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## **Inter-dependence of decorative consumption dimensions based on conspicuousness and snobbism: An empirical examination of conceptual relationships using consumption drivers of wristwatches and houses among employees in Colombo**

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### **Introduction**

In many circumstances people quest for ostentatious ownership of goods and services not merely for their use; and at times, they tend to procure expensive items by means of non-utilitarian aspects to showcase wealth, uniqueness and unveil the belonging to a specific crowd. Three different “roots” of such lavish demand are (a) Conspicuousness, [buying expensive things to showcase wealth], defined in literature as “Veblen Effect”, (b) Conformism, defined as “Bandwagon Effect”, reflecting the urge to buy expensive things for being recognized among peers and (c) Snobbism or buying expensive things to be exclusive over and above the others, defined in literature as “Snob Effect” (Liebenstein, 1950).

A study on socio-cultural determinants of these three effects of “exhibitionist nature” were being examined using a sample of 250 office workers in Colombo by Karunanayake and Gunaruwan (2017), he investigated whether there could be significant inter-effects influence principally between two fundamental types of visible consumption urge, conspicuousness and snobbism.

In light of the above, this exercise was conducted to examine whether there exist any interdependence between the two chosen dimensions of decorative consumption namely, conspicuousness and snobbism for wristwatches and houses among employees in Colombo.

According to the theory of Snobbism, people who are preoccupied with social status reject products that are perceived to be possessed by the common populace (Potluri et al., 2014). As asserted by Kim (2015), Snobbism is an “incentive” for conspicuousness that triggers the desire to be identified with the rich. Similarly, Chaudhuri and Majumdar (2006) claim that uniqueness/exclusiveness is an antecedent of conspicuous consumption. Corneo and Jeanne (1997) point out that Snobbism as a signal of status, further acclaiming it as a signal of conspicuous consumption. These literature leads to hypothesize that “snobbish” consumer would necessarily be conspicuous.

Perera, Mudalige and Patabandige (2013), on the other hand, demonstrated the possibility of an inverse relationship. According to their study, people who are

conspicuously motivated prefer to be “unique and exclusive” among the rest. This leads to hypothesize that “conspicuousness” would necessarily imply “snobbism”.

Thus it becomes evident that, literature is not conclusive regarding the interdependence between snobbism and conspicuousness, two important dimensions of decorative consumption<sup>7</sup>.

### **Methodology**

The present research aimed at examining the interrelationship between the two dimensions receiving decorative consumption; conspicuousness and snobbism among the employees in within Colombo city limits. Wristwatches and houses were chosen for the study. The former represents removable/portable item such as an apparatus and the latter represents a fixed assets constituting relatively a larger investment. The choice was intentional as the possibility of the tested interrelation being “product type-dependent” could not be excluded, and any such different patterns could thereby be revealed.

The following hypotheses were thus examined:

Test 1:  $H_0$  - Snobbish consumers are necessarily conspicuous

$H_1$  - Snobbish consumers are not necessarily conspicuous

Test 2:  $H_0$  - Conspicuous consumers are necessarily snobbish

$H_1$  - Conspicuous consumers are not necessarily snobbish

The data required for the study were borrowed from the exploratory online survey constituting statements with regard to snobbism and conspicuousness, conducted by the authors over a sample of 250 office employees in Colombo. Snowball sampling<sup>8</sup> was adopted in the study where the link to the online questionnaire was distributed through emails and social media to the researchers’ contacts, and respondents were asked to forward on the questionnaire to others that met the sampling criteria. As stated by Lewis and Moital (2016) it allows greater consistency when analysing and comparing data<sup>9</sup>.

Two indices for Conspicuousness (CI) and Snobbism (SI), developed by the authors (Karunanayake & Gunaruwan, 2017), given below, were used in testing the hypotheses constructed.

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<sup>7</sup>‘Decorative Consumption’ is the “exhibitionist nature” common to conspicuous, snob and bandwagon effects for expensive purchase of goods and services (Karunanayake & Gunaruwan, 2017)

<sup>8</sup> Snow ball sampling is a non-probabilistic sampling technique where sampling is based on finding research subjects through recommendation. i.e. one subject gives the researcher the name of another subject, who in turn provides the name of a third, and so on (Vogt, 1999).

<sup>9</sup> Lewis and Moital ( 2016)

$$DCI_{ij} = \sum_{k=1}^n \frac{DCV_{jk} + (6 - ADCV_{jk})}{n_j}$$

Where:

$DCI_{ij}$  = Decorative Consumption Index for  $j^{th}$  dimension for  $i^{th}$  person ( $j = 1, 2$  signifying Conspicuousness and Snobbism, respectively)

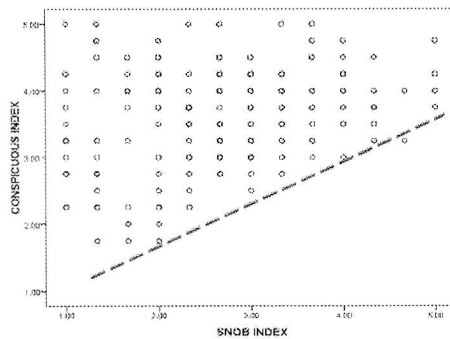
$DCV_{jk}$  signifies Decorative Consumption value for  $j^{th}$  dimension and  $k^{th}$  question,

$ADCV_{jk}$  signifies Anti-Decorative Consumption value for  $j^{th}$  dimension and  $k^{th}$  question and  $n_j$  = number of questions (or statements) applicable for the  $j^{th}$  dimension

Scatter-plots, descriptive statistics and trend analysis using SPSS (version 20.0) were deployed as analytical techniques in examining the hypotheses. Summarized tables of questions used in the questionnaire are provided in the appendix.

**Results and discussion**

As the first step, scatter plots between the two dimensions of decorative consumption were examined. Figure 1 and Figure 2 have depicted the relative positioning of conspicuousness as against snobbism with regard to Wristwatches and Houses, respectively.



Snob Index	Conspicuous Index	
	$\bar{x}$	$\sigma$
$1 \leq SI \leq 2$	3.17	0.89
$2 < SI \leq 3$	3.56	0.60
$3 < SI \leq 4$	3.86	0.52
$4 < SI \leq 5$	3.88	0.41

**Figure 1** Interrelationship between Conspicuousness and Snobbism: The case of wristwatches

It is observed in Figure 1 that the survey respondents are essentially clustered towards the upper-left segment of the scatter diagram. More specifically, there appeared no respondents positioned in the area where Snobbism is high (SI between 4.0 and 5.0) and Conspicuousness is low (CI below 3.0). This brings suggestive evidence to support the hypothesis that snobbish consumers are necessarily being conspicuous with regard to wristwatches.

The relationship becomes obscure with regard to less snobbish consumers, whose conspicuousness appear spreading over the entire range, from very low

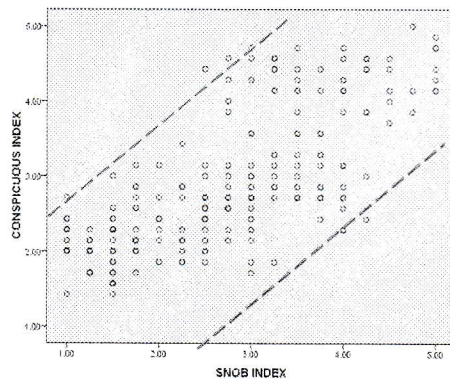


Conspicuous Index levels to very high levels, indicating that there are consumers who are conspicuous, yet not snobbish.

The hypothesis under the Test 1 (above) was thus examined by working out the respective means and standard deviations of Conspicuousness Index at different levels of Snob Index (Table in Figure 1). It becomes clear that those consumers having Snob Index above 4 would be having Conspicuous Index greater than 3 at 98 percent confidence level<sup>10</sup>. This reveals that, with regard to wristwatches, Snobbish consumers are essentially conspicuous.

However, the same cannot be said pertaining to Test-2. The hypothesis that the Conspicuousness Index of consumers, whose Snob Index figures between 1 and 2, being less than 3, for instance, would not be accepted even with a low level of confidence such as 43 percent. Of those having Snob Index between 1 and 3, a hypothesis that the Conspicuous Index being below 3 would have to be rejected with a level of confidence level of over 66 percent. These findings suggest that there could be highly conspicuous consumers who are not snobbish. Thus, with regard to wristwatches, the  $H_2$  in Test-2 could not be accepted with a reasonable level of confidence.

The results therefore, indicate that though the snobbism necessarily would mean conspicuousness, the inverse cannot be said pertaining to wristwatches.



Snob Index	Conspicuous Index	
	$\bar{x}$	$\sigma$
$1 \leq SI \leq 2$	2.14	0.38
$2 < SI \leq 3$	2.76	0.68
$3 < SI \leq 4$	3.46	0.75
$4 < SI \leq 5$	4.21	0.54

**Figure 2** Interrelationship between Conspicuousness and Snobbism:  
The case of Houses

With regard to houses, the scatter plot (Figure 2) depicts a quite different pattern compared to that of wristwatches. There appears to be a “trend”, where the greater the snobbism, the greater would be the conspicuousness, and vice-versa. The same is established by the statistical analysis of confidence levels (the Table in Figure 2) where both probabilities, namely that of Conspicuous Index being

<sup>10</sup>Normality of distributions were confirmed through Shapiro-Wilk test using SPSS Version 20.0

greater than 3 of consumers whose Snob Index is above 4, and that of Conspicuous Index being less than 3 of those having Snob Index below 2, appear to be above 0.99.

This indicates that there is no reason for rejecting the hypotheses under both tests 1 and 2 with regard to Houses.

### **Conclusion**

The study was produced suggestive evidence to conclude that snobbism should necessarily be associated with conspicuousness. However, the inverse relationship, namely the conspicuous consumers being necessarily snobbish might not hold true with regard to products such as wrist watches, even though for houses (for which a strong correlation was visible) conspicuousness appeared associated with snobbism, these findings are similar with the result of Perera, Mudalige and Patabendige (2013).

This result could be theoretically rational. Snobbism being desire to be “exclusive” among peers, would essentially have conspicuousness<sup>11</sup>, as one needs to “showcase wealth”<sup>12</sup> above the others around for him or her to be “exclusive”. However, a mere urge to showcase wealth may or may not be associated with a desire to be “exclusive” among peers. Thus, there could be consumption desires, which are conspicuous, yet, not snobbish.

Conspicuous demand for housing is being likely to be snobbish as well. However, in the case of wristwatches, it is unlike and it might be an indication of product-specific pattern. The causes for such behavior need further research. A hypothesis, for such a detailed investigation could be advanced that on fixed assets such as houses involving heavy expenditure commitments, consumers might not be willing to showcase wealth unless such is to be exclusive. This might be different with regard to a branded product like wrist watches where one’s desire to showcase wealth may be to be in par with peers (“bandwagon effect”) by wearing a similar branded item; such desire might not be associated with desire to be “exclusive”, and thus not snobbish.

**Keywords:** *Conspicuousness, houses, interdependence, snobbism, wristwatches*

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<sup>11</sup>Defined by Veblen (1899) as lavish expenditure to “showcase wealth” (details not in references)

<sup>12</sup>It is the consumption of choice of articles/goods as an evidence of wealth (p.43)

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## Appendix

Table 1. *Statements used on Likert Scale to analyze the trends of decorative consumption dimensions – The Case of Houses*

Veblen Effect	
Conspicuousness	Anti-Conspicuousness
1. You prefer a modern big mansion which showcases your status	1. The size of house does not matter as long as it provides shelter
2. The purchase /consumption of a house is based on its potential to signal wealth and enhance social status	2. The consumption/purchase of a house is based on the worth (value for money) of the house
3. Living in a luxurious house will uplift your living standards and showcase your stature in the society	3. Living in a luxurious big house is a headache
4. Big houses openly display how rich a person is	4. Excessive spending on houses to showcase wealth is a waste of money and an utter stupidity
Snob Effect	
Snobbism	Anti-Snobbism
1. You prefer a big house with unique architecture	1. The purchasing/consuming decision of a big house is based on the popularity of its features among your peers (such as the size and number of floors)
2. The purchasing/consuming decision of a house is based on the extremely unusual architecture of the house as you are attracted to rare things	2. You prefer to own a luxurious house similar to your friends' houses
3. You prefer to own a unique extravagant house because no one else in the neighborhood owns one	3. You are attracted to big houses because they are common in the community you live in

Table 2. *Statements used on Likert Scale to analyze the trends of decorative consumption dimensions – The Case of Wristwatches*

Veblen Effect	
Conspicuousness	Anti-Conspicuousness
1. Wearing an expensive watch openly displays wealth and social status	1. Wristwatch is only a time piece
2. The consumption decision of the wristwatch is based on non-utilitarian aspects such as brand and ability to illustrate wealth	2. Wearing a wristwatch is a headache
	3. The consumption/purchase of a wristwatch is based on purchasing power, high durability and only the basic functions of the watch
Snob Effect	
Snobbism	Anti-Snobbism
1. The purchasing/consuming decision of a wristwatch is based on the limited edition	1. The purchasing/consuming decision of a wristwatch is based on the popularity of the watch your peers
2. Wearing an expensive unique watch makes you exclusive as your peers cannot afford one	2. You prefer to wear a wristwatch which is similar to your peers/colleagues
3. People wear expensive watches to be unique among the rest	3. You are attracted to common expensive watches