Western culture among Singaporean Chinese and to increase income levels,

which make them more affluent than before. (Kau, Jung, Tambyah & Tan, 2004). Therefore, they emphasize how to accumulate wealth rather than concern about their family and relatives. This would account for the lower emphasis on collectivism among the Chinese as compared to Malays and Indians.

A study from Yoo and Donthu (2005) which looked at U.S consumers' behaviour towards imported goods from Japan found a significant interest towards such goods. The objective of the study was to examine the relationship between cultural orientation and consumer ethnocentrism. The researchers' hypothesized cultural orientation based on Hofstede's dimensions, examined the effects of cultural orientation on consumer ethnocentrism, and investigated how consumer ethnocentrism is related to product perception and ownership. They hypothesize that consumer ethnocentrism affects both perceived quality of foreign goods as well as the intention to purchase foreign goods.

According to the same study, consumer collectivism can be expressed in the form of ethnocentrism, since in a collective-oriented culture consumers show love and concern for their country or social in-group by "buying locally." This suggests that collectivist consumer's sense more obliged to buy domestic goods and is not sensitive to group pressure; they feel that by doing so they are supporting domestic goods and enhancing the stability of home country market. As a consequences, they feel safe, harmony and more loyal to their country. It can therefore be suggested that collectivist consumers are also patriotic consumers (Yoo & Donthu, 2005), because the form

collectivism takes at the national level is patriotism. Barnes and Curlette (1985) defined patriotism as a sense of pride in and love for own country; respect for and loyalty toward one's countrymen; and a tendency to exhibit high intentions of buying domestic goods and low intentions of buying foreign goods (Han, 1988).

Individualist consumers are concerned more with competitive hedonism, where they gain happiness through superior performance and greater success than others (Triandis et. al., 1993). They do prefer to encourage domestic goods to compete against foreign goods, because they believe that the availability of foreign goods in the domestic market will benefit the consumers in their host country by increasing the number and variety of high quality goods. This will allow a competitive market for domestic goods.

Both men and women have been reported to show a significant difference in conspicuous consumption have been reported between men and women, with females having a greater tendency to conspicuous consumption than males. However, this finding is limited to goods such as fashion clothing and sunglasses and to consumers between 18 and 25 years old. In addition to gender differences, different ages have different tendencies towards conspicuous consumption (O'Cass & McEwen, 2004).

There are also significant differences in the types of goods that are consumed, as shown in a study by Shukla (2008) which focused on middle-aged consumers who consumed conspicuously in the context of automobile buying behaviour. Researchers

and marketers tend to be focused on the issues surrounding marketing and advertising to young consumers and have largely ignored the importance of understanding the behaviour of middle-aged consumers related to conspicuous consumption (Lindstrom & Seybold, 2003; Grant, 2004). Middle-aged consumers, described by Cavanaugh (1990) as people 40-60 years old, tend to be more stable in terms of income and career than younger consumers; they also spend more on investment assets such as housing and cars than do younger consumers, particularly Generation Y who spend mainly on clothing, internet and mobile phones (Spero & Stone, 2004).

A study by Phau and Prendergast (2000) also supported Veblen's argument that Asian people feel a basic need to secure and improve their status in society, with luxury brands seen as the primary determinant of social rank and prestige. The more positive the perception or attitude toward a luxury brand, the more likely it will be desired (interest) or pursued (evaluative) by Asian consumers. Furthermore, Phau and Prendergast (2000, p.124) indicated that "consuming luxury brands is a form of conspicuous consumption". Therefore, we propose the following the following hypothesis:

H7: Cultural value is positively related to ATLB

H8: Material value is positively related to ATLB

H9: Religiosity is positively related to ATLB

2.8.5 ATLB as Mediating Variable

Values have long been recognized as powerful factors that can shape consumer attitudes and behaviour. According to Homer and Kahle (1988), values influence attitude and attitude shapes behaviour. Therefore, there is a relationship between value-attitude-behaviour, where attitude is a mediating factor of the relationship between values and behaviour. Research has also long recognized the existence of mediating factors that have a strong relationship with values and specific behaviours (Tse et al., 1988; Kim, Forsythe, Gu & Moon, 2002).

Attitude toward luxury brand (ATLB) was chosen as the mediating variable in this study because attitudes are affected by people's values and can be used to measure consumers' motivation towards conspicuous consumption behaviour.

Cultural values can be seen as a tool for identifying the motivation behind acquiring luxury goods and services. Cultural values need to be considered when trying to understand the behaviour of consumers as well as their motivations (McCracken, 1989). This is because culture plays an important role as a means of market differentiation of consumer behaviour. Cultural values have been shown to have a significant influence on consumer behaviour (Laroche et. al., 2005; Malai, 2007; Mourali et. al., 2005). A study from Gregory, Munch, & Peterson (2002) examined the relationship between values and attitudes in advertising studies. Their study showed that values were correlated with attitude.

Desire to consume luxury goods are taken over the desire for basic utility of goods (Cleveland & Chang, 2009). This aspiration is driven by the attitude towards luxury items and a motivation to display wealth. Eastman et al. (1999) argued that conspicuous consumption is driven by the motivation of individuals to improve their social standing and live up to their value of material values. Material values is a significant factor in shaping attitudes towards luxury brands since materialists use luxury and foreign goods to symbolize their status and prestige and make it visible to others (Zhou & Wong, 2008).

The more consumers seek for social status, the more positive their attitude toward luxury brands and the more they will engage in conspicuous consumption (Eastman et al., 1999) in order to achieve their extrinsic goal (Truong, McColl, &

Kitchen, 2010). Extrinsic goals normally include financial stability (money and luxury), social recognition (fame) and proper appearance (Truong, McColl, & Kitchen, 2010). Therefore, material values can influence what a consumer thinks about luxury brands (evaluative dimension) and whether they consider luxury brands as important, and can also boost curiosity about luxury brands among consumers (interest dimension).

Religiosity are important cultural factors to be included in consumer behaviour studies because it is one of the most universal and influential social institutions. It has a significant influence on people's attitudes, values and behaviour on both the individual and societal level. Thus, it is hypothesized that ATLB will mediate the relationship between cultural value, material value and religiosity and conspicuous consumption as follows:



H10: ATLB mediates the relationship between cultural values and conspicuous consumption.

H11: ATLB mediates the relationship between material values and conspicuous consumption.

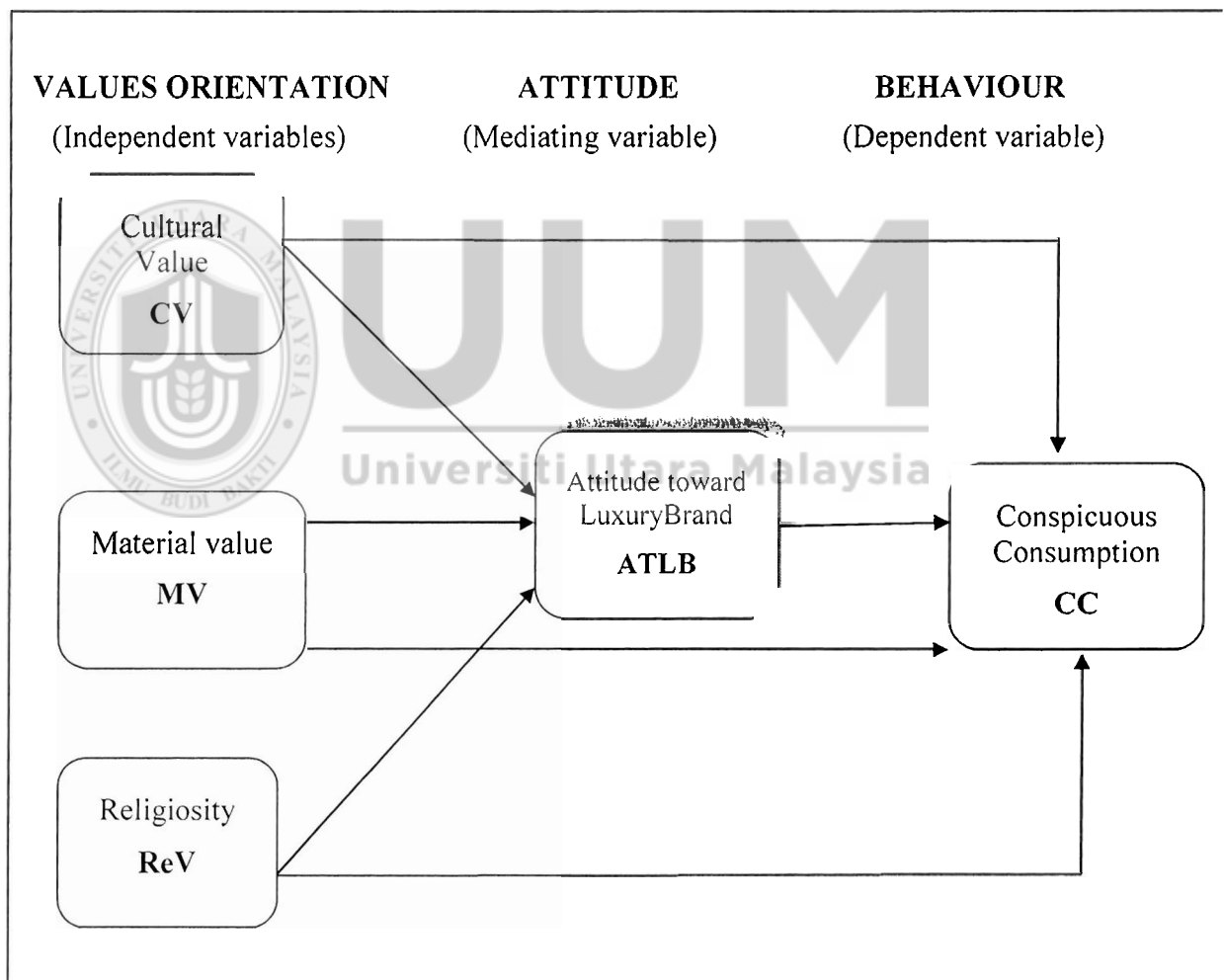
H12: ATLB mediates the relationship between religiosity and conspicuous consumption.



The model proposed in Figure 2.2 explores: 1) the relationship between cultural values and conspicuous consumption, 2) the relationship between material values and conspicuous consumption, 3) the relationship between religiosity and conspicuous consumption, 4) the effect of material values on attitude toward luxury, and 5) the effect of conspicuous consumption on attitude toward luxury.

Figure 2.2

Research Framework



2.9 Chapter Summary

Cultural factors exert a significant influence on behaviour; as such, it is important both theoretically and practically to investigate and understand their effects on consumer behaviour, especially consumption behaviours. The interplay between culture and consumption may strongly affect feelings of self-esteem, since an individual may attempt to alter his or her material possessions as a result of social identity. That is, individuals purchase certain goods especially luxury goods for the purpose of comparing themselves with others.



CHAPTER 3

RESEARCH METHODOLOGY

3.1 Introduction.

This study attempts to: a) determine the relationship between cultural values, material values, and religiosity as well as demographic variables with respect to conspicuous consumption; and b) determine the relationships between the key components (cultural values, material values, religiosity, conspicuous consumption and attitudes towards luxury). Additionally, the study examines the construct validity and reliability of the designed and adapted instruments. This chapter begins with an explanation of the research design, the measures used, and the instrument. Then, data collection procedures, the sample and sampling method are discussed. Finally, the techniques of analysis are described.

3.2 Research design and measurement

Research design refers to the method used to collect the data, the selection of the research population, and the choice of an appropriate scale for the questionnaires. The purpose of a measurable research design is to have credible and reproducible results at the end of the study (McMillan & Schumacher, 1989). Research design can also be defined as the plan or strategy used by the researcher to answer the research questions (Christensen, 2004). A good research design enhances internal and external validity. There are several steps that the researcher need to consider in established a good research design. The steps are discussing in sub-section below:

3.2.1 Types of design

Several types of research design are available, including experiment, survey, and observation. This study used surveys in the form of a self-administered questionnaire.

3.2.2 Choosing appropriate scale and measures

After determining the research design, appropriate scales and measures need to be chosen. Choosing an appropriate scale is very important in quantitative research because some constructs or variables cannot be directly measured by the researcher. Therefore, the scales must be constructed in order to elicit some underlying attribute for the constructs, for example attitude toward luxury brand.

Two important factors need to be considered when choosing an appropriate scale: reliability and validity. Reliability indicates whether the scale is free from random error, whereas validity indicates the degree to which the scale measures what it is supposed to measure based on the objectives of the study.

3.2.2.1 Reliability

In order to measure reliability, two indicators can be used: test-retest reliability and internal consistency. The test-retest reliability of a scale is assessed by administering the survey to the same people on two different occasions (Hair, 1998) and calculating the correlation between the two scores obtained. If the score is higher, it indicates that the scale is reliable. However, the weakness of this indicator is that the researcher cannot be sure that the participant will maintain the same personality and emotion for both surveys.

The second option for measuring reliability is internal consistency. Internal consistency is the extent to which all the items are grouped under the same scale and same attribute (Pallant, 2011). Internal consistency can be measured by Cronbach's alpha. The value range is from 0 to 1; Nunnally (1978) states that the value must be greater than 0.7. However, this value is dependent on the number of items in the scale. If the number of items is less than 10, the value of Cronbach's alpha will be small.

This study used internal consistency to measure reliability. Modified versions of existing scales were used to reflect the nature of this study. Value of 0.7 or above was considered reliable for the scale

3.2.2.2 Validity

Another important aspect of choosing scale is validity. This ensures that the scale chosen measures what it is supposed to measure. Sometimes a scale is reliable in one study but not necessarily reliable in another study, for example, a scale that is reliable in a group of English-speaking people may not be reliable with non-English speaking people. To check for validity, the researcher must pilot test the scale with a selected group of respondents. There are two types of validity: content validity and construct validity.

Content validity is established by evaluating three factors: 1) how appropriate the items are; 2) how complete the items are, 3) the extent to which the items assess the content. According to Thorndike (1997), preparing a blueprint or a table of specifications for a test is necessary to establish content validity. In addition, several steps can be taken to improve the validity of the instrument in general (DeVellis, 1991). These are: 1) defining the objective of the scale; 2) itemizing the scale; 3) trying out the scale; 4) statistically analyzing the items, and 5) revising the scale. Each instrument used must undergo this process in order to ensure the content validity is of the highest level.

This study considered both instrument and content validity. The instrument's validity was assessed in order to make sure that it was able to measure what it was expected to measure. To establish content validity, faculty and staff members expert in the area of consumer behaviour and culture studies in the College of Business UUM were asked to evaluate the questionnaire items against the research objectives.

Construct validity can be defined as to the extent to which the test measures a theoretical characteristic or trait, such as anxiety, intelligence, creativity etc. These traits are considered theoretical because they are not observable behaviours that can be seen or measured directly; rather, they are an interpretation or meaning that is given to a set of scores (McMillan & Schumacher, 1989). As such, this is the most difficult type of validity to establish. For this study, Confirmatory Factor Analysis (CFA) was employed to test the construct validity of the instrument. This statistical technique is widely used in the fields of psychology, education (Steven, 1996) and marketing.

3.2.3 Preparing a questionnaire

Designing the questionnaire entails selecting the question types and the response format.

3.2.3.1 Response items

The response format employed a five-point scale of Strongly Disagree to Strongly Agree, represented by numerals from 1 (strongly disagree) to 5 (strongly agree):

Strongly disagree	1	2	3	4	5	Strongly agree
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3.2.3.2 Question types

Respondents were asked to circle the appropriate number on the scale to indicate how much they agreed or disagreed with the item. Figure 3-1 shows an exemplar question for the cultural values component.

Figure 3.1

An exemplar item for the cultural values component

No.	Individualism vs. collectivism	Strongly disagree					Strongly agree
1	Individuals should sacrifice self-interest for the group to which they belong.	1	2	3	4	5	

3.2.4 Instruments used and variable measures

This section describes the constructs identified in the research model developed in chapter 2. The constructs are: (1) cultural values; (2) material values; (3) religiosity; (4) attitude towards luxury brands; and (5) conspicuous consumption.

The survey used was adapted from a reliable instrument found during the literature review. The instrument (see Appendix A) consisted of a 67-item questionnaire with items related to a subject's cultural values, material values, religiosity, conspicuous consumption, attitudes toward luxury brand and demographics. All items were adapted from the existing scale. All measurements represented by questions in the questionnaire were developed based on the existing literature. The questionnaire was accompanied by a cover letter (Appendix A) that explained the research to potential participants.

The questionnaire consists of three sections:

Section A: Demographic profile

Section B: Screening question

Section C: Aspects of consumer behaviour in the market for luxury goods

- Cultural values
- Material values
- Religiosity
- Attitude toward luxury brands
- Conspicuous consumption behaviour

3.2.4.1 Demographics

Demographic data consisted of information regarding an individual's gender, marital status, age, ethnicity, annual household income, occupation, and position. These are items 1-6 in Section A of the instrument (Figure 3.2).

Figure 3.2

Demographic items

We would like you to provide some general information about yourself.
Please tick the box best describing you.

1. Gender

☐ Male
☐ Female

2. Age

☐ 18-24
☐ 25-29
☐ 30-34
☐ 35-39
☐ 40 and above

3.2.4.2 Cultural values

This study employed Personal Cultural Orientation scale by Yoo and Donthu (2005) for the purpose to assess the individual cultural orientation of participant. Later this scale is known as Individual Cultural Values Scale (CVSCALE) with the same scale (Yoo, Donthu & Lenartowicz, 2011). Yoo and Donthu (2005) developed the scale based on Hofstede's (1980, 2001) dimensions. It maintains consistency with the scale

originated by Hofstede but extends it from cultural values at work to cultural values in consumer behaviour. The difference between Hofstede's scale and Yoo and Donthu's scale is that the former measures cultural orientation at national level whereas the latter measures cultural orientation at the individual level.

Yoo and Donthu's scale (2005) was chosen for this study because it has confirmed reliability and validity in measuring Hofstede's dimension of culture at the individual level. This dimension is used to measured constructs of individualism, masculinity, uncertainty avoidance and power distance. The scale has been applied and tested in different countries and cultures with a satisfactory reliability as shown in table 3.1 below.



Table 3.1

Usage of Yoo and Donthu's (2005) scale.

Author	Country	Sample type	Reliability			
			Collectivism	Masculinity	Power Distance	Uncertainty Avoidance
Soares et al. (2007)	Portugal	Students (n=161)	0.79	0.74	0.61	0.69
	UK	Students (n=151)	0.72	0.78	0.78	0.69
Patterson, Crowley & Prasongsukarn (2006)	Thailand and Australia	Students (n=487)	0.61	n.a.	0.73	0.80
Paul et al. (2006)	India	Students (n=188)	0.85	0.76	0.76	0.81
Smith (2004)	U.S	Sales managers and salespeople (n=132)	0.67	0.68	0.65	0.83
Kwok & Uncles (2005)	Australia	Students (n=250)	0.70	0.67	0.62	0.61
Alrawi & Jaber (2008)	United Arab Emirates	Employees	0.68	0.67	0.60	0.59
Chan, Yim & Lam (2010)	Hong Kong	Adult customer (n=349)	0.94	n.a.	0.93	n.a.
Adapa (2008)	India	Adult	>0.70	>0.70	>0.70	>0.70

Author	Country	Sample type	Reliability			
			Collectivism	Masculinity	Power Distance	Uncertainty Avoidance
		women (n=42)				
Prasongsukarn (2009)	Thailand	Students (n=1098)	0.81	0.85	0.63	0.81
Yoo & Totten (2005)	U.S	Students (n=186)	0.78	0.84	0.85	0.80
Schumann et. al. (2010)	US Mexico Australia China Hong Kong Thailand India Germany Netherlands Poland Russia	Students (n=1910)	0.86	0.83	0.77	0.86

Section C contains items related to collectivism, numbers 6-11; masculinity, numbers 12-15; uncertainty avoidance, numbers 16-20; and power distance, numbers 21-25 (Table 3.2). Respondents were asked to respond to each statement on the following scale: 5=strongly agree, 4=Agree, 3=Neutral, 2=Disagree, 1=strongly disagree.

Table 3.2
Cultural Values Items

<i>Collectivism Items</i>	<i>Source</i>
1. Individuals should sacrifice self-interest for the group to which they belong.	Yoo and Donthu (2005) Scale of Personal Culture Orientation
2. Individuals should stick with the group even through difficulties.	
3. Group welfare is more important than individual rewards.	
4. Group success is more important than individual success.	
5. Individuals should pursue their goals after considering the welfare of the group	
6. Group loyalty should be encouraged even if individual goals suffer.	
<i>Masculinity items</i>	
1. It is more important for men to have a professional career than it is for women.	
2. Men usually solve problems with logical analysis; women usually solve problems with intuition.	

3. Solving difficult problem usually requires an active, forcible approach, which is typical of men.
4. There are some jobs a man can always do better than a woman

Uncertainty Avoidance Items

1. It is important to have instructions spelled out in detail so that I always know what I'm expected to do.
2. It is important to closely follow instructions and procedures
3. Rules/regulations are important because they inform me of what is expected of me.
4. Standardized work procedures are helpful
5. Instructions for operations are important.

Power Distance Items

1. People in higher positions should make most decisions without consulting people in lower positions.
 2. People in higher positions should not ask the opinion of people in lower positions too frequently.
 3. People in higher positions should avoid social interaction with people in lower positions.
 4. People in higher positions should not delegate important tasks to people in lower positions.
 5. People in lower positions should not disagree with decisions made people in higher positions.
-

3.2.4.3 Material values

Many scales have been developed to measure material values, but Richins and Dawson's (1992) Material Values Scale is the most widely used in the area of consumer behaviour. This Likert scale has been widely adopted and tested cross-culturally. According to Yang (2006), Richins and Dawson's scale has been adopted by Wong (1997), Mick (1997), Evard and Boff (1998), Burroughs and Rindfleisch (2002), and Shrum, Burroughs and Rindfleisch (2003). Yang (2006) also stated that the scale has been applied and tested in different countries and cultures including New Zealand (Watson, 1998), Brazil (Evard & Boff, 1998), Thailand (Webster & Beatty, 1997), China (Eastman et al., 1997; Sirgy et al., 1998; Zhou, Xue & Zhou, 2002), Mexico (Eastman et al., 1997), Turkey, Canada and Australia (Sirgy et al., 1998).

Richins and Dawson's material values scale has generally achieved better reliability in comparison with Belk's. For example, Yang (2006) stated that a study from Mick (1997) reported an overall reliability of 0.88 and 0.85 for Richins and Dawson's scale, Shrum et al. (2003) reported the overall reliability as 0.84, and Webster and Beatty (1997) reported an overall reliability of 0.83.

For these reasons, Richins and Dawson's (1992) Material Values Scale was selected for this study. This scale consists of 18 items encompassing three factors (6 items for success, 7 for centrality and 5 for happiness). Items related to material values

are in Section B of the instrument, items 25-38 (Table 3.3). Respondents were asked to respond to each statement on the following scale: 5=Strongly agree, 4=Agree, 3=Neutral, 2=Disagree, 1=Strongly disagree.

Table 3.3
Material values items

<i>Item</i>	<i>Source</i>
Success:	
1. I admire people who own expensive homes, cars, and clothes.	Richins and Dawson (1992) Material Values Scale
2. Some of the most important achievements in life include acquiring material possessions.	
3. I don't place much emphasis on the amount of material objects people own as a sign of success.	
4. The things I own say a lot about how well I'm doing in life..	
5. I like to own things that impress people.	
6. I don't pay much attention to material objects other people own.	
Centrality:	
1. I only buy the things I need.	
2. I try to keep my life simple, as far as possessions are concerned.	
3. The things that I own aren't all that important to me.	

<i>Item</i>	<i>Source</i>
<ol style="list-style-type: none"> 4. I enjoy spending money on things that aren't practical. 5. Buying things give me a lot of pleasure. 6. I like a lot of luxury in my life. 7. I put less emphasis on material things than most people I know <p>Happiness:</p> <ol style="list-style-type: none"> 1. I have all the things I really need to enjoy life. 2. My life would be better if I own nicer things. 3. I wouldn't be any happier if I own nicer things. 4. I'd be happier if I could afford to buy more things. 5. It sometimes bothers me quite a bit that I can't afford to buy all the things I'd like. 	

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3.2.4.4 Religiosity

To measure religious affiliation, respondents were asked whether they were Muslim, Hindu, Christian or other. To measure religious commitment, the Religious Commitment Inventory (RCI-10) developed by Worthington, et al. (2003) was employed. The RCI-10 measures both motivational and behavioural commitment to a religiosity system. This scale has been validated across different samples in different studies (Mokhlis, 2009). The items involve both cognitive and behavioural components (Table 3.4). Respondents were asked to respond to each statement on the following scale: 5=Strongly agree, 4=Agree, 3=Neutral, 2=Disagree, 1=Strongly disagree.

Table 3.4
Religious commitment items

Religious Commitment Items	Source
1. I often read books and magazines about my faith	Worthington et.al. (2003)
2. I make financial contributions to my religious organization	Religious Commitment Inventory (RCI-10)
3. I spend time trying to grow in understanding of my faith	
4. Religion is especially important to me because it answers many questions about the meaning of life.	
5. My religious beliefs lie behind my whole approach to life.	
6. I enjoy spending time with others of my religious affiliation	

7. Religious beliefs influence all my dealings in life
 8. It is important to me to spend periods of time in private religious thought and reflection.
 9. I enjoy working in the activities of my religious organization
 10. I keep well informed about my local religious group and have some influence in its decisions
-

3.2.4.5 Attitude toward luxury brands

Attitudes representing a consumer's overall evaluations of an object, such as a product, brand or store, involve general feelings of liking or favourability (American Marketing Association, 2007). This study used a scale created by Dubois and Laurent (1994) for measuring "attitude toward luxury brands" that consists of two dimensions. The first dimension is "interest toward luxury," comprised of six items. The second dimension is "evaluative attitude toward luxury, comprised of four items (Table 3.5).

Table 3.5

Attitude toward luxury brands items

<i>Interest toward Luxury Items</i>	<i>Source</i>
<ol style="list-style-type: none"> 1. I don't know much about the luxury world 2. All things considered, I rather like luxury 3. I'm not interested in luxury 4. I could talk about luxury for hours 5. I would not feel at ease in a luxury shop 6. I almost never buy luxury product 	Dubois and Laurent (1994) Attitude toward Luxury Brands (ATLB) scale
<i>Evaluative attitude toward Luxury Items</i>	
<ol style="list-style-type: none"> 1. In my opinion, luxury is too expensive for what it is 2. In my opinion, luxury is flashy 3. People who buy luxury goods seek to imitate the rich 4. People who buy luxury goods try to differentiate themselves from others 	

3.2.4.6 Conspicuous consumption behaviour

Since conspicuous consumption is a multidimensional construct and its meaning depends on social referents, we selected a scale that had been developed, tested and evaluated for reliability by Marcoux, Filiatrault and Cheron (1995). This scale consists of 18 items (Table 3.6) relating to five constructs and is based on various theories such as the theory of reason for buying by Woods, Cheron and Kim (1985), the meaning of consumption by Tharp and Scott (1990) and consumption values by Sheth, Newman and Gross (1991). The only change made for this study was that the phrase “Western goods” was changed to “foreign goods”.

The reliability of each component of the scale was assessed by Cronbach’s alpha. Factor analysis yielded a model consisting of five factors capable of explaining 64.3% of the variance: materialistic hedonism with 34.0% of variance; communication of belonging, 10.2% of variance; status demonstration, 7.5% of variance; interpersonal mediation, 6.4% of variance; and ostentation, 6.2% of variance. Respondents were asked to respond to each statement on the following scale: 5=Strongly agree, 4=Agree, 3=Neutral, 2=Disagree, 1=Strongly disagree.

Table 3.6

Conspicuous consumption items

Item	Source
Materialistic hedonism:	
1. People buy imported goods to enhance their image	Marcoux, Filiatrault and Cheron (1995)
2. People buy imported goods for uniqueness, to have goods others do not own	
3. People buy imported goods to be fashionable	
4. By using imported goods people intend to please others	
5. People using imported goods feel more important	
Communication of belonging:	Meaning of Conspicuous Consumption Scale
1. People want to have imported goods owned by their friends and colleagues	
2. People want to have imported goods owned by their neighbours	
3. People want to have imported goods owned by everybody	
4. People buy imported goods to show off, to be noted	
Social status demonstration:	
1. Imported goods are social status symbols	
2. Imported goods are a symbol of success and prestige	
3. Imported goods means wealth	

Interpersonal mediation:

1. People using imported goods increase their own value from the point of view of others
2. People using imported goods are more attractive than others
3. Use of imported goods allows popularity among friends and colleagues
4. Using imported goods induces respect from others

Ostentation:

1. If people could afford it, only imported goods would be bought
2. People buy imported goods only because they are more expensive than other goods



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3.2.5 Pilot test & Instrument Design

In most quantitative studies, pre-testing and pilot testing are needed before the researcher begins collecting real or actual data. Through a pilot study the researcher can identify any items or instruments that are not reliable (Kerlinger, 1992). For this study, the objectives of the pilot study were:

- 1) to evaluate whether each item was relevant and adequate in examining the concept being studied
- 2) to evaluate whether the wording, response format, instructions, instrument length and layout were appropriate
- 3) To evaluate whether the instrument as a whole was easy for respondents to read and understand.

Since the items are adopted from previous studies, it is useful to test this items towards potential respondent in order to get feedback for each items whether to refined/retain the items

Firstly, is the expert validation of the questionnaire where the questionnaires were distributed to the faculty and staff members in the College of Business, Universiti Utara Malaysia (UUM) who are basically familiar with the marketing terms in the subject matters. They were asked to evaluate the questionnaire items against the research objectives. Some refinements to the questionnaire were made in order to meet the Malaysian context in terms of the wording and sentences structure.

After the refinement from the expert validation, the questionnaire was pilot tested with undergraduate students at University Utara Malaysia. Questionnaires were distributed to 150 students in a Cross-cultural Management class comprised of all ethnic groups (Malay, Chinese, Indian and other). The data collected during the pilot test was not included in the final sample analysis. From an original pool of 77 items (see Appendix A), the refined instrument consisted of 74 items (see Appendix B).

The pilot test was conducted to establish the face validity and content validity of the questionnaire and assess its reliability (specifically, internal consistency). In addition, pilot testing was conducted because the researcher intended to identify the underlying dimensions of the instruments. Pilot testing allowed the researcher to note various aspects the respondents might encounter, such as the time required to complete the questionnaire, and to take into consideration any comments on the clarity of each of the items. The researcher also welcomed any suggestions on how to improve the questionnaire.

3.2.6 Sample selection

The sample consisted of undergraduate university students. This segment of the population was chosen for several reasons. First, the homogeneity of the student population can reduce the potential errors compared with a sample from the general public (Calder et al., 1981).

Second, a huge number of students fall into the Generation Y category, aged between 14 to 31 years old. Generation Y are often associated with the purchase of branded items and goods for the purpose of expressing their status and their individuality (Piacentini and Mailer, 2004). University students also represent a significant portion of the total consumer population in most markets. Generally, university students represent the youth population, which is considered a primary target of study and a distinctive niche for marketers. Wolburg and Pokrywczynski (2001) mentioned that the college market is one of the most promising segments in the long run due to its size.

Third, according to Herbig et al., (1993) college-aged consumers have the most potential to be consumers of luxury goods. College students are recognized as a “trend setters and early-adopters.” They are said to become loyal customers and they have great influence on parental purchases.

Fourth, university students represent a significant opportunity for sales growth because of their current and potential future spending power and subsequent interest in shopping coupled with their desire for uniqueness (Nobel, Haytko & Phillips, 2009; Goldsmith & Clark, 2008; Phau & Leng, 2008; O'Cass & Frost, 2002; Tian, Bearden & Hunter, 2001) and conspicuousness (Herbig et al., 1993). Conspicuous consumption among university students and youth consumers has become an interesting topic among researchers. However, the literature of conspicuous consumption is not plentiful in this subject (Acikalin, Gul, & Develioglu, 2009). Only a few studies have been conducted on the subject (Marcoux et al., 1997; Carr, 2005; Armstrong, 2007). Most of these studies found a significant relationship between symbolic purposes, conspicuousness, and the consumption patterns of young people.

Fifth, the choice of students in this study directly contributes to the knowledge of this study which is to investigate the motives behind the consumption behaviour among young consumer or Generation Y. It is appropriate to select a youth sample as part of the methodology and replicates the studies conducted by Riquelme, Rios & Al-Sharhan (2011), Fernandez (2009), Lee, Kim, Pelton, Knight & Forney (2008), O'Cass & Frost (2002), Wolburg and Pokrywczynski (2001), Marcoux, Filiatrault and Cheron (1997), all of whom employed students as a sample and all of whom studied the attitude of young consumers, especially college students, towards status consumption and luxury consumption (which normally involves the purchase of branded goods). The use of

students as a sample is appropriate because they are homogeneous in term of their characters and criteria which reduces the potential of random errors compared with a sample from the general public (Calder et al, 1981).

The value of the “youth market” was recognized by marketers as early as the 1920s (Wolburg & Pokrywczynski, 2001). This market segment of college-age students is one of the most potentially lucrative of all segments for several reasons: (1) college-aged students are a large market;(2) they are seen as trendsetters and can influence other populations to follow their lead; (3) they develop preferences for goods and may become loyal customers even after they leave college; (4) they usually maintain a high standard of living after graduation; and (5) they exert powerful influence on their parents, especially in decision-making on major purchases (Wolburg & Pokrywczynski, 2001). Thus, the use of students as the sample for this study is justified based on the nature of research objectives.

Participants were drawn from students enrolled at an established private (or metropolitan) university in Klang Valley that offers degree programs in a number of different disciplines. To ensure the sample population would not come from a single discipline and result in a biased selection, the survey was administered in a core university subject class where students from many different disciplines were present.

Determination of the sample size is a crucial step, since the sample size must be consistent with the goals and objectives of the study. The concern is not with the number of samples that the researcher can collect, but rather with whether the size accurately reflects the purpose of the study (Hinkle, Wiersma & Jurs, 1988, 1996).

The basic rule for determining sample size is that the larger the sample is relative to its population, the better (Short et. al, 2002; Kerlinger, 1986). As suggested by Hair, Anderson, Tatham, and Black (1998), the sample should be chosen to meet the statistical needs of the intended analysis. The sample size must also correspond to the type of analysis involved. For this type of analysis, it is recommended that the ratio between parameters and respondents be at least 5:1 (Hair, et al, 1998). For example, if the number of parameters is 30, the sample size must be at least 150 (30x5). However, as a precaution, the sample size may be increased to 200. If the sample size is too big then it becomes too sensitive (Hair, Anderson, Tatham, & Black, 1998; Arbuckle & Wothke, 1999; Bentker & Mooijart, 1989; Bollen, 1986, 1989, 1993).

3.3 Data collection

3.3.1 Sampling method and Data Collection Procedure

Two sampling methods are available: probability (random sampling) and nonprobability (non-random sampling). Probabilistic sampling is used to avoid threats against external validity. In probabilistic sampling every member of the population has the same chance of being selected for inclusion in the sample (Henry, 1990). Nonprobability sampling relies on the researcher's judgement in the selection of certain members of the population as the sample (Henry, 1990). Probability sampling methods include simple random sampling, systematic sampling, stratified sampling and cluster sampling.

Using a convenience sample, the population was comprised of 262 undergraduate students enrolled in general education courses such as marketing, fashion, engineering, science stream and culinary arts. Although it is recognized that the student population could pose limitations related to the generalizability of the findings, this population has certain characteristics that seem homogenous (in term of age, interests and experience with luxury brands and technology). In addition, since the purpose of this study is to examine the purchase attitude of Generation Y college-aged students, it is appropriate to use this student population.

This survey was preceded by a cover letter outlining the rationale of the study. Data collection was conducted over a four-week period from April to May 2013. No incentives for completion were offered to participants. The researcher administered the questionnaires personally to make sure the procedure of data collection was the same. The questionnaires consisted of items addressing the constructs of cultural values, material values, religiosity, conspicuous consumption behaviour and attitudes toward luxury brands, as well as demographic questions on age, gender, marital status, and ethnicity.

The self-administered questionnaire took approximately 20 to 30 minutes to complete. All data were collected in Klang Valley where the surveys were distributed to students at three established private universities located in the Subang Jaya and Petaling Jaya areas (Taylor's University Lake Side Campus, Taylor's College and INTI International University College). The chosen of these university because of the background of the respondents itself where most of them are from affluent family and their parents have a capability in terms of financial aspects. It is believe that they are more familiar with luxury brand products and have experience on it. This is because in order to further study in these private university the parents must have certain income level because of the fees to enter these university is higher compared to public university.

The chosen of the university also consistent with previous study from Fernandez (2009), where the study is focusing on branded brands of Generation Y consumer especially college aged Generation Y consumers in Klang Valley. In Fernandez (2009) study, she chooses students from four established private university (i.e. Taylor's University College, INTI International University College, Sunway University College and Monash University Malaysia) as their targeting respondents. Klang Valley was chosen because most of the established private university are located in Klang Valley. Furthermore, there are also because of several number of shopping mall that are selling the branded foreign goods or high end goods are available in Klang Valley.

The researcher contacted the lecturer to obtain permission prior to conducting the survey. Participants were first introduced to the researcher by their lecturer. The researcher briefly explained to potential participants the objectives and purposes of this study and defined certain key terms that they might not be familiar with because some of them did not have a business study background. They were also told that this study was for research purposes only, and therefore all information given would be kept confidential and seen by the researcher only. The researcher also told them that they had the right to not participate in the survey and to discontinue their participation at any time

After this brief explanation, participants each received a questionnaire and were asked to complete the survey honestly. Students were given 20 to 30 minutes to complete the questionnaire. The lecturer monitored the students while they were

answering the questionnaires, and participants were allowed to ask questions if they need any clarification.

Once participants had completed the questionnaire, the researcher collected all materials. Participants were then debriefed and thanked for their time and effort; any questions that would not affect the outcome of the study were answered. A total of 350 participants from the university completed the self-administered questionnaire. The final sample consisted of 262 usable surveys, the rest are eliminate because of incomplete survey.

3.3.2 Screening question

The screening question asked whether the participant had purchased one or more global brand for at least the past two years. Because the focus of the study was on global brands, which are normally imported goods, we needed to identify appropriate brands to use in the screening question. A list proposed by Dubois and Paternault (1995) were used consisting of 34 international brands which they obtained from respondents in their study who were 15 years old and above. Out of the 34 international brands proposed by Dubois and Paternault (1995), 12 were used in this study: Bulgari, Cartier, Pierre Cardin, Chanel, Christian Dior, Givenchy, Gucci, Hermes, Lacoste, Lancôme, Estee Lauder, and Louis Vuitton. In addition, to meet the need of youth consumers, some international brand such as Nike, Adidas and Puma were included together with the computer and

technology brands such as Sony, Apple and Samsung. Participants were expected to consume at least one global brand (foreign brand) item. Only those who had purchased one or more of these global brand goods were included in the sample.

3.4 Statistical analysis

Data gathered was cleaned, sorted and analysed using SPSS. The following sections discuss the various statistical tests performed in the study.

3.4.1 Data analysis

Data analysis was done using SPSS. Descriptive statistics (mean, standard deviation and frequency counts) were calculated to summarize the demographics of the respondents using frequency distributions and percentages. To get a feel for the data, measures of central tendencies and dispersions were calculated. Preliminary/exploratory data analysis (EDA) was performed to examine normality, linearity, multicollinearity and reliability as well.

Factor analysis was performed to determine the underlying dimensions of the constructs. Factor analysis uses data reduction to reduce a number of variables into a set of fewer variables representing several important factors. These factors can be used to summarize the overall structure. Factor analysis is an extension of correlation analysis

but instead of the relationship between two variables being tested, several are examined at the same time.

A number of criteria need to be met in order to select the items and define the factor structure accurately: Eigenvalues must be greater than 1 to be considered significant, communalities must be greater than 0.5, Bartlett's test of sphericity should be large and significant and the Kaiser-Meyer-Olkin measure of sampling adequacy (KMO) needs to be 0.6 or greater. Once factor analysis has been conducted, reliability tests were run using Cronbach's alpha.

All study constructs were subjected to reliability analysis in order to check for internal consistency of different measures of the same construct. The assessment of reliability in this study was based on Cronbach's alpha. According to Nunnally (1978) alpha levels of 0.70 or greater are considered acceptable for research purposes.

3.4.2 Multiple regression analysis

Regression analysis is used to find out if a change in one variable will produce a change in the other. This study employed multiple regression analysis to ascertain the multivariate relationship between each independent variable and conspicuous consumption. In order for multiple regression analysis to be conducted, tests for multicollinearity and high correlations among the independent variables are required.

First, the dependent variable (conspicuous consumption) was regressed on the independent variables (cultural values, material values and religiosity). This procedure allowed examination of the relationship between independent and dependent variables.

Second, multiple regression analysis was performed to examine the relationship between independent variables (cultural values, material values and religiosity) and mediator variables (attitude toward luxury brand).

The third regression involved regression of the dependent variable (conspicuous consumption) on mediators (attitude toward luxury brands). This study used Baron and Kenny's (1986) procedure to examine the mediating role of attitude toward luxury brands.

The following assumptions were placed on the multiple regression analysis: the variation inflation factor of the test should not exceed 10; a tolerance value close to 0 indicates that the variable is highly correlated with other variables, and the condition index represents the amount of variance related to eigenvalue. The condition index usually has a value of 15 to 30; a higher value indicates a higher degree of multicollinearity. Collinearity is indicated by the correlation coefficient: a value of 1 represents complete collinearity, while a value of 0 represents no collinearity.

3.4.3 Mediation analysis

A series of hierarchical multiple regression analyses were performed to investigate the mediating effect of attitude toward luxury brands on the relationship between all the independent variables (cultural, material values and religious) and conspicuous consumption. Hierarchical multiple regression is used to determine what proportion of the variance in a particular variable is explained by other variables and whether these proportions are significantly greater than would be expected by chance (Cramer, 2003).

According to Baron and Kenny (1986), a mediator is something that affects the relationship of independent variables and dependent variable. Certain conditions must be met in order to demonstrate a mediator effect. A mediator is generally considered to be present when:

- 1) The IV significantly affects the mediator
- 2) The IV significantly affects the DV in the absence of the mediator
- 3) The mediator has a significant unique effect on the DV
- 4) The effect of the IV on the DV is reduced when the mediator is added to the model

3.4.3.1 Baron and Kenny's (1986) mediator test

Two types of mediation are possible: partial mediation and full mediation. To determine whether full or partial mediation was present, the four step analysis developed by Baron and Kenny (1986) was carried out as follows:

Step 1: The independent variable (x) is regressed against the mediator (m) and must be significant for the equation.

Step 2: The independent variable (x) is regressed against the dependent variable (y) and must be significant for the equation.

Step 3: The mediator (m) is regressed against the dependent variable (y) and must be significant for the equation.

Step 4: If all the preceding steps found a significant result, then both the independent variable (x) and the mediator (m) are regressed against the dependent variable (y).

If variables x and y are both shown to be significant, then partial mediation is present. If the independent variable (x) is found to be non-significant while the mediator (m) is still significant, then full mediation is present.

3.4.3.2 Sobel Test

A Sobel test was used in order to reconfirm the results generated through the four-step process. The purpose of the Sobel test is to determine whether a mediator

carries the influence of an independent variable (x) to a dependent variable (y); the equation is given in Figure 3.3.

$$\sqrt{b^2sa^2 + a^2sb^2 + sa^2 sb^2}$$

Figure 3.3

Sobel test, adapted from Baron and Kenny (1986)

Figure 3.4 shows the basic casual chain involved in mediation and how the variables are generated for the Sobel test. The path from the independent variable to the mediator is represented by a and its standard error is σ_a . These regression analyses are carried out with the resulting coefficients and standard errors entered into the equation as shown in Figure 4.2 and thus they produce an approximate significance test for the indirect effect of the independent (x) variable on the dependent variable (y) via the mediator (m) (Baron and Kenny, 1986).

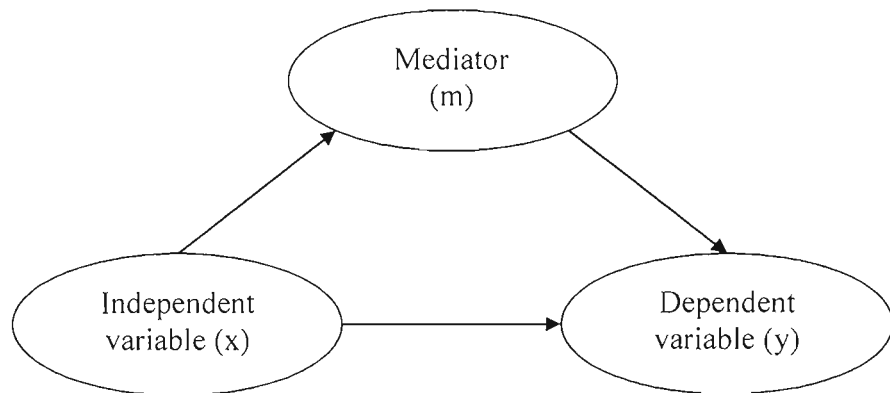


Figure 3.4

Causal chain of mediation, adapted from Baron and Kenny (1986).

3.5 Chapter Summary

This section has described the research methodology employed for the study. The research design was given and data analysis techniques were discussed. This section also covered the sampling procedure, questionnaire and data collection, reliability and validity of the constructs, and the measurement and statistical techniques employed. The next chapter will discuss the results of data analysis. By describing and justifying each facet of the current study's methodology, the accuracy of the findings can be both understood and assured.

CHAPTER 4

DATA ANALYSIS

4.1 Introduction

This chapter presents the processes and procedures that took place before data analysis was performed and also the descriptive analysis of the sample. The descriptive component examines patterns in the sample of study. It is important to identify any violation of test assumptions (e.g., multicollinearity) because this will help in interpretation of the results.

The first section of this chapter describes the respondent profile. The next section describes the multivariate analysis of the data.

4.2 Characteristics of the sample (respondent profiles).

The understanding of the sample characteristics is also important to the researcher in order to have some information of respondents who were participate in the study. Basically, the most important information that needs to be obtained from the sample is on their demographic profiles which are including gender, age, ethnicity and religious affiliation. All these demographic factors are all important in the interpretation of the results.

A total of 262 valid responses were obtained in this study. Of these, 118 were male and 144 were female. It shows that the sample consisted of slightly more female respondents (55%) compared to male respondents (45%). The majority of the respondents were between 18 and 20 years old (58.4%). Thus, the respondents are a good fit for a study which is focusing on college-age consumers and represent the population of interest. This study is similar to many others in its use of students, and in addition Yavas (1994) proposes that student sampling can be representative of consumers in general.

The general view of the distribution of the sample showed some consistencies with the overall ethnic composition in the study. The ethnicity of participants was also fairly evenly divided between Malay (41.6%) and Chinese (47.7%) with the rest being Indian or other.

In terms of religion, the largest population of the respondents was Muslim, accounted for 41.6% of the total sample. Followed by Buddhist (38.2%), Christianity (15.6%) and Hindu (4.6%). The distribution of the subjects with respect to demographics is presented in Table 4.1.

Table 4.1

Distribution of respondents by demographic characteristics.

Variable	Frequency	%
Gender		
Male	118	45.0
Female	144	55.0
Age Group		
18 - 20	153	58.4
21 - 23	55	21.0
24 - 26	46	17.6
27 -29	8	3.1
Ethnicity		
Malay	109	41.6
Chinese	125	47.7
Indian	13	5.0
Others	15	5.7

Religious Affiliation		
Islam	109	41.6
Buddhism	100	38.2
Hinduism	12	4.6
Christianity	41	15.6

4.3 Data screening

Before engaging to analysis part, the data were analysed using SPSS for precision of data entry, missing values, outliers and normality. Screening procedures were performed for assessment of multivariate assumption. The findings and procedures of these screening steps are presented below. During the multivariate assumptions check, residual analysis was performed to check for outliers, normality, linearity, and multicollinearity.

4.3.1 Missing data

No discernible pattern of missing data was found. The amount of missing data was barely noticeable at less than 2%. Missing data was detected through frequency analysis and was then replaced by a mean of the variable as suggested by Hair et al. (2010), who proposed that if the amount of missing data was below 5% it could be replaced by the mean of existing responses.

4.3.2 Outliers

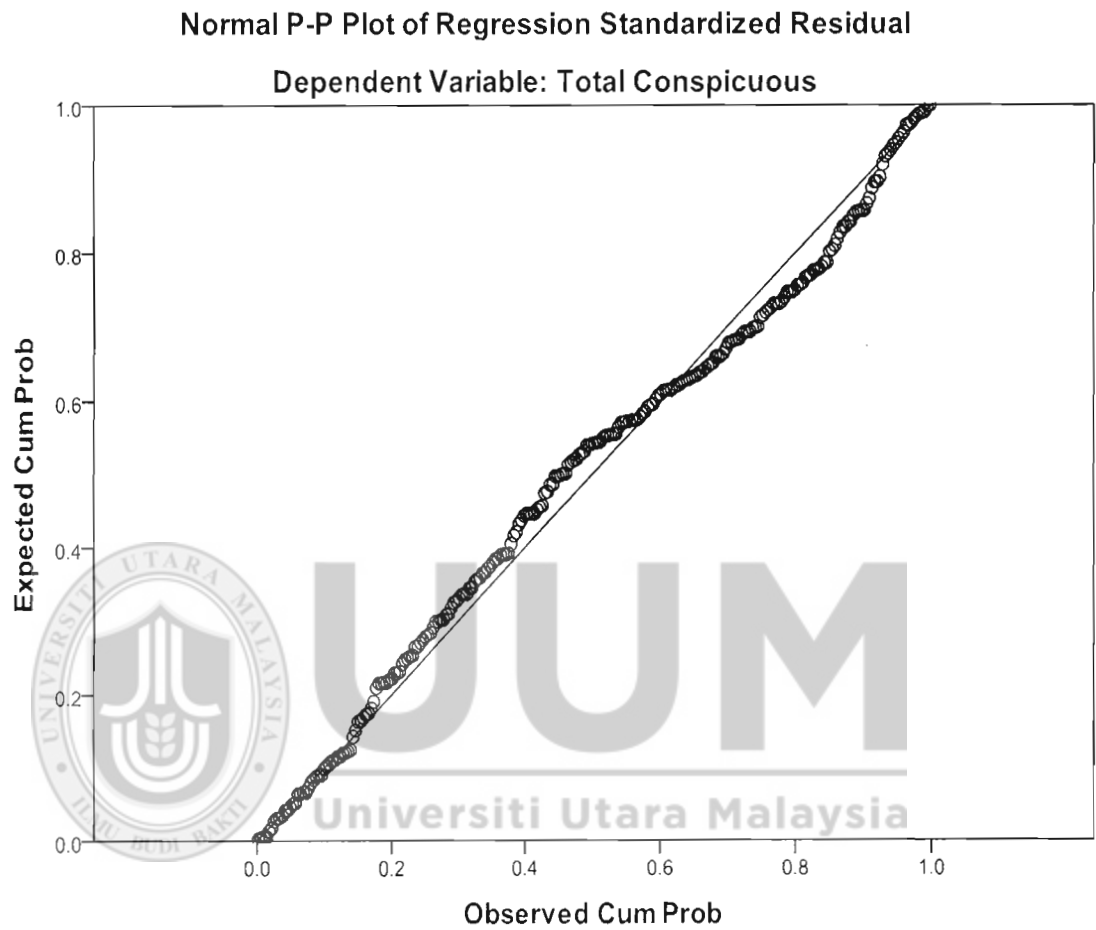
Outliers are values which are extremely large or extremely small, and which therefore can distort the results of the regression. It is important to check for outliers because it has a strong influence on regression results (Hair et al., 2010). The adjusted R^2 value will give a useful information in comparing models between different data sets because it can counterbalances the difference in samples sizes. Based on regression R^2 results, the researcher would consider of deleting the outliers case if the deletion would improve the regression R^2 value. If not, then the outlier case should be retained. Multivariate outliers can be detected through residual analysis with the Mahalanobis distance, case wise diagnostics and Cook's Distance.

4.3.3 Normality and Linearity

In order to assess the normality, descriptive analysis were performed. The result from descriptive analysis will give an idea about how normal the data is. The output of skewness and kurtosis indicated an acceptable level of normality if the value is (± 1); if the normality value is (± 1), there was no data transformation should be done (Hair et al., 2010). An expected normal probability plot was employed to assess multivariate normality; the P-P plot of the regression standardized residual appeared normal (Figure 4.1).

Figure 4.1

Normal P-P plot of regression standardized residual values



4.3.4 Multicollinearity

Multicollinearity and singularity are related to the correlation matrix. multicollinearity occur when variables are highly correlated (0.9 and above). In this study, bivariate and multivariate correlations were examined for each of the IVs; cultural value (Total CV), material value (Total MV), religiosity (Total ReV) and attitude toward luxury brand (Total ATLB). Multivariate correlation was assessed through residual analysis and coefficients output

4.4 Factor Analysis

Before, conducting the hypothesis testing, multiple items that measuring all the variables were factor analyzed to reduce the numerous variables to a manageable number of components. In order to perform factor analysis, the sample size of the study must be sufficient. Tabachnick and Fidell (2001) suggested that a study should ideally have at least 300 cases for factor analysis but that a smaller sample size of 15 cases should be sufficient. This is consistent with Hare (1997) who set a general rule that factor analysis should have 100 or more cases. Therefore, this study's sample size of 262 meets the general rule of factor analysis and the criteria of sample size given by both these scholars.

The second issue that needs to be considered is the strength of inter-correlations among the items. The critical assumptions underlying factor analysis were checked for using a correlation matrix. The anti-image correlation matrix was checked for each set of variables. Tabachnick and Fidell (2001) recommended that coefficient correlations must be greater than 0.30. An accepted method of interpretation of factor loadings is regarded as significant any variable with a loading of 0.4 or greater as associated with the appropriate factor. Another way to assess the factorability of the data is by using Bartlett's test of sphericity and the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy. Bartlett's test of sphericity should be significant ($p < 0.05$) for the factor analysis to be considered as appropriate. The KMO index should range from 0 to 1, with 0.6 suggested as the minimum value for good factor analysis (Tabachnick & Fidell, 2001).

The choice of factor rotation method is also very important. There are two approaches to rotation: orthogonal (uncorrelated) and oblique (correlated). There are a number of different rotational techniques for both approaches. Orthogonal rotation techniques include varimax, quartimax and equamax; oblique rotation techniques include direct oblimin and promax.

Communalities are the amount of variance accounted for in the factor analysis of each variable. Communalities represent the relation between a given variable and all other variables. The purpose of identifying communalities is data reduction, since variables with low communalities can be eliminated. Communalities should be greater than 0.5 for a variable to be retained.

4.4.1 Factor analysis of Values Orientation

Factor analysis were conducted for three values (cultural value, material value and religiosity) by using Principal Component Analysis with Varimax rotation. Table 4.2 explained the factor analysis for each construct. Factor analysis of cultural values considered four factors: Factor 1 - power distance, factor 2 - uncertainty avoidance, Factor 3 - collectivism and Factor 4 - masculinity. All the items were retained for cultural value. Factor loading ranged from 0.454 to 0.769, and total percent of variance explained was 25.28%.

Factor analysis of material values considered three factors: Factor 1 - success, Factor 2 - centrality and Factor 3 - happiness. Some of the items were dropped as they did not exhibit sufficient factor loading. Factor loading ranged from 0.482 to 0.845, and total percent of variance explained was 11.36%. Two items of “success”, four items of “central” and two items of “happiness” were dropped because they had low factor

loading to a single factor (<0.40). Therefore, it indicated that “central” factor was the weak construct for material value.

Factor analysis of religiosity considered only one factor. The factor for religiosity consisted of items from the religious commitment inventory (RCI). Two items were dropped from this factor. Factor loading for RCI ranged from 0.488 to 0.801, and total percent of variance explained was 11.88%. Total percent of variance explained for all values are 48.52% (see Table 4.2)



Table 4.2
Factor analysis of values orientation

Rotated Component Matrix								
	Component							
	RCI	UA	PD	COL	Success	MAS	Happiness	Centrality
collectivism1				.594				
collectivism2				.719				
collectivism3				.670				
collectivism4				.672				
collectivism5				.617				
collectivism6				.454				
masculinity1						.750		
masculinity2						.682		
masculinity3						.749		
masculinity4						.598		
UA1		.701						
UA2		.752						
UA3		.761						
UA4		.766						
UA5		.536						
PD1			.591					
PD2			.730					
PD3			.698					
PD4			.769					
PD5			.560					
m_success1					.632			
m_success2					.731			
m_success4					.581			
m_success5					.759			
m_central1								.845
m_central2								.682
m_central4								.482
m_happy2							.562	
m_happy4							.654	

m_happy5							.730	
religious2	.488							
religious4	.801							
religious5	.729							
religious6	.800							
religious7	.766							
religious8	.800							
religious9	.789							
religious10	.707							
Cronbach's Alpha	0.892	0.784	0.743	0.709	0.728	0.706	0.638	0.644
Eigenvalues	5.703	4.372	3.350	2.702	2.295	1.709	1.633	1.527
KMO Measure of Sampling Adequacy	0.740							
Bartlett's Test of Sphericity Significance	0.000							

Note: RCI=Religious Commitment Inventory, UA=Uncertainty Avoidance, PD=Power Distance, COL=Collectivism, MAS=Masculinity.

4.4.2 Factor analysis of Attitude toward Luxury Brands.

Factor analysis was considered appropriate for this construct because Keiser-Meyer-Olkin measure of sampling adequacy test index equalled 0.679 and Bartlett's test was significant at $p < 0.001$. Based on principal component analysis, factors with latent roots or eigenvalues greater than 1.0 and items with rotated factor loadings of 0.4 or greater were retained (Hair et al. 2010). Table 4.3 displays the items and factor loading for the rotated factors with loading less than 0.40 were excluded to improve clarity. Factor loading ranged from 0.526 to 0.820, and total percent of variance explained was 55.66%.



Table 4.3

Factor analysis of Attitude toward Luxury Brands(ATLB)

	Components	
	Interest toward luxury brand	Evaluative attitude toward luxury brand
ATLB_interest1	.700	
ATLB_interest3	.541	
ATLB_interest5	.721	
ATLB_interest6	.749	
ATLB_evaluative1		.526
ATLB_evaluative2		.658
ATLB_evaluative3		.820
ATLB_evaluative4		.789
Cronbach's Alpha	0.696	0.690
Eigenvalues	2.619	1.816
KMO Measure of Sampling Adequacy	0.679	
Bartlett's Test of Sphericity Significance	0.000	

4.4.3 Factor analysis of Behaviour (Conspicuous consumption)

Factor analysis of conspicuous consumption consisted of four factors: Factor 1- materialistic hedonism, Factor 2 - communication of belonging, Factor 3 - social status demonstration and Factor 4 - interpersonal mediation. All items were retained because they showed sufficient factor loading. Factor loading ranged from 0.462 to 0.873, and total percent of variance explained was 64.76% (see Table 4.4).

Table 4.4

Factor analysis of behaviour (conspicuous consumption)

	Components			
	Materialistic hedonism	Communication of Belonging	Social Status Demonstration	Interpersonal Mediation
hedonism1	.801			
hedonism2	.733			
hedonnism3	.746			
hedonism4	.620			
hedonism5	.599			
belonging1		.793		
belonging2		.873		
belonging3		.869		
belonging4		.479		

status1			.813	
status2			.827	
status3			.751	
interpersonal1				.462
interpersonal2				.580
interpersonal3				.798
Interpersonal4				.750
Cronbach's Alpha	0.815	0.827	0.824	0.698
Eigenvalues	5.711	2.166	1.460	1.025
KMO Measure of Sampling Adequacy	0.861			
Bartlett's Test of Sphericity Significance	0.000			



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4.5 Reliability analysis

Before engaging in hypotheses testing it is necessary to look into the reliability of each variable and determine whether or not it is necessary to drop any individual items. Reliability is used to determine the extent to which the different items' measures are consistent with one another. Cronbach's coefficient is used when the scale has several Likert-type items.

To measure the internal consistency of the variables, reliability analysis was done by calculating Cronbach's alpha, the most widely accepted measure of internal consistency. The alpha value must be higher than 0.6 or 0.7 to be considered reliable (Nunnally, 1978). All of the variables proved to be reliable with the cut-off of 0.6 or 0.7. However, several items for material values, religiosity and attitude toward luxury brand had to be dropped in order to reach reliability.

Cronbach's alpha coefficient was examined for each factor. For cultural values, "Cronbach's alpha ranged" from 0.706 to 0.784. After factor analysis all items were retained, so the alpha value remained the same.

For material values, before factor analysis "Cronbach's alpha ranged" from 0.248 to 0.505. After factor analysis with several items dropped, the final alpha value was between 0.638 and 0.728.

For religiosity, the initial Cronbach's alpha was 0.868. After factor analysis with two items dropped, the alpha increased to 0.892 which is more reliable than initially.

For attitude toward luxury brands (ATLB), the initial Cronbach's alpha was between 0.59 and 0.69. After factor analysis with two items dropped, the final alpha was between 0.696 and 0.690.

For conspicuous consumption items, Cronbach's alpha remained the same because no items were deleted after factor analysis, with values between 0.698 and 0.827. All values for Cronbach's alpha are presented in Table 4.5. All factors were used for multiple regression analysis.



Table 4.5

Reliability coefficients for the variables.

Scale	Constructs	Number of items	Items dropped	Cronbach's alpha
Cultural Value	Collectivism	6	-	0.709
	Masculinity	4	-	0.706
	Uncertainty Avoidance	5	-	0.784
	Power distance	5	-	0.743
Material value	Success	6	2	0.728
	Central	7	4	0.644
	Happiness	5	2	0.638
Religiosity	RCI	10	2	0.892
ATLB	Interest	6	2	0.696
	Evaluative	4	-	0.690
CC	Hedonism	5	-	0.815
	Communication	4	-	0.827
	Status	3	-	0.824
	Interpersonal mediation	4	-	0.698

4.6 Multiple Regression Analysis

Regression analysis was done for each of the independent variables and dependent variables to test the relationships between the constructs discussed previously in chapter 2. In order to test all the hypotheses (H1 to H13), linear regression and multiple regression were performed.

The first part of this section consists of a simple linear regression analysis conducted between the independent variables; cultural values (CV), material value (MV) and religiosity (RV) and the dependent variable; conspicuous consumption (CC). The second part is to test influence of values orientation (i.e. cultural value, material value and religiosity) on attitude toward luxury brands. The third part is to test the mediating effect of attitude toward luxury brands on the relationship. This analysis was performed in order to examine the overall impact of all the constructs in this study and also to test the significant relationships between the variables so that the proposed hypotheses can be confirmed.

4.6.1 Effects of values orientation (i.e. cultural value, material value and religiosity) on conspicuous consumption

Using the Pearson correlation index, independent variables show some correlations with dependent variables where the values are less than 0.7. Therefore, all variables were retained (see Table 4.6)

Table 4.6

Pearson correlations of values orientation and conspicuous consumption

Measures	Total CC	Total Collectivism	Total Masculinity	Total Uncertainty Avoidance	Total Power Distance	Total MV	Total Religiosity
Total CC	1.000						
Total Collectivism	0.047	1.000					
Total masculinity	0.250	0.080	1.000				
Total Uncertainty avoidance	0.174	0.142	0.060	1.000			
Total Power distance	0.122	0.114	0.296	0.198	1.000		
Total Materialism	0.368	0.062	0.278	0.159	0.198	1.000	
Total Religiosity	0.224	0.134	0.082	0.095	0.089	0.132	1.000

Note: CC=Conspicuous Consumption, MV=Material Values

4.6.1.1 Outliers

The adjusted R^2 value will give useful information “in comparing models between different data sets because” it can counterbalances the difference in samples sizes. Based on regression R^2 results, the researcher would consider of deleting the outliers case if the deletion would improve the regression R^2 value. If not, then the outlier case should be retained. Multivariate outliers can be “detected through residual analysis with the Mahalanobis distance”, case wise diagnostics and Cook’s Distance.

Table 4.7
Casewise Diagnostics

Case Number	Std.Residual	Total CC	Predicted Value	Residual
142	3.376	67.00	36.4147	30.58525
191	3.072	80.00	52.1647	27.83529

Dependent Variable: Total Conspicuous Consumption (Total CC)

Table 4.7 presents the information about a case that has standardized residual values above 3.0 or below -0.30. In a normally distributed sample it is expected that only 1 percent of cases will fall outside the range. In this study, only two cases (case number 142 and 191) was an outlier with a residual value of 3.376 and 3.072 (std.residual). These persons recorded a total Conspicuous Consumption score of 67.00 and 80.00 but our model predicted 36.41 and 52.16. In order to check whether this

strange case had any influence on the results for the model as a whole, Cook's Distance was calculated, as shown in Table 4.8.

Table 4.8

Residual statistics

	Minimum	Maximum	Mean	Std.Deviation
Cook's Distance	0.000	0.216	0.006	0.018

According to Tabachnick and Fidell (2001, p.69), cases with values larger than 1 are a potential problem. As shown in the table the maximum value for Cook's distance is 0.216, suggesting that the outlier case (number 142 and 191) is not causing any problems. Based on the result of checking the outliers, the decision was made to retain all the cases. Therefore no cases were deleted, and all 262 observations were included in the analysis.

4.6.1.2 Multicollinearity

Multivariate correlation was assessed through residual analysis and coefficients output. To check for multicollinearity, tolerance and VIF were evaluated. Tolerance is an indicator of how much of the variability of the specified independent variable (IV) is not explained by the other variables in the model ($1-R^2$). If tolerance is very small (less than 0.10) and VIF is above 10, it indicates that multiple correlation with other variables

is very high (multicollinearity). In this study, no multicollinearity was found to exist among the independent variables, as tolerance was greater than 0.10 for all variables and VIF was well below the cut-off of 10 for all variables, as shown in Table 4.9.

Table 4.9
Multicollinearity assessment^a

Model	Collinearity statistics	
	Tolerance	VIF
1 (Constant)		
Total Collectivism	0.950	1.053
Total Masculinity	0.845	1.184
Total Uncertainty avoidance	0.904	1.107
Total Power distance	0.819	1.220
Total MV	0.864	1.158
Total ReV	0.950	1.052

a. Dependent variable: total Conspicuous Consumption

Another value that should be considered in testing for multicollinearity is the conditional index value. If the value is greater than 30, multicollinearity is present. In this study, the conditional index was less than 30 so it can be concluded that multicollinearity is not present in this study.

4.6.1.3 Result of multiple regression analysis

The purpose of this test was to understand entirely the effect of value orientation (i.e. cultural value, material value and religiosity) on conspicuous consumption behaviour. The results of multiple regression on the value orientations factor are shown in Table 4.10. Multiple regression analysis for value orientations resulted in an R^2 value of 0.202, indicating that these six factors account for approximately 20.2% of the variance in the dependent variable. The adjusted R^2 value was 0.183.

Table 4.10

Regression analysis of values orientation (i.e. cultural value, material value and religiosity) on conspicuous consumption

	B-values	Standard error	Beta	Adjusted R^2	t-value	Sig.
Collectivism	-0.033	0.149	-0.013	0.183	0.223	0.823
Masculinity	0.387	0.178	0.134	0.183	2.173	0.031*
Uncertainty avoidance	0.179	0.170	0.066	0.183	1.052	0.294
Power distance	0.360	0.178	0.120	0.183	2.025	0.044*
Material value	0.537	0.118	0.276	0.183	4.545	0.000*
Religiosity	0.262	0.088	0.172	0.183	2.971	0.003*

Note: * sig. at 0.05 level

The purpose of this test was to understand more deeply the effect of value orientations that consisted of three different values (i.e. cultural value, material value and religiosity) on conspicuous consumption. Each of the four cultural values – collectivism, masculinity, uncertainty avoidance and power distance was regressed independently.

As shown in Table 4.10, collectivism ($p = 0.823$, $\beta = 0.013$, $t = 0.223$) and uncertainty avoidance ($p = 0.294$, $\beta = 0.066$, $t = 1.052$) were found to be non-significant predictors of conspicuous consumption with $p \geq 0.05$. Conversely, masculinity ($p = 0.031$, $\beta = 0.134$, $t = 2.173$) and power distance ($p = 0.044$, $\beta = 0.120$, $t = 2.025$) were significant with $p \leq 0.05$, indicating that these two factors are good predictors of and have a positive effect on conspicuous consumption. Thus, H2 and H4 are supported and H1 and H3 are rejected.

The second test multiple-regressed the three material value factors drawn from Richins and Dawson's (1992) Material Value Scale: success, centrality and happiness. As presented in Table 4.10, material value ($p = 0.000$, $\beta = 0.276$, $t = 4.545$) was found to be significant with $p \leq 0.05$, indicate that material values were significant with respect to conspicuous consumption. Thus, H5 was supported.

Religiosity ($p = 0.003$, $\beta = 0.172$, $t = 2.971$) was significant with $p \geq 0.05$, indicate that religiosity was significant with respect to conspicuous consumption. Thus, H6 was supported (see Table 4.10).

4.6.2 Influences of values orientation (i.e. cultural value, material value and religiosity) on attitude toward luxury brands

Using the Pearson correlation index, independent variable show some correlations with dependent variables where the values is less than 0.7 in this case dependent variable is attitude toward luxury brands (ATLB). Therefore, all variables were retained (see Table 4.11)

Table 4.11

Pearson correlations of values orientation and attitude toward luxury brands

Measures	Total ATLB	Total Cultural value	Total MV	Total Religiosity
Total ATLB	1.000			
Total Cultural value	0.161	1.000		
Total Materialism	0.106	0.322	1.000	
Total Religiosity	0.197	0.104	0.132	1.000

Note: ATLB=Attitude toward Luxury Brands, MV=Material Values

4.6.1.1 Outliers

The adjusted R^2 value will give useful information “in comparing models between different data sets because” it can counterbalances the difference in samples sizes. Based on regression R^2 results, the researcher would consider of deleting the outliers case if the deletion would improve the regression R^2 value. If not, then the outlier case should be retained. Multivariate outliers can be “detected through residual analysis with the Mahalanobis distance”, case wise diagnostics and Cook’s Distance.

Table 4.12

Casewise Diagnostics

Case Number	Std.Residual	Total ATLB	Predicted Value	Residual
24	3.123	35.00	24.6370	10.36302
230	3.094	36.00	25.7326	10.26744

Dependent Variable: Total Attitude toward Luxury Brands (Total ATLB)

Table 4.12 presents the information about a case that has standardized residual values above 3.0 or below -0.30. In a normally distributed sample it is expected that only 1 percent of cases will fall outside the range. In this study, only two case (case number 24 and 230) was an outlier with a residual value of 3.123 and 3.094 (std.residual). These persons recorded a total attitude toward luxury brands score of 35.00 and 36.00 but our model predicted 24.64 and 25.73. In order to check whether this

strange case had any influence on the results for the model as a whole, Cook's Distance was calculated, as shown in Table 4.13.

Table 4.13

Residual statistics

	Minimum	Maximum	Mean	Std.Deviation
Cook's Distance	0.000	0.092	0.005	0.010

According to Tabachnick and Fidell (2001, p.69), cases with values larger than 1 are a potential problem. As shown in the table the maximum value for Cook's distance is 0.092, suggesting that the outlier case (number 24 and 230) is not causing any problems. Based on the result of checking the outliers, the decision was made to retain all the cases. Therefore no cases were deleted, and all 262 observations were included in the analysis.

4.6.1.2 Multicollinearity

To check for multicollinearity, tolerance and VIF were evaluated. Tolerance is an indicator of how much of the variability of the specified independent variable (IV) is not explained by the other variables in the model ($1-R^2$). If tolerance is very small (less than 0.10) and VIF is above 10, it indicates that multiple correlation with other variables

is very high (multicollinearity). In this study, no multicollinearity was found to exist among the independent variables, as tolerance was greater than 0.10 for all variables and VIF was well below the cut-off of 10 for all variables, as shown in Table 4.14.

Table 4.14
Multicollinearity assessment^a

Model	Collinearity statistics	
	Tolerance	VIF
1 (Constant)		
Total Cultural value	0.892	1.121
Total Material value	0.886	1.128
Total Religiosity	0.978	1.022

a. Dependent variable: total Attitude toward Luxury Brands

4.6.1.3 Result of multiple regression analysis

The purpose of this test was to understand entirely the effect of value orientation (i.e. cultural value, material value and religiosity) on attitude toward luxury brands. The results of multiple regression on the value orientations factor are shown in Table 4.15. Multiple regression analysis for value orientations resulted in an R^2 value of 0.060, indicating that these three factors account for approximately 6% of the variance in the dependent variable. The adjusted R^2 value was 0.049.

Table 4.15

Regression analysis of values orientation (i.e. cultural value, material value and religiosity) on attitude toward luxury brands

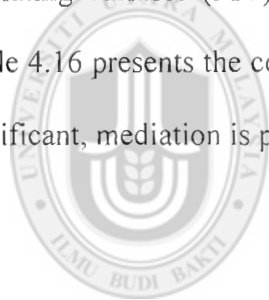
	B-values	Standard error	Beta	Adjusted R ²	t-value	Sig.
Cultural value	0.057	0.028	0.129	0.049	2.018	0.045*
Material value	0.027	0.042	0.041	0.049	0.632	0.528
Religiosity	0.092	0.032	0.178	0.049	2.907	0.004*

Note: * sig. at 0.05 level

The purpose of this test was to understand more deeply the effect of value orientations that consisted of three different values (i.e. cultural value, material value and religiosity) on attitude toward luxury brands. As shown in Table 4.15, cultural value ($p = 0.045$, $\beta = 0.129$, $t = 2.018$) and religiosity ($p = 0.004$, $\beta = 0.178$, $t = 2.907$) were found to be significant predictors of attitude toward luxury brands with $p \geq 0.05$. Conversely, material value ($p = 0.528$, $\beta = 0.041$, $t = 0.632$) was not significant with $p \leq 0.05$, indicating that only cultural value and religiosity are good predictors of and have a positive effect on attitude toward luxury brands. Thus, H7 and H9 are supported and H8 is rejected.

4.6.3 Mediation effects of attitude toward luxury brands on the relationships between values orientation (i.e. cultural value, material value and religiosity) and conspicuous consumption.

Mediation analysis between all independent variables (cultural values, material values, and religiosity) and conspicuous consumption was performed. First, a check was performed to determine the presence or absence of mediation for all of the relationships. Mediation is present if all the pairs of variables – independent variable (IV) and dependent variable (DV), independent variable (IV) and mediating variable (MV), and mediating variable (MV) and dependent variable (DV) – are significantly correlated. Table 4.16 presents the correlation between the variables. Since all the relationships are significant, mediation is present and mediation analysis is possible.



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Table 4.16

Correlations between constructs

Measures	Total CV	Total MV	Total ReV	Total ATLB	Total CC
Total Cultural Values (CV)	1				
Total Material Values (MV)	0.338	1			
Total Religiosity (ReV)	0.093	0.110	1		
Total Attitude toward Luxury Brands (ATLB)	0.155	0.113	0.172	1	
Total Conspicuous Consumption (CC)	0.272	0.399	0.217	0.415	1



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4.6.3.1 Mediation analysis: ATLB on CV and CC relationship

H10 looked at attitude toward luxury brands (ATLB) as a mediating variable on the relationship between cultural values (CV) and conspicuous consumption (CC) (see Figure 4.2).

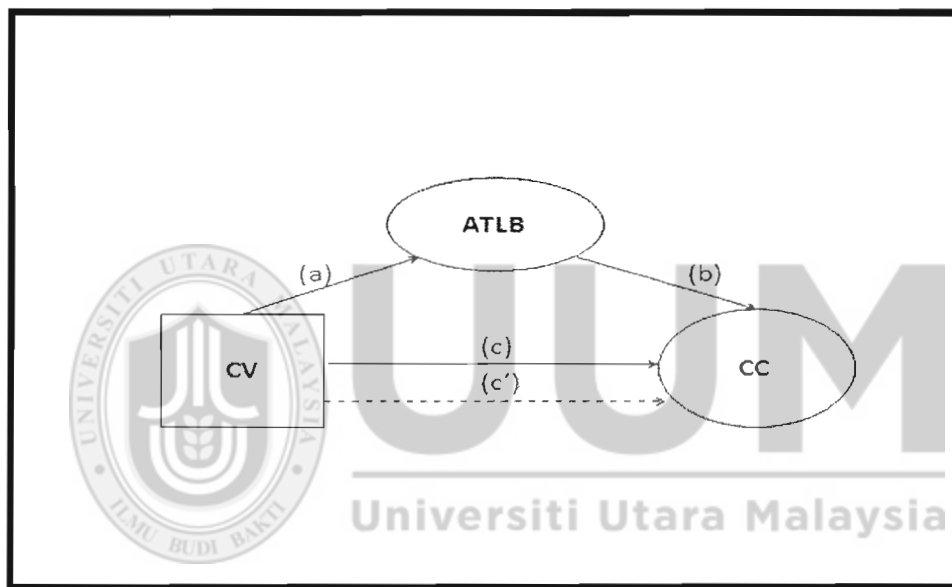


Figure 4.2

Mediating effect of ATLB on relationship between CV and CC (H11)

Tables 4.17, 4.18 and 4.19 show the relationships and the presence or absence of mediation in the relationship between cultural values and conspicuous consumption.

Mediation analysis was conducted in accordance with Baron and Kenny's (1986) four-step process.

Table 4.17

Antecedents to ATLB

	B-values	Standard error	β	t-value	Significance
Cultural values	0.069	0.027	0.155 (a)	2.504	0.013

Table 4.17 shows that the relationship between cultural values and attitude toward luxury brands was significant (Sig. = 0.013, β =0.155, t = 2.504). This indicates pathway a in Baron and Kenny's (1986) mediation analysis.

Table 4.18

Antecedents to CC

Model	B-values	Standard error	β	t-value	Significance
1					
Cultural values	0.355	0.079	0.272 (c)	4.515	0.000
2					
Cultural values	0.277	0.073	0.212 (c')	3.787	0.000
ATLB	1.125	0.165	0.382 (b)	6.815	0.000

Table 4.18 shows that there is a significant relationship between cultural values and attitude toward luxury brands with respect to the dependent variable of conspicuous consumption, indicating pathways c, c' and b.

Table 4.19
Model summary

Model	R	R ²	Adjusted R ²	Std. error of estimate	Change statistics				
					R ² Change	F change	df1	df2	Sig. F change
1	0.272 ^a	0.074	0.070	9.66388	0.074	20.388	1	256	0.000
2	0.465 ^b	0.216	0.210	8.90568	0.143	46.445	1	256	0.000

a. Predictors: (constant), total CV

b. Predictors: (constant), total CV, total ATLB

Table 4.19 summarizes the influence of the variables in mediating the effects of ATLB. It shows that the independent variable (cultural values) explains 7.4% of the dependent variable (conspicuous consumption) and the R² change in model 2 shows that the mediator (ATLB) contributes a further 14.3%. The F change value increases from 20.38 to 46.45, which indicates that the model becomes more accurate with inclusion of the mediator. Since pathway c' is less than pathway c, this indicates there is a partial mediating effect. In addition, the direct effect of the independent variable (IV) on the

dependent variable (DV) continues to be significant with $p = 0.000$ in model 2 even after the effect of the mediator is removed (pathway c'). This shows that ATLB does mediate the relationship between cultural values and conspicuous consumption. Thus, H10 is supported with partial mediation.



4.6.3.2 Mediation analysis: ATLB on MV and CC relationship

H11 looked at attitude toward luxury brands (ATLB) as a mediating variable on the relationship between material values (MV) and conspicuous consumption (CC) (Figure 4.3).

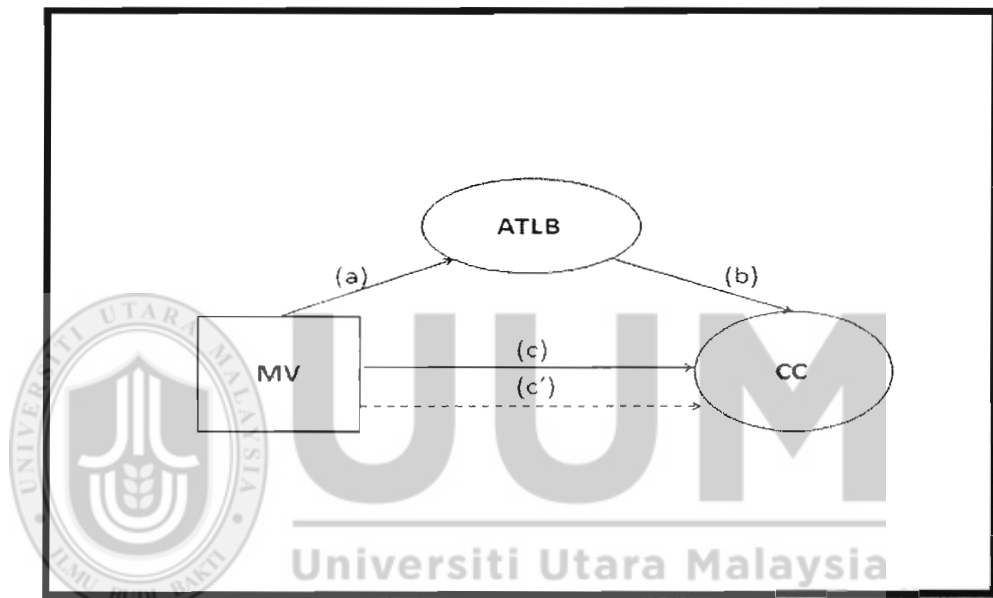


Figure 4.3

Mediating effect of ATLB on relationship between MV and CC (H12)

Mediation analysis was conducted in accordance with Baron and Kenny's (1986) four-step process. Regression analysis was carried out with material values (x) as the predictor and ATLB (m) as the dependent variable. Table 4.20 show the result of the linear regression between material values and ATLB. The relationship was found to be

not significant (Sig. = 0.070, β = 0.113, t = 1.821) for material values in a linear regression against ATLB. Step 2 of Baron and Kenny's (1986) mediation analysis requires the result to be significant in order to progress through to the next step in order to the mediation analysis to hold up. Hence, H11 shows no mediation.

Table 4.20

Antecedents to ATLB

	B-values	Standard error	β	t-value	Significance
Material value	0.075	0.041	0.113 (a)	1.821	0.070



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4.6.3.3 Mediation analysis: ATLB on ReV and CC relationship

H12 looked at attitude toward luxury brands (ATLB) as a mediating variable on the relationship between religiosity (ReV) and conspicuous consumption (CC) (Figure 4.4). Mediation analysis was conducted in accordance with Baron and Kenny's (1986) four-step process.

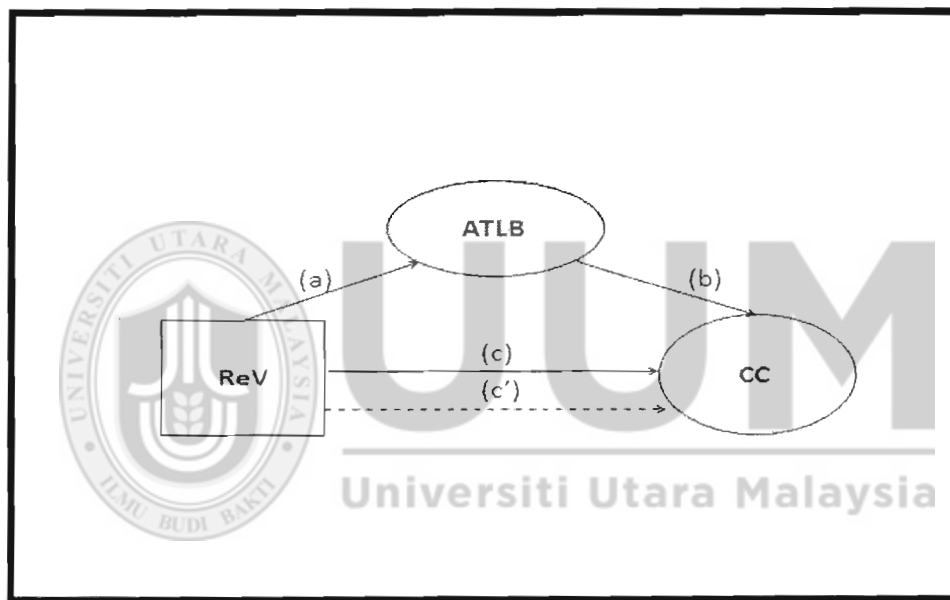


Figure 4.4

Mediating effect of ATLB on relationship between ReV and CC (H13)

Tables 4.21, 4.22 and 4.23 show the relationships and the presence or absence of mediation in the relationship between religiosity and conspicuous consumption.

Table 4.21
Antecedents to ATLB

Model	B-values	Standard error	β	t-value	Significance
Religiosity	0.082	0.029	0.172 (a)	2.796	0.006

Table 4.21 shows that the relationship between religiosity and attitude toward luxury brands was significant (sig.= 0.006, β =0.172, t = 2.796). This value indicates pathway a of Baron and Kenny's (1986) mediation analysis.

Table 4.22
Antecedents to CC

Model	B-values	Standard error	β	t-value	Significance
1 Religiosity	0.304	0.086	0.217 (c)	3.549	0.000
2 Religiosity	0.210	0.080	0.150 (c')	2.620	0.009
ATLB	1.146	0.168	0.389 (b)	6.825	0.000

Table 4.22 shows that there is a significant relationship between religiosity and attitude toward luxury brands with respect to the dependent variable of conspicuous consumption. Table 4.22 indicates pathways c, c' and b.

Table 4.23

Model summary

Model	R	R ²	Adjusted R ²	Std. error of estimate	Change statistics				
					R ² Change	F change	df1	df2	Sig. F change
1	0.217 ^a	0.047	0.043	9.80300	0.047	12.598	1	256	0.000
2	0.441 ^b	0.194	0.188	9.03188	0.147	46.579	1	255	0.000

a. Predictors: (constant), total ReV

b. Predictors: (constant), total ReV, total ATLB

Table 4.23 summarizes the influence of the variables in mediating the effects of ATLB. It shows that the independent variable (religiosity) explains 4.7% of the dependent variable (conspicuous consumption), and the R² change in model 2 shows that the mediator (ATLB) contributes 19.4% towards explaining the dependent variable. The F change value increased from 12.60 to 46.58, indicating that the model becomes more accurate with inclusion of the mediator. Since pathway c' is less than pathway c, this indicates there is a partial mediating effect. In addition, the direct effect of the independent variable (IV) on the dependent variable (DV) continues to be significant with p = 0.000 in model 2 even after the effect of the mediator is removed (pathway c').

Therefore, ATLB does mediate the relationship between religiosity and conspicuous consumption. Thus, H10 is supported with partial mediation.

4.12 Chapter Summary

Table 6.19 summarizes the results with respect to hypotheses 1 through 12. Three of the hypotheses (H1, H3, H6 and H8) were not supported and five (H2, H4, H5, H7, H9, H10, H11 and H12) were supported.

Table 4.24
Summary of the results

Hypotheses	Findings
H1: Collectivism is positively related to conspicuous consumption	Not Supported
H2: Masculinity is positively related to conspicuous consumption	Supported
H3: High uncertainty avoidance is positively related to conspicuous consumption	Not Supported
H4: High power distance is related positively to conspicuous consumption	Supported
H5: Material values are positively related to conspicuous consumption	Supported
H6: Religiosity is positively related to conspicuous consumption	Supported

H7: Cultural values are positively related to Attitude toward luxury brands (ATLB).	Supported
H8: Material values are positively related to Attitude toward luxury brands (ATLB).	Not Supported
H9: Religiosity are positively related to Attitude toward luxury brands (ATLB)	Supported
H10 ATLB mediates the relationship between cultural values and conspicuous consumption	Supported (partial mediation)
H11 ATLB mediates the relationship between material values and conspicuous consumption	Not Supported (no mediation)
H12 ATLB mediates the relationship between religiosity and conspicuous consumption	Supported (partial mediation)



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CHAPTER 5

DISCUSSION

5.1 Introduction

In chapter 4, the results of the data analysis were reported and discussed. This chapter discusses the findings and draws conclusion. Next, the limitations of the study are presented and the implications for researchers and practitioners are described. A general discussion of the study's theoretical and managerial contributions is provided, concluding with some suggested avenues for future research.

This study purpose is to determine the effects of values (cultural, material and religious) on conspicuous consumption behaviour. In addition, it sought to examine the influence of attitude toward luxury brands on values and behaviour.

For ease of discussion, the primary research questions investigated were:

1. What is the relationship between value orientations (cultural value, material value and religiosity) and conspicuous consumption?
2. Is there any significant influence between values orientation (i.e. cultural value, material value, and religiosity) and attitude toward luxury brands?
3. Do attitude toward luxury brands significantly mediates the relationships between values orientation (i.e. cultural value, material value, and religiosity), and conspicuous consumption?

5.2 Discussion of the effects of value orientations (i.e. cultural value, material value and religiosity) on conspicuous consumption

5.2.1 Cultural value and conspicuous consumption

5.2.1.1 Collectivism

The findings on cultural values are consistent with the theory of Hofstede's cultural dimension, wherein Asian countries are classified as collectivistic societies. Earlier cross-cultural studies (e.g., Hofstede, 1980; Triandis, 1995) also suggested that Malaysia would be considered as a collectivistic society which individuals pay more attention to group goals than to personal goals. Findings from this study have shown the consistency where Malaysians are collectivist. These findings consistent with Hofstede (2001), which classed Malaysians as collectivist.

In the area of collectivism, the findings of this study are inconsistent with previous studies such as Yoo and Donthu (2005), who found that collectivist societies are ethnocentric consumers who value domestic goods more than foreign goods. Despite the fact that Malaysia has in the past been assessed as a collectivist society, youth consumers were found by this study to be conspicuous consumers, indicating that they are now open to foreign goods and willing to consumer them.

The insignificant finding of this study on collectivism value characteristic is mobility. People are moving in and out of the country for many purposes: travelling abroad, working abroad, and studying abroad. The impact of this mobility is that they are learning about other cultures and becoming open to new cultural perspectives and values (Wan Halim, 2004; Heaney, Goldsmith, Jamaliah, & Jusoh, 2005).

Other factor is the role of advertising, and the fact that information about foreign goods is easily accessible via the internet. Consumers all over the world can get as much information as they like on any product. A third possible explanation concerns globalization where goods can move easily from one country to another, offering people easy access to foreign goods. In addition, some luxury companies are changing their marketing strategy to market their goods globally. Some are opening brick-and-mortar stores in other countries, especially in Asia, and it is becoming a global trend for people to prefer foreign goods over domestic goods (Gurhan-Canli & Maheswaran, 2000; Haulb, 1996; Javalgi et al., 2001; Kaynak & Kara, 2002; Laroche et al., 2002; Ahmed &

d'Astous, 1993). This global demand for luxury goods can be seen as part of a global consumer culture.

The findings of this study are consistent with those of Wan Halim (2004), who found that Malaysian consumers are becoming more accepting of foreign goods. This study has confirmed that even though Malaysia is a collectivist country, their citizens are being exposed to more foreign goods and are more willing to buy them. The openness of Malaysian consumers towards foreign goods may influence their behaviour and turn them toward more conspicuous goods. A conspicuous product is a luxury product (normally imported) that can be consumed as well as a mechanism for the buyer to express his or her status in society.

The results of regression analysis did not support the hypothesized positive relationship between collectivism and conspicuous consumption. One possible explanation for this is that collectivism may not be a good predictor of conspicuous consumption behaviour among youth consumers. They are both collectivist and conspicuous consumers; it seems that collectivism does not have any impact whether they become conspicuous consumers or not.

Another possible explanation is that consumers desire to engage in conspicuous consumption is influenced by their reference group especially for Malay youth consumers. They prefer to consult with their peers before deciding to purchase foreign goods, and their preferences about luxury goods are somewhat based on their peer groups.

This result is not surprising because it is consistent with findings of many prior studies on conspicuous consumption which is highly correlated with individualism value. This is because conspicuous consumption is the result of economic development and is highly associated with individualism (Amaldoss & Jain, 2005; O'Cass & Frost, 2002b; Shukla, 2008).

In short, this study confirmed that youth consumers in Malaysia exist within a collectivist society and are influenced by peer pressure and peer approval (Fernandez, 2009), and that they are conspicuous consumers. This study suggests that collectivism has no impact on conspicuous consumption behaviour, although this finding is particular to Malaysia's college-aged consumers and cannot be generalized to other populations.

5.2.1.2 Masculinity

The results of the analysis do support the expected positive link between masculinity and conspicuous consumption. In masculine societies, performance and achievement are very important. This importance extends to the acquisition and possession of material goods and wealth. Masculine-oriented people seek for status brands or goods as a mechanism for showing off their achievements; these goods convey the message that they are successful both personally and professionally. This finding is consistent with previous studies such as Hofstede (2001) and De Mooij (2002), which showed that masculine societies tend to focus on wealth and acquisition of money and possession of conspicuous goods. The significant relationship indicates that masculine society places more value on foreign goods than on domestic ones. Studies have shown that foreign goods are related to conspicuous consumption (Batra & Indrajit, 2000; Kitayama & Markus, 1991). In addition, previous research has shown that consumers in developing countries tend to perceive imported or foreign product as status symbols because these goods are strongly related to conspicuous consumption.

However, this study's findings challenge the traditional view as explained by Hofstede (1980), in which Malaysian culture is more feminine than masculine, making them patriotic about purchasing local goods. Since they are highly sentimental about local goods, they are naturally not interested in foreign goods and thus will not engage in conspicuous consumption of them. The findings of this study clearly portray a different

situation. Based on this study's findings, it appears that the cultural values of Malaysians, especially youth consumers, are show moderate level of masculinity. They are more concerned with explicit, tangible ways of demonstrating or displaying their performance and achievement. They also tend to be status seekers and are eager to buy luxury goods. Such a finding is a true reflection of youth consumers, and is supported by Taylor and Cosenza (2002) who found that Generation Y normally prefer to buy branded and luxury goods. They are also willing to pay higher prices for branded goods and are likely to engage in conspicuous consumption (Eadie et al., 1999). Hence, this study confirms that Malaysia's college-aged consumers are likely to exhibit masculine values in the context of consumer culture, especially conspicuous consumption.

5.2.1.3 Uncertainty avoidance

The cultural value of uncertainty avoidance basically illustrates the difference between non-risk-taker and risk-taker consumers. People with high uncertainty avoidance are risk averse and people with low uncertainty avoidance are willing to take risks. In the context of this study, risks are associated with the purchase of luxury goods or foreign goods and therefore people with high uncertainty avoidance will avoid trying foreign brands and certainly will not engage in conspicuous consumption. Such risks are integral to the purchase of foreign goods as opposed to local goods. For example, one of the key attributes that a purchaser seeks in a product is quality. Non-risk takers will not purchase foreign goods if they are unsure of the quality, especially in the case of

expensive goods. However, since many types of luxury goods are global brands that are widely known to consumers around the globe, consumers feel comfortable that they are getting a superior level of quality.

The results of this study did not support the expected positive link between high uncertainty avoidance and conspicuous consumption. This is inconsistent with the earlier studies of Hofstede (2001) and Yoo and Donthu (2005) who suggested that people with high uncertainty avoidance are ethnocentric consumers and will buy only domestic goods. Instead, this study's findings showed the opposite side with youth consumers which is college-aged Generation Y consumers: they are becoming risk takers, a lower uncertainty avoidance society. It is perhaps not surprising that Malaysians are willing to take a risk in buying foreign goods since these luxury goods carry a known label, from shoes (Nike, Adidas, Puma) to computers (Sony, Apple, Samsung). Youth consumers will be comfortable with the amount of money invested in such a product, not only due to satisfaction in terms of quality but also because it carries an international warranty for a period of time.

The absence of a significant relationship between high uncertainty avoidance and conspicuous consumption is that people nowadays can get as much information as they wish through the internet. This reduces the perceived risk of buying a foreign product since it is no longer an unknown quantity – the consumer can gather as much

information as they like before deciding whether to buy it or not. In other words, they can avoid uncertainty by increasing the amount of information they have.

It may also be that societies with high uncertainty avoidance tend to follow the norms of their own society instead of others. If a society accepts the norms of Western culture then they will behave accordingly (Eng and Bogaert, 2010). However, following the norms of Western culture may involve a level of uncertainty in terms of tastes, preferences and choices that is unacceptable to a person who is a non-risk-taker. Western culture in this context refers to the consumption of luxury goods and other activities normally pursued in Western cultures. Youth consumers need to start acculturating to the Western cultural norm of luxury goods if they feel such goods suit their tastes and preferences. This means they need to take risks in exploring the global brands accessible to them in shopping malls and other venues; such risks are minimized because they can learn about these companies and goods through many different social media. The more they know, the more willing they are to take the risk.

This study suggests that Malaysians are now acculturating to low uncertainty avoidance when it comes to conspicuous consumption. The results of this study clearly imply that Malaysia's youth consumers are willing to take calculated risks in the purchase of foreign brands due to the above mentioned factors.

This study's findings are relevant to Malaysia's youth consumers particularly college-aged consumers. However, the findings do reflect broader Generation Y characteristics such as being risk takers and not being afraid of uncertain situation. These beliefs are strong among Generation Y, who tend to believe in themselves and have high self-confidence (Fernandez, 2009). In addition, they want to be trend-setters and tend to be early adopters (Wolburg and Pokrywczynski, 2001). Therefore, they are less troubled about or mindful of risks that they encounter; instead, Generation Y are motivated to be pioneers in order to appear trendy, fashionable, and sophisticated.

5.2.1.4 Power distance

The findings from this study were inconsistent with earlier studies of Hofstede (2001) and Yoo and Donthu (2005), who suggested that people in high power distance cultures feel responsible for supporting their home country by buying domestic goods; at the same time, "buying local" is a way for them to express their loyalty and patriotism. Thus people in a high power distance society are unlikely to demonstrate conspicuous behaviour because consumption of luxury and imported goods would clearly define them as purchasing foreign goods.

Power distance is defined as the unequal distribution of power within a society and the degree to which people in that society accept this inequality of power and authority. Originally, the study of this aspect of culture was based on hierarchical systems in the workplace. However, in the marketplace, inequality of social standing

and status among consumers can be observed in the form of prestige, wealth and power. People in high power distance cultures normally view unequal social status and wealth as normal. People in low power distance cultures see it from a different stand point. They believe that all people should have the same rights and privileges with regard to wealth and power; social status is based on merit and no discrimination is allowed. In high power distance cultures, the government will often act to protect the domestic market from foreign goods, for example by imposing strict regulations or high tariffs on foreign goods. As a consequence of this protectionism, people in high power distance cultures are educated to value domestic goods rather than foreign goods (Yoo & Donthu, 2005).

This study has found out that level of power distance among Malaysia's college-aged consumers are moderately high. Therefore, Malaysia's college-aged consumers would not be expected to engage in conspicuous consumption. Yet that was not the case in this study where there is a positive relationship between high power distance and conspicuous consumption. This is reflected in their masculine cultural values (as discussed in the previous section), which support the purchase of foreign goods.

This finding is related to the characteristic of power distance culture itself. People in such a society have a natural tendency to express to others that they are distinctive or belong to a higher social level than others in terms of wealth and status. A study by Heisley and Cours (2007) offers empirical support for this; it showed that in

high power distance cultures with a hierarchical system, it is common for people to engage in luxury consumption in order to express their social status. One possible motive for highlighting their status is to make themselves stand out, so that their different rank can be easily seen and they can be correctly classified by others. Due to this desire for others to know their rank, high power distance people will definitely engage in conspicuous consumption behaviour. This study thus is consistent with Teimourpour and Hanzae (2011), which showed that the phenomenon of creating differences among people through conspicuous consumption is likely to be common in high power distance cultures.

The significant relationship between power distance and conspicuous consumption is that power and status are very important in high power distance cultures because they indicate the success and accomplishments of an individual, whether personally or professionally. Therefore, in most developing countries, displaying one's possessions publicly and conspicuously signals to others that one is successful and at the same time it differentiates one from people of higher or lower status (Singh, 1982, cited in Chaudhuri & Majumdar, 2006; Varman & Vikas, 2005). The study's finding is supported by and significantly consistent with a study from Dickson, Lennon, Montalto, Shen and Zhang (2004), who stated that one of the characteristic features of a developing country's middle class is their appetite for global or Western or foreign culture, because they are struggling for material possessions. This study is also

consistent with Piron (2000), who reported that people in high power distance cultures believe that conspicuous consumption is the best mechanism for communicating wealth and social status. The impact of social status on conspicuousness is stronger in high power distance cultures than in low power distance cultures (Souiden, M'Saad, and Pons, 2011; O'Cass and McEwen, 2004).

Essentially, the findings with respect to Malaysia's college-aged consumers showed that even though they are in moderately high power distance culture, they still engage in conspicuous consumption, not because they are less loyal to domestic or local goods or strongly committed to imported goods, but because of their high need to show others they are of a different class or social status and to be distinctive in marking their success in life and work. Our findings show that Malaysia's college-aged consumers still retain high power distance but with lesser sentiments about buying local goods. In addition, they pay great attention to appearance, because they believe that a good physical appearance will boost their confidence (Teimourpour and Hanzae, 2011). In support of this, a study by Taylor and Cosenza (2002) established that Generation Y prefer buying branded apparel. Another characteristic of Generation Y is that they love to shop (Bakewell and Mitchell, 2003) and prefer to buy conspicuous brands (Goldgehn, 2004).

5.2.2 Material values and conspicuous consumption

The concepts of material values and conspicuous consumption are similar in that both are based on the concept of an individual displaying wealth through excessive expenditure on luxury goods and services (Trigg, 2001). People high in material value more expensive items and associate such items with success and power. The more materialistic an individual is, the more he/she values expensive possessions and the more he/she wants others to witness their ownership of such possessions. Materialistic people tend to show a positive attitude toward luxury purchases (Watson, 2003). In fact they will even borrow money from others in order to fulfil their need/desire for luxury goods.

Findings from this study show a positive relationship between material values and conspicuous consumption. This is consistent with earlier studies which found that material values correlates with and is positively related to conspicuous consumption. This positive relationship is an encouraging finding because it supports and confirms what has been reported in previous studies. This study showed that people who are high in material values would also engage in conspicuous consumption behaviour. A study from Richins and Dawson's (1992) showed that individuals with a high level of material values emphasize more on individualistic values than were persons with low levels of material values.

In material values and conspicuous consumption, it was posited that material values (success, centrality, happiness) have a significant (positive) effect on conspicuous consumption behaviour. This expectations was based on several studies in which material values was found positively related to conspicuous consumption (Babin, Darben and Griffin, 1994; Wong, 1997). The positive relationship between material values and conspicuous consumption was supported in this research.

However, even though the findings were consistent in term of the positive relationship between material values and conspicuous consumption, they were inconsistent with the idea of Malaysian consumers as a collectivist society. Other studies have reported a negative correlation between material values and collectivist societies (Burroughs & Rindfleisch, 2002). In addition, material values have been associated with Western cultures and it is common in individualistic societies but not in collectivistic societies. Consumer material values and self enhancement were reported as important motivators for conspicuous consumption in individualistic societies (Belk; 1988). Therefore, if material values are positively related to conspicuous consumption, then conspicuous behaviour would be more prevalent in individualistic societies than in collectivist societies. The idea that Malaysia is becoming a materialistic society was proposed by Wan Halim (2004), who found that Malaysians are becoming more materialistic. Another study that supports this argument is Eastman, Fredenberger, Campbell and Calvert (1997); they compared the relationship between material values

and consumption of brand in collectivist countries (China and Mexico) and individualist countries (U.S.). They found no difference in material values between the two types of countries). This suggests that material values are possible in any culture, whether it is collectivistic or individualistic.

Consumer in Malaysia becoming more materialistic society because of their willingness to engage in foreign goods and luxury consumption is spurred not by the consumption itself but rather by what this type of consumption offer s them, such as prestige. Through luxury consumption of foreign goods they can display their status and increase their prestige among others. In some countries, individual success is measured by the accumulation of wealth and material goods (Burroughs & Rindfleisch, 2002). This is supported by Richins (1994) who found that materialistic individuals were more likely to value possessions that would be publicly visible to others. Therefore, the higher their material value the more they will engage in conspicuous consumption since it is through conspicuous consumption that their primary need of prestige is satisfied (Belk, 1988; Grubb and Grathwohl, 1967; Shukla, 2008).

Some developing Asian countries have reached a higher level of economic prosperity and materialist consumer cultures are increasingly represented in Asia (Phau & Prendergast, 2000). This in turn has contributed to an increased level of material values among their citizens. Malaysia is no exception in moving toward material values because of its economic development (Tse et al., 1988). Therefore, this study suggests

another important finding: that Malaysia's college-aged consumer is becoming materialistic.

5.2.3 Religiosity and conspicuous consumption

Religion exerts an important influence on buyer behaviour and consumption (Essoo and Dibb, 2004) include influencing purchasing decisions (Delener, 1990; Hirschman, 1981). The impact of religion on purchasing decisions can vary according to how much a person adheres to a particular faith, since religion indirectly influences attitude and value formation (Harrel, 1986). Studies have shown a significant relationship between religion and consumer behaviour, especially shopping behaviour. Most research on religion and shopping behaviour has been based on type of shopper (Bailey & Sood, 1993; Essoo & Dibb, 2004) or shopping style (Mokhlis, 2010), and most of the studies focused on goods that can satisfy psychological needs only.

This study postulated that Generation Y is generally committed to religion and that this factor would therefore play an influential role in whether or not they behave conspicuously. Johnson and White (1999) argued that there is a significant relationship between religiosity and age, i.e. the older you get the more religious you become or as a person matures, the higher the level of religiosity. The findings from their study show that an increasing level of religious commitment occurs between ages 18 to 30. At 18 years old, a person's commitment toward religion starts to develop and thus may have a

powerful impact on one's behaviour. Since the results of this study did support the hypothesis that there is a correlation between religiosity and conspicuous consumption, it suggests that Malaysia's youth consumers are committed in their religion and pursue religion as part of their life. Therefore, religiosity plays a role in decisions about consumption, including conspicuous consumption, among youth consumers.

This is contradicting with previous studies which found that a person with strong religious commitment is likely to prefer domestic brands over foreign brands (Wilkes, Burnett and Howell, 1986). When people are religiously committed they are more conservative in their choices and are patriotic about local goods, therefore they will not behave conspicuously in terms of acquiring or purchasing foreign or imported goods. In addition, a recent study established that religious consumers are more likely to search for information more than non-religious consumers (Delener, 1989). One possible explanation is that consumers of today have the internet, which provides access to any information that they want to know about a wide variety of product categories and brands. The more information they have about foreign goods, the more likely they are to buy them.

Another consistent finding is based on previous study which found out that different degrees of religious commitment are related to consumer lifestyles. Wilkes, Burnett and Howell (1986) found out that religious commitment does related with opinion leadership, risk avoidance, credit purchase and life satisfaction. These 4

variables are used in their study in order to understand the relationship of religiosity and lifestyle. They found out that religious people are likely to avoid risk and not prefer credit purchase in purchasing. They also have more satisfaction in life because they prefer to live moderately and peacefully.

5.3 Discussion of the influences of value orientations (i.e. cultural value, material value and religiosity), and attitude toward luxury brands

The result of all analyses regarding the relationship between values orientation (i.e. cultural value, material values and religiosity) and attitude toward luxury brand (ATLB) show a positive significant association between values and attitude except for material values, which shows an insignificant relationship with ATLB. This finding is different from those of Park, Burns, and Rabolt (2007) who found a positive relationship between material values and attitude toward purchasing foreign fashion goods online. Previous studies found that attitude can influences behaviour (Beck & Ajzen, 1991; Trafimow & Finlay, 2001; Gil, 2009) . Therefore, it can be concluded that attitude is an essential element in consumer behaviour – in this case, the purchasing behaviour of the consumer toward conspicuous goods.

This is an encouraging finding because it shows that people with a positive values and attitude toward luxury brands will likely engage on conspicuous consumption. As has been discussed in previous sections, luxury brands carry an implicit meaning of consumption because people consume luxury goods not only for utilization of the goods themselves but also because this category of goods serves a symbolic function, signifying happiness and wealth.

This study's findings are also consistent with overall Generation Y characteristics, specifically that Generation Y tend to place more value on conspicuous goods to show that they are more affluent than others (Goldgehn, 2004) and in order to boost their self-confidence (Fernandez, 2009). They are also more likely to place more value on brand name goods (Taylor & Cosenza, 2002).

Positive attitude toward luxury brands will exhibit positive behaviour toward conspicuous consumption because luxury brands not only serve the purpose of function (e.g., a Gucci purse is useful as a purse) but also the purpose of prestige (e.g., a Gucci purse indicates the wearer can afford to buy expensive brands). This is according to Liu (2002), who stated the concept of brand can be divided into two different yet related concepts: function, which is associated with the performance of the product in terms of reliability and durability, and prestige, which is associated with luxury and status.

5.4 Discussion of the mediation effects of attitude toward luxury brands on the relationship between value orientations (i.e. cultural value, material value and religiosity) and conspicuous consumption.

H10, H11 and H12 looked at the effect of attitude toward luxury brands (ATLB) has as mediating factors between value orientations (i.e. cultural value, material value and religiosity) and conspicuous consumption. This mediation was conducted in accordance with the four-step process designed by Baron and Kenny (1986).

The results of this study supported the expected mediating effect of attitude toward luxury brand (ATLB) on the relationship between cultural values and religiosity on conspicuous consumption only except for material value.

Hypotheses H10 and H12 is significant which attitude toward luxury brands as mediating effect on the relationship between cultural values and religiosity on conspicuous consumption behaviour. This findings are consistent with previous studies, which claimed that value influences attitudes and therefore behaviour (Cai & Shannon, 2012; Muzikante & Reng'e, 2011; Milfont, T. L., Duckitt, J. & Wagner, C., 2010). In the case of cultural values and religiosity, both relationships showed a positive significant relationship with or without attitude toward luxury brand (ATLB). Therefore, cultural values and religiosity do influence the attitudes of consumers on conspicuous consumption behaviour.

However, it is not the case for material values, as step 2 was non-significant, the four step process was unable to be completed and thus it was determined that H11 show no mediation where attitude toward luxury brands as mediating factors of material values do not influence conspicuous consumption behaviour.

This is show that even though material values do not influence the attitude of consumers toward conspicuous consumption, the value itself was significantly significant with the behaviour.

5.5 Chapter Summary

This study examined the influence of values on behaviour specifically, the influence of cultural values, material values and religiosity on conspicuous consumption behaviour in Malaysia. Drawing from the notion that value and attitude have an impact on conspicuous consumption, this study proposes that all three types of values influence the conspicuous behaviour of Malaysian youth consumers. This study also accounts for the mediating effect of attitude toward luxury brands. Initial analysis revealed that certain cultural value variables show a significant relationship with conspicuous consumption behaviour. In particular, two dimensions of cultural value (masculinity/femininity and power distance) exhibited a significant relationship with conspicuous consumption. The other two (individualism/collectivism and uncertainty avoidance) did not. Material values and religiosity did show a positive relationship with

conspicuous consumption but only material values were insignificant with attitude toward luxury brand. However, attitude toward luxury brand was shown to be positively significant as an intervening factor for two value orientations only (i.e. cultural value and religiosity) on conspicuous consumption.

This study attempts to contribute some insights into the topic of conspicuous consumption, given the fact that there are few empirical studies on conspicuous consumption in Malaysia. The implications of our study may benefit both academicians and marketers. Clearly, conspicuous consumption in a developing country like Malaysia has a different motivation compared to developed countries.



CHAPTER 6

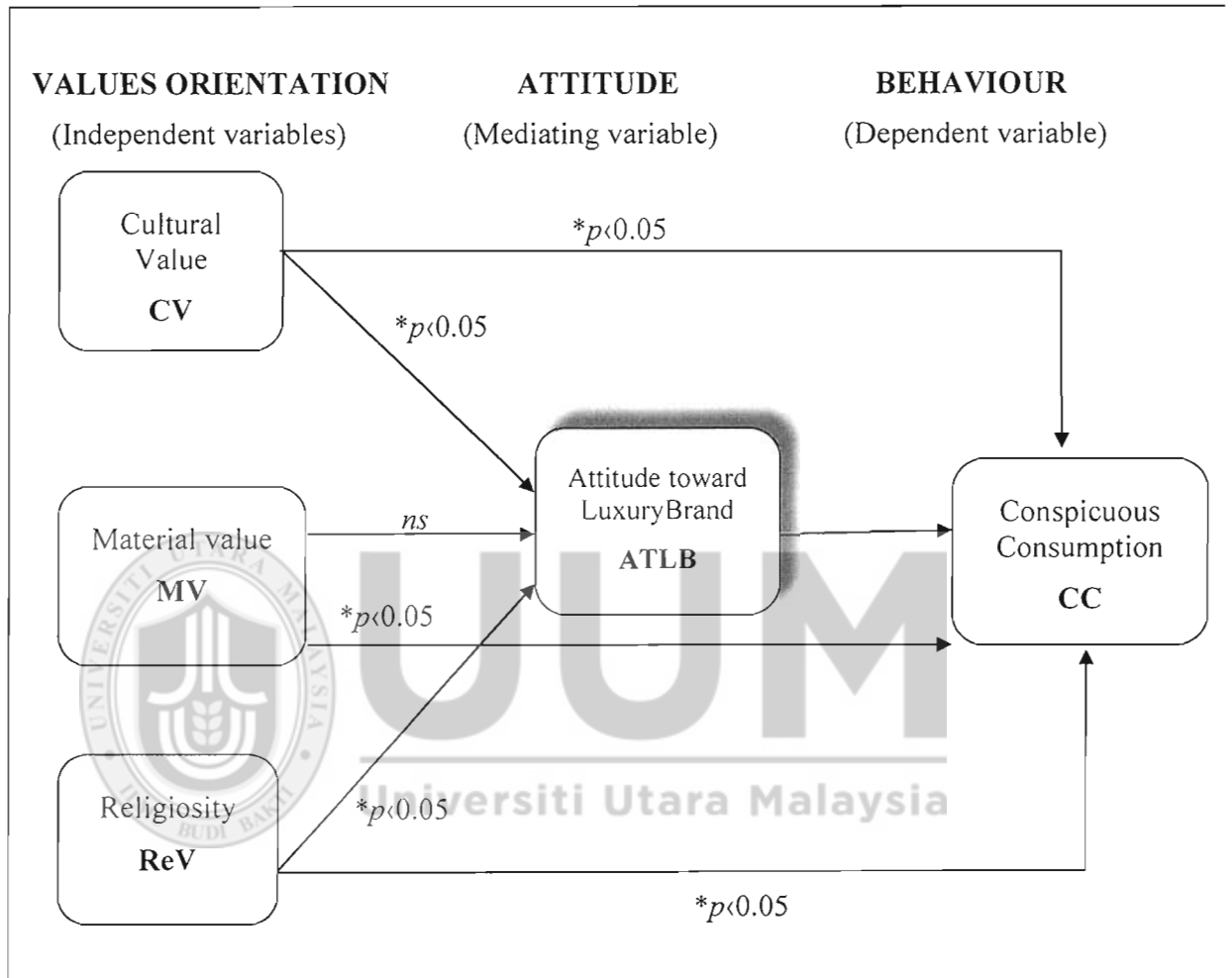
CONCLUSION

6.1 Introduction

In chapter 5, the results of the data analysis were reported and discussed. In this chapter, the conclusions are drawn, the limitations of this study are presented and the implications of this study on researchers and practitioners are described. This chapter also provides a general discussion of the theoretical and managerial contributions and concludes with the suggestions for future research. Figure 6.1 showed the summary of the results.

Figure 6.1

Summary of Results



6.2 Conclusion of the effects of values orientation (i.e. cultural value, material value and religiosity) on conspicuous consumption

The findings of this study contribute to the knowledge of Hofstede's four cultural dimensions. It helps to understand the behaviour of conspicuous consumption from a cultural perspective; as Piron (2000) asserted, conspicuous consumption is a reflection of cultural factors. To some extent, past studies clearly indicate that people's motivations for behaving conspicuously are influenced by the culture in which they live.

This study yielded some interesting culturally-oriented findings although they were not always consistent with previous findings. For instance, the cultural dimensions as introduced by Hofstede in the 1980s do offer several explanations for the presence of conspicuous consumption among youth consumers in Malaysia. This cultural theory still offers some interesting insights for future researchers even though there have not much changes in cultural values tendency for Malaysia youth except for masculinity dimension; this greater understanding may help them in using this theory as the basic fundamental lens for analysing the behaviour of consumers in Malaysia – particularly Malaysia's college-aged Generation Y consumers and their conspicuous consumption behaviour.

The changes in cultural values in Malaysia's college-aged consumers in the marketplace are different from the theories proposed by Hofstede about Malaysian society in the workplace. First, for the individualism-collectivism dimension, this study's findings showed that Malaysia's college-aged consumers are high in collectivism. However, their values with respect to possessions and accumulation of material things are changing where they show moderate level of masculinity: Malaysia's college-aged consumers are adopting the idea of valuing material possessions and the need to publicly display those possessions to society. Third, when dealing with an uncertain situation in the form of foreign goods, they are able to overcome their discomfort by searching out more information about the product which leads them to engage in calculated risk-taking. Malaysia's college-aged consumers are increasingly ascribing to a low uncertainty avoidance value orientation. Finally, even though Malaysia's college-aged consumers remain part of a high power distance society, their conspicuous consumption is motivated by a desire to be different from others. They are becoming less patriotic consumers and therefore they are more willing to buy foreign goods.

The findings are inconsistent with many previous studies on the cultural characteristics of Asian societies. However, some studies have pointed out that, although Malaysia is generally identified as high in collectivism and power distance, in some Asian societies people tend to have a mixed score of masculinity and uncertainty

avoidance (Hofstede, 2001; Yoo & Donthu, 2005; Crotts & Erdmann, 2000). In addition, this study's understanding of youth consumers is not surprising because previous studies have established that the characteristics of Generation Y are different from those of any generational cohort before them. Not only do Generation Y prefer to be early adopters and trendsetters, they are also open-minded toward different lifestyles (Wolburg & Pokrywczynski, 2001) and have a different shopping style than previous generations (Bakewell & Mitchell, 2003). This study found some consistency, though not full consistency, of Generation Y characteristics with established cultural value perspectives. It is interesting to note that there are changes in cultural value patterns in preferences, tastes and styles for Generation Y when behaving conspicuously.

For material value the results of this study reveal that Malaysia's college-aged consumers consistently rated low on materialistic values. The statement "I try to keep my life simple, as far as possessions are concerned" scored higher than the statement "It sometimes bothers me quite a bit that I can't afford to buy all the things I'd like." This suggests that to some extent material values are still regarded as disagreeable in Malaysian society, perhaps due to the fact that people in collectivist societies normally do not like to be singled out as different. Social conformity is a powerful force in society, and therefore people may be reserved in their statements about material values even though they are engaged in material acquisition and the accumulation of possessions. Yet perplexingly, as a collectivist society, people also are sensitive to and

look for signs of power and status. People would like to be known for their wealth and social position based on their job or career achievements, and hence they engage in conspicuous behaviour in the marketplace.

It is important to note that the findings about Malaysia's college-aged consumers showed consistent results with other studies on Generation Y which found that Generation Y consumers are generally materialistic (Grant & Stephen, 2005; Goldgen, 2004; Tan, 1999; Loroz & Helgeson, 2013). Their hedonistic values are based on the greater material wealth that they can accumulate, since Generation Y consumers have high buying power and are more affluent compared to previous generations (Nowak et al., 2006; Goldghen, 2004). In addition, this group of consumers are thought to have more money than any other teen group in history (Morton, 2002). Generation Y consumers' desire for branded apparel also contributes to their increasing level of material values (Taylor & Cosenza, 2002). They are willing to pay an excessive amount of money for brand name goods. Vigneron and Johnson (1999) found that an emphasis on appearance will influence material values levels and increase demand for conspicuous consumption and status goods. Riquelme, Rios, and Al-Sharhan (2011) found that younger consumers seem to engage in status consumption more than older ones.

Interesting findings on religiosity shows that religiosity influences all aspects of consumer behaviour, especially luxury consumption and conspicuous goods, even among the younger generation. The hypothesis was made on the basis that religiosity will impact Malaysia's college-aged consumers who are committed to religious principles and rules. In the context of youth consumers, this study indicates that shopping behaviour differs based on religious affiliation and degree of adherence. It also found that level of religiosity impacts consumption behaviours differently across various product categories and cultures. Therefore, the findings on the influence of religiosity on consumer behaviour is applicable to Malaysia's college-aged consumers only, specifically in the context of conspicuous consumption, and may not be generalizable to youth consumers in other aspects of life or in the workplace.

6.3 Conclusion of the effects of values orientation (i.e. cultural value, material value and religiosity) on attitude toward luxury brands

The research findings indicate that consumers with a favorable value will show positive attitudes toward luxury brands and in general will be more likely to purchase luxury goods. However, among these three values orientation (i.e. cultural values, material values and religiosity) only cultural values and religiosity have a significant relationship with attitude toward luxury brands.

Consumers in Malaysia is traditionally regarded as a collectivistic society, in which the relationship between individuals in the society are close and strong (Hofstede, 2001). However, as a result of economic growth and modernization processes, it seems that youth consumers in Malaysia are transform from collectivistic to individualistic value in regards to conspicuous consumption of luxury goods. Malaysian youth consumers also regard religiosity as an important aspect in their life when it comes to the decision to engage in conspicuous consumption behavior. It is consistent with marketing literature that religiosity plays an important role in shaping consumer preferences in relation to purchase behavior (i.e. O'cass, Lee & Siahtiri, 2013; Moschis & Ong, 2011; Lindridge, 2005). In consumer behavior literature, cultural value and social value are recognized as a powerful force that can shaping consumers' motivation, life-styles and attitude. Therefore, cultural values and religiosity is seen as powerful factors that can influence youth consumers towards the attitude of luxury brands.

The findings of this study contribute to the knowledge of value-attitude-behavior model which proposed that value influence attitude and behavior of human. Findings from this study had confirmed that value can influence attitude and behavior of the people in regards to conspicuous consumption. Values can be used as guidelines in order to engage in certain attitude and it can also be used as a guide to evaluate the behaviors. Values also can be used as a guidance in evaluating the objects and form some attitude towards that objects by motivating individuals to seek out which objects

that can satisfy or fulfill their values. For instance, individuals who value a comfortable life may seek out and in turn have positive attitudes towards objects that bring about a comfortable life (i.e. luxury cars)

6.4 Conclusion of the mediation effects of attitude toward luxury brands on the relationship between values orientation (i.e. cultural value, material value and religiosity) and conspicuous consumption.

The findings indicate that youth consumers with strong cultural values and religiosity are more likely to practice conspicuous consumption if they have strong attitude toward luxury brands. This is because it was demonstrated in this study that attitude toward luxury brands has some mediating impact on the relationship between cultural values and religiosity and conspicuous consumption.

However, attitude toward luxury brands do not mediated the relationship between material values and conspicuous consumption. Even though material values do not influence the attitude of consumers toward conspicuous consumption, the value itself was significantly significant with the behaviour.

6.5 Conspicuous consumption in Malaysia

In the past, conspicuous consumption was seen only in affluent societies of developed countries. Recently, the phenomenon has been observed among the budding middle classes of emerging countries (Jayasankaran, 1998). Cultural patterns of conspicuous consumerism become more prevalent as cultures begin to stimulate and appreciate materialism. The degree of conspicuousness can be seen in the fact that both social and public visibility influences the decision to purchase a product.

In Asian cultures, for consumption to be conspicuous it must be a social event, i.e. publicly witnessed by other people. The product must also be publicly visible, and openly displaying the purchased product is a more conspicuous form of consumption than consuming or using it in the privacy of one's home. For instance, in Southeast Asia, conspicuous consumption is a culturally acceptable medium for communicating wealth and social class affiliation, both of which are important to Asian and particularly Chinese consumers (Wong & Ahuvia, 1998). In sum, while conspicuous consumption may be global, the perception of its desirability seems bound by local cultural values.

The fact that Asian consumers are moving towards conspicuous consumption behaviour has been noted in several studies. Chen, Aung, Zhou and Kanetkar (2005) studied the relationship between identification and conspicuous consumption among Chinese consumers and found that they are highly likely to be conspicuous consumers. Other relevant studies include Prendergast and Wong (2003) on parental influence on

the purchase of luxury brands in Hong Kong, Kwak and Sojka (2010) on attitudes of Asian immigrants toward prestige brands, and Park, Rabolt and Jeon (2008) on purchase of global brands among Korean consumers. The closest to the present study in terms of topic is Kuisma (2008), who compared Malaysian and Finnish consumers and found that Malaysians are more likely to be conspicuous consumers than Finns.

The present study's findings show that young consumers in Malaysia do engage in conspicuous consumption. They tend to rank higher on "materialistic hedonism" meaning that they engage in conspicuousness because of the hedonic/happiness aspects of consumption and acquisition. The second reason they engage in conspicuousness is for "social status demonstration," meaning that they use consumption to display their wealth and status to others. They employ conspicuousness to gain prestige and at the same time project a message about their identity (Fitzmaurice & Comegys, 2006). This is consistent with previous studies on conspicuous consumption (Veblen 1899; Chadha & Husband, 2006; Chaudhuri & Majumdar, 2006).

Two other factors examined were "interpersonal mediation" and "communication of belonging." Interpersonal mediation refers to the impact of social relations with others on conspicuous behaviour. This factor was rated low by respondents, which suggests that social relations are less important to conspicuousness than other factors. Communication of belonging refers to the use of consumption to signal association with a certain group; when reference groups exert a strong influence

this diminishes collectivist values and makes consumers more comfortable standing out in their consumption choices. Communication of belonging was also rated lower by respondents in this study, showing that this factor is less influential on conspicuousness. In other words, respondents do not engage in conspicuous consumption for the purpose of signalling their associate with a particular group.

This study also examined value-attitude-behaviour relationships in the context of gender, ethnicity and religious affiliation in order to better understand how these three demographic factors influence young consumers in Malaysia, and to illuminate the interconnections between consumption, marketing strategies and consumer orientations.

6.5.1 Gender

Gender can be an important factor for demographic analysis, and studies have shown that it is linked to preferences for the purchase of various products (Marcoux, Filiatrault & Cheron, 1997). Numerous studies have explored gender differences in material value and consumption. Some have found that men rank higher in material values than women (Eastman, Fredenberger, Campbell & Calvert, 1997; Segal & Podoshen, 2013). Men feel that owning material goods increases their level of happiness (Brown & Kaldenberg, 1997; Segal & Podoshen, 2013).

In the context of conspicuous consumption and luxury, Eastman et al. (1997) and Segal and Podoshen (2013) found that men are more likely to be conspicuous consumers than women. However, Stokburger-Sauer and Teichmann (2011) found that women have more positive attitudes towards conspicuousness and luxury brands than men. This supports the results of Chadha and Husband (2006) who found that women are the biggest purchasers of luxury brands, especially in Asian markets.

However, neither of these was the case with the present study, which found no differences in material value and conspicuous consumption by gender. Both men and women appeared equal on material values and conspicuous consumption. This is consistent with O'Cass and McEwen (2004) and O'Cass (2001), which found that both men and women place more emphasis on conspicuousness with apparel products than with other types of products, and that they used apparel as a mechanism for communicating their status and identity

Although cultural values did not show any differences by gender, differences between men and women were observed in the masculinity factor. Unsurprisingly, men showed a higher level of masculinity than women indicating that in Malaysia the two genders retain the traditional life orientations: men possess masculine traits and women possess feminine traits. However, both genders showed equal levels of conspicuous consumption.

In terms of religiosity, women showed higher levels of religiosity compared to men, and religiosity was an important factor for women when engaging in consumption, especially conspicuous consumption.

6.5.2 Ethnicity

Another important factor to be considered was ethnicity, since Malaysia is a multicultural country with three major ethnic groups (Malay, Chinese and Indian). Understanding the differences in consumers deriving from their ethnic background can yield important insights into consumption behaviour, since an individual's decisions in a given situation are influenced by their cultural background.

Of the factors examined, only cultural values showed some differences by ethnicity; material values, religiosity and consumption behaviour showed no differences by ethnicity. The specific cultural value that differed was collectivism. Malay respondents showed a slightly higher level of collectivism followed by Chinese and Indian. This shows that young Malay consumers are more collectivist than their Chinese and Indian counterparts, especially when they engage in conspicuous consumption, and are likely to follow their group's behaviour.

6.5.3 Religious Affiliation

Religious affiliation is an individual's attachment to a specific religion. Religion is important for this study of conspicuous consumption behaviour among young consumers since there are several different religions in Malaysia: Muslim, Buddhist, Hindu and Christian. These religions may have different influences in consumption.

Religious affiliation influences a consumer's values and behaviour relating to consumption (Mokhlis, 2006) including market behaviour (Sheth & Mittal, 2004). Religion is an important part of socialization in that it serves as a way for people to fit into the cultural patterns of their society. This study did find some differences in cultural values based on religious affiliation; specifically, collectivism was found to be higher in Muslim consumers compared to Buddhist, Hindu and Christian consumers. This suggests that for Muslim youth their group is their priority and consumption serves to express their cultural grouping. This is consistent with Kagitcibasi (1997) who stated that Islam emphasizes collective tendencies.

6.5.4 Concluding comments

This study found that demographic factors such as gender, ethnicity and religious affiliation do have an impact on consumer decisions with respect to certain products. It also found that men and women have equal tendencies toward conspicuous consumption.

Collectivism was found to be the most important factor for young Malay Muslim consumers, since they are more collectivist than any other religion group. This suggests that Muslim consumers consider their group's opinion to be important in the decision to engage in conspicuous consumption behaviour.

6.6 Implication of Study

This study has implications for, and contributes to, both theoretical and practical/managerial areas, as discussed below.

6.6.1 Theoretical Implications & Contributions

The theoretical implications of this research extend beyond the previous literature of Hofstede's cultural dimensions by adding another spectrum. In terms of theory, this research contributes to the understanding of the relationship between value orientation and conspicuous consumption behaviour, especially in a Malaysia context and with Generation Y consumers. It suggests that the three major values chosen for

this study are culturally-rooted and give an interesting understanding of behaviour from the cultural lenses.

Since conspicuous consumption has become a global phenomenon, it is clearly worthwhile to understand this behaviour from the cultural perspectives, but without neglecting other factors such as material values and religion. It is important to understand this behaviour because conspicuous consumption was originally seen only in affluent people from Western cultures (Chen, Aung, Zhou & Kanetkar, 2005). Therefore, there is a need to understand the motivations behind conspicuous consumption for people from developing countries, especially Asian countries (Amaldoss & Jain, 2005). It is especially important to examine the values, practices and attitudes surrounding conspicuous consumption, as these phenomena, once viewed as largely western, have begun to take hold in East Asian economies that are witnessing rapid changes in social structures and traditional values. This study furthers our understanding of established Western concepts of luxury foreign goods and conspicuous consumption in a different cultural context: Malaysia.

The present study extends the understanding of Hostede's (1980) dimension of culture, since it found insignificant results supporting Hostede's original theory in the context of the conspicuous consumption behaviour of Malaysia youth. To some extent, this suggests that Hofstede's theory may not be applicable in understanding conspicuous consumption behaviour in Malaysia.

However, in the context of material values, the study did find that it was positively significant with conspicuous consumption behaviour. To some extent, this finding gives an added value to additional material values study.

From the religious perspective, it shows that even Malaysia's college-aged consumers are engaging in conspicuous consumption, but that religious factors are a consideration for them when they are making certain consumption decisions. This in turn shows that religiosity do play a role in their consumption habits and their life in general.

This study also looked at conspicuous consumption by youth consumers as opposed to adult consumers, particularly focusing on college-age consumers between 18 and 25 years old. The results indicate that youth consumers with the influence toward luxury brands (ATLB) or not, will engage in purchasing of foreign goods and are more likely to engage in conspicuous consumption. This shows the willingness of young consumers to purchase foreign goods. A more proactive approach should be taken towards young consumers in marketing foreign goods, compared with the traditional age group of 30-50 years old (Phau & Cheong, 2009) as the primary target market for foreign and luxury goods have been change from traditional age group to young consumers (Phau & Cheong, 2009).

6.6.2 Practical and Managerial Implications

In terms of practical and managerial implications, this study provides useful and relevant information regarding how conspicuous consumers behave and therefore has important implications for industry and marketers, especially product or brand managers. Domestic and international companies hoping to penetrate Asian markets can use this study as a basis for understanding the concept of conspicuous consumption more fully. It will give them a general understanding of how Asian consumers perceive foreign goods and luxury goods, and also provide information on the demand for these kinds of goods from other Asian countries besides China. This is an important distinction because the motivation for engaging in conspicuous consumption and luxury goods may differ from one country to another. The purchase of luxury goods is likely to be motivated by social (cultural) and personal factors (Souiden et al., 2011). To cater to the differences in culture, marketers should develop tailored marketing programs that take into account the differences in cultural perspectives, whether those differences relate to individualism-collectivism, masculinity-femininity, power distance or uncertainty avoidance. This implies that global luxury brand companies should not use the same sales campaigns worldwide but should adapt their message to specific countries.

In addition, luxury retailers can use the information from this study in redesigning their marketing strategy so that it is better able to gain the attention of target consumers. At the same time, this study will also help global marketers in formulating strategic guidelines on how consumers in Asian markets will respond to their goods or services. Marketers should highlight the “prestige” that consumers may gain from purchasing their goods. As suggested by Souiden et al. (2011), marketers should redesign their strategy based on the markets and consumers in countries where they want to gain a foothold. For examples, if the consumers in a particular market strongly engage in conspicuous consumption, marketers should design an effective communication strategy so that consumers will be aware of their goods.

Therefore, foreign luxury goods manufacturers may wish to incorporate cultural values into their advertisements to Malaysian consumers, perhaps by using local celebrities or successful corporate personnel to associate status, wealth and success with their goods.

Another implication is that marketers should consider consumers’ religiosity as another technique for marketing their goods and services among youth consumers. Marketers may decide to use religiosity as a basis for positioning their goods and designing their promotional strategies.

6.7 Limitations of Study

Although the results of this study contribute substantially to the understanding of conspicuous consumption behaviour, the study does have certain limitations. First, this study is restricted by its sample. Due to the use of students as its sample, with the majority of fieldwork carried out in private universities in one region of Malaysia, results may not be generalizable to the entire Malaysian youth population.

Second, this study used Hofstede's (1980) cultural theory as its basis; therefore, the findings may be applicable to this theory only. Third, this study applied quantitative analysis. The findings are not in depth because it only showed that the relationships are significance or insignificance for each construct without attempt to understand consumer motivation to behave conspicuously. The choice to employ quantitative analysis was based on the fact that this research is merely an exploratory look into the consumption motivations and behaviour of a subset of Gen-Y consumers.

The quality and depth of information provided by a qualitative design is most appropriate in taking this type of first step towards discovering what underlying theoretical frameworks serve as viable explanatory mechanism for a given phenomenon – in this case, consumption behaviour. As also discussed earlier, religiosity appear to exert some influence on consumption. However, findings from this study are limited to Malaysia Generation Y college-age consumers only.

6.8 Directions for Future Research

Future research should include other populations that can represent the entire Malaysian youth consumer population by using the same framework in order to identify differences. Study also can be conducted to Generation X consumer in order to investigate the differences between Generation Y and Gen X conspicuous consumption behaviour in a Malaysian context.

Not only limited to the Hofstede's cultural theory, future research should be conducted based on other cultural theories (e.g., Schwartz theory, Trompenaars theory, to name some) so as to provide more dimension and add another layer of understanding regarding conspicuous consumption from a cultural perspective.

Future studies should apply qualitative methods on each of the value orientations by conducting interviews with selected focus groups; this will yield an in depth understanding of consumers and their engagement in conspicuous consumption. Future research should also explore other methods of quantitative analysis, such as Structural Equation Modelling, in order to test the framework model more thoroughly.

Further study should be done on other group of Generation Y and/or to Generation X consumers, in order to determine whether there are differences in religious commitment across age and generational cohorts. For example, future studies may wish to use a Muslim population as a sample. Other studies could look at other part of consumption – for instance, testing which types of shopper are likely to be conspicuous

consumers, using Essoo and Dibb's (2004) seven types of shoppers and eight styles of decision making about conspicuous consumption.

Future study also could look into the influence of counterfeit goods, which are becoming an issue in luxury markets. Goods with established brand names that are highly recognizable by others are often the subject of counterfeiting. Less wealthy people with limited income often are willing to purchase counterfeit goods, since they have financial constraints but place more emphasis on the prestige associated with brand-name trademarks. Counterfeit luxury goods flourish because they imitate the design, appearance and brand name of luxury goods at a lower cost, although they are not genuine and therefore their quality is not the same as that of the genuine item.



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