

Abstract

This paper seeks to explore the attitude of urban Malaysians towards money. Ethnic and gender differences on their money attitude were examined. In addition to exploring money attitude, compulsive buying, a specific aspect of abnormal consumer buying was investigated. Specifically, the intent of this study is to examine the extent to which money attitude influence compulsive buying. This study involved 270 respondents from the urban areas in the Klang Valley and Kuala Lumpur and was conducted using survey approach to a convenient sample of consumers.

Gresham and Fontenot's Money Attitude Scale (1989) and later modified to reflect money behaviour of Malaysians was used to measure money attitude. Factor analysis with Varimax rotation was performed on these variables. Seven money attitude dimensions emerged from the factor analysis. They are defined as Retention-Time, Quality, Power-Prestige, Distrust-Anxiety, Money-Conscious, Self-Gratification and Altruistic dimensions. Findings on ethnic comparison in attitude towards money revealed that the urban Malays exhibited stronger Quality and Power-Prestige attitudes than the urban Chinese, whilst the Chinese showed significant differences regarding their financial preparation for the future i.e. Retention-Time factor. However, the Chinese were less altruistic in their attitude towards money as compared to the Malays. Research results also found gender differences in their attitude towards money. Urban Malaysian males were more quality conscious and money-oriented than urban Malaysian females.

Faber and O'Guinn's (1992) compulsive buying scale was used to estimate the prevalence of compulsive buying. The above resulted in 8.5% of the sample being classified as compulsive buyers, an estimate that was consistent with past findings. On gender comparison, female respondents exhibited stronger compulsive buying behaviour more than male respondents.

The relationship and extent of influence of money attitude and non-compulsive buying was analysed from the perspective of non-compulsive group of buyers. Retention-Time, Quality and Power-Prestige money attitude

dimensions were found to be significant predictors in the regression analysis. Retention-Time was positively correlated and had an important influence on non-compulsive buying behaviour. Thus non-compulsive buyers generally demonstrate a greater effort to retain money for the future and make financial planning. As for Power-Prestige and Quality dimensions, both were inversely correlated to non-compulsive buying and also contributed in explaining this behaviour. This suggests that non-compulsive buyers are less driven by the need to spend money to influence and impress others; and purchasing top quality and prestigious products. Findings for this study have some implications for marketers, financial planners and policy makers.