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KEYWORDS	ABSTRACT
Algorithmic Consumer Culture, digital consumer markets	The rise of consumerism coincided with the expansion of algorithmic decision-making in consumer purchases. Algorithm-mediated purchases are increasingly becoming the norm within digital consumer markets; the debate stems from whether these purchases provide functional utility or are part of a broader pattern of symbolism and identity formation. Accordingly, this paper aims to investigate the rise of monetized identity and self-expression within consumer markets and how algorithms perpetuate this category of identity-centric consumption. The audience most susceptible to this falls within the Gen-Z demographic given their reliance on social media channels for maintenance of digital identities and communication with peers. This paper argues that algorithmically derived recommendation systems, digital environments, and aesthetic branding reinforce identity-centric purchases over functional utility, signaling that modern economic participation as a whole will become identity-centric. This paper uses a secondary approach via triangulation, opting for sources inclusive of past studies into behavioral economics and consumer psychology. These are complimented with branding case studies of prominent companies and a subsequent analysis of consumer trend data and social media-driven commerce. Core concepts to operationalize the research include symbolic consumption, status signaling, emotional branding, and social belonging through brands. The primary purpose and relevance of this paper is to understand how digital markets reshape economic rationality and identity formation, and it did so using interdisciplinary triangulation, which proved to be viable. The paper ultimately concluded that Generation Z consumption has not transcended rational utility entirely and is still bound by it, though has an increasingly growing influence of symbolism through algorithmic recommendation systems that are designed to influence identity and create the right conditions for identity influences.
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Introduction

The industrial era was attributed to functional, utility-bearing purchases to fulfill fundamental needs and wants. Food, clothes, and electricity were functional and necessary for survival. Purchasing decisions were made on the basis of benefit derived proportional to the money spent on commodities, constituting rationality. Mass marketing was still developing at this stage, and the primary premise of marketing was to compete over which commodity provides the most functional utility.

The marginal utility theory operates on the core assumption that consumers are rational, and this was primarily the case with prior industrial markets. However, the small minority of irrational consumers suggested an untapped audience that would create higher margins for equal or less utility. This incentivized companies to transition to branding techniques to establish a particular image in the consumer's head to procreate irrational behavior. While McDonald's lacks restaurant quality; it developed a reliable attitude with quick provision of food during rush hours and emotionally bonded with its customers using the slogan 'I'm Lovin' It.'

Similarly, while Rolex provides the same functional utility as any other watch, it developed a premium, luxury legacy. This drove high profit margins and desirability, as owning a Rolex is attributed to high status. The observable pattern is that historical precedent shifted from purely functional to socially, emotionally, and psychologically meaningful.

Markets accordingly evolved to adapt to the digital era, allowing for personalization with their target audiences using relatively low resources and a high degree of automated personalization suited to individual needs through data collection and cookies. Evidently seen in META with Instagram and Facebook, algorithmic recommendation systems were crucial to meaningful and individually orchestrated products. Major facilitators of these products/services were influencers, who developed their own economy, in a sense, as they directed personalized products/services to their respective customers. Essentially, influencers build a humane, reliable image through regular posting and utilize it to promote an item with whichever brands they work with.

Algorithms recommend and stir interest to whatever commodities are most fitting to consumers, sparking an interest. Influencers solidify this through humane and emotional marketing, facilitating an ecosystem fueled by social commerce as its driving force. Functional utility is supplementary, or unnecessary on rare occasions, as the primary profit motive is best achieved through social commerce. Given the paired reinforcement of the aforementioned systems, digital environments clearly intensify exposure to identity-centric branding through their automated, algorithmic personalization.

Instead of targeting the entire digital consumer market, this paper targets consumers from Generation-Z (the demographic cohort between 1997-2012) since they are most susceptible to identity-centric marketing through digital platforms. This is so because, statistically precedented, they have extensive, if not the highest, usage of social media channels in their daily activities. Instagram, Facebook, and YouTube have progressively become a part of their identity, and growing

patterns of screen time display this accordingly. Continuous digital engagement in the form of reel likes, stories, and posts to stay connected with the world simultaneously integrates digital spaces into their social life. Since identity performance is substantially online and synchronized with social life, Gen-Z audiences are the most relevant demographic. They have active algorithmic, personalized engagement and the purchasing power to enable the success of such engagement.

While still relevant, older demographics are not comparatively centric to the premise of this paper due to the evidenced digital divide. Their identity was dependent on systems that existed prior to the rise of the digital era and is thus weakly integrated into algorithmically mediated identity ecosystems. Their consumer socialization patterns are different, and consumer attitudes may actually be negative towards personalized marketing owing to different generational purposes. This is not a universal reality. Gen-Z audiences are the clearest manifestation of what this paper aims to study; however, it can be applied to wider audiences circumstantially.

This paper notes consumption as increasingly symbolic, as inculcated by the precedence of identity-centric purchases over functional utility. Aesthetic branding and symbolic branding are increasingly a testament to identity and self-expression to portray an image. Upgrading from an iPhone 16 to an iPhone 17 provides negligible marginal utility but is a testament to high status. Some customers admit to disliking the taste of the drinks offered at their local coffee shop, though it acts as a fundamental aspect of their perceived identity. Products function as marks of belonging and aspiration; branded lifestyles and symbolic products act as social signals of identity to others.

Algorithms reinforce these lifestyles. Aspirational consumption, aesthetic branding, and emotional connections alongside repetitive purchasing behavior intensify symbolic consumption by curating identity-oriented content. Cookies and data, paired with influencers and targeted content, are meticulously and personally allocated to consumers, creating the perfect conditions for cyclical identity-centric consumption.

This paper discusses Gen-Z consumption patterns through digital reinforcement, though this can be broadened to entail a wider economic implication. There is a possibility that modern or future economic participation is increasingly becoming identity-centric. Outside the parameters of consumption: employment, production, and commercial activities altogether may divert from their core premise of functional utility.

This paper seeks to investigate the extent to which symbolic consumption exists and is driven by algorithmic consumer culture using interdisciplinary analysis to prove that functional utility is losing priority to identity-centric consumption.

Literature Review

Traditional economics assumes that consumers are rational, utility-maximizing agents who made purchasing and consumption decisions in a manner that gives them the highest possible benefit proportional to cost. Neoclassical interpretations observe commodities are purchased to satisfy genuine needs and wants; thus, utility is functional, and consumer behavior is determined through

economic reasoning. The theory of marginal utility suggests that consumers allocate resources to maximize utility using rational choice (Marshall, 1980). Secondly, stable preferences and rational optimization are key indicators to understand economic consumer behavior (Becker, 1976).

However, these models operate on the core assumption that consumers are rational, which is not consistently or always the case. Consumers continually purchase goods with negligible functional utility paired with a substantive price discrepancy: behavior that fundamentally misaligns with rationality. There was a noticeable, prominent gap between the parameters of utility theory and actual consumer behavior, allowing for academic development in irrational behavior and its explanations. Simon (1955) introduced the idea of bounded rationality contrary to strict rationality. He added to rationality, arguing that it is limited by factors such as imperfect information and cognitive discrepancies. Furthermore, Kahneman and Tversky (1979) argued against traditional economic utility theories by arguing that consumer decision-making is substantially influenced by biases and psychological framing. Developments such as those of Simon, Kahneman and Tversky destabilized purely rational consumer models and introduced deliberation for consumption models with a more diverse, psychologically grounded understanding.

Having accelerated diverse consumption models, these developments eventually progressed into an understanding of symbolic consumption. Here, consumers buy products not only for functional use but also for the meaning attached to the products themselves. Levy (1959) argued that goods function as symbolic proliferators of meaning that communicate the consumer's beliefs and values. In other words, they were a medium of communicating the consumer's aspirations and self. Consumption was progressively growing towards communicative branches over purely functional or transactional.

McCracken (1986) elaborated on this by explaining how culture shifts from the world to consumers and subsequently individual consumers. Goods, therefore, were transmitters and embodiments of culture. Belk (1988) developed this through his work on the extended self. He argued that possessions increasingly function as an extension of one's identity rather than plain commodities. Therefore, possessions play a part in constructing identity itself according to Belk.

Moreover, Belk, Wallendorf and Sherry (1989) studied cycles of consumer behavior in a repetitive fashion, finding that consumption is often a tool to achieve symbolic meaning and a sense of self-fulfillment. It is well-established therein that consumption is not constricted by utility but is culminated with psychological and identity-centric factors. The aforementioned studies clearly indicate that consumption behavior cannot fully be grasped without a supplemental understanding of the symbolism attached to purchases.

Having examined symbolic consumption as foundational and embedded, studies also displayed a link between market attitudes/conditions and identity. Customers use goods to create and communicate their sense of self, allowing for consumption to be linked with social belonging and personal alignment. Escalas and Bettman (2005) found this to be the case in their studies, where products were used to exercise identity and self-expression over utility. Aaker (1997) also argued

that consumers interact with brand images in a manner that allows them to connect and relate with them psychologically. This creates brand loyalty and emotional attachment through a humanized perception of the brand.

Studies on consumer identity also indicate that consumption may function as a social signal. Despite his time period, Veblen's (1899) view on conspicuous consumption stands true in the twenty-first century. Status-motivated consumption continually fuels and typifies markets like Apple, Rhode and Stanley. Consumers purchase products to communicate a differentiated taste, status, and mindset, strengthening the argument that products gain value from social perception and symbolism over objective utility.

Consumer markets were changed drastically with the advancement of digital technology, allowing for algorithmic personalization, engagement, and automated product exposure contrary to the manual capacity of traditional markets. Social media progressed and developed into an age where consumption and social life were mutually intertwined. This obscured the distinctions between commerce and identity. Arvidsson (2005) explains this with his study, finding that brands are supplementing or substituting promotions of their product's functional practicality in favor of consumer relationship-building to create brand loyalty. The digital age emphasized this through continuous reinforcement from the algorithm, forming a digital consumer culture that seamlessly intertwined products with lifestyle and identity.

This phenomenon was particularly perpetuated by influencers and their innate economy. Abidin (2016) noted influencers as people that perform a dual function combining social and commercial facets. They utilize their perceived relatability, humanity, and authenticity to create trust that carries on within the social weight of their product recommendations. They work well because their recommendations are not inherently commercial and carry substantial elements of social/psychological viability. Digital consumers are made susceptible to identity-centric marketing this way, since influencers blur the distinction between social and commercial operations, allowing for identity-centric impacts.

Conversely, digital markets proliferate products as a part of symbolic identities or lifestyles instead of a differentiated commodity in itself. Consumption, social belonging, and identity are collectively integrated due to the effectiveness of the digital market through algorithms and influencers.

Algorithms add an additional element of deliberation. While initially constructed as tools to recommend content pertinent and relevant to consumer preferences, studies suggest that they may have a part in defining consumer preferences as well. Roy and Dutta (2022) saw that algorithmic recommendations are now instrumental to digital markets and digital commerce alike, acting as determinants of which products consumers are given exposure to and the consistency for this exposure. Algorithmic recommendations are so instrumental, in fact, that they play a crucial role in forming consumer preferences. They perpetually enhance exposure capacity through behavioral data, cookies, and predictions.

Chaney, Stewart and Engelhardt (2018) introduced algorithmic confounding, wherein recommendation systems cyclically reinforce, through repetitive exposure, consumer behavior to be uniform and standardized while reducing scope for cognitive preference formation. Consumers may believe that their purchasing needs or wants are of their own accord, neglecting the crucial and substantial role of the algorithm in curating their preferences. In identity-centric markets, this is particularly observable. Initially independent behavioral patterns and preferences interact with repetitive algorithmic symbolism and aspiration in the form of trends and products. Repetitive personalization, therefore, intensifies symbolic, identity-centric consumption by continually reinforcing identity-oriented preferences.

As stated prior, Gen-Z is the clearest representation of what this research aims to study. They grew in the same timeframe as the development of digital ecosystems and thus were susceptible to high levels of social media engagement and everyday use. Their social life, communication, and identity were accordingly integrated. According to Priporas, Stylos and Fotiadis (2017), this demographic displayed differentiated behaviors online due to their strong engagement with social media and rapid information intake. Social media increasingly became an environment for this generation to socialize and exercise their identity instead of purely being utilitarian in the sense of entertainment or knowledge

Visible consumption increasingly enables the expression of identity, which is why it is crucial for understanding Gen-Z consumer behavior. Products and brands act as social signals; thus, consumption is a form of publicizing identity digitally through these signals. Gen-Z demographics are especially prone to identity-centric marketing when the prior factors are collectively considered. They're heavily dependent on social media for social networks and identity, constantly engage with it and grow with it, and have extended exposure to the algorithm. These factors culminate to create optimal conditions for symbolic consumption, which are continually reinforced through the personalized algorithm.

As elaborated, the current scope of literature covers functional utility theory, irrational behavior through symbolic consumption and algorithmic patterns as independent areas of research themselves. Literature developed further and established that consumption is not solely functional and can be symbolic, emotional, or social. Though, very little literature has actually put together existing scholarly work to collectively explain the emergence of identity-centric consumption in the digital era fueled by algorithms for Gen-Z consumers. While individual cases are well-researched, their cumulative effect on economic participation as a whole remains largely unexplored, as well as the specificity of this paper's research mandate.

This paper aims to address this research gap by studying the extent to which the digital algorithm and its associated consumer culture drive symbolic, irrational consumption alongside a wider scope of analysis on consumption transitioning from purely functional to identity-centric consumption.

Methodology

This paper opts to use a triangulated, interdisciplinary approach within its research design to study symbolic consumption and identity-centrism. Due to the research requiring a multitude of disciplines with varying views, the paper preferred secondary research to suit the nature of the gaps this paper aims to target. The gaps are covered through the shared contributions of behavioral economics, psychology, sociology, media studies, and brand studies. Given the complexity of the research topic and the necessity to address it using multiple views, a single methodological approach is insufficient to encapsulate the economic, social, and psychological lenses of identity-centric consumption.

This paper's research methodology utilizes both qualitative and quantitative secondary data. Qualitative analysis was inclusive of literature reviews of past works and case studies of noticeable brands, particularly their branding strategies and how they emotionally and aesthetically infiltrate their customers. These case studies were chosen to display and analyze how brands utilize tools like symbolism and identity formation to develop customer relationships that transcend functional utility.

The quantitative secondary data was inclusive of existing reports on customer trends, digital commerce statistics, and survey data on purchasing behavior, consumer attitudes, consumer preferences, and social media usage. There was an emphasis on data centric to Gen-Z consumers due to their assumed susceptibility to algorithmic persuasions. This allowed for trends to be established regarding behavior linked with symbolism and identity-centrism.

For sources of data, this paper established a metric of four criteria: academic credibility, relevance (to symbolic consumption/identity-centrism), applicability (to digital consumerism), and time of publishing. For analysis concerning conceptual conclusions, peer-reviewed journal articles and theoretical literature were preferred. For analysis of the evolutionary algorithm and its role within digital commercial activities, market reports and relevant datasets were used. The use of these contrasting analysis tools allowed for a balancing of understanding between theoretical concepts and market realities, allowing for their interaction to establish subsequent conclusions.

To operationalize the analysis, the paper looked forward to use five core measures to aid in conclusion-making: symbolic consumption, status signaling, emotional branding, identity formation, and algorithmic mediation. These collectively aid in the formation of a concise and elaborative analysis on consumer behavior and its associated patterns. They allow for an overall understanding of whether consumption is increasingly driven by symbolism and identity-centric factors over functional utility, all factors of which are covered by the operationalized metrics.

However, the methodology has certain limitations that were taken into consideration. The use of secondary data limits direct observation of consumer preferences, motivations, and behavior. Secondly, digital markets evolve rapidly and may be prone to trends varying drastically due to their evolutionary nature and the rise of artificial intelligence in consumer markets. Third, the Gen-Z demographic does not necessarily abide by their assumed tendencies of social media reliance or

symbolic identities due to variance in sociocultural or geographical contexts, hindering the broader application of any conclusions. Nevertheless, it is substantial to note that triangulatory analysis maintains a high degree of relevance and suitability to the nature and complexity of what this paper aims to study: symbolic consumption in algorithmic markets.

Analysis/Findings

This section intricately applies the five operationalized metrics necessitated by this research in accordance with identified relevant bodies of theoretical academia, brand case studies, and empirical market research. The purpose of this section strays away from simply cataloging symbolic consumption mechanisms and their individual instances and tries, instead, to observe the mechanism through which algorithms turn prior symbolic tendencies in consumer behavior into a systematic, reinforcing, and perpetual economic cycle. Each section identifies one link into the mechanism, to then present a conclusive finding assembled into an account of identity-centric consumption among Generation Z.

Consumer markets are increasing detaching price from functionality, and this detachment is most prominent in products where competitor options are identical in terms of functional utility. The popularity of Stanley Quenchers resulted in the proliferation of insulated tumblers as a whole. From a purely thermal perspective, a forty-dollar tumbler performs similarly to its ten-dollar equivalent. The premium price negates marginal utility conceptually but testifies that a tumbler functions as a moving signal of partaking in an aesthetic community that recognizes such items. This logic can be extended to collectible blind-box figures such as Labubu, where artificial scarcity manufactured by brands, irrespective of actual production cost, causes customers to pay a premium for symbolic capital over the raw material input going into the doll. Instances like these update Veblen's conspicuous consumption for a market where visibility isn't restricted to physical spaces. A tumbler circulated online to algorithmic feeds communicate status to an audience much better than the scale attainable through physical display in solace. This is of particular importance because it changes the intricacy or mechanism behind status signaling as one co-produced by the platform instead of just by the object or product itself. The product maintains symbolic function, but the scale and continual lingering of that function are reliant on algorithmic cycling and circulation subject to discussion in the next section.

This paper especially claims that algorithms construct consumer identity instead of simply reflecting prior preferences or identity, a claim supported and grounded by Cheney-Lippold's (2011) concept of algorithmic identity. Here, platforms suggest distinctions of oneself like gender, class, or preferences, from behavioral insights rather than self-reports. This is then converted into content fed back to the user based on the distinguished rendition of oneself. Since this distinction is based on probability, evolution, and continuous updates, the identity constructed for the user is naturally provisional and commercially optimized instead of a standardized version of who they are. Cheney-Lippold later (2017) extends this concept by speaking on how users progressively and increasingly perform toward the identity that the algorithm assigns them. This is essentially a feedback loop that Kotliar (2020) describes as the algorithmic reconstruction of the social itself,

where distinguishment and categorization practices that were formerly negotiated through agencies of socialization are now negotiated through statistical inferences. When these aforementioned ideas are applied to the subject matter of consumption, a consumer's exposure to identity-centric products is not a result of their own identity but rather something that creates their identity.

Support for this mechanism empirically within Gen-Z has emerged recently, with Ionescu and Licu's (2023) review of Tiktok's algorithm, which found substantive evidence that self-identity and personal values alter and shift upon exposure to and in response to sustained algorithmic curation. This reinforces the idea that recommendation systems are an agent that helps in activity formation over just an intermediary between the consumer and content. This finding helps with the paper's thesis by showing how Cheney-Lippid's theoretical mechanism is directly operationalized within a measurable psychological outcome. To supplement this, a study of TikTok Shop with a large sample of 576 Gen-Z users in Indonesia showed that algorithmically-driven personalization and content exposure were two factors that dominantly predicted outcomes like impulse buying beyond rational influences from price signals or functional utility, with content exposure being the single strongest influence (Rachmat, 2026). This is important to note because it identifies exposure to the algorithm as a variable that exists independently from the consumer's preferences, and the purchase they ultimately make is fueled less by a genuine need for the commodity and more by the framing and frequency of the product's surfacing. Fu and Hsu (2023) further complement this by studying how parasocial interaction – the familiarity a consumer feels with a creator that they have no prior interaction with – facilitates impulse buying through the term 'shopping value,' meaning that the emotional register the algorithm holds has as much influence as its frequency. Collectively, these theoretical and empirical findings clearly indicate that algorithmic influences are not merely a delivery mechanism for symbolic products but a co-producer of the symbolic meanings attached to the products themselves.

Earlier academia on consumer behavior treated status signaling as a product of combining scarcity and visual displays. More recently, the digital era redesignates status signaling as something amplified by the algorithm. A product's status or perceived value partially has to do with how it performs in recommendation systems, meaning that a viral product would be more desirable irrespective of the product's underlying positive or negative functional features. This creates a cycle with influencers in the formation of their economy, as discussed prior within the literature review and algorithm. Influencers do not have the sole responsibility of endorsing products; they retrospectively act as intermediaries that convert algorithmic exposure or presence into concrete and reliable social proof. An automated recommendation system is essentially reinforced into a personal endorsement verified by cognitive review from the eyes of a consumer. Abidin (2016) observed the dual function of influencers: social and commercial. This can, accordingly, be extended as influencers now perform the new function of humanizing and actively personalizing automated algorithmic recommendations, creating a trustworthy and emotionally viable element for a process that can otherwise be treated as mechanical and intangible. This holds significance from an analytical viewpoint because it resolves a conflict or tension within literature between the determinism of algorithms and individual consumer agency. Consumers are not direct recipients of

the algorithm's impacts; they have an intermediary experience with the influencer who obscures automation with their element of relatability. This allows for identity-centric consumption to feel voluntary and self-created despite, to a large extent, being predetermined.

For an account of algorithm-driven identity-centric consumption to be rigorous and valid, the expected internal contradictions must also be addressed alongside an elaboration on the most manifest contradiction: the rampancy of de-influencing since early 2023. De-influencing discourages decision-making for purchases that are influenced by promotion from traditional influence in opposition to excess consumerism (Khalil et al., 2025). In a focus group, 59 participants saw that de-influencers were evaluated through the same framework of credibility for that of traditional influencers: truthfulness, consistency, and expertise. This suggests that rejecting consumerism is a trend marketed through the same psychological process of consumerism itself (Khalil et al., 2025). De-influencing does not necessitate a return to utilitarian rational decision-making. Rather, restraint is a symbolic performance of its own that signals discernment, financial consciousness, and ethical awareness. This mechanism is therefore one that constructs identity as well, as the consumer that declines viral products still participates in the process of status signaling, except in this case the signal shifts from possession to restraint and consumer consciousness. This ultimately supports the paper's earlier analysis that functional utility has not disappeared from digital markets, and even departures from symbolic consumption pertain back to identity-centricism, suggesting the mechanism that this paper discusses is more entrenched and comprehensive than a simple choice between pure rationality and symbolic purchasing.

After having critically assessed these findings and highlighting the underlying mechanism, it can be stated that algorithmic recommendation systems identify categories of people's identity using behavioral data, which allows for curation to exposure accordingly (Cheney-Lippold, 2011; Kotliar, 2020). The curation itself identifiably changes identity as perceived by the consumer and values among Gen-Z users instead of solely reflecting pre-existing preferences (Ionescu and Licu, 2023). The automated curation then converts into parasocial, emotionally viable recommendations through influencers, thereby distorting the mechanical feel of the algorithm (Abidin, 2016; Fu and Hsu, 2023). The purchases that follow are driven less by price signals or functional utility and more by exposure frequency (Rachmat, 2026) and even in counterintuitive instances like de-influencing, the same logic applies by recognizing the element of restraint and consumer consciousness into another symbolic mechanism (Khalil et al., 2025). There is an identifiable chain here that collectively reinforces the paper's argument: that Gen-Z consumers are becoming identity-centric because the mediator behind their choices is increasingly defining even rationality as a matter that is symbolic rather than functional. This creates broader implications as identity-centric algorithms may be generalizable to separate cases of economic participation like labor branding and platform-centric entrepreneurship.

Discussion

In this paper's findings, there were certain implications that possibly extend beyond just the question of whether Gen-Z consumers purchase symbolically rather than functionally. Here, the

implication is that the relationship between rationality and the element of choice in digitally-orchestrated markets needs a closer inspection from a theoretical standpoint prior to discussing limitations or conclusions. Three implications necessitate further discussion.

Firstly, rational choice and its associated status have to be discussed. Marshall's (1980) marginal utility model and Becker's (1976) rational optimization framework mutually assumed that cases of irrationality were a deviant behavior from a stable, baseline utility-maximizing norm. Further deliberation by Simon (1955) and Kahneman and Tversky (1979) shows that cognitive constraints and framing effects suggest systematic and calculated deviances from rationality. The findings in this paper add another layer of deliberation. Evidence and findings show that the frequency of exposure to the algorithm outweighs the effect of price signals and functional utility as a dictating element of purchase behavior (Rachmat, 2026), showing that rationality itself is bound to external commercial agents. For Simon, bounded rationality was an element of the mind after having interacted with an environment that it could not fully process due to excess complications. This paper suggests that the environment itself is deliberately, perpetually remade to be more suited to the individual's psychological tendencies and profile, which means the bound in question is continuously engineered instead of incidental. This claim is therefore substantially different from the ones available in classic behavioral economics.

Secondly, Belk's (1988) theory of the extended self argues that possessions become intertwined into identity through a primarily internalized and psychological mechanism with attachment and meanings processed within it. The findings suggest that this process is no longer solely internal, as Ionescu and Licu's (2023) evidence, which sees algorithmic curation as having transferred self-perceived identity displays that the extension of self into the possessions consumers own is externally driven to an extent. Platforms select which possessions are able to be incorporated into one's identity before the individual can internally negotiate the meaning they attach to it. To surmise, the self is being extended into objects that were pre-designated and pre-filtered by a recommendation system that is actively optimized for engagement/conversion over self-expression. Essentially, Belk's framework gains a new condition prior to implementation that did not exist within his original intention, namely, produced with commercial intent.

Thirdly, de-influencing reveals points of interest relevant to the durability of identity-centric consumption expressed as market logic. This paper may have taken a weaker approach, suggesting that consumer fatigue with algorithmic pushes would restore a system that resembles utility-driven rationality, as consumers grow increasingly aware of content curation specific to their preferences, in turn driving them to retreat to deliberately needs-based consumer behavior. The evidence infers contradictory findings. De-influencing content is processed through the same criterion for credibility as promotional algorithmic content (Khalil et al., 2025), meaning that the market has some level of resistance to symbolic consumption as a variant of symbolism but not a departure from it. For institutions that believe consumer literacy or awareness programs for algorithmic influence sufficiently restore rationality, this creates an important implication to debate. Awareness in solitude does not disarm the underlying mechanism of symbolism, as it can signal both resistance and desire.

Beyond consumption, the pattern identifies possible generalizations to forms of economic participation. If algorithms can potentially curate consumer identity by engineering exposure, the same system can comparably operate in environments like the labor market, where platforms like LinkedIn curate professional identities using an algorithm. Additionally, in creator-economy entrepreneurship – an environment where income is largely contingent on the success of a particular persona more than the exchange of a good or service. This paper does not explicitly test the extensions aforementioned, as they extend beyond the scope of consumer purchasing behavior. However, the theoretical chain identified in the Analysis section of this paper has little argumentation against its applicability to other domains. This suggests that the shift from utility to identity may be a premature and observable case of what may be a broader transformation in the influence of algorithmically-driven markets and their construction of economic subjects.

Limitations

The conclusions derived from within these findings were expectedly linked to a set of identifiable limitations as discussed upon prior within the contents of this paper. The most explicit limitation was this paper's use of secondary data. Lacking an original survey, interview, or experiment led to this paper's findings on Gen-Z motivation as being largely inferred through interpretive studies by researchers that had varying methodological and cultural contexts alongside sampling frames. Rachmat (2026) and Khalil et al. (2025) were two studies cited in this paper that drew conclusions from the confines of Indonesia and Pakistan, respectively. Geographic concentration, therefore, becomes a limiting factor to this paper in the context of specific behavioral attitudes being applicable to a broader demographic of Gen-Z consumers in other regions.

Secondly, the platforms being studied are rapidly evolutionary in nature. Tiktok's algorithm and recommendations and monetization features like Tiktok Shop and Facebook Marketplace are all continuously revised. The findings of this paper may be applicable at one point in time but not another, as the algorithms that set the foundations of any mechanisms identified may no longer stand the same way. This paper's reliance on studies published between 2023 and 2026 lightens the extent to which this becomes a limiting factor, but does not remove all possibility of it applying altogether.

Thirdly, another limitation lies in the element of counterfactual analysis. The evidence collected and substantiated within this paper is intrinsically cross-sectional or survey-based rather than longitudinal or experimental. This means the ability to isolate the casual direction with certainty is largely lost. It is entirely possible that the causation is contradictory, that consumers already inclined with identity-centric consumption may simple be engaging with more curated content, rather than the content being the cause of inclination. While the paper's findings and mechanisms go against this, it cannot entirely be ruled out.

Lastly, the paper is largely speculative in its broadening of application by generalizing Gen-Z consumption to a pattern in economic activity altogether. It bases its foundations in a form of extension to the identified mechanism, rather than direct evidence from labor market statistics or

entrepreneurial anecdotal patterns. It thus acts as a hypothesis for a future paper rather than an identifiable finding of this paper.

Conclusion

The premise and mandate of this paper was to examine the extent to which algorithms in digital consumer culture have transformed purchasing behavior from grounding in functional utility to identity-centric symbolic consumerism among Generation Z. The evidence curated under this paper's mandate uses a triangulatory approach to give an understandable and demonstratable answer. Veblen's conspicuous consumption and Belk's extended self both demonstrate that symbolic consumption is not a new concept; it has existed for long before the emergence of algorithms, which establishes that consumers already purchased goods beyond rational utility. This paper uniquely identifies the mechanism under which symbolic consumption is distinctly identified, produced, and scaled. Recommendation systems identify inferences to identity based on behavioral data and, accordingly, curate content, substantially allowing for an impact on self-identity and values beyond the preferences that existed beforehand (Cheney-Lippold, 2011; Ionescu and Licu, 2023). Consumerism, accordingly, is shaped more by algorithmic exposure and curation than actual price or rational utility (Rachmat, 2026). The same movements and tendencies tailored to counter symbolic consumption, such as de-influencing, ironically fall into the same cycle under the identified mechanism of this paper and share a similar symbolic foundation instead of countering it (Khalil et al., 2025). Collectively, this paper states that Gen-Z consumption has not entirely shifted beyond the bounds of rational utility but is increasingly supplemented with an element of symbolism through intricacies like the evolution and development of automatic, algorithmic recommendation systems that influence identity.

More theoretically, this paper claims that the idea of bounded rationality by Simon (1955) has acquired a new shape within the confines of digital markets. Rational choice, having the boundary of limited human cognition interacting with a rather complex and multifaceted world, is no longer the sole or prominent case; it is increasingly the function of an external and commercially optimized environment suited particularly to the tastes of an individual's behavioral profile. Beyond consumer research, this may imply that economic participation altogether, in the form of the labor market or entrepreneurship, may transform altogether from rational to symbolic/identity-based logic due to commercially optimized environments.

Research to come may benefit from the limitations identified within this paper. A causal direction between algorithmic exposure and identity-centricism may plausibly be established through longitudinal or experimental research methods and accordingly strengthen the claims made within this paper. Particularly, the reverse causal pathway cannot fully be excluded from the triangulation research identified and presented. Research through a comparative lens across varying and more diverse geographical and cultural backgrounds would better help establish whether the research is universally applicable to algorithmically assisted markets or whether it varies locally via consumer culture and platform regulation. Lastly, it would be beneficial to directly verify and investigate the empirical integrity of the claim on economic participation being

a wider application of this paper's identified mechanism. It would indicate with sufficient evidence whether consumption is a genuine indicator of broader transformation or whether it is distinctly susceptible to symbolism.

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