Annotated Summary of:

Richins, Marsha L., and Scott Dawson (1992), "A Consumer Values Orientation for Materialism and Its Measurement: Scale Development and Validation," *Journal of Consumer Research* 19 (December), 303–16.

Chapter 3: Factor Analysis
Multivariate Data Analysis, Sixth edition
"The world's leading authority on applied multivariate data analysis based on number of citations, as reported by Google Scholar"

This article illustrates the use of factor analysis not only to reveal the underlying structure of the data, but also as an integral component in the construction of summated scales, used in this situation to represent materialism. To better understand consumer consumption and resource allocation, this study examines the consumer value of materialism and develops a direct means of measuring individual differences in materialism. Materialism is conceptualized as containing three dimensions: acquisition centrality, acquisition as the pursuit of happiness, and possession-defined success.

To empirically capture the complex, multidimensional nature of materialism, the authors generated a large number of questions (30 items) reflecting some aspect of the three dimensions. Principal components factor analysis was then employed (1) as a further method of reducing the number of items (down to 18) and (2) to empirically reveal and demonstrate the hypothesized, underlying structure. First, the 30 items were factor analyzed and three factors emerged. An oblique rotation was then undertaken to assist in the interpretation of the factors. The result was the identification of 18 items loading highly (all above .40 and most in the .55 to .65 range) on one of the three factors. The three factors were interpreted as relating to the concepts of success, centrality, and happiness. Although the authors did not provide the overall percentage of variance extracted, the three factors were deemed sufficient and conceptually valid in their correspondence to existing theory. The results of the factor analysis were then confirmed by the use of confirmatory factor analysis (see chapter 11, this volume). The items loading highly on the factors were then summed to create three subscales of materialism, with the three subscales also summated to create an overall measure of materialism. Reliability tests for each of the summated scales all exceeded the threshold of .70 for acceptance.

Having established the multidimensional nature of the 18-item materialism scale (three subscales and an overall measure), the authors then sought to validate the results. The construct's validity was established by demonstrating that individuals who score high on the materialism scale place greater value on acquisitions, are self-centered, seek material possessions, and tend to be dissatisfied with their circumstances. Through the use of statistical methods, this study offers a measure of materialism that is both reliable and valid. Factor analysis played key roles in both revealing and measuring the underlying dimensions of materialism and providing the basis for the creation of summated scales as a more rigorous measure of materialism. Researchers now have an acceptable measure of materialism that is easily quantifiable and replicable, allowing for a better understanding of this consumer value from both its conceptual and empirical perspectives.