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## EFFECT OF MATERIALISM ON IMPULSIVE BUYING BEHAVIOR: AN EMPIRICAL STUDY OF ARAB CONSUMERS

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### *Abstract*

*This study focuses on materialism's impact on Arab consumers' impulsive purchasing behaviour. This study adopts a method of investigation, which presented consumers in the Arab world with a series of questions. The ACP-method of correlation and regression analysis were used to evaluate the hypothesis. Results confirmed that materialism did have good effect on impulsive purchases but materialism may not be the main reason.*

**Keywords:** *Materialism, Impulsive Buying and Consumer Behavior.*

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### **1. Introduction**

In the economic and marketing literature, impulsive buying is regarded as an important aspect of consumer behavior. Between 1945 and 1965, this phenomenon was studied for the first time in the United States, under the DuPont Consumer Buying Habit Studies (Piron, 1991). Other researchers have studied the impulsive buying around the world, in USA (Rook and Fisher, 1995), in France (Volo, 1995) and in Algeria (Nadira and Ahmed, 2015). These studies have tried to give a definition of impulsive buying, and to determine

the different factors which influence impulse buying (Piron, 1991; Rook and Fisher, 1995; Sofi and Nika, 2017). Badgaiyan and Verma (2015) provide useful insight into the role of situational factors in influencing impulsive purchasing behavior. According to the findings of their study, there was significant positive effect of money availability, credit card use, and economic well-being on impulsive buying behavior. Other researchers found out that while assessing more behavioral aspects of individuals, such as materialism and impulsivity, the intention to buy on credit cards tends to be higher (Mette et al., 2019).

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## 2. Review of Literature

Because of its practical implications in the daily lives of people, from different parts of the trading world, impulsive buying is an interesting research topic for psychologists and economists (Dameyasani and Abraham, 2013). The first studies were conducted, between 1945 and 1965, under the DuPont Consumer Buying Habit Studies, in USA, followed by the study of Clover in 1950, under the name “Relative Importance of Impulse-Buying in Retail Stores (Piron, 1991) . Several studies have tried to give a definition of impulsive buying, and to determine the different factors which influence impulse buying (Selvam, 2005; Piron, 1991; Rook and Fisher, 1995; Sofi and Najar, 2018). Impulsive behavior has long been linked to immaturity, primitivism, folly, lower intelligence, and even social deviance and criminality (Rook and Fisher, 1995). Volo (1995) emphasizes the distinction between impulsive and unplanned. While impulsive buying is necessarily unplanned, the converse is not true. Piron (1991) defined impulsive buying as an individual’s unplanned purchase, after receiving a stimulus. The consumer makes purchase spontaneously and without planning, after having perceived marketing actions at a point of sale or in a website. Impulsive buying refers to “strong and non-reflecting purchasing wishes, without any serious account of why and wherefore a person should have the product (Pradipto et al., 2016).

According to Rook and Fisher (1995), impulsive buying is defined as a consumer’s predisposition to buy spontaneously, unreflectively, immediately, and kinetically, prompted by physical proximity to a desired product, dominated by emotional attraction to it, and absorbed by the promise of immediate gratification. Impulsive buying is a two-dimensional construct (**cognitive and**

**affective**). The cognitive aspect was found to be inversely related to consciousness, the personal need for structure, and the need to evaluate. The affective aspect was linked to a lack of autonomy and an action orientation (Verplanken and Herabadi, 2001). Many studies have explored the association between compulsive purchasing and materialism but few of them addressed the effect of materialism on impulsive purchasing. Ladwein (2005) described materialism as “the individual’s predisposition to appreciate substantial items and property”. Richins and Dawson (1990) define materialism as an individual value with three components: centrality, success, and happiness. The “success” facet is related to the degree to which consumers view physical possession as an indicator of success. Centrality evokes the importance and attachment accorded to possession. Happiness reflects the intensity with which the individual feels that owning more makes one happier. According to this last definition, a materialistic individual is a person who considers that the possession of goods is very important in his life because it brings him happiness and it is also an index of success in his life. Hence it is inferred that materialism has positive impact on consumption (Moowad, 2007; Chithra and Selvam, 2013). Belk has related the degree of materialism with different buying or consuming behaviors. The results support the idea that the most materialistic individuals value conspicuous consumption (Ladwein, 2005; Kathiravan et al., 2018). These individuals consume more than necessary because they feel good if they buy goods.

## 3. Statement of the Problem

It is generally recognized that materialism influences the purchasing behavior of consumers. Further, previous studies emphasized that materialism makes the individual more attached to the purchase and possession of

material or immaterial goods. In other words, materialism influences consumer behaviour of which impulse buying is a part. Hence the principal research question is, whether materialism influences impulsive buying behaviour among consumers in the Arab world.

#### **4. Need of the Study**

The findings from this investigation would provide several significant implications for marketers and supermarket managers, looking for understanding of factors influencing impulsive buying. Several studies have studied the relationship between compulsive buying and materialism (**Islam, et al., 2017 and Mueller et al., 2011**), but to our knowledge, only a few have addressed the effect of materialism on impulsive buying and none has investigated such a relationship by focusing on the Arab environment.

#### **5. Objective of the Study**

The main objective of the present study was to examine the impact of materialism on the impulsive buying behavior, among consumers in the Arab world, for the period 2017-2020. The analysis was performed, by using the factorial method of principal component analysis (PCA) and correlation and regression analyses.

#### **6. Hypotheses of the Study**

**H1:** There are three components of materialism: centrality, success, and happiness.

**H2:** There are two dimensions of impulsive buying: cognitive and affective dimension.

**H3:** There is positive relationship between Impulsive buying and materialism.

#### **7. Research Methodology**

##### **7.1. Sample Selection**

The aim of this study was to explore the impact of materialistic values on impulsive

buying. The simple random sample was used. The sample consisted of a total of 211 respondents, from several Arab countries such as Algeria, Morocco, Tunisia, Saudi Arabia, Egypt, Yemen, Sudan and Jordan.

##### **7.2. Source of Data**

Structured questionnaire was used for data collection and it was drafted to address the research problem. 18-item Questionnaire was used for the study (**Ladwein, 2005; Rook and Fisher, 1995**), to assess the influence of materialism on impulsive buying behavior of Arabs consumers. Items were structured on a 5-point Likert scale.

##### **7.3. Period of the Study**

This investigation was based on the responses of 211 respondents, over the period 2017-2020.

##### **7.4. Tools Used in this Study**

After collecting data, they were uploaded into the computer, and the SPSS v 23 program was used to test the theoretical model. A factorial method of principal component analysis (PCA) was conducted to test the research hypotheses (H1 and H2). To examine the third hypothesis (H3), correlation and regression analyses were employed.

#### **8. Data Analysis**

##### **8.1. Exploratory Factor Analysis**

This study opted for the factorial method of principal component analysis since it makes it possible to explain a large part of the variance, with a minimum of factors. At the beginning of the principal component analysis, the correlation matrix was not positively definite and to correct this error, it eliminated the variable A7 (happiness 1). Thus an acceptable overall KMO to make PCA, was formulated.

## A . Materialism

Factor analysis was performed with “1” as the Eigen value, to improve the strength of the factors. **Table-1** shows that two factors were extracted when the rotation converged in three iterations. The two factors were complacency (Success and Happiness) and centrality. This is partly consistent with the first hypothesis (**H1: There are three components of materialism: centrality, success, and happiness**). The analysis extracted a two-factor solution, each with Eigen value of above one.

## B. Impulsive Buying

Factor analysis was performed, with 1 as the Eigen value, to improve the strength of the factors. **Table-2** shows that two factors were extracted when the rotation converged in three iterations. The two factors were a cognitive factor and an affective factor (**Dameyasani and Abraham, 2013**). This confirms the second hypothesis (**H2: There are two dimensions of impulsive buying: cognitive and affective dimension**) of this study. The analysis extracted a two-factor solution, each with Eigen value of above one. Based on the rotated component matrix, out of the 20 items, two items were dropped due to cross loading in another component.

### 8.2. Relationship between Materialism and Impulsive Buying

**Table-3** demonstrates a significant positive relationship between complacency and cognitive factor (Pearson correlation = 0.388, sig= 0.000) and centrality and affective factor of impulsive buying (Pearson correlation = 0.389, sig= 0.000). Hence it supports the third hypothesis (**H3: There is a positive relationship between Impulsive buying and materialism**). However, there was no significant relationship between complacency and the affective factor

of impulsive buying (sig = 0,145) or centrality and the cognitive factor of impulsive buying (sig = 0.397). To define the nature of these, the study used regression models, to study the impact of materialism on cognitive factor and to study the impact of materialism on affective factor. The first model (**Table-4**) could explain 15.4 % of variance with cognitive factor and it was found to be significant (F=18.738, sig=0.000). In **Table-5**, the betas of the two variables were compared. Complacency measured 0.388 (sig= 0.000), which signified that complacency did have positive impact on cognitive factor of impulsive buying. The study observed insignificant impact of centrality on cognitive factor (sig=0.359). The second model (**Table-6**) explained 16.2% of variance with affective factor and it was found to be significant (F=19.845, sig = 0.000). In **Table-7**, the betas of the two variables were compared. The centrality measured 0.389 (sig = 0.000) and it signified that centrality did have positive impact on the affective factor of impulsive buying. The study observed insignificant impact of complacency on affective factor (sig= 0.114).

## 9. Findings of the Study

The results of the two regression models revealed that materialism influenced impulsive buying. The values of the Beta Coefficients revealed that in addition to materialism, there were other factors, that influenced impulsive buying.

## 10. Suggestions

The results of this study suggest that materialism has moderate impact on impulsive buying behaviour, which will help marketing academics to better understand impulsive buying behavior of the consumer. In addition, the results have shown the existence of two dimensions of materialism, which are complacency and

centrality, instead of three mentioned in previous studies.

### 11. Conclusion

This paper has empirically evaluated the effect of materialism on impulsive buying behavior of Arab consumers. By reference to prior research, a hypothesized model was developed by including three variables of materialism (centrality, success, and happiness) and two variables of impulsive buying (cognitive and affective). The measurement model was empirically tested by PCA, correlations and regression model, by using data collected from 211 respondents. The results, obtained from PCA, confirmed that materialism was a multidimensional concept, consisting of complacency and centrality. The study confirmed that impulsive buying was also a multidimensional concept, consisting of cognitive and affective dimensions. The correlation and regression analyses revealed that materialism did have positive impact on impulsive buying behaviour. However, the impact was found to be moderate and the Beta coefficients values (B less than 0.5) indicated that there were others factors which influenced impulsive buying.

### 12. Limitations of the Study

The current study, like all empirical studies, suffered from a number of limitations. First, the empirical study's validity was limited by the sampling plan (non-probabilistic, convenience sampling) and the small sample size. Further, the sample was dominated by men and young people (17-39 years old), which biased the analysis and interpretation of results. Second, this study did not consider the type of purchase (offline and online channels) and it looked at impulsive buying behaviour for all types of products.

### 13. Scope for Further Research

In the light of the above limitations, this study opens the doors for a number of future research directions. Firstly, future research should seek to investigate the impact of product or other situational characteristics (degree of involvement) while analysing the impulse buying behaviour. Secondly, additional research is recommended to investigate the relationship between materialism and impulse purchasing, through online channels.

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**Table-1: Results of Rotated Component Matrix showing the Strength of the Factors (Materialism)**

Factors	Component	
	1	2
I place much emphasis on the amount of material objects people own as a sign of success.	0.836	
Some of the most important achievements in life include acquiring material possessions.	0.798	
I'd be happier if I could afford to buy more things.	0.777	
The things I own say a lot about how well I'm doing in life.	0.760	
I'd be happier if I owned nicer things.	0.647	
I don't enjoy spending money on things that aren't practical.		0.845
I try to keep my life simple, as far as possessions are conceded.'		0.805
I usually buy only the things I need		0.803

Source: Primary Data computed using SPSS

**Table-2: Results of Rotated Component Matrix showing the Strength of the Factors (Impulsive Buying)**

Factors	Component	
	1	2
Sometimes I feel like buying things on the spur-of - the moment.	0.779	
"I see it. I buy it" defines me.	0.755	
I often buy things without thinking .	0.726	
"Just do it" describes the way I buy things.	0.726	
I often buy thnings spontaneously .	0.623	0.529
I buy things according to how I feel at the moment.	0.555	0.547
"Buy now. think about it later" describes me.	0.554	
I carefully plan most of my purchases (Reverse Coding).		0.835
Sometimes I am a bit reckless about what I buy	0.542	0.621

Source: Primary Data computed using SPSS

**Table-3 :Results of Correlation Matrix Showing the Relationship between Complacency and Cognitive Factor**

		Complacency	Centrality	Cognitive	Affective
Complacency	Pearson Correlation	1	0.000	0.388**	0.101
	Sig. (2-tailed)		1,000	0.000	0.145
Centrality	Pearson Correlation	0.000	1	-0.059	0.389**
	Sig. (2-tailed)	1.000		0.397	0.000

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Source: Primary Data computed using SPSS



**Table-4: Results of Regression Model 1 Showing the Impact of Materialism on Cognitive Factor**

ANOVA <sup>a</sup>							
Model		Sum of Squares	df	Mean Square	F	Sig.	R <sup>2</sup>
1	Regression	32.067	2	16.034	18.738	0.000 <sup>b</sup>	0.154

Source: Primary Data computed using SPSS

**Table-5: Materialism and Cognitive Factor**

Model		B	Std. Error	Beta		
1	(Constant)	-0.007	0.064		-0.108	0.914
	Complacency	0.388	0.064	0.388	6.052	0.000
	Centrality	-0.059	0.064	-0.059	-0.919	0.359

Source: Primary Data computed using SPSS

**Table-6: Results of Regression Model 2 Showing the Impact of Materialism on Affective Factor**

ANOVA <sup>a</sup>							
Model		Sum of Squares	df	Mean Square	F	Sig.	R Square
1	Regression	33.379	2	16.690	19.845	0.000 <sup>b</sup>	0.162
a. Dependent Variable: affective							
b. Predictors: (Constant), centrality, complacency							

Source: Primary Data computed using SPSS

**Table-7: Materialism and Affective Factor**

Model		B	Std. Error	Beta		
1	(Constant)	-0.012	0.063		-0.189	0.850
	Complacency	0.101	0.064	0.101	1,586	0.114
	Centrality	0.388	0.064	0.389	6.097	0.000

Source: Primary Data computed using SPSS