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WELL-BEING

The Componential Nature of Materialistic Values and Subjective Well-Being:  
A Comparison of Students in Croatia, Germany, and the UK

Judita F. Janković

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Helga Dittmar\*

University of Sussex, Brighton, England

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\* Correspondence concerning this article should be addressed to Helga Dittmar, Social Psychology Group, Department of Psychology, Psychology Building, University of Sussex, Falmer, Brighton, BN1 9QH, East Sussex, England, e-mail: [h.e.dittmar@sussex.ac.uk](mailto:h.e.dittmar@sussex.ac.uk).

Previous research shows that endorsing high materialistic values is associated with lowered subjective well-being (e.g., Burroughs & Rindfleisch, 2002; Kasser & Ahuvia, 2002). Yet, few studies have compared economically and culturally different countries, and none have examined *components* of materialistic values separately. The present study examines endorsement of three materialism components proposed by Richins and Dawson (1992) among student populations in Croatia, Germany, and the UK, and also assesses them as predictors of subjective well-being (SWB). A componential analysis offered superior prediction of SWB than overall materialistic value endorsement, and a major finding was that the *happiness* component – the belief that possessions and money are an important path to personal happiness - is the only dimension of materialism that explains most of the variance in subjective well-being, across all three countries.

**KEYWORDS:** materialistic values, subjective well-being, cultural differences, mass consumerism, happiness

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## 1. Introduction

Various studies have examined links between materialistic values and subjective well-being (SWB), showing a negative association (e.g., Richins & Dawson, 1992; Kasser & Ahuvia, 2002; Kasser & Ryan, 1993; 1996; Sagiv & Schwartz, 2000). Yet, materialistic values may not be a homogeneously negative predictor of subjective well-being, given that they consist of different components. Richins and Dawson (1992) conceptualise materialism as a value that has three dimensions: *acquisition centrality*, the belief that material possessions and money are an important life goal; *success*, the extent to which possessions and money are seen as a yardstick of evaluating one's own and others' achievements; and *happiness*, the conviction that goods and money are the major path to a personal happiness and a better life. These components differ qualitatively from each other, raising the question of whether – for instance - the belief that having possessions is the ultimate path to happiness is more significant in the negative relationship between materialism and well-being than endorsing material wealth as a personal goal.

Yet, to our knowledge, no previous study has examined this question, despite its theoretical and applied importance. Moreover, the meaning of materialism is likely to differ across cultures, and we therefore examine components of materialistic values and SWB by comparing young consumers in three different European countries. The UK represents a well-established and developed mass consumer society, contrasting with Croatia as a post-transition Eastern Block country that has a more collectivist heritage and engaged with global consumerism relatively recently. Young consumers from Germany are also included, who were drawn from the former East, but may have a more individualist cultural heritage, similar to the UK, and a stronger economy than Croatia.

## 2. Materialistic Values

Materialism has been conceptualized and measured in three main ways: as a set of personality traits (e.g., Belk, 1985), as a priority of financial aspirations over other (more intrinsic) goals (e.g., Ryan & Deci, 2000), and as a value orientation. This last approach conceives of materialistic values as a "set of centrally held beliefs about the importance of [material] possessions in one's life" (Richins & Dawson, 1992, p. 308), and is best suited for our purposes, because it assesses materialism as *strength of value commitment* in terms of three components: *centrality*, *success* and *happiness*. *Centrality* refers to the belief that material possessions and money are important, to a desire for luxury, and to the pleasure of buying and having expensive things. *Success* encapsulates the tendency to use money and goods as the main way of evaluating one's own and others' achievements in life, the desire to impress people with material things, and to admire those who own expensive possessions. *Happiness* describes the conviction that acquiring and owning nicer and better things leads to personal happiness, enjoyment, and a better life.

It is likely that the relative emphasis on these components of materialistic values varies in different European countries. For instance, in a society that has been deprived economically and that aspires to the ideal of Western-style consumerism, the belief that expensive possessions and money are the ultimate path toward personal happiness may be a more powerful characteristic of a materialistic orientation than, for example, the tendency to use possessions and money as means of evaluating success. Alternatively, it is possible to aspire to affluence as an important life goal, without seeing money and possessions as a route to happiness and enjoyment of one's life.

### 3. Subjective Well-Being

Subjective well-being (SWB) has been defined as an overall positive evaluation of one's life, across salient life domains such as marriage or work, combined with a relatively constant sense of happiness. Thus, in addition to encompassing overall *life satisfaction* as a *cognitive* dimension, SWB also includes *affective* dimensions such as the presence of positive emotions and relative lack of negative affect over time (Diener, Oishi, & Lucas, 2003).

SWB is an important outcome variable to study, because it is a good indicator of general and psychological health. Well-being has an inherent adaptive or coping function, in that it buffers against negative health-related outcomes, such as depression, anxiety, and neuroticism (e.g., Kasser & Ryan, 1996; Ryan, Chirkov, Little, Sheldon, Timoshina & Deci, 1999; Kasser & Ahuvia, 2002).

### 4. Links between Materialistic Values and Subjective Well-Being

Strongly held materialistic values are generally considered harmful to an individual's well-being, constituting a "dark side" of consumer behavior. Previous research demonstrates negative correlations between materialistic values and *life satisfaction*, commonly measured by the five-item *Satisfaction with Life Scale* (SWLS; e.g., Diener, Emmons, Larson, & Griffin, 1985; Diener, Oishi, & Lucas, 2003). For example, Richins and Dawson (1992) have found that having high materialistic values was negatively related to satisfaction in multiple life domains, which included family life, amount of fun, income or standard of living, relationship with friends and overall life satisfaction. Strong materialistic values have also been shown to be associated with low self-esteem (e.g., Belk, 1985), high self-discrepancies (Dittmar, 2003b), poorer psycho-social adjustment

(Kasser & Ryan, 1993), and lower subjective well-being (e.g., Burroughs & Rindfleisch, 2002; Kasser & Ahuvia, 2002). Kasser and Ryan replicated their finding that those for whom financial success aspirations were primary reported less well-being (e.g., more anxiety and depression) in the United States (Kasser & Ryan, 1996), Germany (Schmuck, Kasser, & Ryan, 2000), and in post-transition Russia (Ryan, Chirkov, Little, Sheldon, Timoshina & Deci, 1999). However, there is some recent evidence that it may not simply, or only, be the striving for money and possessions that is detrimental for well-being, but the underlying motives. For instance, materialistic values were correlated with lower SWB when the underlying motivations for desiring money and possessions were linked to power, status, and self-esteem (Srivasteva, Locke & Bartol, 2001). Sheldon, Ryan, Deci, and Kasser (in press) take issue with the view that the negative effect of materialism on SWB is entirely reducible to negative motives, and show that both goals (intrinsic or extrinsic, including financial success) and motives (autonomous or controlled) make independent contributions to well-being. They encapsulate their conclusion in their title: "It's both what you do and why you do it".

### **5. Cross-Cultural Context**

As already indicated earlier, it is possible, even likely, that the meaning of materialism differs across cultures, and we therefore decided to examine components of materialistic values, and their link to SWB, by comparing young consumers in three different European countries: the UK, Croatia, and Germany (mostly from the former East, the GDR). These countries provide an interesting cross-cultural context for examining the present research questions, because they differ in their cultural heritage, past and current socio-economic situation, and penetration by mass consumerism.

### *5.1. Cultural heritage*

Croatia's heritage as a former East European bloc country is marked by traditional and collectivist values placing emphasis on the family and community first, rather than the self (e.g., Radin, 2002). The importance of the group, rather than the individual, entails a stronger emphasis on conformity. On the other hand, the reverse is more likely for the UK, where the individual is placed before the collective, and family and community values therefore come second (e.g., Solomon, Bamossy & Askegaard, 2002). The German sample was drawn from a former East German region; therefore the respondents may share some cultural value heritage with the Croatian sample.

### *5.2. Socio-economic situation*

*In* terms of the overall socio-economic situation of Croatia, the transition from a socialist to free-market Western society is associated with expectations of material prosperity, but the process is often accompanied by economic hardship (e.g., Zuzowski, 1998, as cited in Hayo & Seifert, 2003). For example, whereas both Germany and the UK have relatively low inflation rates (2% in 2000 and 1.8% in 2001, respectively), Croatia's inflation rate is more than double (5.4% in 1998). In a European study assessing economic subjective well-being among Eastern European countries during the period of 1991-95, Hayo and Seifert (2003) found that economic well-being (future expectations and past evaluations of the economic situation of one's household) explained a significant part of the variation in overall life satisfaction of Eastern Europeans. Furthermore, unemployment rates in Croatia were 23% (National Bureau of Statistics, 2003), but only 5% in the UK (National Statistics Online, 2003). Hence, economic instability in Croatia is

an important cultural and societal characteristic to consider when examining components of materialistic values and their relation to subjective well-being.

In contrast, the UK has a long history of a stable and market driven economy, without major fluctuations in its economy that may have had an impact on individuals' economic well-being (e.g., Solomon, Bamossy & Askegaard, 2002). Overall, the UK has kept its interest rates stable, inflation and unemployment rates low, with its economy continuing to be 'one of the strongest in Europe' (<http://www.geographic.org/>). Germany was reunited, great investments and efforts were made to bring the former East in line with the West in terms of economic indicators, and although this process is still ongoing, a transition that involves joining a strong economic country is rather different to the Croatian context.

### 5.3. *Mass consumerism*

In terms of the relative societal levels of mass consumerism, Croatia is an important context to investigate in light of recent social and cultural changes. A recent study on value structures of Croatian youth (aged 15-29 years) indicates that there has been a significant rise in levels of materialism when compared to the results of the same survey conducted in 1986 (Radin, 2002). It found that the most significant increases occurred with respect to *materialposition* (financial aspiration), followed by individualistically-oriented values, such as *independence* (being one's own master and doing only what one wishes to do), *professional success* and *leisure* (Radin, 2002). It seems that a transition from a communist to a capitalist society is associated with an increase in materialistic values (e.g., Hayo & Seifert, 2003; Radin, 2002; Ryan, Chirkov, Little, Sheldon, Timoshina & Deci, 1999), as well as economic instability (e.g., Hayo & Seifert, 2003).

The former East Germany's transition occurred after a much briefer period under communist rule than Croatia's, which is wider-ranging and more long-term.

At the same time, Croatia, as a developing market economy, does not have equal financial footing in terms of consumer spending, compared to economically developed, stable, established mass consumer societies, such as the UK. For example, while the purchasing power (or GDP per capita) in Croatia is only USD 5,100 (in 1998), the purchasing power of both Germany and the UK is comparably similar and much greater than that of Croatia – USD 23,400 (in 2000) and USD 24,700 (in 2001), respectively (<http://www.geographic.org>), terms of **GDP** world rankings, Germany and the UK are 18th and 20th, respectively, whereas Croatia lags behind, taking the 71st place. Mass consumption is just starting to proliferate in Croatia, whereas it is already firmly established and rooted in almost every aspect of society in the UK (e.g., Dittmar, 1992; Lunt & Livingstone, 1992). Thus, Croatia appears to differ substantially from the **UK**, but also from Germany.

#### 5.4. Possible Country Differences with Respect to Materialistic Values

Given the exploratory nature of this research, it is probably unwise to formulate specific hypotheses. One possibility is that the content of materialistic values in Croatia – and possibly to some extent in Germany – may still be colored toward a collectivistic interpretation (e.g., Ger & Belk, 1996). For example, social comparisons in terms of possessions as indicators of success (other-oriented) may be more salient than the more individualistic materialism component of acquisition centrality. Another possibility, arising from the economic hardship experienced and the sudden rise of mass consumerism within Croatia, is that a belief in "happiness comes with more money" may

be a particularly important component of a materialistic orientation among young Croatian consumers.

## ***6. Method***

### ***6.1. Research Rationale***

The present research addressed three main questions. First, it examined possible differences in materialistic value endorsement in three European countries that differ in their socio-economic and cultural heritage, particularly in terms of different components of materialism. Second, it assessed whether some components of materialistic values are more important in predicting subjective well-being than others, and whether the use of materialistic value components offers a superior analysis than overall endorsement. Third, it explored whether links between materialistic value components and subjective well-being show similar or different patterns in the three European countries.

### ***6.2. Sample and Procedure***

The final sample consisted of 529 participants, who were undergraduate students in Croatia (n=192), Germany (n=119), and the UK (n=218)<sup>1</sup>. While students may have less spending power than their counterparts in full-time employment, their values and beliefs regarding materialism are unlikely to be much different from other young consumers in their country. The survey was distributed and collected at the University of Zagreb (Croatia), the University of Sussex (UK), and the University of Potsdam (Germany), which is located in the former East Germany and predominantly attracts students from

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<sup>1</sup> Data were collected twice in the UK. Materialistic values were collected in both cohorts (n=218), but only the second cohort (n=121) completed the SWB measure.

that region. Questionnaire administration was conducted in small groups of approximately twenty students per class.

### 6.3. Measures

In order to assess differences between students in the three countries, a number of consumer indices were measured, some of them derived from the 'Young Europeans in 2001' opinion poll report (European Commission, 2001). They included: living and working arrangements; transport vehicle and mobile phone ownership; computer ownership, internet access, and online shopping; credit, debit, and store card ownership.

Materialistic values were measured by Richins's and Dawson's (1992) 18-item scale, which has been shown to assess three components of materialistic values. Example items of the three subscales are "I'd be happier if I could afford to buy more things" (happiness); (reverse worded) "I put less emphasis on material things than most people I know" (centrality); and "The things I own say a lot about how well I am doing in life" (success). Respondents expressed their (dis)agreement with each item on 6-point Likert-type scales, such that higher numbers indicate more materialistic value endorsement. The overall scale showed good internal reliability with Cronbach's  $\alpha$  ranging between .80-.88 in the validation study, which was confirmed in later studies (e.g., Burroughs & Rindfleisch, 2002; Dittmar, 2003a). The reliability of the subscales was also satisfactory, ranging from .71-.74 (Richins & Dawson, 1992), and from .64-.69 in a recent study on Australian students (Kamieni & O'Cass, 2000).

The outcome variable, subjective well-being, was measured by combining the widely-used Satisfaction with Life Scale (SWLS; Diener, Emmons, Larson, & Griffin, 1985) with two affective items that assessed the presence of positive, and relative absence of

negative, affect. This seven-item scale constitutes a measure of SWB, because it integrates overall personal satisfaction with happiness in one's life. It used, again, 6-point Likert-type scales, ranging from completely disagree (1) to completely agree (6). An example item from the Satisfaction with Life Scale is "In most ways my life is close to my ideal". The SWLS scale has been used in a variety of research contexts, showing high internal reliability with alpha coefficients ranging from .77 (e.g., Roccas, Horenczyk, & Schwartz, 2000) to .91 (e.g., Burroughs & Rindfleisch, 2002).

## **6. Results**

### **6.1 Demographic and Consumer Profiles of UK, German and Croatian Students**

Table 1 shows the age and gender distribution in the three student samples. It also presents a number of indices, which can serve as proxy measures of consumerism in these cultures among a student population. Differences between country samples were examined statistically, and findings are shown in the right-most column.

Insert Table 1 about here

**6.1.2 Age and gender.** The mean age of **UK** students was 21.5 years, of German students 21.8 years, and of Croatian students 20.8 years. Although these means are very close together, country differences are significant, suggesting that the Croatian students are slightly younger on average. The gender composition showed a majority of women students, but with differing proportions of 59.5%, 75.4% and 84.4% in the UK, Germany and Croatia respectively. These significant differences between students from the three countries indicate that both age and gender need to be controlled in subsequent analyses.

**6.1.3. Consumer indices.** The majority of the Croatian participants lived with their parents (67.4%), whereas most of the UK and German participants live in rented accommodation (85.7% and 69.6%, respectively). Consistent with these living arrangements, more students worked while they study in the UK and Germany (54.8% and 62.7%, respectively) than in Croatia (28.8%). In terms of students owning their own transport, the highest percentages – maybe surprisingly – were among the Croatian sample (3.2% and **44.1%**, respectively), followed by German students (0.9% and 39.3%, respectively), and then UK students (2.4% and 28.9%, respectively).

Ownership of information and communication technology goods reflects both relative affluence and lifestyle. There were no differences between the three student sample in mobile phone and computer ownership. Mobile phones were owned by most participants across all three countries. This finding is perhaps a reflection of a globalization influence of the telecommunications industry, and it is consistent with the high frequency of mobile phone usage among young adults in the European Union community: eight out of ten young Europeans reported using a mobile phone at least once a week (Commission, 2001). Computer ownership among the three samples closely matched mobile phone ownership. Internet access was also relatively high among all three samples, despite mild country differences, with more students reporting access in Germany (76.3%), than in Croatia (68.7%), and – in turn – in the UK (57.7%).

In contrast to these similarities, the pattern for online shopping showed pronounced country differences. Despite high internet access, online shopping is very uncommon for Croatian students (5.6%), compared to more than a third of students in the UK (38.6%) and Germany (35.3%). Ownership of credit, debit, and store cards is particularly

interesting, because usage of credit facilities can be regarded as an important reflection of mass consumerism (Dittmar, 2004). Compared to Croatia and Germany, the UK sample was leading in regard of credit card ownership (69.1% compared to 25.4% and 31.9%), whereas the pattern for debit and store card ownership mirrors that of online shopping. Debit cards were relatively uncommon among Croatian students (19.8%), but used by almost all UK and German students (94.3% and 83.9%). The findings for store card ownership were similar, but less pronounced with 6.8% of Croatian students, compared to 29.6% of UK and 21.4% of German students.

Overall, it can be seen that the three student samples are relatively similar as far as the ownership of mobile phones, computers and internet access is concerned. Croatian students differed from UK and German students in terms of predominantly living at home, being less likely to work while they study, and somewhat more likely to own their own transport. They also bought much less on the internet, and fewer consumers owned or used debit and store cards. Thus, Croatian students were different from both UK and German students – who were similar - on various socio-economic and consumer indices. The only exception to this pattern of difference emerged for owning and using credit cards, where the percentage among UK students was more than twice as high as that among German and Croatian students, who were similar. Thus, consumer differences are relative at best, with Croatia showing less penetration of mass consumerism in a number of respects.

## 6.2. *Scale Reliability Analyses*

Cronbach's alpha coefficients were computed for both the materialism and SWB scales in the three country samples, as well as for the overall sample<sup>2</sup>. Materialism was analyzed as a single scale, and in terms of its three postulated subscales (see Table 2).

Insert Table 2 about here

The overall materialism scale yielded high internal reliability coefficients (ranging from  $\alpha=.78$  to  $\alpha=.80$ ), which compares well with previously reported coefficients. The internal reliabilities of the three subscales were also satisfactory, ranging from .60 to **.75**, again comparing well with those previously reported. The SWB measure yielded good internal reliability coefficients (ranging from  $\alpha=.64$  to  $\alpha=.87$ ), which are similar to, or better than, the coefficients for the Satisfaction with Life Scale by itself, excluding affective components.

### ***6.3. Cultural Differences in Components of Materialistic Values***

Although we did not expect systematic differences in response styles between the three cultures studied (e.g., respondents in one country using scale extremes more strongly than in another), we nevertheless tested scores on the subjective well-being scale and the three component sub-scales of materialistic values for violations of homogeneity of variance. No violations were found, and unadjusted mean subscale scores were used in subsequent analyses.

***6.3.1 Interrelationship between components of materialistic values.*** Pearson-product moment correlations were computed between subscale means in order to explore the extent to which they measure different aspects of materialism. These resulting

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<sup>2</sup> Respondents with more than five missing values on a single scale were deleted. Mean substitution was used for other missing values.

correlations were moderate overall, ranging from  $r = .18$  to  $r = .55$  (see Table 3). This not only supports the proposal that materialism has a componential nature, it also indicates that the three components can be used as joint predictors in multiple regressions, without collinearity posing a problem.

Insert Table 3 about here

The pattern of inter-correlations is relatively similar across the three countries. The links between centrality and success on the one hand, and success and happiness on the other, seem stronger than the association between centrality and happiness. Thus, the belief that material goods and money are a route to happiness and a better life correlated relatively weakly with the desire for material wealth and expensive goods as a central life goal. The pattern was stronger for UK and German students, while the inter-correlations between the three components were more similar among Croatian students.

**6.3.2. County differences in components of materialistic values.** Mean scores for the three components of materialistic values – centrality, happiness, and success – were analyzed by a 3 (country) x 2 (gender) MANCOVA with age as a covariate. There was a small, but significant multivariate effect for age ( $\lambda = .98$ ;  $p < .05$ ,  $\eta^2 = .02$ ), showing that younger respondents tend to endorse materialistic values a little more strongly ( $r = .07$ ). There was also a multivariate effect for gender ( $\lambda = .97$ ;  $p < .005$ ,  $\eta^2 = .03$ ), which is due to men believing more strongly than women that material possessions and money are an important route to happiness ( $\text{Mean}_{\text{men}} = 3.48$ ;  $\text{Mean}_{\text{women}} = 3.21$ ;  $F_{1,510} = 6.39$ ;  $p < .05$ ). As expected, the multivariate effect for country was largest and highly significant ( $\lambda = .87$ ;  $p < .001$ ,  $\eta^2 = .07$ ). Country means for the three components are shown in Figure 1.

Insert Figure 1 about here

There were no cultural differences with respect to seeing material possessions and money as tangible indicators of success, both for self and others ( $F_{2,510}=1.15$ ; ns). In contrast, country differences were highly significant with respect to happiness ( $F_{2,510}=9.36$ ;  $p<.001$ ;  $\eta^2=.04$ ) and –particularly– centrality ( $F_{2,510}=24.73$ ;  $p<.001$ ;  $\eta^2=.09$ ). Post-hoc Student-Newman-Keuls comparisons demonstrated that the belief in material goods as a route to happiness was significantly stronger in the UK and Croatia than in Germany. Croatia and the UK did not differ. The belief that material possessions and money are a central life goal was strongest in the UK, followed by Germany, and then Croatia. All three countries were significantly different from each other in SNK post hoc comparisons. Thus, materialistic values are high in the UK, both in terms of happiness and centrality. Centrality concerns the importance of wealth as a life goal for self, and the relative importance of this value component mirrors the strength of an individualist value orientation in the culture, where the UK is highest, following by Germany, and Croatia lowest. In Croatia, the happiness belief is endorsed fairly strongly, and this supports our expectation that this component would be highly significant as part of a materialistic value orientation in a country that is characterized by radical transition and economic hardship. Thus, Croatia appears most different, while the **UK** and Germany share some similarities.

#### 6.4. Materialistic Values as Predictors of *S W B*

Materialistic values were assessed as predictor of subjective-well being in two multiple hierarchical regression analyses. The first analysis examined overall materialistic value endorsement in order to assess whether the commonly reported finding that higher

materialism is associated with lower SWB would also replicate for the three student samples examined here. In the second analysis, the scores on the three materialistic value components were used as predictors instead, so that it can be investigated whether (a) it is only certain components of materialistic values that have a negative impact on SWB, and (b) whether components-SWB links differ by country. In both analyses, predictors were entered in five steps, with the increase in explained variance examined at each step. In order to control for both gender and the small age differences between the student samples, age (mean-centered) and gender (dummy-coded female = 0, male = 1) were entered first (model 1). Country was entered next (model 2), and given the expectation that Croatia would be particularly different, while Germany and the UK share economic and some cultural similarities, country was effect-coded to represent two comparisons: the first contrasted Croatia with the other countries, and the second contrasted the UK with Germany. The relevant scores on the materialistic values scale (mean-centered) were entered in the third step (Model 3). Two-way interactions between materialism, gender and the two country contrasts constituted the next step (model 4), followed by the three-way interactions (model 5).

**6.4.1.** Overall materialistic value endorsement and SWB. Age and gender did not add to the prediction of SWB ( $F_{2,418}=1.66$ ; ns), nor the addition of the two country contrasts ( $F_{2,416}=1.85$ ; ns). As expected, the addition of overall materialistic value endorsement led to a significant improvement in the prediction of SWB (8%,  $F_{1,415}=35.56$ ;  $p<.001$ ). There was no evidence of two- or three-way interactions between materialism, gender, and country ( $F_{5,410}=.52$ ; ns;  $F_{2,408}=1.47$ ; ns). This means the relationship between materialism and SWB is similar in the three countries studied. Thus, model 3, which

added materialism, provided the best fit, was highly significant ( $F_{5,415}=8.64; p<.001$ ) and explained 9% in the overall variance of SWB. The model predictors are shown in the top half of Table 4.

Insert Table 4 about here

As hypothesized, overall materialistic value endorsement is a highly significant predictor of subjective-wellbeing, such that increasing materialism is associated with lowered SWB ( $\beta=-.29; p<.001$ ). No other predictors proved significant.

**6.4.2. Components of materialistic values as predictors of SWB.** The non-significant results for age and gender, and the two country contrasts stayed the same, of course. The addition of the materialistic value components led to a highly significant improvement in the prediction of SWB, but this time adding a full 19% of explained variance ( $F_{3,413}=33.55; p<.001$ ). As in the previous analysis, there was no evidence of two- or three-way interactions between materialistic value components, gender, and country ( $F_{11,402}=.60; ns; F_{6,396}=.87; ns$ ). Thus, the associations between materialistic value components and SWB are similar across countries.

Again, model 3 - which added the three components of materialistic values - provided the best fit, was highly significant ( $F_{7,413}=15.62; p<.001$ ) and explained 21% in the overall variance of SWB. **This** finding is important because it demonstrates that a componential analysis of materialistic values provides a superior prediction model for subjective well-being than overall endorsement of materialism, which only explained 9% of the variance in SWB. The model predictors are shown in the bottom half of Table 4.

In terms of specific predictors of SWB, two significant findings emerged, which are discussed in turn. First, a significant difference in subjective well-being emerged between Croatia on the one hand, and the UK and Germany on the other, after differences in components of materialistic values are taken into account. Croatian students reported higher SWB than the other two groups of students ( $\beta=.16$ ;  $p=.001$ ), and the slope of the regression coefficient represents the mean country difference due to the effect coding for country contrasts (4.22 compared to 4.04).

The second finding is of central importance to this article. Out of three components of materialistic values, only one is associated with subjective well-being. Beliefs that material goods and money are a route to happiness and quality of life are negatively associated with SWB ( $\beta=-.47$ ;  $p<.001$ ). Thus, looking to material things to provide a happier and more fulfilled life is an expectation that, as it increases, lowers individuals' life satisfaction and positive affective experiences. In contrast, valuing the acquisition of material goods and using them as a yardstick to gauge own and others' success have no relationship to subjective well-being.

## 7. Discussion

In our study, the consumer indices collected served as an indirect reflection of, or proxy for, mass consumerism penetration in each cultural setting. In terms of living arrangements, most British and German students lived in rented accommodation, whereas the Croatian students mostly lived with their parents and this may be due to both economic restrictions and cultural norms. While it may be common in Croatia to stay in the parental home longer than in highly industrialized Western countries, Croatian youth is also faced with a lower economic standard that prevents them from moving away from

their parents at a relatively early age. The finding that German and British participants were also more likely to work during study is consistent with higher levels of unemployment in Croatia, but also with the high value attached to education (Baranović, 2002). This is supported by the Eurobarometer survey, which showed that most respondents from the UK were found to obtain their financial resources primarily through regular paid jobs (European Commission, 2001). Moreover, the education system is more demanding in Eastern European countries than in Western Europe, leaving less time for leisure and work while studying (Ilišin, 2002). Regarding the ownership of diverse consumer goods, it appears that Croatian students are keeping up with their Western European counterparts, both in terms of mobile phones, transport vehicles, and computers. In contrast to these similarities, online shopping was very infrequent only among the Croatian students, despite high internet access. They also lagged behind with respect to owning and using credit, debit, and store cards, another good indicator of mass consumer spending (e.g., Dittmar, 1992).

Differences between the threestudent samples in their materialistic beliefs that the acquisition of goods and money is a central personal goal reflects – possibly – a cultural commitment to individualism: they are strongest in the UK, followed by Germany, and weakest in Croatia. Differences in the conviction that possessions and wealth are a path to happiness can be looked at in two ways – across and within countries. This conviction is relatively high, and similar, in both Croatia and the UK, but not in Germany. It is possible, however, that this may have somewhat different drivers in the two countries, in the sense that, in Croatia, economic deprivation may contribute to the prominence of this particular materialistic value component. This view is supported also by the within-

country finding that happiness is the strongest aspect of a materialistic orientation in Croatia, whereas the subscale means for the centrality and success components are below the scale midpoints (i.e., respondents mildly disagree). The belief that material indicators are a good reflection of success and achievement was not prominent in any of the three countries. This particular finding may, in part, be due to the student status of the young consumers sampled, as many may not have accumulated themselves – as yet – much by way of expensive material possessions. Future research should examine components of materialistic values also in non-student samples.

The most important findings of the present research were that *components* of materialistic values are differential, and better, predictors of subjective well-being. Prediction of **SWB** improved substantially through using components in the analysis, compared to overall materialistic value endorsement. The regression coefficient for the happiness component was **-.46**, which is more sizeable than the coefficient of **-.29** for overall materialistic value endorsement. The coefficient of **-.29** is similar to correlations reported in previous research. Even more telling is the finding that the amount of variance explained in SWB more than doubled in the componential analysis, from 9% to 21%. This improvement stems from the fact that only one particular component explained individual differences in subjective well-being: the belief in happiness through possessions and money. This finding is compatible with the proposal by Srivasteva et al. (2001) that "it is not the money, it's the motives", in the sense that centrality by itself – the goal of material success – did not show a negative association with SWB, whereas the happiness component at least implies a motive: obtaining goods and money in order to improve one's happiness and enjoyment of life. Moreover, the happiness component does

capture an unrealistic, or mistaken, aspect of materialism, given that there is good evidence that financial success does not make people any happier. The voluminous research literature on the link between actual wealth and happiness overwhelmingly confirms that – for individuals – the association is very weak, if slightly positive. In a review entitled "Who is happy?", Myers & Diener (1995) reported an average of  $r = .12$  across studies, totaling more than a hundred thousand respondents. They identified close interpersonal relationships and social support networks as particularly important predictors of happiness, and this may – possibly – be part of the reason for the unexpected finding that Croatian students – who often continue to live at home while they study – reported somewhat higher SWB, once country differences in materialistic value components were accounted for. Coming back to the negative link between the happiness component and SWB, pursuing happiness through an avenue that is unlikely to provide it – i.e., through material success – is also likely to take up valuable time and energy that could otherwise be devoted to the development and maintenance of high-quality relationships that are necessary for happiness.

Given that this is the first study – to our knowledge – that assesses components of materialistic values as predictors of SWB, the finding that it may be the happiness through material success belief that is associated with lower subjective well-being, rather than having material success as a goal or using it for status comparisons has to be treated as suggestive, rather than definitive. Although this finding is meaningful, clearly, its robustness has to be tested in future studies. The same need for replication also applies to our finding that the happiness-SWB link is similar across European countries, notwithstanding their differences in cultural heritage, economic situation, and penetration

of mass consumerism. This need for further corroboration has to be born in mind when considering the theoretical and applied implications of the research reported here.

In terms of theoretical implications, our study emphasizes the shortcoming of conceptualizing materialistic values as a homogeneous value orientation. This point was already made by Richins & Dawson (1992) over a decade ago, but it becomes more powerful when differential outcomes or consequences of materialistic value components can be demonstrated empirically, as was done here. Moreover, a componential approach to materialism may be useful in the recently emerged debate about the relative importance of goal content vs, motives for the materialism-SWB link (e.g., Sheldon et al., in press).

There are also applied implications. If a strong commitment to materialism is detrimental for individuals' well-being, then educators and policy makers may well be interested in curbing such an orientation. This is particularly pertinent, as there is growing evidence that materialism is increasing among younger people, particularly adolescents (Dittmar, 2003b). Yet, if it is mainly the (mistaken) belief that money brings happiness that is detrimental, it may be easier and more effective for practitioners in education and consumer advice to target this particular component of materialism, rather than to attempt combating the widespread desire for money and consumer goods.

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**Author Note**

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Table 1. Demographic and Consumer Profiles UK, German and Croatian Students

	UK	Germany	Croatia	Sample differences
<b>n</b>	<b>218</b>	<b>119</b>	<b>192</b>	<b>(Total 529)</b>
<b>% Women</b>	<b>59.5</b>	<b>75.4</b>	<b>84.4</b>	$\chi^2_2=31.50^{***}$
<b>Mean age (sd)</b>	<b>21.5 (3.8)</b>	<b>21.8 (3.0)</b>	<b>20.8 (1.9)</b>	$F_{2,516}=3.70^*$
<b>% Living arrangements</b>				$\chi^2_4=163.29^{***}$
<b>With parents</b>	<b>7.1</b>	<b>25.9</b>	<b>67.4</b>	
<b>Renting<sup>a</sup></b>	<b>85.7</b>	<b>69.6</b>	<b>29.8</b>	
<b>Own house</b>	<b>7.1</b>	<b>4.5</b>	<b>2.8</b>	
<b>% Work while study</b>	<b>54.8</b>	<b>62.7</b>	<b>28.8</b>	$\chi^2_2=41.20^{***}$
<b>% Own Transport</b>				$\chi^2_4=17.62^{***}$
<b>Motorbike</b>	<b>2.4</b>	<b>0.9</b>	<b>3.2</b>	
<b>Car</b>	<b>28.9</b>	<b>39.3</b>	<b>44.1</b>	
<b>% Own Mobile phone</b>	<b>88.2</b>	<b>87.3</b>	<b>95.0</b>	<i>ns</i>
<b>% Own Computer</b>	<b>89.9</b>	<b>90.7</b>	<b>85.5</b>	<i>ns</i>
<b>% Internet access</b>	<b>57.7</b>	<b>76.3</b>	<b>68.7</b>	$\chi^2_2=12.74^{**}$
<b>% Online shopping</b>	<b>38.6</b>	<b>35.3</b>	<b>5.6</b>	$\chi^2_2=61.77^{***}$
<b>% Own Cards</b>				
<b>Credit</b>	<b>69.1</b>	<b>25.4</b>	<b>31.9</b>	$\chi^2_2=76.40^{***}$
<b>Debit</b>	<b>94.3</b>	<b>83.9</b>	<b>19.8</b>	$\chi^2_2=276.33^{***}$
<b>Store</b>	<b>29.6</b>	<b>21.4</b>	<b>6.8</b>	$\chi^2_2=31.47^{***}$

<sup>a</sup> This includes renting private and university accommodation, with or without others.

TABLE 2. *Scale Reliability Coefficients (Cronbach's  $\alpha$ )*

<i>Scale Component</i>	<i>UK</i>	<i>Germany</i>	<i>Croatia</i>	<i>Overall</i>
<b>Materialistic values</b>	(n=218)	(n=119)	(n=192)	(n=529)
Centrality component	.64	.68	.62	.67
Happiness component	.72	.72	.67	.71
Success component	.67		.60	.66
Overall scale	.80	.80	.78	.80
<b>SWB</b>	(n=121)	(n=119)	(n=188)	(n=428)
Subjective Well-Being	.64	.87	.82	.76
Excluding affective component	.57	.86	.81	.71



TABLE 3. *Correlations Between the Three Components of Materialistic Values*

<i>Scale Components</i>	UK	Germany	Croatia	Overall
Centrality-Success	.42 <sup>a</sup>	.32 <sup>a</sup>	.45 <sup>a</sup>	.40 <sup>a</sup>
Success-Happiness	.55 <sup>a</sup>	.44 <sup>a</sup>	.36 <sup>a</sup>	.46 <sup>a</sup>
Happiness Centrality	.28 <sup>a</sup>	.18 <sup>b</sup>	.33 <sup>a</sup>	.26 <sup>a</sup>

<sup>a</sup> The significance level of the correlation was  $p < .001$ .

<sup>b</sup> The significance level of the correlation was  $p = .05$ .

Table 4. Predictors of Subjective Well-Being in UK, Croatian, and German Students

<i>Variable</i>	<i>B</i>	<i>St. error</i>	<i>β</i>	<i>t</i>	<i>Sig</i>
<i>Overall Materialistic Value Endorsement: explains 9% of variance in SWB</i>					
Age	-.00	.02	-.01	-21	
Gender	-.10	.11	-.05	-.93	
Country C1: Croatia vs. rest	.11	.10	.06	1.12	
Country C2: UK vs. Germany	-.02	.12	-.01	-.18	<i>ns</i>
<b>Materialism</b>	<b>-.42</b>	<b>.07</b>	<b>-.29</b>	<b>-5.96</b>	<b>&lt; .001</b>
<i>Materialistic Value Components: explains 21% of variance in SWB</i>					
Age	.00	.01	.00	.02	<i>ns</i>
Gender	.00	.10	.00	.03	<i>ns</i>
Country C1: Croatia vs. rest	.32	.09	.16	3.35	<b>= .001</b>
Country C2: UK vs. Germany	.01	.12	.03	.61	<i>ns</i>
<b>Happiness</b>	<b>-.46</b>	<b>.05</b>	<b>-.47</b>	<b>-9.22</b>	<b>&lt; .001</b>
Centrality	.11	.06	.09	1.79	<i>ns</i>
Success	-.02	.06	-.02	-.28	<i>ns</i>

Figure 1. Means of Materialistic Value Components in the UK, Germany, and Croatia

