Chapter 1

Consumerism:
Some Fundamental Insights

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ABSTRACT

This chapter reveals that the term ‘consumerism’ encompasses a number of meanings which create confusion regarding the term. The discussion that follows, attempts to distinguish the different perspectives regarding the term by presenting its historical development and discussing the three definitions that have marked it. It explores the relationship between consumerism, marketing and corporate social responsibility (CSR). The growth of consumerism has led to the over-use of marketing which provided a flourishing ground for compulsive buying and consumption. There is evidence in the literature to suggest that in an era of increasing social problems and environmental challenges, there is a need for CSR and sustainable marketing. In fact, the second definition of consumerism is inextricably linked with CSR and societal marketing. The chapter is conceptual in nature and provides an in-depth review and discussion of some fundamental dimensions associated to consumerism based on the existent literature. The overarching aim is to provide an insight into the evolution and growth of consumerism based on the existent literature related to the topic. The discussion also focuses on exploring the relationship between marketing and consumerism shedding light onto compulsive buying, consumer attitudes and concerns on the micro consumerism issues, sustainable consumption and sustainable marketing. The chapter proceeds to raise some concerns related to the impact of the global economic crisis on consumerism by using as an example Cyprus based on the author’s observations and thoughts. The chapter concludes with a list of suggestions to practitioners and directions for future research.

INTRODUCTION

The consumer movement has evolved into a powerful force in many developed countries. Organizations in these countries are under constant pressure to demonstrate social responsibility in addressing the needs of the society. The term consumerism is linked to the behavior of organizations and the expectations of the society. Corporations should identify and define their purpose and objectives in a way that align with the expectations of society. If customers lack trust in businesses because they are not meeting customers’ and society’s expectations then they perceived unnecessary and unproductive. In other words corporate social responsibility is a prerequisite for business success.

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Undoubtedly the consumers of the 21\textsuperscript{st} century is becoming more caring and socially aware, moving towards a more responsible and responsive attitude to issues which do not directly concern them such as Third World exploitation. The cover stories and articles publish in the mass media and world-wide Web suggest that there is increased consumer and general public concern about health, animal welfare, environmental protection, and ethical trading. It seems that an increasing number of consumers move away from leading a life of excessive consumption and materialism towards more enduring values such as respect, compassion, and empathy. At the same time, the business sector has become more responsive to consumerism. This is manifested in the wide acceptance and practice of societal and sustainable marketing across the business sector. The increasing acceptance of consumerism by managers and corporations is founded on its positive role on society and the economy. Consumerism has the potential to play a constructive role in building a sustainable business environment by emphasizing for example consumer awareness, fair trading, codes of conduct and ethical business practices. It encourages managers to think beyond the narrow boundaries of generating short-term sales and profits. It motivates them to adopt a sustainable approach to production which is not at the expense of the standard of living of future generations. An underlying factor of such provision includes fair trading, providing for the needs of the least advantaged in society, and adopting a people-orientated marketing approach.

As it has already been said the chapter’s overarching aim is to provide an insight into the evolution and development of consumerism with an emphasis on exploring the relationship between consumerism and marketing. The key objectives of the chapter are to primarily provide an analysis and secondly to link a set of fundamental dimensions that link consumerism with marketing such as compulsive buying, consumer attitudes towards consumerism, sustainable consumption and sustainable marketing as well as provide some reflective thoughts on the impact of the global economic crisis on consumerism.

**EVOLUTION AND FUNDAMENTAL DEFINITIONS OF CONSUMERISM**

“Consumerism” can be defined as a social and economic trend that stimulates the purchase of goods and services in ever-greater amounts. Early criticisms of consumerism are present in the works of Thorstein Veblen (1899). Veblen studied the newly emergent middle class emerging at the turn of the twentieth century and wrote a detailed social critique of conspicuous consumption. According to Veblen the upper social class at the time engaged in practices of conspicuous consumption and conspicuous leisure (Veblen1899). Consumerism is usually considered as a part of the media culture (Thoman, 1992; Jansson, 2002) that emerged and developed in the 20th century under the influence of mass media. The mass media, TV, the press, radio and cinema shaped public opinion as well as consumers’ values, tastes and preferences.

“Consumerism” has also been used to refer to something quite different called the consumerists movement, consumer protection or consumer activism, which seeks to protect and inform consumers by requiring such practices as honest packaging and advertising, product guarantees, and improved safety standards. In this sense it is a movement or a set of policies aimed at regulating the products, services, methods, and standards of manufacturers, sellers, and advertisers in the interests of the buyer.

The word ‘consumerism’ has acquired several meanings over time that add to confusion and disagreement regarding the term since many of them are not related to each other and conflict with each other. The literature reviewed revealed that consumerism can be defined in different ways based on different perspectives. Three definitions have marked the term and these are: (1) the first definition of consumerism refers to manipulative...
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