

**Bachelor Thesis Marketing**

# Are we caught up in an endless cycle of acquiring things in search of happiness?

Materialism, greed and their effect on subjective well-being

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## **Abstract**

The aim of this paper is to contribute to a better understanding of the concepts of materialism and greed and their relationship with subjective well-being. Materialism is considered both a personality trait and a value. In contrast, greed is considered to be a desire. Materialism and greed might have something in common: the motive of uncertainty or insecurity. However, no further implications of the relationship between materialism and greed can be drawn based on existing literature. Besides uncertainty or insecurity, status was suggested to be the motive of materialism and social comparison was suggested to be the motive of greed.

Subjective well-being is self-reported happiness. The components of subjective well-being include happiness and satisfaction. The positive effect of both materialism as well as greed on subjective well-being might be short term. It is suggested that on long term materialistic and greedy people experience lower levels of subjective well-being or which doesn't lead to an increase in happiness.

## **Table of contents**

## **1. Introduction**

### **1.1 The problem background**

Materialism has emerged as an important research topic over the past decade (Burroughs and Rindfleisch, 2002). In part due to the fact that concerns over the rising level of materialism are increasing amongst parents, educators and social scientist (Chaplin and John, 2007). For example, in an American national survey, 95% of adults say that children are too focused on buying and consuming things (Chaplin and John, 2007). Materialists believe that the acquisition and consumption of goods provides the greatest source of satisfaction and dissatisfaction (Belk, 1984). I guess we all know the desire to buy something new like clothing, shoes, a mobile phone or a car. But do all those things really make up happier? The relationship between several components of subjective well-being (e.g. happiness and life satisfaction) and overall subjective well-being is studied by a number of researchers (e.g. Belk, 1984, 1985; La Barbera and Gürhan, 1997; Richins and Dawson, 1992; Sirgy, et al., 1995). The findings amongst these studies are quit consistent: those individuals who were more materialistic were less happy than less materialistic individuals.

Moreover, materialism leads to the idea that more is better (Zinkhan, 1994). 'More is better' sounds like greed. Is materialism related to greed? What about greed in general? It seems that greed is widely seen as a bad human characteristic causing problems in society and economy. For example, greed is mentioned as a contributor to the recent credit crunch by few writers (e.g. Cruver, 2002; Klein, 2008). In line with this, can it be concluded that greed doesn't make people happy? Little studies have been done concerning greed. Wachtel (2003) made an attempt to explain the role of materialism and greed in our lives. However, Wachtel (2003) still wonders were the quest for more and more money and material goods comes from.

The aim of this paper is to get a better understanding of the concepts of materialism and greed and their effect on subjective well-being. In an attempt to discover if there is a possible relationship between materialism and greed, this thesis will include a comparison of both variables.

### **1.2 The problem statement**

The problem statement concerning this research is as follows: *What is the meaning of the concepts of materialism and greed and what is their effect on subjective well-being?*

In this study subjective well-being is treated as the dependent variable in exploring the influences of the following independent variables: materialism and greed. All three variables are the corner marks of this research.

### 1.3 Research questions

The following research questions follow from the problem statement:

- What is the definition of materialism and what are its motives?
- What is the definition of greed and what are its motives?
- What is the relationship between materialism and greed?
- What is the definition of subjective well-being?
- How does materialism affect subjective well-being?
- How does greed affect subjective well-being?

### 1.4 Conceptual framework

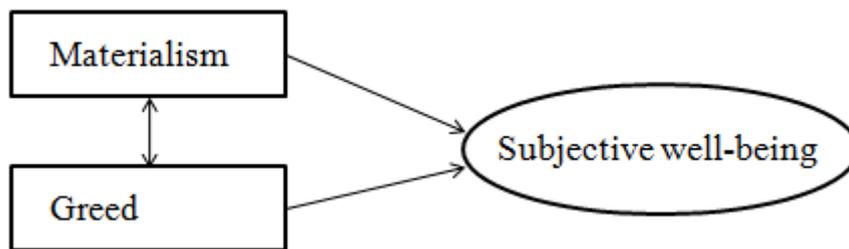


Figure 1: Conceptual framework

#### 1.4.1 Definitions

- *Materialism*: Materialism is the tendency to believe that the acquisition or consumption of consumer goods and services provide the greatest source of satisfaction and dissatisfaction in life (Belk, 1984);
- *Greed*: “A selfish and excessive desire for more of something (as money) than is needed” (Merriam-Webster dictionary, 2010);
- *Subjective well-being*: Subjective well-being (SWB) is people’s emotional and cognitive evaluations of their lives (Diener, 1984) – both at the moment and for longer periods such as for the past year. SWB is based on self-reports of happiness and life satisfaction (Kahneman, Diener, et al., 1999). In other words, SWB is self-reported happiness. Happiness and satisfaction are both components of SWB. In order to explain the concept of SWB, the terms of happiness and satisfaction will be used as well in this thesis. However, they all refer to SWB.

## **1.5 Relevance**

### **1.5.1 Academic relevance**

This thesis aims to contribute to a better understanding of the concepts of materialism and greed. Little is known about greed in general, its relationship with materialism and its effect on SWB. As Wachtel (2003) mentioned, concerning materialism and greed: “The quest for more and more money and material goods fills a hunger that comes from elsewhere. It is the task

of psychological analysis to discover from where that hunger comes” (p.120). Though I am not capable to make thorough psychological analyses, I would like to contribute to those analyses.

### **1.5.2 Managerial relevance**

As pointed out in the introduction, more and more concern is raised about both materialism and greed. For example amongst parents (Chaplin and John, 2007). Richins and Dawson (1992) point out that a strongly held materialistic attitude could be considered to be harmful to an individual’s SWB.

Apparently, it seems that greed is widely seen as a bad human characteristic causing problems in society and economy. For example, greed is mentioned as a contributor to the recent credit crunch by few writers (e.g. Cruver, 2002; Klein, 2008). Thus materialism as well as greed can have negative consequences for both society in general and individuals. It might be of importance for the government to gain more insight concerning the effects of materialism and greed on human behavior. The government might create awareness in order to protect consumers.

## **1.6 Thesis structure**

This chapter introduced the variables concerning this research: materialism, greed and SWB. In this chapter the problem statement and research questions were formulated and the academic and managerial relevance were described as well. The following chapters will answer the research questions concerning this thesis.

The definition and the motives of materialism are explained in chapter two. In chapter three greed and its motives will be explained and compared to materialism. SWB will be explained in chapter four as well as the effects of materialism and greed on SWB. Chapter five, the last chapter of this thesis, contains the conclusions, discussion and recommendations concerning the study of this thesis.

## **2. Materialism**

### **2.1 Defining materialism**

According to Belk (1984) materialism can be defined as the tendency to believe that the acquisition or consumption of consumer goods and services provide the greatest source of satisfaction and dissatisfaction in life.

Academics developed two approaches to the concept of materialism: materialism as a trait and materialism as a value. Belk (1985) combines the personality traits of ‘possessiveness’, ‘envy’ and ‘non-generosity’, that he suggest cover the domain of materialism. According to Belk (1985) those personality traits express an individual’s relationship to material goods. Belk (1985) sees envy as a desire for others’ possessions, non-generosity as an unwillingness to give or share possession with others and possessiveness as the tendency to retain control or ownership of one’s possessions.

In contrast to how Belk approaches the concept of materialism, Richins and Dawson (1992) approach materialism as a value. Richins and Dawson (1992) combined three beliefs relevant to the materialism value, which we be discussed below. These beliefs have consistently appeared when academics have defined materialism (Richins and Dawson, 1992).

#### *Acquisition centrality*

Daun (1983) describes materialism as a life-style in which a high level of material consumption is considered a goal. The life of a materialist will partly consist of the acquisition and consumption of goods. In line with this, materialism thus lends meaning to life (Daun, 1983). According to the previous sentence, materialists place possessions and their acquisition at the center of their lives. In line with this, individuals value possessions and the acquisition of possessions more than other goals in life and more than relationships with other people (Fromm, 1976; Schudson, 1984).

#### *Acquisition as the pursuit of happiness*

At the highest level of materialism, possessions are believed to provide the greatest sources of satisfaction and dissatisfaction in life (Belk, 1984). Thus materialists view possessions and their acquisition as essential to their satisfaction and SWB in life. Materialists especially derive pleasure from acquiring goods instead of possessing and using goods (Richins, 1994).

### *Possession-defined success*

Materialistic individuals tend to judge their own and other's success by the number and quality of possessions accumulated (Richins and Dawson, 1992).

After considering two approaches to the concept of materialism, one may wonder why materialistic individuals are so 'possessed' by the acquisition of material goods? Do materialists believe that material goods provide satisfaction? The next paragraph will review the motives of materialism which are suggested by researchers.

## **2.2 Motives of materialism**

A number of researchers suggest individuals might turn to materialism as an attempt to cope with uncertainty (Kasser, 2002; Chang and Arkin, 2002; Micken and Roberts, 1999). According to Chang and Arking (2002), one may turn to materialism if uncertainty within the self (self-doubt) or uncertainty relating to society is perceived. Kasser (2002) explains an individual might adapt materialistic values if one experiences uncertainty relating to different environments. The motives of materialism concerning uncertainty, will be further explained below.

The researchers mentioned above use the term of security as well to explain the uncertainty motive of materialism. Though, the literature of Chang and Arkin (2002) and Micken and Roberts (1999) doesn't explain if security and uncertainty is considered to have the same meaning or if they differ from each other.

### *Uncertainty within the self (self-doubt)*

According to Micken and Roberts (1999) people would at most like to be certain about themselves, about their identity. In an attempt to cope with the perceived uncertainty or insecurity about their identity, people may come to rely on material objects (Micken and Roberts, 1999). Signs as emotions and memories are open for more interpretations and can lead to misinterpretation (Micken and Roberts, 1999). Material objects, on the other hand, evoke more consistent responses and can be more permanent (Micken and Roberts, 1999). It can be concluded that relative to emotions and memories, the meaning of material objects is more stable and certain. Micken and Roberts (1999) conclude that materialistic individuals use goods to show themselves and the world who they are.

### *Uncertainty relating to society*

Besides uncertainty within the self, one might experience uncertainty relating to society (Chang and Arking, 2002). This concerns 'anomie', frequently defined in terms of normlessness (Seeman, 1991). Perceived anomie implies a state of society, in which an individual beliefs norms no longer regulate behavior (Seeman, 1991). When people perceive anomie, materialism may supply purpose and meaning to life (Daun, 1983; Linden, 1979). In other words, "materialism may be one response when individuals encounter a loss of faith in social or traditional norms, but still need to make sense of human existence" (Chang and Arking, 2002: p. 390).

### *Uncertainty relating to different environments*

Kasser (2002) describes the relationship between being uncertain about one's safety and security relating to different environments. Environments can be: the family, communities, cultures and nations (Kasser, 2002). Kasser (2002) reports that if one's needs for safety and security are not fully satisfied by a particular environment, individuals place a strong focus on materialistic values and desires. For example: if families suffer from poverty and it is unsure where one's next meal will come from, needs for security of children are poorly satisfied. In an attempt to fulfill the needs for security, many children respond by adopting a materialistic value system and emphasize wealth and possessions (Kasser, 2002).

Fitzmaurice and Comegys (2006) posit a different view on materialism. They conclude from research of Eastman, Goldsmith and Flynn (1999), that materialists might be motivated to acquire goods to signal both themselves and others the attainment of *status* in society. According to Kilsheimer (1993), individuals who engage in status consumption, are striving to improve their social standing through the conspicuous consumption of consumer products that communicate a certain status. According to the statement of Kilsheimer (1993), status consumption is related to conspicuous consumption.

However there exist a limitation to the conclusion of Fitzmaurice and Comegys (2006), that status might be the motive of materialism. Status has been shown to be correlated to materialism (Eastman, Goldsmith and Flynn, 1999). In line with this status might be a consequence of materialism or both a motive and a consequence.

### **2.3 Conclusion**

This chapter discussed the concept of materialism. It can be concluded that materialism is considered both as a trait and a value. Belk (1985) combines the personality traits 'possessiveness', 'envy' and 'non-generosity', that he suggest cover the domain of materialism. In contrast to Belk (1985), Richins and Dawson (1992) approach materialism as a value. Richins and Dawson (1992) combined three beliefs relevant to the materialism value. This includes beliefs about acquisition centrality, and the role of acquisition in happiness and success. To explain why one might turn to materialism, the motives of materialism were considered. A number of researchers suggest individuals might turn to materialism as an attempt to cope with uncertainty or insecurity. Research also suggest status as the motive of materialism.

### **3. Greed and its relationship with materialism**

#### **3.1 Defining greed**

As mentioned in chapter one, the definition of greed is as follows: “A selfish and excessive desire for more of something (as money) than is needed” (Merriam-Webster dictionary, 2010). What is meant by excessive? ‘Excessive’ implies an amount or degree too great to be reasonable or acceptable (Merriam-Webster dictionary, 2010). You may wonder what amount or degree is unreasonable. For example, is two million dollars an excessive amount? Moreover what is ‘needed’? Do we really need mobile phones and Ipads? What is ‘needed’ and by what measure is a subjective judgement (Robertson, 2001). Greed is never an absolute judgement like two million dollars or an Ipad. Greed is meaningless without the reference to others (Robertson, 2001). In line with this, greed might be considered as a relative judgement (Robertson, 2001). If we all want the same thing in equal measure, greediness is unlikely to be an issue (Robertson, 2001). Moreover, Ogilvy (1999) points out that greed doesn’t only want more of something, it wants what others want and have or need to have. In line with this, does Ogilvy (1999) imply that greed is driven by social comparison? The previous question will be discussed in the next paragraph of this chapter. First, the definition of greed will be further discussed.

As mentioned in the definition of greed by Merriam-Webster dictionary (2010), one can be greedy about ‘something’. You can be greedy about almost anything, for example about: food, sex or money (Robertson, 2001). Though the older definitions of greed cluster around the consumption of food, the most recent around definitions are related to material wealth (Robertson, 2010).

Robertson (2001) pointed out that greed is about never being satisfied with what you’ve got. Always wanting more, like an insatiable hunger. What might be the motive to experience such feelings of greed? As mentioned in chapter one, little research has been done concerning greed in general. In line with this, there is little literature concerning the motives of greed. In the next paragraph an attempt is made to define possible motives of greed.

#### **3.2 Motives of greed**

As pointed out in the previous paragraph, the older definitions of greed cluster around the consumption of food. Let us take a look at ‘greedy’ behavior about food to gain a better understanding of greed in general. I guess we all know the consequence of eating more than we really need, we are likely to have a feeling of sickness at the stomach also called nausea.

In fact this is an example of being 'greedy' about food. Robertson (2001) points out that "the most direct physical signal of greed is the nausea of overconsumption" (p.14).

In middle ages, when food was scarce for most and supplies insecure and irregular, the powerful people distinguished themselves from inferiors by the quantities of food they ate (Mennell, 1987): "those who could, gorged themselves; those who couldn't, aimed to" (Weber, 1973: p. 202). At that time, people were afraid of not having enough to eat? Can *insecurity* then be the motive of greed? It's a well know fact that the overconsumption of food can lead to overweight. But is overweight related to insecurity? Some findings suggest that food insecurity is positively related to overweight (e.g. Townsend, Peerson, et al., 2001). It can be concluded that insecurity might be the motive of greed.

Ogilvy (1999) posits a different view on greed. He suggests, *social comparison* might lead to greed. According to Ogilvy (1999) greed doesn't only want something; it wants what others want and have or need to have. By comparing one to another, one might detect what others have. By trying to have what others have, one might become greedy (Ogilvy, 1999) According to Ogilvy (1999) there is no such thing as final satisfaction for conscious consumers.

Two directions of social comparison can be found in literature: upward social comparison and downward social comparison (Latané, 1966). Upward social comparison is comparing oneself to someone better off on the domain of interest (Latané, 1966). Downward social is comparing oneself to someone worse off on the domain of interest (Latané, 1966). In contrast to downward social comparison, upward social comparison appears to be motivated by interest in achievement or self-improvement (Major, Testa, and Bylsma, 1991; Taylor and Lobel, 1989; Wheeler, 1966). Ogden and Venkat (2001) studied social comparison of possessions amongst Japanese and Canadian individuals. Amongst female respondents, they found that upward comparisons resulted in a higher desire for more and better things and willingness to strive for better things. Ogden and Venkat (2001) suggest, for both females as well as males, possessions become more important when one is lacking them. It can be concluded that upward social comparison might be the motive of greed.

### **3.3 The relationship between greed and materialism**

After considering the concept of materialism in the previous chapter and the concept of greed in this chapter, an attempt will be made to describe the relationship between greed and materialism. This will be done by comparing both variables.

The definitions of greed and materialism will be compared first. As mentioned in the previous chapter, materialism is about the acquisition and consumption of material goods (Belk, 1984). In contrast to materialism, one can be greedy about almost anything. Though the recent definitions of greed are related to material wealth (Robertson, 2010). Another difference concerning the definition of both greed and materialism, seems to be that greed is a desire and materialism a trait or a value.

The suggested motives of materialism are uncertainty or insecurity and status consumption. The motives of greed are insecurity and upward social comparison. In line with this, both greed and materialism might be motivated by insecurity.

Based on the reviewed literature concerning materialism and greed, one cannot make any relevant further comparisons. Such as if one of the variables is a predictor of another or if one is a component of another.

### **3.4 Conclusion**

In this chapter the concept of greed is defined as well as its motives. It can be concluded that insecurity and social comparison might be the motive of greed. After considering the concept of greed, an attempt was made to describe the relationship between greed and materialism. The definition of both variables differ, though one might conclude that insecurity might be the motive of both greed and materialism. As mentioned before, based on the reviewed literature concerning materialism and greed, one cannot make a any relevant further comparisons and come up with a conclusion concerning the relationship between materialism and greed.

After considering the independent variables materialism and greed in chapter two and three, SWB, the dependent variable, will be discussed in the next chapter. The relationship between materialism and SWB and greed and SWB will be discussed as well.

## **4. Materialism, greed and their effect on subjective well-being**

### **4.1 Subjective well-being**

#### **4.1.1 Defining subjective well-being**

As mentioned in the first chapter, SWB is people's emotional and cognitive evaluations of their lives (Diener, 1984) – both at the moment and for longer periods such as for the past year. These evaluations or components of SWB include people's emotional reactions to events, their moods, and judgements they form about their life satisfaction, fulfillment, and satisfaction with domains such as marriage and work (Diener, Oishi et al., 2003). From the previous sentence, it can be concluded that SWB is a broad category of phenomena (Diener, Eunkook, et al, 1999).

#### **4.1.2 The importance of subjective well-being**

SWB is one measure of the quality of life of an individual and societies (Diener, Oishi et al., 2003). According to philosophers the good life is being happy. We consider positive SWB to be necessary for the good life and good society (Diener, Oishi et al., 2003). According to La Barbera and Gürhan (1997) philosophers consider individual conceptions of subjective well-being to be the highest good and ultimate motivation for human action.

#### **4.1.3 Factors that influence subjective well-being**

Personality is one of the strongest and most consistent predictors of SWB (Diener, Eunkook, et al, 1999). Personality seems to color how individuals perceive life events and circumstances (DeNeve and Cooper, 1998), e.g. in a positive or negative manner. DeNeve and Cooper (1998) examined 137 personality traits and suggested a few personality traits to be the most influential in relation to SWB. These include control variables (i.e., desire for control and locus of control) and emotional stability.

The results from the study of DeNeve and Cooper (1998) also suggest that demographic factors such as health and socioeconomic status (comprised by combinations of educational attainment, income, and occupational status) are equally important to SWB as personality. Myers and Diener (1995) concluded that the absence of health and income-socioeconomic status can cause misery, but having both is no guarantee of happiness. In line with this DeNeve and Cooper (1998) conclude that ‘‘health and having enough income to provide for life's essentials are necessary, but not sufficient conditions for SWB’’ (p.217).

Besides the factors mentioned above that influence SWB, the type of goals an individual values (e.g. intrinsic and extrinsic), may also influence the level of SWB (Kasser and Ryan, 1996). The influence of both intrinsic as well as extrinsic goals on SWB will be explained in the next subparagraph.

#### **4.1.4 The relationship between internal and external goals and subjective well-being**

Kasser and Ryan (1996) suggest that goals include two types: intrinsic and extrinsic. Intrinsic goals, such as self-acceptance and community feelings, can lead people towards self-actualization and human growth. Therefore, intrinsic goals are likely to satisfy psychological needs and thus benefit SWB (Kasser and Ryan, 1996). In contrast, external goals are focused on obtaining external approval and rewards. External values include material and financial success, social recognition (fame) and an appealing appearance (image). External values detract individuals from satisfying their psychological needs (Kasser and Ryan, 1996). Due to the previous statement, external values will not benefit SWB (Kasser and Ryan, 1996).

#### **4.1.5 Theoretical approaches to subjective well-being**

Two theoretical approaches to SWB are presented here: the telic or end state theories and the social comparison theories. Both will be further discussed in this paragraph.

First the telic or end state theories will be discussed. Basically, these theories suggest that progress towards goals, successful pursuit of goals and satisfaction of needs lead to increased positive effect on happiness (Brunstein, 1993; Emmens, 1986). The telic approach can be considered an absolute approach to SWB.

Other academics approached SWB with a relative view such as Michalos (1985). Such relative or social comparison models suggest that SWB does not depend on absolute levels. According to these theories, SWB is in part determined by comparison an individual makes with standards (Michalos, 1985). Often peoples standards come from observing relevant things others have and from remembering one has had in the past (Michalos, 1985). People for example compare what one's had now and one has had in the past and set standards. If people exceed those standards, they should be satisfied or happy (Michalos, 1985). According to Veenhoven (1991; 1995) such standards of comparison are rather variable than fixed. If living conditions seem to improve, standards will be raised. One might conclude that according to the relative approach of SWB, the search for happiness is never ending. The search is never ending due to the fact that standard are raised if living conditions improve. The social comparison theory also suggests that we will be happy if we think we are better off

than others (downward social comparison), and unhappy if we think we are worse off than others (upward social comparison) (Veenhoven, 1995).

After considering the concept of SWB, the relationship between materialism and SWB and greed and SWB will be explained in the next paragraphs.

#### **4.2 Materialism and subjective well-being**

As mentioned in chapter one, the relationship between materialism and several components of SWB has been studied by several academics (e.g. Belk, 1984, 1985; La Barbera and Gürhan, 1997; Richins and Dawson, 1992; Sirgy, et al., 1995) These studies have found a negative relationship between materialism and the components of SWB: those individuals who were more materialistic were less happy than less materialistic individuals. Why are people who are more materialistic less happy than people with a lower level of materialism?

To explain the relationship between materialism and SWB, the absolute and relative approach to SWB will be considered.

##### *Materialism and the absolute approach to subjective well-being*

As mentioned in chapter two, uncertainty or insecurity might be the motive of materialism. By adapting materialistic values, people believe they can satisfy their needs for certainty and security. According to the absolute approach to SWB, satisfaction of needs leads to a positive effect on SWB. Although individuals might adapt materialistic values to fulfill needs of uncertainty or insecurity, Kasser (2002) points out that materialism is a poor 'coping strategy'. Kasser (2002) explains that a materialistic strategy makes people feel good in short term. As with other coping strategies that make people feel good in short term (e.g. denial of the problem and hedonic pleasures such as drugs), materialistic strivings may in long-term maintain and deepen feelings of insecurity (Kasser, 2002). Can it be concluded that by adapting a materialistic strategy, needs for certainty and security remain unfulfilled? In line with this, materialist are viewed as being caught up in an endless cycle of the pursuit of material goals in hopes of compensating for feelings of uncertainty or insecurity (Kasser, 2002). It might be concluded that materialists experience lower levels of SWB than less materialistic individuals, due to the fact that their needs for certainty and insecurity will never be satisfied by adapting materialistic values.

In chapter two, status is also described as the motive of materialism. As mentioned before in this chapter, socioeconomic status is an important predictor of SWB. Considering the

direction of the relationship: the relationship between socioeconomic status and SWB is positive (Haring, Stock and Okun, 1984). Haring, Stock and Okun (1984) also found a positive relationship between occupational status and SWB and income and SWB. However the effect of income on SWB is weak. A study conducted by Ryan and Deci (2001) showed that an increase in personal wealth does not increase SWB, for families living above the poverty line. Ryan and Deci (2001) explain that an increase in income for people below the poverty line can provide satisfaction of physical and psychological needs, such as food, shelter and maintaining relationships (Ryan and Deci, 2002). Most families living above the poverty line already have access to basic resources to satisfy their physical and psychological needs (Ryan and Deci, 2002). Another explanation for the weak effects of money on SWB is that relative income, rather than absolute income makes people happy (Hsee, Yang, et al., 2009). Though, the latter explanation is about comparing one to another, the relative approach to SWB.

In line with the absolute approach to SWB, status concerning one's occupation and status concerning income might lead to a positive effect on SWB. As mentioned before, the effect of status concerning income on SWB might be small, for people above the poverty line.

#### *Materialism and the relative approach to subjective well-being*

One can also consider status and the relative approach to subjective well-being. According to its definition, status is about "the relative rankings of members of each social class in terms of specific status factors" (Schiffman and Kanuk, 2006, p.358). From its definition, it can be concluded that status is about comparing one's ranking to the ranking of other individuals. As mentioned in chapter two, individuals who engage in status consumption, are striving to improve their social standing through the conspicuous consumption of consumer products that communicate a certain status (Kilsheimer, 1993). According to Trigg (2001), striving to improve their social standing through conspicuous consumptions is never ending. "what at one time may confer status may later be acquired by all and confer no status" (p. 101). In other words, standards of status might be set, but at the time that certain status is achieved by all, standards of status are adjusted. What is in line with the relative approach to SWB. In line with the relative approach to SWB of Michalos (1985), individuals might experience happiness if they exceed the certain status standard. However, the search of happiness starts all over again at the time standards of status are adjusted. Thus, according to the relative approach to SWB feelings of happiness by the attainment of status are short term.

In addition to the explanations of the relationship between materialism and SWB above, materialism and its relationship with intrinsic and extrinsic goals and SWB will be considered. As mentioned before in this chapter, intrinsic values benefit SWB and extrinsic values do not benefit SWB (Kasser and Ryan, 1996). As mentioned in chapter one, the materialists value material and financial success, which is considered to be an extrinsic goal (Kasser and Ryan, 1996). In line with this, materialistic goals do not benefit SWB. Materialistic goals detract individuals from satisfying their psychological needs, such as the needs for certainty and security (Kasser and Ryan, 1996).

### **4.3 Greed and subjective well-being**

The relationship between greed and SWB has not been studied by researchers. An attempt will be made to discuss the relationship between greed and SWB according to the absolute and relative approach to SWB.

#### *Greed and the absolute approach to subjective well-being*

As mentioned in chapter three, security is suggested as the motive of greed. In line with the absolute approach to SWB the need for security must be satisfied in order to obtain positive effect on SWB. As mentioned in chapter three, in the example of greedy behavior concerning food, greedy behavior can lead to the satisfaction of insecurity. It was also suggested that greed can lead to overconsumption. Does overconsumption lead to higher levels of SWB? As mentioned by Robertson (2001), nausea is a consequence of overconsumption of food. This will lead to a feeling of disgust and a negative effect on SWB. Thus, an individual might experience short term higher levels of SWB by satisfying the need for security, though one might experience lower levels of SWB on long term because of the nausea. Though this suggestion is limited to being greedy about food.

One can also consider being greedy about money. I guess we can all agree that many people believe that more wealth does increase SWB. In line with this, does overconsumption of money has a positive effect on SWB? Is money positive correlated to SWB? As mentioned before in this chapter, the study from Ryan and Deci (2001) showed that an increase in personal wealth does not increase SWB, for families living above the poverty line. Ryan and Deci (2001) explain, an increase in income for people below the poverty line can provide satisfaction of physical and psychological needs, such as food and maintaining relationships. (Ryan and Deci, 2002). Most families living above the poverty line already have access to basic resources to satisfy their physical and psychological needs (Ryan and Deci, 2002).

From the findings described above one might conclude that higher levels of SWB can be experienced by satisfying one's needs but (e.g. the need for security). At the time the need is satisfied, one might not experience higher levels of SWB by 'satisfying one's greedy desire'.

#### *Greed and the relative approach to subjective well-being*

As mentioned in the chapter concerning greed, the motive for greed might be social comparison. Upward social comparison is of particular interest, while it can result in higher desire for more and better things and willingness to strive for better things (Ogden and Venkat, 2001). As mentioned at the theoretical approaches to SWB, standards of comparison are adjusted if living conditions seem to improve (Veenhoven, 1991; 1995). As suggested before, one might conclude that according to the relative approach of SWB, the search for happiness is never ending. The search is never ending due to the fact that standards are raised if living conditions improve.

As with the relationship between materialism, the relationship between greed, intrinsic and extrinsic goals and SWB will be explained. As mentioned in chapter three, one can be greedy about almost anything (Robertson, 2001). If a greedy individual values extrinsic goals, such as money or status, psychological needs will not be satisfied. In line with this the greedy individual experiences lower levels of SWB on long term, due to the fact that psychological needs remain unfulfilled (Kasser and Ryan, 1996).

#### **4.4 Conclusion**

This chapter explained the concept of SWB and described the relationship between both materialism and SWB and greed and SWB. Considering the absolute and relative approach to SWB, apparently materialism leads to feelings of happiness on short term. Kasser (2002) for example, explained that materialism is a coping strategy for feelings of uncertainty and insecurity and it makes people feel happier on short term. Kasser (2002) makes a comparison with other short term coping strategies, such as drugs. Though like with materialism, they deny the underlying problems, in the case of materialism these are feelings of uncertainty and insecurity. In line with this Kasser (2002) concludes, materialism may deepen feelings of uncertainty and insecurity on long term. Status also seems to provide happiness on short term. Happiness is experienced at the moment one exceeds a certain status. Though, Trigg (2001) points out that at the time all people exceeds that certain status, standards are adjusted and the search of happiness through status starts all over again.

Greed also seems to lead to short term feelings of happiness. One might experience higher levels of happiness at the moment one satisfies the need of insecurity. Though greed can lead to overconsumption, which leads to either lower levels of happiness (e.g. with the overconsumption of food) or which doesn't lead to an increase in happiness (e.g. with the overconsumption of money). The social comparison motive of greed leads to feelings of happiness at the moment one exceeds his or her standards. Though they are considered to be short term, due to the fact that standards raise when living conditions seem to improve. In line with this, the search for happiness through social comparison is never ending.

## **5. Conclusion, Discussion and Future research**

### **5.1 Conclusion**

This thesis aimed to contribute to a better understanding of the concepts of materialism and greed and their relationship with SWB. The problem statement of this thesis was as follows: *What is the meaning of the concepts of materialism and greed and what is their effect on subjective well-being?* A definition of both variables was described. As mentioned in chapter one, materialism is considered both a personality trait and a value. Greed on the other hand seems to be a desire. Concerning the motives of both variables, those of materialism might be uncertainty and insecurity, and status. The motives of greed might be insecurity and social comparison. Based on these suggestions materialism and greed might have the security motive in common. However, no further implications of the relationship between materialism and greed can be drawn, based on existing literature.

As explained in chapter four, the positive effect of both materialism as well as greed on SWB might be short term. It was suggested that on long term materialistic and greedy people experience lower levels of SWB or experience no increase in SWB. In line with this, in search of happiness, materialistic and greedy individuals seem to be caught up in an endless cycle of acquiring things.

### **5.2 Discussion and Future research**

During the search of literature concerning materialism, I found many academic papers concerning the relationship between materialism and components of SWB and overall SWB. The findings amongst those studies were quit consistent. Though the literature on the motives of materialism is quit scattered. An overview of the motives of materialism mentioned by academics, might be useful in order to draw conclusions on why materialism is actually negatively related to SWB. Current literature addresses the fact that materialism is negatively related to SWB, though they are focused on the life domains were materialism are actually not satisfied with (Burroughs and Rindfleisch, 2002). Such as with family and friends and their standard of living. In order to find out why materialists are less happy than less materialistic individuals, they might focus on the underlying motives of materialism. However, some academics made an attempt to do so, such as Kasser (2002), Chang and Arkin (2002), Micken and Roberts (1999).

As mentioned before, little academic studies concerning greed have been done. Some made an attempt to get a better understanding about greed, like Robertson (2001). However such literature lacks concrete motives of greed. So far, no overview of existing literature

concerning greed has been created. It might be useful to do so, in order to determine what needs to be researched in the area of greed in the future. It is not clear why little studies have been done concerning greed. I would like to suggest that academics consider the literature of Melanie Klein concerning greed. Melanie Klein (1882-1960) made some contributions to psychological research, such as theories of envy, which included research concerning greed. According to Melanie Klein (1975) greed starts at the mother's breast. The infant has no knowledge about the limits of the mother's breast. The greed of the infant aims to possess all the goodness that can be extracted from the breast. Basically, I would like to suggest that greed needs more psychoanalytical explanations. In contrast, current books focus on human history in an attempt to gain a better understanding about greed. Such as Robertson (2001) does.

A issue was encountered during the literature review concerning the uncertainty motivation of materialism. As mentioned in chapter two, some researchers use the term of security as well to explain the uncertainty motivation of materialism (Chang and Arkin, 2002; Micken and Roberts, 1999). However, it is not clear from literature if they consider insecurity and uncertainty are the same or differ from each other. In line with this, researchers should always be clear about the meaning of such terms. Otherwise, one might draw wrong conclusions. In this case uncertainty and insecurity both might be the motive of materialism. As mentioned in chapter two, some researchers suggest status as the motive of materialism (Fitzmaurice and Comegys, 2006). Though status has been shown to be correlated to materialism (Eastman, Goldsmith and Flynn, 1999). Thus, status might be a consequence of materialism or both a motive and a consequence. However, Fitzmaurice and Comegys (2006) didn't acknowledge this in their discussion. As with not being clear about used terms, one might also draw wrongs conclusions in this case.

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