The review of literature in this section will cover the details of the concepts and developments related to conspicuous consumption (CC), status consumption (SC), status orientation (SO), materialism, branding, pricing and situational factors relevant for consumer behaviour. Consumer behaviour is a matter of topical interest to marketing researchers and practitioners alike.

Though globalization is a reality today, yet the key to success in local markets lies in understanding the motivations, preferences and habits of consumers in their specific cultural context. It is a well accepted fact that consumer behaviour is influenced by psychological, social, cultural, economic and technological factors.

Products and brands get their meanings from the culturally constituted world. Consumers then adopt suitable products that carry meanings that the individual would like to convey amongst his reference groups depending on his preferences (McCracken 1986). Possessions are also considered to be an important aspect of the extended self of the consumer (Belk 1988).

Conspicuous consumption is all about using products visibly to convey some social meaning, primarily for status and wealth. The concept of conspicuous consumption still retains its relevance in the contemporary consumption paradigm globally even today across both the developed and emerging countries.

Global marketers are keen to understand the factors that determine the consumption choices of customers. Hence there is a necessity to delineate the specific factors contributing to consumer behaviour for specific products and services. The concepts of CC, SC, materialism, branding, pricing and situational factors have been considered to be a critical aspect of the present study.

Thus the review of literature for the respective domains will be covered in this chapter that will highlight the developments and the relevant advances made in the fields till date. Thereafter the issues that emerge from the review of literature will be highlighted. The gaps identified from the literature review of the constructs relevant for this study will be finally illustrated, that will form the basis for formulating the research objectives of the study.
2.1 Conspicuous Consumption:

Conspicuous consumption has been considered to be about the phenomenon of consumer behaviour that arises when preference of consumption choice arises in order to signal status and wealth. The Cambridge Advanced Learner’s Dictionary describes conspicuous consumption as: ‘when people spend a lot of money intentionally so that other people notice and admire them for their wealth’.

Thorstein Veblen may be considered to be the seminal writer of conspicuous consumption. Veblen describes conspicuous consumption in the context of social emulation in his treatise, ‘The Theory of the Leisure Class’ (1899). Using goods to signal status was thus considered by him as ‘conspicuous consumption’. People, during Veblen’s times, were shown to be using wealth to acquire goods and services that specifically illustrated their economic well-being and high social rank or status.

Veblen illustrated that ‘the consumption of better grades of goods in excess of the subsistence minimum pertains normally to the leisure class’ and that ‘high-bred manners and ways of living’ were a part of ‘conspicuous leisure’ and ‘conspicuous consumption’. Conspicuous consumption (CC) was thus considered to be a means to show reputation and status. The peaceable economic stage was considered by Veblen to initiate the importance of consumption choices as an indicator of reputation. Thus conspicuous consumption was resorted to as a means of ‘demonstrating the possession of wealth’ and ‘reputability’ among the social group of an individual. Veblen believed that ‘no class of society’ ignores conspicuous consumption in whatever small way possible. He proceeds by discussing how ‘The last items of this category of consumption are not given up except under stress of the direst necessity’. Some of the important aspects pertaining to conspicuous consumption that he highlighted were:

- Vicarious consumption: a distinction between the vicarious ‘leisure class’ and the working class. A portion of the servant class undertakes ‘vicarious consumption of goods’ like the ‘wearing of liveries’ and the ‘occupation of spacious servant quarters’ that were all conspicuous in nature.
Consumption of goods to signal pecuniary strength: estimated to have begun during the start of the predatory culture where the consumption of goods were considered to be of a ‘ceremonial character’. It was only in later times that consumption came to be viewed as ‘an evidence of wealth’.

Early phases of predatory culture: characterized by the presence of ‘able-bodied men’ and a class of ‘labouring women’. Veblen mentions that it was assumed in those early days of predatory culture that men consume what the women produced. Women consumed only that much as was assumed to be ‘merely incidental to their work’ and which would help them to continue with their labor yet which was not ‘directed to their own comfort’. It was considered honorable to participate in ‘unproductive consumption of goods’ that primarily signified a ‘mark of prowess’ and ‘human dignity’, while the secondary aspect of such consumption was considered to be ‘substantially honourable to itself’.

The quasi-peaceable stage of industry: the ‘industrious class’ were to consume only those items that could were considered to ‘be necessary to their subsistence’. As Veblen indicates, ‘in the nature of things, luxuries and comforts of life belong to the leisure class’.

Differentiation of dietary items: Use of ‘intoxicating beverages and narcotics’ were meant only for the leisure class (the base class and women were not expected to consume them). Women from the upper classes were also expected not to use stimulants. This ‘abstinence’ of the upper class ladies was assumed to be due to ‘an imperative conventionality’ that was more prominent where patriarchal tradition was strongly present.

Earlier stages of economic development: the consumption of items exceeding the ‘subsistence minimum’ was normally meant for the members of the leisure class. Consumption of excellent quality of goods was considered to be ‘an evidence of wealth’, whereas failing to consume the required ‘quantity and quality’ of goods was indicative of ‘inferiority and demerit’. The mannerisms of the men and their ‘ways of living’ were expected to become the basis of ‘conspicuous leisure and ‘conspicuous consumption’.

Conspicuous consumption of valuable goods: the ‘conspicuous consumption of valuable goods’ was considered to be a means of achieving ‘reputability’. It was considered important to have ‘friends’ and competitors who would be able to help the ‘gentleman of
leisure’ showcase his ‘opulence’. Thus ‘giving of valuable presents’ and hosting ‘expensive feasts and entertainments’ were done by the members of the leisure class. A differentiation of the class members according to their source of wealth influenced how they were likely to earn their respect. Those who had the ‘inheritance of wealth’ were also considered to possess the ‘consequent inheritance of gentility’.

- Later developments during the peaceable industry stage: Veblen illustrates that the period was characterized by ‘the disappearance of servitude’ that implied a decrease in the number of ‘vicarious consumers attached to any one gentleman’.

- The lower middle class: There was ‘no pretense of leisure on the part of the head of the household’. The wife of a middle class household was reportedly continuing with ‘vicarious leisure’ that was aimed to preserve ‘the good name of the household and its master’.

- Basis of reputability in highly organized industrial community: The ‘pecuniary strength’ is a means of ‘gaining reputability’ in ‘any highly organized industrial community’. ‘Conspicuous consumption’ of goods was considered to be one of the ‘means of showing pecuniary strength’ and of gaining a good reputation. Veblen considered conspicuous consumption to be prevalent across all the social classes. Among the lower classes the responsibility for leisure and conspicuous consumption became the responsibility of the ‘wife and children of the household’. Veblen highlights how he feels that ‘no class of society, not even the most abjectly poor, forgoes all customary conspicuous consumption’. He goes on to mention that ‘the last items of this category of consumption are not given up except under stress of the direst necessity’.

- Consumption characteristics during the peaceable economic stage: Mobility of people and the presence of various channels of communication enable interpretation of reputability people from their ‘display of goods’. In order to reach a ‘wider human environment’ Veblen feels consumption takes precedence over leisure.

- Urban characteristics: Veblen is of the opinion that conspicuous consumption operates more where the ‘human contact of the individual is widest’ and where ‘the mobility of the population is greatest’. Thus he estimates that ‘conspicuous consumption claims a relatively larger portion of the income of the urban’ as compared to the expenditure
incurred by people in the rural areas. The effort of the urban folks to show off their economic stature may result in pushing ‘their normal standard of conspicuous consumption to a higher point’.

Veblen finally asserts that it would be wrong to assume that ‘a useful purpose is ever absent from the utility of any article or of any service’ that is being used to signal wealth. Hence the functional utility of products and services co-exist with its signaling value. Veblen thus highlighted how consumers used their goods and possessions to conspicuously indicate their status in societies (Veblen 1899). According to Veblen, conspicuous consumption was all about using possessions to display wealth and status. Conspicuous consumption resulted from consumers wanting to flaunt their new found wealth among their peers and other members of their societies. Thus the status symbol of the possessions and properties owned by people were considered to be important indicators of their relative position in the social class which consumers wanted to indicate to others in their social circle. Conspicuous consumption was therefore possible due to the product symbolism that could communicate status and ranks in the social class structure. Hence the concept of CC as was enunciated by Veblen in his treatise, *The Theory of the Leisure Class, (1899)* referred to the ostentatious consumption of goods and services by the elite few in predominantly Western societies of the early nineteenth century, to signal social status and wealth.

Human beings have since time immemorial been living in various kinds of societal structures that enable fulfillment of biological and psychogenic needs. Pluralistic societies offer scope for personal and collective fulfillment of desires and ambitions inherent in man since the predatory times. Consumer behaviour has been considered to be an important factor affecting the standard and quality of lives in a society (Tucker 1967). Consumption of products and services arise out of felt needs that get directed to the want for specific goods that are perceived by consumers as having the capability of fulfilling their needs. Thus consumption of different types of products and services occur in societal contexts to improve the manner in which people live their daily lives. The standard of living of consumers are dependent on a host of factors that determine the need and preference for different products depending on the level of income, prices of products, economic condition of the society etc. People strive to continuously improve their lifestyle and
quality of living in societies through the consumption of different products and services. It has been found that goods have been purchased and used by consumers for reflecting their social status and prestige. The conspicuity of goods differed with respect to their potential for reflecting social status or rank of consumers. The ‘conspicuous’ aspect of consumption has evolved across time from Veblen’s writing of conspicuous consumption as he saw it in the American society at the turn of the nineteenth century (Veblen 1899), through the post-war period dominated by neo-classical thoughts to the post-modern era. Conspicuous consumption was part of a discriminatory social system of classification based on wealth and status. Veblen’s work illustrates how at the beginning of the twentieth century, the consumption of women was considered to be a means towards achieving the glorification of men’s status and prestige. In the patriarchal societies that considered women as properties of men, the conspicuous consumption done by the women ranging from household items to things for personal beautification was a means to indicate the wealth of the man of the house.

Brand symbolism has been considered to affect consumer choice of products (Levy 1959). Levy (1959) highlighted the importance of ‘selling symbols’ that marketing practitioners need to realize as an important aspect that could influence consumer behaviour. There were a few aspects that Levy highlighted with respect to the development of the symbolic value of goods:

- The uneconomic man: whose focus has shifted beyond estimating the economic evaluation of goods in the market.
- The new whys for buys: as the competitive intensity increases in the market blurring the differences among competitive brands, consumers seem to have developed new reasons to support their purchase decisions.
- Diversity of spending: consumer purchases are made for reasons beyond the functionality of the products. ‘Aesthetic preferences’ of consumers seem to have changed over time. The social meanings of products have assumed importance among consumers. There is also a lot of consumer logic stressing the importance of the intangible value of the products and the reasons for their purchases.
- Language of symbols: It has been considered by Levy (1959) that people derive the following meanings from their purchases, which goes much beyond the functional value:
- Personal meanings (the meanings that the products have for the consumer themselves) and
- Social meanings (the meanings that people are likely to infer from the purchases made by the consumer).

○ Psychological things: Consumers are considered to invest their ‘psychological energies’ during the purchase process. Modern goods were considered by Levy (1959) to be ‘psychological things’ that are symbolizes:
  - Personal attributes (of the consumer),
  - Goals (that the consumer are likely to have),
  - Social patterns (with respect to the social context of the consumer) and
  - Strivings (of the consumer).

○ Image reinforced: Products may be used to enhance and reinforce the self-concept of the consumer.

○ Shrewd judges: Consumers are assumed to be capable in estimating the symbolic meaning of different products.

○ Dimensions of distinction: Symbols are considered to be used by consumers to help them in distinguishing products:
  - Gender based distinction: consumers using the symbolic aspect of products to derive abstract value that is either masculine or feminine in nature.
  - Sex at work: Portrayal of products is expected to provide cues for interpretations suiting gender differences.
  - Acting the ‘symbolic age’: Products are expected to have a greater connect with consumers when there is an ‘symbols of age’ are used in product communications (e.g. advertisements meant for children, teenagers, the middle aged etc. will be interpreted differently by the age groups depending on the message conveyed through the characters portrayed in the product communication).
  - Class & Caste: Goods are expected to communicate social meanings of consumers like their social class and caste. Hence products purchased by consumers are expected to help them in publicly affirming ‘their social
positions’. Thus the types of products used and the types of retail stores used for shopping are likely to provide social meanings to consumers.

- Sense and nonsense: Inability of some consumer groups to be able to infer the ‘advertising symbolism’ embedded in product communications.

- Discriminating publics: Marketers need to understand that consumers are likely to interpret a variety of meanings from its product advertisements, hence care should be taken in using ‘appropriate symbols’ to build effective product communications for its target market.

- Fine arts and fine distinctions: Associating products with different but relevant aspects of fine arts to suit the target market’s self-image.

- To each his own conformity: Discrete symbols of taste and preferences are likely to combine into larger ‘clusters of symbols’ that help consumers to communicate meanings about themselves to others.

- Telltale patterns: Objects used by consumers can provide a variety of meanings, both when the items are considered separately and as well as when they are combined with other products and used by consumers in different contexts.

- Symbolic obsolescence: symbols may become outdated with time and may need to be replaced to appeal to the contemporary times.

Thus Levy (1959) illustrates the importance of the symbolic value of the products. Product symbolism is a reality that needs to be addressed in order to be able to effectively market products. Brand image was therefore considered by Levy to be an important aspect for manufacturers to have a holistic understanding of their products that would help them to realize that they are ‘selling symbols as well as goods’.

The symbolic and social values of products have been considered to be important influences in consumer choice (Mason 1992). The social status and prestige that is likely to be achieved through purchase of relevant products drive consumer purchases in the post-modernist and ‘post-scarcity’ era. Three ‘external effects’ are seen to influence consumption, namely the ‘Veblen effect’, the ‘snob effect’ and the ‘bandwagon effect’. The ‘Veblen effect’ and the ‘snob effect’
relate to product prices being the distinguishing factors that motivate consumption, while the ‘bandwagon effect’ pertain to consume in order to conform to reference group membership and norms. The interaction of consumption with culture and society has been a matter of scrutiny whereby the social and cultural meanings of goods were investigated by various researchers in the western societies around the mid seventies (Levy 1986; McCracken 1986).

Mason describes the ‘formalist’ markets as those where economic and utilitarian factors influence consumption choices. The ‘substantivist’ markets were considered to be those where social needs and relationships motivate consumer behaviour. The likelihood of consuming products for their status value has been considered to be prevalent among all communities and across various strata of societies. Thus Mason highlights how intention to conspicuously consume prevail even among the ‘poorest societies’ except among those living in the ‘most desperate poverty’ (Mason 1992). Three basic theoretical foundations seem to provide the basis of the ‘substantivist’ school, which are the Pavlovian, Freudian and lastly the interpersonal relationship based approach. The Pavlovian approach emphasized the importance of learning and response behaviour, while the Freudian approach dealt with subconscious motivators that influenced consumer behaviour. The interpersonal relationship based approach focused on consumption being conditioned by social membership groups and social aspirations. Consumption that is motivated by status considerations seem to be more guided by the social-psychological model.

Three distinct forms of status-seeking consumer behaviour was identified (Mason 1992). The three types of status-seeking consumer behaviour were:

i. Firstly, the need to gain recognition for achievement,

ii. Secondly, the need to conform and

iii. Thirdly, the need for distinction.

The need to gain recognition for achievement can be found to be present across different cultures to different extents and leads to conspicuous consumption and the ‘ostentatious display of wealth’. The need to conform emphasizes the importance of social relationships. Emphasis on social relationships is also likely to result in participating in ‘bandwagon purchasing’.
The demand for status goods has been an outcome of status-seeking behaviour is most evident in those societies where social status is an important consideration, thus encouraging a greater likelihood for consumption with an intention to display during the different stages of purchase intention and consumption.

Substantial quantum of status consumption has been found to exist in all communities. It has also been seen that there is a tendency to conspicuously consumer across different socio-economic communities. It has also been reported that significant levels of status consumption have been found to exist in most communities barring those living in the ‘most desperate poverty’ where consumption is a result of ‘sensitivity to social position’ suitable status goods are consumed to secure social status (Mason 1992). Thus the propensity to consume for social gain and display is determined by a combination of social-psychological motives. The extent and nature of status seeking consumer behaviour in any culture is likely to be influenced by the levels of social and psychological motives that would exist in the culture.

Culture is expected to encourage bandwagon purchasing, while societies that primarily focus on achievement is likely to promote Veblenian conspicuous consumption. Within societies it is expected that personal preferences, values and personality of the people are likely to cause variations in status seeking consumption behaviour. Thus the personality traits of consumers are considered to be important determinants of consumer behaviour along with social and cultural factors. In order to gain ‘vertical status gain’, Mason proposed that a larger gap is likely to arise between the expenditure required for the status gain and the income based on which purchases will have to be done. Discretionary income that is required for conspicuous consumption will be decided by individuals based on their expenditure requirement for primary and secondary needs.

The purchase process for status consumption will be preceded by the intention to consume for status. Intention to participate in status consumption will be initiated in a consumer by identifying those products that would be considered to have status indicative value. The ‘social visibility’ of products must be present as otherwise there would not be any display value of the purchased products. Demographic and product characteristics would determine the choice of products for conspicuous consumption, bandwagon and snob effects (Mason 1992).
the product and purchase choice will be based on the perceived status value rather than only the functional utility of the products. Brand choices are also seen to be an important aspect of status seeking consumer behaviour along with product category choice. Retail stores used for shopping and purchase are also considered an important aspect of status consumption.

The search, evaluation and selection process for status products are expected to be done by individuals based on their status seeking motives. Young people are expected to be more open in accepting status seeking consumer behaviour than their older counterparts, as status is deemed to be conferred upon rather than actively sought (Mason 1992). The values, attitudes and opinions of the reference groups of individuals become important when consumers intend to buy products for indicating status. Purchase preference for products and brands are based on a combined ‘mix’ of both utility and display.

Postmodernism has impacted the study of conspicuous consumption from the initial focus of products to signal wealth as enunciated by Veblen (1899). Some of the distinctions between modernism and postmodernism are (Venkatesh et al. 1993) are:

- The shift from ‘object’ (modernist emphasis) to ‘image symbol’ (postmodern emphasis).
- ‘Cognitive’ subject (modernist emphasis) is emphasized as the ‘semiotic’ subject (postmodern emphasis).
- ‘Objectification’ (modernist emphasis) has become ‘symbolization’ (postmodern emphasis).
- ‘Truth-objective’ (modernist emphasis) is ‘truth-constructed’ (postmodern emphasis).
- ‘Real’ (modernist emphasis) is ‘hyperreal’ (postmodern emphasis).
- ‘Universalism’ (modernist emphasis) is now focused on ‘localism and particularism’ (postmodern emphasis).
- ‘Society as a structure’ (modernist emphasis) has become ‘society as a spectacle’ (postmodern emphasis).
- ‘Knowing’ (modernist emphasis) is all about ‘communicating’ (postmodern emphasis).
- The focus on ‘economy’ (modernist emphasis) is now all about ‘culture’ (postmodern emphasis).
The shift from ‘production’ (modernist emphasis) to ‘consumption’ (postmodernist emphasis).

The ‘economic systems’ (modernist emphasis) has now gained importance as ‘symbolic systems’ (postmodernist emphasis).

The ‘shift from use value to exchange value’ (modernist emphasis) has undergone a ‘shift from exchange value to sign value’ (postmodern emphasis).

The concentration on ‘orientalism and colonialism’ (modernist emphasis) has now turned towards ‘multiculturalism and globalism’ (postmodernism emphasis).

Thus the focus on conspicuous consumption for status indication has taken on various dimensions like product and brand symbolism, given importance to brand associations, brand personalities etc.

The conceptual view of conspicuous consumption from the subjective and functionalist perspective was perceived to be a challenge in formulating an operational definition of the phenomenon (Campbell 1995). The inability to test the occurrence of CC is perceived to be a roadblock towards deciphering the phenomenon among consumers, since many may not be willing to confess their interest or motivations for the same.

The prices of goods in the market are often the means by which customers signal wealth. Thus ‘Veblen effects’ are experienced when prices become the determinants of consumer behaviour for luxury goods with the objective of signaling wealth. Discounts on luxury goods are avoided by manufacturers as there is a potential danger of alienating customers. Discounts on luxury goods are expected to negatively affect the reputation of the luxury brands and erode the ‘snob value’ of the goods. Hence manufacturers strive to maintain high prices for their goods as the latter are bought by customers in order to get credit from others for having the financial capacity to invest in high priced products. Investing in ‘durable emblems of substantial resource dissipation’ is thus considered to be the cornerstone of conspicuous consumption. Bagwell & Bernheim (1996) feel that consumers are likely to consider some of the following items for conspicuous consumption purpose:

- Automobiles,
- Jewelry and
Clothing.

It is expected that there could be a challenge, among customers, regarding the availability of economic resources to finance the expenditure for conspicuous goods. The challenge for money to finance conspicuous consumption is likely to encourage customers to borrow fund. In the event of an unforeseen (or even impending) income uncertainty the risk of default by customers becomes a matter of concern for lenders. Thus the ‘Veblen’ effects affect the dynamics of marketers, consumers and the financial intermediaries, primarily driven by the motivation for conspicuous consumption.

Studies have also revealed the subtle nuances of the superiority of cultural capital over economic capital to signal status (Holt 1998). It has also been found that although an individual may have monetary capacity to consumer certain brands indicative of status, but without the cultural background of sophisticated taste and preference arising out of a high cultural standing, the economic wealth may not finally endow the consumer with a high social position. Purchase of products and brands that could indicate status when consumed in a socially and publicly conspicuous manner motivated purchases for indicating status (Chau & Schor 1998).

The desire for distinction motivates snob purchasers to consume products that may be scarce and have some aesthetic value. The value of wanting to be ‘unique’ has been considered to be the result of the ‘snob’ motivation of individuals who value the ‘snob’ appeal to differentiate themselves from others in the society. The value to appear ‘social’ is the outcome of the ‘bandwagon’ motivation, which basically fulfills the need to belong in society amongst others as human beings are essentially social entities who value their social relationships and one of their fundamental needs being the social need to belong to society. The value of being ‘emotional’ has been linked to the ‘hedonist’ motivation of consuming for pleasure and experience. Finally, the value to focus on ‘quality’ arises from a ‘perfectionist’ motivation that has held significant appeal for understanding the consumer behaviour (Vigneron and Johnson 1999). Research has thus revealed the linkage of prestige-seeking behaviour with multiple motivational factors. Prestigious brands are expected to have certain ‘value’ propositions for their customers. Understanding the values of prestige brands enables marketers to manage them operationally. The prestige value of products is expected to influence conspicuous consumption among
customers. Vigneron & Johnson (1999) identified five values that may be used operationally for brand management for prestige seeking consumers:

i. The perceived conspicuous value,
ii. The perceived unique value,
iii. The perceived social value,
iv. The perceived hedonic value and
v. The perceived quality value.

The perceived value of prestigious brands may differ according to the socioeconomic environment of customers. Hence marketers operating in different markets are advised to discern the values of their specific market. Customers are expected to have different motivations that influence their ‘prestige-seeking’ behaviour (Vigneron & Johnson 1999). Some of the motivations that are influential in determining the values of prestige brands may be stated as:

i. The ‘Veblenian’ motivation (that affects the perceived ‘conspicuous value’ of brands),
ii. The ‘Snob’ motivation (influencing the perceived ‘unique value’ of brands),
iii. The ‘Bandwagon’ motivation (explaining the perceived ‘social’ value of prestigious brands),
iv. The ‘Hedonist’ motivation (that is likely to affect the ‘emotional’ value of prestige brands) and
v. The ‘Perfectionist’ motivation (expected to affect the ‘quality’ value of prestigious products).

The values and the motivations identified by Vigneron & Johnson (1999) are critical for marketers. Marketers are advised to monitor the values of their prestigious brands so that there is an effective connect with the motivations of their target customers. By adjusting marketing communications, marketers may influence the positioning of prestigious brands to achieve greater success.

Conspicuous consumption of consumer products that ‘confer and symbolize status both for the individual and the surrounding significant others’ was considered to be an outcome of the motivational process to signal status (Eastman et al. 1999). Conspicuous consumption of goods and services for indicating status was found to exist among consumers irrespective of their social
class or income levels. Research works have revealed the effects of conspicuous consumption. Some of the consequences of conspicuous consumption are:

- To infer the status of a person from the ‘evidence of wealth’ and
- Deriving a sense of ‘power’ resulting from
  - The ‘respect’ earned from others,
  - ‘Consideration’ received from people and
  - A sense of ‘envy’ from others.

The status consumption scale (Eastman et al. 1999) enables the measurement of an individual’s likelihood to use products and services to symbolize status. Consumers are expected to gain status and prestige from acquiring and consuming products that may be considered by the individuals and their ‘significant others’ (reference groups) as having a ‘status’ connotation (O’Cass & Frost 2002). Brands are considered to be influential in encouraging conspicuous consumption for status indication purpose. O’Cass & Frost (2002) have shown that there are a few factors that are important when targeting consumers who are motivated to purchase brands for status indication purposes:

- Brand symbolism, (perceived by customers and considered important for CC purposes for status indication purpose),
- Brand feelings aroused by the brand(s) among customers,
- Finding the congruency between the brand user’s self image and the image of the brand,

Thus the linkages found by O’Cass and Frost (2002) may be summarized as:

- The higher the symbolic characteristics of the brand, the greater the probability of generating positive brand feelings among consumers.
- The greater the congruency between the brand image and customer’s self image, the more likelihood is the brand to be perceived as being capable of status indication.
- Brands that were considered to be capable of status indication were likely to be chosen for conspicuous consumption.
- Brand familiarity could range across attributes like:
  - Recognizing the packaging of the brand,
  - Customers being able to identify with the brand’s image or personality,
  - Knowledge about the channels where the brand may be available,
  - Having price information,
- The range offered by the brand,
- An estimate of the quality and
- The expected durability of the brand.

  - Lack of brand familiarity may be compensated by the presence of meaningful brand symbolism that could encourage conspicuous consumption of the brand.

The research work of O’Cass and Frost (2002) was done with young people in the age group of 18-25 year olds. The findings of their work on conspicuous consumption for status indication purpose are thus relevant for understanding the factors influencing young consumers.

The phenomenon of conspicuous consumption has been significantly influenced by postmodern developments especially ‘in a transitional society like India’ (Chaudhuri & Majumdar 2006). ‘Class markers’ are found to be influenced by both ‘Veblenian dynamics’ and the focus on material possessions. Contemporary socioeconomic factors that are masking ‘class differences are:

  - The purchasing power of consumers,
  - The prevalence of brand advertisements,
  - The availability of mass produced and imported products.

Thus the ‘non-functional symbolic’ aspect of products (brands) is expected to influence the consumption patterns of customers in the markets. ‘Symbolic marketing’ is supplemented by the efforts from marketers to create and sustain a ‘diverse plethora of images and brand personalities’ that help consumers express their ‘distinctive identities’. Chaudhuri & Majumdar (2006) are of the opinion that due to the changes happening around the globe, the concept of conspicuous consumption needs to be reviewed for understanding its relevance and usage keeping in the present times:

  - The impact of information technology is expected to influence the adoption of new ‘cultural and social paradigms’.
  - The middle class consumers of the developing nations of the world are expected to have a greater share of income as compared to what they had in the earlier years. Technological advancements have contributed a lot towards the creation of better ‘manufacturing technology’.
Better technology in manufacturing enables more people to have access to products. Thus the scope of creating ‘distinctive appeals’ based only on the ‘scarcity’ value of material objects is substantially reduced.

The Indian middle class is expected to form one of the largest groups of consumers who aim to find distinction through ‘cultural elitism’. Indian consumers are expected to be heterogeneous by virtue of the country’s ‘multiple languages’, the existence of ‘myriads of cultural practices’, ‘differential rates of urbanization’ across the country and ‘religious influences’.

Thus the psycho-social dimensions which are likely to affect conspicuous consumption need to be explored. Empirical studies are also required to understand the country’s heterogeneity. Consumer insights from such studies are likely to help marketers develop better perspectives of consumer behaviour.

Psychological and brand antecedents have been found to influence conspicuous consumption for status indication (Shukla et al. 2009). Some of the psychological variables that were found to be predictors of conspicuous consumption across British and Indian consumers were:

- ‘Gaining popularity’,
- ‘To be noticed by others’ and
- ‘Showing who I am’.

Some of the reasons that have been found to motivate people to ‘consume conspicuous brands’ in both the countries (Shukla et al. 2009) were:

- To ‘gain popularity’ and
- To be ‘noticed by others’.

Some of the outcomes from the study conducted in England and India that reflect the reasons for consuming conspicuous brands were the following:

- British consumers were found to concentrate more on ‘their actual self-concept’, while
- Indian consumers were more concerned about ‘others self-concept’.

Thus the study provides valuable insights regarding managing brands for conspicuous consumption across countries. Socio-psychological, brand and situational antecedents are also found to influence status consumption (Shukla 2010).
Status goods have also been considered to be used by individuals as symbols by which they could ‘communicate meaning about themselves to their reference groups’ (Husic & Cicic 2009).

The lexicographic implication of the word ‘conspicuous’ in the English language highlight meanings like ‘eye catching’, ‘prominent’ etc. (Chaudhuri & Majumdar 2010). The post-modernism period is characterized with economic, cultural and social capital being the resources behind the timelessness and prevalence of conspicuous consumption (Chaudhuri & Majumdar 2010). Conspicuous consumption over the years has been considered to have transcended beyond the restrictive perspective of ‘acquisition and exhibition of physical items’ to encompass ‘experiences and symbolic image’ in the post-modern era. Some of the principles based on which conspicuous consumption behaviour operates may be summarized as:

- ‘Socially distinctive consumption’ being considered as a motivational process that is reflected in a consumer’s personality.
- Participating in conspicuous consumption, to achieve social distinction is considered to be a global phenomenon that is a means to enhance a customer’s self-concept and self-esteem.
- Acquiring material objects is expected to signal the ‘access to resources’ existing in the ‘global societal system’.
- More importance being given to the ‘symbolic communicative property’ of objects, as compared to their ‘intrinsic functional quality’.

An alternative perspective of the conspicuous consumption construct as considered by Chaudhuri & Majumdar (2010) is about CC being ‘a deliberate motivation to involve in symbolic and visible purchase, possession and usage of products, which are characterized by the presence of scarce economic and cultural capital, to communicate a distinctive self-image to the significant others’. Hence CC is considered to be an ‘individualistic variable’ a consumer’s personality trait that encourages ‘consumers to engage in visible form of consumption’ to express their uniqueness through ‘product selection and usage’. Thus there is a need to ‘align product offerings with the aspirations and expectations of the middle class’ (Chaudhuri & Majumdar 2010 p.57).
There are a couple of studies done on conspicuous consumption across automobiles, mobile phones, social classes and perishable products etc. (Shukla 2010) across different markets. Conspicuous consumption of lifestyle products and services to reflect status has been found in different European, American and even in some of the emerging economies of the Asian region. Conspicuous consumption of different items has been of interest in different national contexts. Reference group influence is likely to be effective for products that are conspicuous the group members. Items that may be visible to others and have the capacity to indicate status and wealth are likely to be used for conspicuous consumption (Veblen 1899, Chaudhuri & Majumdar 2010). Products that are less conspicuous may not have a reference group influence. The visibility of the brand name and logo is the main essence driving the use of tangible products for conspicuous consumption.

Conspicuous consumption (CC) has also been known as status consumption, because the definition of status consumption implies that for achieving and reflecting status, people engage in conspicuous consumption of products and services which are visible among their friends and/or acquaintances. Status consumption has been in most cases defined as the ‘motivational process’ through which people or individuals aim ‘to improve their social standing through the conspicuous consumption of consumer products that confer and symbolize status both for the individual and surrounding significant others’, (Eastman et al. 1999, Mai & Tambyah 2011). Thus conspicuous consumption has often been used interchangeably with status consumption by different researchers.

Modern status orientation and materialism has been found to be positively linked to status consumption (Mai and Tambyah 2011). Purchase of houses have been seen to have conspicuous consumption implication with buyers paying a premium for words like ‘country’ and ‘club’ attached to the property names (Zahirovic-Herbert 2011). Studies in the American market context had revealed that there was a significant negative relationship between the level of status consumption and levels of price consciousness and value consciousness. Research has revealed that people have a negative sentiment toward status consumption during economic recessions (Eastman & Eastman et al. 2011). Research has also revealed a direct association between status
consumption and brand consciousness. Hence brands are likely to be considered important for conspicuous consumption to indicate status.

Conspicuous consumption of lifestyle products and services to reflect status has been identified as a consumer behaviour pattern in different European, American and even in some of the emerging economies of the Asian region. CC has been found to influence purchase of automobiles, mobile phones and perishable products etc. (Shukla 2010) across different markets. Conspicuous consumption for status has also been found to be prevalent across different products globally (Veblen 1899; Mason 1992,1993; Shukla 2008, 2010; O’Cass & Frost 2002; Tambyah et al. 2009; Eastman & Liu 2012). Income has been found to be a key determinant factor affecting conspicuous consumption among men and women in Jaffna, Sri Lanka (Vijayakumar 2012).

2.1.1 Conspicuous consumption for status across social classes.

Conspicuous consumption of lifestyle products and services to reflect status has been found in different European, American and even in some of the emerging economies of the Asian region. Conspicuous consumption of different items has been of interest in different national contexts. In an emerging market economy of India where the youth comprise of more than a majority of the Indian population, it becomes pertinent to study the conspicuous consumption of lifestyle products and services among the urban Indian youth.

Conspicuous consumption has often been used interchangeably with status consumption by different researchers. Conspicuous consumption has often been considered for status signaling besides being used to indicate wealth (Veblen 1899; Ghoshal & Mathews 2012). The same logic is valid for members of both the rich and other social classes (Deniz & Sahin 2011; Beven-Dye et al. 2012). Purchase of houses have been seen to have conspicuous consumption implication with buyers paying a premium for words like ‘country’ and ‘club’ attached to the property names (Zahirovic-Herbert and Chatterjee 2011). The Euromonitor International Consumer lifestyle spends report of 2011 indicate that in emerging markets, consumption has often been used by consumers to indicator their middle class status, by purchasing articles that were previously inaccessible by their elders. The report indicates that conspicuous consumption is prevalent in
several emerging markets in a subtle manner instead of being overt. Inferences from the present type of studies can be utilized to positively influence 'mindful' consumption encompassing the environmental, economic and personal welfare of consumers (Sheth et al. 2011). The Euromonitor International Report for the top ten consumer trends of 2012 reports that smart phones are getting marketed in emerging markets and reaching out to the lower end of the mass market as the device is now considered to be a necessary lifestyle aid rather than a luxury item.

The review of literature on conspicuous consumption for status and economic well being thus illustrate the importance of various attitudinal variables like traditional status orientation, modern status orientation, materialism etc. The seminal writings of Thorstein Veblen in The Theory of the Leisure Class (1899), set the stage for understanding the consumer behavioural pattern of buying products to indicate wealth and better status. The work of Leibenstein, Duesenberry, Levy, Kotler, Mason and others showed how psychological and social variables influence consumer behaviour. Consumption of products and services by consumers to reflect their social status was acknowledged to be an important aspect in consumer decision making (Eastman 1999, 2011; Chauduri & Majumdar 2010; Mai & Tambyah 2011; Patsiaouras & Fitchett 2012).

Adam Smith has been known for his premise on ‘homo economicus’ which is about the rational and utility-maximizing behaviour of human beings. The influence of ‘thumos’ or ‘spirit’ had been recognized by Smith as affecting the motivation to participate in consumption activities for gaining status, social recognition and approval (Hill 2012). Lisa Hill (2012) illustrates how consumers are perceived to have two dimensions of consumption behaviour driven by the ‘appetitive’ and the ‘recognition’ aspects. It is the ‘recognition’ aspect of self interest that is likely to influence consumer behaviour to go beyond the rationalistic and utility maximizing domain into that of the status enhancing domain. Materialism has also been considered to be an important personality characteristic associated with conspicuous consumption for status (Eastman et al. 1999, Kasser et al. 2013).

Research has revealed the importance of psychological and brand antecedents in influencing conspicuous consumption in countries like the United Kingdom and India (Shukla 2009). The study revealed brands were used for popularity and recognition (Shukla 2009). Brands are
therefore an important element that are likely to influence the consumer choice for products for the purpose of conspicuous consumption to indicate status (Levy 1959, Kotler 1965, O’Cass 2002; Shukla 2008, 2010; Chaudhuri 2006, 2010).

Pricing has also been an important consideration in consumer behaviour, however insights of conspicuous consumption of goods for signaling status found that the price of a Veblenian good and varied directly in proportion to its demand leading to the perception that conspicuous consumption of goods for signaling status will prevail as long as those goods indicate wealth and social status of the consumers who buy such goods (O’Cass & Frost 2002; Shukla 2010). Situational factors have also been considered as an important aspect of consumer behaviour influencing purchase of articles for conspicuous consumption for status (Assael 2005; Loudon & Della Bitta 2002; Shukla 2010). Thus the relevance of situational factors for conspicuous consumption of products for signaling status also became an important aspect of the study.

Marketing has been credited to have a conceptual basis that has managerial implications. Thus conspicuous consumption which is an area within consumer behaviour, is considered to be an important aspect that deserves attention which can provide ideas for marketing strategies. From the review of literature as detailed in this chapter it can be seen that conspicuous consumption is an area of consumer behaviour that has interested both academicians and marketers alike, and which still retains its relevance in the contemporary consumption paradigm globally.

2.1.2 Status Consumption:

Status has been described by the Cambridge Advanced Learner’s Dictionary as ‘the amount of respect, admiration or importance’ of a person, organization or an object. Status is also described by the dictionary as ‘an official position, especially in a social group’. Status symbol has been defined by the Cambridge Advanced Learner’s Dictionary as ‘anything which people want to have because they think other people will admire them if they have it’. Status consumption was defined as a ‘motivational process’ by which individuals ‘strive to improve their social standing through the conspicuous consumption of consumer products that confer and symbolize status both for the individual and surrounding significant others’ (Eastman et al. 1999). The idea of
status consumption has been considered to include brands along with products that have the capability to indicate status (O’Cass and Frost 2002). Status consumption has been considered to be similar to conspicuous consumption as the latter involves the purchase of costly products to signal wealth and status to others (O’Cass and McEwen 2004). SC has been found to be influenced by the reference groups of the consumer (Goldsmith & Clark 2008). The theory of status consumption is also assumed to differ among countries based on their level of industrialization (Ustuner & Holt 2010). Studies done among the middle class in emerging markets suggest that consumer behaviour is influenced by local values and culture. The cultural capital, habitus and consumption of consumers are expected to be influenced by the socio cultural factors of consumers.

2.2 Status Orientation:

Although globalization has provided product and brand accessibility to various countries, yet the consumer values influencing choice and purchase may not be homogeneous.

Status orientation is considered to be an important factor that is expected to influence conspicuous consumption of different items for status indications. As a motivational construct, status orientation refers to the importance that consumers place on status symbols. Status symbols are believed to help in signaling the social status of the possessor of the status items to the people who are witness to the conspicuous consumption of the status goods (Eastman et al. 1999, Shukla 2010). Thus the desired social standing of the individual participating in conspicuous consumption is achieved (Tambyah et al. 2009, Mai & Tambyah 2011). Status orientation construct has been found to have two sub-components i.e. the traditional status orientation (TSO) and the modern status orientation (MSO) (Tambyah et al. 2009). Traditional status orientation refers to the consumer orientation of favoring traditional symbols of status, while modern status orientation was about the orientation of consumers in favoring modern status symbols. The importance of status orientation stems from the fact that being consumer values, both traditional and modern status orientation were important influences for consumer behaviour. The TSO and the MSO are expected to exist within consumers at different levels. There is extremely low correlation found between the TSO and the MSO constructs.
The status orientation of an individual is expected to influence purchase preference for products. Consumers living in cities and urban areas are more likely to be exposed to new lifestyles and prefer products and brands of foreign origin because of the effect of media and other information sources. Some of the lifestyle items that are considered are mobile phones, laptops, motorbikes, branded clothes, cosmetics and toiletries (Mai & Smith 2012).

2.2.1 Traditional status orientation (TSO):
TSO refers to the importance that an individual gives to traditional status symbols within their societies and culture. Individuals who are having traditional status orientation are expected to be conservative in their outlook towards life and existence. The Indian traditional values are broadly frugality, savings, morality, honesty, collectivism, patriotism and the respect for the elderly (Bijapurkar 2007; 2012). The traditional status orientation within an individual is expected to influence an individual’s tendency to emphasize possessing traits and qualities that are delinked from material articles. Thus conspicuously consuming lifestyle items will not be a priority for individuals possessing traditional status orientation. Instead, traditional status oriented individuals are expected to be non materialistic and will tend to like traditional status symbols (O’Cass & Frost 2002; Mai & Tambyah 2011). It is expected that individuals with TSO orientation may tend to favor the past and have a negative outlook towards the economic changes and modern patterns of lifestyle and consumption habits. TSO individuals are therefore also not expected to have an interest in learning new things and aim in having modern lifestyles. Older people are expected to be more traditional status orientated as compared to their younger counterparts. Thus older people are not likely to have the propensity to indulge in status consumption.

2.2.2 Modern status orientation:
Modern status orientation (MSO), on the other hand refers to the importance that individuals may give to modern status symbols that prevail in the contemporary times that typically occur post an economic transition or liberalization. Thus modern status orientation is expected to positively influence conspicuous consumption for reflecting status.
Past researchers have shown that the modern status orientation within an individual is likely to influence an interest in luxury products and to aim for riches and wealth (Mai & Tambyah 2011). Modern status orientation also emphasizes on the ability to become talented towards gaining the capability for earning high incomes that in turn will empower purchase capability of items that can be used to signal both wealth and status.

People who possess MSO have been found to hold a belief that purchasing and consuming new products and reputed brands will enable them to increase their social status. Thus modern status oriented individuals are likely to buy things that could be used to indicate their status. There is a greater probability of individuals with MSO to develop positive attitudes towards economic changes that are expected to bring in exposure to new market offers and increase in incomes. The MSO individuals are also expected to be interested in learning about new things and experiences, get used to new consumption trends and participate in status consumption (Mai & Tambyah 2011).

People who are modern status oriented are also expected to be young and not too susceptible to the traditional values of their societies. They are expected to be richer, having better educational backgrounds and more eager to learning about global brands. Globalization offers tremendous scope of exposing individuals to the marketing of brands worldwide. Professional and educational opportunities globally offer scope for mobility of individuals that expose them to modern lifestyles and different mindsets. Thus modern status orientation is likely to influence conspicuous consumption of lifestyle items for indicating status (Mai & Tambyah 2011).

The construct of status orientation is important for the present study as it becomes relevant to understand the prevailing notions of TSO and MSO that characterize the urban Indian youth of the country.

**2.3 Materialism:**

Consumer materialism as a conceptual construct affects conspicuous consumption. Materialism has been considered to be a personality trait of an individual (Belk 1984, 1985; Mai & Tambyah...
Materialism has also been considered to be a consumer value (Richins & Dawson 1992). As a consumer value, materialism is about a belief that an individual may have regarding the importance of possessions in one’s life. The three important aspects of belief comprising materialism are *success*, *centrality* and *happiness*. Materialism is expected to reflect the propensity to signal social status with the help of the visibility aspects of goods purchased by the consumer. Materialism has been identified as a personality trait that influences the consumer behaviour of purchasing different type of high-involvement and low-involvement goods (Belk 1984, 1985 and Mai & Tambyah 2011). Materialism has been defined by Richins & Dawson as a ‘set of centrally held beliefs about the importance of possessions in one’s life’, (Richins & Dawson 1992; Mai & Tambyah 2011). The subcomponent of *success* has been considered important for status indication and to understand the extent to which one uses possessions to indicate success and achievement in life. The subcomponent of *centrality* indicates the extent to which one places the acquisition of possessions at the center of one’s life. The third and last subcomponent of materialism, *happiness* indicates the belief held by an individual about considering possessions as a source of getting happiness in life. Materialism has been studied using self-report measures in the Western markets (Belk, 1985) and are expected to differ among consumer segments for other markets as well. Materialism also has been found to transcend cultures and influence both purchasing and non-purchasing behaviours. Purchase of products and brands are an outcome of choice and preference of consumers for different products and services arising out of a desire for satisfying needs. Non purchasing behaviours are also considered to be having an important influence that affects the decision to purchase different types of products and services.

Materialism has been found to be linked to status consumption among college students (Eastman *et al.* 1999, Kasser *et al.* 2013). Materialism as a personality trait has been found to be important in USA, as the country has been considered to have a culture that appreciates personal freedom and encourages individual achievement to a much greater extent than that prevailing in the collective and affiliative Indian/Asian cultures. Thus materialism has been found to influence college students in USA, to possess goods that have the potential to signal status to their reference groups.
Media and other social influences have been found to influence purchasing, owning and possessing goods that affect materialism (Ahuvia and Wong 2002; Kasser et al. 2013). Materialists have been found to be more knowledgeable about brands as compared to the non-materialistic consumers. Quantitative research is possible to determine the levels of materialism among consumers by using metric scaled items that can elicit the attitudes of respondents towards materialistic tendencies.

Research has revealed that ‘status orientation’ is an important component of ‘materialism’. The ‘individualistic self’ and ‘collectivistic self’ have been shown to be positively related to ‘status consumption’. Conspicuous consumption is often the core of aspect of brand equity for lifestyle products like automobiles, telecommunication and entertainment gadgets. Conspicuous consumption is one of the factors affecting the attachment that consumers may have toward a specialty or luxury brand. There are also other important factors like hedonism, personal satisfaction, self image and brand associations that influence consumer choice and purchase behavior (Kapferer 2003). However, visible consumption is also influenced by other factors like brand awareness, brand associations and perceived quality. Among Malaysian students, materialism has been found to affect consumption of status goods. Functional determinants have also been found to be important for consumption considerations (Chaudhuri & Majumdar 2006). Brands that symbolize emotional benefits are often preferred and chosen. It has been found that material goods are likely to influence the social standing and prestige of their owners.

Materialism has been considered as a personality characteristic that influence ambitions for earning, acquiring possessions and using products for status signaling and even achieving happiness in life. In emerging market contexts that have cultural plurality, there is a necessity to study how materialism, buying and using products and services for their conspicuity in reflecting social status and ranks can be important determinants of consumer choice and preference. Research has revealed the influence of cultural pluralism on consumer behaviour. Culturally diverse predispositions, multicultural identities, social cues and contextual factors are likely to affect the tendency among consumers to be experimental (Sankaran & Demangeot 2011). Some of the factors affecting status consumption in emerging market contexts were found to be ‘modern status orientation’, materialism that signified ‘success’, the collectivistic self and the
individualistic self (Mai & Tambyah 2011). Thus a shift can be seen in the post-modern phase as compared to the days of Veblen when acquisition of physical goods was the only route to signal a higher social standing. Due to globalization, increasing purchasing power, decreasing trade barriers, the blurring of social class segmentations, have lead to situations where the symbolic value of brands are likely to have a greater influence on consumer behaviour as compared to their functional aspects. Class markers like the Bentley, Audi, Rolex etc. may still be governed by the Veblenian dynamics.

Research work on status consumption among Baby Boomers, Generation X and Generation Y (the Millennial) in south east part of USA highlights how significant differences were found in the level of status consumption among different generational cohorts:

- Generation Y consumers were found to have the highest level of status consumption, followed by Generation X and lastly by the Baby Boomer segment.
- In fact the most significant differences in status consumption levels were found to be between Generation Y and baby Boomers. No other demographic factors were found to be impacting status consumption other than the generational cohort factor.

Research work done among a cross-section of South African Generation Y consumers, found the presence of materialism, status consumption and consumer ethnocentrism tendencies. Though materialism tendencies were found to be inter-linked to status consumption tendencies, there were no significant relationship between consumer ethnocentrism to that of either materialism or status consumption tendencies (Bevin-Dye et al. 2012).

Research has also highlighted how materialism positively affects the purchase motivation for status products (Goldsmith & Clark 2008). Materialism is expected to be positively affected by the prestige value of products and the influence of other people whose opinion matters to the consumer. Consumer independence in making product and brand choices based on personal preferences is found to negatively influence materialism. The lack of attention to social norms are also likely to reducing the influence of materialism.

Materialism along with modern status orientation have been found to be strongly correlated with status consumption tendencies among the Indian youth (Ghoshal & Mathews 2012b).
Materialism has also been found to affect the well-being of individuals (Kasser et al. 2013). Thus the three constructs of status orientation, materialism and status consumption are seen to be an integral aspect of consumer behaviour. It remains to be seen how these constructs operate among the target segment being considered for the present study within the emerging market context of India.

Marketers can identify consumer segments in their markets on the basis of relevant consumer self images and then position their products or stores as symbols to connect with those self images. Using possessions to heighten a perception of oneself has been explored often by researchers and marketers when dealing with brand association, brand personality and brand image (Bearden & Etzel 1982; Belk 1988; Aaker 1991).

- **The Extended Self:**

  Possessions have also been found to have the potential to help people ‘extend’ their self-image as shown by Belk (1988). Materialism has been considered to be a personality trait that influences how goods become the centre of attraction of people because of the possibility of the goods to confer status or rank to the individuals who own those goods.

  Conspicuous consumption involving the use of products to indicate status and wealth is also about creating a sense of extended self using conspicuous possessions. Some of the things identified by Belk (1988) that are considered to be linked to the ‘self’ in descending order of importance are:

  i. Body parts,
  ii. Mind and
  iii. Possessions.

  Some of the evidences that support the concept that possessions influence self perception may be:

  - Reactions after losing possessions,
  - Treatment of ‘grave goods’,
  - Self-perception and
Theories on property rights.

Some of the roles that possessions have in the lives of consumers are:

- Possessions make people learn about themselves,
- Possessions help define people as to who they are and
- Possessions serve in reminding people of who they are.

The process by which human beings identifying themselves with their possessions may be considered as:

- Beginning from early on in life, as infants people learn to distinguish themselves from their environment,
- Identifying the self from others who may be considered to be envying one’s possessions.
- Preoccupation with material possessions remains high throughout life because of the following reasons
  - Using possessions for expressing the self,
  - Utilizing material possessions to find happiness,
  - Possessions serving as reminders of other people, experiences and accomplishments and
  - Enabling creation of a sense of immortality after death.
- As age progresses, there is a likelihood of a decreasing emphasis on material possessions.
- Possessions may be used to provide a context within which consumers may exist.
- Possibility of self-extension could occur when:
  - There could be control and mastery of an object,
  - Creation of an object,
  - There was knowledge of an object and
  - Through ‘contamination via proximity and habituation’ to an object.
- Extended self could be seen to operate at two broad levels:
  - Individual level and
  - Collective level (family, group, sub cultural and national identities).
- Some of the types of possessions that may be used to create the sense of extended self are:
  - Consumer goods,
• Collections,
• Money,
• Other people,
• Pets and
• Body parts.
  
  o Gift giving is also an important aspect of possessions serving to influence a sense of the extended self.

Clothing, watches, cosmetics have been found to reflect social status or rank. Self-image of individuals also influences the choice of products to reflect actual self-image, ideal self-image, social self-image or ideal social self-image.

• Personality & Reference Group:
Personality and self concept influence consumer behaviour of choice of products and services. Brands have been considered to have distinct personalities that may help in developing brand engagements with the target customer segment. It has been found that consumers generally prefer brands that have personality associations matching either their own self-concept or their ideal self-concept. Brand symbolism thus plays an important role in influencing the perception of brand personalities.

Consumer behaviour is also likely to be affected by the perception that reference groups have regarding products and brands (Bourne 1957; Bearden & Etzel 1982). Hyman (1942) coined the term ‘reference group in a study where he had asked his respondents about individuals and groups with whom they compared themselves.

Based on the research work of Bourne (1957), it was found that the ‘conspicuousness’ of products based on the exclusivity of the items as perceived by consumers. In the research work of Bearden & Etzel (1982) there was a distinction made between:

  o Luxuries (items that have ‘a degree of exclusivity) and
  o Necessities (items considered to be possessed by everybody).

Situation of use of the items could be based on ‘where’ the item(s) were used:
Combination of the types of products (luxuries/necessities) and their situations of use (privately/publicly consumed) produced four circumstances relevant for understanding consumer behaviour:

i. ‘Publicly consumed luxury’ (strong product and brand influences),

ii. ‘Privately consumed luxury’ (strong product and weak brand influence),

iii. ‘Publicly consumed necessity’ (weak product and strong brand influence) and

iv. ‘Privately consumed necessity’ (weak product and brand influence)

In the research study done by Bearden & Etzel (1982), based on the four categorization as mentioned before, it was found that the choices made by consumers for products were likely to be influenced more by reference groups for ‘public necessities’ as compared to products for ‘private luxuries’. Reference groups could have varying degrees of influence like:

- Informational influence (providing information on products about which the reference group members were likely to be familiar),
- Value-expressive influence (providing a basis for acceptable self images likely to be accepted among members of the reference groups) and
- Utilitarian influence (fulfilling expectations of benefits sought by members of the reference groups from the planned purchases).

Some of the instances where the influence of reference group worked were:

- Brand choice decisions: reference group influence was used more for brand selection as compared to product choice decisions.
- Purchasing luxuries: The informational influence of reference groups were found to be important for brand choice decisions meant for purchases of ‘private luxuries’.
- Product decisions: reference group influence was found for ‘public necessities’ based on their:
  - Value-expressive influence and
  - Utilitarian influence.
It was also found that the influence of reference groups were comparatively more for brand choice decisions meant for purchases of ‘public necessities’ as compared to buying items meant to be used as ‘private luxuries’.

Thus there are two types of decisions that consumers were likely to make:

i. Product choice and

ii. Brand choice.

Reference group influence varied depending on the situation of use of the item. Situations of use of products/brands could be either in the:

- Public domain, or
- Private domain.

Product choice was found to be chiefly influenced by reference groups of consumers when the items were meant for use as a ‘necessity’ in the public domain. Decisions regarding choice of brands became important for ‘luxuries’ meant for use in the private domain and hence had more ‘informational influence’ from reference groups when compared to product choice decisions for ‘public necessities’.

Psychographic segmentation enables identification of consumer segments in a much better manner as compared to using only demographic segmentation variables. Psychographic segmentation is based on social class, lifestyle and personality variables. A brief description of each variable is described as follows:

- **Social class segmentation:** Is one of the most commonly used variable for research purposes, and divides the population into different groups based on a socio-economic scale. The Indian Socio Economic Classification (SEC) broadly classifies people of the country on categories such as SEC A1, SEC A2, SEC A3, SEC B1, SEC B2, SEC C1, SEC C2, SEC D1, SEC D2, SEC E1, SEC E2 and SEC E3.

- **Consumer lifestyles:** Consumer lifestyle can be thought of as the pattern by which consumers live their lives as indicated by their activities, interests and opinions that they hold with respect to a variety of issues. The key to success in a youthful consumer market
is to understand their tastes, preferences and attitudes that motivate their behaviour (Assael 2005; Mathews & Nagaraj 2009; Schiffman et al. 2010). Lifestyles are normally considered to be the way in which people live their lives. The activities, interests and opinions of people are expected to influence their lifestyle. Consumer segmentation is thus based on value & lifestyle orientations that can be used by marketers to effectively market their products and services.

- **Personality**: Personality may be considered to be those psychological characteristics that determine how people respond and react to their environments. Personality traits like materialism, innovativeness, and ethnocentrism affect consumer behaviour (Schiffman et al. 2010). Personality theories become important considerations for understanding consumer behaviour in the context of conspicuous consumption for status. The materialistic traits of consumers affect differential consumption of status goods to conspicuously reflect status and rank to their important reference group members. Personalities of consumers are important in how preference for products and brands are made. Brand personality is important for marketing of products and brands.

Lifestyle segmentation approaches provide insights for positioning market offers for the relevant target segment as identified from market segmentation. Clusters of youth identified within a market can help marketers to suitably target the customers of the segment (Mathews & Nagaraj 2010). Marketers can use the self-concept for devise marketing strategies for both segmentation and positioning their market offers. Marketing strategies can be suitably formulated to appeal to the actual or ideal self-images of consumers. Products and services can also be marketed as a means to alter or extend the self-images of customers.

Psychographic and demographic profiles of consumer segments in different marketing environments can provide better information about the different customer groupings to enable formulation of effective marketing strategies. Geo-demographic segmentation which entails segmentation using geographic variables of segmentation along with demographic variables for segmentation can be further fine tuned with psychographic variables for getting a better understanding of the specific consumer segments in a market. Conspicuous consumption was
illustrated in the following manner by Patsiaouras & Fitchett in their work *The evolution of conspicuous consumption* (2012):

Conspicuous consumption = (emulative) Status seeking consumer + (Luxurious) Goods + (Middle or Upper) Social Class.

Thus the consumer characteristics, product characteristics and social class are considered to be some of the important factors determining conspicuous consumption.

2.4 Importance of Brand:

Brands are an important aspect of product choice criteria. Brand names are often referred for conspicuous consumption to indicate social status. Brand symbolism studies also show how brand names influence choice of brands during consumers’ decision making for product purchases (Levy 1959). Brands are useful for helping consumers consume brands for the status value (Miller 1991; Eastman et al. 1999; Ram 1994; Underwood 1994 and O’Cass & Frost 2002). Brand symbolism has been considered to be an important aspect of product purchase and is an outcome of postmodernism (Elliot 2010). Global brands have been reported to be better indicators of status than local brands.

Brands have been found to influence consumer enjoyment. Research has revealed that consumers can perceive ‘greater enjoyment’ in using products that belong to the same brand. Brand interactions are thus a reality among consumers. It is also an accepted fact that ‘brand matching’ may not be relevant for all consumption situations. Mismatching brands may be a reality when some brands get famous in the market for being specialists in certain product categories. Besides the existence of specialist brands, existence of consumer preferences for specific brands may encourage mismatching of brands across product categories (Rahinel & Redden 2012). Brand symbolism is an important aspect that is expected to affect consumer behaviour amongst the youth. The contemporary youth generation have been brought up in a consumer friendly culture and in a marketing context of product and service abundance. The presence of electronic retailers like Flipkart, Myntra, Quikr etc. have provided Indian consumers accessibility to many brands. The Indian youth are perceived to be influenced by their families and possess career aspirations
that balance traditional norms (for religious ceremonies, marriages, auspicious occasions etc.) with modern lifestyle orientations.

Brand names have been an aspect of preference in mostly the categories of mobile phones and home entertainment where almost 90 per cent customers shop for these products with actually a brand name in mind as a preference. For computers, there is evidence of brand indecision prevailing wherein brand name preferences change during purchases at the store. The most likely reason for the same could be due to the fact that personal selling becomes an important aspect in brand evaluation for purchase of computers.

○ **Lifestyle Products & Services:**

Consumer durables are an integral category having a host of products for lifestyle. It is expected that consumer durables will be a category that along with food, housing, transportation and communication are likely to see about 65 per cent of total consumer expenditure in the country. The desire to keep pace with changing lifestyles has been one of the important aspects influencing consumer durables purchase. The importance of brand names for certain categories may prevail among consumers, although the extent of the pre-decision for specific brands may vary across product categories. Consumer purchase is mostly planned and well-researched and wherein organized retailing co-exists with online retailing though the latter may only be used for searching for information to aid purchased decision. The lifestyle products & services sector has been flooded by brands in categories like automobile, entertainment, information, communication etc. India has seen a great improvement in the demographic and socio economic profiles of its people. Youth today comprise the majority of our population and are the social and economic powers of our future. The youth who have grown up during the post liberalization era have been brought up in an environment of abundant choices coupled with the freedom of expression (Sinha 2012).

It has been found that changing lifestyle motivated a majority of consumers to buy mobile phones, computers and large home appliances in the last one year. Computers have seen one of the largest number of first-time buyers who belonged to the ‘next billion’ consumers. The ‘affluent’ consumers spend comparatively 1.5 times to 2.5 times more on consumer durables
category, as compared to the ‘next billion’ consumers where the differential spending quantum is splurged on mobile phones and computers.

The Indian market is witnessing an increase of aspiration to be status oriented across the socio economic categories inclusive of the bottom of the pyramid leading to the rise of ‘access brands’ that allow consumers to access categories that were earlier thought of as accessible to those belonging to the higher socio-economic classes (Sinha 2012). Thus though these ‘access brands’ retain their price-value appeal, there is an implicit high imagery strategy behind these brands. For example Micromax provided Indian consumers the opportunity to buy mobile phones with high end applications at affordable prices. The sports shoe brand, ‘Action’ is considered to be an access brand in a category that was created by Nike (Sinha 2012). Apparel shopping is influenced by situational factors of apparel usage like festivals, birthdays, weddings etc. Festivals are a major occasion during which apparels are purchased. Consumers are likely to spend more on apparels as income levels rise. Ten percent of the consumption expenditure of ‘affluent’ consumers are spent on apparel as compared to only five per cent spent by the ‘small town next billion’, translating into almost 2.5 times of absolute quantum of expenditure incurred by the ‘affluent’ compared to that of the ‘small town next billion’. The quality of fabric and the brand image influence consumer choice for apparel purchase. There remains a large opportunity for apparel brands across the private/store label space. Organized retailing is more preferred for expensive product categories like computers, home entertainment, and home appliances than unorganized retailers. The preference for organized retailers for purchase of expensive items is also more prevalent across the top income consumer segments such as the ‘aspirers’ and ‘affluent’ consumers as compared to the ‘next billion’ consumers. The ‘next billion’ consumers prefer local multi-brand dealers rather than organized retailers. However, for less expensive categories like mobile phones and small home appliances, consumers across income segments prefer local multi brand dealers as compared to organized retailers.

Branding of products has been considered to be advantageous to both marketers and consumers. Branding endows products and services with the power of brands. Brand, as defined by American Marketing Association (AMA), is a name, term, sign, symbol, design, or a combination of them, intended to identify the goods of a seller or a group of sellers and to differentiate them from competition. Customer based brand equity has been known to arise out
of the basic premise that brand names foster credibility, trust and relationship with customers thus creating brand equity.

Branding and psychological factors have also been found to influence conspicuous consumption (Shukla 2008) among middle aged consumers. Marketers have been interested to understand how field-capital and cultural norms influence consumer taste and preference. It can be helpful for a marketer to understand the fields chosen by its consumers and the rules of behaviour in terms of how economic/social/cultural capital gets to be deployed in line with the values and beliefs of the individual. Field-capital theory has therefore been considered an important determinant of consumer behaviour that was initially propounded by Pierre Bordieu and exploratory studies in the European context highlighted its prevalence to explain how people use economic, social and cultural capital to influence their fields of activity. Understanding the fields in which consumers operate is likely to give a better insight about understanding consumer choice and preference. An alternative paradigm of conspicuous consumption has been identified as a ‘construct of deliberate motivation to involve in symbolic and visible purchase, possession and usage of products, which are characterized by the presence of scarce economic and cultural capital to communicate a distinctive self-image to the significant others’ (Chaudhuri & Majumdar 2010).

Brand and situational antecedents, among other influences, have been found to influence conspicuous and status consumption of products in cross-national contexts (Shukla 2010). Psychographic characteristics have been found to influence retail store selection for clothes among Indian youth (Narang 2011) thus implying that besides demographic characteristics brand marketers need to have insights of their target market’s psychographics for effective results. Research has also revealed the importance of brand name, price and situational factors as important factors that affect the consumer behavior for lifestyle items in the Indian marketing context (Ghosal & Mathews 2012a). Global brands have been reported to be better indicators of status than local brands (Roy & Chau 2011).

- **Brands & Consumer Choice:**
  Brand personality has been considered important to enable marketers build suitable brand personality that increases the likelihood of consumers choosing brands with personalities
congruent to consumer personalities. Brand personality scale (Ref Fig 2.1) helps marketers develop relevant brand personalities for their target market.

Figure 2.1 Brand Personality Scale.

Source: Aaker 1999; Schiffman et al. 2010.

○ *Brand Symbolism*

Brand prominence has also been identified as one of the important factors affecting consumer choice and preference. Brand prominence relates to the conspicuousness of brand elements like the brand logo, mark on a product and how different consumer segments relate to brand prominence in their journey of brand choice and preference. Functional determinants have been found to be important for consumption considerations (Chaudhuri 2006). Besides functional determinants, symbolic attributes have been considered important in influencing brand choice among consumers. Consumers are likely to interpret brand symbolism for prestige, status and self-esteem meanings. Thus brands have been found to be capable of conveying multidimensional meaningfulness to customers through some aspects like brand symbolism effect (Levy 1959). Mason identified the importance of brand in the purchase pursuit for conspicuous consumption for indicating status (Mason 1992). The customer based brand equity model (Keller 2005) is a very good tool to research the impact of brand equity on brand preference on social and esteem parameters. Strategic marketing precedes tactical marketing (Kotler 2007). Consumer behaviour has been considered to be an important factor affecting the
standard and quality of lives in a society (Tucker 1967). Rituals significantly affect consumer behaviour of acquiring, evaluating, using and disposing of goods and services like media, household products and services, grooming services, religious activities, gifting, business dealings, eating etc. (Wright & Snow 1980). Anthropology has contributed substantially to indicate that consumer goods are able to communicate cultural meaning in a very significant manner (McCracken 1986). The personal and social meanings of brands besides the functional benefits are likely to influence consumer decision making (Loudon & Della Bitta 2002). Brands have been assumed to gain their importance from customer preferences. Brand equity has been considered to be an important fact of marketing. The Brand Dynamics Pyramid indicates the number of customers at each step of the pyramid as given in Figure 2.2.

Figure 2.2: The Brand Dynamics Pyramid.

![Brand Dynamics Pyramid](source: Kotler & Keller 2014)

Brands work within a socio-cultural context that works in a complex and dynamic process of authentication, providing reassurance, development of meaning, the transformation of experience and building differentiation to enable building sustainable bonds with the consumer.

The Brand Resonance Pyramid identifies the sequential steps using four levels and six blocks towards building brand equity as illustrated in Figure 2.3. The ability to successfully execute branding has the potential to provide customer value and prevent price competition and encourage commoditization (Elliot & Percy 2010). The ability to successfully execute branding has the potential to provide customer value and prevent price competition and encourage
commoditization (Elliot & Percy 2010). Brands work within a socio-cultural context that works in a complex and dynamic process of authentication, providing reassurance, development of meaning, the transformation of experience and building differentiation to enable building sustainable bonds with the consumer.

Figure 2.3: Brand Resonance Pyramid.

Brands are assumed to have both a functional and symbolic meaning for consumers which are also a source of identity and emotion. Advertising of brands enable communication of the benefits and advantages to the target audience through communication and positioning. Managing the perceptions of brands is an important managerial responsibility. Different levels of involvement affect how brand choices are made. In consumer contexts of low-involvement decision it is important to make brands achieve top-of-mind awareness. Low-involvement brands are likely to be associated with low levels of emotional bonding with customers where non-rational preference may be common.

The popular models of consumer choice often emphasize cognitive information processing though in reality there is evidence that consumers evaluate their choices using both rational and emotional perspectives. Thus emotions are considered to be important in evaluating brands. Brands have been considered to be important symbolic resources in the post modern era for the
construction, communication and maintaining identities. Postmodernism assumes that consumers make choices based on both the functional utility and the symbolic value of products.

The symbolic meaning of brands offer an external orientation focused on ‘social-symbolism’ and an internal orientation that helps consumers in constructing their ‘self-symbolism’. Thus brands are considered to be capable of communicating social, psychological and cultural messages that influence conspicuous consumption. The Euromonitor International Consumer lifestyle spends report of 2011 indicate that in emerging markets, consumption has often been used by consumers to indicator their middle class status, by purchasing articles that were previously inaccessible by their elders. The report indicates that conspicuous consumption is prevalent in several emerging markets in a subtle manner instead of being overt. Inferences from the present type of studies can be utilized to positively influence mindful consumption encompassing the environmental, economic and personal welfare of consumers (Sheth 2011).

The Euromonitor International Report for the top ten consumer trends of 2012 reports that smart phones are getting marketed in emerging markets and reaching out to the lower end of the mass market as the device is now considered to be a necessary lifestyle aid rather than a luxury item. Research work in India and Thailand have revealed how consumers of premium genuine brands behaved if faced with the prospect of their favorite brands getting counterfeited and thus be available to a larger variety of consumers. Three distinct behavioural patterns were deciphered: first was to abandon the brand (‘flight’), secondly to opt for ‘reclamation’ which is the tendency to emphasize being one of the first few to have started using the brand and finally ‘abranding’ to ensure that all brand cues were made invisible (Commuri 2009). Brand engagement has also been correlated with materialism.

Luxury products have been considered as a separate domain that requires improved niche marketing strategies. Country economics can hardly detract luxury marketers. Louis Vuitton is a brand to reckon with in the countries like India and China. Social and economic status signals continue to dominate luxury brand strategies. The contemporary urban luxury consumer of course now has contemporary preferences for social and new age media options for their information & purchase influences, as compared to the traditional communication models.
Luxury brands have the potential to be social signals of wealth and status (Nelissen & Meijers 2011).

2.5 Importance of Price:

Price has been an important aspect of conspicuous consumption for status (Veblen 1899; Mason 1992). Indian culture has been considered to be responsible to influence frugality within individuals (Maxwell 2001). Spending wisely and within one’s means has been considered to be an Indian value that has affected Indians since several generations. Indian families have promoted the value of savings among its family members. Thus price sensitivity is almost an inherent characteristic of Indian consumers who seek to evaluate price and the benefits that are expected from a market offering while choosing to buy things. Indian consumers are considered to be price sensitive whereby they evaluate the price-value aspect of products and services that they intend to purchase.

Consumers exhibit price sensitivity for various product categories either by comparing prices for products being shopped or by trying to evaluate the values and benefits expected from a market offer (Maxwell 2001, Bharadwaj et al. 2005, Ramachandran 2000). Research has also highlighted how pricing can be one of the factors that endow brands with potential for status and conspicuous consumption (O’Cass 2002). Interpersonal influences have been found influence the consumer behaviour of Indian youth that also makes them price sensitive (Gupta 2011). Product categories that become important for lifestyle include consumer durables and food and grocery items. For food and grocery items it has been found that price sensitivity is higher for fresh and packaged foods. Consumer durables are an important category for signaling status and wealth too. Budget is an important consideration when contemplating purchases from the consumer durables category. For a category like computers, almost 90 per cent consumers stick to their planned budget whereas about 10 per cent exceed their budget. Price remains an important aspect of consideration and was efficiently recalled indicating the importance that price is an important factor influencing consumer choice and preference during consumer decision making. Price remains an important aspect for consumer choice and preference for apparel purchase. Eighty per cent of apparel consumers have a budget in mind while purchasing. Most consumers are not
specifically price sensitive though purchases are done on pre-decided budget where budget is likely to be exceeded for women’s Indian wear.

For selecting store formats that would be visited for purchases, consumers based their store-choice decision based on price. Local dealers are considered to have merchandise assortments that are comparatively more reasonably priced with scope for negotiations and bargains than that available at modern trade outlets. The quantum of money spent at organized retail stores was substantially higher by 1.3 times to 1.4 times as compared to the spending at a local multi-brand dealer outlet. Also consumers were expected to spend the most at exclusive company showrooms followed by national electronics chains (BCG 2011). Branding enables premium prices to be charged by marketers for status brands that may be used by consumers for conspicuous consumption (Veblen 1899; Mason 1984, 1992; Loudon & Bitta 2002; Assael 2005; Bijapurkar 2004; Shukla 2010; Fitchett 2012). Thus it is imperative to find out the importance of price that the urban Indian youth considers for different lifestyle products and services.

2.6 Importance of Situational factors:

Situational factors have been considered important for consumer behaviour (Belk 1975). The importances of the situational factors of use and purchase have been considered important for consumer behaviour for different products and services (Assael 2005). The consumer decision making model (CDM) also incorporates the importance of situational factors (Loudon & Della Bitta 2002) as an important variable that is likely to affect the consumer decision making journey. The CDM starts with the need/problem identification stage, to the search for information, evaluation of purchase alternatives to finally deciding to purchase (Assael 2005; Schiffman et al. 2010; Loudon & Della Bitta 2002). Some of the variables that are considered to be important in the CDM are:

- Marketing mix (the product, price, place and promotion decisions of marketers),
- Individual determinants (made up of several psychological antecedents of consumer behaviour),
- Environmental influences,
Situational aspects (like the purpose of use, consumer mood, store environment etc.).

The types of situations that are likely to influence consumer behaviour may be stratified into:

i. The purchase situation,

ii. The consumption situation and

iii. The Communication situation.

• **The Purchase Situation:**

The purchase situation may be considered to be made up of:

- In-store situations (that could be made up of price promotions, free samples, displays etc.),
- Gift giving situations (may be considered as a cultural ritual in some consumer settings) and
- Unanticipated purchase situations (when there are out of stock situations or product failures).

Time available for shopping and store knowledge are the situational factors considered important for grocery products (Park *et al.* 1989). Research work has also identified the importance of situational factors in shopping (Anic & Radas 2006). Online shopping behaviour has been found to be influences by the situational factors of consumers like having a baby or on developing health problems. Retail store format choice has been found to be influenced by the physical surroundings, task definition, perceived risk, temporal aspects, social interactions and experiences (Jayasankaraprasad 2010).

• **The Consumption Situation:**

The consumption situation may be considered to be the consumption context within which the product is likely to be consumed. Different researchers have identified consumption situations relevant for different products (Shukla 2008). Some of the consumption situations for beer were (Assael 2005):
- Visiting restaurants in the weekends,
- Taking a weekend trip,
- Relaxing at home etc.

**The Communication Situation:**

The communication situations that are likely to influence consumer behaviour are:

- Personal communication sources and
- Impersonal sources of communication.

The personal communication sources may vary from word-of-mouth communication among consumers in their social setting, or even communication arising out of the interpersonal interactions in a direct sales context (Assael 2005). Impersonal sources of communication could be information arising out of the direct marketing efforts, sales promotional schemes, in-store promotions etc. Situations that are expected to influence consumer behaviour are:

- The exposure situation:

The exposure situation may be considered to be about finding out what the consumer was doing when coming in contact with the communication (exposure to an ad, reading a magazine, watching television etc.). The exposure situation is thus expected to influence the effectiveness of the communication received.

- The context of the communication:

The context of the communication pertains to determining the context in which the consumer received the message. Research has revealed that messages received during a ‘happy’ program influenced consumers to have a positive inclination for the message and a higher recall as compared to messages received during an ‘unhappy’ program (Assael 2005).

- The mood state of the consumer when receiving the communication.
The mood of the consumer is likely to affect the processing of product and brand information and influence the level of brand recall.

2.7 Issues emerging out of the literature review:

The above literature review provides the content required for pursuing the present study that focuses on finding out the consumer characteristics, the levels of status consumption, the extent of status orientation, the intensity of materialism and the lifestyle products and services that are relevant in understanding the conspicuous consumption tendencies of the urban Indian youth consumers in the age group of 18-25 years in Bengaluru.

From the literature review it becomes apparent that there is a need to understand how emerging market economies are likely to conspicuously consume for status (Mai & Tambyah 2011, Shukla 2008 & 2010). It is also relevant to understand how the antecedent conditions of status orientation, materialism and status consumption affect purchase choice of products and brands that have the potential to reflect status and wealth. Understanding the social motives that are likely to influence consumer choice for lifestyle products and services for the purpose of signaling status within an emerging country like India assumes importance. It has been realized by marketing consultants that attitudinal and behavioural data on the urban Indian youth are very scarce (Bijapurkar 2013). Though some data seems to be available regarding consumers across various age cohorts, there is not much of substantial data available on the urban Indian youth consumers in the age group of 18-25 years regarding issues pertaining to multiple aspects like preferences for lifestyle products & services, estimate of the purchases done for lifestyle products & services over the last one year, the purchase intention for next 1-5 years.

The perception of the urban Indian youth on issues like the importance given to brand name, price and situational factors for purchases of lifestyle products and services are also required. The present study thus aims to provide comprehensive information that can contribute both to the theoretical domain of consumer behaviour as well as provide insights to marketers of lifestyle products and services about the perceptions and aspirations of the urban Indian youth in the age group of 18-25 years.
The outcome of the study aims to contribute valuable inputs to the consumer behaviour domain, provide consumer insights to marketing practitioners by highlighting the significant variables likely to influence consumer choice of lifestyle item categories and highlight youth perceptions and attitudes that can aid policy makers.

2.7.1 Gaps identified from the review of literature:

The chapter provided an idea of the review of literature done for the study. Table 2.1 summarizes some of the important research work considered for the study. The following are the broad gaps that have been identified after conducting the review of literature which forms the basis of the present study:

i. Necessity to develop a body of knowledge in consumer research to determine factors that influence conspicuous consumption (CC) of lifestyle products and services categories amongst the Indian youth in specific markets.

ii. Identify the lifestyle products and services that are perceived to be status indicators by the urban Indian youth.

iii. Determining the importance that the urban Indian youth puts on brand, price and situational factors when contemplating purchase of lifestyle items.

iv. Finding out the levels of status orientation, materialism and status consumption of the urban Indian youth.

v. Illustrating the consumer demographics of the urban Indian youth who form an important customer group of the country.

vi. Finding the significant demographic factors of the urban Indian youth that are likely to affect the conspicuous consumption of lifestyle products and services for status indication.

vii. Providing reliable scales for measuring status orientation, materialism and status consumption.
viii. Formulation of research models that can be used to empirically test conspicuous consumption tendencies for lifestyle products and services.

Table 2.1: Gaps Identified from the review of literature.

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Author/researcher</th>
<th>Outcome of the Study</th>
<th>Remarks / Gaps Identified</th>
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</thead>
<tbody>
<tr>
<td>1.</td>
<td>Veblen 1899</td>
<td>Concept of Conspicuous consumption as a signal of wealth and status.</td>
<td>CC by the leisure class for signalling wealth in early Western societies in the post-war era.</td>
</tr>
<tr>
<td>2.</td>
<td>Levy 1959.</td>
<td>Importance of brand image.</td>
<td>Brand symbolism linkage with CC.</td>
</tr>
<tr>
<td>5.</td>
<td>McCracken, G. 1986.</td>
<td>Culture and its impact on meanings of goods in a society.</td>
<td>Conceptual paper that can be used to find the meanings in different markets.</td>
</tr>
<tr>
<td>9.</td>
<td>Mason 1993</td>
<td>Cultural differences affect nature and pattern of SC.</td>
<td>Pattern of CC for status in European &amp; US context</td>
</tr>
<tr>
<td>10.</td>
<td>Venkatesh et al. 1993.</td>
<td>Modernism and postmodern emphasis on object, economy, production etc..</td>
<td>How postmodernism has impacted CC since Veblen.</td>
</tr>
<tr>
<td>11.</td>
<td>Campbell, Colin. 1995.</td>
<td>A perceived challenge operationalise CC.</td>
<td>From a subjective to a functionalist approach need to operationalise CC.</td>
</tr>
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</table>
Table 2.1 Continued.

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<th>Remarks / Gaps Identified</th>
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<tr>
<td>12.</td>
<td>Bagwell &amp; Bernheim 1996.</td>
<td>Intention to signal wealth promotes luxury brands and high prices of goods that are conspicuous.</td>
<td>Effect of price of other CC goods may be modeled.</td>
</tr>
<tr>
<td>18.</td>
<td>Chaudhuri, Himadri Roy and Sitanath Majumdar. 2006.</td>
<td>CC perspective</td>
<td>Need to understand the CC perspectives in different markets.</td>
</tr>
<tr>
<td>21.</td>
<td>Hand et al. 2009,</td>
<td>Situtational factors of consumers affect their online grocery purchase behaviour.</td>
<td>Identify situations that may influence consumer behaviour for online and offline purchases.</td>
</tr>
<tr>
<td>23.</td>
<td>Ustuner, T &amp; Douglas B Holt. 2010.</td>
<td>Status consumption expected to be influenced by local cultural norms,</td>
<td>Need to understand the factors influencing SC in less industrialized countries.</td>
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<tr>
<td>26.</td>
<td>Cherukuri Jayasankaraprasad. 2010.</td>
<td>Store format choice behaviour is affected by physical surroundings, task definition, temporal aspects &amp; social interactions and experiences</td>
<td>Store format choice in AP, can look at other locations too.</td>
</tr>
<tr>
<td>31.</td>
<td>Vijaya Kumar Sinnathurai, and Olga Brezinova. 2012.</td>
<td>CC in lower socio economic groups.</td>
<td>Relevance for other countries.</td>
</tr>
<tr>
<td>34.</td>
<td>BCG Indian Consumer Survey. 2011.</td>
<td>Patterns of consumption</td>
<td>Very select groups of samples.</td>
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Table 2.1 Concluded.

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The research objectives of the study have been formulated keeping in perspective the gaps identified from the review of literature. Thus the study of conspicuous consumption of lifestyle products and services among the urban Indian youth in Bengaluru will provide insights on the demographics and psychographics that would be useful for marketers to suitably design marketing strategies that would influence consumer consideration and choice for the marketing offers.

The next chapter outlines the statement of the problem, objectives, research questions, the hypotheses used for the study, the research design and the methodologies used for conducting the research.
References

Books


Journals


Internet


