

© Journal of Contemporary Issues in Business Research
ISSN 2305-8277 (Online), 2015, Vol. 4, No. 1, 01-09.
Copyright of the Academic Journals JCIBR
All rights reserved.

INVESTIGATING GENERATION Y'S INTERNET USAGE AND MATERIALISM*

PATTARAPONG BURUSNUKUL[†]

DHANILA V. PARBOTEEAH-ALEX

Affiliation Eastern New Mexico University, United States

SOPHITMANEE SUKALAKAMALA

PIYAVAN SUKALAKAMALA

Johnson & Wales University (Charlotte Campus), United States

ZOE HO

Boston University, United States

ABSTRACT

Generation Y (Gen Y) dominates the Internet-using population. Their personal values and attitudes are crafted through online interactions. One such societal value is materialism, which determines how individuals regard material possession and its importance in life. Environmental factors such as interpersonal communication can influence materialism and are facilitated by the Internet and social media, making Gen Ys more susceptible to materialism. Thus, there is a need to understand Gen Y's Internet usage and its linkage to materialism in an effort to address the adverse effects of materialism on their personal well-being. A survey methodology was used to collect data from students from four Southwestern and Northeastern American universities. Pearson r correlations and t-test analyses were performed for hypothesis testing. Technology was found to allow societal values to be evenly shared among the Internet-using Gen Y without geographic limitations. Further, materialistic Gen Ys spend more time browsing websites looking for products/services. Implications are discussed in relation to educating Gen Ys about the influences of environmental factors on materialism and to thinking more consciously about consumption.

Keywords: Materialism; Internet usage; Social media; Generation Y; Consumption behaviors.

INTRODUCTION

Internet usage has become commonplace in today's society where sharing of ideas and opinions as well as learning of knowledge and values find no boundaries. Generation Y (Gen Y), those who were born in between 1977 to 1995 (Heaney, 2007), dominates Internet-

* The views or opinions expressed in this manuscript are those of the author(s) and do not necessarily reflect the position, views or opinions of the editor(s), the editorial board or the publisher.

[†] Corresponding author

using population. Growing up in the Information Age, these young adults naturally communicate with others in the virtual setting using instant messaging, e-mails, online social networks, and self-expressive blogs and receive information through electronic sources (Pew Internet & American Life Project, 2009). As a result, this learning process contributes to personal beliefs and attitudes in regard to various aspects of life. Materialism is among the societal values learned as exposures to others' opinions and marketing controlled messages influence how young adults regard material possession and its importance in one's life (Kasser et al., 2004). The Internet also lends itself as a venue where consumption behaviors such as product information search and purchasing can take place. These activities can be performed conveniently online without geographic or time limitations.

The focus is placed on Gen-Y young adults as they are the heavy users of the Internet and are most susceptible to materialism value (Richins & Dawson, 1992). Therefore, the purpose of this study is to investigate the relationships between Gen Y's Internet usage and materialism. Findings will add to materialism literature and the discussion of societal as well as technological impact on one's psychological views. Further, understanding these young adults' values placed on material possessions may help to address the adverse effects on personal well-being that have been reported as the consequences of materialism (Windisch, 2009).

LITERATURES REVIEW

Materialism and impact on individuals

According to Richins and Dawson's (1992), materialism symbolizes "a mind-set or constellation of attitudes regarding the relative importance of acquisition and possession of objects in one's life" (p. 307). Centrally-held beliefs of materialists include (a) acquisition centrality (material acquisition is the individual's life-occupation and thus, continually providing goals for one to achieve through daily-life activities), (b) acquisition as the pursuit of happiness (material possessions bring about one's satisfaction in life and a sense of well-being), and (c) possession-defined success (costs to acquire as well as quality and quantity of material possessions are assessment tools for materialists to judge themselves and others for success) (Richins & Dawson, 1992).

Past research has established that materialism can be detrimental to various aspects of personal well-being. Materialists indicate lower happiness and life satisfaction as well as poor mental and physical health. Meanwhile, these individuals score higher on substance abuse (Deckop, Jurkiewicz, & Giacalone, 2010). Personal well-being is hampered by the choices materialists make to maximize material gain. These choices are generally inhibitors of fulfilling intrinsic psychological needs such as relatedness to others, feelings of competence, autonomy, and gratitude that are essential for non-work personal well-being (Christopher, Saliba, & Deadmarsh, 2009). Further, financial problem and indebtedness may be serious issues experienced by those who are highly materialistic as they hold more favorable attitude toward debt (Watson, 1998).

In their investigation, Deckop, Jurkiewicz, and Giacalone (2010) found materialism also negatively associated with personal well-being in the work setting. Satisfaction with intrinsic and extrinsic rewards, job, and career are lower for employees placing high values on income and material possessions. Dissatisfaction with personal and work life results from materialists setting unrealistically high and/or continually ascending goals. Aspirations are insatiable and never really attained for materialists, creating a self-defeating cycle (Christopher, Saliba, & Deadmarsh, 2009).

Different values placed on material possessions can result in differences in behavior patterns. Fixed and pervasive behavior patterns may become personality traits associated with materialism (Richins & Dawson, 1992). In a social setting, more intriguing is how materialists are perceived by others. Materialists are viewed as extrinsically motivated and therefore; suspicious, judgmental, more selfish and self-centered, and having problematic or less likable personalities. These stereotypical and unfavorable impressions lead to materialists being alienated by others in interpersonal communication and interactions. As a result, materialists' social relationships suffer (Boven, Campbell, and Gilovich, 2010).

Gen Y's Internet usage and materialism

Some researchers argue that materialism is innate to human existence, serving as a driving force for possessions of material objects in life (O'Shaughnessy & O'Shaughnessy, 2002). This contention of materialism as a genetically prone human condition is challenged by findings from psychology research. Giddens, Schermer, and Vernon (2009) examined individual differences in materialism among twins based on genetic and environmental contributions. Their findings indicate absolute effects of environmental factors on materialism's domains of acquisition centrality and possession-defined success. Significant contribution of genetic influence is only present in the acquisition as the pursuit of happiness domain. The importance of environmental factors (e.g., media exposure, interpersonal communication, personal incidents and experiences) in the garner of materialism thus becomes evident (Giddens, Schermer, & Vernon, 2009).

The contribution of environmental factors is further supported in the study by Chan and Prendergast (2007). They found materialism is higher for adolescents who frequently engaged in communication with peers about consumption, leading to social comparison. According to Festinger's social comparison theory (1954), such comparison occurs through personal communication in face-to-face situations. However, because of the technological advances over the past decades, other situations also should be considered.

For Gen Y, communication among them heavily occurs in cyber-space including via online social networks (Pew Internet & American Life Project, 2009). Conspicuous consumption that has been equated with materialism (Frijters & Leigh, 2008) need not be observed or communicated in real-time personal interactions. Individuals can easily share personal pictures on social networking sites showing off their material possessions; whether it be a new car, an elite residence, an expensive piece of jewelry, or an entire ensemble of trendy outfit. Conspicuous consumption displayed in virtual situations to signal one's worth or status (Frijters & Leigh, 2008) is, in our modern-day society, the way in which peers communicate with each other about consumption and social comparison can similarly result. Further, because of the Internet, Gen Y's anywhere are given equal opportunity to be exposed also to marketing-controlled information. Marketing firms who target these young adults understand their dominance in the Internet using population (Pew Internet & American Life Project, 2009); therefore, communicate with them accordingly using online advertising and making product information available on the Internet. As a result, Gen-Y young adults are being exposed to the shared values that find no geographic boundaries.

Online accessibility to product information as well as purchases potentially facilitates the consumption behaviors that are expected behavioral outcomes of materialism. In general, Gen Y's are savvy and informed consumers who thoroughly research online shopping transactions (Heaney, 2007). Since acquiring material possessions is central to materialists' lives, even more heightened interest in learning about various products/services should be

expected for Gen-Y materialists. This leads to more time spent on the Internet engaging in product information search.

One characteristic of materialists that has consistently been reported is that of excessive consumption. Materialists are constantly looking toward making their next purchase (Watson, 1998). The Internet and E-commerce (i.e., online shopping) provide consumers with many benefits. Among them is shopping convenience including place and time utilities. Consumers have broader selection of products to purchase regardless of geographic locations and without time limitation (Forsythe, Liu, Shannon, & Gardner, 2006). Already, the majority (71%) of Gen Y who use the Internet engage in online shopping (Pew Internet & American Life Project, 2009). Gen-Y's who are highly materialistic thus can be expected to engage in online purchases, but to a greater extent than their lower-level or non-materialists counterparts.

The review of literature and discussion above guide suggestions for the following hypotheses:

H₁: For Gen-Y young adults, time spent on online social networking is positively related to materialism.

H₂: The levels of materialism between Gen-Y young adults living in urban areas and those in rural areas do not differ.

H₃: Gen-Y young adults who are more materialistic engage more in online product information search, including (a) information relating to personal interests and (b) browsing websites to look at products/services, than those less materialistic.

H₄: Gen-Y young adults who are more materialistic spend more on online purchases than those less materialistic.

METHODOLOGY

Questionnaire

Richins and Dawson (1992) developed a materialism scale for consumer behavior research to directly assess individual differences in value given and attachment to material or worldly possessions. The rationale in this study to focus on materialism as value construct rather than personality trait is similar to that discussed in Deckop, Jurkiewicz, and Giacalone's (2010) study. The assumption that materialism is determined personality at an early age and unchanged over time despite environmental stimuli limits the discussion of external and social influences on materialism. Rather, materialism as value suggests potential effect of individual's continuous learning through socialization that may change one's view of the world.

The original 18-item materialism scale had been revised to a shorter form (Richins, 2004). The modified 15-item scale, named material values scale (MVS), has been proven reliable and valid in capturing psychometric properties and dimensionality of the materialism construct. For the current study, MVS was used to assess participants' level of materialism. Items were measured on a 7-point Likert-type scaleranging from "Strongly Disagree (1) to "Strongly Agree (7). See Table 1.

TABLE 1

The 15-item Material Values Scale (MVS)

Materialism Dimension	Measuring Statements
Acquisition centrality	I try to keep my life simple, as far as possessions are concerned. (R) The things I own aren't all that important to me. (R) Buying things gives me a lot of pleasure I like a lot of luxury in my life. I put less emphasis on material things than most people I know. (R)
Acquisition as the pursuit of happiness	I have all the things I really need to enjoy life. (R) My life would be better if I owned certain things I don't have. I wouldn't be any happier if I owned nicer things. (R) I'd be happier if I could afford to buy more things. It sometimes bothers me quite a bit that I can't afford to buy all the thing I'd like.
Possession-defined success	I admire people who own expensive homes, cars, and clothes. Some of the most important achievements in life include acquiring material possessions. I don't place much emphasis on the amount of material objects people own as a sign of success. (R) The things I own say a lot about how well I'm doing in life. I like to own things that impress people.

Note. (R) represents reverse-scoring statements.

Various aspects of Internet usage were measured including (a) time spent and (b) activities performed. Included for activities were online social networking, information search relating to personal interests, browsing websites to look at products/services, and purchasing products/services. These activities were determined to be potentially related to materialism. General demographic questions were presented at the end of the survey. Of these, two questions in particular were designed for use in evaluating the geographic influences on Internet usage and materialism – “*What is the estimated population of the city you are living in?*” and “*What is the estimated population of the city you consider your hometown?*” The accompanying response options for these questions were “*Less than 50,000*” and “*50,000 or more*” (i.e., rural and urban areas, respectively [US Census Bureau, 2013]). See “*Methodological Details Appendix*” for the complete questionnaire.

Data Collection and Sample

In maintaining the study's focus and to meet the requirements for a study using human subjects, only individuals belonging to Gen Y aged 18 to 35 were asked to complete the self-administered online survey, distributed through SurveyMonkey.com. Invitation letters were emailed to prospective participants including college students from four universities in the Southwestern and Northeastern U.S., both rural and urban areas. Using the snowballing method of data collection, those who received the invitation were asked to forward the invitation email to other qualified individuals. The sample fits the age profile of Gen Y, representing the young adults that are of interest of this study. In the invitation, purpose of the study was stated in general terms as to investigate young adult Internet usage

and psychological views. Materialism was not mentioned in order to avoid any potential social desirability bias. Drawing of a 2012 Kindle Fire was used to encourage participation. Those who agreed to participate were directed to the online survey. After completion, participants submitted email addresses, used for the drawing, at a separate website to ensure anonymity of their survey responses.

Data Analysis

Descriptive statistics were used to report demographic characteristics and Internet usage behaviors. For hypotheses testing, Pearson *r* correlations and t-test analyses were employed, with .05 level of significance.

RESULTS

Demographics

Data were collected from November 2012 to January 2013. A total of 209 Gen-Y young adults with average age of 23.85 years completed the survey; 61.2% female and 38.8% male, outnumbered by 80.7% singles and 17.4% married. The majority were whites/non-Hispanics (56.0%), followed by Hispanics (17.4%), Asian/Pacific Islanders (17.4%), African-Americans (5.3%), and those of other ethnicities (3.9%). Slightly over half of the participants were living in rural areas (52.2%) and 47.8% in urban areas. However, 47.8% reported coming from rural hometowns and 52.2% from urban hometowns. The majority (67.1%) also were typical college-age young adults making under \$20,000 per year.

Internet Usage

Participants reported spending five hours and 19 minutes on average per day on the Internet with two hours and five minutes spent on their social networking service account(s). Looking at others' posted comments, pictures, or videos was the number one activity on social network as reported by 85.2% of the participants. Further, they spent one hour and 35 minutes searching for information related to personal interests and 55 minutes browsing websites to look at products/services. It was interesting to find that 83% reported at least one of their top three personal interests relating to consumer products (e.g. fashion, clothing, cars, shopping). The majority of participants (66.5%) also said that they shopped online for products/services at least once a month and spent on average \$95.20 per month. No significant differences were found between rural and urban residents in the amount of time spent engaging in any of the Internet usage activities. However, when the participants' hometowns were taken into account, there were significant differences in the overall time spent on the Internet and time spent on online social networking. Participants who came from urban hometowns spent more time on the Internet ($M = 350.05$, $SD = 210.58$) than those who came from rural hometowns ($M = 277.85$, $SD = 144.75$), $t(190.48) = 2.89$, $p < .05$. Also, Participants who came from urban hometowns spent more time on online social networking ($M = 148.01$, $SD = 159.41$) than those who came from rural hometowns ($M = 99.33$, $SD = 85.24$), $t(166.48) = 2.77$, $p < .05$. (Note: means are reported in minutes)

Materialism

The 15-item MVS produced Cronbach's Alpha value of .817, suggesting satisfactory reliability of the scale in measuring materialism value. The Gen Y sampled reported moderate level of materialism ($M = 3.78$, $SD = .88$). Correlation analysis revealed no significant relationship between time spent on online social networking and materialism ($r = .07$, $p = .31$). Therefore, H1 was rejected. Based on the result of t-test analysis, no significant difference was found in the levels of materialism between urban and rural young adults, neither when place of residence nor hometown were used. Therefore, H2 was supported.

The value of 4.32 at top quartile was used to distinguish between individuals with high levels and individuals with low levels of materialism. Analysis suggested that those who are more materialistic spent more time browsing websites to look at products/services ($M = 65.65$, $SD = 52.69$) than those who are less materialistic ($M = 48.31$, $SD = 46.23$), $t(206) = 2.26$, $p < .05$. However, no significant difference was found in the amount of time spent searching for information relating to personal interests or in the amount of money spent on online purchasing. Therefore, H3b was supported while H3a and H4 were not.

DISCUSSION

This study was set out to evaluate the relationships between Gen Y young adults' Internet usage and materialism. Our first hypothesis was based on past report of environmental influences on materialism. Especially, face-to-face communication among peers about consumption leading to social comparison can result in individuals becoming more materialistic. Similar relationship thus was hypothesized between technology-age communication of Gen Y (i.e., online social networking) and materialism. Despite the finding of no significant relationship, the influence of communication about consumption in virtual situation is yet to be ruled out. The study's limitation is the use of time spent on online social networking as the measure. The reported time encapsulates all other activities performed on social networking, such as updating one's own account content, entertainment (e.g., listening to music or watching videos), or browsing other members' profiles, and not limited to looking at others' consumption related pictures or comments. Non-materialists can spend as much time on online social networks as materialists. While materialists spend time communicating with peers about consumption, non-materialists communicate about other areas of interest. This finding actually highlights Gen Y's cultural norm as technology users. Gen-Y young adults with varying personalities and attitudes use online social networking to communicate with peers similarly.

No difference was found in the materialism levels between rural and urban Gen Y's. Intuitively, urban residents or individuals originally from urban cities should be more cosmopolitan and therefore would be more materialistic than their rural counterparts (Cleveland, Laroche, & Papadopoulos, 2009). However, finding supported our hypothesis based on the idea that communication technology allows societal values to be evenly shared among individuals, especially for the Internet-using Gen Y, without geographic limitations.

Gen Y's who are more materialistic spend more time browsing websites to look at products/services. This finding was expected. Materialists contemplate their next purchase and material possession by looking at products to buy as well as to learn about them. Doing so, they certainly gain more information about the products but not necessarily leading to making actual purchases online. This may be explained by the limited financial resources to acquire material possessions despite the materialistic desire.

The amount of time spent on searching for information relating to personal interests, in general, does not differ between high- and low-materialism Gen Y's. An argument can be made that personal interests of individuals surveyed vary and not limited to consumption. Being technology savvy and Internet users, Gen-Y young adults with varying interests use online resources for their information search similarly.

CONCLUSION

Because of the technological advances in our society and being Internet heavy-users, Gen Y young adults everywhere are equally exposed to shared societal values, both positive and negative. It is an impact resulting from communication effectiveness that enhances the reach and exposure of both marketing and non-marketing controlled messages from various sources. These messages potentially shape the recipients' beliefs and attitudes. Perhaps, a wise and practical approach is to be consciously selective and accept wellness enhancing values while reject those that are known to have adverse effects on the individual's well-being. With regard to materialism, educating Gen Y young adults about consumption and making them understand the influences of external environmental factors can be helpful. A financial literacy program such as the American Institute of Certified Public Accountant's 360 Degrees is one example of education that may reduce materialism. Young adults can form positive financial attitudes and competency in setting and achieving functional financial goals. These goals include those of saving for college or retirement or generously giving to charity which have been found to correlate with better psychological health (Stone, Wier, & Bryant, 2008). Further, discussions about one's true self-worth, relationships and relatedness with others, and personal well-being may initiate a worthwhile discourse that allows young adults to view material possessions differently and to think about consumption more consciously.

REFERENCES

- Boven, L. V., Campbell, M. C., & Gilovich, T. (2010). Stigmatizing materialism: On stereotypes and impressions of materialistic and experiential pursuits. *Personality and Social Psychology Bulletin*, 36(4), 551-563.
- Christopher, A. N., Saliba, L., & Deadmarsh, E. J. (2009). Materialism and well-being: The mediating effect of locus of control. *Personality and Individual Differences*, 46, 682-686.
- Cleveland, M., Laroche, M., & Papadopoulos, N. (2009). Cosmopolitanism, consumer ethnocentrism, and materialism: An eight-country study of antecedents and outcomes. *Journal of International Marketing*, 17, 116-146.
- Deckop, J. R., Jurkiewicz, C. L., & Giacalone, R. A. (2010). Effects of materialism on work-related personal well-being. *Human Relations*, 63(7), 1007-1030.
- Festinger, L. (1954). A theory of social comparison processes. *Human Relations*, 7 (May), 117-140.
- Forsythe, S., Liu, Chuanlan, Shannon, D., & Gardner, L. C. (2006). Development of a scale to measure the perceived benefits and risks of online shopping. *Journal of Interactive Marketing*, 20, 55-75.
- Frijters, P. & Leigh, A. (2008). Materialism on the march: From conspicuous leisure to conspicuous consumption? *The Journal of Socio-Economics*, 37, 1937-1945.

- Giddens, J. L, Schermer, J. A., & Vernon, P. A. (2009). Material values are largely in the family: A twin study of genetic and environmental contributions to materialism. *Personality and Individual Differences, 49*, 428-431.
- Heaney, J. G. (2007). Generations X and Y's internet banking usage in Australia. *Journal of Financial Services Marketing, 11*, 196-210.
- Kasser, T., Ryan, R. M., Couchman, C. E., & Sheldon, K. M. (2004). Materialistic values: Their causes and consequences. In T. Kasser & A. D. Kanner (Eds.), *Psychology and consumer culture*. Washinton, DC: American Psychology Association.
- Pew Internet & American Life Project.(2009). *Generations Online in 2009*. Retrieved October 4, 2011 from <http://pewinternet.org/Reports/2009/Generations-Online-in-2009.aspx>.
- Richins, M. L. (2004). The material values scale: Measurement properties and development of a short form. *Journal of Consumer Research, 31*, 209-219.
- Richins, M. L. & Dawson, S. (1992). A consumer values orientation for materialism and its measurement: Scale development and validation. *Journal of Consumer Research, 19*, 303-316.
- US Census Bureau.(2013). *Urban and Rural Classification*. Retrieved October 23, 2012 from <http://www.census.gov/geo/reference/urban-rural.html>.
- Stone, D. N., Wier, B., & Bryant, S. M. (2008). Reducing materialism through financial literacy. *The CPA Journal, February*, 12-14.
- Watson, J. J. (1998). Materialism and debt: A study of current attitudes and behaviors. *Advances in Consumer Research, 25*, 203-207.
- Windisch, L. (2009). Materialistic tendencies: Materialism and psychological well-being in an Australian adult sample, ANZMAC 2009 Sustainable Management and Marketing Conference. Retrieved April 16, 2013 from <http://www.duplication.net.au/ANZMAC09/papers/ANZMAC2009-501.pdf>.