



## A Study on Social Antecedents of Conspicuous Consumption among Emigrants from Kerala

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**ABSTRACT:-** Conspicuous consumption involves the overt display of possessions that denote wealth and status, to communicate a distinctive self-image to others. Here, product satisfaction is often derived from audience reaction as opposed to utility from product use. Susceptibility to interpersonal influence is the degree of an individual's sensitivity to opinions of significant others. This paper examines the extent of influence of social factors like susceptibility to interpersonal influence and status consumption tendency on conspicuous consumption levels of a quota sample of 640 expatriate Keralites. The study differentiates between status consumption and conspicuous consumption and also validates that status consumption significantly mediates the relationship between susceptibility to interpersonal influence and conspicuous consumption. The study provides interesting insights for marketers in developing consumer-centric approach towards product-development, pricing and promotions and also assists in segmentation of status seekers. Knowing susceptibility to interpersonal influence is a strong predictor of conspicuous consumption could aid marketers in choosing spokespersons and reference groups in advertising and promotional campaigns directed at status-conscious consumers. It proposes means to develop and manage meaningful engagement with customers by exhorting marketers to assume greater social responsibility and focus on societal repercussions stemming from promoting a lifestyle centered on conspicuous displays of wealth.

**Keywords:-** Conspicuous consumption, Emigrant, Interpersonal influence, Kerala, Status consumption

### I. INTRODUCTION

Household remittances stand for a part of total foreign remittances (cash and commodities included) that are sent to emigrant households for subsistence. These are private transfers by individuals to their families in the source country. These remittances are used for household consumption for activities like construction of houses, purchase of land, vehicles, for ceremonial functions etc.

The top 5 remittance recipient countries in the world in terms of value of remittances continue to be India, China, Philippines, Mexico and Nigeria in that order with India receiving US\$70.3 billion in 2014. Of this, Kerala accounts for 33% of all India remittances (World Bank, 2014). Total remittances to Kerala for the period 2013-14 stand at a staggering Rs.72680 crores, of which household remittances alone total up to Rs.24374 crores. This indicates a 46% jump from the corresponding figures of 2011 (Kerala Migration Survey [KMS], 2014). The average amount of foreign remittance received annually per household in Kerala was Rs.86843 as per KMS, 2014. This is a 43% surge from the corresponding figure in 2011. Around 50 lakh individuals in Kerala are dependent on remittance income from emigrants for their livelihood (Pravasi Malayali Census, 2013). With 24 lakh Keralites working overseas, Kerala tops the country in a key indicator of living standards called MPCE (monthly per capita expenditure). Indeed, in the NSSO household consumer expenditure survey of 2011-12, Kerala not only tops the country by MPCE in rural areas but also exhibits the least rural-urban differential among all states.

In Kerala, migration must have contributed more to poverty alleviation than any other factor including agrarian reforms, trade union activities and social welfare legislation. Remittances are 36.3 percent of the state's

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net domestic product, 1.2 times the revenue receipt of the Kerala Government and 1.5 times the Government's annual expenditure (KMS, 2014).

Today, consumption has become the yardstick to gauge socio-economic status in Kerala (Zachariah and Rajan, 2015). The housing and shopping practices that Kerala society follows are indicative of the consumerist culture prevailing in the state (Nair, 1986; Sooryamoorthy, 1977; Zachariah *et al.*, 2003). Apart from being a significant source of development income to the state, remittances have a very positive impact on the quality of life and purchasing power of emigrant households in Kerala, as is evident from the findings of KMS, 2014 depicted in **TABLE 1** in Appendix. Migrant households score much higher than their non-migrant counterparts on parameters indicative of living standards. Thus there is a strong positive relation between remittances and consumerism in Kerala. It is against this backdrop that a study on the emigrant community of Kerala assumes much relevance

## **II. RESEARCH QUESTION AND RESEARCH OBJECTIVES**

Little research has taken into account the predictive capacity of social constructs on conspicuous consumption, not just in the Indian context but also globally and this paper attempts to fill this void. Consumer behavior is shaped not only by an individual's personality, but also by the social norms and beliefs. Previous research by O'Çass and McEwen (2004) vouch that social factors such as susceptibility to interpersonal influence and status seeking behaviour need to be factored in when studying conspicuous consumption.

The research question that this study seeks an answer to is 'How do social constructs like Interpersonal influence and status consumption tendency interplay in predicting conspicuous consumption among emigrant community from Kerala?'

In line with this purpose, broadly three research objectives are examined:

1. To study the influence of susceptibility to interpersonal influence on conspicuous consumption tendency among emigrants from Kerala
2. To examine the extent of influence of status consumption tendency on conspicuous consumption among emigrants from Kerala.
3. To study the mediating effects of status consumption tendency between susceptibility to interpersonal influence and conspicuous consumption

## **III. CONCEPTUAL FRAMEWORK**

This paper looks to examine constructs like status consumption tendency and susceptibility to interpersonal influence and their relatedness to conspicuous consumption in the context of emigrants from Kerala. The study addresses the relationship between these constructs for emigrant Keralites. The findings are based on data obtained from 640 emigrants from Kerala who live abroad but continue to financially support their dependents in Kerala. Results are discussed as are limitations and future directions. The following sections discuss the relevant body of literature in each domain.

### **3.1. Conspicuous Consumption**

The examination of conspicuous consumption in the modern world gained momentum during the Industrial Revolution, facilitated by Veblen's *Theory of the Leisure Class*. Veblen (1899) introduced this concept to describe the lifestyle of members of the upper class who purchase goods and services not out of necessity but as indicators of wealth and status. He proposed that individuals crave status, and that status is enhanced by material displays of wealth. According to Veblen, "In order to gain and to hold the esteem of men, wealth must be put in evidence, for esteem is awarded only on evidence".

The key objective of conspicuous consumption is to impress others by the ostentatious display of wealth and to demonstrate the superior status of the individual to others (Riquelme *et al.*, 2011). It is the extent of one's behavioral tendency of displaying one's social status, wealth, taste or self-image to one's important reference groups through consumption of publicly visible products (Chen, 2002). Consumers in a consumption-based society may be led to believe that possession of certain conspicuous goods is required for upward social mobility. Here the primary need satisfied is prestige (Belk, 1988), and product satisfaction is often derived from audience reaction as opposed to actual product use (Wong, 1997). Researchers such as Chaudhuri *et al.* (2011) have acknowledged the correlation between the status-seeking behaviour of consumers and their conspicuous consumption intentions. Ger and Belk (1996) found that because of a demonstration effect, less economically developed nations tend to imitate the more extravagant and symbolic consumption of economically developed

ones. Batra *et al.* (2000) reported that because consumers in developing countries are relatively less affluent, they naturally feel a sense of insecurity and inferiority. To overcome this, they emulate the Western materialistic philosophy by purchasing Western brands they are exposed to through media, their own kin gone overseas, and their travel abroad. His study posits that there is an established link between exposure to global standards and conspicuous consumption tendencies.

### **3.2. Susceptibility to Interpersonal Influence**

Bearden *et al.* (1989) define susceptibility to interpersonal influence as: ‘the sensitivity to others’ opinions’. The construct is defined as the need to identify with or enhance one's image in the opinion of significant others through the acquisition and use of products and brands, the willingness to conform to the expectations of others regarding purchase decisions, and/or the tendency to learn about products and services by observing others or seeking information from others. The concept of susceptibility to interpersonal influence illustrates the force exerted on individual's choices by proximal relationships. Researchers believe that collectivistic cultures such as those in Asian countries emphasize conformity to group norms and social acceptance (Zhou and Hui, 2003). It is an integral part of societies with high levels of collectivism, where the values of interdependence and conformity make consumers more concerned about the opinions of key reference groups (Mourali *et al.*, 2005). Moutinho (1987) defines reference group as persons or groups that serves as a point of reference and is influential in shaping individual's attitudes, choices and beliefs. Some examples of reference groups include family, peers, work colleagues, friends, religious and ethnic groups, formal social and leisure groups, teachers, and sports and entertainment figures (Childers and Rao, 1992).

*Susceptibility to interpersonal influence comprises two dimensions: susceptibility to informational influence and susceptibility to normative influence.* The former refers to the tendency to perceive information obtained from others as indicative of reality (take cues about expected norms from others) while the latter refers to the tendency to conform to the expectations of group members (Clark and Goldsmith, 2006) either to obtain rewards or avoid punishment or to enhance social standing. It deals with the social pressure to own new products that others already possess. The major determinants of informational influence include message content, source credibility and trustworthiness whereas characteristics of reference groups such as appearance and social status are the major determinants of normative influence (Grimm *et al.*, 1999).

### **3.3. Status Consumption Tendency**

Status is a position or rank in society awarded to an individual by others. Literature defines different types of status: 1. Status by definition or assignment (eg. Royalty) 2. Status by achievement( an individual has status if he excels in his line of work) 3. Status by consumption (Brown, 1991). The focus of this article is on the final type of social status- status acquired through consumption of possessions. O’Cass and McEwen (2004) assert that Status consumption is “the behavioral tendency to value status and acquire products that provide status to the individual” Packard (1959) defines ‘status seekers’ as individuals who are constantly straining to surround themselves with visible evidence of the superior rank they seek. Their key motivation is the desire to seek a higher status through the possession of certain goods ( Belk, 1988). Such consumers attempt to signal their comparative degree of social power by spending (Eastman, *et al.*, 1999). This social power invites respect, consideration and envy from others. According to Eastman *et al.*(1999), the more an individual seeks status, the more he or she will engage in behaviorsto increase status.

The majority of Asian cultures are characterized by hierarchical structures with emphasis on social rank. A rigid hierarchical social structure leads naturally to a heightened sensitivity toward status (Schutte and Ciarlante, 1998). India and China are classic examples. The exorbitant costs behind conducting weddings in India, irrespective of social or income class, can be traced back to the need for status and prestige. In Karnataka State, dowries have been increasing substantially for several decades. Now dowries in this community average six times the annual income of a family, an amount that is consistent with findings from many other South Indian states (Bloch *et al.*, 2004).

### **3.4. Status Consumption and Conspicuous Consumption**

O’Cass and Frost (2002) noted that researchers have often used status consumption and conspicuous consumption interchangeably until in a later study they found that both constructs are different. Till then, the literature appeared to lack clarity and possessed significant overlap in the definitions of status consumption and conspicuous consumption. Chaudhari and Majumdar (2006) opined that limiting conspicuous consumption to luxury or status consumption may be incorrect. O’Cass and McEwen (2004) describe status consumption as the personal nature of owning status products for internal reasons (self-reward, with no public display of the products) and conspicuous consumption for external reasons (to signal wealth through public display). The

difference lies in the way that status consumers and conspicuous consumers make use of products. In other words, conspicuous consumption has more to do with signaling to others while status consumption tendencies emphasize on ownership of such products which may or may not be publicly demonstrated (O’Cass and McEwen, 2004). Consuming conspicuously means that individuals recognize others as an audience and derive their satisfaction from audience reaction as compared to the dimension of status consumption that focuses on the self-satisfaction of owning status-laden possessions, which may or may not be publicly visible (O’Cass and McEwen 2004). For example: purchasing expensive liquor brands to consume in private could be an example of status consumption. On the other hand, throwing a lavish party with foreign liquor labels on display would qualify as conspicuous consumption. Several researchers have defined status consumption as the driving force behind conspicuous consumption (Piacentini and Mailer, 2004). This is so because conspicuous consumption involves the public consumption of luxury products that signal wealth, status and power (Eastman *et al.*, 1999; O’Cass and Frost, 2002; Vigneron and Johnson, 1999). According to O’Cass and McEwen (2004), status seeking behaviour influences the desire to consume conspicuously, therefore the more status a brand carries, the more likely it will be used in a conspicuous manner.

### **3.5. Susceptibility to Interpersonal Influence and Status Consumption**

Both personality traits and social factors are instrumental in triggering status consumption tendencies. A study by Thomas and Wilson (2012) identified two factors—‘peer group pressure’ and ‘social comparisons’—as the two major factors influencing the purchase and ownership of premium products by professional college students in Kerala. This means that individuals often try to gain social recognition or distinctiveness by spending their income on products capable of displaying status to their peers. O’Cass and McEwen (2004) assert that status consumption is “the behavioral tendency to acquire products that accrue status to the individual” whereas they define conspicuous consumption as “the tendency for individuals to enhance their image, through overt consumption of possessions, which communicates status to others”. These very similar definitions indicate that reference groups or significant others are important influences in both status consumption and conspicuous consumption (Duesenberry, 1952; Frank, 2005; and Royo, 2007).

## **Hypothesis construction**

### **4.1. Susceptibility to Interpersonal Influence and Status Consumption**

Marcoux *et al.* (1997) indicated that reference group influence appears to be particularly important to the relationship between status consumption and conspicuous consumption, as both appear to be impacted by individual’s proneness to interpersonal influence. This is so because consumers display conspicuousness in order to gain recognition, approval, or acceptance from their reference groups. Conceptually this means that certain status products and brands are used for image portrayal to provide entry into certain groups. This logic has been substantiated in the literature (O’Cass and Frost, 2002; Kim and Drolet, 2007). A relatively recent empirical study has corroborated the influence of interpersonal influence on status and conspicuous consumption (Lai and Chu, 2007). Susceptibility to interpersonal influence (both informational and normative) was posited to have a positive influence on the consumption of status products. Since conspicuous consumption serves to signal the sense of belonging to a particular group of reference, those more prone to consume status products are also more susceptible to the opinions of others and gather information about the appropriate products that carry status.

People from Kerala are motivated to present themselves positively in social interactions, as they are sensitive to others’ evaluations. As a result, people from this community have a tendency to spend disproportionate amount of money on high quality, status items (Abdulla, 2014). Desire for conformity is higher among collectivist societies that wish to consume for status (Lee and Zhang, 2015). In India, mobility within a society is often achieved by imitating the behaviors of families of higher social orders. Families devote a great deal of effort and expense to the presentation of external attributes. Household decisions are often made with an emphasis on how one’s family will be viewed by others. (Marguerite, 1996).

On the contrary, Grotts and Johnson (2013) initially hypothesized that status consumption prompted a person to conform to norms of a social group they would like to be a part of. But the hypothesized relationship of social conformity being a positive predictor of status consumption did not prove to be significant. This may imply that the real motivation for status consumption is not imitation but rather differentiation (snob value).

Hence the following hypothesis is postulated:

*H<sub>1a</sub>: Susceptibility to Normative reference group influence will be positively related to emigrants Status consumption tendencies.*

*H<sub>1b</sub>: Susceptibility to Informational reference group influence will be positively related to emigrants Status consumption tendencies.*

#### **4.2. Status Consumption and Conspicuous Consumption**

Marcoux *et.al* (1997) states that interpersonal influence and social status demonstration are the two main variables measured in all the conspicuous consumption scales. This implies that status consumption leads to conspicuousness in consumption. Status consumption tendencies will lead individuals to be more conscious of displaying their consumption of status and possessions (Eastman *et al*, 1999). Solomon *et al.* (2002) suggests that conspicuous consumption is a consequence of consumers' desire to signal wealth. In their study, the symbolic factors representing conspicuous consumption were Symbols of success; symbols of prestige; indicator of wealth; indicator of achievement; interested in status; and enhances image. Research by Braun and Wicklund (1989) found that conspicuous consumers are more likely to associate buying with social status. This is consistent with findings of Roberts *et.al.* (2005) who found a positive relation between social status associated with buying and conspicuous consumption both in USA and Mexico. Chao and Schor (1998) opined that the utility of status products is partly to publicly advertise an individual's social standing, and consumers would prefer highly visible status products over those that are privately consumed. For example, a study of women's cosmetics revealed that consumers were more willing to pay a status premium for highly visible products (e.g. lipstick) as compared to less visible products (e.g. facial cleansers). In a study by Chen *et al* (2008), four key dimensions underlying conspicuous consumption have been found, which are 'conspicuity for aspirant group', 'conspicuity for uniqueness', 'conspicuity for conformity', and 'conspicuity for status'. The last dimension proves that status consumption is a key antecedent to conspicuous consumption. Yet another study by Acikalin *et al.* (2009) demonstrates that prestige significantly explained conspicuous consumption.

Based on the existing literature, the following hypothesis is proposed:

*H<sub>2</sub>: Status consumption tendency will be positively related to emigrants' Conspicuous consumption.*

## **V. METHODOLOGY**

### **5.1. Measurement Instrument**

This study utilized survey data which was collected using a pre-tested questionnaire with existing scales found in the literature. The objective of the research was to understand the influence of *interpersonal influence* and *status consumption* on the tendency to conspicuously consume. Three scales adapted from different studies were used in the survey instrument. All responses were taken on a 5-point Likert scale, with 5 indicating *strongly agree* and 1 indicating *strongly disagree*.

The scale used to measure Status consumption tendency called the Status Consumption Scale (SCS) has 5 items and was developed by *Eastman et.al* (1999). This status consumption scale contains items that represent the degree to which the consumer is predisposed to consume for status. A 13 item two-factor SUSCEP scale developed by Bearden *et.al* (1989) was used to measure *Susceptibility to Interpersonal Influence*. It included items to measure susceptibility to normative influence and informational influence. People who score higher on this scale are also more oriented toward self-expression through visible consumption (Bearden *et.al*, 1990). The scale used to measure conspicuous consumption was adopted from Chung and Fischer (2001). The Chung and Fischer scale was recently utilized with high reliability among U.S consumers in a study by Podoshen, Li, and Zhang (2011).

### **5.2. Sample and Data Collection**

The objective of the study is to examine social factors influencing conspicuous consumption among emigrants from Kerala. Certain assumptions have been made in choosing the sample in order to facilitate this objective. According to a study on Indian Americans by Gupta (2009), factors such as household income of expatriate, family size, number of dependents in India, family ties in India, plans to relocate to India and transaction costs of remittances are found to affect remittance behavior. Remittances are seen to be heavily dependent on the number of dependents for the emigrant in the home country (Markova and Reilly, 2006). So it can be said that emigrants with dependents in the home country indirectly facilitate conspicuous consumption by way of foreign remittance. In this study, it has been assumed that emigrants who have dependent families in Kerala are more likely to visit the state regularly compared to emigrants with fewer family ties in the state. Additionally, only emigrants who visit Kerala regularly are likely to make discretionary purchases here and thereby directly facilitate conspicuous consumption. This logic is used to justify the choice of emigrants who financially support their families in Kerala as the sample.

In lieu of this logic, the ‘emigrant’ is defined as an individual from Kerala who has been residing abroad for a minimum period of one year and continues to financially support his/her family members in Kerala. The respondent in the survey is an earning member/provider for the emigrant household who has been residing abroad for at least a year (at the time of the study) and remains the key influencer in the family’s household purchase decisions in Kerala. The operative definition of ‘emigrant household’ in this study is a household that is *partially or entirely dependent on foreign remittance income* received from the emigrant family member residing outside India, for its sustenance.

A self-administered questionnaire was used to collect data from 640 emigrant Keralites. Due to constraints in accessing the sample, Quota sampling was adopted for sample selection. Quota sampling is a non-probability sampling technique wherein the sample has the same proportions of individuals as the entire population with respect to known characteristics, traits or focused phenomenon. The number of emigrants from each district of Kerala was chosen as the stratification criteria [See *TABLE 2(a)* in Appendix] For ease of data collection and analysis, the 14 districts of the state were divided into three regions – North Kerala, Central Kerala and South Kerala. The quota for each region was calculated and responses were collected till this quota for each region was met. The proportionate quota for each region is shown in the table 2(b). Although quota sampling may introduce some bias to the study and limit the external validity, due to the personal nature of the questions in this survey and the screening criteria for respondents, a random sample would be unlikely to generate a sufficient number of willing respondents from across Kerala to enable a valid conclusion to be drawn. The sample size criterion was estimated as 234 and hence comfortably satisfied at 640. (Tabachnik and Fidell, 2007).

## VI. RESULTS

### 6.1. Test of Reliability

The reliability of the scale items was determined by means of Cronbach’s Alpha coefficient. (See *Table 3* in Appendix). Scale reliability was found to be within acceptable levels for all scales with status consumption reliability at 0.982, SUSCEP scale at 0.966 and conspicuous consumption at 0.935 suggesting that all the dimensions are internally consistent (Hair *et al.* 2009).

### 6.2. Detailing of Respondent demographic variables.

Respondents between age groups of 22 and 60 who are employed were chosen for the study. The mean age of all respondents was 35.85 with a standard deviation of 6.487 and skewness 0.647. In terms of gender breakdown, 59.5% were men and 40.5% were women. All demographic variables have been represented in *TABLE 4* in Appendix.

### 6.3. Interrelationship between Conspicuous consumption, Status consumption and Susceptibility to Interpersonal Influence

Susceptibility to interpersonal influence (as measured by informational and normative influence) has a significant influence on consumers’ status consumption tendency. The Pearson correlation between the predictor variables and Conspicuous consumption is found to be statistically significant at 5% significance level. Each of these variables are highly correlated with conspicuous consumption with Pearson’s correlation  $r$  value of 0.915, 0.822 and 0.866 (see *TABLE 5* in Appendix). Path analysis was performed using AMOS 18 to examine the collective influence on conspicuous consumption (see *Fig. 1* below). The path in the model between status consumption tendency and the two sub-dimensions of SUSCEP scale (namely informational and normative influence) leading to conspicuous consumption are all positive. Status consumption is seen to be significantly influenced by both Normative Influence and informational influence. Hence H1a and H1b stands accepted. Status Consumption was the most relevant dimension associated with conspicuous consumption among the emigrant community with Standardised Regression Coefficient of 0.886 (See *TABLE 6* in Appendix. As for the sub-dimensions of the SUSCEP scale measuring interpersonal influence, both Normative influence and Informational influence are seen to significantly influence status consumption tendencies among emigrants with Standardised regression weights of 0.670 and 0.238 respectively. All relationships in the model are significant at the 5% level.

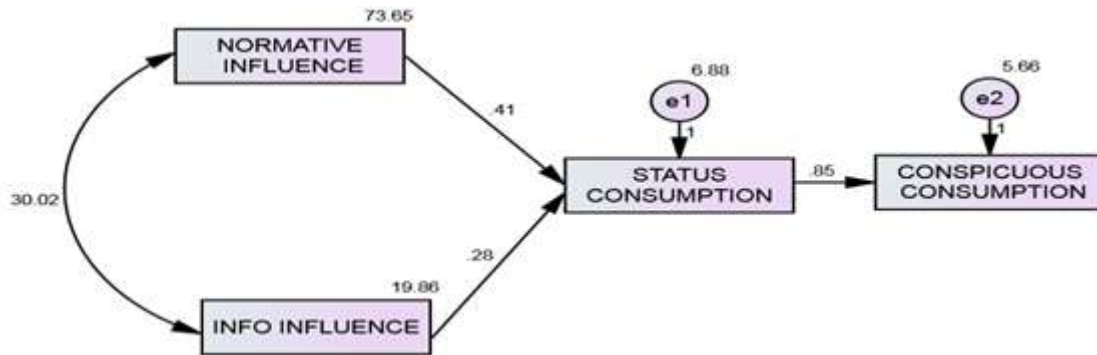


Fig. 1: Path Analysis showing dependency relationships for conspicuous consumption

Summary of the Hypotheses statements is presented in TABLE6 below:

Table 6: Summary of Hypotheses Statements

	Hypothesis Statement	Decision
H <sub>1a</sub>	Susceptibility to Normative reference group influence will be positively related to emigrants Status consumption tendencies	Accepted
H <sub>1b</sub>	Susceptibility to Informational reference group influence will be positively related to emigrants Status consumption tendencies.	Accepted
H <sub>2</sub>	Status consumption tendency will be positively related to emigrants' Conspicuous consumption.	Accepted

## VII. DISCUSSION AND IMPLICATIONS

As the study used expatriates as respondents, its results also confirm earlier findings by Batra *et al.* (2000) that there is an established link between exposure to global standards and conspicuous consumption tendencies. The significance of this study is two-fold i.e. it is important to both marketing and management experts because it provides an additional angle to conspicuous consumption, in terms of social traits and its impact on ostentatious consumption. It also empirically establishes the fine line of difference between status and conspicuous consumption.

Foray into international brands and services has redefined the aspirations of Indians. In societies where money conveys prestige and position, it may lead to irresponsible spending (Abdulla, 2014). Kerala is rightly known as a consumerist state. Emigration has fuelled increase in disposable income at household levels. This, along with global exposure through migration, has led to conspicuous consumption culture taking shape in Kerala as other avenues for investment do not exist here (Zachariah and Rajan, 2015). Keralites have begun to use products to hide their insecurities and failures and are willing to incur financial risk to acquire status brands. Marketers need to understand the negative social implications of encouraging consumers to pursue consumerism and purchase products on credit. The economic recession of 2008 was the result of conspicuous consumption. By reinforcing these behaviors in the Indian context, marketing managers might find themselves indirectly harming sustainable consumption practices.

A counter perspective is that the high levels of conspicuous consumption brought about by status seeking behavior can increase not only businesses' profits, but can generate capital for research and development. Greater research and development can in turn lead to higher productivity, technological breakthroughs and higher living standards for all (Shukla, 2010). As observed by Zachariah and Rajan (2015), emigration and emigrant remittances continue to sustain much of the Kerala economy. This study offers significant implications for marketing professionals in the process of targeting this lucrative emigrant community and positioning themselves suitably. It was found that emigrants are significantly driven by need for status and this significantly influences the likelihood of a brand being chosen by emigrants for consumption. Therefore, marketers targeting the emigrant community are advised that the brand be articulated as being heavily status-laden. These attributes would include: symbolic characteristics; standards of excellence; positive brand image and identity; superior quality; 'snob' appeal; luxurious features; exclusivity; being associated with the wealthy, successful or elite; or high priced. (O'Çass and McEwen, 2004).

The influence of susceptibility to interpersonal influence on conspicuous consumption is significantly high in line with studies by Marcoux et al. (1997) highlighting the importance of reference group influence on the relationship between status consumption and conspicuous consumption, as both appear to be impacted by individual's proneness to interpersonal influence (Figure 1 in text). The result also supports James Duesenberry's (1949) theory that an individual's utility from any given level of consumption depends not only on the absolute level of spending, but also how that spending compares to that of others. This is called the "relative income" approach, and is also known in popular parlance as the process of "keeping up with the Joneses". In Duesenberry's formulation, consumers are exposed (through "demonstration effects") to the consumption patterns of those in their reference groups, and seek to replicate those patterns.

This research adds to understanding how two types of reference group influences drive consumption patterns. Therefore, this study provides marketers with a framework which they can use when manipulating reference group influence in their promotional appeals. Knowing susceptibility to interpersonal influence is a strong predictor of conspicuous consumption could aid marketers in choosing spokespersons and reference groups in advertising and promotional campaigns directed at status-conscious consumers. The promotional message chosen could emphasize the product's normative function (value expressive, utilitarian, or combination). A value-expressive message operates by helping consumers identify with their preferred group. For example, for status-seeking emigrant consumers with a strong need to fit-in, marketers could use conformity messages from a normative source, such as a popular celebrity.

To conclude, with unprecedented global migration from developing countries, marketers need to understand that there is a huge market for status products outside the developed world and focus on countries such as India that are just as interested in consuming for status.

### **VIII. LIMITATIONS AND FUTURE DIRECTIONS**

A significant limitation of this study is that these constructs have been studied in the context of Kerala only. Therefore it cannot be assumed that these results carry over to consumers of other natives. As Podoshenet al. (2011) have demonstrated, conspicuous consumption may be very different across nationalities and culture. Quota sampling was used and it may not be representative of the expatriate population at large. Future research can factor in the influence of other geographic and demographic variables like country of expats current residence and family size. On the positive side, due to large sample size, the psychometric properties of the scales were positive, and the evidence for the hypothesis was highly consistent with previous findings, lending confidence to the results. However, the article does not dwell upon the antecedents of Susceptibility to Interpersonal Influence. Further studies can be undertaken to reestablish the antecedents of susceptibility to interpersonal influence by exploring two consumer specific variables namely Consumer confidence and Consumer Interpersonal Orientation. It would be beneficial to complete the conspicuous consumption model by testing other personality traits and social influences apart from status consumption tendency and interpersonal influence alone (For example: the influence of media exposure, self-monitoring trait, collectivism, concept of face in individuals etc) However, it is hoped that this study acts as a springboard for future examinations of socio-psychological antecedents of conspicuous consumption.

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#### APPENDIX A

**Table 1: Table comparing migrant households and non-migrant households on ‘possession of goods/services’ indicative of living standards**

	Goods/Services Owned	Non emigrant household (%)	Emigrant household (%)
1	Red Ration Card	35	20
2	*RSBY membership	34	25
3	Luxurious house	30.4	52.6
4	Use of LPG for cooking	55.3	64.3
5	Consumer Durables (AC, Laptop)	48.5	72

Source: Kerala Migration Survey, 2014

\*RSBY: RashtriyaSwasthyaBimaYojana

**Table 2(a): Table showing district-wise distribution of population and quota used in sample**

District	Number of emigrants	% of total emigrants	Proportionate district-wise quota
Malappuram	4,55,696	18.98	122
Kannur	2,91,321	12.14	78
Trivandrum	2,41,727	10.07	64
Thrissur	2,30,081	9.58	61
Kozhikode	2,26,499	9.44	60
Kollam	1,99,993	8.33	53
Ernakulam	1,91,373	7.97	51
Pathanamthitta	1,41,343	5.89	38
Kottayam	1,07,931	4.50	29
Kasargod	1,04,334	4.35	28
Alappuzha	93096	3.88	25
Palakkad	70506	2.94	19
Idukki	23967	1	6
Wayanad	22568	0.94	6
Total	<b>2400435</b>	<b>100%</b>	<b>640</b>

**Table 2(b): Table showing District-wise and Region-wise quota within the sample**

Region within Kerala	Districts within region	District wise quota		Region wise quota	
		% of total	Count	%	Count
North Kerala	Malappuram	18.98	122	49	312
	Kannur	12.14	78		
	Kozhikode	9.44	64		
	Kasargod	4.35	28		
	Palakkad	2.94	19		
	Wyanand	0.94	6		
Central Kerala	Thrissur	9.58	61	27	172
	Ernakulam	7.97	51		
	Kottayam	4.50	29		
	Alappuzha	3.88	25		
	Idukki	1	6		
South Kerala	Trivandrum	10.07	64	24	156
	Kollam	8.33	53		
	Pathanamthitta	5.89	38		
Region Total		100	640	100	640

**Table 3: Table showing Reliability measures for scale items**

Construct tested for reliability	No. of items	Cronbach's Alpha
Susceptibility to Interpersonal Influence Score	13	0.966
Status Consumption Score	5	0.982
Conspicuous Consumption Score	5	0.935

Source: Survey data

**Table 4: Demographic description of respondents**

Variable	Item	Frequency	Percentage
Gender	Male	381	59.5
	Female	259	40.5
Marital status	Married	586	91.6
	Single	54	8.4

<b>Monthly Household Income</b>	<INR 50000	76	11.9
	INR 50,001-1,00,000	102	15.9
	INR 1,00,001-3,00,000	233	36.4
	INR 3,00,001-5,00,000	130	20.3
	>INR 5,00,000	99	15.5
<b>Religion</b>	Christian	234	36.6
	Hindu	210	32.8
	Muslim	196	30.6
<b>Education</b>	Post Graduate (General)	171	26.7
	Post Graduate (Professional)	241	37.7
	Four year college graduate	105	16.4
	Three year college graduate	83	13
	High school/Diploma	40	6.3
<b>Occupation</b>	Salaried	547	85.5
	Self employed	93	14.5

Source: Survey data

**Table 5: Table showing correlation between conspicuous consumption and other independent variables**

Predictor Variable	Correlation coefficient	Significance	Direction of Correlation
Susceptibility to Normative Influence	0.915	p<0.05	Positive
Susceptibility to Informational Influence	0.822	p<0.05	Positive
Status Consumption	0.886	p<0.05	Positive

**Table 6: Table showing Regression Weights for Conspicuous Consumption model**

Path	Regression Coefficient	Std. Regression Coefficient	P value	Decision
Normative Influence → Status Cons.	0.414	0.670	p<0.05	Supported
Informational Influence → Status Cons.	0.284	0.238	p<0.05	Supported
Status Consumption → Conspicuous Cons	0.854	0.886	p<0.05	Supported