

Grate Effect of Special Consumer in the Market

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Abstract: The purpose of this study is to introduce special consumers as a unique part of consumers. These people highly look for obtaining more material objects and also deal with lots of brands and luxury products to show their status and social position. Analyzing the results obtained from this research showed that this kind of consumers do more shopping compared to usual consumers and pay less attention to the commodity prices in order to demonstrate their self concept and social position. Moreover, this group of consumers may become early market mavens by acquiring more information about markets and different brands.

Key words: Usual consumers, special consumers, materialism, consumer's self-expression, market mavens

INTRODUCTION

Why do some people make shopping a lot? Who are special consumers? Do these consumers have any role in advertising the products? Do businesses pay attention to these people? The habit of shopping by buyers is one of the most important issues that has to be addressed in this course.

Shopping has a significant role in marketing activities and many different theories are about investigating the consumers' behavior. The question that may arise in this regard is that who is the best consumers? What role do they have in marketing? These questions can be asked in any business. While the shopping habits of consumers and the amount of their costs seem to be much more important and according to Sharp, 50% of consumer costs would be spent on buying Fast-Moving Consumer Goods (FMCG) such as clothes, cosmetics, electronic devices, etc. The consumers who spend too much on such shopping items have a high loyalty to the brands of this group, though successful brands occupy these people to a lot extent because they could segment their market in the right way and identify their special consumers well. According to Hichen, business services segment their market based on demographic and lifestyle classifications and acquire a lot of information by examining these cases so that the reason of shopping can be seen in psychological motivations of customers. Nowadays, relationship marketing and customer relationship are key elements of marketing and the implications of utilizing these elements can be seen in market segmentation and identifying the consumers correctly and knowing the reason of importance for them even regarding their income.

Studying the consumers' motivations for shopping is of great importance because it is the basis for understanding much of consumers' behavior. One of the most important motivations of consumers or at least one of the things that has attracted the attention of many researchers and they've mentioned it in their researches, is high desire to buy material goods which they named materialism. People with this feature have considered money and many appliances a mean to success and happiness in life (Belk, 1985; Graham, 1999; Kasser, 2002; Richins and Dawson, 1992; Rudmin, 1991). Using the psychological characteristics of consumers is for describing who does more shopping and what products do they buy more, so we need to know they are talking about buying which goods?

Literature review and hypotheses: The materialism variables, the position of the consumer and the consumer's self concept dealing with brand and market mavens are addressed in this research. These variables are chosen as basic variables for the concept of special consumer because these concepts have been addressed in many studies.

Materialism: The growing literature of materialism in the fields of marketing, economics and psychology is the sign of validating its important role in consumer behavior and has become an empirical subject for psychologists, economists and researchers in the area of consumer behavior in recent decades. Materialism is an issue addressed in many sociology, economics, marketing and psychology researches. Grougiou and Moschis (2015) defined materialism as more than normal desire for having physical goods. Richins and Dawson (1992) defined

materialism as the center of attention that a person has toward material goods as the source of happiness and success in life. Materialism is the motivation to acquire a wide range of products and is not related to any specific culture (Ger and Belk, 1996). Furthermore in previous studies, materialism was considered to be related to social welfare (Abela, 2006). It was even introduced as an out of control habit; moreover, social commentators such as Witkowski (2005) and also Kilbourne and Pickett (2008) related it to the life style, the exhaustion of natural resources, environmental pollution and waste accumulation. Dittmar and Pepper (1994) examined the cultural and social effect of materialism on social perceptions of people. They found that materialist people have a high desire to judge people based on the amount and quality of their material goods.

Marketing researchers are also interested in the relationship of materialism with the market and also investigated the behaviors associated with fashion in these people (Vieira, 2009), innovation, fashion and satisfaction of the status of products (Park *et al.*, 2007).

According to Frost *et al.* (2007), the materialism desires is not just in the form of shopping or too much shopping; these desires can also be in the form of collecting and hoarding many unusable items.

The researches in the area of consumer behavior want to segment the market and predict the shopping behavior of consumers and materialist desires of consumers have also increased the need for more valuable researches. They want more money to buy more. These people have made shopping a hope in their lives. Such desires for wealth, goods and changes might result in risky financial behaviors which has serious consequences for consumers. Even though Roberts and Jones (2001) didn't evaluate materialist directly but they stated that positive attitude towards money is a mean for power and prestige which leads to more shopping and even credit cards have promoted this issue. It has to be noted that all materialist people do not spend too much and some of these people are used to collect and store objects (Frost *et al.*, 2007). Richins stated that materialism is correlated with too much use of credit cards and materialist people have a positive attitude towards borrowing (Richins, 2011). All people who do not spend much of course are not materialist and it has to be noted that increasing in families' income results in more spending by them therefore we cannot conclude that all people who spend money are materialist.

It is obvious that materialism is the basis of composition of customers who consume more than average level. The materialism has to be considered from

other aspects as well in order to describe the characteristics of these people, since materialism is not just the feature of people who buy much.

The status of consumer: The desire to reach a position and make a relationship in the society is an inherent and inner mood and in sociologist's point of view such as Mazlo it is the essential need of people which is obvious in many aspects of human life and people act to meet their needs. Donnerwerth and Foal described social status as "an expression to state the evaluation of judging that brings high or low prestige, credibility and confidence for people". Based on Veblen, access to and presenting the position is one of the fundamental goals of members of society and access to a status in society has been studied more than a century. One way to demonstrate the social status is shopping and showing specific products. Yiannis and Lang stated "people show off the goods for their social positioning and prestige". Researchers have frequently stated in their researches that the desire to buy from people is a way to show the differences in hierarchy in society, income and jobs and defined it as "social class" (Coleman 1983; Gronhaug and Trapp, 1989). The welfare level of consumers has improved in recent years, so use of luxury goods and products indicating social position of people have increased. While social hierarchy is important in determining the position of individuals in the society, the people themselves want to make individual differences in the society and look for social symbols for doing so (Eastman *et al.*, 1999).

Nowadays, the dealers sell house, car, jewelry, personal cell phones and so many other things as a motivating force for stimulating other people's jealousy and admiration and people want to reach the desired social position by buying these goods.

The desire for consumption is measured using 5 scale and is defined as motivational processes which means people, try to improve their social position and do so, by conspicuous consumption that others would notice easily (Eastman *et al.*, 1999). Social position and acceptance of people is positively related to materialism (Fitzmaurice and Comegys, 2006). It is also positively related to self concept of interaction with the named of brands (Goldsmith *et al.*, 2012). Other studies indicate consumption to gain social position as well and are conceptually related to the idea of materialism. It has to be noted that shopping is for accessing a position or presenting social position and materialism is a personal characteristic. In materialist, shopping directly makes good feelings in people while in order to demonstrate a social position it is the sense of superiority which makes shopping pleasure (Wang and Wallendorf, 2009).

According to the statements above, it can be concluded that materialism, consumer position and interaction with a brand, gives us the basis of unique patterns of consumption which we call special consumer.

Self concept and brand engagement: The self concept of the person interacting with a brand is a feature first investigated by Fournier (1998). He explains how consumers use brands for their interpretation and show off. In other words, self concept interacting with a brand is a description of the public desire of consumers of a brand to shape their personality and express it to others.

Recently, Sprott *et al.* (2009) have developed scales for measurement of interacting brand with self concept and defined it as “the personal differences in consumers’ desire for brands indicate how they see themselves”. In other words, self concept of a person interacting with a brand is a personality variable which shows people use brands for self concept and their show off to others. Sprott has introduced eight other scales for measuring this desire in which they not only have related it to materialism but also have noted that behaviors such as remembering the name of brands and paying more attention to brands and loyalty is also obvious in materialist people. Some research also demonstrates the fact that consumers’ involvement in brands makes a positive attitude in them towards shopping (Goldsmith *et al.*, 2010); it may even engage them in different shows such as cloth show and these consumers have more loyalty to brands in comparison with people who do not have this involvement; also it has to be noted that interacting with a brand has also a positive relationship with consumer’s position (Goldsmith *et al.*, 2012). It also has to be noted that buying a good brand result in a better position for the consumer. So, the self concept of the person interacting with a brand is an important feature of special consumers. It can be said that the desire to buy increases in the person who has a personal relationship with a brand, so that they frequently buy.

Our logic in this study is that the relationship of consumption with materialism, consumer’s position and interaction with brand and advertising products and goods describe a type of consumer who tries to reflect their personality by shopping too much.

Market mavens: Market mavens are people who involve too much in the market and usually are considered as important information sources in the market. By increasing the completion in the market and the costs of good advertising and designation, targeting the right market is a crucial issue for sustaining the businesses. In marketing

relationship goals, some more valuable customers influence others by personal relationships and are able to encourage others to buy products (Feick and Price, 1987; Williams and Slama, 1995). Feick and Price (1987) considered market mavens as important information sources for many products and brands as well as markets (sales locations). Market mavens are interested in sharing their information about products and goods with others and even look for gaining information about markets, products and brands from other consumers (Clark and Goldsmith, 2005); that’s why merchants know market mavens influential people in the decision making of others for shopping.

Market mavens are avid users of promotional coupon to buy as they motivate others to buy products four times more than other consumers because of promotional coupon (Price *et al.*, 1988). Market mavens are important for two reasons: first, they have much information about the market and products, second, they are eager to share their information with other consumers, so it can be concluded that these people use their own information and essentially influence on others. So, many products which they use indicate a specific level of their position in the society (Clark and Goldsmith, 2005). Eastman *et al.* (1999) defined the consumption status for consumers in expressing their social position as “a motivational process in which people improve their social position by apparent consumption of goods indicating one’s position and environment”.

Materialism in consumption in order to gain position and self concept due to interaction with related brands and all these concepts express one’s desire towards increasing consumption which might be resulted from different reasons related to each other (Goldsmith *et al.*, 2012). It is expected that consumers who have a high degree of these 3 items are more involved in the market and generally, shopping; more cost and more relationship with general consumer goods and buying them. The consumers who buy more are usually women and this fact can be seen in the literature (Binkley, 2013). Researches also suggest that people who buy more have a more positive attitude towards shopping (Dobson and Ness, 2009; Goldsmith *et al.*, 2010; Jackson *et al.*, 2011).

People who frequently buy can be described as people who have a stronger relationship with the market and are larger consumers. Stoel *et al.* (2004), said that the time spent on shopping and the money spent on shopping has a positive relationship with each other. The value of special consumers for marketers depends on the time they spend for shopping. Market mavens have positive relationships with materialist and self expression that confirm in research such as (Feick and Price, 1987; Williams and Slama, 1995; Tian *et al.*, 2001).

Our purpose is behavioral, psychological and demographic development of special consumers. This concept not only attempts to connect different psychological aspects of the consumer together but also has the potential for managerial programs in identifying these consumers which results in profitability and more long term relationships with these consumers. According to these findings and behavior of materialist consumers it can be said that:

- Hypothesis 1: special consumers buy more than others
- Hypothesis 2: special consumers are less sensitive to the price of brand goods which they interact with it
- Hypothesis 3: there is a higher probability for special consumers to be market mavens compared to other consumers

MATERIALS AND METHODS

This research is carried out to investigate the shopping for consumers and high amount shopping with some of them and their reasons to buy as well as their application in marketing and is an applied research and methodology is a descriptive survey and the toll for collecting data was a questionnaire. The questions of the questionnaire are designed based on a Likert scale and the questionnaire was distributed among respondents in person.

It has to be noted that the questions of questionnaire in the present study have been tested in many earlier researches and are of acceptable reliability, so that in this research, the amount of shopping and reasons for shopping variables as well as amount and method of using the information obtained during shopping in consumers and how to use these information in the consumers' personal lives are measured and a combination of different items applied in different researches is used for measuring each variable. The options (Richins and Dawson, 1992; Belk, 1985) were used to evaluate the amount of consumers' shopping and materialism. These scales have been used in many countries and are highly reliable. The survey was used for questions about market evangelist (Feinberg *et al.*, 1989; Feick and Price, 1987; Richins, 2011) and shopping costs (Richins, 2011) and self concept (Spratt *et al.*, 2009) was used for questions about consumption status (Eastman *et al.*, 1999).

Sampling: In this research, the consumers of Tehran metropolis were considered as the statistical population

for examining the hypotheses. According to the high number of statistical population, the cluster sampling was used in two steps, so that first Tehran City was divided into five regions of North, South, West, East and center and then some malls and shopping centers and people were selected randomly.

The sample size was obtained equal to 385 persons using Cochran formula and with confidence interval of 95% ($\alpha = 0.05$). In order to reach reliable results in the society, a sample with this minimum size has to be considered.

Therefore, 500 questionnaires were distributed among which 460 questionnaires were confirmed (80% of the questionnaires were not confirmed because of being incomplete and high discrepancies among them). Furthermore, 400 questionnaires were distributed online.

Data analysis: In this research, we have investigated the materialism structures with 5 questions, showing the social position with 6 questions and shopping costs in self concept of people with 7 questions and also market mavens with 6 questions.

The Cronbach's alpha coefficient was obtained >0.7 for each of the variables and so the reliability of the questionnaire was confirmed. The questionnaires were given to some experts and so, they could have conceptual credibility. The interference tests (single sample t-student, pearson correlation coefficient and two-variable regression) in the significance level of <0.05 were also used to confirm the hypotheses. The version 23 of SPSS Software was used in this regard.

Before testing hypotheses, we analyzed each factor individually and the result indicated a single factor structure and all scales have internal cohesion.

The results of analyzing data showed that the significance level for all obtained data was lower than 0.05 and each of them had a mean higher than 3. Since, the confidence interval is 95% in this research, i.e., the error level lower than 5% is desired while the difference in their significance level is lower than 0.05, the relationship between variables are considered meaningful and the related research hypotheses are confirmed.

According to the obtained coefficients among special consumers and the amount of shopping variables in the first hypothesis and the less sensitivity to the price of associated with a brand in these consumers and also the high probability for these people to become market mavens, the value for significance level for hypotheses and other indices is lower than 0.05. These data and other obtained indices indicate that all special consumers buy more compared to others and these consumers have less

Table 1: Descriptive statistics and correlations

Hypothesis	Item	Mean	Standard deviation	Deviation from standard	t-values	Degree of freedom	Significance level	Difference in mean	95% confidence interval	
									Low	High
1st	5	3.3584	0.5355	0.01826	19.629	859	0	0.35843	0.3943	0.3226
2nd	13	860	3.1449	0.37485	11.332	859	0	0.14485	0.1699	0.1198
3rd	6	860	3.0824	0.51960	4.649	859	0	0.08236	0.1171	0.0476

sensitivity to the price of brands they interact with and also they become market mavens with a higher probability. So, all hypotheses were confirmed. The results of testing hypotheses are shown in Table 1.

According to the obtained answers, it can be said that in this research in terms of gender, 66.4% of respondents were women and 33.6% were men. In terms of age, 32% of respondents were younger than 30 years old, 39.5% were between 30-40 years old and 19.5% were older than 40 years old.

The relationships between two demographic variables of gender and age with these structures indicate the fact that people’s age has no relationship with the amount of shopping and also marketing mavens and in comparison with gender differences, it indicated the fact that women buy more than men and are better mavens for markets and brands.

The results of testing hypotheses based on structural equations test are shown in the related table. According to the shown indices, all hypotheses were confirmed in significance level of 95%.

RESULTS AND DISCUSSION

This research has investigated a new viewpoint among consumers named special consumers. This research has addressed the amount of shopping for these consumers compared to usual consumers and how these consumers react towards the price of goods and what is their behavior towards advertisement of products, brand or markets as a market mavens. According to the data obtained from research hypotheses, it can be said that special consumers buy more than other consumers and have less sensitivity to the price compared to other consumers interacting with brand to show their social position. Moreover, special consumers are considered a good consultant by family and friends and have suggestions for them in using brands.

Although, market maven has not been studied in depth here but it could be inferred from the result of past research that market maven depended on the social aspect of people, like its relation to consumer innovation(Goldsmith *et al.*, 2003), seeking the perfection and consumer status (Goldsmith *et al.*, 2006). Also in this study the relation of market maven and consumer status is obvious.

Therefore, merchants, marketing, investor and even dealers are advised to pay much attention to gaining the satisfaction of these consumers, especially in Iran where oral advertising has an important role due to pluralism and these consumers can serve as advertising channels of companies and products.

Management applications: According to the serious competition between companies and regarding the importance of customer in this period, companies need to give more attention to their customers. One purpose of this study was better introduction of consumers to the marketing managers for appropriate planning in order to have a better relationship with special consumers because these consumers buy more to show their social position and status and have less sensitivity to the price of good compared to usual consumers so, they can be loyal customers by appropriate programs, these people can easily become maven of goods or brands so appropriate investment in this area can reduce advertising costs.

CONCLUSION

This study aims to investigate the characteristics of those consumers who have a unique pattern of consumption, whom we call special consumers and also examines the psychological characteristics of consumers as there is a motivating role in much of their shopping behavior. Consumers are divided into two groups: the usual consumers and the special consumers. Can these special consumers help us in marketing activities?

LIMITATIONS

Although, this study has some good features and contains information for marketing managers but has limitations as well. The present research has carried out in the field of goods and can also be investigated in the field of services for more generalization and other researchers can examine other psychological characteristics and personality of consumers in this field and provide approaches for marketing managers in order to access special consumers easily and reduce advertising costs. Other limitations relate to the research methodology. The quantitative methods were used for evaluating variables in this research. We suggest other researchers to investigate using qualitative methods such as deep interview and observation.

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