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**The effects of life events on the development of materialism and compulsive consumption:
A life course study in the United States and Hong Kong**

Andrew Baker
Department of Marketing
Fowler College of Business
San Diego State University
5500 Campanile Drive, CA92182
abaker@mail.sdsu.edu

Kara Chan
Orcid 0000-0001-9805-7299
Department of Communication Studies
Hong Kong Baptist University
Kowloon, Hong Kong
Karachan@hkbu.edu.hk

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ABSTRACT

Compulsive consumption and materialism are regarded as global phenomena that can potentially have adverse effects on consumer welfare. Recent developments in social sciences suggest that such phenomena may best be understood in the context of a consumer's earlier-in-life experiences. This study aims to understand the effects of disruptive life events on materialism and compulsive consumption among adolescents. Using the life course paradigm, it is hypothesized that the development of these consumer orientations is influenced by life events experienced earlier-in-life. Surveys of young adults in the United States and Hong Kong are used to test the measurement equivalence of the main variables, and the hypotheses are tested using structural equation modeling. Results support the mediating role of peer communication in the relationship between experienced stressful disruptive life events and the young adults' materialism and compulsive consumption orientations, and offer insights into the divergent effects of the mediating role of tangible and intangible family resources.

Keywords: materialism, compulsive consumption, life course, cross-cultural study, measurement equivalence

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Introduction

Researchers have a long-standing interest in understanding the development of materialistic attitudes (e.g. Burroughs & Rindfleisch, 2002; John, 1999) and compulsive consumption behaviors (e.g. Hirschman, 1992; Rindfleisch, Burroughs, & Denton, 1997). However, present knowledge on cultural similarities and differences with respect to mechanisms involved in the development of these orientations is sparse, limiting marketers' ability to design effective global strategies (Onkvisit & Shaw, 1989). Research on young demographic segments is particularly important because most consumption orientations develop during the formative years (Darley, 1999; Moschis, 1987).

This paper applies the life course paradigm (e.g. Elder, 1995; Moschis, 2019) to the study of materialism and compulsive consumption in different cultures. Variables from the general conceptual life course framework (Moschis, 2019) are derived to develop a model that is put to test using data from the United States and Hong Kong. The study illustrates how to test the relationships of the model across cultures using SEM. It shows how to assess the direct and indirect effects of variables derived from the general conceptual life course framework. The present research addresses a number of issues related to the need for understanding the development of materialism and compulsive consumption in cross-cultural settings. These issues include the need for samples that provide greater generalization (Roberts, 2000), cross-cultural metric equivalence (Shoham & Brençic, 2003; Sinkovics & Holzmüller, 2001), a shift from exploratory analysis to confirmatory (Sangkhawasi & Johri, 2007), and the identification of common values (Clarke & Micken, 2002).

Model and hypotheses

Previous research shows how the life course paradigm can serve as an overarching conceptual framework to study the development of materialism and compulsive consumption (Moschis, 2007). It shows how the three main perspectives of the life course paradigm (socialization, stress, and human capital) could be integrated to offer complementary explanations for the development of these consumption orientations.

The present study derives four types of variables from the general conceptual life course framework (see Moschis, 2019, Figure 1): events that occur at a specific point in time (T1) in the person's life course, three interdependent adaptation processes triggered by these events, and outcomes that occur at later points in time (T2) which are the consequences of these processes and earlier time-occurred events; and it examines the effects of culture as a contextual variable. Materialism and compulsive buying are viewed as outcome variables (at T2), which are explained by three types of variables that tap three adaptation mechanisms: interactions with peers, viewed coping responses to stress created by disruptive events that occurred earlier in the person's life (at T1); provision of material resources, viewed as a socialization process which is negatively impacted by stressful events; and provision of emotional resources, viewed as a measures of human capital, which is impaired in the presences of stressful family experiences. Cultural effects (implicit in the Eastern and Western cultures of China and the U.S., respectively), are assessed on the hypothesized relationships between the first three types of variables. The selection of study variables from the general conceptual framework and the nature of the expected relationships between them are suggested by theory and research and form the bases for the study' hypotheses.

[Insert Figure 1 about here]

Model variables

There are two general approaches to defining *materialism*: (1) Richins and Dawson (1992) summarize Belk's (1985) three traits as materialistic individuals placing acquisition essential to well-being and satisfaction (Fitzmaurice & Comegys, 2006); and (2) Micken and Roberts (1999) view materialism as an orientation guided by reducing feelings of ambiguity and a coping mechanism (Chang & Arkin, 2002; Fitzmaurice & Comegys, 2006). Respectively, these can be viewed in the context of two theoretical perspectives: the socialization perspective and the psychological perspective. The socialization perspective helps explain materialism in cultures where possessions are viewed as desirable norms and goals to pursue in life. In contrast, the psychological perspective stands to have a stronger effect in cultures where material possessions are not a norm, but rather a coping response to stress. These notions are consistent with life course explanations (Moschis, 2007).

Compulsive consumption has been defined as, "a chronic, repetitive purchasing that becomes a primary response to negative events or feelings" (Faber & O'Guinn, 1992, p.459). Like the psychological perspective of materialism, compulsive consumption may be a coping response resulting from previous life experiences (e.g., Rindfleisch et al., 1997). Recent studies (e.g., Rindfleisch et al., 1997; Roberts, Manolis, & Tanner, 2003) have inferred the development of compulsive behaviors from the person's experience of events during adolescent years. Implicitly, these studies assume stress as an explanation by linking the social (family) structure to compulsive behavior, not only directly, but indirectly via family resources and peer socialization as well.

Disruptive life events (e.g., divorce, re-marriage, lengthy discord) tend to weaken an adolescents' emotional security and self-esteem (Elder, 1998), which in turn is a strong predictor of materialistic attitudes (e.g., Belk 1988) and a resource for combating stressful life events

(Thoits, 1995). As proposed by Roberts et al (2003), the relationship from disruptive life events to materialism and compulsive consumption runs through an adolescents' perceived level of family stressors. Thus, while disruptive life events tend to create more stress in one's life, stress in turn increases the potential for experiencing happiness with material possessions and compulsive consumption (Roberts et al., 2003).

Family resources refer to the respondent's perceived level of tangible resources (e.g., food and clothing) and intangible resources (e.g., guidance and emotional support) provided by their family when growing up (Roberts et al., 2003). These variables can be viewed as adaptation mechanisms that define agent-learner relationships (Moschis & Churchill, 1978). Provision of material resources is viewed in the context of socialization that promotes materialistic values (Richins & Chaplin, 2015). In contrast, emotional support promotes human capital development and deters development of emotional insecurity and low self-esteem (Hill, Yeung, & Duncan, 2001), which impair development and lead to inhibition of impulsive behaviors (Conger, Ge, Elder, Lorenz, & Simons, 1994; Uhlenberg and Mueller 2003) that are precursors to compulsive orientations (Pechman et al., 2005). Previous research shows divergent effects of tangible and intangible resources on materialism and compulsive consumption (Rindfleisch et al., 1997), while Roberts et al (2003) find support for the mediating relationship of intangible family resources on materialism in a post hoc analysis.

Peer communication concept relies on the notion of reduced self-esteem to link disruptive life events to materialism and compulsive consumption. For example, among the motivations of materialists to acquire possessions of material value is the enjoyment of social status compensating for low levels of self-esteem (Fitzmaurice & Comegys, 2006). Further, Mandrik, Fern, and Bao (2005) note the frequency of communication with peers is associated with undesirable consumer-

related behaviors underlying consumption and materialistic attitudes, suggesting that in the process of interacting with peers for coping with stress the youth may be socialized to consumption.

The effects of life events and adaptation processes

Life course research generally suggests that most of the effects of disruptive life events are indirect, operating via ineffective adaptation processes, such as poor quality of social relationships (Elder, George, & Shanahan, 1996). Thus, disruptive family events are viewed as stressors, tend to create stress in the young person's life (e.g. Rindfleisch et al., 1997; Roberts et al., 2003).

H1: Disruptive life events experienced in adolescence are positively associated with perceived stress induced by these life events.

Research suggests that most of the effects of the stress associated with disruptive life events are indirect, operating via ineffective socialization and poor quality of social relationships (Elder et al., 1996). Based on the life courses' stress perspective, peer communication about consumption is a mechanism that links an individual's level of stress to materialism and compulsive consumption. In stressful times the young person may turn to peers for support, and communication with peers may serve as a mechanism for coping with stress. Peers provide arenas of comfort where adolescents can relax and rejuvenate from the pressure and stress (Gecas, 2003), serving as a coping mechanism.

H2: Perceived stressfulness of disruptive life events leads to increased frequency of communication with peers.

According to the life course's normative perspective, disruptive life events promote a youth's alienation from the family and create tendencies to gravitate toward nonfamilial peer groups (see Moschis, 1987, for studies). This tendency can make youth's susceptible to other socialization agents that promote the importance of material possessions (John, 1999; Moschis,

1987) and compulsive buying (Roberts, 2000). Moschis and Churchill (1978) find that the frequency of communication with peers is associated with undesirable consumer-related behaviors and motivations underlying consumption and materialistic attitudes. Socialization theory indicates that young people learn the expressive aspects of consumption from their peers (e.g. Moschis, 1987); thus, the greater strength of materialistic values and compulsive consumption tendencies reported by young adults who have experienced disruptive life events may well be due to heavier interactions with these socialization agents during previous years.

***H3:** The higher the frequency of communication with peers during formative years, the stronger the (a) materialistic values and (b) compulsive consumption orientations held by young adults.*

Perceived tangible and intangible family resources are influenced by the stressful disruptive life events. The experience of disruptive events, such as death of a parent or divorce, creates stress and have a negative effect on the child's perceived parental affection and economic support (Hill et al., 2001); they interfere with effective socialization and weaken parent-child bonds (Hill et al., 2001). Such experiences have negative direct effects on the level of family resources the young person receives in the form of material support due to family members' arguments over the reduced family economic resources, lessened parental warmth, understanding, and caring responses by parents (Baker, Moschis, Rigdon, & Kwai Fatt, 2016; Hill et al., 2001), potentially due to the parent's increased emphasis on coercive parenting strategies through which he or she attempts to maintain control over the child's activities (Hill et al., 2001).

***H4:** Perceived stressfulness of disruptive life events experienced during adolescent years decreases (a) tangible and (b) intangible family resources.*

Previous research has indicated possible divergent effects of intangible and tangible resources on materialism and compulsive consumption. Specifically, Roberts, Gwin, and Martínez (2004) find that intangible resources had a negative relationship with compulsive consumption, while tangible resources had a positive effect. Similarly, Richins and Chaplin (2015) find that the provision of material resources promotes the development of materialistic values. Thus, the specific mechanism related to family resources may have both desirable and undesirable consequences. The acquisition and consumption of products under stressful conditions have been viewed as secondary (or emotion-focused) coping responses because they create pleasant feelings that alleviate stress; and such behaviors can be reinforced and become conditioned responses to stressful situations, leading to the formation of compulsive consumption patterns (Hirschman, 1992; O'Guinn & Faber, 1989) and materialism (Burroughs & Rindfleisch, 1997). Therefore, the socialization and stress perspective offer complementary views, suggesting that provision of tangible resources might lead to the development of materialistic values and compulsive consumption orientations. Therefore, it is hypothesized that:

***H5:** The amount of tangible family resources provided to the young person is positively related to the strength of (a) materialistic values and (b) compulsive consumption tendencies reported as a young adult.*

In contrast, the human capital perspective suggests that provision of intangible resources (e.g., emotional support) rather than tangible ones might deter the development of such consumption orientations. It has been asserted that family rearing practices which have aversive consequences on the child's emotional security and self-esteem (Hill et al. 2001) impair development, which leads to ineffective inhibition of impulsive and antisocial behaviors (Conger et al., 1994; Uhlenberg & Mueller, 2003). Specifically, research findings show that controlling

family environments are likely to rear children that lack adequate self-control and are oriented toward hedonically-gratifying behaviors (Conger et al., 1994; Kasser, Ryan, Zax, & Sameroff, 1995), all of which may be due to impaired or inadequate development of human capital. These notions suggest the following hypothesis:

***H6:** The amount of intangible family resources provided to the young person is negatively related to the strength of (a) materialistic values and (b) compulsive consumption tendencies reported as a young adult.*

Cross-cultural moderating effects

The tendency to react to disruptive life events which create uniqueness from the norm is potentially shaped by cultural differences. Specifically, collectivistic cultures tend to perceive uniqueness negatively compared to individualistic cultures, which perceive uniqueness as a positive trait (Yoon, Suk, Lee, & Park, 2009). Further, Fan and Lui (2004) note that in Chinese cultures, children who are raised in single-parent families are sometimes discriminated by their peers; while a recent Gallup Poll reveals that an increasing number of Americans, 70%, view divorce as morally acceptable (Saad, 2008). Thus, based on the stronger implied backlash of negative events, respondents in the Hong Kong sample may indicate a stronger relationship between disruptive life events and stress.

***H7:** There is a stronger positive relationship between disruptive life events and perceived stressfulness induced by these disruptive life events among respondents in Hong Kong than among respondents in the United States.*

Cross-cultural perspectives have shown variations in the manner in which consumers define and create associations with materialistic and compulsive behaviors. In Confucian cultures, such as Hong Kong, conformity to group norms is acceptable (Wong & Ahuvia, 1998) and the

social comparison of goods is encouraged as a means to locate an individual's position in the social hierarchy (Chan & Prendergast, 2007). This presents a contrast to the individualistic orientation of the United States, which is typified as a culture which consumes, particularly material goods, in order to demonstrate success and power. Further, Bristol and Manglburg (2005) discuss the notion that individualistic cultures foster independence, whereas collectivist cultures stress dependence. Thus, respondents in the collectivistic culture (Hong Kong) will likely foster the relationships derived from stress which emphasize their group norms, such as peer communication and intangible family resources, whereas respondents in the individualistic culture (United States) will accentuate factors derived from stress which allow for independence, such as tangible family resources. For example, a study of the relatively individualistic country Greece found that disruptive family events and peer communication were actually negatively related (Grougiou & Moschis, 2015). Also, in the relatively collectivistic (compared to the United states) South Africa, there was a negative relationship between disruptive life events and family resources that included intangible family resources (Duh, 2015).

***H8(a):** There is a stronger positive relationship between perceived stressfulness of disruptive life events and peer communication among Hong Kong respondents than among respondents in the United States.*

***H8(b):** There is a stronger negative relationship between stressfulness of disruptive life events and intangible family resources among respondents in Hong Kong than among respondents in the United States.*

***H8(c):** There is a weaker negative relationship between perceived stressfulness of disruptive life events and tangible family resources among respondents in Hong Kong than among respondents in the United States.*

In highly industrialized and highly populated cultures, such as the United States, materialism is a manner of claiming status and breaking through the clutter (Heaney, Goldsmith, & Jusoh, 2005). In contrast, in many East Asian cultures where group identity is important, consuming status products may reflect an individual's concern with the perceptions of others and fit in with group norms (Prendergast & Wong, 2003). In a study of the collectivist Malaysian culture, it was noted that a collectivist culture did not value or condemn the ownership of material goods, hence underscores the development of such materialistic values (Baker, Moschis, Ong, & Pattanapanyasat, 2013).

Based on these cultural differences, in collectivistic societies the constructs of peer communication and intangible family resources may provide a reference point in which individuals understand the societal norms and cope with stress, and materialism and compulsive consumption can be viewed as a means to fit within these constraints. These notions lend support to the perception that collectivistic cultures may associate coping processes with materialistic attitudes and compulsive consumption to a greater degree than individualistic cultures. In contrast, the tangible family resources construct allows individuals in individualistic cultures to promote their independence and status motivations by engaging in more materialistic and compulsive consumption behaviors compared to collectivistic cultures. In line with this, in a study of Brazilian consumers being compared to United States, Baker, Moschis, Benmoyal-Bouzaglo, and Pizzutti (2013) observe that the relatively more collectivistic Brazilian culture had relatively weaker relationship between tangible family resources and materialism and compulsive buying and that among Brazilians there was a relatively weaker relationship between intangible resources and compulsive buying.

H9: The hypothesized positive relationship between the frequency of peer communication about consumption during formative years and the strength of (a) materialistic values and (b) compulsive consumption tendencies will be stronger in Hong Kong than in the United States.

H10: The hypothesized positive relationship between tangible family resources and (a) materialistic values and (b) compulsive consumption tendencies will be weaker in Hong Kong than in the United States.

H11: The hypothesized negative relationship between intangible family resources and (a) materialistic values and (b) compulsive consumption tendencies will be weaker in Hong Kong than in the United States.

Methods

Samples

A sample of young adults, age 19 to 29, was drawn from a Hong Kong university (n=120) and another sample was drawn from United States university (n=152). Wooten (2006) notes that young adults are ideally suited both to remember the circumstances of their life events and to report on these circumstances honestly; this combination of accuracy and honesty is crucial given our retrospective study design. Respondents in both countries were asked to complete anonymous surveys in-class. Incomplete questionnaires were eliminated from the analyses. An advantage of these convenience samples is the approximate equivalence in educational attainment and other economic strata, allowing for a more direct comparison between relatively educated, affluent, young adults between the two samples. A downside of these samples is that neither of them are fully representative of the young adult population of the United States or Hong Kong; this limits generalizability of the sample to its respective young adult population. Further, given the relatively

affluent samples, the life course consequences expected from a lack of parental intangible resources may be mitigated by access to other forms of support, such as nannies.

Among the respondents, there was a higher ratio of females to males in the Hong Kong sample (78% vs. 20%) compared to the United States sample (56% vs. 44%). Additionally, respondents in the Hong Kong sample provided a mean score of 2.5 based on a four-item scale (1= very well off; 4 = not well off at all), while the United States sample indicated a mean score of 2.1. Finally, the Hong Kong sample's fathers had a mean of 10.8 years of schooling, 9.5 years of schooling for their mothers, and 16.5 years of personal education. Comparatively, the United States sample's fathers had a mean of 14.5 years of schooling, 13.8 years of schooling for their mothers, and 15.5 years of personal education.

Measures

The *materialism* scale used was based on the updated Richins and Dawson (1992) scale by Wong, Rindfleisch, and Burroughs (2003). Wong and colleagues (2003) surveyed consumers from several Asian countries and found the replacement of items framed as questions with items posed as statements enhanced the validity and reliability of this scale. Thus, the scale is tailored to reduce the risk of acquiesce bias. The modified short form 3-item scale developed by Richins (2004), which best represents each of the three material values domains (happiness, centrality, and success), was used in this analysis. The alpha reliability coefficient (α) was .610 in the United States sample and 0.644 in the Hong Kong sample.

Compulsive consumption was measured by a 4-item scale based on items developed by d'Astous et al (1990) that tapped into the impulse-control dimension of compulsive buying. The reliability was acceptable for both Hong Kong ($\alpha = 0.744$) and the United States ($\alpha = 0.874$) samples.

We used a measure of *peer communication* about consumption that was based on previous consumer socialization studies (e.g. Moschis & Moore, 1979, 1982). The four-item scale had an alpha reliability coefficient of 0.635 for the Hong Kong sample and 0.736 for the United States sample.

A scale developed by Rindfleisch and associates (1997) was used to measure the respondent's perceived level of *family resources*. Tangible family resources include food, clothing and money, while intangible family resources consist of time and attention, life skills, emotional support and role modeling. Intangible family resources and tangible family resources retained their dimensionality in both Hong Kong (0.874; 0.864) and the United States (0.890; 0.884) respectively.

Ten *disruptive life events* were used from previous studies (e.g. Rindfleisch et al., 1997; Roberts et al., 2003) that were hypothesized to have a direct impact on life experiences on the person's emotional well-being. Respondents were asked if they experienced or did not experience a given disruptive life event. The sum of the disruptive life events experienced during childhood or adolescence was calculated to represent the single-item construct.

We used a measure of *stressfulness of disruptive family events* construct was identical to the measure used by Rindfleisch and associates (1997) and Roberts and colleagues (2003). Stressfulness due to disruptive events was measured as a summed index of each of ten disruptive events (-2 = strongly positive, 0 = no impact, 2 = strongly negative).

The proposed Hypotheses 1 through 6 and scales are represented in the full structural model depicted in Figure 2. Construct correlations are reported in Table 1. Given our directional hypotheses, we evaluated the statistical tests using a one-tailed test.

[Insert Figure 2 approximately here]

[Insert Table 1 approximately here]

The measurement model

The measurement model and structural model were tested using SEM with full-information maximum likelihood estimation using the MPlus 5 software package. The procedures outlined by Steenkamp and Baumgartner (1998) for multi-group confirmatory factor analysis was used to assess measurement invariance between the samples. As such, we first evaluated a baseline multi-group model of configural invariance – this baseline model tests that the pattern of zero and non-zero loadings between the two country samples are equivalent. Although this model was rejected by the sample size-sensitive chi-square test ($\chi^2 (df) = 385.44 (302), p < 0.01$), all other goodness of fit indices met current recommended levels (CFI = .955, RMSEA = .045, SRMR = .060). Next, a fully metric invariant model was evaluated, as metric equivalence is necessary to test the cross-country hypotheses. The full metric invariance model fits the data ($\chi^2 (df) = 405.485 (315), CFI = 0.951, RMSEA = 0.046, SRMR = 0.068$) and did not fit significantly worse than the configural invariance model ($\Delta\chi^2 (\Delta df) = 25.99 (16), p = 0.09$). This provides support that the cross-cultural hypotheses can be meaningfully evaluated.

Squared multiple correlations (SMCs) for family resources were high in both the Hong Kong and United States samples (.494 – .736). SMCs for peer communication were from .297 to .586 in the United States sample, but ranged from 0.251 to 0.514 in the Hong Kong sample. The consumption outcomes had SMCs from 0.185 to 0.748 in the United States sample and ranged from 0.237 to 0.478 in the Hong Kong sample. Because of some particularly low item loadings, the entire analysis reported previously and subsequently was re-analyzed with the poorest performing items dropped from the model. This had no substantive impact on overall model fit or

the outcome of any of the hypotheses. As such, the analysis reported here uses the full array of measurement items in the model.

Results

Hypothesis testing

Test of H1 supports the initial posited relationship per the life course framework, indicating that disruptive life events which occur in childhood or adolescence influence a respondents' level of stress associated with these events as a young adult (0.706, 5.78; 0.684, 4.23)¹. Partial support is provided for H2 (0.030, 1.68; -0.006, -0.402), indicating that disruptive life event stress has a significant positive relationship with the respondent's reliance on peer communication in the United States sample but not the Hong Kong sample. However, the hypothesized negative relationship between disruptive life event stress and tangible (-0.035, -1.56; -0.055, -2.23) and intangible (-0.086, -3.49; -0.076, -2.91) family resources in H4a and H4b were supported in both the United States and the Hong Kong samples.

Hypothesis 3a is supported in the United States sample, while 3b received full support in both samples, indicating a positive relationship between an adolescent's peer communication and his or her materialistic attitudes (0.347, 2.50; -.029, -.178) and compulsive consumption behaviors (0.612, 3.25; 0.494, 2.70). Conversely, the hypothesized impact of tangible (0.138, 0.90; 0.202, 1.24) and intangible family resources (-0.096, -0.76; 0.002, 0.015) on materialism in both the United States and Hong Kong samples was insignificant; thus, H5a and H6a were not supported. Further, the hypothesized relationship between tangible (0.168, .82; 0.072, 0.402) and intangible family resources (-0.187, -1.12; -0.036, -0.218) on compulsive consumption was also insignificant

¹ (U.S. unstandardized coefficient, U.S. *t*-value; H.K. unstandardized coefficient, H.K. *t*-value)

in both groups. Thus, H5b and H6b were not supported. Table 2 provides a summary of the statistical tests of the hypotheses.

[Insert Table 2 Approximately Here]

Testing for cross-cultural differences

The aims of the final hypotheses, H7 – H11, were to test for specified differences between the cross-cultural samples. The test for cross-country moderation on the structural paths is conducted by imposing equality constraints, one at a time for each hypothesis, on the slope parameters. Thus, a Wald chi-square difference test ($df = 1$) is used to evaluate each of the hypotheses. None of the hypotheses regarding the expected significant differences between countries were supported ($p > .1$), although there was a marginally significant difference ($p = .09$) between the United States and Hong Kong on the effect of peer communication on materialism (H9a). However, the results indicate that the effect of peer communication on materialism is greater for the United States sample, opposite of the hypothesized relationship.

Mediation tests

The life course approach suggests that earlier-in-life experience can influence adulthood attitudes, behaviors, and orientations through intermediate processes – stress coping, socialization, and/or human resource development. As a more explicit evaluation of this process, we tested whether disruptive life events significantly influenced compulsive buying and materialism through the theorized indirect pathways (e.g. disruptive events → stress → peer communication → compulsive buying). Each potential pathway was evaluated individually, with the standard errors estimated using the delta method (bootstrapped standard errors produced comparable results). There were no significant indirect effects in the Hong Kong sample, while the indirect effect of disruptive events on materialism and compulsive buying through peer communication were both marginally

significant in the United States sample (0.013, 1.48; 0.007, 1.406). Thus, in the United States sample, we find evidence that suggests disruptive childhood events positively influence maladaptive consumption orientations by altering the balance of socialization processes more toward outside-the-home sources. However, we do not find evidence supporting that the decrease in family resources resulting from disruptive childhood events is an indirect pathway that influences maladaptive consumption orientations

Discussion and directions for further research

Theoretical implications

The general support for the hypothesized model across cultures indicates that the life course paradigm is a useful tool to study the development of materialism and compulsive consumption in young adults. The specified hypotheses are supportive of the life course perspective as a means of describing the historical contexts associated with consumer behavior, thus supporting the movement within marketing to build more encapsulating models; particularly those that take account of past experiences and are generalizable across multiple samples.

The results indicate that disruptive life events which occur in an individual's life may have an effect on one's future materialistic attitudes and compulsive consumption behaviors. In accordance with the theoretical perspectives presented, the development of materialism and compulsive consumption may be the result of the person's stressful experiences in adolescent years. Results suggest that these responses may be mediated by coping responses outside the family unit, like peer communication.

An intriguing finding is also present within the context of the mediating relationships, in that the authors find evidence of divergent effects of tangible and intangible family resources. While the effects are also at best only partially significant, they do shed light on the building

literary question of whether or not tangible and intangible family resources are distinct constructs (e.g. Rindfleisch et al., 1997; Roberts et al., 2004).

The cross-cultural perspective of this paper offers insights into the generalizability of the life course paradigm on predicting materialism and compulsive consumption. Measurement equivalence and cross-cultural moderation were tested to compare and contrast the predicted model across cultures, and the results indicate that the theoretical model tends to perform similarly across the two samples.

Implications for future research

While the cross-cultural results hold implications to the generalizability of the life course perspective, the lack of support for the hypothesized moderation indicates that there may be too many cultural dynamics present to accurately predict the strength of effects. In hindsight, the similarity across cultures is expected according to Roberts and colleagues (2004), which states that similar characteristics are present across cultures which predispose individuals to compulsive buying, such as: status-conspicuousness (Segal & Sosa, 1983; Triplett, 1994), conspicuous consumption (Ember & Ember, 2001), present-oriented attitudes and reluctance to delay spending to achieve gratification (Medina & Saegert, 1996; Wilkes & Valencia, 1986), materialistic tendencies (Segal & Sosa, 1983) and self-expressive and pleasure seeking behaviors (Valencia, 1989). Indeed, it is possible that the socialization processes for young adults in the US and Hong Kong are much more similar than different. Hong Kong, compared to other Asia-Pacific nations like China and Japan, is often noted for its similarities to developed Western service economies and economic customs. Another alternative explanation for not finding cross-cultural differences is that the magnitude of the difference is relatively small, and the current model did not have adequate power to detect small cross-cultural differences. As such, future investigation of cross-

cultural differences using the life course paradigm should have larger samples so there is adequate power to detect small differences.

While this study captures cross-cultural data, there were some limitations. First, the study adopted a convenience sample of university students. Second, issues with the item wording, scale format, and divergence of factor loadings of some scale items indicate a need for scalar modification. Thus, future research still should be conducted to develop cross-culturally valid measures, particularly for compulsive buying, family resources, and peer communication. Finally, issues have been noted with the use of recalled data, thus a longitudinal analysis could be used in future research to overcome the necessity to capture historical and current data to test the life course model.

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Figure 1. Full Structural model

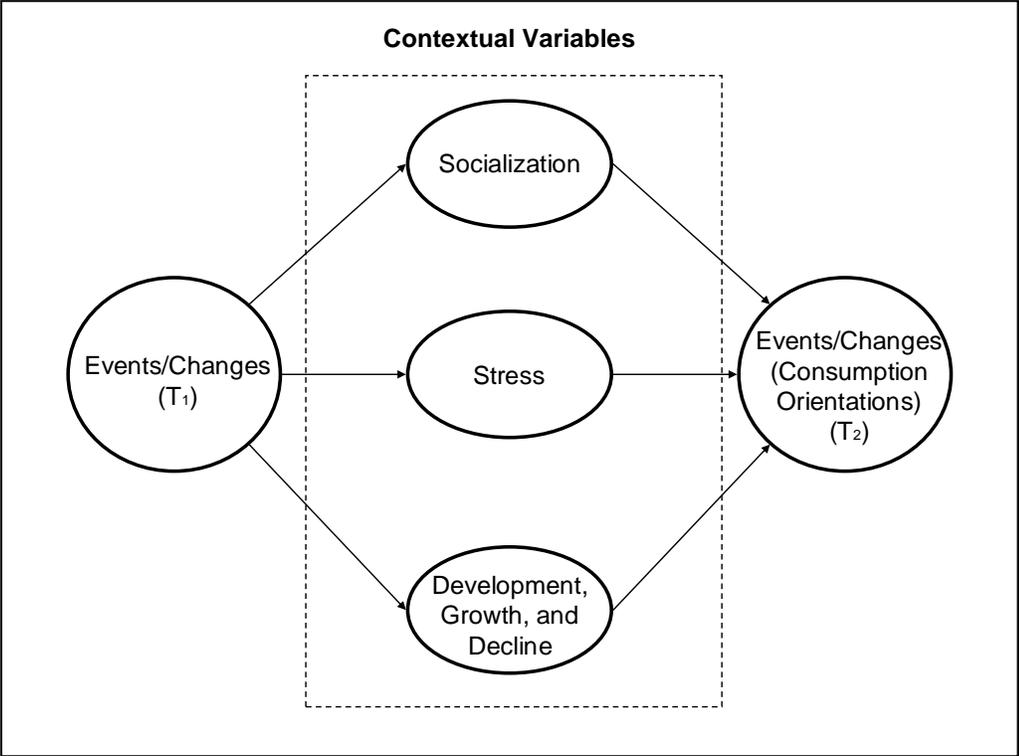


Figure 2. Structural model for Hong Kong and United States

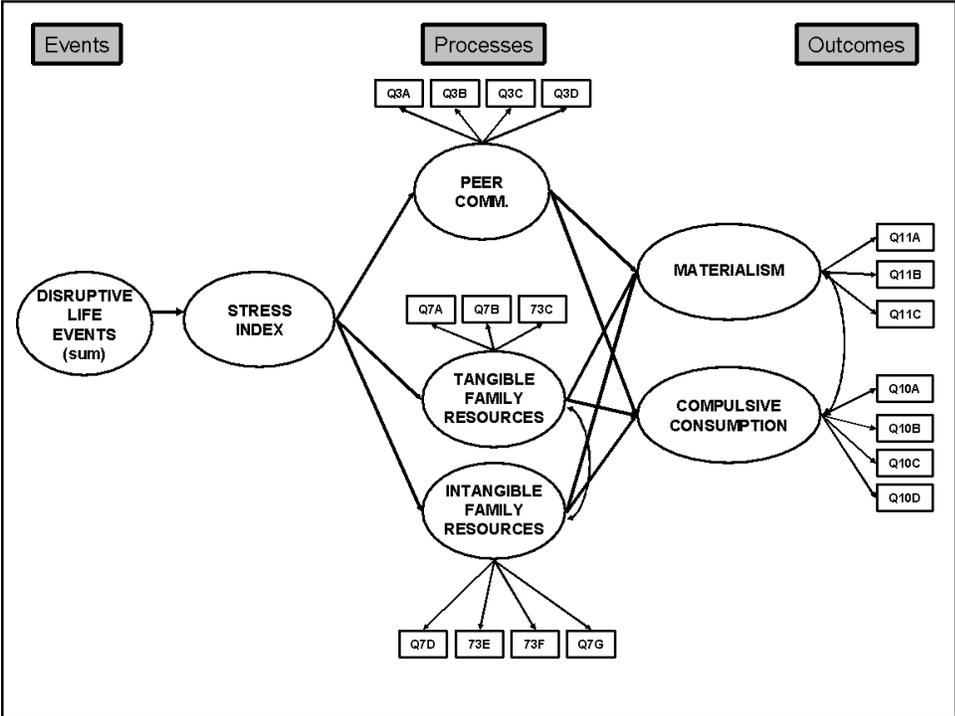


Table 1**United States and Hong Kong Sample Correlations**

	Family Disruptions	Stress	Peer Comm.	Intangible Resources	Tangible Resources	Compulsive Consumption	Materialism
Family Disruptions	**	0.360	0.082	-0.192	-0.177	-0.087	-0.148
Stress	0.439	**	-0.041	-0.279	-0.217	-0.055	-0.061
Peer Communication	0.191	0.158	0.736 (0.635)	-0.005	0.080	0.362	-0.002
Intangible Resources	-0.354	-0.296	0.075	0.884 (0.864)	0.829	0.027	0.294
Tangible Resources	-0.217	-0.140	0.066	0.729	0.792 (0.839)	0.077	0.350
Compulsive Consumption	0.184	0.160	0.349	-0.055	0.019	0.874 (0.744)	0.363
Materialism	0.032	-0.051	0.327	-0.008	0.086	0.384	0.610 (0.644)

US sample correlations below the diagonal, Hong Kong sample correlations above the diagonal

Reliability coefficients (α) reported on the diagonal, Hong Kong in parentheses.

*** Index values have no Cronbach's α*

Table 2. ML estimates of structural parameters

Hyp.	Parameter definition	United States		Hong Kong		Hypothesis support
		Unstd. coeff.	t-value	Unstd. coeff.	t-value	
H1	Disrupt -(+)→ Stress	.706	5.78**	.684	4.23**	Yes
H2	Stress -(+)→ Peer Comm.	.030	1.68**	-.006	-.402	Partial
H3a	Peer Comm. -(+)→ Materialism	.347	2.50**	-.029	-.178	Partial
H3b	Peer Comm. -(+)→ Compulsive	.612	3.25**	.494	2.70**	Yes
H4a	Stress -(-)→ Tang. Fam. Resource	-.035	-1.56*	-.055	-2.23**	Yes
H4b	Stress -(-)→ Intang. Fam. Resource	-.086	-3.49**	-.076	-2.91**	Yes
H5a	Tang. Fam. Resource -(+)→ Materialism	.138	.90	.202	1.24	No
H5b	Tang. Fam. Resource -(+)→ Compulsive	.168	.82	.072	.402	No
H6a	Intang. Fam. Resource -(-)→ Materialism	-.096	-.76	.002	.015	No
H6b	Intang. Fam. Resource -(-)→ Compulsive	-.187	-1.12	-.036	-.218	No

*Significant at .10 level (one-tailed test of significance, t-value \geq 1.28)

**Significant at .05 level (one-tailed test of significance, t-value \geq 1.65)

Note: H.7–H.11 were not supported.