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Buying for quality or to impress? How status influences the smartphone purchasing process and indebtedness.

Gabi Daniela Pereira Vieira

Master Thesis

presented as partial requirement for obtaining a Master's Degree in Data-Driven Marketing

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Master Thesis presented as partial requirement for obtaining the Master's degree in Data-Driven Marketing, with a specialization in Marketing Intelligence.

Supervised by

Diego Costa Pinto, PhD, NOVA Information Management School

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STATEMENT OF INTEGRITY

I hereby declare having conducted this academic work with integrity. I confirm that I have not used plagiarism, any form of undue use of information or falsification of results along the process leading to its elaboration. I further declare that I have fully acknowledged the Rules of Conduct and Code of Honor from the NOVA Information Management School.

[Brussels, July 15th, 2025]
Gabi Daniela Pereira Vieira

DEDICATION

To my father, for the values he lived and passed on, and whose unfulfilled dream became my path; to my mother, who never let that dream fade and shared every step of it with me; and to my grandmother, who always reminded me I could.

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ABSTRACT

This research intends to study how quality and status consumption influence smartphone purchases and makes consumers less financially sensitive and more indebted. Following previous research that offered relevant insights between status consumption and indebtedness, in this research a structural model was tested using data collected in 2021, from 264 Portuguese participants. The questionnaire also included a behavioural consistency check, to compare potential discrepancies between participants' quality versus status choices.

In contrast to prior literature assumptions, findings indicate that status consumption does not statistically lead to indebtedness or reduced financial sensitivity, as social acceptance does not necessarily translate into severe debt. Instead, product quality has a statistically significant impact on indebtedness, showing that consumers who perceive product quality as high, may find overspending more justifiable. Additionally, product quality is not supported as a moderator between status consumption and financial sensitivity, as financial sensitivity can be more related to literacy and not easily influenced by perceived product quality. This study contributes to the literature by showing that apparently rational purchase decisions, such as choosing quality, may still lead to financial risk. Furthermore, the behavioural questions validated that the majority of participants favoured quality over status, highlighting the idea that rational purchases can still lead to financial vulnerability.

This research's results will benefit marketers, smartphone brands and manufacturers, and retailers by providing new insights in uncertain times, such as pandemics or economic crises, when emotional spending is higher and consumers may become more financially vulnerable. It also provides new perspectives on consumer motivations (quality versus status), and how it affects financial decisions within the Portuguese context.

KEYWORDS

Consumer Behaviour; Status; Product Quality; Indebtedness; Financial Sensitivity; Smartphones

Sustainable Development Goals (SDG):

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1. INTRODUCTION

Today, consumers' purchasing decisions are highly influenced by online content and social media influencers (Mrisha et al., 2024; Song et al., 2016) and, in some cases, by the need to feel accepted within a community. Social validation and peer influence can impact how consumers perceive brands, but also significantly determine their purchase intentions (Gunawan et al., 2023). Research shows that consumers can use products as a source of status, aiming to impress others, with luxury brands being a strong indicator of wealth and power (Tak et al., 2017).

According to statistics, the global smartphone market has been growing over the last decade and in 2025, it is predicted to generate revenues of 485.3 billion dollars, with expected growth of 562.56 billion dollars. Despite having suffered a significant collapse due to the effects of the COVID-19 pandemic between 2020 and 2022, the market showed continued growth, especially regarding smartphone users, expected to reach the 6.1 billion mark by the end of 2029 (Statista, 2025). Following these numbers, it is clear that smartphones are an indispensable part of people's lives today. Besides being a big factor in the economy, smartphones have also generated social status, which gained a significant weight in people's purchasing decisions. According to prior research, consumers choose smartphones that reflect a certain self-image, project status and helps them keep up with society's trends and peer validation, revealling the weight of social factors on their purchasing decisions, (Humendru et al., 2025; Rai et al., 2022).

Social status consists of behaviours individuals follow, in response to the expectations of others. Despite differences in social classes, consumers tend to look for products that bring status in the eyes of others (Eastman et al., 1999). People tend to buy for the quality of a product, but also for the sense of power and value that this product represents to society. In this scenario, this is known as The Bandwagon Effect (Leibenstein, 1950) which is the process of buying a product because someone else did, using it as a way to compare themselves (Myers et al., 1977). This predisposition is an intrinsic part of human nature, at least in some stages of life. Besides understanding this behaviour, it is also important to investigate other underlying causes that may influence or compete with it.

While it is not always clear why individuals with lower incomes spend more on expensive products, some authors suggest that these purchases can offer psychological benefits such as status and exclusivity, despite offering little utility (Hudders, 2012), and provide increased self-esteem (Goor, 2020). Thus, when it comes to indebtedness, it is pertinent to question whether the intrinsic value of a product is being surpassed by the reputation it carries, and whether there is a relationship between status and financial debt.

Many studies on purchasing behaviour and debt show that debt is usually related to self-esteem, stress, and impulsivity (Dackehag et al., 2019; Archuleta et al., 2013; Drentea, 2000; Norvilitis et al., 2006) and that individuals with weak financial attitudes are more prone to purchase for status (Xavier et al., 2019). However, there is no clear answer as to whether status motivation leads individuals to disregard debt, or to forget about debt during the process of purchasing and owning the product. Most existing literature only indicates that the lack of financial knowledge, income, credit card usage age, and stress factors are behind overspending and compulsive buying behaviours.

There are few studies in Portugal addressing the connection between status consumption and debt. This study aims to help fill that gap and contribute to two theoretical areas: status consumption and indebtedness. Its main goal is to explore the relationship between these two concepts within the purchasing experience, and to understand whether the materialistic side prevails over the possibility of debt. Additionally, this research offers a broader perspective, by extending previous evidence beyond student samples, to include all individuals across different demographics. From a variety of electronic devices, the smartphone was chosen for this research, as it is an essential tool in our lives, used for multiple purposes and representing a frequent consumer purchase, making it the ideal product to analyse status versus quality motivations.

This work provides three main contributions. First, making use of previous studies, it is suggested that the type of consumer, namely students, defines the tendency for indebtedness, materialism and an increased correlation between these and compulsive/impulsive buying behaviours (Roberts et al., 2001; Brougham et al., 2011; Wang et al., 2009; Pirog et al., 2007). However, there is little research on non-student individuals in Portugal.
Therefore, this study intends to examine the status-driven tendencies of non-student consumers, if demographic factors (age and gender) influence status consumption, as well as whether consumers select a product merely based on its quality or for its intrinsic reputation. Second, from past studies, there is evidence that financial debt has great relevance to well-being (Amit et al., 2020). Individuals who carry higher debts and loans reported higher levels of stress and lack of financial stability (Norvilitis et al., 2006; Archuleta et al., 2013). Therefore, the aim is also to extend previous findings by exploring how status consumption may be associated with debt, especially when it is not guided by price sensitivity.

In conclusion, this research aims to understand how consumers are purchasing goods and choosing brands for quality, experience and utility or for the feeling of being integrated into society. It also explores whether debt influences them in the purchasing process, or if indebtedness is overlooked when social acceptance is more important.

This master's thesis starts by presenting the background of the problem, its context, contribution and objectives of the research; reviews literature about the following topics: Product Quality; Status Consumption; Financial Debt and Sensitivity; outlines the methodology and provides a brief explanation of the methods that were used, and presents the questionnaire and model. Afterwards, the results are discussed through the data obtained from the questionnaires and some final conclusions are presented, along with some limitations and recommendations for future works.

2. LITERATURE REVIEW

2.1 The Smartphone Era: Market Context

Smartphones have significantly grown in popularity over time and have become a major part of people's daily lives. As technology evolves, along with consumer behaviours, smartphones are now not only communication devices but geographies of access to various digital activities. Today, brands are constantly striving to create high technology and defend their position in a competitive, and increasingly dominant market that achieves worldwide economies.

By the end of 2023, 4.3 billion people owned a smartphone, which constitutes 52% of the global population (GSMA, 2024). Although numbers vary depending on the source, current statistics suggest that there are around 4.69 billion smartphone users worldwide, and by 2029 it will reach 6.1 billion people (Backlinko, 2025); Statista, 2025). In 2020, during the COVID-19 pandemic, Portugal observed a visible increase in smartphone adoption, with 7.6 million people users, representing 89.9% of the population between 15 and 54 years old. Since 2012, there has been an increased growth of 62.9% in ownership of these devices (Marktest, 2021).

Over three decades after the launch of the first smartphone, we are not only witnessing the growth of both everything smartphones represents, as well as the emotional significance, to the point of being dependent. According to Deloitte's latest Consumer Trends report, 7 out of 10 people use their smartphones first thing in the morning, and 5 out of 10 do so during meals. Nearly half check their phone between 50 to 100 times a day. While 70% of respondents believe they spend too much time using them, others admit they would like to use them even more. As there is a transition from physical documentation, such as identity cards and driver's licenses to digital files, there are certainly unimaginable formats that smartphones can, and will, influence our everyday lives.

2.2 Status Consumption and Product Quality

2.2.1 Status as a Consumption Motivation

Status is defined as a motivational process where individuals aspire to enhance their social position "through the conspicuous consumption of consumer products that confer and symbolize status both for the individual and surrounding significant others", and is also identified as a way of gaining others' respect (Eastman et al., 1999). This is a concept that has been present for a long time. The Consumer Differentiation Law (Downs & Monsen, 1971) explains that consumers have a strong desire for differentiation which can lead, in some cases, to competition, strong distinctions between social groups, and individual differences. Flynn and Goldsmith (2016) report that status reflects a desire to prevail over a social group, which is inherent to human nature in all societies.

It is known that consumers can be influenced in their choices by many internal and external (social, cultural, economic) factors (Ramya & Ali, 2016), but also by online content (Pandey et al., 2018) and peer recommendations that positively impact consumer's purchasing intentions. Schlosser (2005) argued that even the smallest positive or negative information (e.g. from online content), can have considerable effects on consumer reactions and the purchasing process. Generations like Millennials are more influenced by the status that luxurious products provide, making brands struggle to create bonds and emotional attachments with them (De Kerviler & Rodriguez, 2019). Eastman et al. (1999) focus on how image shapes status-driven consumption, which seems particularly relevant when it comes to smartphones. Devices like the iPhone or Samsung models often carry symbolic value that goes beyond their technical features, helping users position themselves socially. Young people are especially more vulnerable to these influences due to a fear of not being accepted by their peers, and consequently are more influenced to buy for status (Pitta et al., 2012). This aligns with Zhou & Wong's (2008) point of view about the development of meaning for prestige brands, which is based on communication between people, and therefore by the reputation a brand may set.

As previously mentioned, the “Bandwagon Effect“ constitutes the process of buying a product because someone else did (Myers et al., 1977), to feel integrated into a group and to be recognized as one of them (Kastanakis & Balabanis, 2012). However, status does not always create social acceptance or differentiation. Understanding the external influences and internal motivations of status seekers is crucial to evaluating this behaviour properly. Even so, the act of purchasing may provide a feeling of achievement, but not necessarily a real sense of fulfilment.

2.2.1.1 Social, Cultural, Psychological and Economical Factors

Social status can be defined as an individual's position within a social hierarchy, which is often communicated through the consumption of goods. This connection between goods and status was first explored by Veblen (1953), who introduced the idea of conspicuous consumption, the act of buying to be seen. Displaying status through consumption is often driven by a desire to improve one’s image, both personally and in the eyes of others (Eastman et al., 1999). In the context of smartphones, this may explain why consumers select certain models not solely for their technical capabilities, but as tools for constructing their social identity. Prior research shows that four major factors have an impact on consumers' behaviour: Social, Cultural, Personal and Psychological (Rani, 2014).

Rani (2014) argues that social influences shape consumer purchasing decisions in three main ways: through family, reference groups, and status. Family tends to have the strongest impact early in life, helping to build an individual’s sense of identity and personality. Reference groups, such as people from the same workplace, age group, hometown, or shared interests, tend to shape how individuals manage their image. Unlike family, these groups influence external behaviour, especially how individuals want to be seen. Some of them are called aspirational groups, meaning people are not part of the group but may still imitate the way its members dress, behave, or spend, hoping to feel included or to project a certain identity. This kind of behaviour is tied closely to status, the third form of influence, which can lead people to choose products not just for quality, but for what those products communicate to others (Rani, 2014). Social comparison was first explored by Festinger (1954), who created a theory to explore how comparisons happen within social groups. This was expanded later by Gerber (2018) by looking more closely at why people compare themselves and what effect comparison have. This is quite relevant for products like smartphones, where comparisons are not just about function but about what the device represents. Although Rani (2014) presents these three categories as separate, in practice they often overlap. For instance, family can act like a reference group, especially when approval or imitation is involved, which shows how identity and image are already connected before consumers even begin to consider the role of status itself.

Cultural background also affects how people respond to social influence. Triandis (1993) explains that in collectivist cultures, people are more likely to follow group norms and put higher importance on belonging. This helps explain why the Bandwagon Effect described by Leibenstein (1950), where individuals imitate others simply because they are doing something, can become more common. In this context, purchasing decisions are often connected to a desire for social connection, rather than just personal preference. This connects with Zhou and Wong's (2008) view that the meaning of prestige brands often comes from communication between people, and that status is not only about personal preferences but also about collective recognition. However, this view assumes that everyone in a culture behaves in the same way, which can overlook differences such as age, income, or exposure to other cultural influences. In countries like Portugal, where collectivist values such as family loyalty coexist with individualist ideas like self-expression, these generalizations may not always reflect how consumers actually behave. In such cases, status-seeking may be driven by a mix of group belonging and personal identity, making consumption choices harder to predict.

Prior research proves how early psychological factors such as insecurity and lack of emotional validation can influence materialistic behaviours. Dittmar and Isham (2022) found that individuals who grow up lacking emotional support are more likely to put higher value on possessions, because they believe that material goods can "deliver happiness, success, or self-worth". However, they also note that this belief "may undermine people's well-being" over time, especially when possessions are used to fill emotional gaps. Ger and Belk (1996) explored this further by comparing different countries and finding that materialism comes from a combination of internal insecurities and external pressures, which helps explain why some consumers turn to status products like smartphones. On the other hand, economic factors such as price and income also weigh heavily on purchasing decisions. As Pramesworo et al. (2024) put it, “economic factors such as price, income, and consumer preferences play significant roles in consumer decision-making”. When money is limited, people may become more price-sensitive and shift their attention to function over image. In reality, both psychological and economic factors often pull in different directions, which may create a tension between emotional needs and financial limitations.

2.2.2 Product Quality

Product quality can be defined as “a combination of properties and characteristics that determines the extent to which the output can meet the conditions of customer needs” (Rajasa et al., 2023).

The term “product quality” has been studied by several authors, often based on Garvin’s framework of eight product quality dimensions (1984): performance, features, reliability, conformance, durability, serviceability, aesthetics and perceived quality (Sebastianelli et al., 2002). According to the authors, Garvin considered perceived quality and aesthetics to be user-focused dimensions, while performance and features were more product-focused. This is relevant in consumer research, as perceived quality has been identified as one of the main factors influencing a decision when purchasing a product (Kasuma et al., 2014). Zhou and Wong (2008) further agree that brands build their impact on consumer choices around two motives: perceived product quality and social status.

One of the goals of this research is to understand whether, when individuals’ purchasing decision is more status-oriented, they still consider the quality of a product - or if the “buying to impress” motivation ends up surpassing it, making them status-blind in regards to that product’s quality, features and performance dimensions.

2.2.3 Conspicuous Consumption

The fact that some people buy to be seen is well established in the literature. Veblen (1899) named this conspicuous consumption: the process of buying to demonstrate economic power, possession of wealth, and thereby to achieve social status. This was originally used by upper social classes and associated with luxury items, but most of these ideas remained in society as this concept extended to lower-income classes, as an attempt to elevate their social standings. In this research's case, smartphones cannot be purely associated with Veblen's theory, as the author stated that conspicuous products are purchased solely for the display of wealth rather than functionality. In the smartphone's case, their symbolism does not outweigh their utility. However, smartphones can still reflect this author’s idea of honorific value, as status can be linked to the device/brand itself.

Research suggests that specific groups are more prone to status-driven behaviours. More than a decade ago Generation Y and Baby Boomers were considered the most prone to status consumption (Eastman and Liu, 2012). More recently, research shows that Generation Z is leading as status seekers, with strong regards to social media's growth, how they are heavily influenced by it, and where they get most recent advertising information (Grigoreva et al., 2021), which increases comparison and the desire for public recognition. In 1959, Vance Packard observed that "many people are badly distressed, and scared, by the anxieties, inferiority feelings, and straining generated by this unending process of rating and status striving." He also suggested that the increasing work boredom has led many to "find their satisfactions outside their work... by using their pay checks to consume flamboyantly" (Packard, 1961). His view is still considered relevant, as it highlights how emotional needs, discontent, or anxiety can push consumers to seek compensation through symbolic purchases, something ongoing especially in digital and highly comparative environments.

Beyond status being often linked to conspicuous consumption, some researchers argue that other motives like social belonging and self-worth are considerable, as status does not have to be always about impressing others, but about being accepted. For example, self-esteem increases with higher status which leads to higher social inclusion (Mahadevan et al., 2022). According to Maslow's Hierarchy of Needs (1943), human behaviours are motivated by several reasons, including belongingness (social inclusion) and esteem needs (self-respect and recognition from others). Vigneron and Johnson's framework (1999) later demonstrated how not all status consumption is conspicuous, proposing five dimensions. Considering two of these motivations that will be relevant for this study, the authors defined hedonic value as "the emotional value attached to the consumption of a prestige brand, based on the feelings that result from buying or using the brand". In this view, smartphone consumers may prefer the emotional satisfaction or the internal fulfilment that these bring, rather than the social acceptance. Additionally, the authors defined extended self as the idea that "prestige brands may be chosen as a means of self-expression and self-concept enhancement". When purchasing a smartphone, individuals may embrace it as part of their identity and a way to reflect their personality, serving as an extension of their self. This supports the idea that smartphones can reflect emotional or self-expression. It suggests that consumers may not be always fully status-driven, but also motivated to fulfil internal needs or building personal brandings.

Following this, it is clear that status behaviours do not always happen publicly. Smartphones can still be used to fulfil emotional needs like belonging or self-worth. Because of this, some people may end up consuming more than necessary, not just to satisfy a need, but to gain social recognition. In some situations, if individuals let this status-blindness take over their thinking, they can become more prone to impulsive purchases, and consequently to over-indebtedness.

2.3 Indebtedness and Materialism Predisposition

Status consumption and materialism have common ground, as both are linked to social acceptance and to shaping one's identity. Research shows that materialism and status are positively related: individuals who are more materialistic tend to place greater value on goods that signal status to others (Goldsmith et al., 2012).

This research intends to understand whether status consumption is associated with financial risk-taking. According to prior research, status motivation can be associated with financially risky choices: individuals with high self-esteem are more prone to compulsive consumption, which raises the propensity to take more financial risks (Sekścińska et al., 2021). Similarly, those with weaker financial attitudes are more prone to purchase by status and have materialistic traits, and in doing so, become more prone to debt (Xavier et al., 2019).

While a lack of financial knowledge can contribute to overspending behaviours, it is far from being the only reason. Consumer indebtedness has increased over the years, closely tied to the rise of consumer credit (Leandro et al., 2022). It is influenced by both socio-economic and psychological factors, and can stem from unrestrained consumption, a lack of planning, and the promise of a future payment (Campara et al., 2016, as cited in Xavier et al., 2019).

Financial literacy is an important component of not getting into financial difficulties, particularly if the needs exceed the available income. It influences nearly every aspect of financial behaviour: from spending and credit use to saving, investment decisions, and long-term planning (Zahra & Anoraga, 2020). It is proven that good money management skills and strong financial literacy are associated with responsible financial behaviours, which may reduce overspending (Hamid et al., 2021). However, financial literacy may not be enough to prevent these behaviours. Indebtedness can also have antecedent factors, such as materialism, which financial literacy may moderate, but not fully prevent (Maria, 2023). In this context, personality is an important factor.

As seen throughout the literature, people are social by nature and constantly influenced by the groups around them. Family, peers, and other social networks play not only a significant role in shaping their purchasing decisions, but how they think about money and status (Kotler & Keller, 2016). The question is: do these groups also provide the financial knowledge needed to make wise choices when spending is linked to social acceptance? When that gap is missing, the line between social acceptance and financial responsibility can blur. This brings up another important side of consumption that has been receiving more attention: the emotional impact of financial decisions. When status purchases lead to debt, it can also lead to psychological consequences, particularly financial anxiety.

2.4 Financial Sensitivity

Financial management and rational practices are crucial to the present and future situation of each person. Practical attitudes like comparing prices, creating budgets, thinking before purchasing and planning according to their income, can represent a strong sense of rational spending and financial sensitivity. However, according to Ergin et al. (2024), these can differ based on utilitarian and hedonic consumption. In utilitarian consumption, factors like product quality and usefulness are determinant of rational behaviour, whereas hedonic consumption is based on emotions and social perception. That said, as rational spending can differ between consumers, how sensitive they are to the idea of being in debt may also vary.

The cost of debt for most individuals is not only financial, but also emotional and psychological. There is evidence that financial debt plays a notable role in general health, as individuals who carry higher levels of debt and loans report higher levels of stress and lack of financial well-being (Norvilitis et al., 2006; Archuleta et al., 2013). Across different generations, research shows that younger adults experience more worry about debt than older adults (Drentea, 2000). This is not necessarily due to how much debt they hold, as Drentea (2000) states that "anxiety is not predicted by the amount of debt, but by worry about debt". This shows how financial sensitivity emerges not only from debt itself, but also from age and the stage of life in which that debt occurs. Older adults, being generally more experienced in life and financially responsible, tend to be more stable when it comes to debt. As a result, they carry less credit card debt and report lower levels of anxiety.

When connecting status consumption with financial anxiety, it can significantly create worries about one's financial future. Research shows that threats to self-image or social status can create negative expectations about one's future, leading to increased reactiveness to financial decisions, including saving, spending intentions, or taking on debt (Steinhart & Jiang, 2019).

Furthermore, the pressure to maintain a certain social image may create higher social stress if self-worth is tied to appearances. In this context, if individuals begin to seek happiness and fulfilment through material goods, compulsive buying and debt become much more likely. This raises an important question: could financial sensitivity be weakened by status consumption? Can this connection be moderated by product quality, if purchases are justified by quality rather than status?

2.5 Conceptual Model and Hypotheses Development

This research integrates previous findings on status consumption, product quality, and indebtedness, as explored in the literature review. The main objective is to contribute to these three theoretical areas by examining how status-driven behaviour influences the purchasing experience, whether its materialistic dimension outweighs considerations of debt, and how it relates to financial sensitivity. Furthermore, this study intends to extend prior research by including a broader sample, beyond just younger generations, to examine the behaviours and attitudes of individuals across different age groups. Thus, the following hypotheses are proposed for this study:

- **H1. Status consumption reduces consumers’ financial sensitivity.**

It has been observed that individuals who are status-driven tend to purchase goods to gain other people's respect and due to the fear of not being socially accepted (Eastman et al., 1999; Pitta et al., 2012). This leads to prioritizing self-image instead of technical features and utility. Prior research also suggests that individuals who are status motivated tend to make more financially risky choices (Sekścińska et al., 2021). Hence why it was suggested that status consumption may outweigh financial reasoning and planning, due to consumers paying less attention to prices in the purchasing process.

- **H2. High perceived product quality reduces the negative effect of status consumption on financial sensitivity.**

Following Garvin’s framework (1984), perceived quality is a user-oriented dimension, and Kasuma et al. (2014) confirm its influence on consumers' decision-making. Zhou and Wong (2008) argue that brands simultaneously impact consumers through both status and product quality. As cited in Ergin et al. (2024), utilitarian consumers, who value practicality and functional product aspects, tend to be more rational when it comes to spending. These insights suggest that when consumers perceive a product as of high quality, they feel more justified in their purchasing process. In line with this, it was hypothesized that product quality may possibly reduce the negative effect of status on financial sensitivity.

- **H3. Product quality has a positive impact on indebtedness.**

When defining product quality through eight dimensions, Garvin (1984) includes performance and features, which combined represent the core functional characteristics of a product and practical needs. Prior studies show that people with a strong sense of responsibility tend to manage better their money, therefore spend more rationally, and to be less likely in debt (Ergin et al., 2024). However, when perceived quality is high, it can actually justify higher prices, making people relying more on credits and expanding their budgets. This challenges the idea that quality-based purchases are more rational, when it may in fact increase indebtedness. Therefore, it was hypothesized that product quality does impact indebtedness.

- **H4. Status consumption has a stronger impact on indebtedness than product quality.**

Xavier et al. (2019) show that individuals with weak financial attitudes and high status motivation are more vulnerable to indebtedness. In contrast, quality purchasing is more associated with more cautious spending. These insights point out that status consumption may be a stronger driver of financial debt than product quality.

The following figure represents the conceptual model of this research:

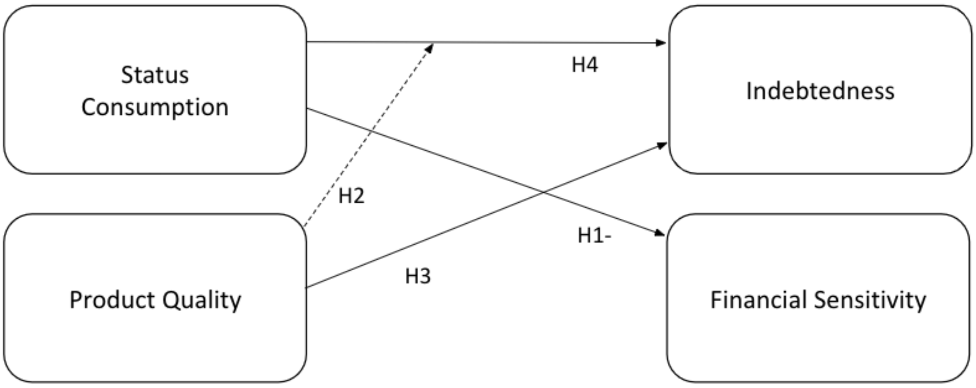

Figure 1 - Conceptual Model

3. METHODOLOGY

3.1 Context

This research aims to examine how consumers make purchasing decisions based on status and quality, and how these motivations affect their financial sensitivity and indebtedness. Additionally, it explores whether perceived product quality moderates this relationship.
As mentioned previously, few studies in Portugal address how these behaviours relate to financial sensitivity and proneness to debt within a general sample, especially when focused on smartphones, which, apart from being an everyday item individuals depend on, can also be considered a status symbol. To explore these dynamics, a structured questionnaire was adopted, as provided in the appendix section.

3.2 Questionnaire Design

The questionnaire's design consisted of five blocks, each one focusing on a dedicated goal. Appendix A provides a detailed overview of the questionnaire. As an original contribution, a behavioural check was included across three questions to explore potential discrepancies between participants' quality choices, a representation of status and their actual choices when combining both (final check).

The first block, named Purchase Behaviour, aimed to explore consumers' choices in terms of brands, prices and features. The questions in this block consisted of understanding brand preferences, whether participants had previously bought from tech brands and which smartphone brands they would buy or never buy. In the third question, and as part of the behavioural check, participants were presented with two feature descriptions representing two smartphones. No brands or images of the products were shown, as the aim was to observe their purchasing choices in terms of price and features (quality).

The second block, Quality, presented three questions. The first one asked to identify the brand of their current smartphone. The second aimed to understand how participants perceive the quality of different brands. In the latter, participants were asked to rank eight brands (Apple, Samsung, Google, Huawei, LG, Xiaomi, Motorola, Alcatel) on perceived quality through a 7-point Likert scale (1- Much lower; 7- Much higher). The last question was intended to examine their purchase behaviour based on quality, presenting three sentences with a scale adapted from Wiedmann et al. (2009).

The third block, Status Consumption, presented five questions, with the first 2 questions being part of the behavioural check: the first one displayed two smartphone images from different brands (Apple and Alcatel) where participants had to choose one (this was intended to understand if the most premium one would be the chosen one). The other question presented the combination of the phones images with the features presented previously in the block Purchase Behaviour. Now participants were expected to choose one, based on image and features. This question combined with the previous two question, where it was displayed features and images of smartphones, would allow to evaluate whether this sample showed signs of status-driven behaviour. The other three questions were to indicate which brands are associated with a premium smartphone and to assess if participants are susceptible to status, if they value social acceptance and if they like to impress others. These used a 7-point Likert scale (1- Strongly Disagree; 7- Strongly Agree) with scales from Flynn et al., (2006); de Morais, et al., (2021) and Flores and Vieira (2014).

The fourth block, Indebtedness, intended to explore whether participants have money management skills and display financial sensitivity (budgeting before buying, paying bills on time). Two questions were presented, covering 11 statements on a 7-point Likert scale (1- Strongly Disagree; 7- Strongly Agree), adapted from Flores and Vieira (2014).

The final block included demographic questions, such as age, gender, marital status, occupation, education and living area.

3.3 Data Collection

The questionnaires were conducted between January and February 2021 through Qualtrics, being distributed through the Prolific platform and word-of-mouth. The aim was to reach the Portuguese population, without focusing on a specific age range, as it was anticipated it could get more interesting results if this questionnaire was not solely focused on younger generations. The participants were informed about the goal of the research, the duration of the questionnaire and were also alerted that all the data collected was only for academic purposes and all answers would be submitted anonymously. In total, 303 responses were collected, with 37 having incomplete answers and therefore being removed from the dataset, and 2 systems previews done as a test upon releasing the survey. Upon cleaning the original dataset, a total of 264 participants was obtained.

To prepare the dataset and analyse demographic questions, our preferred tool was Excel and to analyse the remaining data, run and test our model, Partial Least Squares Structural Equation Modelling (PLS-SEM) was selected. In this study, PLS-SEM was chosen due to the exploratory nature of the research, especially when working with latent variables (such as status consumption and financial sensitivity) and a moderator (perceived quality), which are well supported by the method. Apart from this, it aligns with our aim to explore patterns and predict outcomes, and it works well with a smaller sample size (Sarstedt et al., 2021).

To add originality to this study, it was mentioned before that a behavioural check was performed (appendix B) in three questions of the questionnaire.
In the first question, participants had to choose a smartphone based only on a description of technical features, without knowing the brand. Later, in the second question, they were asked to choose between two images of smartphones without any feature details or prices, allowing

for a comparison between quality and status-based choices. Finally, in the last question, the smartphone images were presented, with respective brands and features.
While a variable could be created from this behavioural process, it was decided to exclude it from the PLS-SEM model due to its exploratory nature and lack of supporting theory. However, this study element provided interesting insights, which are discussed in the following analysis and results.

3.4 Descriptive Analysis

The questionnaire was completed by a total of 264 participants, with the sample consisting of 53.4% females and 46.6% males, all residents in Portugal (*see Table 1*). The descriptive analysis of demographics shows that most of the participants are single (79.5%) and 13.3% married, aged between 25 and 34 (48.1%), followed by those aged 18 to 24 (36.7%).

In terms of education, a majority of participants hold a bachelor's degree (43.6%), followed by a master's degree (36.7%) and a PhD (1.5%) totalling 81.8% with higher education qualifications. In contrast, 17.4% completed high school or equivalent and 0.8% has less than high school.

Regarding occupation, 65.2% are full-time employed and 3.4% part-time employed. Additionally, 17% of the sample identified as students, 8.3% as students working full-time, and 3.4% as students working part-time. Only 1.9% are unemployed and 0.8% did not specify.

Finally, 52.7% of the participants reside in Lisbon, followed by 18.6% in the North of Portugal, 17% in the Center, 2.7% Algarve, 2.3% Alentejo, and only 6.8% in Madeira and Azores.

Table 1 – Participants' demographics

Variable	Responses	Frequency	Results (%)
Age	Under 18	1	0.4%
	18-24	97	36.7%
	25-34	127	48.1%
	35-44	26	9.8%
	45-54	10	3.8%
	≥ 55	3	1.1%
Gender	Male	123	46.6%
	Female	141	53.4%
Education	Less than High School	2	0.8%
	High School or equivalent	46	17.4%
	Bachelor's Degree	115	43.6%
	Master's Degree	97	36.7%
	PhD	4	1.5%
Marital Status	Single	210	79.5%
	Married	35	13.3%

	Divorced	3	1.1%
	Other	16	6.1%
Occupation	Full-time employed	172	65.2%
	Part-time employed	9	3.4%
	Student and Full-time employed	22	8.3%
	Student and Part-time employed	9	3.4%
	Student	45	17%
	Unemployed	5	1.9%
	Other	2	0.8%
Region	North	49	18.6%
	Centre	45	17%
	Lisbon	139	52.7%
	Alentejo	6	2.3%
	Algarve	7	2.7%
	Madeira	15	5.7%
	Azores	3	1.1%

When asked which smartphone brand participants currently use, 40.9% indicated owning an Apple device, followed by 21.2% who own Xiaomi, 17.4% Samsung and 10.6% Huawei. All the other brands together accounted for a minority of 9.9% (*see Table 2*).

Table 2 – Owned smartphone brands

Brands	**Results (%)**
Apple	40.9%
Samsung	17.4%
Google	0.4%
Huawei	10.6%
Xiaomi	21.2%
Motorola	0.4%
Other (LG, Alcatel)	9.1%

Regarding perceived quality, participants were asked to rank smartphone brands using a 7-point Likert scale (1 - Much lower; 7 - Much higher) (*see Table 3*). Apple and Samsung were rated as the highest in perceived quality, while Google, Huawei and Xiaomi as moderate quality and Motorola, LG and Alcatel were the lowest ranked.

Additionally, participants were asked to select the brands that they consider being premium, Apple was the most mentioned brand with 38.8%, followed by Samsung (32%), and Huawei (10.4%). Motorola and Alcatel were the least selected, with only 0.6% and 0.2%, respectively.

Table 3 – Brands' quality and status

Brands	Mean Quality	Selected as Premium (%)
Apple	6.1	38.8%
Samsung	5.7	32%
Google	4.5	7.5%
Huawei	4.5	10.4%
Xiaomi	4.3	8%
Motorola	3.1	0.6%
LG	3.9	2.6%
Alcatel	2.7	0.2%

Following this analysis on perceived quality and status, and to gain a clear understanding of participants' behavioural patterns, a behavioural check was conducted in this questionnaire (appendix B). In summary, there were 3 questions: one focused on technical features without brands, a second one based on two smartphone images and a final combination of images and features. The brands chosen were Apple (a premium brand) and Alcatel (a less premium brand). The models of the smartphones were carefully chosen based on similar features, to balance the choice in the first question. The main goal was to observe whether participants' choices remained consistent or changed once brands and images were introduced.

Based on their responses, six behavioural profiles were created to better identify inconsistencies (*see Table 4*). Amongst 264 respondents, 78 showed consistent quality-driven choices (29.6%) by selecting Alcatel in every stage, while 69 followed a clear status-driven behaviour (26.1%). On the other hand, 78 participants (29.6%) showed a rational approach: they chose Alcatel in the first phase, and despite being presented with an iPhone in the second question, still opted for the Alcatel model in the final stage, indicating a higher level of financial sensitivity and rational spending. Brand-loyalty behaviour was observed in 33 cases (12.5%) by consistently choosing the same brand. A smaller group (1.9%) fell into the Mixed - Undefined category and only 0.4% fell into the Status influenced category.

Table 4 – Behavioural Check

Behaviour	Path pattern	Frequency	Frequency (%)
Status-driven	Alcatel → iPhone → iPhone	69	26.1%
Quality-driven	Alcatel → Alcatel → Alcatel	78	29.6%
Mixed - Status influenced	Alcatel → Alcatel → iPhone	1	0.4%
Mixed - Financial Sensitivity	Alcatel → iPhone → Alcatel	78	29.6%

Brand Loyalty	iPhone → iPhone →iPhone	33	12.5%
Mixed-Undefined	Other paths	5	1.9%

4. RESULTS AND DISCUSSIONS

After using SmartPLS 4 for the PLS-SEM analysis, it was presented in this section an evaluation of the results from the measurement model (outer model) which is used to evaluate the connection between indicators and their constructs, and the structural model (inner model) which shows the relationship between the constructs (Hair et al., 2014).

In this chapter, an evaluation approach recommended by Hair et al. (2014) is followed. As a first step the indicator reliability was measured, which is the strength of the relationship of each indicator connected to their construct: if these are above 0.70, the higher is the reliability.

Looking at the outer loadings, many do not meet this threshold, however, it can be found one indicator per construct with strong reliability. In the case of status consumption, all outer loadings are negative, likely being the result of the latent variable being estimated in the opposite direction. This indicator reliability creates some concerns on the constructs' measurement which might weaken the structural model interpretations. However, as these are not considered a misfit, they were retained.

Table 5 - Outer Loadings

Construct	**Indicator**	**Outer Loadings**
Financial Sensitivity	Financial_Sensitivity_1	-0,382
Financial Sensitivity	Financial_Sensitivity_2	0,576
Financial Sensitivity	Financial_Sensitivity_3	0,371
Financial Sensitivity	Financial_Sensitivity_4	0,704
Financial Sensitivity	Financial_Sensitivity_5	0,555
Financial Sensitivity	Financial_Sensitivity_6_R	0,767
Financial Sensitivity	Financial_Sensitivity_7	0,534
Indebtedness	Indebtedness_1	0,673
Indebtedness	Indebtedness_2	0,846
Indebtedness	Indebtedness_3	0,674

Indebtedness	Indebtedness_4	0,094
Product Quality	Quality_1	0,416
Product Quality	Quality_2	0,587
Product Quality	Quality_3	0,941
Status_Consumption	Status_Acceptance_1	-0,425
Status_Consumption	Status_Acceptance_2	-0,553
Status_Consumption	Status_Acceptance_3	-0,532
Status_Consumption	Status_Acceptance_4	-0,539
Status_Consumption	Status_Behaviour_1	-0,709
Status_Consumption	Status_Behaviour_2	-0,770
Status_Consumption	Status_Behaviour_3	-0,731
Status_Consumption	Status_Behaviour_4	-0,823

As a second step, the validity of the constructs in the measurement model should be measured, as this will show if the constructs are well represented. According to the Hair et al. (2014), the first step is to use composite reliability (CR) to measure the constructs quality. Traditionally, Cronbach's Alpha is used for this purpose, but authors recommend composite reliability (CR) as it provides more accuracy in terms of reliability.

As seen in table 6, CR is greater than 0.70 in Product Quality and Status Consumption, the latter being the most consistent (0.848). The constructs Financial Sensitivity and Indebtedness are lower than expected, however accepted as they have more than 0.65, which is near threshold. After this, validity is assessed by considering constructs' convergent and discriminant validity. To confirm convergent validity, each construct average variance extracted (AVE) must be equal or greater than 0.50. As seen in table 6, all constructs are below the threshold, meaning that all items variance is not quite represented by the constructs.

Table 6 - Constructs' Reliability and Validity

Construct	Cronbach's alpha	Composite reliability (CR)	Average variance extracted (AVE)
Financial_Sensitivity	0.633	0.675	0.328
Indebtedness	0.441	0.688	0.408
Product_Quality	0.506	0.703	0.467
Status_Consumption	0.835	0.848	0.421

Discriminant validity (DV) represents the extent to which the construct distinct from other constructs, not being overlapped with others, and not measuring similar behavioural traits. Between two ways to assess DV, Heterotrait-Monotrait Ratio (HTMT) was chosen, as it is considered to be more trustworthy than Forner-Larcker Criterion, according to Henseler et al. (2015). In table 7, it can be observed that all values are acceptable (all below threshold of 0.90), making each construct distinct. Thus, the measurement model, meets the requirements for discriminant validity.

Table 7 - Discriminant Validity (HTMT)

	Financial Sensitivity	Indebtedness	Product Quality	Status Consumption
Financial_Sensitivity	-			
Indebtedness	0.727	-		
Product_Quality	0.365	0.491	-	
Status_Consumption	0.298	0.271	0.213	-

Next, the coefficient of determination or R^2 is measured, which tells us the model's predictive accuracy (Hair et al., 2014), or in other words, how well the outcomes are predicted by the independent variables. The authors mention that a rule of thumb should be applied, where 0.75 is substantial, 0.50 is moderate and 0.25 is weak. As shown in table 8, both variables present values under 0.25, which is below weak. This could reflect the fact that other factors that are not included in the model (psychological or cultural) have a stronger influence on financial sensitivity and susceptibility to debt. This should be considered in future investigations.

Table 8 - R^2 Values

Independent Variable	R-square	R-square adjusted
Financial_Sensitivity	0.145	0.142
Indebtedness	0.090	0.088

Path coefficients confirm or reject our hypothesis, representing the link between the constructs. According to Hair et al. (2014), coefficients closer to +1 represent strong positive relationships and closer to -1 represent strong negative relationships. In table 9, there is one relationship that is statistically significant (threshold $p < 0.05$), Product Quality → Indebtedness with a t-value of 3.122 and a p-value of 0.002. This means that product quality may increase indebtedness due to consumers considering it as a more justifiable purchase: if products have better quality, it is worth it spending.

In contrast, Status Consumption did not predict Financial Sensitivity neither Indebtedness. This can be caused by the weak measurement reliability of both constructs. Contrary to what was mentioned in conspicuous consumption literature where status behaviours are connected to higher financial risk levels, this sample shows that status-driven behaviours do not necessarily create indebtedness or financial concerns, as social acceptance does not necessarily translate into severe debt. On the other hand, cultural influences may be present in this sample, where social image and acceptance is not related to financial irrationality and irresponsible purchasing habits.

Table 9 - Path Coefficients

Path	Path Coefficients (β)	t-value	p-value
Product Quality → Indebtedness	0.298	3.122	0.002
Status Consumption → Financial Sensitivity	0.299	0.973	0.331
Status_Consumption → Indebtedness	0.017	0.109	0.913
Product_Quality x Status_Consumption → Financial_Sensitivity	0.029	0.713	0.476

Finally, H2 (Product Quality x Status Consumption → Financial Sensitivity), which was used as a moderator, indicated a p-value of 0.476, a t-value of 0.713 and a path coefficient of 0.029 -

not being supported. This shows that the way consumers perceive product quality does not necessarily influence the negative effect of Status Consumption on Financial Sensitivity, as financial sensitivity can be more related to literacy and not easily influenced by perceived product quality.

5. CONCLUSIONS

This research aimed to examine how consumers make purchasing decisions based on status and quality, and how these motivations affect their financial sensitivity and indebtedness. By doing this, the main objective was to contribute to these theoretical areas and extend prior research by including a broader sample, observing behavioural consistency when choosing a smartphone across different ages, and focusing on smartphones - all within the Portuguese population. For this end, the model was run and tested using PLS-SEM and a behavioural check was used as support.

It was hypothesized that:
H1: Status consumption reduces financial sensitivity, as consumers can become status-blind;
H2: Product quality may possibly reduce the negative effect of status on financial sensitivity;
H3: Product quality impacts indebtedness; this challenges the idea that quality-based purchases are more rational, when it may in fact increase indebtedness.
H4: Status consumption may be a stronger driver of financial debt than product quality.

According to our results, only H3 was statistically supported, meaning that product quality validates higher spending and financial risk. H2, which it was used as a moderator, was not supported, and H1 and H4 were not confirmed as well.
Hypotheses were based on recent literature, that predicted a strong link between status consumption and financial risky choices (Sekścińska et al., 2021), but also that product quality justifies a more rational spending. These results challenge literature suggestions, as the connection between status and lack of rational spending might not be as strong as mentioned.

5.1 Theoretical Implications

This research extends the existing literature by questioning traditional assumptions between status consumption, indebtedness and financial sensitivity. Although there might be a connection between status and indebtedness and status and financial sensitivity, it was not possible to prove that status purchasing decisions reduce significantly financial sensitivity (Sekścińska et al., 2021; Pitta et al., 2012). In fact, these results revealed that product quality is the stronger driver of indebtedness. This is consistent with recent research that suggests that even utilitarian motivators can put consumers in a financially vulnerable position when the motivation is linked to perceptions of value justification (Ergin et al., 2024).

In addition, the behavioural consistency check included in the descriptive analysis, confirmed that this sample is more quality-driven than status-driven. Out of 264 respondents, 59.2% showed consistent quality-driven choices and financial rational attitudes, against the 26.1% who were captivated by status. By working with a more representative Portuguese sample, this study fills a gap that had been pointed out in the previous research conducted by Roberts et al. (2001) and Brougham et al. (2011), who drew from a largely American student population. This study was intended to build on their suggestions and to explore their findings of how differing consumer types, for example, quality and status motivations, may be linked to financial behaviour.

This research also addresses previous findings from Xavier et al. (2019) regarding status-driven consumers with weak financial attitudes, but our study demonstrates how even quality-driven consumption (generally perceived as a rational behaviour) can also provide a justification for overspending, thereby extending the theoretical understanding of what can constitute financially risky motives.

5.2 Practical Implications

The results of this study offer several insights to marketers and smartphone brands. First, those need to carefully promote product quality as a value because while quality is mostly rational (Humendru et al., 2025; Rai et al., 2022), this study shows that consumers might see high-quality products as worthy of going into debt. This is particularly the case with consumer products such as smartphones, which combine symbolic and functional value when making the purchase decision. Therefore, consumer debt accumulation, that is often unintentional, is more likely to occur in product categories that mix function and status.

Second, while there was no significant association between status consumption and the financial sensitivity, this finding stands apart from much of the available literature and indicates that cultural context matters. In Portugal, social validation does not imply a logical and/or rational association with the financial act. Thus, exclusivity and prestige in marketing does not necessitate the same financial consequence. Marketers and brands should consider local cultural attitudes towards status consumption, product quality, and financial health when devising strategies for potential growth.

Third, there are implications for financial literacy and educational programs. Financial education programs and public employees need to broaden the scope of projects to not simply target impulsivity or low financial literacy (Drentea, 2000; Archuleta et al., 2013) but should also raise awareness that even "rational" decisions, like consuming on the basis of quality, still can result in debt if the consumer ignores their financial limits.

6. LIMITATIONS AND FUTURE RESEARCH

As per our conclusions, status consumption does not generally lead to indebtedness, contrasting with product quality which shows more strength in justifying indebtedness than expected.

Firstly, an important limitation to consider is the fact that these questionnaires were conducted during the COVID-19 pandemic, while some consumers were still in lockdown, which affected their purchasing style, habits and even their view on debt and valuable purchases.

Secondly, another limitation is that this questionnaire was restricted to residents in Portugal, whilst expanding it to other countries would give us a more varied and interesting sample. As seen in literature, cultural factors affect how people respond to social influence. This could drastically change the results of our survey, as countries react differently to social acceptance, financial risk-taking and money management decisions.

Thirdly, the indicator reliability created some concerns on the constructs measurement. As outer loadings were lower that expected, this might have weakened the structural model. To avoid this, it is suggested to refine measurement scales.

Lastly, for future research, exploring different age groups and countries could bring interesting results. It is also recommended adding other variables like financial literacy, impulsivity, materialism and even financial anxiety. As individuals begin to seek happiness and fulfilment through material goods, even for the quality, compulsive buying and debt become much more likely. This raises an important question for future research: could status consumption behaviour be driving financial anxiety?

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APPENDIX A – QUESTIONNAIRE, SCALES AND REFERENCES

Variable	Items	Questions	Scale	Reference
Purchase behaviour	purchase_1	Have you ever purchased a product from tech brands, such as Samsung, Apple, Google, Huawei, LG, Xiaomi, Motorola or Alcatel?	1. Yes 2. No	Inspired from Costa Pinto, D., Shuqair, S., Mattila, A., & Szabó-Douat, T. (under review)
	purchase_2	How likely would you purchase a smartphone from these brands? (Display all brands: Apple, Samsung, Google, Huawei, LG, Xiaomi, Motorola, Alcatel)	1. Very unlikely 7. Very likely	
	purchase_3	Based on the descriptions, which product would you buy if you were shopping for a smartphone?)	1. Product A 2. Product B	
Quality	quality_brand_1	Please indicate the brand of your current mobile phone:	Drop-down list	Inspired from Costa Pinto, D., Shuqair, S., Mattila, A., & Szabó-Douat, T. (under review)
	quality_brand_2	Please rank all the brands when thinking of "quality". (Display all brands: Apple, Samsung, Google, Huawei, LG, Xiaomi, Motorola, Alcatel)	1. Low quality 7. High quality	
	quality_1	I'm inclined to evaluate the attributes and performance of a tech brand myself rather than listen to others' opinions.	1. Strongly disagree 7. Strongly agree	Adapted from Wiedmann, Hennigs & Siebels (2009)
	quality_2	The tech brand preferred by many people but that does not meet my quality standards will never enter into my purchase consideration.		
	quality_3	I buy a tech brand for satisfying my personal needs without any attempt to make an impression on other people.		

Status Consumption	status_brand_1	From these two products, which would you prefer to purchase?	1. Alcatel 3X 2. Apple iPhone SE	Inspired from Costa Pinto, D., Shuqair, S., Mattila, A., & Szabó-Douat, T. (under review)
	status_brand_2	Please select the brand(s) that come(s) to mind when thinking of a premium smartphone.	(Multiple answers possible)	
	status_brand_3	Considering the smartphones' descriptions and brands, which would you purchase?	1. Alcatel 3X 2. Apple iPhone SE	
	status_acceptance_1	I want my peers to respect me and hold me in high esteem.	1. Strongly disagree 7. Strongly agree	Flynn et. Al (2006); de Morais, L. H. L., Pinto, D. C., & Cruz-Jesus, F. (2021)
	status_acceptance_2	Being a highly valued member of my social group is important to me.		
	status_acceptance_3	I enjoy having influence over other people's decision making.		
	status_acceptance_4	I care about how positively others view me.		
	status_behaviour_1	I admire people who possess expensive houses, cars, and clothes.	1. Strongly disagree 7. Strongly agree	Flores and Vieira (2014)
	status_behaviour_2	Buying gives me pleasure.		
	status_behaviour_3	I would be happier if I could buy more things.		
	status_behaviour_4	I like to possess things to impress other people.		
Indebtedness	debt_emotions_1	It is not correct to spend more money than I make.	1. Strongly disagree 7. Strongly agree	Flores and Vieira (2014)
	debt_emotions_2	It is better to gather money first and then spend it.		
	debt_emotions_3	I know exactly how much I owe in stores, credit cards, or to the bank.		
	debt_emotions_4	There is no problem to have a debt if I know I can pay it.		
	debt_behaviour_1	I am concerned with managing my money better.	1. Strongly disagree 7. Strongly agree	Adapted from Flores and Vieira (2014)
	debt_behaviour_2	I pay my bills on time.		
	debt_behaviour_3	I follow a budget or a weekly or monthly expense plan.		
	debt_behaviour_4	I compare prices when buying something.		

	debt_behaviour_5	I analyze my finances in depth before making any major purchase.	
	debt_behaviour_6	I tend to buy impulsively.	
	debt_behaviour_7	I am satisfied with my own system to control my finances.	
Age	age	What is your age?	1. Under 18 years old 2. 18-24 years old 3. 25-34 years old 4. 35-44 years old 5. 45-54 years old 6. 55 years old or above
Gender	gender	What gender do you identify with?	1. Female 2. Male 3. Other
Marital Status	marital	What is your marital status?	1. Single 2. Married 3. Widowed 4. Divorced 5. Other
Occupation	occupation	What is your current occupation?	1. Full-time employed 2. Part-time employed 3. Student and full-time employed 4. Student and part-time employed 5. Student 6. Unemployed 7. Other
Education	education	Please specify the highest level of education you have completed:	1. Less than high school 2. High school or equivalent 3.Bachelor's degree 4. Master's degree 5. PhD degree 6. No degree

Living area	region	What region do you live in?	1. North 2. Centre 3. Lisbon 4. Alentejo 5. Algarve 6. Madeira 7. Azores

APPENDIX B – QUESTIONNAIRE – BEHAVIOURAL CHECK

Questions

3. Based on the descriptions, which product would you buy if you were shopping for a smartphone?

Product A (1)

Price: 199€
Battery charging time: 3h30
Memory: 64GB ROM + 4GB RAM
Camera: 16MP (Rear) + 8MP (Front)
Display: 6.52-inch
Weight: 186g
Dimensions: 165 x 75 x 9.09mm
Colours: Black, Blue

Product B (2)

Price: 499€
Battery charging time: 1h
Memory: 64GB ROM + 3GB RAM
Camera: 12MP (Rear) + 7MP (Front)
Display: 4.7-inch
Weight: 148g
Dimensions: 138.4 x 67.3 x 7.3 mm
Colours: Black, White, Red

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7. From these two products, which would you prefer to purchase?

Alcatel 3X (1)

Apple iPhone SE

Apple iPhone SE (2)

Alcatel 3X

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9. Considering the smartphones' descriptions and brands, which would you purchase?

Alcatel 3X (1)

Alcatel 3X

Price: 199€
Battery charging time: 3h30
Memory: 64GB ROM + 4GB RAM
Camera: 16MP (Rear) + 8MP (Front)
Display: 6.52-inch
Weight: 186g
Dimensions: 165 x 75 x 9.09mm
Colours: Black, Blue

Apple iPhone SE (2)

Apple iPhone SE

Price: 499€
Battery charging time: 1h
Memory: 64GB ROM + 3GB RAM
Camera: 12MP (Rear) + 7MP (Front)
Display: 4.7-inch
Weight: 148g
Dimensions: 138.4 x 67.3 x 7.3 mm
Colours: Black, White, Red

APPENDIX C – ETHICS COMMITTEE REPORT

This is to certify that
Project No.: **DDMKT2025-7-96074**
Project Title: **Purchasing for quality or to impress? How status influences the smartphone purchasing process and indebtedness.**
Principal Researcher: **Gabi Daniela Pereira Vieira**

according to the regulations of the Ethics Committee of NOVA IMS and MagIC Research Center this project was considered to meet the requirements of the NOVA IMS Internal Review Board, being considered **APPROVED** on 7/9/2025.

It is the Principal Researcher's responsibility to ensure that all researchers and stakeholders associated with this project are aware of the conditions of approval and which documents have been approved.

The Principal Researcher is required to notify the Ethics Committee, via amendment or progress report, of
- Any significant change to the project and the reason for that change;
- Any unforeseen events or unexpected developments that merit notification;
- The inability of the Principal Researcher to continue in that role or any other change in research personnel involved in the project.

Lisbon, 7/9/2025

NOVA IMS Ethics Committee
ethicscommittee@novaims.unl.pt

NOVA IMS
Information Management School

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Instituto Superior de Estatística e Gestão de Informação

Universidade Nova de Lisboa