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# HOW INDIVIDUAL SOCIAL VALUES STIMULATE CONSUMER PURCHASE DECISION INVOLVEMENT AND COMPULSIVE BUYING BEHAVIOR: A PATH BY PATH MULTIGROUPS ANALYSIS

The paper investigates how individual susceptibility impacts consumer characteristics and compulsive buying behavior. Specifically, it explores the relationship between individual social values (IVSs), purchase decision involvement (PDI) and compulsive buying behavior (CBB) in Pakistan with respect to structural equation modeling. The data was collected from 641 consumers.

**Keywords:** social values; purchase involvement; compulsive buying behavior; multigroup analysis; moderator.

# Саман Аттік, Рауф-і-Азам

# СТИМУЛЮВАННЯ ЗАДІЯНОСТІ У РІШЕННІ СПОЖИВАЧА ЩОДО ПРИДБАННЯ ТОВАРУ ТА КОМПУЛЬСИВНОЇ КУПІВЕЛЬНОЇ ПОВЕДІНКИ ЧЕРЕЗ СОЦІАЛЬНІ ЦІННОСТІ ОСОБИСТОСТІ

У статті показано, як персональна сприйнятливість впливає на характеристики споживача та компульсивну купівельну поведінку. Особливу увагу приділено дослідженню стосунків між соціальними цінностями особи, задіяністю у рішенні споживача щодо придбання товару та компульсивною купівельною поведінкою у Пакистані шляхом застосування моделювання через структурні рівняння. У дослідженні взяв участь 641 споживач.

**Ключові слова:** соціальні цінності; задіяність у рішенні щодо придбання товару; компульсивна купівельна поведінка; багатогруповий аналіз; стримуючий фактор.

Рис. 2. Табл. 7. Літ. 24.

# Саман Аттик, Рауф-и-Азам

# СТИМУЛИРОВАНИЕ ЗАДЕЙСТВОВАНИЯ В РЕШЕНИИ ПОТРЕБИТЕЛЯ НА ПРИОБРЕТЕНИЕ ТОВАРА И КОМПУЛЬСИВНОГО ПОКУПАТЕЛЬСКОГО ПОВЕДЕНИЯ ЧЕРЕЗ СОЦИАЛЬНЫЕ ЦЕННОСТИ ЛИЧНОСТИ

В статье показано, как персональная восприимчивость влияет на характеристики потребителя и компульсивное покупательное поведение. Особое внимание уделено исследованию отношений между социальными ценностями лица, вовлеченностью в решение потребителя относительно приобретения товара и компульсивным покупательным поведением в Пакистане, принимая во внимание моделирование путем структурных уравнений. В исследовании принял участие 641 потребитель.

**Ключевые слова:** социальные ценности; вовлеченность в решение относительно приобретения товара; компульсивное покупательное поведение; многогрупповой анализ; сдерживающий фактор.

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Consumers exhibit different buying behaviours due to their different sets of needs, wants and desires. Buying patterns are formed based on psychological, environment, social factors etc. Individual psychological factors (i.e., personality, values, norms, attitude etc.) are the important elements which make a distinction amongst different consumer behaviours. To analyze consumer buying behavior, we need to develop understanding about individual social values (ISVs) and their impact on consumer characteristics that leads to formation of a specific buying behavior.

Developing consumer culture creates a difference among personal real image and social image; consequently, to reduce the dissimilarity among these images, a person indulges in overspending attitude and tends to incline materialistic. Consumer buying behavior is modifying from rational (utilitarian) needs/motives to irrational (hedonic) needs/motives buying behaviours. Irrational buying behavior is additionally categorized in to unplanned (impulsive) and excessive (compulsive) buying behavior. The main focus of this study is on consumer's compulsive buying behavior (CBB), as compared to other buying behaviours, CBB is revealed detrimental.

**Consumer compulsive buying behavior.** Consumers reveal different consumption behaviors which comprise on compulsive buying, compulsive eating, compulsive gambling etc. Amongst them compulsive buying is the comprehensively studied behavior. The working definition of CBB is defined as "repetitive and seemingly purposeful behaviours that are performed according to rules or in a stereotyped fashion" (American Psychiatric Association, 1985). As a result, buyers who rehearsal and consistently act on strong desire to purchase excessively known as compulsive buyers and to some extend they are habituated to shopping practices (Black, 2007; Faber, 1992). These practices might be a consequence of psychological (Scherhorn, Reisch, and Raab, 1990), and/or a result of interaction among several sociocultural influences (Valence, d'Astous and Fortier, 1988; Faber, 1992). Ultimately compulsive buying behaviour becomes a harmful behavior for both society and individuals.

## Literature review

*Individual's Social Values.* According to Kahle (1983), individual values are defined as a persistent prescriptive faith that an unambiguous mode of conduct for living one's life. In essence, multivalues (MILVAL) identify those beliefs which are essential in individual existence. Kim (2005) stated that consumer buying behaviors are predisposed by multivalues.

*Purchase Decision involvement.* Individuals became very sensitive about their social visibility and appearance; consequently they are likely to buy appearance related products to enhance their social image (Schlosser et al., 1994; Christenson et al., 1994). Appearance related products are also known to have strong relationship with self-esteem and have differential to boost these self-esteem. Involvement describes individual intensity of attention and concentration on a product or a service. According to product category, each consumer has different level of product involvement (Bloch, 1981). In the comparison of different product categories, certain product categories have a tendency to cause high involvement. Hence it indicates a significant association between individual psychological intention and his/her purchase decision involvement.

*Compulsive buying behavior and Gender.* Previous research indicates that females and males are different in numerous features, i.e. information processing, buying motives/intentions (Dittmar, H., Beattie, J. and Friese, S., 1995) and material belongings (Peter and Olson, 1999) etc. According to social category, gender has a significant influence on reasons for buying and items bought and it is found to be an important predictor of compulsivity. Younger consumers have more tendencies to become compulsive (Dittmar, 2005; O'Guinn and Faber, 1989; Moschis and Churchill, 1978). Females are more inclined to compulsive buying as compared to males, their levels of involvement regarding product categories are significantly different that of male consumers (Koran et al., 2002; Black, 1996; 2007).

**Significance of the study.** The dramatic boost of excessive buying behavior in the recent years by Pakistani consumers is converting Pakistan into a mass consumption society. This study seeks to enhance the understanding of individual psychological process that promotes them when compulsive buyers are exposed to buying compulsively caused by increasing trend of unhealthy shift of family values, overemphasis on shopping, and highly concerned about status. It is crucial to explore consumer psychology regarding their buying, how they make buying decisions, and why these decisions often result in compulsive buying. Not much work is done; it is significant and crucial to examine the impact of IVSs on PDI and CBB and these variables may provide a useful framework for better understanding of the process of consumer compulsive buying behavior.

**Objectives of the study.** It is essential to examine how individual social values can possibly convert into a product purchase involvement and what individual social values affect a consumer's tendency to develop compulsivity. The two core objectives are:

(1) To identify individual social values and their impact on PDI and CBB.

(2) To examine the difference between males and females at different path analysis.

**Theoretical Approach.** There are various consumer buying behavior models that recognizes the significance of internal stimulis i.e. psychological influences or/and those influence, which were developed in social environment (Andreason, 1985; Gilbert, 1991; Cohen 1991).



## **Hypothesis Development**

(ZPDI = Mean score of PDI; ZCBB = Mean score of CBB)

H1: ISVs have significant relationship with ZPDI.

H2: ISVs have significant relationship with ZCBB.

H3: ZPDI has significant relationship with ZCBB.

H4<sub>a</sub>: There is a significant difference between males and females at the model level.

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H4<sub>b</sub>: There are significant differences between males and females in all paths analysis at model level.

**Research Methodology.** The data were collected through a survey, using a structured questionnaire. The data of 641 consumers were collected from community, shopping centers and institutes within 4 metropolitan cities, i.e. Lahore, Faisalabad, Islamabad and Rawalpindi. The questionnaire consists of 4 parts, first part was on ISVs (44-items scale developed by Kahle (1983); second part was on PDI (7-item scale developed by Schneider and Rodgers, 1996); third part was on CBB (13-item scale by Edwards, 1992) and the last part includes demographic factors.

**Method of Analysis.** The methods used to examine the relation between the variables involve application of structural equation modelling (SEM) techniques through AMOS 18.0. In order to establish and test the hypothetical model as specified, to adjust for possible skewedness of variables' distributions, the SEM technique of bootstrapping is applied throughout the analyses.

**Exogenous Variables.** The first exogenous variable (ISVs) has 9 multivalues where mean/average of all 9 social values are computed one by one. The SMC values denoting the level of association of all (44) items to a common underlying factor range from 0.284 to 0.681 (eliminate all remaining items less than 0.20). The modified scale had an alpha reliability of 0.91 (for 29-items) and measured on a continuous scale ranging from 1 (strongly disagree) to 5 (strongly agree) from 5-point Likert scale.

**Endogenous Variables.** The first endogenous variable (ZPDI) is computed from the mean scores of 5 questionnaire items, which measure the individual concern towards purchase decision involvement on a five-point scale ranging from 1 (strongly disagree) to 5 (strongly agree). The SMC values denoting the level of association of all the items to a common underlying factor range from 0.255 to 0.586 (eliminate all the remaining items under 0.20). The modified scale had an alpha reliability of 0.804.

The second endogenous variable (ZCBB) is also computed from the mean scores of 9 questionnaire items, which measure the individual tendency to compulsive buying behavior on a 5-point scale ranging from 1 (strongly disagree) to 5 (strongly agree). The SMC values denoting the level of association of all the items to a common underlying factor range from 0.323 to 0.603 (eliminate all the remaining items under 0.20) and has an alpha reliability of 0.89.

## **Results and Analysis**

*Analysis of H1:* According to the first hypothesis, that individual social values (9 values) have significant relationship with purchase decision involvement. Hence, the results show that VAL2, VAL3, VAL4, and VAL7 have significant relationship with ZPDI (for males and females), whereas VAL1, VAL5, VAL6, VAL8 and VAL9 have no significant relationship with ZPDI (neither males, nor females).

	Dimensions of	Level of Significance	Level of Significance
	Individual	ISVs → ZPDI	ISVs → ZCBB
	Social Values (ISVs)		
VAL1	Security Dimension	P=0.30 (not sig for both)	P=0.93 (not sig for both)
VAL2	Self-Respected	P=0.01 (sig for male)	P=0.04 (sig for both)
	Dimension		

Table 1

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	Dimensions of	Level of Significance	Level of Significance
	Individual	ISVs → ZPDI	ISVs → ZCBB
	Social Values (ISVs)		
VAL3	Being Well-Respected	P=0.00 (sig for both)	P=0.00 (sig for male)
	Dimension		
VAL4	Self-Fulfilment	P=0.00 (sig for female)	P=0.00 (sig for both)
	Dimension		
VAL5	Sense of Belonging	P=0.32 (not sig for both)	P=0.44 (not sig for both)
	Dimension		
VAL6	Excitement Dimension	P=0.34 (not Sig for both)	P=0.00 (sig for both)
VAL7	Fun and Enjoyment	P=0.00 (sig for both)	P=0.48 (not sig for both)
	Dimension		
VAL8	Warm Relationship	P=0.98 (not Sig for both)	P=0.84 (not sig for both)
	Dimension		
VAL9	Sense of	P=0.79 (not Sig for both)	P=0.03 (sig for females)
	Accomplishment		
	Dimension		

*Analysis of H2:* According to the second hypothesis, individual social values (9 values) have significant relationship with compulsive buying behavior (Figure 1). Hence, the results show that VAL2, VAL3, VAL4, VAL6 and VAL9 have significant relationship with ZCBB (for males and females), whereas VAL1, VAL5, VAL6 and VAL8 have no significant relationship with PDI (neither males, nor females).





(2) Model for Males

Figure 1. ISV relation with CBB, both genders

*Analysis of H3:* According to the third hypothesis, the result shows p-value =0.00 is < 0.05 (for males and females), therefore a significant positive relationship exists between ZPDI and ZCBB for both groups.

Hence, the standardized regression weight ( $r^2 = 0.23$  for males,  $r^2 = 0.33$  for females) shows that females have stronger relationship than males regarding this path analysis (ZPDI -> ZCBB).

Analysis of H4 and H4: As for the forth hypothesis, significant differences exist between two groups at the model level and if significant difference exists then there is a need to apply path-by-path analysis (Daniel J., 2010). At the first step, difference among unconstrained model (Chi-square = 9.85; df = 6) and constrained model (Chi-square = 35.22; df = 16) exhibits CHIDIST ( $\Delta$ Chi-sq.,  $\Delta$ df) therefore, the results show p-value = 0.005 < 0.05, it means that males and females are different at the model level.

	Paths for Analysis	Chi-sq. Thresholds	Significant
	_	at 95% CI =13.69	Difference exist
1	VAL2 → ZPDI	18.75 > 13.69	Yes
2	VAL3→ ZPDI	11.18 < 13.69	No
3	VAL4→ ZPDI	12.29 < 13.69	No
4	VAL7→ ZPDI	13.02 < 13.69	No
5	VAL2→ ZCBB	9.86 < 13.69	No
6	VAL3→ ZCBB	14.06 > 13.69	Yes
7	VAL4→ ZCBB	10.18 < 13.69	No
8	VAL6→ ZCBB	10.67 < 13.69	No
9	VAL9→ ZCBB	9.95 < 13.69	No
10	ZPDI <b>→</b> ZCBB	10.83 < 13.69	No

Table 2

After analysing the first step, significant differences are found. It is logical to analyse the paths differences; at chi-square thresholds =13.69 (at 95% confidence interval). Any chi-square more than the threshold will be variant for a path by path analysis (Daniel J., 2010). After the path-by-path analysis, only two paths (i.e. VAL2  $\rightarrow$  ZPDI; VAL3  $\rightarrow$  ZCBB; Chi-square 18.75 and 14.06 respectively) are significantly different for males and females.

## **Discussion and Implications**

*Summary.* The purpose of this research study was to propose and test individual psychologicall impact on consumer compulsive buying behaviour. Significance association exists between individual's social values (ISVs), purchase decision involvement (PDI) and compulsive buying behavior (CBB). Hence, by a 3-variable theoretical model this study also establishes a strong support through path-by-path multigroup analysis, where gender acts as a moderator.

**Theoretical and practical Contributions.** The distinguishing aspects of this research study are: (1) emphasis on ISVs stimulating CBB and (2) examining significant differences among two groups by conducting path-by-path analysis, especially two paths, VAL2 to ZPDI and ZPDI to ZCBB. This study extended preceding research in numerous ways: (a) prior researchers did not analyse ISVs as a psychological input, and did not examine the impact of these particular multi-values on PDI and CBB. Many other researchers like (Bettman, 1979) had established the consumer's buying behavior model that recognized the significance of psychological motivations towards purchase involvement; (b) another concern was about the impact of individual values and involvement in the development of CBB; (c) it promoted former conclusions, that females and males are different at different paths.

**Research Implications.** The results advocate the individuals who are focusing on specific ISVs (i.e. self-respected, being well respected, self-fulfilment, and fun-and-enjoyment dimension), state an imperative role in shaping consumer PDI. In a similar way, ISVs, (i.e. self-respected, being well respected, self-fulfilment, and sense-of-accomplishment dimension) also trigger consumer CBB. Therefore, these abovementioned individuals are likely to be more concerned about their PDI and ultimately, are more inclined to create compulsivity. Due to evolving consumer society, marketers and retailers are very apprehensive about individual values and behaviour to promote their products; therefore, they are focusing on altering or shaping individual values according to their established phenomenon. Consumer welfare groups or public policy officials may use our findings and develop guidelines for marketers and retailers to refrain them from indulging in to practices that trigger abnormal buying behaviors.

*Limitations and Directions of Future Research.* This study has few limitations: (1) Most of the sample included students from diverse Pakistani cultures but sample size is small for generalizability of the study within Pakistan. (2) Research sample has been limited to young students. Future research should be focused on other individual psychological factors influenced by society and the sample size should be increased. Our proposed relationships shauld be tested on other consumers having different status.

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#### Appendix

#### Tables:

#### Regression Weights: (M1 – Default model)

			Estimate	S.E.	C.R.	Р	Label
ZPDI	<	VAL2	.387	.149	2.606	.009	
ZPDI	<	VAL3	.278	.073	3.809	* **	
ZPDI	<	VAL7	.402	.116	3.465	* **	
ZPDI	<	VAL4	.125	.138	.911	.363	
ZCBB	<	ZPDI	.247	.071	3.488	* **	
ZCBB	<	VAL2	342	.166	-2.056	.040	
ZCBB	<	VAL6	.171	.087	1.972	.049	
ZCBB	<	VAL4	.338	.139	2.433	.015	
ZCBB	<	VAL3	.246	.076	3.229	.001	
ZCBB	<	VAL9	271	.142	-1.911	.056	

### **Regression Weights: (F2 – Default model)**

			Estimate	S. E.	C.R.	Р	Label
ZPDI	<	VAL2	152	.101	-1.503	.133	
ZPDI	<	VAL3	.173	.054	3.195	.001	
ZPDI	<	VAL7	.157	.074	2,109	.035	
ZPDI	<	VAL4	.383	.091	4.220	* **	
ZCBB	<	ZPDI	.330	.044	7.507	* **	
ZCBB	<	VAL2	325	.099	-3.273	.001	
ZCBB	<	VAL6	.263	.051	5.127	* **	
ZCBB	<	VAL4	.244	.087	2,792	.005	
ZCBB	<	VAL3	.056	.052	1.086	.277	
ZCBB	<	VAL9	217	.101	-2.149	.032	

## Standardized Regression Weights: (M1 – Default model)

			Estimate
ZPDI	<	VAL2	.197
ZPDI	<	VAL3	.244
ZPDI	<	VAL7	.247
ZPDI	<	VAL4	.068

## The End of Table

			Estimate
ZCBB	<	ZPDI	.259
ZCBB	<	VAL2	183
ZCBB	<	VAL6	.143
ZCBB	<	VAL4	.193
ZCBB	<	VAL3	.227
ZCBB	<	VAL9	163

# Standardized Regression Weights: (F2, Default model)

		Estimate
<	VAL2	073
<	VAL3	.149
<	VAL7	.102
<	VAL4	.216
<	ZPDI	.326
<	VAL2	156
<	VAL6	.225
<	VAL4	.136
<	VAL3	.048
<	VAL9	104
	< < < < < < < <	< VAL2   <

Without constraint Model:	Fully Constraint Model:
Result (Default model)	Result (Default model)
Minimum was achieved	Minimum was achieved
Chi-square = 9.852	Chi-square = $35.224$
Degrees of freedom $= 6$	Degrees of freedom $= 16$
Probability level = .131	Probability level $= .004$

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