

World Conference on Technology, Innovation and Entrepreneurship

## Prospective Human Capital: How Materialistic are Thai College Students? An Analysis of Spending Tendencies and Debts

Phaninee Naruetharadhol<sup>a\*</sup>, Chavis Ketkaew<sup>a</sup>, Pornwadee Kerdpech<sup>a</sup>, Praphasorn Kaoplod<sup>a</sup>, Rattiporn Kannarat<sup>a</sup>

<sup>a</sup>*Khon Kaen University International College, 123 Mitraphap Rd., Khon Kaen, 40002, Thailand*

---

### Abstract

The research was designed to investigate the relationship of Materialism to college students spending tendencies and debts by using correlation analysis. Materialism has been defined by Richins and Dawson (1992) as “the importance ascribed to the ownership and acquisition of material goods in achieving major life goals or desired states.” (Richins and Dawson, 1992). A materialistic lifestyle seems to be more and more modern especially for college students. 800 Thai college students from Khon Kaen University and Mahasarakham University currently reside in Northeastern part of Thailand were invited to participate in the questionnaire survey. The correlations of materialism, student’s spending tendency and debt were explored by investigating through students’ perception toward themselves and each aspect that considered having correlations. Age, sex, income and education were considered as variables of being materialism, being in debt and effect of their spending tendencies. The results indicate that the correlations between materialism, spending tendencies and debt are prominently significant. Sex seems to have relationship with being materialism and being in debt. Participants with higher incomes have positive attitude toward debts than participants with lower incomes. Contrarily, age and education appear to have no correlations with any aspects.

© 2015 The Authors. Published by Elsevier Ltd. This is an open access article under the CC BY-NC-ND license (<http://creativecommons.org/licenses/by-nc-nd/4.0/>).  
Peer-review under responsibility of Istanbul Univeristy.

**Keywords:** materialism; spending tendencies; debts

---

---

\* Corresponding author. Tel.: +6688009-5075; fax: +6643-202173.  
E-mail address: [phaninee@kku.ac.th](mailto:phaninee@kku.ac.th)

## 1. Introduction

Materialism is what now concern as a big problem for people nowadays. People are spending their money for goods to serve their needs and to be accepted in their social community. Sometimes, those goods are necessary for the daily life but most of the time they are absolutely wasted and cause them in debts. Although the importance of consumer spending in relation to the economy and the role of materialistic tendencies play in the consumers' consumption would dictate that an understanding of relationship between materialism and spending tendencies has great relevance to economic psychology and should elicit more interests from researcher" (Richins & Rudmin, 1994). Especially, materialism is now spreading wide through college student. There are many of college students who have high price belongings that sometimes are unaffordable for them. The reason why they'd like to have these kinds of belongings is because they would like to fit in the group of friends, follow the trends, their personal addictions, and etc. According to "the contrary to material good life ideal", existing research demonstrates that materialistic values and goals, dominant in consumer culture (Kasser et al., 2007) because of this idea, materialism is increasing and so does the debts. The college students spend their money for materials with high price. Hence, there is a question, where do they receive that money to purchase the goods from? They might have the support from parents, part-time jobs, or even borrowing from some company. The objective of this research is to investigate the relationship of materialism toward college student's spending tendencies and debt.

### 1.1 *Materialism and Debt*

Nowadays, people in developed countries are more favor to following the world's trend such as fashion, cars, and lifestyle which could make them become materialistic and lead them to be indebtedness. A person with highly materialistic values believes that the acquisition of material goods is a central life goal, a prime indicator of success, and a key to happiness and self-definition (Richins & Dawson, 1992). In 2011 Ragna B. and Helga examine the relationship of materialism to debt and financial well-being in Iceland and found out that "people who endorse materialistic values have more financial worries, worse money-management skills and greater tendency toward compulsive buying and spending." The project was examined by both offline and online questionnaire with 271 participants who are adults over 18 years of age and non-student to measure their thoughts about materialism, money-management skills, and tendency to spending, compulsive buying and financial worry. This study helps the researcher to find out how does materialism relate to student's spending tendency and debt as it said in the objectives. **H<sub>1</sub>**: Materialism is related to debt.

### 1.2 *The relationship of materialism to spending tendencies, saving, and debt*

People with high level of materialism tend to consume debt more than people with low level of materialism (John J. Watson, 2003). People with high level of materialism may consume debt in order to satisfy their needs and keep them stay in a standard of living even they have low income. They also have positive attitudes toward money borrowing (Richins & Rudmin, 1994). John J. Watson (2003) said high level of materialism is strongly correlated to debt borrowing but it is not only one reason of borrowing, there could be many factors considering. The relationship of materialism to spending tendencies were measured using materialism scale, measure individual levels of materialism, Richins and Dawson (1992) define materialism in terms of the importance of possessions and acquisition (centrality), the role acquisition plays in the pursuit of happiness (happiness), and the use of possessions as an indicator of success in life (success). The scale consists of 18 items encompassing the three factors. The items were scored on a 5-point Likert format from "strongly agree" to "strongly disagree". All 18 items were summed to form an overall materialism score. Measure consumer spending using "spending tendency" to examine how people with high and low level of materialism spend and save. "Spending tendency" is one of the seven consumer characteristics within the Consumer Personality Questionnaire (CPQ) (Heslin & Frey, 1995). It is a 20-item scale

Download English Version:

<https://daneshyari.com/en/article/1110043>

Download Persian Version:

<https://daneshyari.com/article/1110043>

[Daneshyari.com](https://daneshyari.com)