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Materialism and Consumeristic Philanthropy

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We posit that consumer support for consumeristic philanthropy arises in part from the need to signal one's status through brand consumption. Findings from a survey of American consumers and two experiments show that status signaling mediates the relationship and that more materialistic consumers assign greater value this status signaling.

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EXTENDED ABSTRACT

Major charity organizations offer products for donors to communicate their philanthropic intentions and behaviors through consumption. Examples are backpacks, shirts or various accessories from the Red Cross or the Salvation Army with prominent display of the charitable organization's logo on the products. Some charitable organizations even license their logo to for-profit companies and consumers can buy these logos to express their support for charitable causes (Varadarajan and Menon 1988). A notable example is Product (Red), a consumer brand licensed to American Express, Apple, Emporio Armani and other partner companies to raise money for the Global Fund to Fight AIDS, Tuberculosis and Malaria. Each partner company creates a product with the Product (Red) logo and agrees to donate a percentage of the profit to the Global Fund. We posit that consumer support for this kind of *consumeristic philanthropy* arises in part from the need to signal one's status through brand consumption. Because according to previous research (cf. Belk 1988) materialistic consumers, compared to the less materialistic ones, have a greater need for status signaling through consumption, we hypothesize that more materialistic consumers would value consumeristic philanthropy more. However, although materialistic consumers may lack an intrinsic motive to engage in philanthropic behaviors, they may be motivated by the need to signal their status through engaging in such behaviors. Indeed, aside from altruism, charitable giving can be motivated by other motives. For example, individuals may engage in charitable giving because it allows them to project a certain social image to others (Aaker and Akutsu 2009). Thus, although materialistic consumers may not be motivated to give to charity out of intrinsic motivation, they may do so if the charitable giving activity is congruent with their value orientations. We posit that materialistic consumers will find campaigns that couple charitable contributions with appeals to material possessions particularly appealing because they confer opportunities for signaling their status through consumption. As our three studies will show when materialistic consumers are given the opportunity to signal their status through consumeristic philanthropy (i.e. a charitable contribution combined with a material possession or consumer object such as Gap Red), these individuals are even more generous than non-materialistic individuals.

We tested our hypotheses in three studies that used different methods. In study one, we surveyed consumers' levels of materialism, support for consumeristic philanthropy and non-consumeristic philanthropy, and their motivation to signal status through consumption. The results showed that materialism is positively correlated with the motivation to signal status and the support for consumeristic philanthropy. We also show that this positive relationship between materialism and support for consumeristic philanthropy is mediated by the motivation to signal status via consumption.

Studies 2 and 3 use a variant of Haidt's (2007) monetary evaluation task to assess the value consumers attached to status signaling through consumption (study 2) and to consumeristic philanthropy (study 3).

Inspired by this idea, Haidt (2007) designed the monetary evaluation task to assess the "cash values" individuals assigned to moral values. The task consists of two parts. Part 1 assesses the baseline value respondents would assign to a certain action ("How much money would it take to get you to stick a pin into your palm?"). Part 2 assesses the value respondents would assign to the same action when

it implicates a certain moral value (e.g., "How much money would it take to get you to stick a pin into the palm of a child you don't know?"). The discrepancy between the two values is used to indicate the value the respondents assign to the moral value under assessment (inflicting harm to innocent people). This assessment technique has been found to be useful for overcoming socially desirable responding and hence useful for capturing socially sensitive responses (e.g., moral values). The current research concerns the value consumers attach to prosocial behaviors. To avoid potential validity threats caused by socially desirable responding, we modified Haidt's monetary evaluation task to assess the values consumers attach to status signaling through consumption (study 2) and the values consumers attach to consumeristic philanthropy (study 3). In both studies, we also measured the participants' levels of materialism. Also study 2 and 3 confirmed our main predictions that levels of materialism will be positively correlated with the values consumers attach to status signaling through consumption and to consumeristic philanthropy.

The current research makes three major contributions. First, it seeks to show that consumeristic philanthropy is mediated by a greater need to signal status through consumption among materialistic consumers. This knowledge is useful because it examines the role of consumer values in the support for charitable sales promotions. In this context the current research studies consumer support for consumeristic philanthropy to materialism which can explain why charitable sales promotions tend to be more successful for conspicuous luxury products (Strahilevitz 1999; Strahilevitz and Myers 1998).

Second, Rindfleisch et al. (2009) commented that materialism research has focused on the nature, antecedents and well-being consequences of materialism. Relatively little is known about the relationship of materialism to other consumer behaviors. The current research fills this gap by examining how materialism and its attendant need to signal status predict consumer support for consumeristic philanthropy.

Finally, the present research may challenge the stereotypic portrayal of materialistic consumers as individuals who care only about acquisition and possession of materialistic goods and who are therefore indifferent to social concerns (Van Hiel et al. 2010). The current research seeks to show that both materialistic and non-materialistic consumers can be motivated to support charitable giving. Our proposition gives rise to the counterintuitive prediction that when given the opportunity to signal their status through consumeristic philanthropy, materialistic consumers may be even more motivated than non-materialistic ones to support charitable activities.

Findings from a survey of 259 American consumers (study 1) support this hypothesis and show that the status signaling mediates the hypothesized relationship. Two experiments (studies 2 and 3) that used a modified monetary evaluation task revealed that more materialistic consumers assign greater value to status signaling through brand consumption and consumeristic philanthropy. These results offer a motivational explanation of consumeristic philanthropy and further clarify the role of materialism in brand consumption.

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