

**UNDERSTANDING ETHICALLY QUESTIONABLE BEHAVIOUR IN CONSUMPTION:
AN EMPIRICAL INVESTIGATION**

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ABSTRACT

This thesis is a study formulated under the rubric of understanding ethically questionable behaviour in consumption. It is argued that ethics research in the marketplace has tended to focus with a perspective of business practice, leaving an understanding of the consumer perspective relatively under-researched. Developed here is a theoretical framework seeking an understanding of *how* and *why* consumers engage in ethically questionable behaviour. This is initially based upon the Theory of Planned Behaviour, but extended from findings of three interrelated empirical studies conducted during the research period.

Using a combined approach of qualitative and quantitative research methods, data is presented to describe the complexity of consumer ethical decision-making considered across a wide variety of situations. In the preliminary stage of the empirical investigation, conducted through interviews and focus groups, explores consumer motivations for engagement in particular kinds of behaviour, taken to be ethically questionable. Following this, findings of two subsequent survey questionnaires, conducted to first establish and then examine underlying components of the behaviour in question, suggest a significance, and casual relationships of the underlying components with judgement, intention and reported behaviour. On this information, recommendations are considered with regard to a developing theoretical framework for ethically questionable behaviour in consumption.

The empirical investigation reveals that consumers appear to be equally aware of engaging in ethically questionable behaviour, as well as not always accepting such behaviour as simply 'unethical'. Emphasis then affords to ethicality of a wide spectrum, than merely as in the opposition ethical/unethical. The empirical findings also imply that the decision-making process in an ethical context is far too complex to be explained only in terms of ethical beliefs (i.e., rightness or wrongness of behaviour). Furthermore, it is shown that intention for engaging in the behaviour in question is very much dependent on the specifics of a situation, and represented here, in part, by the degree of estimated outcome, the willingness of social participation and the perception of unfairness of business. These implications and their wider importance are discussed, along with considerations for further research, seeking overall to contribute to a greater theoretical understanding of consumer ethics.

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Chapter 1 Introduction

1.1 Introduction

The current research is concerned with the intersection of consumer behaviour and ethics. Previous studies on consumer ethics can generally be regarded as concerned with either ethical or unethical behaviour. A series of investigations documented here consider the possible causes of consumer behaviour in situations that might well be determined by some as unethical and more generally can be described as ethically questionable. However, it is taken to be outside of the remit of the current research to define ethical and unethical consumer behaviour; instead, presented here is the process of analysing and developing a suitable theoretical framework for understanding consumer decision-making in the ethical context. The current research then is formulated under the rubric of *understanding ethically questionable behaviour in consumption* (EQB).

The impact of EQB on business performance can be considerable. Counterfeited branded goods, for example, are estimated to be worth 5-7% of world trade, with a loss of 200-300 billion Euros and approximately 200,000 jobs per annum (The European Commission Paper, 1999). In the UK alone, the cost of consumer theft and fraud is estimated to be worth more than £635 millions a year (British Retail Consortium 1997 Retail Crime Survey cited in Mitchell and Chan, 2002). An example of such consumer behaviour can be shown with a 'Weekend Habits Survey'

conducted by the internet holiday company webweekends.co.uk, in 2001¹. Street interviews were conducted with 339 respondents in London, the South, Birmingham and the North West. The survey reports that as an average overall 16% of the respondents had stolen hotel towels and this increases to 36% of the respondents from the Midlands.

The phenomenon of retail fraud and software piracy - key examples of EQB – are practices recognised by some as a form of the so-called dark side of consumer behaviour (Hirschman, 1990). But defining EQB can be difficult and will provide debate about the extent to which some forms of behaviour are more unacceptable than others. For instance, is it the ‘so-called dark side of the consumer’ in evidence when goods are returned to stores simply because they are unwanted, or when a great deal of time is spent trying on items of clothing in-store and then not making any purchase? Much of this sort of behaviour is often recognised as generally acceptable, in cases even encouraged by businesses themselves, and yet clearly these practices are open to misuse. However, regardless of the degree to which a behaviour is deemed unethical or not, with clear financial implications business practitioners inevitably face a range of strategic decisions in order to minimise the effect of such consumer behaviour on business performance in the marketplace. Consequently, an understanding of *how and why consumers engage in EQB* is crucial for such strategic decision-making.

¹ This data was provided by webweekends.co.uk through direct correspondence with the company, May 2001.

Ethics cannot be taken to be static, but rather always shifting according to differing influencing factors and perspectives. It is then always open to debate what actually occurs both within and across a range of specific 'questionable' behaviour, and to what extent these activities when conducted by individuals are considered to be ethically questionable. Such enquiry can range from considering whether ethical concerns even surface for the individual, or, considering the extent to which these concerns are re-defined in practice to alter their ethicality. The high-profile protests against globalisation² can be taken as an example of individuals and groups re-configuring the ethicality of business and consumer practices. In some circumstances these individuals will consider it more ethical to push up against the law (in some cases actually breaking it), since their core beliefs, though illegal, are codified and sanctioned according to different interests. Opinions and activities vary widely in such an example, but it serves, albeit in an exaggerated manner, to highlight the different (and at times ambiguous) positions, taken up in consumer behaviour. Without doubt, a host of personal and social factors are at play in any consumer behaviour, and these shape, and are themselves shaped by, the ethicality of such behaviour. In leading towards then the development of a theoretical framework it is important to keep in mind the complexity of individual consumer behaviour. The current research seeks to develop a greater understanding of these different factors, and the way they influence decisions in ethically questionable situations.

What follows is a discussion of the relation between consumers and ethics, highlighting a need for both understanding the context of ethicality, and recognising a high degree of complexity. This is discussed in two main sections. Firstly,

² The reader can be directed here to a popular account of some aspects of this movement in Naomi Klein's *No*

consumers and ethics are considered in terms of established perspectives, which are shown to have changed with the changes from industrial development to contemporary society. Secondly, definitions of ethically questionable behaviour in consumption are discussed; the main concern here is to clarify the scope of the research subject under the investigation. Following these considerations, research objectives and contributions of the current research are specified. Finally, the structure of the current thesis is presented.

1.2 Consumers and Ethics

The literature on business ethics provides an account of ‘ethical consumers’ in considering the need and means for improving practices in business. Clearly, an understanding of consumer behaviour is key in the handling of wider business needs and interests; and it is then no coincidence that a wealth of consumer related ethics research has been conducted. However, as it can be shown, this kind of research relates very specifically to the ‘ethical’ consumer. Such a consumer can be characterised as both the consumer who is considered as clear-sighted and determined in being ethical, and/or the consumer who consumes ‘ethics’ itself (i.e., ethical value), in the form of designated ethical products from specialist outlets etc. (for example, The Body Shop, Fair-trade, Oxfam).

The development of such an understanding of the ‘ethical’ consumer can be traced back through a heritage that, despite changing perspectives, nevertheless maintains

an emphasis upon the assumption of the consumer as clearly definable; here predetermined as ethical and as bearing an important role in improving business practices and markets. It is such heritage that has left a wider *ethicality* of consumer behaviour relatively under-researched. Necessarily, theoretical development has been relatively slow, as it must negotiate on a number of different levels, from the abstract to the practical, and pay attention to a host of different disciplinary interests. It is the contention of the current research that a greater understanding of ethically questionable behaviour (EQB) must go beyond the heritage that underlies so much of ethics research. Such heritage might broadly be placed into two historical stages of the consumer in the western world, being the myth of 'Economic Man', and then later the 'Sovereign Consumer'.

1.2.1 Economic Man

It is with industrialisation that a significant shift occurs regarding the consumer, and by and large being the consumer identified with today. The driving force behind such development has of course been established in Max Weber's thesis of the Protestant Ethic (1958); this brings together the idea of the self-disciplined, morally dutiful individual with the process of capitalism. Individuals are said to work hard as part of a virtuous lifestyle, and then on occasion function as consumers who would spend their money carefully and rationally.

Such behaviour in consumption was considered to represent the good for society as a whole (Buchholz, 1998), and this establishes a principle of socially desirable behaviour. Essentially the individual is a functional element, or particle, in the

market mechanism. “Economic Man”, considered an archetypal consumer in classical literatures (Schneider, 1974 cited in Bagozzi, 1975), lies at the heart of doctrines in economics and marketing (Buchholz, 1998). The definition, being an ideal type rather than the description of a ‘real’ consumer, functions as a social norm bringing benefit to a society. Indeed, the description of ‘real’ consumer behaviour is of little importance, for it is more important that production be better understood and perfected, for then, ‘real/rational’ consumers can come to assume their appropriate function unhindered. Clearly central to this theory is the concept of the consumer as both rational and socially inclined. Crucially, the role of the consumer is established (or predetermined) here for the broader purposes of understanding the nature of economic and business practice, and so all too simply, consumer behaviour that is seemingly not rational, comes to be considered as only mistaken.

1.2.2 Sovereign Consumer

From the middle of the twentieth century onwards, the influence of the protestant ethic, though still remaining, becomes less significant. Instead, consumption becomes less a reward for productivity and more a social pleasure, indeed, individuals come to be characterised more often as consumers, with status defined more by an ability to buy than to produce. This occurs as the individual obtains more money and time for self-enjoyment, and is exposed to a greater variety of market offerings and the freedom of purchasing (cf. Buchholz, 1998; Gabriel and Lang, 1995). Alongside these developments marketing techniques improve, and in some cases become criticised as “unfair” and “abusive” (Cox et al., 1965 cited in Hunt and Chonko, 1984); in turn, the issue of marketing ethics rises. Indeed, more researchers

began focusing on the ethicality and morality of business practices (i.e., Hunt and Chonko, 1984). Marked here then is a shift from passive consumption to active consumerism; the consumer is no longer definable as simply a particle in the market mechanism, but rather more a gate-keeper within its operation. Such changes to the nature of the consumer naturally change the evaluation towards consumption.

Consumerism comes to mean conspicuous consumption, or in other words an ideology in itself (Gabriel and Lang, 1995, p.8). Often associated with this development – and as much of the literature concerning business ethics and consumerism would contend - is Nader's criticism of General Motors: *Unsafe at any speed* (1965). This publication can be said to be an early contributor to a host of arguments and debates, to which social groups and individuals can be seen to respond and follow, and even incorporate into their own practice of consumerism (Carroll, 1993).

Consumer groups such as promotional pressure groups run campaigns and practice boycotting, and attempt to mobilise public opinion in respect of specific ethical issues regarding for example the environment and political system (Whatwell, 1998); one might, for example, think here of the campaign for 'fair trade'³. Consumers in such organisations are keen to guide businesses in what is ethically right through their purchasing, and to raise awareness among other individual consumers. In this way, an understanding of the consumer tends to be derived from traditional perspectives. Certainly, the significance of organised ethical consumption has been recognised since the inception of a so-called consumer movement (cf. Carroll, 1993).

³ For a review, see Strong (1997)

The consequence of such activity is revealed in policies relating to consumer rights and protection very much in evidence today. Consumers are able to form groups with other consumers and direct significant power and pressure toward firms and governments in order to improve a situation. This then is the rise of another archetype, "Sovereign Consumer": the consumer whose purchasing behaviour bears relation to the development of the market place, provoking increased competition, especially where markets fail, as in unethical practice (Smith 1990; Titus and Bradford 1996).

The attributes of a sophisticated consumer can be observed in individual characteristics that may be said to foster ethical decisions and ethical behaviour. Hunt and Vitell (1992) put this across with the notion of 'ethical sensitivity', whereby an individual's own characteristics enable one to 'recognize the presence of an ethical issue' (cited in Sparks and Hunt, 1998, p.93). This can relate to an individual's demand for access to relevant information and a commitment to practising ethical behaviour (Shaw and Clarke, 1999). However, a demand for the 'ethical' is considered in another manner by Holbrook (Holbrook, 1999, pp.12, 21-22), where ethics becomes just one of many values that consumers pursue to be satisfied in consumption. In either case, whether the consumer is taken to be acting ethically or simply consuming the "ethical" (as in designated ethical products mentioned previously), it is reasonable to believe, the ethical consumer is 'experienced' in making well-considered decisions in an ethical context, even though equally they might only be thought of as being a more deliberating consumer, and perhaps only within specific contexts.

Consumerism considered in such a perspective strengthens the positive function of consumer behaviour in the economics and business literatures. Certainly in *laissez-faire* economics (Adam Smith's "invisible hand"), a consumer is considered to play an important role in maintaining the market mechanism (Hansen and Schrader 1997). Following this then, it can be acknowledged, as Smith (1990; 1995) notes, the importance the consumer has in relation to improving business ethics. He argues specifically that *consumer sophistication* (i.e., knowledge about products and firms and capability of decision making) works effectively to reduce unethical practices in business.

The sophisticated consumer, and also the conspicuous consumer of ethical 'value', bears witness to a very different economic period than does Economic Man. This individual, as much an ideal type, is more aware of the market place, capable of reading, even decoding the messages of marketing, and aware of his or her own role as a consumer in the production cycle. Once again however the emphasis is maintained on the 'ethical' consumer. Indeed, in re-accounting these two defining moments in the conceptualisation of the consumer, and without wishing to dispute the significant developments of consumer research given by this literature of economics and business ethics, it is important to make clear that the wider *ethicality* of consumer behaviour is relatively under-researched.

1.2.3 Deconstructing the Consumer

There are a number of arguments that can be said to counter such archetypal notions of the consumer as related in the previous sections. For example, a number of researchers (cf. Gabriel and Lang 1995; Titus and Bradford 1996; Hansen and Schrader 1997) argue that consumers on occasion are not sophisticated enough to reach and execute ethical decisions. In fact, studies of consumer behaviour have found factors that demonstrate failures of judgement in decision-making due, for example, to the lack of ability to gather information, and also regarding individual biases developed through previous experiences (cf. Engel et al., 1995; Foxall et al., 1998). In addition, choice and control exercised by consumers, with respect to business practices, are also limited because these consumers must rely on the offerings available in the marketplace, and cannot participate directly in the process of establishing the scope of such offerings (Firat 1996; Titus and Bradford 1996).

Other researchers have pointed out and examined those occasions where consumers behave in their own interests in spite of the ethicality of their behaviour (Sorell 1994; 1997; Chan et al., 1998; Muncy and Eastman 1998). In some cases businesses can be seen to encourage this behaviour. For example to establish a clothes chain, it is the norm to offer fitting rooms and an accommodating return policy in line with competitors. However this does not take away the fact that behaviour in such context can pertain to real ethical dilemmas. The customer placed ‘centre-stage’ in this way, inevitably has an impact on the ethicality of the relationship between consumers and firms; and this is by no means necessarily premised upon the clear-sighted and ‘ethically’ oriented consumer. Furthermore, the consequences will be problematic if the consumer actively seeks to use this privileged position in order to exploit a firm.

As Sorell (1994; 1997) notes, an examination of how consumerism has developed highlights certain precepts about consumers, including that marketing activities should fulfil consumer needs, and that firms need to secure customers' personal and social well-being. Overall such precepts influence how firms treat customers, often characterised by the maxim: *the consumer is always right*. This being the case even when the customer is 'wrong'. On a much wider scale, the impact of consumerism (driven by increasingly higher degrees of materialistic desire and excessive want of material objects and experiences) can be argued to result in overall negative effects on the quality of life such as harming the environment (cf. Muncy and Eastman, 1998).

Following another argument, Sorell and Hendry (1994 cited in Strong, 1997, p.34) have implied that a distinctive difference between ethical consumers and other consumers is that the other consumers have a much stronger commitment to a 'comfortable life' for themselves than 'ethical' consumers. It could be thought that the current research focuses on the behaviour of individuals who are somehow motivated not to practise ethical behaviour but pursue their own needs according to a perceived comfortable life (or goal). However this is not the case. Indeed each of the arguments, noted in this section, would seem, for the purposes of this current research, to be too prescriptive. This is because definition is still maintained, though inversely, of the ethical consumer as one consuming ethical value, and/or as being all knowing about the situation they are placed in. In other words the 'unethical' consumer is a category maintained by a simple opposition to the 'ethical' consumer. This does not really allow for any greater complexity of the ethicality of consumer

behaviour, and repeatedly a question might seem to arise as just what makes a consumer unethical. Perhaps such a question is still premature.

One way of considering consumers that goes *beyond* the simple ethical/unethical dichotomy might refer to the concept of amorality. In this case consumption does not present any significant ethical issue – the shopper is simply adept (or not as the case maybe) in the process of purchasing goods according to aesthetic, economic and psychological criteria. The amoralisation of consumption is certainly an important concern, not least because it poses difficulties for the researcher to make clear sense of the motivations and behaviour of an individual consumer. In much literature the sense is that consumers might prefer to view the process of consumption as amoral as it helps avoid specific moral issues (relating for example to the environment, distribution of wealth, civility etc.); so for example in green marketing literature amoralisation might refer to ‘the denial of moral status for the environment, or the avoidance of moral reflection or attachment in relation to greening (Crane, 2000, p.674). Adopting the concept in this way has the potential problem of forcing a normative response. If consumerism is said to be amoral then ethics become disengaged from consumer behaviour: ethics lose their meaning. By suggesting that a consumer might deny issues of morality in the consumption process in order to avoid facing such concerns, suggests a prior assessment of such behaviour⁴. However amoralisation is an important issue, and has been important in providing a

⁴ To make sense of amorality further it would perhaps be necessary to take account of the more philosophically framed post-modern (and indeed post-human) debates (cf. Lyotard 1984, 1991; Foucault 1972) which re-orientate dramatically the scope and conditions of morality. Indeed, through Knowledge, the ‘human’ is said to realise both the place (and ‘meaning’) of humanity within the vastness the Universe, and yet of course to understand this position as being essentially meaningless. From such a perspective – a form of nihilism – morals can be said to lose all valence. Naturally, it is considered to be outside the scope of this research to engage in such debates, but nonetheless they highlight the complexity of approaching the consumer as a unified and fully comprehensible entity.

more complex picture of consumption behaviour across different contexts. It is one aspect of the decision-making process is unlikely to be well understood simply through quantitative analysis, but rather needs further investigation via more discursive and open-ended enquiry more associated with qualitative methods.

Without doubt then it is a matter of perspective whether one is ethical or unethical [or amoral]; furthermore, the category of the ethical or unethical consumer might be considered to be a much more changeable category than is often initially thought. However, in setting aside of any wish to pin-down a precise definition of the unethical consumer, it is considered – in the context of the current investigation - to be possible to examine the different behaviours in relation to specific situations that are attributable to ethical issues. The emphasis then is upon the decision making *process* - being a fluid and complex, but nevertheless accountable process. In what follows, the scope of the research focus is explained, before going on to detail objectives, contributions, and the structure of the thesis.

1.3 Ethically Questionable Behaviour in Consumption and the Decision-making Process: The Scope of the Research

This research refrains from writing explicitly about ethical and unethical behaviour in favour of *ethical questionable behaviour*. What is ‘questionable’ might be located on a number of different levels. Certainly this can include a behaviour that is ethically questioned, meaning that the behaviour is considered to be unethical by an individual, or the social sphere; or, it might refer to behaviour that is questioned by

an individual or social group as to its ethicality, but without clear consensus being drawn. This would mean that the behaviour is found to be in a state of being questioned. Additionally, it can refer to behaviour that is not necessarily acted out in respect to ethics; that is it is questionable that ethical consideration is even made during a specific act or decision-making process. Furthermore, this addresses another important attribute of the ethical moment, for ethically questionable behaviour is not necessarily unacceptable to consumers in one social grouping, even though it might be to another, and the same logic applies to the different perspectives of individual consumers to businesses, and even the researcher.

It is important to note that the current research is not attempting to develop either a normative understanding of what is or is not ethical, nor a more philosophical enquiry into what *is* 'ethical'; indeed, the current research is not 'an attempt to capture the overall essence of a different philosophical project, and its notion of critique' (Hetrick and Lozada, 1999, p.163). This is discussed in more detail in Chapter 2 where normative and descriptive approaches to ethics research are discussed.

Further to these points, it is also important to clarify that the current research is not attempting to investigate ethical or unethical 'consumption' (even ethically questionable 'consumption'). Ethical consumption, a term commonly referred to within green marketing and sustainable economic literatures, denotes a focus upon what is purchased, why it is purchased and how it is produced (e.g., fairly traded coffee, or cruelty-free cosmetics). This thesis does not seek to investigate consumption in itself in this way. Indeed, it does not examine what might be

considered at the opposite end of the spectrum from ethical consumption – i.e. unethical consumption (e.g. what and why illegal or ambiguous ‘purchases’ are made, and what effects these have for supply and demand etc.). Instead, the current study employs insight from the findings of previous studies which help contextualise and describe issues deemed to be ethically questioned; e.g. video piracy, insurance fraud, returning goods without good reason, and so forth. In this way, the current thesis focuses rather on the decision-making process in question: that is *how* and *why* consumers engage in EQB across a range of contexts. Specifically, research focuses on the relation between antecedents and intention to perform the said behaviour, which can be considered a very particular instance of the decision-making process as a whole.

It should be pointed out, that since the empirical investigations focus upon motivations leading up to behaviour (in terms of antecedents and intentions as noted above), only limited consideration is made of any post behavioural responses. This can be said to be problematic for the collection of empirical data, especially if it is considered, according to cognitive dissonance theory (Festinger, 1957), an individual is inclined to maintain consistency among their beliefs. Thus, when finding inconsistency between behaviour and their beliefs, the individual is said to reduce such discrepancy. In the event of *having* engaged in EQB, consumers may feel uncomfortable with the fact. In such a case, consumers may even attempt to eliminate inconsistency between behaviour and their beliefs, and which of course may include creating reasons to justify their behaviour. It should be pointed out, an examination of this post behavioural response is taken to be beyond the scope of the current thesis (operating under the rubric of *why* and *how* consumers engage in

EQB). Of course, such a process of justification presents significant problems in terms of the examination and collection of data that pertains relevance solely to the process of and before engaging in EQB. However, the current investigation adopts a qualitative study that provides some insight of post behavioural responses and is expected to moderate this problem. Further discussion on the methods of data collection in relation to an examination of antecedents and intentions is made in Chapter 5, and indeed further comment is offered on this concern of post behavioural responses in the final chapter, chapter 9.

Furthermore, this research is not concerned with either an interpretive or a post-modern perspective, both of which deal with consumers in terms of subjectivity and discourse theories (Marsden and Littler, 1998). Undeniably, these perspectives are beginning to find application in the area of marketing and consumer behaviour research (in relation to marketing cf. Firat and Venkatesh, 1993). Small's consideration of morality and the marketplace (1999) is an example of research explicitly engaging in these paradigm debates. However, it can be said that such perspectives are not appropriate to the approach of the current research since in general they are concerned with what can be taken to be *meaningful* in how and why specific individuals behave and/or how and why specific events are meaningful to individuals. That is to say, the concern of ethics in interpretive and post-modern perspectives relates to issues of identity and subjectivity formation, and the ontology of such formations⁵. Clearly, these interests are outside of the scope of the current research. Indeed, the current research approaches the enquiry of *how* and *why* consumers engage in EQB in terms of observable and measurable units of cause and

effect. This further leads to the main objective of the current research: developing a theoretical framework that explains the EQB decision-making process through an empirical investigation. Thus, the concern of the current research is oriented by a positivist perspective, and so with investigating and testing the varying mechanisms of how and why specific behaviour occurs. Such an approach then is concerned with identifying frequency and regularity of social phenomena as the most reliable factors in an analytic description of the social world.

In designating the object of study, as *ethically questionable behaviour*, the current research is orientated with respect to an inter-disciplinary context within traditional perspectives (i.e., a positivist approach). The behaviour investigated is labelled across the literature of consumer ethics, behavioural psychology and criminology as non-normative consumer behaviour, aberrant behaviour or unethical behaviour. Examples range from consumer behaviour harmful to business (i.e., returning goods after having damaged them or not liking the goods) to illegitimate behaviour (i.e., shoplifting, card rip-off, insurance fraud, loan default and tax evasion). Much recent literature also includes investigation of software piracy and counterfeit goods.

Fullerton and Punj (1993, p.570) define 'aberrant consumer behaviour as behaviour in exchange settings which violates the generally accepted norms of conduct in such situations and which are therefore held in disrepute by marketers and by most consumers'. While, Strutton et al. (1997) note the concept of unethical behaviour⁶ as 'related to the behaviour resulted from a special case that consumers overturn the

⁵ For consideration of post-modern theory in relation to business/consumer ethics and marketing, see Brown (1993) and Hackley and Kitchen (1999).

⁶ This is with reference to the theory of "Techniques of Neutralization" developed by Sykes and Matza (1957).

suitability of ethical norms and in that its consequence violate broadly accepted principles of morality' (Strutton et al. 1997, p.88).

Socially accepted norms are a key aspect to these definitions. Within the literature of consumer ethics, the dimension of socially accepted norms needs be taken account of. Previous studies⁷ in consumer ethics provide evidence that consumers show a certain degree of acceptability or tolerance toward some types of behaviour even if that behaviour attributes supposedly unethical dimensions (e.g., financial loss for firms or environmental hazard recognized as consequence of the behaviour). How widespread a socially accepted norm is, and how it is situated within other socially coded norms is important to note. Social groups can be said to exist within other broader social groupings, and this complicates the nature of the ethicality of consumption. The boundary between normative and non-normative behaviour ought to be taken then as less rigid and consistent in definition. It is both a matter of social and individual perspectives.

The mechanics of 'socially acceptable norms' are left open to be determined by specific settings, and though certainly a clear definition of the behaviour investigated here needs to be maintained, it is with regard to the notion of socially acceptable norms that can vary across societal and cultural settings. Indeed, supply and demand of resources (raw materials) and exchanges of market offerings have become borderless among cultures. Impacts of one culture cannot avoid affecting members of other cultures, making the culture of consumption diverse; consumer needs and market offerings are wide ranging, as are related ethical judgements and behaviour.

⁷ Details of these findings are discussed in Chapter 3.

In summary, EQB in the current research is considered with an emphasis on day-to-day consumer affairs in all its complexity. The context in which consumer behaviour is analysed here ranges from legally defined fraudulent behaviour (contravening copyright, or making a bogus claim etc.), to more ambiguous consumer exchanges such as returning unwanted purchases, or sampling non-purchased goods.

1.4 Research Objectives and Contributions

The aim of the current research is to investigate the complexity of consumer decision-making in relation to Ethically Questionable Behaviour (EQB), and specifically to gain a further understanding of the EQB decision-making process. The underlying objectives of the research can be considered in three broad categories: theoretical development, empirical investigation and implications. Tackling these objectives will subsequently lead to contributions to the broader fields of research relevant to the issue of consumer ethics.

The first objective of the current research is to examine theoretical issues, concerning ethics and consumer decision-making, in order to understand better EQB decision-making. This examination contributes to developing in the first case a theoretical framework for EQB, and as an initial step in the direction of proposing a working framework for EQB which can be empirically tested. This is to support an argument that ethical judgement may not fully explain the EQB decision-making process. Thus, the major objective of the current research is to establish empirically a theoretical consideration of EQB.

The next objectives of this empirical investigation can be specified in the following three ways. Firstly, to explore factors that might motivate performance of EQB. Secondly, to examine the different roles of influencing factors in EQB decision-making. And thirdly, to examine the different functions of factors influencing EQB across different situations. These objectives above are accomplished by conducting an investigation of three inter-related empirical studies, from which two contributions are offered. The first of these contributions demonstrates the range of consumer ethical judgement, intention and behaviour across different kinds of EQB in the UK. This is used to examine the process of EQB decision-making. The second contribution is a modified framework for EQB, that allows for further theoretical propositions to be examined and also enables continued consideration of the EQB decision-making process.

The final objective of this research is to draw implications from the empirical findings. These considerations are expected to contribute to new insights into the EQB decision-making process, and so again providing direction for future research.

1.5 The Structure of the Thesis

The current thesis consists of eight further chapters. In Chapter 2, the various approaches that have been taken by ethics researchers are discussed, with particular attention to business and consumer ethics. It addresses the contributions within the realm of both normative and descriptive approaches and their subsets. It also

demonstrates parallels that exist in the way research has expanded in business ethics and consumer ethics. Indeed, business ethics research has advanced to develop comprehensive models in explaining relevant issues, in contrast such development has not been so evident in consumer ethics research. The chapter highlights the importance of such theoretical development for understanding, and building a comprehensive model of, EQB.

In Chapter 3, literature on consumer ethics is reviewed. It aims to identify the gaps and limitations in this area of the research. Firstly, it summarises the recent discussions on EQB. Secondly, it reviews empirical studies that have investigated decision-making in relation to specific issues of EQB and their findings. Thirdly, it reviews empirical studies that are concerned with providing a more holistic view of ethically questioned consumer behaviour in all its variety. Finally, it examines the implications of these studies for future directions of research, and as taken up by this current research.

In Chapter 4, the Theory of Planned Behaviour (TPB, Ajzen, 1985; 1991) is introduced as a theoretical foundation for the current research. The theory is applied to build a general understanding of individual decision-making, but to which is aimed extension and refinement by taking an account of insights of EQB decision-making. Within and around the frame of TPB, the chapter examines previous studies that assist in developing initial observations of what is involved in the EQB decision-making process.

Chapter 5 discusses the methodology of the current research. It provides justification for the approach taken in the current research and addresses general methodological issues surrounding ethics research. The chapter discusses philosophical assumptions that subsequently reflect methodological decisions. This discussion includes consideration of positivist and interpretivist approaches, and quantitative and qualitative research methods, and validates the current research as a predominately of a positivist approach, though combining aspects of interpretivism and qualitative methods. The chapter closes with a discussion of methodological concerns involved in empirical investigation, including matters arising in sampling.

Chapters 6, 7 and 8 present in order a three-stage empirical investigation into EQB decision-making. Chapter 6 presents a qualitative study which aimed to gather insights of EQB decision-making and identify the factors that might explain the causes of EQB. Based on the theoretical foundation (TPB), possible antecedents of EQB are proposed. In Chapter 7, the proposed antecedents are quantitatively examined and then a theoretical framework for EQB is proposed. In Chapter 8, the proposed framework is tested to examine the causal relationships between the antecedents and intention for EQB.

Chapter 9 provides a brief summary of the thesis and empirical findings followed by a reflection on implications of the findings. The chapter also addresses the limitations of the investigation undertaken, before outlining the significant contributions made in the area of research. Final remarks reflect upon possible

direction future research might take, both in extending the validation of the framework, and in applying the framework as presented here further afield.

Chapter 2 Research Development on Ethical Issues in Marketplaces

2.1 Introduction

The literature on ethical issues in marketplaces has moved along two lines of inquiry using two major approaches, i.e., normative approaches and descriptive approaches. Normative approaches are grounded in philosophical and theoretical discourse, and identify principles and guidelines for ethical conducts in the marketplace. Descriptive approaches use knowledge based in psychology to explain the decision-making process for ethical situations in marketplaces. These two approaches represent quite different research perspectives in trying to understand ethics. Normative approaches are concerned with what individuals ought to do while descriptive approaches are concerned with what individuals actually do when facing ethical situations.

This chapter attempts to lay the foundation for the choice of the most appropriate approach that will allow the researcher to develop the research methodology and facilitate the pursuit of the research agenda in this thesis. The aim of this chapter is twofold. First, to explore the extent, and direction, of theoretical development within both the normative and descriptive approaches. Second, to deduce and establish the most appropriate approach and line of inquiry that will most successfully enable the pursuit of the present research agenda. To do so, this chapter will summarise the underlying basis and assumption of the major approaches.

It has to be noted at the very outset that there seems to be relatively greater emphasis and focus by researchers and practitioners on the seller's perspective (i.e., business ethics of the ethics in marketplace equation). Indeed, the business ethics literature can be traced back to its emergence during the 1920s (Bartels, 1967). Throughout the 1960s to 1970s, specific issues such as respondents' rights in marketing research became the focus of research rather than broader observation about business ethics (Smith, 1995). Interest in business ethics has grown over the last two decades. This has included the inauguration of specialist periodicals such as *Journal of Business Ethics* and *Business & Professional Ethics Journal* in the early 1980s, along with a number of conferences taking place regularly on business ethics issues (Vitell and Ho, 1997).

In comparison, the buyer's perspective (i.e., consumer ethics) has received relatively less attention, perhaps as it has come into focus at a much later stage. According to the review of Murphy and Laczniak published in 1981 that examined marketing ethics, only 5% of reviewed studies investigated consumer ethics (cited in Rallapalli et al., 1994). A recent extensive search of the literature in consumer ethics (Al-Khatib et al., 1997) reports approx. 20 studies related to consumer ethics; in addition, these 20 studies were unfortunately limited to specific situations such as shoplifting. No dedicated journal concerned with consumer ethics is in circulation within the marketing domain; if anything, it seems that this topic has been incorporated within business ethics. To the best knowledge, there are two conferences which have focused particularly on the theme of the ethicality of consumers: in 1979, the American Council's 25th Annual Conference considered *Ethics and The Consumer Interest* (April, 1979); and in 1994 the University of Maryland convened a

conference on the theme of assessing contemporary consumption in the world economy in relation to consumer ethics (September, 1994). With increasing impact of consumer behaviour in marketplaces, 'more systematic conceptual development and empirical investigation for consumer ethics' is encouraged (Holbrook, 1994, 566).

In comparison with business ethics where theory seems to be well grounded, consumer ethics is still in an earlier stage of theory development. It is then perhaps logical to examine the general developments in the area of business ethics. In doing so, the researcher seeks, on the one hand, parallels with those developments in consumer ethics, and on the other hand, the extent to which the research can draw upon the developments in business ethics to assist in theoretical development in the area of consumer ethics. This process will presumably help the researcher delineate the appropriate approaches in pursuance of the current research question of *how* and *why* consumers engage in ethically questionable behaviour.

The following sections discuss, in turn, the normative and descriptive approaches in ethics research. The first section covers normative approaches making a brief summary of ethical theories applied to ethics research. It discusses the application of ethical theories in conceptualising how ethical decisions should be made and which provide ethical guidelines to decision-makers in the marketplace. Following this, the next section discusses descriptive approaches, and in particular cognitive and social learning approaches which focus upon understanding the process of a decision-making in ethical context. This section also summarises the contributions of business ethics decision-making models for understanding various aspects of the

process. It is noted that the development of these models has been evident in business ethics research, but that any parallel development has been missing in consumer ethics research. The lack of model development points towards the importance of developing a holistic view of consumer ethics decision-making when investigating the occurrence of ethically questionable behaviour in consumption (EQB). Finally, following consideration of these two approaches, directions for theoretical development in consumer ethics research are considered in terms of seeking an understanding of the EQB decision-making process.

2.2 Normative Approaches

Normative approaches (also termed as philosophical approaches) focus on the determination of 'perspective ethics, identifying moral principles and methods of moral reasoning that justify rules and judgements of what is right and wrong' (Smith, 1995, p.86). Perspective ethics are indicated and differentiated by various ethical theories in philosophy. The following sections explain briefly the ethical theories that have been applied to ethics research of the marketplace, followed by the applications of these theories and achievements in ethics research.

2.2.1 Ethical Theories

Ethical theory provides underlying principles that it is considered decision-makers can follow. The main ethical theories applied to normative approaches are briefly summarised and presented in Table 2-1.

Egoism and ethical relativism are theories which refer to maximisation of benefits for individuals or members within the same culture. Egoism is used to describe profit maximisation and often termed as Machiavellianism, while ethical relativism explores cultural impacts on ethics. Although unable to provide principles of ethical behaviour that should be largely acceptable to a society, both theories have implications for ethics research in explaining profit maximisation by organisations and inconsiderate materialistic consumption (Rawwas, 1995). Justice theory, objectivism and utilitarianism consider the balance of individual benefits and social wellbeing. Commonly, these theoretical perspectives take an account of the wide spectrum of members of a society in terms of ethical judgements in decision-making. Teleology, deontology and virtue ethics encourage ethical decisions for the good defined by each of theories. It seems that the theories have inherited a strong association of the importance of ethical decisions to the health of social wellbeing.

Each theory introduced above (and as a common criticism of normative approaches in general) can be said to be more or less problematic in dealing with real situations. In reality, it is seen that there are various alternatives available as a set of judgments (decisions) for any given ethical situation. By examining a situation, it may happen that a decision-maker does not simply apply one principle as delineated in ethical theory but evaluate a number of alternatives. The decision-maker might then compare among these alternatives while considering both the ethicality and result of a decision. This implies that situations faced in real life are not simple and do not lend to the application of a single theory, or a set of theories, every time.

To deal with such situations, hybrid theories (Malhotra and Miller, 1998)¹ have been developed to emphasise the process of the reasoned decision-making process itself, rather than in terms of its determining of the goodness of behaviour. For example, someone breaking into a hospital and stealing an expensive drug is considered to be wrong and unethical in the deontological perspective, which focuses on the means of the behaviour (i.e., the means of 'breaking in' and 'stealing' is predetermined as wrong and/or illegal). Whereas, if the 'breaking in' and 'stealing' of the drug were to result in curing and saving a sick child, then according to a teleological perspective this would not be necessarily seen as unethical, since the end of the behaviour is good. Such a situation can clearly be seen to present a complex of ethical dilemmas in determining what ought to be done. Hybrid theories – acknowledging such complexity – seek to emphasise which imperative among the alternatives should be more important in a particular situation (e.g., stealing the drug, letting a child suffer, financial loss of the drug developer etc.)

While the ethical theories mentioned previously are able to conceptualise ethical decisions in a certain manner, the hybrid theories encourage accommodating various related disciplines and justify decisions through each decision-making process. These hybrid theories have influenced the emergence of descriptive approaches that

¹ Malhotra and Miller (1998) draw upon the moral philosopher William David Ross - author of *The Right and The Good* (1930) – to explain an underlying principle for hybrid theories that need to consider the trade-offs of which imperatives are often in conflict in ethical situations, and so assume that 'in order to make decisions one has to prioritize or determine which imperative is more crucial or important' (Malhotra and Miller, 1998, p.268).

aim to understand and develop a decision-making process with more practical implications (Malhotra and Miller, 1998).

Table 2-1: Ethical theories applied into normative approaches (Sources: Laczniak and Murphy, 1993; Malhotra and Miller, 1998; Dunfee et al., 1999)

Ethical theory	Characteristics	Existing framework
Egoism	Based on self-interest that is considered to be the goodness in moral principles. Thus, a decision-maker pursues the maximisation for his best interest. Such decisions may be evaluated as not unethical at the limited extent where other people have the same interest or receive no harm. Yet, some decisions result in harming well being of other members of a society and consequences are perceived as morally questionable in a society.	
Ethical relativism	Asserts that behaviour cannot be evaluated in terms of ethicality or rightness because ethical relativism argues that one culture evaluates decisions differently from another.	Robin and Reidenbach (1993)
Justice theory	Supported by the idea of equal opportunities and conditional violation for those opportunities. Rawls (1971) suggests that every member of a society should be exposed equally to opportunity, wealth and burden. Yet, when those principles are constrained, permissible inequalities should be redefined.	Hartman (1996)
Objectivism	Considers that ethics and ethical behaviour are ‘good’ although unlikely to be clearly observed in the ‘real’ world. In this sense, decision-makers are encouraged to at least aspire to make ‘ethical’ decisions and also oppose ‘unethical’ behaviour.	O’Boyle and Dawson (1992)
Teleology	Consequences are evaluated at the degree of justification of social well being but not at benefits of decision-maker or other members of a society. Hence, when conditions are feasible to make such decisions, decision-makers are encourage to do so even if the decisions do not result in their own benefits.	
Utilitarianism	One form of teleology; its aim is to achieve benefits for other members of a society as well as decision-maker’s in spite of the ethicality of consequences. In other words, consequence should be the greatest benefit or the least harm to everybody in the society. This theory is popular and considered relatively easy to apply in business practice.	Buchanan (1988)
Deontology (Kantian or Duty-based approach)	Based on Greek philosophy of ethics and later extended by Kant. Indicates moral duties that a human being has to follow under any circumstance. It is differentiated in terms of subjects of evaluations from teleology. This theory provides universal principles for goodness and badness in a society while teleology refuses universal principles for the best results by decisions. Consequences are not evaluated because decision themselves are already indicated by the theory	Laczniak and Murphy (1991)
Virtue ethics	A counterpart of relativism. Although there may be no absolute moral discipline, it is necessary to stop reacting in terms of total moral disaster, and start thinking towards what should be done for the ideal future of individuals or organisations and for the wellbeing of a society. This is an idea of pursuing virtue in ethical decision-making. The process of questioning and potentially bettering decision-making is believed to help inducing ethical rules or codes leading to ethical decisions.	Williams and Murphy (1990)
Hybrid theories	These theories consider ambiguity of a real life and reflect ethical dilemmas as recognition of situational grey areas where single ethical standardsimplied by ethical theories are found difficult to deal with. Hybrid theories in general emphasise the process of decision-making in ethical situations, such as reasoning and determining a decision.	

2.2.2 Applications and Achievements

This section identifies the criticism levied against normative approaches particularly in regard to their applicability in decision-making situations. Normative approaches contribute to the conceptualisation of how ethical decisions should be made and provide ethical guidelines that encourage ethical decisions and improve the ability of decision-makers. Several normative frameworks (see Table 2-1) attempt to provide guidelines for conduct in marketplaces as well as to seek a system which would reduce ‘unethical’ action. However, a criticism is raised arguing that such guidelines may only be effective under the notion that every manager in practice understands ethical theories, but in fact many do not (Smith, 1995).

The determination of which ethical theory best serves the development of ethical models as guidelines is also controversial. For instance, a deontological approach has been evaluated as being strict and idealistic, conflicting with its application to real situations. Utilitarianism on the other hand emphasises consequences that seem to lead to benefit maximisation for everyone. But, this approach may not examine ethical issues in terms of what is really ‘right’. Existing normative approaches are faced with limits on providing feasible ethical guidelines for marketplaces. As a result, these guidelines remain vague regarding many ethical dimensions. One of the obstacles in developing clear guidelines is that there are a variety of ethical standards originating from various social and cultural settings. This makes it difficult to identify one single standard (e.g., ethical theory). Therefore, a need has been identified to develop more accessible frameworks (Smith, 1995).

Smith (1995) argues that it is critical to seek criteria for the assessment of business ethics from the perspective of promoting consumer interests. One attempt to develop a more accessible framework within the area of business ethics is known as the consumer sovereignty test (CST, Smith, 1995). This normative model (CST) presents rules for managers in marketing. The model is established on a different perspective than the philosophical foundation on which rests the dominant base of normative approaches. The test consists of three components: consumer ability, information and choice. Consumer ability assesses the extent to which a consumer is capable of making decisions. For instance, it might attempt to understand the degree of vulnerability of target consumers (e.g., children, the elderly), and perhaps additionally, consider this in terms of laws and regulations relating to them. The information component of CST assesses the extent to which information is available and sufficient for consumers to make decisions. Choice assesses whether consumers have more than one alternative to choose from. Overall, CST determines the degree of consumer sovereignty regarding a particular marketing situation. This process raises appropriate concerns for the situation that is assumed to involve ethical issues and then provides assessment criteria to managers.

In another attempt, some researchers have found potential in social contract theories to develop beneficial guidelines, which commonly underlie ethical problems in various cultures. Dunfee et al., (1999) have suggested the use of social contract theories to challenge the limits of normative approaches; indeed social contracts or norms serve as social rules in a specific community or group. The authors pointed out that between a network of social groups, each group can function according to different social contract

(i.e., social norm). By examining social norms across the groups, ethical guidelines serving as generalised rules (or hypernorms) for business managers in a broader sphere would possibly be found². Social contract theory demonstrates that decisions clearly defined in terms of ethics need to have been developed on the strength of social agreement. Such theory does indeed allow for the complexity of differing ethical perspectives, and this is important in theoretical development, though equally it would tend to intimate a need for a high degree of social agreement; especially this agreement leads towards improving moral standards in society. Indeed, individuals would need to be fully capable of making decisions, as well as knowing what everyone else desires in order to be able to determine what is ethically correct. Practically then, there are elements which need attentions in application, which again highlights the difficulty in applying a normative approach.

Normative approaches in business ethics have made substantial efforts and despite the difficulties noted above, consumer ethicists have also tried to address the importance of developing such guidelines (i.e., Mowen, 1990 cited in Marks and Mayo, 1991). However, despite the importance, there have only been a few attempts. Stampfle, (1979: A Consumer Code of Ethics) presents consumer rights and responsibilities from within a multi-disciplinary perspective (e.g, economics, marketing, psychology, politics, environment etc). Schubert (1979: Intervention Strategies for Consumer Abuse) presents and analyses several types of fraudulent insurance transactions, and considers

² Business managers form just one set of decision-makers. Social contracts theories seek standards for members of the society as a whole, involved within a situation. Thus, the standards that are sought within this approach take an account of members involved in the situation.

the role of the government for suggesting options for intervention strategies. A recent code of ethics for media users is found in Hamelink (1995).

As noted in Chapter 1, it seems that consumer behaviour has not been questioned for its broader ranging ethicality. Due to the improvement of marketing techniques during the development of industrialisation, marketing activities have often been criticised as abusive and unfair (Cox et al., 1965 cited in Hunt and Chonko, 1984). Meanwhile, consumers have been viewed as victims of such aggressive marketing activities. The wave of consumerism heralded by Ralph Nader (1965) has escalated the view and even raised the reputation of consumers as auditors of unethical business practices. To date, consumers are considered continuously playing the role of the auditors, and even taken to extremes, as represented, for example, by the recent anti-capitalism protest movement in Seattle in 1999 (Piper, 2000) and in more general terms documented in the publication *No Logo* (Klein, 2000). Consumer 'ethical' activity, in whatever form, and however widely recognised as an exercise in consumer rights, does not help draw attention onto the consumer's own responsibilities and behaviour.

Thus, it can be argued that researchers have paid greater attention to the ethicality of business practices than they have to the ethicality of consumer practices in marketplaces. While this can be explained by the perceived greater vulnerability of consumers, this should not lead us to underestimate the importance of EQB by consumers. EQB imposes costs on business, and as noted previously in terms of counterfeit goods alone this can be considerable. Given that there are financial implications resulting from ethically questionable *consumer* conduct, there is a strong

argument to suggest that more attention should be paid to normative approaches to develop guidelines regarding consumer behaviour.

2.3 Descriptive Approaches

While normative approaches are grounded in philosophical discourse, descriptive approaches stem from psychology (i.e., personal, behavioural and social psychology). Descriptive approaches, including empirical studies conducted by psychologists, focus on behavioural predisposition of decision-makers towards ethics.

Descriptive approaches in ethics research are largely differentiated between a cognitive approach (also termed as cognitive developmental approach) and a social learning approach (Ho et al., 1997). The cognitive approach is founded on the assumption that ‘morality can be studied in terms of recognizably distinct patterns of reasoning about justice that develop in an invariant sequence’ (Kohlberg, 1969 cited in Ho et al., 1997, p.118). Its emphasis is on personal (or internal) elements of decision-making. On the other hand, social learning approaches assume ‘that understanding social conditioning is more important than rational consideration in explaining morality’ (Ho et al., 1997, p.117). Hence, its emphasis is on social (or external) elements of decision-making. The following discusses in turn the cognitive and social learning approaches.

2.3.1 A Cognitive Approach

A cognitive approach is the more established and dominant approach, used to explain the decision-making process and conceptualised behaviour in consumer research. Decision models within this approach are built upon frameworks of information processing theories (e.g., the perceptual cycle, Neisser, 1976; Greenwald and Levitt, 1984 cited in Foxall et al., 1994), and components of behaviour are examined through extended attitude theories (i.e., the learning theory, Fishbein, 1963 cited in Lutz, 1991). Researchers using a cognitive approach focus on the internal mechanism and stages of a decision-making process, including for example: purchase behaviour, need recognition, search, pre-purchase alternative evaluation, purchase, consumption, post-purchase behaviour (Engel et al., 1995). Ethics researchers using such a cognitive approach investigate judgements for a variety of ethical situations by examining internal reasoning.

In examining internal reasoning, Jean Piaget (1932) and Kohlberg (1969) pioneered the Cognitive Moral Development (CMD) paradigm which has been widely used in business ethics research. CMD proposes that there are six stages of moral developmental hierarchy (extended from the work of Piaget, 1932, Kohlberg, 1969). The six stages are categorised on three levels: preconventional level (stage 1 and 2), conventional level (stage 3 and 4) and postconventional level (stage 5 and 6)³. An individual at the preconventional level pursues his own interests but also obeys rules to avoid physical punishment. This level is considered to be the immature stage of moral

³ For the details, see Kohlberg (1968); also see Ho et al. (1997).

development. An individual at the conventional level behaves in the manner which is likely to be the most acceptable to society. His judgement and behaviour are, to a large extent, socially influenced and biased for social-benefits rather than his ethical beliefs. An individual at the postconventional level is observed to be aware of a variety of ethical beliefs and relativism of social rules and to follow self-chosen ethical principles. When laws violate these principles, he is ready to resist and act according to his principles (Ho et al., 1997, p.124).

Rest (1986 cited in Jones, 1991, p.368) developed a variation of the above model. His CMD model consists of four components: recognition of the moral issue, making a moral judgement, establishing moral intent and acting on the moral intent. Its aim is to understand and predict ethical behaviour by placing the second component, making a moral (or ethical) judgement, at the centre of the model (Rest, 1986 cited in Ho et al., 1997, p.119). The instrument to measure ethical judgement in this model is called the Defining Issue Test (DIT, Rest, 1986, cited in Cohen et al., 1998). It measures the stage of individual moral development and examines ethical judgement likely to result in subsequent behaviour. The CMD model and DIT have also been widely applied to determine ethical judgements in professional ethics (i.e., Ho et al., 1997) and to identify the relation between individual ethics and the professional role in a particular industry (i.e., ethics in accounting, Fisher and Sweeney, 1998).

In the area of consumer ethics, although researchers have not clearly stated their theoretical approach, a number of studies have tried to investigate ethical beliefs and judgement in ethical situations. These studies seem to assume that the judgements will

be the main cause of, or significant influence on, subsequent behaviour. For instance, Muncy and Vitell (1992) characterised consumer judgements toward unethical behaviour for the purpose of identifying possible causes of subsequent unethical behaviour.

As mentioned earlier, judgements in a cognitive approach are thought to approximate intention and subsequent behaviour. Judgements in ethical situations are determined by ethical values which reflect individual moral growth and are considered to be moderated by other personal beliefs, which can also create conflict. Inevitably, external influences and the level of their significance are abstracted in observing a certain manner of behaviour. In other words, the mechanism of behaviour within a cognitive approach is examined under perfect conditions, with no environmental obstacles to approximate behaviour. Such a tendency can be considered the source of a problem within the approach, as environmental factors and individual differences are not taken into consideration in terms of different social settings.

For instance, researchers (Blasi, 1980; Thomas, 1985 cited in Ho et al., 1997) have found that the Defining Issue Test (DIT) is unlikely to reflect the predisposition of actual behaviour. Rest (1994) notes that “moral judgement is statistically linked with hundreds of measures of behaviour; however, the linkage is not strong (typical are correlations of 0.3-0.4)” (p.21 cited in Cohen et al., 1998, p.254). Hence, ethical judgements reflect an individual *expectation* of himself and others more than his actual behaviour.

In fact, behaviour is constrained by evaluations that are influenced by environmental factors as well as by individual difference in ideology. It is therefore presumed unlikely that judgements about ethical situations can function as an immediate antecedent of subsequent behaviour. Ethical judgements may not result in ethical behaviour while ethical behaviour may not only be caused by the function of ethical judgements. Hence, this approach may not fully explain the significant discriminating causes to distinguish ethical from unethical intention and behaviour. To overcome the inherent weakness within the cognitive approach, some researchers found recourse in the social learning paradigm in order to understand behaviour in ethical situations.

2.3.2 A Social Learning Approach

Due to simplification inherent in the cognitive approach, it can be considered that this approach is insufficient in dealing with the influence of external agents such as cultural, and sociological factors (Kotler, 1996; Engel et al., 1995). As a response to such criticism, the social learning approach has been put forward as being more appropriate in examining external influences on judgement. For the social learning theorist, 'understanding social conditioning is more important than rational considerations in explaining morality' (Ho et al., 1997, p.117). As an alternative to the weakness inherent in the cognitive approach, a social learning approach induced researchers to investigate individual differences and their social setting in the overall decision-making process. This approach has now received great attention particularly where environmental factors take on unique attributes because of the specific organisational and marketing settings.

An extensive review by Leo et al., (2000) presents attempts by business ethics researchers who have investigated individual differences and environmental influences in decision-making process. Individual factors that were considered include individual ideologies (i.e., moral philosophy), demographic factors (i.e., gender, age, education, nationality, religion) etc., and environmental factors within which, organisational factors such as organisational culture, opportunities, codes etc. were considered. As a further environmental factor, moral intensity was considered. This represents the magnitude of the various characteristics of ethical issues.

Using the above factors, a number of measurements were developed and made available for empirical testing. For example, Cohen et al. (1996 cited in Cohen et al., 1998) developed an integrated Multidimensional Ethical Scale (MES) which aims to examine individual ethical orientation. The measurement is built on the assumption that individual orientation reflects components of moral behaviour such as ethical evaluation and intention. Individual ethical orientation is measured based on ethical theories such as justice, deontology, relativism, utilitarianism and egoism. An empirical study by Cohen et al. (1998) examined individual ideological orientation in a particular social setting (of accountancy) and provided perceptive insights suggesting that an individual's ethical ideology can differ from his particular evaluation, his intentions and his final behaviour. A summary of the existing measurements for both individual and environmental factors is available in the review by Vitell and Ho (1997).

In line with research in business ethics on the influence of external factors on decision-making in organisations, researchers in consumer ethics have also investigated

individual and environmental factors influencing consumer decision-making. However, as examined in depth in Chapter 3, such studies have concentrated on a few limited areas. It has been found that individual ideologies provide popular constructs that help to understand the difference in ethical judgements between consumers. The Ethical Position Questionnaire (Forsyth, 1980), based on idealism-relativism, has been subsequently applied to identify predominant ethical ideologies of consumers. The measurements of Machiavellianism and materialism have been used to understand the effects of egoism and materialistic value that supposedly conflict with ethical values. In terms of environmental factors, cultural factors have been found to be more dominant than others in influencing behaviour, whether ethical or unethical.

Studies based on descriptive approaches have been conducted to investigate external influences on judgements involved in ethical situations in both domains, i.e., business ethics and consumer ethics. These studies suggest that judgements involved in ethical situations do not only reflect individual ethical values or other individual beliefs but also reflect differences in individual characteristics and environmental influences. Up to this point one finds significant parallels between business ethics research and consumer ethics research in that both have tried to understand the influences that various factors exert on the decision-making process in individuals and organisations. However, beyond this point where business ethics researchers have expanded their understanding and conceptualisation of the decision-making process, consumer ethics research has languished.

Clearly there is a need for further development of theory in consumer ethics. Considering the significant parallels in these two research areas, it would seem reasonable to base improvement and expansion of a theoretical model of the consumer decision-making process, at least in part, on the development in business ethics. The following will explore the development of models in business ethics research, before attention returns to a consideration of research development specific to consumer ethics.

2.3.3 Contributions of Descriptive Approaches: Models of Business Ethics

This section notes the contributions of model development in business ethics in general as they attempt to explain various facets of the decision-making process. Within these models, the importance of holistic models takes on an added significance as they synthesise various aspects of the decision-making process and provide a holistic view of the behaviour. These holistic models involve the use of both individuals and environmental factors that are significant in understanding the decision-making process in business settings.

The current research considers that similar attempts at developing holistic models to understand how consumers engage in EQB is critical for furthering the development of theoretical knowledge in the area of consumer ethics research. The practical implications of developing these models are also considerable, especially given the financial implications of EQB that have been witnessed over the past two decades.

By recognising that both individual differences and social settings shape decisions, intention, and behaviour, business ethics researchers have made a substantial contribution to the identification of individual and environmental factors and have developed several models in organisational and marketing settings. For example, Rest's Cognitive Moral Development (CMD) model described in section 2.3.1 has been developed on a purely cognitive basis. While Rest's model contributed to the theoretical background in business ethics, influences from a social learning approach permeated the development of this model. Rest's model focuses on identifying a stage of an individual's moral development and investigating how the individual's development reflects on his/her ethical decisions. On the other hand, the models summarised in the following section emphasise moderating factors in the decision-making process and are concerned with understanding how business managers *fail* to make ethical decisions. What follows are brief accounts of some representative models of business ethics using descriptive approaches that could be used as a specimen by consumer ethics researchers in developing a similar model for EQB.⁴

Trevino (1986) developed a similar approach to Rest but considered additional situational factors that influence behaviour within organisational settings. These factors are components of the immediate job context, organisational culture, and characteristics of the work. However, Trevino's focus is still on personal elements that interact with the situational factors. Ferrell and Gresham (1985) though do emphasise the effects of both individual and organisational factors, which are context specific. They argue that

⁴ For the review of models in business ethics, see Jones (1991); also see Brass et al., (1998)

the degree of significance of the situational factors affects individual recognition of ethical issues and influences judgements in ethical situations. The significant situational factors addressed in this model are individual moderators (knowledge, value, attitudes and intentions), significant other people and opportunity. Hunt and Vitell (1986) include individual experience that affects recognition and perception of ethical issues as well as environmental factors. An individual perception of ethical issues is evaluated within either the deontological or teleological frame and assumed to indicate judgement and then behaviour. Dubinsky and Loken (1989) applied the theory of reasoned action (TRA, Fishbein and Ajzen, 1975) where attitudes toward ethical situations affect evaluations for the situations and these evaluations and judgements form intentions directing behaviour.

On the basis of Rest's four-stage model (1986), Jones (1991) synthesised representative models of business ethics (Trevino, 1986; Ferrell and Gresham, 1985; Hunt and Vitell, 1986; Dubinsky and Loken, 1989) in order to gain a more descriptive picture of decision-making in ethical situations. The synthesised model, known as the issue-contingent model, is completed with the addition of a further factor, which incorporates the characteristics of moral issues. Jones argues that characteristics of moral issues vary with their moral intensity and influence decision-making. The components that construct moral intensity are as follows: magnitude of consequences, social consensus, probability of effect, temporal immediacy, proximity, and concentration of effect. Moral intensity suggests possible situational effects on decisions, which make it possible to evaluate various alternatives under simulation and help reach preferable

decisions. Singer et al. (1998) empirically tested the Jones' issue-contingent model (1991) and found supportive evidence for the model.

In later work, Brass et al., (1998) studied decision-making for unethical practices in organisations and proposed an additional factor to Jones' model: the relationship between actors involved with the process. They criticise existing models of ethical decision-making for focusing heavily on environmental and individual factors as distinct and isolated factors, and so ignoring the relationship between them. In order to incorporate relationships in the process, they proceeded to examine two dimensions of relationships, i.e., types of relationships and structure of relationships. Determining the type of relationships provides the likelihood of understanding whether a particular relationship increases or constrains opportunities for the occurrence of 'unethical' behaviour in the network. A Relationship is characterised in terms of strength, multiplicity, symmetry and status equality, and these characteristics combine to provide a focused picture for the relationship. The structure of relationships shows how 'the entire network is highly/lowly interconnected, surveillance of behaviour is high/low and reputations by acting unethically can be lost' (Brass et al., 1998, p.22). By providing a clear picture and detailing characteristics of the relationship, the direct or indirect effect of various parties involved in a relationship of unethical behaviour can be viewed. Hence, it is possible to locate the probability of unethical behaviour within the network of a business environment.

By examining models in business ethics, many dimensions have been revealed constituting a decision-making process in ethical contexts. According to the review by

Vitell and Ho (1997) that classified current empirical studies in business ethics, a substantial number of studies have been completed concerned with influencing factors (personal characteristics and organisational environment) and potential outcomes resulting behaviour (e.g., judgements, intentions and behaviour for ethical situations). These factors, having demonstrated their significance, have been either established as needing further investigation, or integrated within the representative models. In the domain of consumer ethics research, despite the small number of empirical studies, similar factors (i.e., personal and environmental) have been investigated. Given the similar importance of these factors in both business ethics and consumer ethics research, it is unclear why these factors have not been synthesised to understand the process of how consumers engage in ethically questionable behaviour in consumption (EQB). It is therefore once again reiterated that in consumer ethics research, a theoretical framework for ethically questionable behaviour has not been effectively established.

2.4 Direction for Theoretical Development in Consumer Ethics

The above discussion has attempted to summarise different approaches on ethical issues and has examined the contributions that they have made to research on ethics. In doing so, the central concern has been to seek the most appropriate approach for pursuing the current research question and to establish the direction that should be taken to further theoretical development in the area of consumer ethics research.

A key issue to examine in establishing the appropriateness of an approach is to consider the relationship between behaviour and judgements of the different approaches. Normative approaches suggest that behaviour should occur in accordance with principles that have been identified by ethical theories. These approaches serve best in understanding what one “ought” to do but disregards “how” one comes to behave in ethical situations. Thus, investigating how one comes to deal with ethical situations is beyond the ambit of a normative approach. Keeping in mind the importance of the approaches addressed previously, normative approaches are valuable in finding a durable standard for ethical conducts in consumption. However, as it is proposed to investigate how consumers engage in EQB, normative approaches are less appropriate for pursuing the research question.

Descriptive approaches, on the other hand, have the potential to explain the process of decision-making in ethical situations. The cognitive approach (being a variant of descriptive approaches) would consider that judgements for ethical situations approximate subsequent intention and behaviour. In understanding behaviour in question, it focuses on personal elements involved in decision-making and judgements for ethical situations. The greatest value of this approach is seen in understanding how ethical beliefs interact with other personal beliefs and result in judgements for ethical situations. Yet, this approach de-emphasises external factors that significantly affect decision-making in specific settings. In reality, every decision-maker in society is surrounded by external influences, which vary in terms of the differences in their situations and their reach. However, this point is picked up within the perspective of a social learning approach. It is therefore considered that both these descriptive

approaches can be beneficial in exploring the nature of EQB. More specifically, business ethics decision-making models were derived and developed from applications of attitude-behavioural theories (e.g., Cognitive Moral Development, Rest, 1986; the Theory of Reasoned Action, Fishbein and Ajzen, 1975). Taking such an approach, the current research uses an established attitude-behavioural theory - the Theory of Planned Behaviour (TPB, Ajzen, 1985; 1991) - to initiate an investigation on ethical decision-making in consumption⁵. An application of TPB to the current research and an initial theoretical development for ethically questionable behaviour in consumption are discussed in detail in Chapter 4.

2.5 Summary

This chapter summarised the various research approaches that have found general applicability in research on ethics, particularly business ethics. It also addressed the importance of developments that have been achieved within the realm of both the normative and descriptive approaches and their subsets. In addition, it was also able to demonstrate parallels that exist in the way research has been conducted in both business ethics and consumer ethics. It also concluded that where business ethics has advanced to develop comprehensive integrated models (and which have effectively assisted in understanding questions on business ethics), the same development has not been

⁵ As will be detailed in Chapter 4, the theory of planned behaviour is an extension of the theory of reasoned action (TRA, Fishbein and Ajzen, 1975). Both of the theories focus on the relationship between intention and its antecedents (i.e., attitude, subjective norm and perceived behavioural control as an additional dimension of TPB to TRA) and have been applied to understand decision-making in various contexts.

witnessed in the area of consumer ethics. Consumer ethics research therefore lacks the development of an integrated holistic model, which will help in understanding *how* and *why* consumers engage in ethically questionable behaviour (EQB). Learning from achievements of business ethics researchers, developing a comprehensive model of EQB is considered to be crucial for pursuing the current research question.

Overall, the proceeding discussion suggests that the current research need take recourse to descriptive approaches and developing a comprehensive integrated model for understanding *how* and *why* consumers engage in EQB. In doing so, the following chapter reviews the studies that have investigated decision-making in relation to EQB. It is aimed to examine the research issues involved in EQB decision-making and help gain insights in designing an initial theoretical frame for operation in subsequent empirical investigation.

Chapter 3 The Literature on Ethically Questionable Behaviour in Consumption

3.1 Introduction

As discussed in Chapter 2, up until the last decade, the consumer had been less emphasised as the subject of ethical debate. Previously, according to the reviews by Muncy and Vitell (1992) and Al-Khatb et al. (1997), there have been only two empirical studies investigating potential consumer misconduct (Davis, 1979 and Wilkes, 1978). Davis explored whether consumers voluntarily take responsibilities for their actions and claim their rights to the same extent. The findings showed that there is a great inconsistency between consumers' acceptance of rights and their acceptance of responsibilities. Wilkes examined consumers' perceptions towards fraudulent behaviour in markets. This study found that consumers perceive unethical behaviour of consumers to be more acceptable than unethical behaviour of firms. Although their findings had implied the importance of further investigation on consumer ethics, this area of study had not been explored in the literature except with the study of Depaulo (1987). Depaulo (1987 cited in Muncy and Vitell, 1992: also cited in Al-Khatb et al. 1997) who looked at the ethical perception of both buyer and seller, might be considered an example of an early work paying attention to ethically questionable behaviour in consumption (EQB).

The current chapter reviews the literature on consumer ethics, particularly focusing on studies concerning EQB from the 1990's and onwards. With recent increasing interest in the ethicality of consumer behaviour, the current research aims to explore

why and *how* consumers engage in EQB. This review seeks to identify the gaps of the literature and consider further direction for research. First of all, recent discussions of ethical issues in consumption are summarised to demonstrate the increasing interest in EQB. Following this, empirical studies on EQB are reviewed, with these divided into two distinct streams of research: empirical studies concerning specific domains of EQB, and studies concerning EQB in its greater variety. The studies on specific domains of EQB are concerned with retail fraud (shoplifting), other kinds of consumer fraud (insurance fraud and tax evasion), counterfeiting, and software piracy. Some of these are illegal activities whilst others are simply perceived as unethical. The discussion presents the findings of these studies in relation to attitudes-intentions-behaviour and their influencing factors. The studies of EQB in its greater variety are summarised to present the findings in relation to ethical judgements and influencing factors. Thereafter, implications for the direction of the current research are addressed.

3.2 Discussions on Ethically Questionable Behaviour in Consumption

There are a number of discussions concerning ethical issues in consumption. One research aspect of this topic is consumer behaviour explicitly denoted as ethical such as proactive environmental behaviour (e.g., Cheung et al., 1999) and consumer protests such as boycotting and fair-trading (e.g. Smith, 1990; Strong, 1997; Whawell, 1998). The other aspect rather focuses on consumer behaviour of a manner that can be ethically questionable. The latter, noted by Hirschman (1991) as ‘the

dark side' of consumer behaviour, is the main concern of the current research and is the subject of the following discussion.

At the heart of consideration of ethically questionable behaviour in consumption (EQB), there is the question of whether consumers (via consumer sovereignty) should be free to behave as they wish in order to assert control over business or whether there should be limits to individual behaviour. Recent ethics researchers have provided interesting discussions on EQB. Sonell, (1994; 1997) argued that consumer behaviour under the protection of consumer rights has occasionally exceeded reasonable demand and has cost business performance. Borna and Stearns (1998) argued that, to some degree, some of such consumers' unreasonable expectations towards markets can, even with existing knowledge of business and economics, be alleviated by various forms of intervention, including government intervention (e.g., cracking down on counterfeiting business and tightening regulations on hard-core pornography). Friedman (1998) however pointed out that consumers potentially engage in EQB because they are not aware of ethical issues and/or alternatives (e.g., to counterfeited products) are not available. As the development of consumer society has increased material standard of living (Buchholz, 1998), consumer behaviour (of a manner that can be ethically questioned) can be driven by material interests (Chan et al., 1998¹).

¹ This is an empirical study. The findings will be discussed in a later section.

There is also an active academic movement assessing appropriateness of consumer behaviour. The conference at the University of Maryland, USA (September 1994, entitled *Consumption, Global Stewardship, and the Good Life*) was held to assess levels and patterns of consumption in terms of future benefits and sustainability of the world economy. At this conference, an examination of 'appropriate' consumption was placed as a central issue for the future development of world economy.² There are also several doctoral dissertations completed on this current topic³.

Some ethics researchers have made attempts to conceptualise components relating to EQB. The following descriptive models are examples conceptualising EQB: a Structural Model of Aberrant Consumer Behaviour (Fullerton and Punj, 1993) and an Application of the Technique of Neutralization (Grove et al., 1989). The Structural Model of Aberrant Consumer Behaviour aims to place a boundary between aberrant behaviour and acceptable behaviour in consumption and so to consider various factors leading to these different kinds of behaviour. The model successfully projects many of the possible explanatory factors for consumer aberrant behaviour through literature review.

² The contribution of this conference has been revised (with additional related articles) and published as *Ethics of Consumption, The Good Life, Justice, and Global Stewardship* (edited by Crocker, D. A. and Linden, T, 1998). The book includes articles concerning economic, sociological and ecological critiques on consumption, assessment of contemporary consumption in world economy, religious and theological perspective (ethics) of consumption and so forth.

³ Simmons, L.C. (1999) *Cross-cultural Determinants of Software Piracy*, University of Texas at Arlington ; Swaidan, Z. (1999) *Consumer Ethics and Acculturation: The Case of Muslim Minority in the U.S.*, University of Mississippi

The other framework developed by Grove et al. (1989) is based on the technique of neutralisation (Sykes and Matza, 1957, cited in Grove et al., 1989). The contribution of this framework is to provide possible explanations of how consumers internally justify their behaviour when considered ethically questioned. The details of this framework are explained in the following section.

Table 3-1 presents the studies that have been discussed above, and mark an increase of interest in this research area. The following section then reviews empirical studies on EQB.

Table 3-1: Recent discussions on ethical issues in consumption

Author(s) / published year	Type of discussion	Issues discussed
Sonell (1994)	Critique of consumer unethical behaviour	Ethically questionable behaviour in consumption and consumerism. The critique details consumer unreasonable behaviour under the protection of consumerism, 'the consumer is always right'
Sonell (1997)	Theoretical discussion	Consumer morality and consumerism in the UK National Health Service.
Borna and Stearns (1998)	Critique of consumer unethical behaviour	Response to Sonell's article. The unreasonable consumer demands pointed out by Sonell (1994) can be controlled by existing market knowledge such as government interventions, regulations etc.
Friedman (1998)	Critique of consumer unethical behaviour	Response to Sonell's article. Sonell's consumer unreasonable demand is likely related to individual consumers rather than organised consumer groups. Examines individual unreasonable demand and hence market transgressions, these can result from errors of judgements and actions. The author encourages conceptualising such errors in consumer decision-making.
Buchholz (1998)	Literature review	The author questions contemporary consumption based on an increasing material standard of living. In order to obtain a sustainable economic development, the author suggests the promotion of a new environmental ethic such as limited consumption, promote environmental investment, and addressing of alternative meanings of growth instead of material wealth.
Holbrook (1994)	Critical review on ethics in consumer research	This paper concerns ethics in consumer research (i.e., marketing ethics, ethics in marketing research, consumer ethics, and ethics in the review process). As a part of the discussion, the author recommends that 'emerging aspects of consumer ethics require more systematic and conceptual development and empirical investigation' (p.566).
Fullerton and Punj (1993)	Theoretical development	A structural model of aberrant consumer behaviour: explaining an environment surrounding consumer ethical issues and explicating influencing factors in consumer ethical decision-making.
Grove et al (1989)	Theoretical development	An application of the techniques of neutralization (Sykes and Matza, 1957) to explain how consumers internally justify their misbehaviour.

3.3 Empirical Studies

There are a number of empirical studies concerned with ethically questionable behaviour in consumption (EQB). These studies largely fall into two streams of research. The first stream deals with specific kinds of EQB, investigating the decision-making in relation to a specific issue of EQB; seeking to understand the component of attitude, the formation of intention and causes of behaviour in relation to a specific issue. It is generally more descriptive and context contingent. The second stream of research examines consumer behaviour, which is ethically questioned, in all of its variety. It is concerned with providing a more holistic view of consumer behaviour, though this research is dominated by concerns about ethical judgements⁴. The following sections summarise empirical studies of both streams in turn.

3.3.1 Empirical Studies on Specific Issues of Ethically Questionable Behaviour in Consumption

Studies in the first stream of research examine specific kinds of ethically questionable behaviour in consumption (EQB) such as retail fraud (i.e., shoplifting), other kind of frauds (i.e., insurance fraud and tax evasion), counterfeiting, and software piracy. The behaviour in question is considered as abnormal behaviour,

⁴ Other areas in relation to consumer ethics should be noted. There is a group of studies concerning the perception of consumers toward business ethics (e.g., Boulstridge and Carrigan, 2000; Singhapakdi et al., 1999; Creyer and Ross, 1997) as well as comparative studies between consumer and managers perceptions towards business ethics (e.g., Singhapakdi et al. 1999). There is also a group of studies concerning 'ethical' consumerism (e.g., Shaw et al., 2000; Shaw and Clarke, 1998). These areas are excluded from the current review as it is beyond its scope.

aberrant behaviour, non-normative behaviour, and can be found across the literatures such as consumer research, criminology, social psychology and economics.

3.3.1.1 Retail Fraud: Shoplifting

Shoplifting as retail fraud is recognised to be a serious crime (Babin and Griffin, 1995) and a common form of EQB (as well as being illegal). Krasnovsky and Lane (1998) provide an extensive review on this issue. The review provides a general understanding in terms of the various types of shoplifters as well as the personality and motivation of these shoplifters. The authors also review other factors considered to influence shoplifting (i.e., substance abuse, eating disorders, social class, race and ethnicity, gender and age). As a particular interest in addressing the treatments of shoplifters, the authors introduce several educational and/or clinical programmes that are designed to undermine the rationalisation of shoplifting. As 'shoplifting behaviour "peaks" during middle adolescents' (Krasnovsky and Lane, 1998, p.228), the major studies have investigated the influence of age on ethical judgements (e.g., Babin and Griffin, 1995; Babin and Babin, 1996) and adolescent shoplifting (Cox et al., 1990). Babin and Griffin (1995, pp.668-673) have studied the influence of peer groups (i.e., peer group pressure), which is expected to be significant within adolescent groupings. They studied susceptibility to interpersonal influence on age and considered peer pressure as 'a major influence on adolescent shoplifting' (Klemke, 1982 cited in Babin and Griffin, 1995, p.669). Babin and Griffin explained that adolescents are very sensitive to interpersonal influence in terms of shoplifting and rationalise their behaviour by learning what other people do (informational influence). Adolescents might also practice such behaviour because of wanting

acceptance among peers (normative influence). The findings supported informational influence and suggested that consumers are inclined to perceive shoplifting as less unethical when they tend to obtain information through others' behaviour. This is consistent with the findings by Cox et al. (1990); although adolescent shoplifters would not agree that the pressure from peer group is a motivation for shoplifting, Cox et al. demonstrated that an adolescent learns of other adolescents stealing and is likely to follow such behaviour (this is called the "peer" factor). Along with the "peer" factor, Cox et al. identified motivational factors in shoplifting including: the "experimental" factor that refers to an attraction of experiencing novelty or risk through shoplifting behaviour; the "contraband" factor that refers to a desire to obtain products that are basically forbidden; and the "economic" factor that refers to not wanting to pay for products.

While researchers focus on the acquisition of goods (i.e., taking retail products away) as a form of shoplifting, Strutton et al. (1994) argue that investigating the acts of disposing of previously purchased goods is equally important to explain why consumers engage in norm-violating behaviour such as shoplifting. The 'disposition of goods' is described as 'returning deliberately damaged merchandise after the product was conventionally acquired and consumed' (Strutton et al., 1994, p.254). The case may entail a customer having purchased an electronic product, taken it home and used it for a period of time before it becomes faulty, and which may or may not be due to the customer's misuse of the item. The customer returns the item to the shop claiming it to be a faulty product. The disposition of goods can be considered to include both intentional and unintentional fraudulence. Furthermore, it can be seen that in such a case ethical dilemmas can occur in an environment (often

in the private sphere, e.g., home) other than in a shop as it is usually considered in terms of shoplifting.

In examining both situations of the acquisition and the disposition of goods fraudulently, Strutton et al. (1994) argue that the ordinary (adult) consumer on occasions will deem shoplifting as an inappropriate behaviour, and at other times may be able to justify their behaviour when they engage in shoplifting behaviour⁵. In exploring the insight of the justification process, they applied ‘the neutralization of techniques’ (Sykes and Matza, 1957 cited in Strutton et al., 1994) and summarised the five techniques that consumers may use to justify their misbehaviour as below.

Table 3-2: The techniques of neutralization (Sykes and Matza, 1957 cited in Strutton et al., 1994, 254)

Technique	Description
Denial of responsibility	A circumstance in which one argues that s/he is not personally accountable for the norm-violating behaviour because factors beyond one’s control were operating; a typical example might be, “It’s not my fault, I had no other choice.”
Denial of injury	A circumstance in which one contends that personal misconduct is not really serious because no party directly suffered as a result of it; for example, one might argue, “What’s the big deal, nobody will miss it?”
Denial of victim	A circumstance in which one counters the blame for personal actions by arguing the violated party deserved whatever happened; for instance, one might comment; “It’s their fault; if they had been fair with me, I would not have done it.”
Condemning the condemners	A circumstance in which one deflects accusations of misconduct by pointing out that those who would condemn engage in similarly disapproved activities; for example, a typical response here might be, “It’s a joke they should find fault with me, after the ripoffs they have engineered.”
Appeal to higher loyalties	A circumstance in which one argues that norm-violating behaviour is the result of an attempt to actualise some higher order ideal or value; a comment heard here might be, “To some what I did may appear wrong, but I did it for my family.”

⁵ This would not include professional shoplifters, those engaged in stealing products for resale.

Strutton et al. (1994) found each of the above techniques to be an acceptable justification for consumer misbehaviours. Their findings suggest that ‘an appeal to higher loyalties’ is the most likely neutralisation technique to be used in the shoplifting setting while the denial of responsibility was least likely. In addition, the techniques ‘condemning the condemners’, ‘denial of victim’, ‘denial of injury’, and ‘denial of responsibility’ (being in order of the most influential) appear to be more acceptable in the disposition situation than acquisition situation.

Strutton et al. (1997) applied the techniques of neutralisation to explain the difference in the justification of unethical behaviour between parent-child generations (i.e., the generation gap emerged between 1960’s and 1990’s). They found that the child generation were inclined to accept the techniques more than the parent generation. in both acquisition and disposition situations. Within the combined sample, ‘the denial of victim’ and ‘condemning the condemners’ appear most likely to be used for the justification of consumer misconduct in acquisition and disposition situations. ‘An appeal to higher loyalties’ and ‘denial of injury’ appear least likely to be used in an acquisition situation, and ‘an appeal to higher loyalties’ and ‘a denial of responsibility’ least likely to be used in a disposition situation.

3.3.1.2 Other Kinds of Consumer Frauds: Insurance Fraud and Tax evasions

As reported by Litton (1998), insurance fraud is another common form of EQB and its estimated loss is a considerable £500 million annually in the UK insurance industry. A great number of consumers appear to find consumer insurance fraud acceptable (i.e., inventing a fictitious claim and exaggerating a claim). Such a

dishonest behaviour is supported by a general view of “everyone is doing it”, “no victim crime”, and “it is a way of getting money back from insurance companies” (e.g., Litton, 1998). Acceptability and tolerance toward consumer insurance fraud increases particularly in a situation where individuals have negative perceptions towards insurance companies (Tennyson, 1997). Cummins and Tennyson (1996) found that this accepting attitude towards fraudulent activities positively influences the frequency of liability claims (i.e., automobile insurance).

In considering taxpayers as consumers of government services, tax evasion is another form of consumer fraud and hence EQB, whereby individuals deliberately fail to comply with their tax obligations (Webley et al., 1991). The research on tax evasion has been multidisciplinary (i.e., economics, criminology and psychology); theoretically well grounded and widely investigated to explain a decision-making process in either complying or evading tax obligations. Within an economics-criminology discipline, tax (compliance and) evasion behaviour has been conceptualised as based on the key factors such as tax rate, detection probability, penalty structure (Becker’s economics of crime approach, 1968), and the level of punishment threats (Deterrence theory, Grasmich and Scott, 1982). Within the psychology discipline, tax (compliance and) evasion behaviour has been investigated within either the frame of decision-making under risk and uncertainty (Prospect theory, Kahneman and Tversky, 1979) or applications of attitude-behaviour theories (Lewis, 1982; Hessing et al., 1988; Hanno and Violette, 1996). The key factors here are possible outcomes by evading tax, taxpayers’ perception towards and intentions for tax evasions.

3.3.1.3 Counterfeiting

With increasing estimated losses to the economy from counterfeit goods, there is also a large body of empirical study concerning counterfeiting. The major elements of research are attitude and intention to buy counterfeit goods, and the factors influencing such behaviour. Tom et al. (1998) found that consumers who have previously purchased counterfeited goods have a more favourable attitude of buying counterfeit. Such purchasing behaviour is likely to be motivated by product traits (e.g., Cordell et al., 1996), price (e.g., Albers-Miller, 1999), peer influence (e.g., Albers-Miller, 1999) and a perception of fairness of business practice (Tom et al., 1998). It is moderated by a higher degree of risk perception (i.e., getting caught and product faulty, Chakraborty et al., 1997) and lawfulness attitude (Cordell et al., 1996). The country of origin of counterfeited goods is also found to influence purchasing decisions (Chakraborty et al., 1997).

3.3.1.4 Software Piracy

Software piracy is a relatively new form of EQB. Attitude towards software piracy can differ among different social groups (e.g., business academics and executives, Taylor and Shim, 1993). The level of software piracy can vary between national cultures (Husted, 2000). It has however disseminated quickly as a common consumer practice and has been found to be one of the most acceptable forms of EQB (Vitell and Davis, 1990 cited in Taylor Shim, 1993). Although Wagner and Sanders (2001) found that when consumers perceive software piracy as a form of an unethical behaviour, they are inclined to indicate an intention not to practice the behaviour in question; it is likely in some cases that a large number of consumers

may not perceive software piracy as an ethical issue at all. Such behaviour may be motivated by economic gain in relation to the high cost of the original authorised product, perception of low impact on others (e.g., Glass and Wood, 1996), high level of peer influence (Al-Jabri and Abdul-Gader, 1997), low risk perception or high opportunity to engage in the behaviour in question (Chang, 1998).

This review on the empirical studies concerning specific issues of EQB has examined a series of investigations on the decision-making process of EQB (i.e., judgements-intentions-behaviours and influencing factors). The factors that are considered to influence the process commonly appear to be economic gain, positive attitude, social and peer influence, risk perception (cf. an existence of opportunity), the perception of fairness of business, and the degree of consequences to others. Certainly, the issues investigated are situation specific. The significance of these factors should be considered as specific to that issue and so the generalisability for these findings needs yet to be addressed.

Table 3-3 below presents, in brief summary, the empirical studies of the 1990s as referenced above. The issues focused on by these studies include shoplifting, insurance fraud, tax compliance and evasion, counterfeiting, and software piracy. The table also includes details of dependent/independent variables, sampling sizes and mode of method and analysis. Many of the studies overleaf rely on student samples so that they may be considered to have limited generalisability. The empirical studies presented below were approached largely in two ways, either by obtaining the secondary data from national surveys and commercial sources (e.g., Litton, 1998; Cummins and Tennyson, 1996; Husted, 2000), or by conducting survey

questionnaires. Many of the later studies conducted scenario based survey questionnaires to examine ethical judgements in hypothetical situations (e.g., Babin and Griffin, 1995; Strutton et al., 1994; Al-Jabti and Abdul-Garder, 1997), or they examine the impact of influencing factors on ethical judgements by manipulating the factors within the scenarios (e.g., Cordell et al., 1996; Chakraborty et al., 1997; Glass and Wood, 1996). The main analysis techniques employed were analysis of variance (to compare the differences between the groups of interest), factor analysis (to examine the structure of ethical judgement) and regression (to examine impacts of influencing factors on ethical judgement and intention).

Table 3-3: Empirical studies on specific issues of EQB

Reference	Issues focused	Dependent/Independent (D/I) or Variables measured	Sample	Methods/Analysis (M/A)
Cox et al. (1990)	Shoplifting Motivations of adolescent shoplifting	Motivations of shoplifting	Adolescents from schools (n = 1692) U.S.A.	M: a questionnaire A: Descriptive statistics Factor analysis
Findings	The identified motivations of shoplifting were categorised as experimental, peer, contraband and economic factors.			
Babin and Griffin (1995)	Shoplifting the influence of age on ethical judgements	D: Ethical judgement (moral equity; contractualism; relativism) I: Age; Risk aversion; Self-esteem; Susceptibility of interpersonal influence	Respondents from the university community (n = 168)	M: Short shoplifting scenarios A: Analysis of variance
Findings	Adolescents perceive shoplifting differently than more mature consumers and are more likely to engage in such behaviour. The direct affect of age on shoplifting is mediated by individual difference variables.			
Babin and Babin (1996)	Shoplifting Effects of moral cognition and emotions on intentions	D: Attitude; Intentions I: Moral equity; Contractualism; Relativism; Excitement; Fear; Power; Age	49 high school students 65 college students 54 local employer	M: Short shoplifting scenarios A: Regression
Findings	'Adults' behavioral intentions to shoplift are affected by their moral beliefs, with attitude toward the act of shoplifting serving as a partial mediator of these effects. College-aged respondents are largely influenced by beliefs concerning the moral equity of shoplifting. In construct, both beliefs and emotions influence adolescents significantly, with emotions, specifically fear and power, having a greater impact' (p.785).			

Table 3-3: Empirical studies on specific issues of EQB (continued)

Reference	Issues focused	Dependent/Independent (D/I) or Variables measured	Sample	Methods/Analysis (M/A)
Strutton et al., (1994)	Retail fraud: shoplifting Justification of consumer misconduct in retail settings	The techniques of neutralization: denial of injury, appeal to higher loyalties, condemning the condemners, denial of responsibility, denial of victims	751 residents of a major south-eastern US metropolitan area (The response rate = 30%)	M: Shoplifting scenarios (acquisition and disposition situations) A: Multivariate analysis of variance
Findings	The finding suggests that consumers are more likely to justify an unethical disposition (such as returning goods) situation through the technique of neutralization in the retail setting, as opposed to an acquisition situation. Among five factors, the condemning the condemners and denial of victim neutralization techniques are most likely used by consumers in retail settings.			
Strutton et al., (1997)	Retail fraud: shoplifting Difference of justification of consumer misconduct between the generations in retail settings	The techniques of neutralization denial of injury, appeal to higher loyalties, condemning the condemners, denial of responsibility, denial of victims	863 U.S. consumers (The response rate = 28.7%)	M: Shoplifting scenario (acquisition and disposition situations) A: Multivariate analysis of variance
Findings	Thirteeners (18-32 years old in 1997) are more likely to accept the techniques in rationalising their misbehaviours than their parent's generation. Within the combined sample, the condemning the condemners and denial of victim neutralization techniques were most likely to use for the justification.			
Litton (1998)	Insurance Fraud (UK)	NA	UK consumers	Reports from the UK based surveys concerning insurance fraud
Findings	Positive attitude toward insurance fraud, its motivations and the likelihood of the behaviour in questions.			
Tennyson (1997)	Insurance fraud Consumer attitudes toward insurance fraud	D: attitude towards insurance fraud I: attitude toward insurance fraud of others, acceptability of tax evasion, demographic factors etc.	1987 adult individuals from a national survey	M: the data obtained from a national survey A: Binomial probit models
Findings	The ethical and social environment influences an individual attitude toward fraud. 'The tolerant attitudes toward fraud will be expressed more often by individual who have negative perceptions of insurance institutions.' (p260)			

Table 3-3: Empirical studies on specific issues of EQB (continued)

Reference	Issues focused	Dependent/Independent (D/I) or Variables measured	Sample	Methods/Analysis (M/A)
Cummins and Tennyson (1996)	Insurance fraud The relation between attitude toward dishonest behaviour and the frequency of automobile bodily injury liability (BIL) claims	D: the frequency of automobile bodily injury liability (BIL) claims I: Legal characteristics, attitudes variables such as Acceptability of insurance fraud, other dishonest behaviour etc.	Secondary data	M: Automobile insurance claims (National Association of Independent Insurers) and Consumer attitude survey (Insurance Research Council) A: Cross-sectional regressions against BIL claims;
Findings	Attitudes toward dishonest behaviour are related to automobile bodily injury liability claims frequency (p.29).			
Hanno and Violette (1996)	Taxpayers behaviour (tax compliance and evasion)	D: Tax compliance behavior and intention I: Attitude and subjective norms about tax compliance,	College students (n = 73)	M: The measurements based on the theory of reasoned action (Ajzen and Fishbein, 1980) A: Correlations, T-test, LISREL
Findings	Individual who inline to engage in tax evasion appear to be less concerned with personal moral and civic obligations, more concerned with the maximisation of utility and the level of risk.			
Tom et al., (1998)	Counterfeiting / consumer counterfeit accomplices (demand)	Attitude towards: prepurchase factors (study 1) purchasing factors (study 2) postpurchase factors (study 3)	79 / 232 / 142 from malls 50 / 203 / 126 from flea markets	M: Personal intercept with a questionnaire. A: T-tests between consumers in malls and flea markets
Findings	A majority of sampled consumers have not purchased counterfeit goods and shown no intention to buy them in the future even if there are opportunities. Yet, there are a group of consumers who willingly and knowingly purchase counterfeit goods (p.419)			

Table 3-3: Empirical studies on specific issues of EQB (continued)

Reference	Issues focused	Dependent/Independent (D/I) or Variables measured	Sample	Methods/Analysis (M/A)
Cordell et al. (1996)	Counterfeiting / Effects of lawfulness attitudes and product traits on intentions	Willingness to purchase each of the product which description is manipulated.	221 business students at a state-supported university in a large Eastern, metropolitan area	M: Experimental design, manipulation - products descriptions: 2 (brand) x 2 (retailer) x 2 (price) A: Factor analysis Ordinal logit models Analysis of Covariance
Findings	'As hypothesized, branding and price conditions influence willingness to purchase low, but not high, investment-at-risk products' (p.41) condition influences willingness to purchase high, but not low, investment-at-risk products' (p.41)			
Albers-Miller (1999)	Counterfeiting Willingness to buy illicit goods	D: Willingness to buy illicit goods I: product type, buying situation, perceived criminal risk, product price	Night graduate students attending MBA course (the response rate = 60.1%)	M: Policy-capturing format, scenarios. A: regression analysis Ward's cluster analysis
Findings	Four predictors (product type, buying situation, perceived criminal risk and price) constructed the model of purchasing decision (willingness to buy illicit goods). The main effects of product type, buying situation and price were all significant predictors of willingness to buy. The interactions of risk with product type and price with product type were also significant for some clusters (segmented by characteristics of respondents. (p.273)			
Chakraborty et al. (1997)	Counterfeiting Effects of beliefs toward countries manufacturing counterfeiting products	D: risk associated with tangible losses, risks associated with more psycho-social elements, purchase intention, post-purchase feelings of guilt. I: the failure rate of counterfeits, the country of manufacturer of the original product	57 undergraduate marketing students (U.S. nationals)	M: brief scenarios with a manipulation on the failure rate of counterfeits and the country of manufacturer of the original product A: Analysis of Covariance Analysis of variance
Findings	'cuing negative aspects of consumers' typical beliefs about counterfeits, such as the high failure rate of counterfeits and the country of origin of the counterfeit relative to that of the legitimate product, can reduce their intentions to knowingly purchase counterfeit products' (p.345)			

Table 3-3: Empirical studies on specific issues of EQB (continued)

Reference	Issues focused	Dependent/Independent (D/I) or Variables measured	Sample	Methods/Analysis (M/A)
Taylor and Shim (1993)	Software piracy A comparative study: Attitudes between business executives and professors	The frequency of using copied software by self and colleague, The ethicality of copying software for different work-related purpose.	203 business executives and 218 business professors (The response rate = 40.6% and 43.6% respectively)	M: a one page questionnaire A: Analysis of Variance
Findings	Findings show that business executives are more ethical than business professors are. Yet, there might be an effect of Social Desirability Bias in these executive responses. 'A source of support for this social desirability bias is the fact that executives reported they copied significantly less than did their peers. This is not unusual, as managers tend to perceive themselves to be more virtuous than their co-workers (Baumhart, 1961; Glenn, 1988 cited in the authors, p.430)			
Husted (2000)	Software piracy The impact of national culture	D: Software piracy I: economic development, income inequality, power distance, individualism, masculinity, uncertainty avoidance ,	Secondary data	M: the data obtained commercially A: regression analysis (OLS)
Findings	Findings support the hypotheses that economic development, income inequality and individualism have negative impact on software piracy. Whereas, the hypothesised negative impacts of power distance, masculinity and uncertainty avoidance on software piracy were not supported. Only one of the cultural dimensions, individualism, appears to have an impact on software piracy.			
Wagner and Sanders (2001)	Software piracy The relation between religion and ethical decision-making	Religion, moral equity, judgement, intention, behaviour	167 undergraduate students in a large public university	M: different kinds of ethical content scenarios (4 software piracy, 1 retail practices, 1 automobile repair, 1 sales practices) A: structural equation model
Findings	Findings suggest that 'there is a relationship between religion and the stages of an ethical decision making model.' (p166)			

Table 3-3: Empirical studies on specific issues of EQB (continued)

Reference	Issues focused	Dependent/Independent (D/I) or Variables measured	Sample	Methods/Analysis (M/A)
Glass and Wood (1996)	Software piracy Situational determinates on intention to provide software to friends for illegal copying	An equity theory D: intention I: positive social outcome, repayment of debt, desirable favour in turn, benefit from an altruistic act, negative outcome, initial costs of software	271 undergraduate business students	M: scenarios with manipulation of initial costs of software (3 types) A: analysis of variance Duncan's multiple range test
Findings	The study support equity theory predictions of the subjects' intentions to participate in software piracy given specific situational factors (p.1195)			
Al-Jabti and Abdul-Garder (1997)	Software piracy Effect of individual and peer beliefs on ethical intention	The reasoned action and the differential association theories D: Intentions I: individual beliefs, peer beliefs	278 male students of universities in the Eastern Central and Western regions of Saudi Arabia	M: Scenarios with a 7-point scale A: factor analysis, Stepwise regression analysis
Findings	'Individual and peer beliefs have significant effect on ethical intention to observe or infringe software copyright and hence, on software piracy' (p.335).			
Chang (1998)	Software piracy The prediction of intention by the established attitude-behaviour theories	The theory of reasoned action The theory of planned behavior D: intention I: Attitude, subjective norms, perceived behavioural control.	181 university students in Hong Kong	M: A questionnaire with a seven-point measurement A: structural equation modeling
Findings	'The results (of the study) show that the theory of planned behavior is better than the theory of reasoned action in predicting unethical behaviour.' (p1831)			

3.3.2 Empirical Studies of Ethically Questionable Behaviour in Consumption in a Wider Context

The second stream of research examines consumer judgements of ethically questionable behaviour (EQB), in all its variety. The contributions of this stream of research are to establish EQB in a wider context, examining consumer ethical judgements towards EQB in its greater variety, investigate the impacts of influencing factors on ethical judgement, and identify types of decision-makers in relation to EQB. These contributions are discussed in turn.

3.3.2.1 EQB Typologies and Consumer Ethical Judgements

Discussed here are two main typologies concerned with EQB (Muncy and Vitell, 1992 and Dodge et al., 1996); these describe consumer behaviour as often observed in marketplaces and potentially perceived as ethically questionable. The major contribution of these typologies is the contextualisation of what EQB is, in addition to specific behaviours discussed in the previous section. Also identified are the factors that might affect ethical judgements towards these behaviours. Subsequently, these typologies have been useful tools in examining consumer ethical judgements across different environmental settings. Investigating consumer ethical judgements in relation to a greater variety of EQB is the core study interest of this body of research. Consumer ethical judgement is studied to identify the range of consumer ethical beliefs, which seemingly reflect disciplines of consumer ethical decision-making, and to determine behaviour that is potentially perceived as unethical by consumers within a particular setting. The following briefly summarises the

typologies and discusses empirical studies investigating consumer ethical judgements based on either of the typologies.

3.3.2.1.1 The Muncy and Vitell Typology and Consumer Ethics Scale (CES)

Muncy and Vitell (1992) have identified 27 potential unethical behaviours in consumption (i.e., ethically questionable behaviour: EQB), and partly paralleled with the ethical content scenarios by Wilke (1978) and Davis (1979). Having been pre-tested with a population of elderly American consumers by Vitell et al. (1991), the Consumer Ethics Scale (CES, Muncy and Vitell, 1992) was developed with a demographically representative sample of the U.S. population. The scale measures to what extent consumers think different behaviours are ethically wrong⁶. The study found a high level of ethical concern towards EQB overall, though lacking in concern for the behaviours associated with consumer markets of the music and computer software industries. It was suggested that consumers could acquire the means of such products (i.e., records, CD, software etc.) by borrowing rather than purchasing them.

The result of an exploratory factor analysis provided the structure of consumer ethical judgements towards EQB. Through the analysis, Muncy and Vitell developed a typology of EQB and its characteristics, which potentially indicate the cause of behaviour. The typology consists of four dimensions: proactively benefiting at the expense of the seller (later renamed as actively benefiting from an illegal activity), passively benefiting at the expense of the seller, deceptive practices (later renamed as

⁶ A five point scale - 1: strongly believe is wrong, 3: do not have an opinion, 5: strongly believe is not wrong.

actively benefit from a questionable action) and no harm/no foul. The first two dimensions are concerned with benefits at the expense of sellers and the initial intention of consumers. While both types of behaviours provide benefits at the expense of sellers, these two dimensions differ according to whether consumers proactively initiate EQB to benefits, or whether they simply do nothing to gain the benefit. “Deceptive practice” refers to the case that consumers somehow deceive the seller (i.e., benefit from an questionable action). “No harm/no foul” refers to the case that no one appears to be directly harmed as the result of this type of behaviour. The details of the typology are provided at Table 3-4.

Having identified a variety of EQB and a structure of ethical judgements towards EQB, Muncy and Vitell (1992) pointed out that their findings are limited to identify culturally specific ethical beliefs because the sample was taken from one particular place, the United States. They suggested further investigation on ethical judgements along with their typology and the Consumer Ethics Scale (CES) in different environmental settings before generalising consumer ethical judgements for EQB.

The Muncy and Vitell typology along with the CES has been widely tested in different countries such as Austria (Rawwas, 1996), other EU countries (Greece, Italy, Portugal, Spain, Denmark, Germany, The Netherlands, Scotland, Polonsky et al., 2001), Australia (Rawwas et al., 1996), Egypt (Al-Katib et al., 1997), Hong Kong (Chan et al, 1998; Rawwas et al, 1995), Ireland (Rawwas et al, 1995; Rawwas et al., 1998), Japan (Erffmeyer et al., 1999), Lebanon (Rawwas et al., 1998), as well as further U.S studies. (Rallapalli et al., 1994; Muncy and Eastman, 1998). These studies have provided supportive evidences for the validity of the Muncy and Vitell

typology and the CES. The majority of studies have found their results consistent with the factor structure produced by Muncy and Vitell (1992). The studies have also found “actively benefiting from an illegal activity” to be considered most unethical while “no harm/no foul” least unethical. To date, the Muncy and Vitell typology has been ‘refined, reduced and validated to consist of 18 items examining a range of “questionable” behaviours in relation to their dealing with firms’ (Al-Khatib et al, 1997 cited in Polonsky et al, 2001, p.119).

Table 3-4: The Muncy and Vitell typology (1992, p.304)

Factor 1: Proactively benefit at the expense of the seller (later named as actively benefiting from an illegal activity)
Drinking a can of soda in a supermarket without paying for it.
Changing price-tags on merchandise in a retail store.
Giving misleading price information to a clerk for an unpriced item.
Using a long distance access code that does not belong to you.
Reporting a lost item as “stolen” to an insurance company in order to collect the money
Returning damaged merchandise when the damage is your own fault.
Factor 2: Passively benefiting at the expense of the seller
Not saying anything when the waitress miscalculates the bill in your favour.
Getting too much change and not saying anything
Lying about a child’s age in order to get a lower price.
Moving into a new residence, finding that the cable TV is still hooked up, and using it rather than signing up and paying for it.
Factor 3: Deceptive practices (later named as actively benefiting from a questionable action)
Using an expired coupon for merchandise.
Returning merchandise to a store by claiming that it was a gift when it was not.
Not telling the truth when negotiating the price of a new automobile.
Stretching the truth on an income tax return.
Using a coupon for merchandise you did not buy.
Factor 4: No harm / no foul
Taping a movie off the television.
Returning merchandise after trying it and not liking it.
Recording an album instead of buying it.
Spending over an hour trying on different dresses and not purchasing any.
Using computer software or games that you did not use buy.
Statements that did not load strongly on any factor
Statements that did not load strongly on any factor
Taking an ashtray or other “souvenir” from a hotel or restaurant.
Observing someone shoplifting and ignoring it.
Removing the pollution control device from an automobile in order to get better mileage.
Tasting grapes in a supermarket and not buying any.
Joining a record club just to get some free records without any intention of buying records.
Breaking a bottle of salad dressing in a supermarket and doing nothing about it.
Returning an item after finding out that the same item is now on sale.

Note: These are measured by a five-point scale (1: strongly believe is wrong, 3: do not have an opinion, 5: strongly believe is not wrong).

The studies on consumer ethical judgement listed above, as Mitchell and Chan (2002) point out, applied the Muncy and Vitell typology and Consumer Ethics Scale (CES) ‘without any significant expansion or development of the items and constructs measured’ (p.6). In questioning the applicability of the typology and CES in relation to the UK retail setting, Mitchell and Chan (2002) develop a new Consumer Ethics Index, extending the Muncy and Vitell typology (27 different kinds of behaviours), to 50 different kinds of behaviours based on individual in-depth interviews. The

authors then investigated UK consumers' ethical judgements and past performance concerning these identified behaviours. However, it is interesting to note, despite increasing the number of behaviours within the typology, the authors have identified four dimensions of ethical judgements that simply follow the same labels for explaining the dimensions of ethical judgements as in the Muncy and Vitell typology.

While the other previous studies did not go beyond investigating ethical judgements, the contribution of Mitchell and Chan is a consideration of a relationship between ethical judgement and behaviour. This is an attempt to explain the reasoning of ethical judgement and past behaviour based on in-depth interviews and the techniques of neutralization⁷ (Sykes and Matza, 1957), and to examine correlations between ethical judgement and past behaviour. However, Mitchell and Chan found only a weak relationship between ethical judgement and past behaviour and recommended further investigation of a decision-making process as involving simultaneously ethical judgement, attitude, and behaviour. More specifically, the authors emphasised the importance of identifying factors capturing intention for EQB. This supports the line of the current research inquiry – identifying factors influencing the EQB decision-making other than ethical judgements - and an appropriate remark in general on direction of research concerned with consumer decision-making in ethical contexts.

The recommendation of Mitchell and Chan (2002) might be taken to accurately describe the overall project of the current research, although it ought to be noted this

⁷ For details, see the section 3.3.1.1 Retail Fraud: Shoplifting and Table 3-2.

research has been developed independently from the findings of their publication. Indeed, the findings of their study have only been available in the very late stages of the current research. Together though, the study of Mitchell and Chan and the current research can be seen to make a case for the further development of a theoretical framework of EQB. It is such a framework that is outlined in this thesis.

3.3.2.1.2 The Dodge et al. Typology

Dodge et al. (1996) base their work on the short scenarios of ethical issues developed by Fullerton et al. (1996). Fullerton et al. (1996) noted, ‘some of the general areas depicted necessarily overlap with previous studies (e.g., Vitell and Muncy, 1992), [therefore] a concerned attempt was made to include other situations’ (p.807). Fullerton et al. (1996) found a high level of ethical concern regarding EQB explicit from their scenarios. It is consistent with the findings of Muncy and Vitell (1992).

While the typology by Muncy and Vitell focused on measuring wrongness of EQB (a five-point scale, wrong – not wrong), Dodge et al. focused on measuring acceptability of EQB (a six-point scale, 1 = acceptable, 6 = unacceptable). From a different perspective to Muncy and Vitell (1992), Dodge et al. (1996) approached ethical issues in terms of whether certain behaviour is tolerable. Dodge et al. identified two dimensions of ethical judgements to characterise acceptability for certain types of behaviour, and labelled these dimensions as “direct economic consequence” and “indirect economic consequence”. EQB labelled as “direct economic consequence” refers to behaviour that seems to cause immediate losses to providers. For example, someone ‘misrepresenting his/her age to take advantage of a

senior citizen discount' would result in immediate loss for the ticket provider. EQB labelled as "indirect economic consequence" refers to behaviour that seems to cause no obvious loss or harm to providers. For example, someone selling on a frequent flier ticket to his/her friend would not seem to result in immediate loss for the airline company but might be seen as the loss of a potential sale.

As noted above, Dodge et al. (1996) used a six-point scale to measure acceptability of EQB (1 = acceptable, 6 = unacceptable). They found the mean for "direct economic consequence" to be 4.029, and for the factor "indirect economic consequence" to be 4.847. The authors note that 'these results present an interesting paradox in that the factor that would seem to reflect the greatest injustice in the system [i.e., direct economic consequence] is not viewed as negatively as the factor that is characterised by situations that result in less severe consequences [i.e., indirect economic consequence]' (Dodge et al., 1996, p.829). Yet, by referring to the findings of previous studies, these results are not contradictory but reflect characteristics of consumer decision-making. Davis (1979 cited in Al-Khatb et al., 1997), as previously noted, found an inconsistency between consumers' acceptance of rights and their acceptance of responsibilities. Fraudulent behaviour initiated by consumers in markets is perceived as more acceptable than by firms (Wilkes 1978). Hanger et al. (1996) investigated the ethicality of subjects and found that their respondents appear to be more acceptant of behaviour by themselves (the mean: 2.94 on a seven-point Likart scale), friends (3.49) and relatives (3.30) than one by others such as corporate leaders (4.98) and politicians (5.91), when regarding the same ethical situations. These findings above suggest that consumers are stricter in

evaluating what firms do to consumers, but may be less concerned with what consumer behaviour would do to firms.

In addition to the above view, it has been suggested that consumers consider certain types of behaviour as 'an acceptable behaviour when others' interests do not interfere with ours' (Rawwas, 1996, p.1016). Hence, consumers may not perceive behaviour of direct economic consequence as severe as this consequence tends to affect firms, not consumers. Whereas, when some consumers practice behaviour of indirect economic consequence, other consumers may lose the opportunity to receive the same quality of deal as received by others. Therefore, respondents in the study of Dodge et al. (1996) might have taken such ethical concerns to be their own problems. If they did, it would be possible to assume that consumers are concerned with losing such opportunity, and of market offerings not being fairly distributed because of some consumers' misbehaviour. Taking an account of previous findings about consumers in relation to EQB, the findings by Dodge et al. (1996) - that consumers perceive behaviour of indirect economic consequence as less ethical than direct economic consequence - might not be so contradictory. The details of the typology were shown in Table 3-5.

Investigation concerning ethical judgement and ethically questionable behaviour in consumption (EQB) has expanded to include factors influencing consumer ethical judgements. One dimension of personal factors is concerned with the way in which ethical judgement is influenced by a variety of individual ideologies and personality traits, whilst the dimension of environmental factors concerns the variation in ethical judgements in different environmental settings. The majority of such studies have

applied the Muncy and Vitell typology and the Consumer Ethics Scale (CES). The following two sections present the findings.

Table 3-5: The Dodge et al. typology (1996, p.833)

Direct economic consequences
A co-worker was given too much change from grocery store clerk and kept it.
A friend had a fire in his/her apartment. In reporting the losses to the insurance company, he/she included items they never owned and inflated the price of items that were lost.
You have seen other people misrepresent their age to take advantage of a senior citizen discount.
You have seen other people misrepresent their children’s age to take advantage of a child’ discount.
Some people will go to the same store repeatedly in order to take advantage of an offer which limits the amount that can be purchased per visit.
A friend of yours find an item that was obviously mismarked at a cheaper price. Rather than notifying the store, your friend purchased the product for incorrect price.
Friends of yours have purchased clothing. After wearing the clothing, they see it at another store for a substantially lower price. They return the original purchase and buy the clothing at the store offering the lower price.
Indirect economic consequences
Some people will go to a retailer to get information on a specific product and then use this information to purchase the product from the cheaper source (catalogues, etc.)
Someone you know has sold a frequent flier ticket to a friend.
Through the grapevine you hear that a neighbour returned merchandise to a store where it was not purchased.
Someone went purchase a television set and in order to get a better deal, told the salesperson that another retailer was selling the same set at a much cheaper price. The retailer, without checking, matched the lower price.
At the grocery store, the person in front of you redeems cents-off coupons for items that were not purchased.
In order to sell the item at their garage sale, your neighbour exaggerated its quality

Short scenarios provided by Fullerton et al. (1996), with a six-point scale (1:acceptable, 6: unacceptable).

3.3.2.2 *Personal Factors*

The following ideologies have been recognised to influence ethical judgements: idealism (or deontology), relativism (or teleology), Machiavellianism and materialism. As an ethical theory deontology is concerned with duty and rights; such idealism would consider that best consequences are always realised by ethically right actions, which are rule-oriented. Teleology emphasises ends and consequences; in terms of relativism this allows the rejection of absolute moral disciplines when it is

necessary, which is consequence-oriented. Both idealism and relativism are associated with a higher concern for ethical principle, encouraging people to make 'ethical' decisions. However, the emphasis of these ideologies is on either rules (idealism) or consequences (relativism), so those contexts of decisions may bear on the result being different. In contrast, Machiavellianism and materialism are likely to compromise ethical judgement. Machiavellianism is associated with a lower concern for ethical principle (i.e., egoism) and has been described as 'a negative epithet, indicating at least an immoral way of manipulating others to accomplish one's objective' (Hunt and Chonko, 1984, p.30; also cited in Rawwas, 1996, p.1011). Materialism is 'associated with greater drive to acquire the goods that marketers provides consumers' (Muncy and Eastman, 1998, p.137). In addition to the impacts of the above ideologies on consumer ethical judgements, the influences of personality traits and experience of ethical situations are also included under the term personal influence. These are each discussed below, following a consideration of the impact of ideologies.

3.3.2.2.1 Idealism, Relativism and the Taxonomy of Ethical Ideologies

Forsyth (1980) argues that ethical ideologies (idealism and relativism) influence ethical judgements and developed the measurement "The Ethics Position Questionnaire" that consists of 10 idealism items and 10 relativism items. As noted above, idealism believes that best consequences are always realised by ethically right actions, which are rule-oriented (i.e., "means"). On the other hand, relativism allows the rejection of absolute moral disciplines when it is necessary, which is consequence-oriented (i.e., "end"). With an application of the Ethics Position

Questionnaire (Forsyth, 1980) and the Muncy and Vitell typology (1992), ethics researchers have conducted investigation to examine which ethical ideology is predominant in consumer decision-making. Erffmeyer et al. (1999) found that idealism significantly influences ethical judgements of Japanese consumers towards all types of ethically questionable behaviour in consumption (EQB). For the same Japanese consumers relativism was found to have a significant effect on judgements towards “passively benefiting at the expense of the seller” and “no harm/no foul”, but no significant effect on judgements towards “actively benefiting from illegal action” and “actively benefiting from questionable action”. The findings suggest that more idealistic consumers are less likely to engage in illegal activities, but relativists will engage in activities which provide benefits.

Rawwas et al. (1995) found that consumers in Hong Kong appear to believe more in moral absolutes (more idealistic) than consumers in Northern Ireland, which has suffered for a long time from civil disruption. In comparison to consumers in Lebanon, who have also suffered from civil war, Rawwas et al. (1998) found that consumers in Northern Ireland appeared to emphasise the results of their behaviour in decision-making (i.e., in terms of relativism). Rawwas et al. (1998) explained that consumers who suffer from a longer-term disruption, typical for example in cases of civil war and turmoil, incline to believe more in consequences of their actions rather than explicit rules and authority that tend to be unstable in such an environment.

Parallel to the development of the Ethics Position Questionnaire, Forsyth (1980) has also proposed a taxonomy of ethical ideologies based on the degree of influences of idealism and relativism. The taxonomy makes explicit a key point in understanding

decision-making in ethical contexts; that is, that an individual and therefore his/her decision-making, can be influenced by both idealism and relativism. The taxonomy characterises the personality of decision-makers as reflected in the decision-making process. Consumers of high idealism and high relativism are called situationists, who emphasis individual evaluation to reach best consequences in a given situation. Absolutists are consumers who demonstrate a high degree of idealism but low relativism. They believe that practising universal moral rules always result in the best consequence. Consumers labelled subjectivists are said to be oriented to personal values in evaluating potential unethical situations (low idealism and high relativism). Thus, consumers in this group put priority on their feelings and are not constrained by universal moral disciplines. The final group of consumers is named as exceptionists, who have low idealism and low relativism. These consumers believe that universal moral disciplines should indicate ethical judgements more than subjectivists, and yet, they ignore their judgmental alternatives to accept exceptional situations, likely to be avoidable in reality. Table 3-6 below summarises these ideologies, the degree of influence from idealism and relativism, and approaches to ethical judgement and deception.

Table 3-6: A taxonomy of ethical ideologies (Forsyth and Pope, 1984, p.1366)

Ideology	Approach to ethical judgements	Approach to deception
Situation-ism/ists <i>High relativism</i> <i>High idealism</i>	Reject moral rules; asks if the action yielded the best possible outcome in the given situation.	Deception can be used provided it yields the best possible outcome in the given situation.
Subjectiv-ism/ists <i>High relativism</i> <i>Low idealism</i>	Reject moral rules; bases moral judgements on personal feelings about the action and the setting.	Judgements about deception are a personal matter to be decided by those involved.
Absolutist-ism/s <i>Low relativism</i> <i>High idealism</i>	Feel actions are moral provided they yield positive consequences through conformity to moral rules.	Deception should be avoided since it violates fundamental moral principles.
Exceptionist-ism/s <i>Low relativism</i> <i>Low idealism</i>	Feel conformity to moral rules is desirable, but exceptions to these rules are often permissible.	If the deception cannot be avoided, then the deception is allowable if safeguards used.

Rawwas (1996) reported a distribution of Austrian consumers in relation to the taxonomy of ethical ideologies: of the 149 respondents, 16 (10.7%) are exceptionists, 15 (10.0%) are subjectivists, 27 (18.2%) are absolutists and 91 (61.1%) are situationists. He concluded, 'there is a significant group of Austrian consumers that tend to use deception if it yields the best possible outcome in a situation' (Rawwas, 1996, 1014).

Without this application of the taxonomy of ethical ideologies and the Ethics Position Questionnaire, other ethics researchers have provided supportive evidence that consumer ethical judgements differ depending on the kinds of ethical principles consumers may apply in decision-making. Dodge et al. (1996) found that the effects of ethical beliefs on consumer ethical judgements are context or situation dependent and that a large part of respondents incline to take an account of given situations for reaching their judgements. Hagner et al. (1996) also found that a consumer would apply more than one ethical ideology depending on the subject (person) he/she judges; and that the preference (or affection) towards institutions influences individual ethical judgements.

3.3.2.2.2 Ethical Concerns and the Consumer Ethics Index

Fullerton et al. (1996) suggest another taxonomy of consumers that categorises consumers by the means of ethical concerns towards EQB (here using a six-point scale). This taxonomy is called the Consumer Ethics Index, briefly summarised Table 3-7. The group of respondents who have the mean score of less than 3.64 are labelled as permissives (66 percent of respondents in this group scored between 3.0 and 3.64). It was interpreted that most respondents are reluctant to accept potential unethical behaviour but yet tend to maximise their utility goal as their ultimate focus in decision-making. The second group of respondents for which the mean is from between 3.64 to 4.48 are labelled situationalists. Respondents in this group indicate a clear position of acceptance for some types of potential unethical behaviour but not others. Ethical judgements are varied and ambivalent depending on given situations. The third group labelled conformists scored with a mean of between 4.49 to 5.32. They are observed as consumers who are comfortable following existing social norms. By considering a balance of benefits between consumers and business, conformists indicate clearer judgements for given ethical situations, unlike situationalists. The final group of respondents show a strict position for potential unethical behaviour, with a mean registering above 5.32. They are labelled as puritans, and said to believe that 'consumers in marketplaces should be held to strict standards of conduct' (Fullerton et al., 1996, p.810).

Table 3-7: The Consumer Ethics Index (Fullerton et al., 1996)

Type	The range of the mean of ethical concern	Characteristics
Puritans	Higher than 5.32	Strong moral disciplines, clear boundary between ethical and unethical behaviour
Situationalists	Between 4.49 to 5.32	No clear ethical judgement (ambivalence)
Conformists	Between 3.64 to 4.48	Emphasise the balance of consumer and business interests. Social norms oriented.
Permissives	Less than 3.64	Hesitance for accepting potentially unethical behaviour, seeking maximum utility, accept behaviour passively benefiting under unexpected conditions.

Note: The measure of ethical concern is a six-point scale.

Fullerton et al. (1996) reported the distribution of consumers based on the Consumer Ethics Index: 14.6% permissives, 34.8% situationalists, 32.4% conformists and 18.2% puritans (listed here in ascending order according to the level of ethical concerns). By looking at the distribution of respondents across the groups, over 60 percent of respondents (situationalists: 34.8%, conformists: 32.4%) are prepared to tolerate EQB to a certain extent. This is a similar finding with Raawas (1996) that found a majority of consumers whose decisions are situation dependent. Although each group of the respondents may be associated with a particular ethical ideology, the relation between their ethical judgements and influencing ethical ideologies was not explored.

The two taxonomies presented above characterise consumers in relation to ethical decision-making in terms of the degree of acceptance of idealism and relativism (Forsyth, 1980) and individual ethical concern for EQB (Fullerton et al., 1996). Rawwas (1996) and Fullerton et al. (1996) report that 18.2% of respondents appear to have strong ethical positions such as absolutists (the taxonomy of ethical ideologies, Forsyth, 1980) and puritans (the Consumer Ethics Index, Fullerton et al.,

1996). The rest of the population in both of the studies seems to make ethical judgements more or less depending on given situations, but not according to universal moral disciplines. This suggests that many consumers take an account of situational factors other than rules and ethical values.

3.3.2.2.3 Anti-ethical Ideologies and Personality Traits

In the literature of consumer ethics, it is considered that the ‘Machiavellian’ person inclines to give priority to self-interest than to others. As previously noted, this ideology prescribes to a lower concern for ethical principle (i.e., egoism) against a higher concern for ethical principle (i.e., idealism and relativism). Some ethics researchers have investigated the impact of Machiavellianism on consumer ethical judgements.

Rawwas et al. (1995) point out that consumers may encourage an ethical egoism to maximise their interests and indeed are more likely to accept less ethical behaviour as a result. While neither American or Egyptian consumers appear to be influenced by Machiavellianism, (Al-Khatb et al., 1997), consumers in Austria (Rawwas, 1996), Hong Kong (Rawwas et al., 1995) and Northern Ireland (Rawwas et al., 1995; Rawwas et al., 1998) were found to be influenced by Machiavellianism in ethical decision-making. A comparative study found that Australian consumers appear to be more Machiavellian than Americans (Rawwas et al., 1996).

Rawwas (1996) further suggested that Machiavellian persons show more acceptance for the following types of behaviours to achieve self-interests: “passively benefiting”,

“actively benefiting from a questionable activity” and “no harm/no foul” (referred to the Muncy and Vitell typology, 1992). This finding was explained as, consumer egoism reflecting Machiavellianism appeared to be acceptable ‘when others’ interests do not interfere with ours’ (Rawwas, 1996, p.1016). In other words, Machiavellian consumers may excuse themselves in accepting their questionable behaviour as long as their behaviour is unlikely to result in harming others’ interests. Such consumer tendency has been exhibited among consumers in other countries such as Egypt (Al-Khatib et al., 1995) and Japan (Erffmeyer et al., 1999)⁸. On the other hand, although the influence of Machiavellianism may initiate the type of behaviour “benefiting from a illegal activity” (referred to the Muncy and Vitell typology, 1992), Erffmeyer et al. (1999) explained, with a study of Japanese consumers, that the impact of Machiavellianism appeared to be moderated by a higher concern for ethical principles. The comparison of the effects of idealism and Machiavellianism indicates that idealism seems to have more influence on the situation of illegal activities (Erffmeyer et al., 1999).

The other ideology that may moderate ethical judgements is materialism. In the domain of marketing, materialism is concerned with ‘a greater drive to acquire the goods that marketers provide for consumers’ (Muncy and Eastman, 1998, p.137). Materialism is an ideology that might be said to have supported the expansion of markets and then the development of industrialisation, and also the value that assesses consumer personality traits or social goals in consumer research (Richins and Dawson, 1992). As consumer society developed, the potential negative

⁸ Al-Katib et al. (1995) found the impact of Machiavellianism in explaining “actively benefiting from a questionable action” and “no harm/no foul” in the Muncy and Vitell typology (1992). Erffmeyer et al. (1999) found the impact of Machiavellianism in explaining all the four dimensions of the Muncy and Vitell typology

influence of this ideology has been pointed out by the literature of consumer ethics and economics (concerning future consumption: e.g., Jenkins, 1997). Muncy and Eastman (1998) found a negative relation between materialism and ethical judgements: the more materialistic consumer appearing to have less ethical concern. Muncy and Eastman (1998) further found the strongest relationship as between materialism and the types of behaviour “no harm/no foul” and the weakest relationship with “passively benefiting at the expense of the seller” (referred to the Muncy and Vitell typology, 1992).

The majority of the studies concerning individual influences on ethical judgements have operated in terms of these ideologies set out above. However, the influences of personality traits and experience of ethical situations have been rarely investigated. Rallapalli et al. (1994) identified the following personality traits as being correlated with some types of ethically questionable behaviour in consumption (EQB): need for autonomy, risk propensity, need for social desirability, need for innovation, problem solving and need for aggression. A high degree of concern regarding EQB appears to exist for both those individuals with a high need of social desirability, and those individuals demonstrating the trait of an eagerness to solve problems, as against the counterparts. The descriptions of these traits and the findings are summarised in Table 3-8.

(1992). However, its impact appeared to be lower in explaining “actively benefiting from an illegal action” than other dimensions.

Table 3-8: Personality traits and consumer ethical judgements (Rallapalli et al., 1994, p.492)

Personality traits	Description	Correlated the type of behaviour (the Muncy and Vitell typology, 1992)
Need for autonomy	An individual with a high need for autonomy tends to do what pleases him/her regardless of rules or conventions.	Actively benefiting from an illegal action (positively related to the trait) Actively benefiting from a questionable action (positively related to the trait)
Risk propensity	An individual with a high propensity to take risks tends to be willing to take a position that is less socially desirable or morally questionable.	Actively benefiting from an illegal action (positively related to the trait) Passively benefiting at expense of others (positively related to the trait) Actively benefiting from a questionable action (positively related to the trait) No harm/no foul (positively related to the trait)
Need for social desirability	An individual with a high need for social desirability will avoid situations where he/she is not seen as socially responsible, will avoid conflicts and will attempt to do what society thinks is appropriate.	Actively benefiting from an illegal action (negatively related to the trait)
Need for innovation	An individual with higher are more likely to “break rules” in order to achieve their goals.	Actively benefiting from a questionable action (positively related to the trait)
Problem solving	An individual using a problem solving coping style tend to use analytical and rational thinking, seeking positive outcomes, and hence are less likely to act in a way that would harm anyone.	Actively benefiting from an illegal action (negatively related to the trait) No harm/no foul (negatively related to the trait)
Need for aggression	An aggressive individual is more likely to act and speak in an assertive manner and achieve goals by any means including force	Passively benefiting at expense of others (positively related to the trait) Actively benefiting from a questionable action (positively related to the trait) No harm/no foul (positively related to the trait)

Van Kenhove et al. (2001) investigated another kind of personality trait: need for closure. Need for closure refers to ‘the desire for clear, definite, or unambiguous knowledge that will guide perception and action, as opposed to the undesirable alternative of ambiguity and confusion’ (Kruglanski, 1989 cited in Van Kenhove et al., 2001, p.349). Individuals with a high need for closure incline to present rigid structures of thoughts and reject deviant ideas. As their decisions are expected to be

based on established knowledge and rules, Van Kenhove et al. (2001) found that individuals with such a higher need for closure appear to adhere to high ethical values and idealism.

Muncy and Vitell (1992) found a difference of ethical judgement between genders. When considering the same ethically questionable situations, the experience of male and female respondents seemed to be different, implying that different experiences of ethically questionable situations may influence consumer ethical judgement. Fullerton et al. (1996) also pointed out, more generally, that the differences in experiencing ethically questionable situations might lead to variations in the context of correspondents' judgements. Furthermore, it is explained that respondents with greater experience are 'more likely able to assume a more definitive position by accepting or rejecting the rightness of a given situation' than their counterparts (Kiesler et al., 1969 cited in Fullerton et al., 1996, p.807). This has also been explained by "the techniques of neutralization" (Sykes and Matza, 1957 cited in Grove et al., 1989, p.132). Individuals (i.e., consumers) do not decline conventional values in a society but learn to render the values ineffective under special circumstances. It can be assumed that consumers with more experience of ethically questionable situations and previous performance of EQB may incline to argue their positions that such behaviour is more acceptable and so the conduct is justifiable.

The proceeding discussion on the influence of personal factors suggests that consumers evaluate the illegitimacy of EQB as unethical or unacceptable where the action is clearly defined as illegal. When the ethicality of EQB seems to be ambiguous, many consumers take an account of situational factors (e.g., whether

their action is intentional – actively or passively benefiting, whether their action causes harm to others, and whether their action maximises utility) in order to reach a judgement toward EQB. Such impacts of situation factors can vary across different environmental settings. The following section discusses the factors that constitute different environments.

3.3.2.3 Environmental Factors

In studies of environmental factors, cultural factors have been a particular focus of interest. The impact of culture has been investigated in a single country (Austria, Rawwas, 1996; Hong Kong, Chan et al., 1998; Erffmeyer et al., 1999) or more than two countries (Northern Ireland and Hong Kong, Rawwas et al., 1995; USA and Australia, Rawwas et al., 1996; USA and Egypt, Al-Khatb et al., 1997; Northern Ireland and Lebanon, Rawwas et al., 1998; USA, New Zealand and Singapore, Fullerton et al., 1997⁹; Northern and Southern EU consumers, Polonsky et al., 2001). These studies found that consumer ethical judgements toward EQB differ between countries and it implies that consumers in different countries may possess different ethical principles. On one hand, the Muncy and Vitell typology (1992) suggests ethical judgements can be influenced by four factors including the presence or absence of consumers initial intent to benefit, legitimacy, and possible negative consequence. These studies, on the other hand, present the impact of differences of several cultural (or national) settings of consumer ethical judgements toward EQB, and different than the factors suggested by Muncy and Vitell (1992). These aspects

⁹ This study has applied the scenarios and scales developed by Fullerton et al. (1996)

are economic prosperity, political stability, and the value orientation of society (e.g., individualism vs. collectivism).

In comparison with the previous studies (e.g., Muncy and Vitell, 1992), Rawwas (1996) investigated Austrian consumers whose environment is more likely to be supported by economic success and political stability. It was suggested that Austrian consumers perceive EQB more unethical than American consumers, except in the case of “passively benefiting at the expense of others” (as in the Muncy and Vitell typology, 1992).

The impact of the difference of economy and society on consumer ethical judgements has been also evident in comparative studies. Al-Khatb et al. (1997) investigated the difference between American and Egyptian consumer judgements. In the context of economic difference (between developed countries such as USA and developing countries such as Egypt), the difference in an awareness of ethical issues was also pointed out. It is assumed that consumers in developed countries such as USA have more awareness for consumer rights and responsibility while consumers in developing countries have rather to face greater hardship in their life. Consumers in Egypt are assumed to show obedience to authority or follow what other people do (i.e., collectivism). Those in USA, on the other hand, may desire to possess what accommodates individual needs, and they are aware of their rights and responsibilities. Al-Khatb et al. (1997) found that Egyptian consumers present less ethical concern about EQB than American consumers do. However, the effect of materialism characterising American consumers (which is supposed to increase self-interest through possession, does not seem to be significant here). Overall, the

findings imply that consumer judgements in some countries such as Egypt may be more influenced by social factors than other countries. Similarly, Chan et al. (1998) and Erffmeyer et al. (1999) found that consumer judgement in socially oriented countries such as Hong-Kong and Japan are more likely to be influenced by the social or group norms other than the reasons suggested by Muncy and Vitell (1992).

In terms of political and economic stability, Rawwas et al. (1998) studied two countries (i.e., Ireland and Lebanon) that suffer from civil war or terrorism for significant periods, and explored the potential effects of such long time disruptive events on consumer ethics. The findings indicate that consumers in both cultures present less ethical concerns towards EQB in comparison to American consumers (referred to findings of the previous studies). In particular, both Irish and Lebanese consumers were more likely to demonstrate high ethical concern about “no harm/no foul” behaviour (as in the Muncy and Vitell typology, 1992). It can be assumed that the respondents of Rawwas et al. (1998) did not see any negative consequence caused by violence or social prejudice. Between these different cultures, Irish consumers appeared to be less ethically inclined than Lebanese consumers. It has been suggested that this is due in part to the longer period of civil disruption experienced in Ireland than in Lebanon.

In addition to cultural impact, the impact of *demographic factors* (i.e., gender, education, income, age etc.) on ethical judgements are important aspects that seemingly reflect consumer ethical decision-making. The findings are mixed depending on the countries where the investigations have taken place. Muncy and Vitell (1992) found that older American consumers with lower levels of both

education and income show the strongest ethical concern. This finding is consistent with the findings of Fullerton et al. (1996) and Dodge et al. (1996) that investigated American consumers based on the ethical content scenarios developed by Fullerton et al. (1996) and Dodge et al. (1996). Al-Khatib et al. (1998) however found that Egyptian consumers with higher education show higher ethical concerns than their counterparts. Erffmeyer et al. (1999) found that older Japanese consumers with higher education showed higher ethical concern than the counterparts. The impact of the demographic factors may vary among countries and only further investigation in these countries can present the deeper insights of the relationship between these factors and ethical judgements.

The current section has provided a review of the literature concerning EQB in its generality. The following aspects have been discussed: the typologies of EQB, consumer ethical judgements towards EQB, the impacts of personal and environmental factors on consumer ethical judgements. While the previous research concerning a variety of EQB has extensively investigated ethical judgements and influencing factors, there is only one empirical study investigating intention for such behaviour. Vitell et al. (2001) applied the general theory of marketing ethics (Hunt and Vitell, 1986) to explain intentions for a wider variety of EQB. The Hunt and Vitell model is derived from one of the attitude-behaviour theories, the theory of reasoned action (TRA, Fishbein and Ajzen, 1975); which enables an examination of the decision-making process in terms of the relationship between attitude, intention and behaviour. The model emphasises ethical judgements (deontological evaluation; duty orientated vs. teleological evaluation; consequence orientated) to explain intentions in a given situation. They found that consumers rely on both ethical value

and evaluations of consequences in given situations to reach ethical judgements and hence intentions. In examining the decision-making process for a wider variety of EQB, none of the previous studies, with the exception as noted above of the study by Vitell et al. (2000), have applied attitude-behavioural theories such as TRA and the theory of planned behaviour (TPB, Ajzen, 1985; 1991). TPB is taken as an initiating theoretical framework by the current research and is detailed in Chapter 4 with a review of the previous studies that have applied TPB for an understanding of ethical decision-making in specific situations.

Table 3-9 below provides a brief summary of the findings of these empirical studies presented within the current discussion. The table includes details of variables measured, sampling size and mode of methods and analysis. The main issues focused on by these studies, as discussed, are ethical judgement and influencing factors. Many of the studies adopt one or two of the following methods in their approach: Muncy and Vitell's Consumer Ethics Scale (1992) which examines a range of judgements towards different ethical issues in consumption; Ethics Position Questionnaire (Forysth, 1980) which examines individual ethical orientation; Mach IV Scale (Christie and Geis, 1970) which examines personal tendency to maximise his/her interest (i.e., the extent of ethical egoism). Additionally, it should be noted samples vary in terms of environmental settings (e.g., different countries), and in many cases multivariate analysis variance was used to examine the difference of ethical judgements and influencing factors among the groups of research interest.

Table 3-9: Empirical studies on a variety of EQB

Reference	Issues focused	Variables measured	Sample/Country conducted	Methods/Analysis (M/A)
Wilke (1978)	Fraudulent behaviour, attitude and perceived participation	Ethicality of each behaviour, Participation of the behaviour by respondent's peer, Appropriate action.	Middle-income wives (n = 290) (The response rate = 85%) U.S.A.	M: Scenarios of 15 consumer initiated fraudulent behaviour A: Multivariate analysis of variance
Findings	Respondents showed general disapproval of the described fraudulent situations while they show a certain degree of tolerance toward some situations caused by the side of business. Respondents did not view the described fraudulent situations as rare phenomena according to their peers' participation. This may imply the reflection of respondents own behaviour. (p.71-2)			
Vitell et al., (1991)	Ethical judgements of elderly people	Consumer ethical beliefs Machiavellianism Idealism and relativism	Residents above the age of 60 in one large Southeastern metropolitan area (n = 394) (The response rate = 27%) U.S.A.	Consumer Ethics Scale ^a in working process, Mach IV Scale ^b , Ethics Position Questionnaire ^c
Findings	'Elderly consumers (65 years old +), while generally being more ethical than younger consumers, are diverse in their ethical beliefs' (p.365)			
Muncy and Vitell (1992)	Ethical judgements, general attitudes towards business	Consumer ethical beliefs	A large national sample (Study 1 n= 569; Study 2 n = 564) (The response rate = 30% and NA respectively) U.S.A.	Consumer Ethics Scale ^a , Six-point Likert scale for general attitudes
Findings	High concern for ethical issues in consumption was shown. Structural factors that affect ethical judgements were identified. Demographic factors such as age, income and education are significantly related to ethical concerns.			
Rallapalli et al. (1994)	The impact of personality traits on ethical judgements	Consumer ethical beliefs Personality traits	Undergraduate business students (n = 295) U.S.A.	Consumer Ethics Scale ^a , Personality traits
Findings	Individuals with a high need for social desirability and individual with a strong problem solving coping style appeared to agree ethical beliefs than the counterparts.			

[Scales] a: Consumer Ethics Scale (Muncy and Vitell, 1992), b:Mach IV Scale (Christie and Geis, 1970), c: Ethics Position Questionnaire (Forysth, 1980)

Table 3-9: Empirical studies on a variety of EQB (continued)

Reference	Issues focused	Variables measured	Sample/Country conducted	Methods/Analysis (M/A)
Al-Khatib et al. (1995)	Ethical judgements of Egyptian consumers	Consumer ethical beliefs Machiavellianism Idealism and relativism	A convenience sample (n = 318) (The response rate = 63.6%) Egypt	Consumer Ethics Scale ^a , Mach IV Scale ^b , Ethics Position Questionnaire ^c
Findings	Idealistic consumers are less likely to be tolerant towards illegal or harmful actions than the counterparts. Where the ethicality of actions are ambiguous, ethical judgements are more likely to be influenced by situational factors (i.e, religion, education, the political and economic climate) than ethical ideologies.			
Rawwas et al. (1995)	Difference in moral values between countries/ Ethical judgements, Predominant ethical ideology	Consumer ethical beliefs Machiavellianism Idealism and relativism	A convenience sample from Hong Kong (n = 192) Northern Ireland (n = 193)	Consumer Ethics Scale ^a , Mach IV Scale ^b , Ethics Position Questionnaire ^c
Findings	Hong Kong consumers perceived ethically questionable behaviour more unethical than Ireland consumers. This difference was occurred because Ireland consumers were assumed to interrogate moral value after having suffered form war and terrorism for a long time.			
Dodge et al. (1996)	Acceptability (ethical judgements) on potentially unethical behaviour	Attitudes toward potentially unethical behaviour	A national sample (n = 532) (The response rate = 37%) U.S.A.	Short scenarios, Six-point Likert scale
Findings	Direct economics consequences and indirect economics consequences underline the structure of consumer ethical beliefs. Consumers determine their decisions depending on ethical situations. Demographic factors such as sex, age, education, and income are related to ethical beliefs.			
Fullerton et al. (1996)	Acceptability (ethical judgements) on potentially unethical behaviour	Attitudes toward potentially unethical behaviour	A national sample (n = 362) (The response rate = 34%) U.S.A.	Short scenarios, Six-point Likert scale
Findings	According to the identified structure of ethical attitudes in this study, the typology of consumers in ethical context was developed. 'An individual's acceptance of unethical behaviour is more situation than attitudinal' and 'Individuals with the highest ethical concern tend to be order, with less education and income than their less concerned counterparts.' (p812)			

[Scales] a: Consumer Ethics Scale (Muncy and Vitell, 1992), b:Mach IV Scale (Christie and Geis, 1970), c: Ethics Position Questionnaire (Forysth, 1980)

Table 3-9: Empirical studies on a variety of EQB (continued)

Reference	Issues focused	Variables measured	Sample/Country conducted	Methods/Analysis (M/A)
Hagner et al. (1996)	Ethical issues not specified. Context effects in ethical evaluations/ ethical evaluations	Evaluations on the ethicality of the subjects (people)	University business students (n = 260) Ireland	M: Seven-point Likert scale
Findings	Consumer ethical judgements are influenced by contexts of ethical issues such as subjects to be evaluated. Respondents inclined to show less strict ethical judgements towards themselves, friends and relatives than politicians, corporate leaders, doctors and professions.			
Rawwas (1996)	Austrian consumers ethics/ Machiavellianism, predominant ethical ideologies, ethical judgements	Consumer ethical beliefs Machiavellianism Idealism and relativism	A convenience sample (n = 149) (The response rate = 74.5%) Austria	Consumer Ethics Scale ^a , Mach IV Scale ^b , Ethics Position Questionnaire ^c
Findings	'The lower-level of ethical principle (measured as Machiavellianism, egoism) is encouraged as long as it enhances, or is restrained by, the higher-level of ethical principle (measured as idealism and relativism).' <p>The results shows that the large part of respondents incline to determine situations of ethical issues such as the consequences and outcome for reaching their judgements.</p>			
Rawwas et al., (1996)	Consumer ethics, cross-cultural: USA and Australia/ Machiavellianism, Deontological and teleological evaluations, predominant ethical ideologies	Consumer ethical beliefs	Shoppers in major shopping centres in Washington, D.C. (U.S.A., n =188) and Sydney (Australia, n =181)	Consumer Ethics Scale ^a , Mach IV Scale ^b , Ethics Position Questionnaire ^c
Findings	Australian consumers appeared to accept regulations and code of ethics more than Americans. A difference between American and Australian consumers was found in Machiavellianism, while no differences were found in idealism and relativism			
Chan et al. (1998)	Chinese consumer ethical judgements, general attitudes towards business	Consumer ethical beliefs	Part- and full-time student in hotel and tourism management (n = 242) Hong Kong	Consumer Ethics Scale ^a , Six-point Likert scale for general
Findings	Ethical judgements of Chinese consumers are heavily influenced by the group norm and less affected by their personal norms.			

[Scales] a: Consumer Ethics Scale (Muncy and Vitell, 1992), b:Mach IV Scale (Christie and Geis, 1970), c: Ethics Position Questionnaire (Forysth, 1980)

Table 3-9: Empirical studies on a variety of EQB (continued)

Reference	Issues focused	Variables measured	Sample/Country conducted	Methods/Analysis (M/A)
Al-Khatb et al. (1997)	Consumer ethics, cross-cultural: USA and Egypt/ Machiavellianism, Deontological and teleological evaluations, predominant ethical ideologies	Consumer ethical beliefs Machiavellianism Idealism and relativism	Consumers from a large Southeastern metropolitan area (U.S.A., n = 394) and from a major Egypt city (Egypt, n = 318)	Consumer Ethics Scale ^a , Mach IV Scale ^b , Ethics Position Questionnaire ^c
Findings	Cultural effects on ethical judgements. 'US Consumers were inclined to view all types of questionable actions as more unethical than Egyptian consumers.' (p758)			
Fullerton et al. (1997)	Acceptability (ethical judgements) on potentially unethical behaviour	Attitudes toward potentially unethical behaviour	University students USA (n = 218), New Zealand (n = 78) and Singapore (n = 77)	Short scenarios, Six-point Likert scale
Findings	Consumers in the three countries appear to be similar in term of ethical beliefs toward most of EQB. Whereas, the difference observed for some of EQB were likely to be influenced by the origin of the resided countries.			
Muncy and Eastman (1998)	The relationship between materialism and consumer ethical judgements	Consumer ethical beliefs Materialism	University students in marketing classes (n = 214) U.S.A.	Consumer Ethics Scale ^a , Value-oriented materialism scale: Centrality, Happiness, Success
Findings	A negative relationship between ethical beliefs and materialism. More materialistic consumers seem to show less concern for ethical issues than the counterpart			
Rawwas et al. (1998)	The potential effect of war and civil war on consumer ethical judgements	Consumer ethical beliefs Machiavellianism Idealism and relativism	A convenience sample in Ireland and Lebanon (n = not reported)	Consumer Ethics Scale ^a , Mach IV Scale ^b , Ethics Position Questionnaire ^c
Findings	In both cultures of Ireland and Lebanon where consumers have suffered from war and civil disruption, consumers shown less ethical concerns. 'Irish consumers less sensitive to consumer ethical practices, less idealistic, more relativistic, and more Machiavellian than Lebanese consumers.' (p435)			

[Scales] a: Consumer Ethics Scale (Muncy and Vitell, 1992), b:Mach IV Scale (Christie and Geis, 1970), c: Ethics Position Questionnaire (Forysth, 1980)

Table 3-9: Empirical studies on a variety of EQB (continued)

Reference	Issues focused	Variables measured	Sample/Country conducted	Methods/Analysis (M/A)
Erffmeyer et al. (1999)	Japanese consumer ethical judgements, Machiavellianism, predominant ethical ideologies	Consumer ethical beliefs Machiavellianism Idealism and relativism	A convenience sample (n = 258)	Consumer Ethics Scale ^a , Mach IV Scale ^b , Ethics Position Questionnaire ^c
Findings	The findings of this study provided 'some support for the notion of (Japanese consumers) that traditional conservative, societally-focused, values continue to be important in the realm of consumer behaviour for the population as a whole.' (p46)			
Polonsky et al. (2001)	Consumer ethics: a comparison of Northern and Southern European Union consumers	Consumer ethical beliefs	Four Northern EU countries (Germany, Denmark, Scotland, The Netherlands, n = 484) and four Southern EU countries (Portugal, Spain, Italy, Greece, n = 478)	Consumer Ethics Scale ^a
Findings	The small difference of consumer ethical beliefs towards EQB was found except actively benefiting from illegal and questionable activities. Northern EU consumers perceived "actively benefiting from illegal actions" more unethical than southern EU consumers. Whereas, southern EU consumers perceived "actively benefiting from questionable actions" more unethical than northern EU consumers.			
Van Kenhove et al. (2001)	Consumer ethics, ethical ideologies, political preference, need for closure	Consumer ethical beliefs Machiavellianism Idealism and relativism Political preference	A representative sample (n = 286) Belgium	Consumer Ethics Scale ^a , Mach IV Scale ^b , Ethics Position Questionnaire ^c Need for Closure
Findings	Individuals with high need for closure appear to agree on ethical value and be idealistic more than the counterparts. They were also found to prefer political conservative.			
Vitell et al. (2001)	Intentions for EQB	Personal intention Consumer ethical beliefs Machiavellianism Idealism and relativism	Randomly assigned university students (study 1, n = 148; study 2 n = 82)	Scenarios Consumer Ethics Scale ^a , Mach IV Scale ^b , Ethics Position Questionnaire ^c
Findings	Consumers appear to take an account of their ethical values and consequences of alternative actions in given ethical situations.			

[Scales] a: Consumer Ethics Scale (Muncy and Vitell, 1992), b:Mach IV Scale (Christie and Geis, 1970), c: Ethics Position Questionnaire (Forysth, 1980)

Table 3-9: Empirical studies on a variety of EQB (continued)

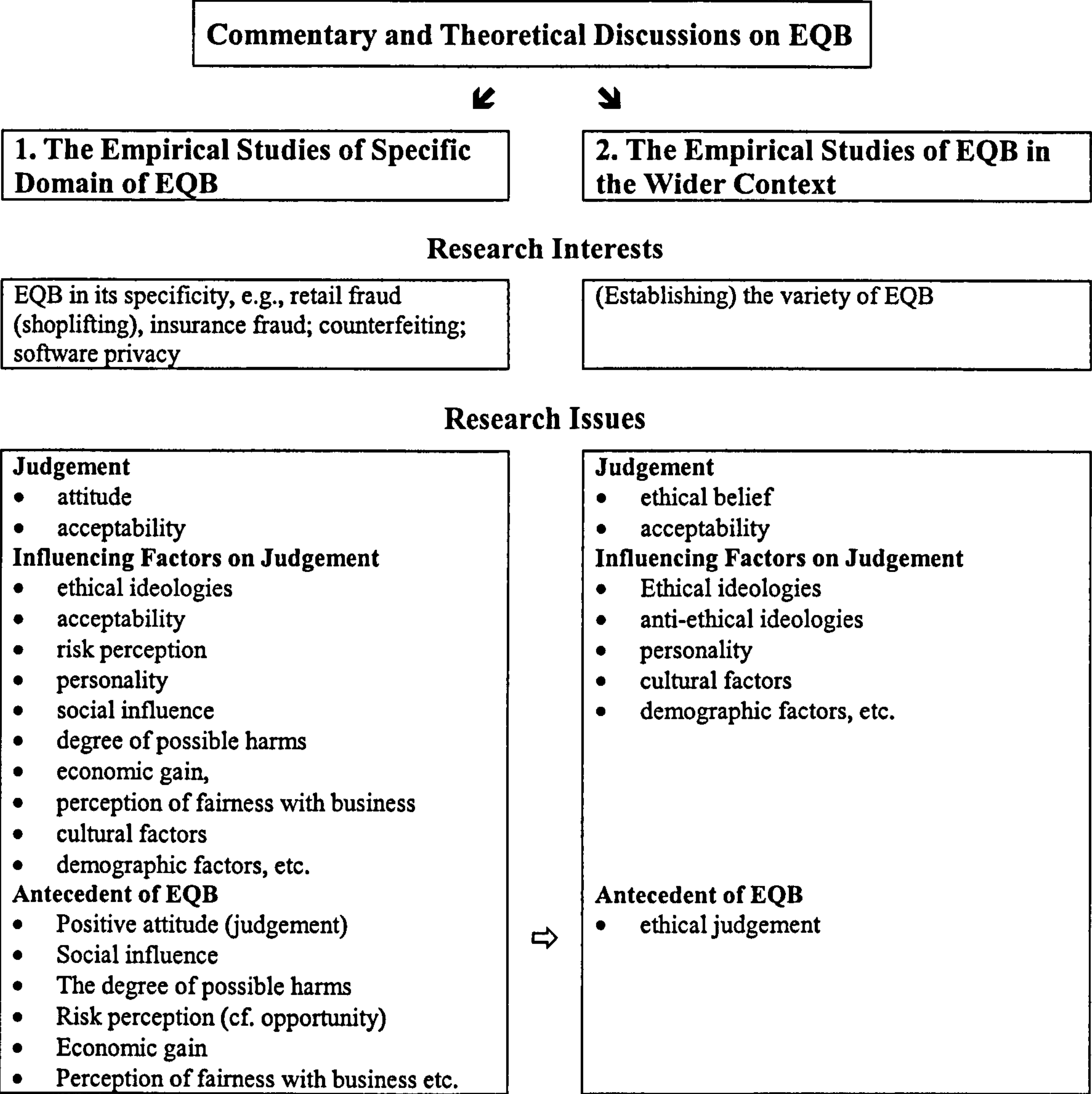
Reference	Issues focused	Variables measured	Sample/Country conducted	Methods/Analysis (M/A)
Mitchell and Chan (2002)	Consumer ethics and past performance	Consumer ethical beliefs Past performance	UK consumers (n = 240)	The new Consumer Ethics Index extended from the Muncy and Vitell typology. A five-point scale (wrong – not wrong)
Findings	Factor analysis produced four components of ethical judgements, which are the same factors identified by Muncy and Vitell (1992). Generally, the UK consumers appeared to indicate their higher ethical concern with the behaviour categorised as ‘actively benefiting from an illegal activity’. Only weak correlations between ethical judgement and past performance were found.			

[Scales] a: Consumer Ethics Scale (Muncy and Vitell, 1992), b:Mach IV Scale (Christie and Geis, 1970), c: Ethics Position Questionnaire (Forysth, 1980)

3.4 Direction for Further Investigation

The current chapter has reviewed the literature in relation to ethically questionable behaviour in consumption (EQB), and a schematic overview of the literature is presented in Diagram 3-1 below. Following on from the discussion on EQB, the diagram presents – in summary form – the research interests and issues of empirical studies as they appear for the two streams of research: EQB in its specific situations, and EQB in the wider context. In the subsequent discussion, a comparison is made of these two streams of research in terms of the issues focused upon. A research gap is addressed due to the fact that the EQB decision-making process in the wider context has not been fully explored, with its focus having been centred upon ethical judgement as an antecedent of EQB. Directing the current investigation toward exploring this gap in consumer ethics research is considered to be appropriate in order to approach the overall research question of *how* and *why* consumers engage in EQB. Furthermore, integrating the findings of the first stream of research (indicated in the schematic diagram by the white arrow) is also considered to be helpful in developing an initial theoretical foundation for the EQB decision-making process.

Diagram 3-1: A Schematic Overview of the Literature on Ethically Questionable Behaviour Consumption (EQB)



As the current research is aimed to understand *how* and *why* consumers engage in EQB as a whole, it is more related to this second stream of research. The review of empirical studies concerning the variety of ethically questionable behaviour (EQB) reveals,

- Consumers do present a high level of ethical concern towards a wide variety of EQB;
- Consumer ethical judgements towards a wide variety of EQB are influenced by personal factors (i.e., ethical ideologies, anti-ethical ideologies, personality, and experiences in unethical situations) and environmental factors (i.e., cultures and demographic factors);
- A majority of consumer judgements appear to be situation dependent;
- Consumer ethical judgements are also influenced by the factors in relation to a given situation (e.g., situational factors: the degree of possible harms, social influences, economic condition, political stability)

In comparison to the first stream of research, studies on the wider variety of EQB have extensively investigated ethical judgements rather than exploring *why* and *how* consumers engage in a variety of EQB (intentions/behaviours), with the exception of the study by Vitell et al. (2001). As mentioned, this study applied the general theory of marketing ethics (Hunt and Vitell, 1986) to explain intentions towards EQB. The Hunt and Vitell model emphasises ethical judgements (deontological evaluation: duty orientated vs. teleological evaluation: consequence orientated) to explain intentions in a given situation. However, the current discussion revealed that a variety of factors other than ethical beliefs and the degree of consequences influence ethical judgements and therefore intentions/behaviours. The previous empirical studies found consumers appear to take an account of not only their ethical beliefs but also possible outcomes of given ethical situations in reaching judgements and therefore intentions. This points towards an important aspect of consumer decision-making in ethical situations, in need of further elucidation. Indeed it suggests that

ethical judgements are not the only determinant of intentions, but that other factors are suspected to influence intentions and so the occurrence of EQB. The current research seeks to characterise such factors, other than ethical judgements, and examine their possible role in the EQB decision-making process.

In addition, the literature on specific issues of EQB helps to provide additional knowledge to expand our understanding beyond a consideration of ethical judgements: indeed, an investigation on *why* and *how* consumers engage in EQB. The review revealed a list of possible factors that influence intention for EQB depending upon the situations involved. These are social and peer influence, the degree of possible harm to others, risk perception (cf. an existence of opportunity), and the perception of fairness of business practice. Certainly, due to the specific nature of the issue studied, fellow researchers ought to be warned that the role of these factors needs further examination in a wider context before attempting generalisation. However, these findings at least imply the complexity of the EQB decision-making and its situation dependence; this supports the view of the current thesis that judgement and performance of EQB are influenced by situational factors as well as ethical beliefs.

By placing findings of the current research in the context of relevant research from criminology, economics, psychology, business ethics and consumer ethics research, the current thesis is aimed to develop some well-grounded explanation of *why* and *how* consumers engage in EQB. It is also hoped that such an approach can provide a direction for further theoretical development and empirical research on the issue of consumer ethics. In light of the current literature review, the following chapter sets

out an initial theoretical foundation that will go onto guide and conduct an empirical investigation for the current research.

Chapter 4 The Theoretical Foundation

4.1 Introduction

The current research focus, seeking to understand *how* and *why* consumers engage in ethically questionable behaviour (EQB), is concerned with explanations of the behaviour in question. Beck and Ajzen (1991, p.286) note ‘intentions are assumed to capture the motivational factors that influence a behavior.’ Intention for a specific behavior is assumed to present motivational factors for a specific behaviour and to be the immediate antecedent of the behaviour so that the prediction of intention for EQB is consequently the focal point of the current research.

The literature in consumer ethics, whether explicit or not, is inclined to assume that attitudes toward ethical issues (i.e., ethical judgements) affect intention and subsequent behaviour. However, consider for example an instance in which a consumer perceives “buying a counterfeit product” as unethical. He/she may purchase the product because the price may be attractive or perhaps because the counterfeit product is the only product available. Even such a simple scenario can demonstrate that consumer ethical judgements for EQB can not perfectly predict intentions and therefore subsequent behaviour. Indeed, this is a case where a decision for an action is determined by a specified situation. In this way, the behaviour that results may differ from the ethical judgement for the same issue. Hence, it is assumed that ethical judgements can remain generally evaluative for ethical issues in consumption but may not always be consistent with intentions of actual behaviour.

The argument in attitude-behavioural research (Kraus, 1995) supports this view on an inconsistency between attitude and behaviour. One of the explanations for the inconsistency between attitude and behaviour is that there are variables moderating the effect of attitudes on behaviour. In supposing that attitudes toward ethical issues (i.e., ethical judgements) do not lead to behavioural intentions and behaviour directly, it is necessary to determine what variables (and in what given situations) modify ethical judgements to compose behavioural intentions and how. To explore such a process, it is believed that an extension of the Theory of Reasoned Behaviour (TRA, Fishbein and Ajzen, 1975), the Theory of Planned Behavior (TPB, Ajzen, 1985; 1991) provides a reasonable foundation.

The Theory of Reasoned Action (TRA, Fishbein and Ajzen, 1975) is a theory of attitude-behaviour relations and describes the sequenced process of decision-making under the right conditions (i.e., complete information and no obstacle to prevent executing a decision as behaviour). When an objective is specified, one evaluates the objective and the outcomes of alternative actions by retrieving relevant beliefs. These beliefs determine attitudes and subjective norm. Attitude and subjective norm influence a decision of whether or not to perform the behaviour. Within TRA, it is assumed that an individual has total control to act according to his/her decision. However, many cases in a real event indicate that subsequent behaviour is not the same as the prior decision due to unexpected and mostly unpredictable influences at the point of action. Thus, TRA has been criticised for its weakness in predicting subsequent behaviour.

To overcome such a weakness, the Theory of Planned Behaviour (TPB, Ajzen, 1985; 1991) has been proposed as an extended version of TRA. As a response to the limitation of TRA, the focus of TPB is on predicting a specific behaviour in a given situation. A motivational factor, perceived behavioral control (PBC), was added to TRA. PBC indicates how hard one tries to carry out a decision and how easy or difficult it is for one to perform the specific behaviour. According to TPB, when one perceives more control over a given situation, one's motivation and perceived ability to act in a certain manner should be increased (and the opposite is true where one perceives less control): as the result, it is more (or is oppositely less) likely that a specific behaviour is performed. In this way, TPB enables the determination of the probability of a specific behaviour across situations, the context of which often varies.

Intention of a specific behaviour is a focus of TPB, and which is consistent with the focal point of the current research. As determinants of intention, TPB places specific emphasis on attitude, subjective norm and behavioural control over a *specific* behaviour. As previously discussed in the section, 2.3.3, established business ethics models involve not only individual but also organisational factors, which are context specific, to provide a holistic view of the decision-making. There is also empirical evidence by the study of Mitchell and Chan (2002) that found *only* a weak relationship between ethical beliefs and past performance. It is here argued that ethical beliefs alone (i.e., general attitude towards ethical issues in consumption) are *not enough* to explain occurrence of EQB and that it is therefore important to investigate and identify not only attitude but also other factors influencing a *specific* behaviour (i.e., EQB). Augmenting the attitude concept to extend beyond ethical

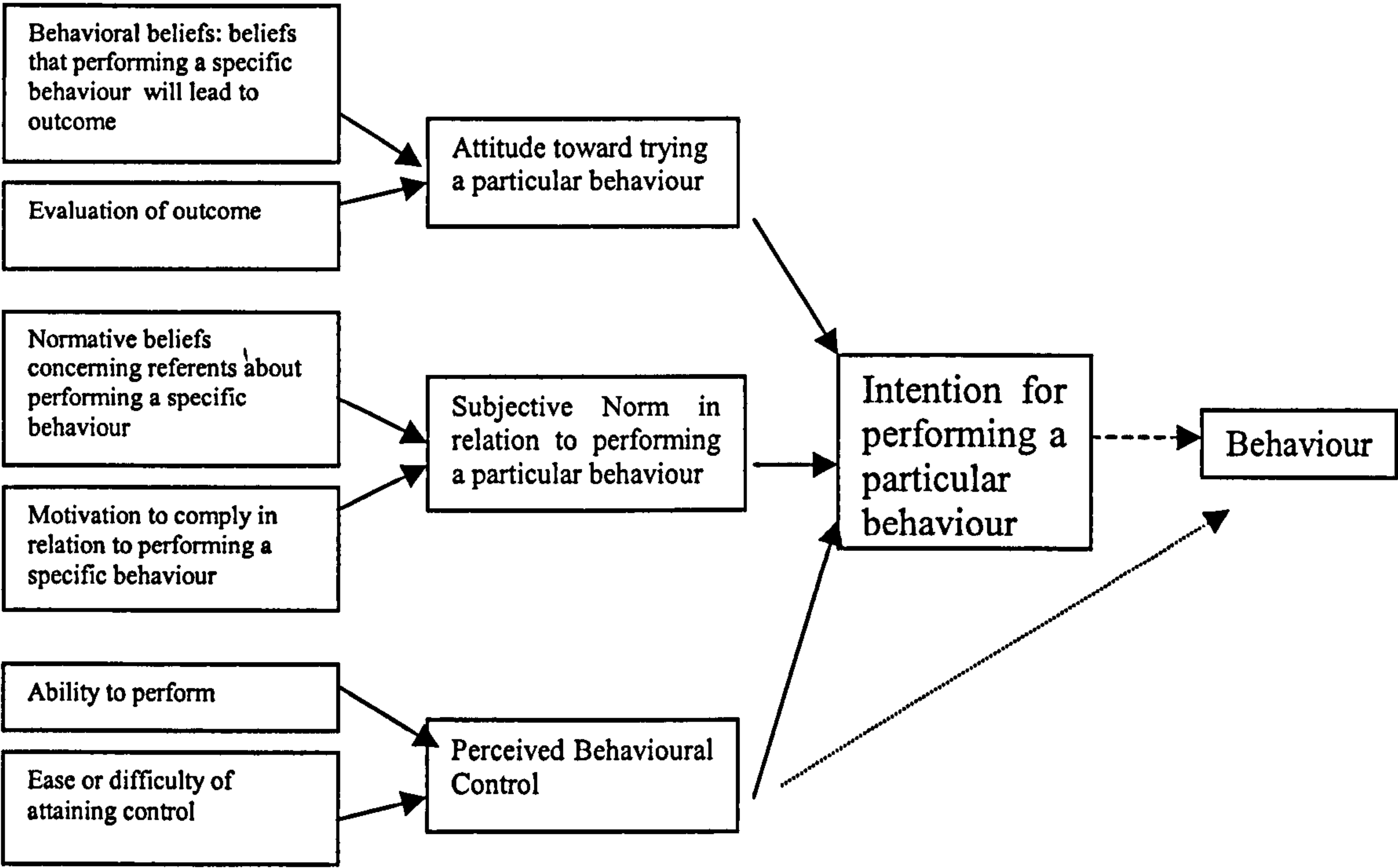
beliefs can, as considered in the current research, provide a sensible representation of the context specific factors, which appear to influence intention for EQB.

The next section explains TPB in detail. The subsequent sections then examine the applicability of TPB as an analytical framework for EQB, followed by an examination of the determinants of EQB in relation to the framework of TPB, and which also considers other influencing factors in relation to EQB.

4.2 The Theory of Planned Behaviour

The Theory of Planned Behaviour (TPB) consists of three determinants of intention, namely attitude, subjective norm and perceived behavioural control. Diagram 4-1 presents this process of decision-making proposed by TPB. Decision-making progresses from left to right through the diagram. Beliefs influenced by various factors affect the determinants, i.e., attitude, subjective norms and perceived behavioural control. These determinants are taken to interact and mediate weightings of each other so that an intention toward performing a specific behaviour is constructed. Based on the general assumption that ‘the stronger intention to engage in a behaviour, the more likely should be its performance’ (Ajzen, 1991, 181), an intention becomes a behaviour. The following summarises these determinants in turn.

Diagram 4-1: The Theory of Planned Behaviour (Ajzen, 1985, 1991)



4.2.1 Attitude

The first determinant *attitude* refers to what extent a person feels favourably or unfavourably about trying a specific behaviour. Although TPB is known to be derived from the Theory of Reasoned Action (TRA) by acquiring a new determinant perceived behavioral control, the context of attitudes in TPB has a slight difference that represents an improvement in TPB as the extension of TRA. In TPB, the context of attitude goes beyond the one of TRA. Attitude in TPB refers to *trying* a specific behavior while attitude in TRA refers to *performing* a specific behaviour. Ajzen (1985, 31) explains this that ‘attitude trying and succeeding (i.e. attitude toward performing the behaviour) will usually differ from the attitude toward trying and failing.’

This distinction – between trying and performing a specific behaviour – becomes evident in different ways depending on the specific kind of behaviour. Ajzen explains ‘for some behaviors, a low level of effort is sufficient, and successful performance of the behavior depends largely on the level of control’, while ‘for other behaviors, a minimal level of control is enough, and successful performance of the behavior varies with the degree of effort’ (1985,pp.30-31). As for the former case, Ajzen suggests highly skilled activities, giving examples such as typing or driving a race car; in these cases to perform the task successfully a high level of skill is more important than increased effort. To put this into context of ethical issues in consumption, an example can be given as copying music or software CD using sophisticated computer techniques.

In the latter case, where there is lower level of control and higher level of effort required, instances can be found where consumers are working for their own benefit within the established codes of conduct. For example, a customer who decides to return an item to a shop after finding out that the same item is now cheaper in a sale might need to repeat the journey to town and go through the process of stating their case to the shop assistant. This might involve further effort such as travelling to another shop and queuing up to buy the item at the cheaper price, and so on. In general, this customer is working within the established codes of practice for returning an item and as such is not needing to take significant control of the situation, but is evidently making a great deal of effort. In such cases, as Ajzen (1985) might suggest, for many consumers, ‘achieving [...] this behavioural goal depends largely on their willingness to try’ (p.31). To some extent in both cases (either high control/low effort or low control/high effort), attitude in TPB reflects an

actor's willingness to try, and with account of the probability in succeeding or failing¹ accurately reflecting on the intention to perform the behaviour.

Two components, behavioural beliefs and outcome evaluation, compose attitude that leads to intention. Behavioural beliefs refer to what an actor expects to happen by performing a specific behaviour. It is individual salient beliefs about a consequence that would affect the behaviour. For instance, someone may believe that making unauthorised copies of software would be to the detriment of the software's author. Outcome evaluation refers to an individual assessment of consequence. For instance, harming the well-being of the software's author is good or bad (beneficial or harmful). When someone evaluates the consequence positively (or negatively), it is assumed that he would have a favourable (or unfavourable) attitude about trying the behaviour (Ajzen and Fishbein, 1980).

4.2.2 Subjective Norm

Subjective norm is another determinant of intention and captures social influence on intention and behaviour. It refers to the extent of social pressure an actor perceives for a specific behaviour. Particularly, it indicates individual perception of what others important to the individual (e.g., parents, close friends and colleagues: referents) would think he/she should do, that is whether or not to perform a behaviour in question (Ajzen and Fishbein, 1980).

¹ This then helps demonstrate Ajzen's case of emphasising an additional factor, perceived behavioural control (PBC), in TPB. PBC, which is discussed later in the following section 4.2.3, is proposed as an additional theoretical dimension of behaviour that captures the level of control (i.e., individual perception of the probability of succeeding or failing in a give situation). Thus, along with PBC, attitude in TPB is considered to reflect its significance more precisely on the decision-making process.

Subjective norm consists of two components, normative beliefs and motivation to comply. Normative beliefs refer to the individual perception of what his referents think he should do. Motivation to comply refers to how strongly the individual feels he/she should act in a way his/her referents think. The sum of these components would determine the function of subjective norm and likely mediate the weighting of attitude on intention and behaviour.

4.2.3 *Perceived Behavioural Control*

Perceived behavioural control (PBC) was added to the Theory of Reasoned Action (TRA) to challenge the boundary of *volitional* behaviour and *non-volitional* behaviour. By taking an account of necessary resources and opportunities to perform a specific behaviour, Ajzen (1985; 1991) asserts that an actor estimates the ease or difficulty, and the ability of performing a particular behaviour according to a specific situation. Thus, the perception of the ease or difficulty, and the ability to perform a particular behaviour mediates the weighting of attitude and subjective norm and affects the degree of intention. For instance, where an actor perceives little control over the performance due to the lack of resources and opportunities, the intention may be low even if the actor had positive attitude and/or subjective norm (Madden et al., 1992, 4).

As the performance of EQB is not always carried out under volitional control but limited by various external factors, it is expected that PBC would play an important role in constructing intentions for EQB. The role of PBC in TPB reinforces its suitability for the current application over and above TRA. As mentioned

previously, this additional determinant lead to an improvement in the ability to predict intention as well as behaviour (e.g., Shaw et al., 2000; Ajzen and Madden, 1986; Madden et al., 1992; Beck and Ajzen, 1991). In addition to the influence on intention, PBC is assumed to influence the behaviour itself. That is because PBC partly reflects actual control over the behahviour. When PBC is measured more accurately in comparison to actual control, its predictive power on intention should increase.

In summary, the three determinants (attitude, subjective norm and perceived behavioural control) discussed above (and presented in Diagram 4-1) may predict the intention to perform a particular behaviour and that in turn is the most immediate predictor of behaviour. An intention indicates an individual estimate of the probability of performing the behaviour. It is determined by attitude toward trying the behaviour, individual perception of social pressure regarding to the behaviour, and individual perception of availability of resources and opportunities to perform the behaviour.

4.3 Applicability of the Theory of Planned Behaviour for EQB

The Theory of Planned Behaviour (TPB) has been outlined then as an extended version of the Theory of Reasoned Action (TRA). TPB has been widely applied and supported for its application in a wide range of behavioral domains (Ajzen, 2001). TPB then is selected as a foundation of the current theoretical development for the following reasons:

1. There are a number of models around looking at issues relating to ethically questionable behaviour in consumption (EQB). Some models are general such as TPB and TRA, while others are specific to particular contexts. Examples of the latter are the following descriptive frameworks: a Structural Model of Aberrant Consumer Behaviour (Fullerton and Punj, 1993), an Application of the Technique of Neutralization (Grove et al., 1989) and a Model of Consumer Ethical Dilemmas (Marks and Mayo, 1991). A Structural Model of Aberrant Consumer Behaviour (Fullerton and Punj, 1993) is aimed to place a boundary between aberrant behaviour and acceptable behaviour in consumption and so to consider various factors leading to these different kinds of behaviour. On one hand, the model successfully projects many of the possible explanatory factors of consumer aberrant behaviour as evidenced in literature review. On the other hand, *how* intentions are constructed has not been explored within the model.

The other framework developed by Grove et al. (1989) is based on the technique of neutralization (Sykes and Matza 1957 cited in Grove et al., 1989). The contribution of this framework is to provide possible explanations of how consumers internally justify their non-normative behaviour. Using such a neutralization framework, Strutton et al. (1994) found some evidence of the link between behaviour and reasoning: consumers justifying their unethical behavior as acceptable on occasions. What are missing from this framework in predicting intentions, are external factors that affect the construct of intention when consumers justify unethical behaviour as acceptable. Thus, this framework is not directly applicable although its knowledge will contribute to the current theoretical development.

The model of Consumer Ethical Dilemmas developed by Marks and Mayo (1991) conceptualises the role of ethical dilemmas in decision-making. The model adopts the general theory of marketing ethics (Hunt and Vitell, 1986 cited in Marks and Mayo, 1991) to explain the significant role of ethical dilemmas in decision making. Marks and Mayo (1991) found Hunt and Vitell's model useful for their aim. In the context of the current research, it is beneficial to consider TPB as a basic foundation to accommodate a model of intention for EQB. That is because the usefulness of the general theory of marketing ethics in predicting intentions for EQB is unknown, the general theory of marketing ethics is derived from the knowledge of the Theory of Reasoned Action (TRA) and TPB is an extended and improved model of TRA.

2. TPB was derived from the Theory of Reasoned Action (TRA, Ajzen and Fishbein, 1980; Fisbein and Ajzen, 1975) that contributed to the development of ethical decision-making models in business (eg., Hunt and Vitell, 1986; Ferrell and Gresham, 1985 noted by Ferrell, 1989) as well as a specific domain of consumer ethics (e.g., tax compliance, Lewis, 1982). Hence, it is argued that TPB inherited the flexibility of TRA as a framework to expand a conceptualisation to a specific setting of the current research subject.

3. TPB has been widely applied into marketing and consumer research to understand intention and behaviour² because the theory possesses necessary elements to explain human behaviour. Vallerand et al. (1992, 100) addressed the importance of capturing both personal and social elements in investigating ethical issues in order to make a fuller account of the behaviour. By considering this importance, TPB possesses requisite elements of intention. Not surprisingly, several ethics studies³ have tested the applicability of TPB in particular contexts and found it useful. Particularly, Cheung et al., (1999), Chang (1998) and Beck and Ajzen (1991) substantiated the use of perceived behavioral control (PBC). PBC is the key additional determinant of TPB as the extension of TRA.
4. TPB is an established model, from which it is 'expected to have the advantage of being sufficiently robust to support analysis of changes overtime' (Klobas and Clyde, 2000, 11). With the examination above, it is reasonable to believe that an application of TPB for EQB is helpful for understanding how consumers engage in EQB and the prediction of its intentions.

² As recent examples, Managers' attitude to sales promotions, Huff and Alden (2000); Impulsive purchasing, Lee and Kacen (2000); Consumer complaining behaviour, East (2000); Use of the Internet, Klobas and Clyde (2000); Acceptance of e-commerce services, Bhattacharjee (2000); Use of coupons in cyberspace, Fortin (2000)

³ As recent examples, Consumer environmental behaviour, Pelletier et al. (1999) and Harland et al (1999); Wastepaper recycling, Cheung et al. (1999); Software piracy, Chang (1998); Cheating and lying, Beck and Ajzen (1991); Medical profession, Randall and Gibson (1991); Ethical Consumers – Shaw and Clarke (1999) and Shaw et al. (2000)

As a reminder, intention is assumed to be the immediate antecedent of behaviour. However, it is not always the case that intention results in behaviour. Ajzen (1985, 29) notes 'strictly speaking, intentions can only be expected to predict a person's attempt to perform behavior, not necessarily its actual performance.' He points out that there are remaining factors affecting success or failure of performing a specific behaviour. These factors (e.g., attitude change as time goes by, inability to overcome various obstacles to execute intentions) are beyond one's control and result in a failure to observe the predicted behaviour. Hence, it is considered that 'intentions are indicators of how hard people are willing to try, of how much of an effort they are planning to exert, in order to perform the behavior' (Beck and Ajzen, 1991, 286). The *potential* of intention is emphasised, and focused upon, under the assumption that the stronger the intention the more likely the behaviour specified in the process of evaluation is performed (Ajzen, 1985). In addition, this focus stems from a notion that intention presumably captures motivational factors influencing a behaviour as mentioned above (Beck and Ajzen, 1991). It is beneficial to develop explanations of the current research question of *how* and *why* consumers engage in ethically questionable behaviour in consumption (EQB).

This research is therefore initiated by, and built upon, the theory of planned behaviour. This theoretical model has been developed within the cognitive and social learning approaches outlined in Chapter 2. From the established behavioural theory, the current research aims to extend such a theoretical framework to understand the EQB decision-making in a wider context, and even eventually enable a general approach. The research is then neither concerned with an interpretive perspective, that might be described as, in the words of Marsden and Littler (1998),

‘understanding behaviour at the individual level within the realm of consumers’ subjective consciousness and meaning system’ (p.9). Nor is it concerned with, what has been termed, a postmodern perspective of ‘exploring how consumers are constituted by different discourses’ (Marsden and Littler, p.9). The focus of this research is on *how* and *why* a specific *behaviour* occurs, not how and why specific individual behave. This then is to seek to understand a particular social phenomenon within a positivist perspective focusing on finding regularity and gaining general consensus. Such methodological position and choices taken by this research are discussed in depth in Chapter 5. The following section turns to consider insights of the EQB decision-making.

4.4 Insights of Ethically Questionable Behaviour in Consumption

Ajzen and Fishbein (1980) suggest that there are salient beliefs attending the construct of attitude and so it is important to identify such beliefs of the behaviour of interest. Gaining a correspondence between beliefs and the behaviour of interest in measurements is argued to improve consistency of the attitude-behaviour relation (Ajzen and Fishbein, 1977 cited in Kraus, 1995). Hence, identifying the contexts of salient beliefs in relation to specific behaviour (i.e., EQB) becomes crucial in the operation⁴. Consequently, the purpose of the following discussion is to explore insights of EQB and examine factors (salient beliefs) influencing EQB in relation to TPB.

⁴ Such importance is also noted in the study by Randall and Gibson (1991) that addressed specific behavioural beliefs relating to the medical profession.

4.4.1 Attitude as a Representation of Self-interests in Consumption

Adam Smith 'regarded the attempt to explain all human behaviour on the basis of self-interest as analytically misguided and morally pernicious' (cited in Muller, 1993, p.2). He also argued that individuals in society should be placed in 'the freedom to appeal the self-interest of others through exchange, which creates greater social interdependence along with personal independence from the will of an individual master' (cited in Muller, 1993, p.92). Smith's theory of freedom of exchange in markets described the new opportunities and benefits to society at the early stage of industrialisation in capitalism. In other words, freedom of exchanges in markets afforded the opportunity for consumers to practice socially beneficial behaviour but not necessarily maximisation of their own interests. However, as markets have matured, it seems that this meaning of freedom of exchange has altered the initial meaning and has been reinterpreted as the freedom from all societal control to allow unrestricted individual activity in consumption. With strong and continuous competition in contemporary markets, consumers have been encouraged to choose the best-accommodated product or service for their self-interests. Hence, consumer self-interest is considered to be an evaluative belief in itself, and that may serve substantially to form favourable attitude toward trying EQB.

Consumers are enthusiastic about fulfilling needs and wants in purchasing, and all of which can be said to have developed through their life experiences. Such needs and desires can form the content of goals, and can be taken to be motivational factors, and reasons for, an individual performing a particular behaviour (Ryan et al. 1996). Consumers emphasise self-interest in terms of such needs and desires and in attempting to achieve their fulfilment through practising certain behaviour. Various kinds of self-interest thus endow beliefs with a quality that an individual desires to achieve through behaviour. Self-interest prescribes the nature of consumer behaviour and projects benefits that consumers like to, and can, attain through such behaviour.

Bersoff (1999) argues, in general, that unethical behaviour 'is not a result of moral judgements failing to determine action but rather of moral judgement corrupted by self-serving interests succeeding in determining action' (p. 424). With such an argument in terms of consumption activities, one can say that consumers may overemphasise the value of self-interest and as a result can harm other members of society. For instance, the negative impact of the consumer 'always being right' can be shown to be harmful for business. This has been briefly mentioned in Chapter 1 with the example of potential problems for clothing stores in terms of return policy and fitting rooms (see the section 1.2.3).

Although many previous studies on consumer ethics implicitly or explicitly assume that ethical beliefs (holding out against self-interest) significantly influence subsequent behaviour, the effect of self-interest on EQB can be observed. Rawwas (1996) observed the negative effects of self-interest on ethical judgements by

measuring Machiavellianism (as previously noted). Ethical egoism may dominate as consumers seek to maximise their interest (benefits) and so become more likely to accept less ethical behaviour as the result. Muncy and Eastman (1998) also found that materialistic consumer interest is negatively related to ethical judgements when consumers out-weight materialistic value against ethical value. “Misrepresented child’s age for getting cheaper fare” and “buying mispriced products” are cases in point. In addition, consumers are often tempted to not only achieve their initial interest but also gain benefits through their activities in consumption. Hence, consumer self-interest in the current discussion refers to both kinds of consumer willingness: achievement of consumer needs and maximising consumer benefits in marketplaces. Thus, benefit – where it is at the expense of other members and the overall wellbeing of society - can be seen to both initiate EQB, as well as be taken up where it is seen to offer further maximisation of a given situation. The latter manifestation of benefit, is also then to be included in the consideration.

The discussion above explains the potential of self-interest as a salient behavioural belief affecting attitude. Gerson and Damon (1978 cited in Widaman and Little, 1985, p.144) investigated the patterns of reward distribution by children. They measured how children determine a fair distribution of rewards based on performance on a previous task. The study found that ‘the reward distributions showed a “strong tendency for all children to prefer themselves to some extent”’ (Gerson and Damon, 1978, 44 cited in Widaman and Little, 1985, p.144). With this example, Widaman and Little (1985) argue that self-interest has a direct effect on behaviour, and indeed put forward self-interest as a direct determinant of behaviour within their model of sociomoral behaviour, being a modified version of the Theory

of Reasoned Action. However, the relation between self-interest and intention was not mentioned in their model. Thus, whether (or to what extent) self-interest determines attitude has not been explored. In addition, as some studies (e.g., Chang, 1998; Madden et al., 1992; Ryan, 1982) included “beneficial – harm” on the item of attitude measurement, it is considered that the function of “benefit” preserving the nature of consumer self-interest is evaluative and therefore attitudinal. Hence, the need remains to seek the extent to which self-interest, as well as other attitudinal beliefs in consumption, affect the formation of attitude and therefore intention.

4.4.2 Subjective Norm: Social Pressure or Social Approval to Behave Unethically?

It has been suggested by some that subjective norm such as the influence of social norm on individual behaviour are not significant at all when EQB is conducted. This, it is argued, is because the behaviour is solely motivated by self-interest such as utility maximisation (Homans, 1961 cited in Maxwell, 1999). On the other hand, some researchers have demonstrated the impact of subjective norm on intention. Chan et al. (1998, p.1169) mentioned that ‘Chinese consumers are heavily influenced by group norms.’ Their results suggest that Chinese consumers in public life⁵ have strict standards concerning obvious illegal actions such as stealing, while in private life they are less strict with less-observable illegal behaviour such as buying counterfeiting products. The authors concluded that encouraging peer pressure as well as correct ethical norms may be a key influence on fostering ethical judgements.

⁵ The difference between the public and the private sphere is not clearly delineated in this study, though it would seem, the public sphere here refers to activity conducted in the observable arena, e.g. the supermarket, unlike the private sphere which refers to activity ‘less-observable’ or possibly undetectable (Chan et. al. 1998, p.1169).

The study of Erffmeyer et al. (1999) partly supported the notion that Japanese consumers possess societally-focused value as an important factor of consumer behaviour. According to these studies, the impact of subjective norm on consumer ethical judgements can be observed.

Further studies suggest similarly that subjective norm such as peer pressure affect intentions towards EQB. The literature on shoplifting considers peer pressure as one of the major influences for (adolescent) shoplifting (Krasnovsky and Lane, 1998; Klemke, 1982 cited in Babin and Griffin, 1995). Zey-Ferrell et al. (1979) also hypothesised the influence of peer influence on ethical/unethical conduct in business based on the differential association model of criminal behaviour. This suggests that peer communication contributes to one's learning unethical conducts within organizations and peer influences are one of the major predictors of self-reported behaviour. They found the influence of peers greater than individual and management beliefs. With considerable findings on the impact of subjective norm, whether of social and/or peer pressure on judgement, intention and behaviour, it is expected that subjective norms will have an impact on intentions towards EQB.

4.4.3 Perceived Behavioural Control

Chang (1998) tested the Theory of Planned Behaviour (TPB) comparing to the Theory of Reasoned Action (TRA) on EQB (in the context of software piracy). His study demonstrated that 'TPB is better than TRA in predicting unethical behaviour' (Chang, 1998, p.1831). The result of this study acknowledged the use of perceived behavioral control (PBC). The significance of PBC is that it is used to interpret the

fact that an individual may perceive an ethical situation as an opportunity to benefit. Whether or not opportunities are presented to consumers may influence the probability of benefit to consumers through EQB and therefore their perception of control. In other words, consumers are sometimes tempted to behave unethically where an opportunity is presented. Hanno and Violette (1996) found evidence for the impact of opportunity on intention toward tax evasion through hypothetical scenarios. In business ethics, Zey-Ferrell et al. (1979) also assert that opportunity to engage in unethical behaviour is necessarily evaluated by an individual in decision-making. Zey-Ferrell and Ferrell (1982) suggest that the opportunity to perform unethical behaviour needs to be limited to improve employees' attitudes for their practices and prevent misbehaving. With respect to presence of opportunities to perform a particular behaviour, it can be argued that PBC also influences intentions of EQB.

4.4.4 Other Influencing Factors

The preceding sections have presented an attitude-behaviour theory, the Theory of Planned Behaviour and its constructs. This theoretical framework has been said to enable prediction of intention towards EQB, which it is hoped, might be a good estimator of behaviour. The current research aims to predict, as stated, 'intention' and for this purpose the current research will concentrate on these above mentioned determinants as the focal point of the current study. However, it is considered appropriate at this stage to acknowledge that there are other factors that may directly or indirectly influence and modify 'intention' to perform EQB. There are several studies which argue that factors such as moral obligation, fairness and moral

intensity can be involved in ethical decision-making; these being different to the constructs of TPB (i.e., attitude, subjective norm and perceived behavioural control). The following sections discuss in turn the studies, as well as relevant empirical research, that investigate the significance of the different factors in ethical decision-making noted above.

4.4.4.1 Moral Obligation: The Imperative of Ethical Beliefs

Moral obligation refers to the perception of moral value or responsibility to perform or not perform a specific behaviour (Gorsuch & Ortberg, 1983). With respect to the distinction between moral obligation and subjective norm, moral obligation is *internal* pressure of whether one feels an obligation to perform behaviour in question. It indicates the individual importance of moral rules rather than utilitarian solutions to an individual in a specific situation (Hart, 1961, cited in Gorsuch & Ortberg, 1983, p.1026).

Moral obligation has not been decisively realised as an important factor for the Theory of Reasoned Action, since it has added little to its predictive capacity (Fishbein, 1967 cited in Ajzen and Fishbein, 1980). However, Gorsuch and Ortberg (1983) argue that the Theory of Reasoned Action (Fishbein and Ajzen, 1980) neglects to include the dimension of ethicality besides the evaluation of good-bad for a specific behaviour. It has also been suggested that it is important to consider not only social pressures (through subjective norms) but also personal pressures when behaviour in an ethical context is investigated (Beck and Ajzen, 1991).

Recent studies examining ethical behaviour (Shaw et al., 2000; Randall and Gibson, 1991; Pagel and Davidson, 1984; Gorsuch and Ortberg, 1983; Pomazal and Jaccard, 1976; Zuckerman and Reis, 1978) have found that moral obligation influences intention and subsequent behaviour. Specifically, Gorsuch and Ortberg (1983) found that moral obligation had a more significant impact on intentions than attitudes and subjective norm when involved in ethical situations. In contrast, however, Flanney and May (2000) found that moral obligation has little impacts on intention regarding environmental ethical decision-making in organisations. Beck and Ajzen, (1991, p.285) found that 'moral obligation did not help to account for much variance in cheating and shoplifting behaviour' although they did note that it helped to improve the prediction in lying behaviour.

Overall then the efficacy of the concept of moral obligation receives mixed assessment, though there are some explanations to suggest its influence on intention is less significant in the ethical context. So, whilst Erffymeyer et al. (1999) explain that the importance of moral absolute (or firm ethical belief) will be moderated in order of higher ethical principles (e.g. from ideology, through idealism, and relativism, to Machiavellianism), many consumers - and as discussed in Chapter 3 - seem to reject universal ethical disciplines in favour of some form of relativism (Forsyth, 1980 and Fullerton et al., 1996); and rely on *teleological* (or *utilitarian*) principles in ethical decision-making. Relativists, it can be said, 'generally feel that moral actions depend upon the nature of the situation and the individual involved, and when judging others they weigh the circumstances more than the ethical principle that was violated' (Forsyth, 1992, p.462).

The study by Hunt and Vitell (1986) provides evidence that 'individuals might rely on both deontological and teleological evaluation processes in forming their ethical judgements' (Akaah, 1997, p.72). 'Hunt and Vitell (1986) postulate that in most decision situations individuals' intentions are congruent with their ethical judgements. Hunt and Vitell also theorize the lack of a direct path from a deontological evaluation process to intentions' (Akaah, 1997, p.73). A formation of a decision (an intention) is situation and context specific [determined by each situation].

Furthermore, the effect of moral obligation can be moderated by other factors. Vitell and Grove (1987) suggest that 'a person may use neutralizations⁶ after a moral judgement has been made that cause[s] intentions to conflict with the moral judgements.' (cited in Harrington, 1997, p.366). Other beliefs such as *self-benefiting* beliefs are significant: 'A reason for inconsistency between one's judgement and behavior is an evaluation of the personal consequences of the behavior, with other personal values taking a higher priority than moral values.' (Harrington, 1997, p.366)

⁶ Harrington (1997) does not give a specific explanation for 'neutralizations'. However, the study by Vitell and Grove (1987) referred to here by Harrington uses the techniques of neutralization (Sykes and Matza, 1957) to investigate shoplifting behaviour. 'Neutralization' refers to the process that an individual justifies an inappropriate behaviour (for a summary of the techniques, see Table 3-2), and this is clearly how Harrington makes use of the theory, in particular she considers the technique 'denial of responsibility'.

Indeed, ethical dilemmas are not always recognised. In such circumstance, consumers fail to employ their ethical value in ethical decision-making. There are two possible scenarios, i.e., a situation where an actor is aware of an ethical issue in a specific situation and a situation where an actor is not aware of the issue. Another reason is lack of recognition of an ethics issue or previous exposure to the issue: i.e., those previously exposed to an ethics issue sometimes respond with less deliberative thinking (i.e., with so-called “mindlessness” or automatic effect) (Feldman, 1992 cited in Harrington, 1997, p.366).

As defined above, moral obligation refers to the perception of moral value or responsibility to perform or not perform a specific behaviour. When ethical dilemmas⁷ are evaluated, the degree of moral obligation determined by a specific situation indicates how strongly an individual feels internal pressure to follow his ethical beliefs (or principles). An effect of moral obligation on intentions may depend on the weight of ethical beliefs against other individual beliefs such as self-interest. In the context of EQB, it is expected that intention towards EQB would decrease where the degree of moral obligation is high. Whereas, intention towards EQB would increase where the degree of moral obligation is low and mediated by other individual beliefs. By assessing the degree of moral obligation, it can be observed whether an effect of ethical beliefs is a key factor discouraging intention for EQB, and whether an interaction with other factors results in fostering intention for EQB.

⁷ Dilemma is meant here as in two or more major values are in conflict (Milleinger et al., 1982).

4.4.4.2 *Fairness*

Kahneman et al. (1986, p.729) explained fairness in terms of community value, and defined operationally as 'a substantial majority of the population studied thinks its fair.' Thus, fairness is a common belief (and in accordance of rules) which most members of the society expect people to follow. Indeed, in business ethics, Seligman et al. (1997, p.581) points out that 'consumers might be willing to inconvenience themselves in order to punish unfair firms.' The perception of fairness by providers sometimes functions as constraints in firms' decision-making in order to maximise the profit (Pave et al., 1999).

On the other hand, consumer perceptions regarding the fairness of firms' practices affect their ethical evaluations of firms, especially when fairness in markets is violated. For instance, Tennyson (1997, p.250) explained that attitude towards insurance fraud is related to consumer perceptions of insurance institutions; indeed a significant influence on consumer perceptions in her study is consumer evaluation of fairness of firms. When consumers consider themselves witness to unfair practices by firms, this is likely to have a negative impact on their perception of the firm. When having negative perceptions of insurance institutions, consumers tend to rationalise their fraudulent claims as acceptable. This is because consumers tend to justify their own questionable behaviour as in response to firms' unfairness, and so rest liability upon the firms themselves. Furthermore, findings of some studies (e.g., Seligman et al., 1997; Tennyson, 1997) show that judgements of fairness of consumer behaviour are determined less strictly than one of firms. Hence, consumers tend to use evaluations of firms' unfairness to account for and moderate their own behaviour, reasoning that their ethically questionable behaviour is in fact

acceptable behaviour; which indeed the firms should expect as the negative consequence of their unfairness. It would be worthwhile to investigate whether the effect of perceived fairness of both firms' and consumer behaviour is positively related to any of determinants of intentions.

4.4.4.3 Moral Intensity

As discussed in Chapter 2, Jones (1991) developed an issue-contingent model by focusing on various characteristics of ethical issues to examine moral intensity of ethical issues in organisation. In Jones' definition, 'moral intensity is a construct that captures the extent of issue-related moral imperative in a situation' (1991, p.372). He asserts that moral intensity of ethical issue indicates possible situational effects of behaviour on recognition of an ethical issue, judgements, intention and behaviour. According to his proposition, an individual compares potential effects of alternatives and practices the most preferable decision in reality. Thus, the degree of moral intensity indicates whether moral imperative (attributed to a particular behaviour) affect beliefs constructing intentions. Studies (Singer and Singer 1997; Singer et al., 1998), based on Jones' proposition, found that overall judgements for an ethical issue are consistent with an evaluation of its various characteristics, demonstrating that individuals in organisations evaluate characteristics (i.e., consequence, consensus etc.) of ethical issues and reflect it in decision-making.

In the domain of consumer ethics, a similar implication has been found. The typology of Muncy and Vitell (1992) suggests four major characteristics (i.e., proactively or passively benefiting, deception and consequence) to categorise

different kinds of EQB. Associated studies found that judgements vary according to the characteristics of ethical issues. In addition, Rawwas (1996) and Fullerton et al. (1996) found that more than 80% of respondents indicated that ethical judgements are varied by given situations but not indicated by universal moral disciplines. These studies imply that consumers also examine characteristics of ethical issues with regard to the given situation, and take it into an account in their decision-making.

In relation to the Theory of Planned Behaviour (TPB), the construct of moral intensity partly overlaps with the constructs of TPB. Among the six components of moral intensity suggested by Jones (1991), the two components, i.e. the magnitude of consequences and social consensus, provide similar characteristics of the constructs of TPB, i.e. outcome evaluation (attitude) and subjective norm. Interestingly, studies examining effects of moral intensity in ethical decision-making⁸ found those two components as the most significant. Moreover, Singhapakdi et al. (1996) argue that moral intensity might simply be described by two dimensions instead of six; labelled as “perceived potential harm/no harm” and “perceived social pressure” (p.250).

4.4.4.4 Role of Other Influencing Factors

To summarise, the proceeding section has considered other factors influencing consumer decision-making in an ethical context; these being of moral obligation, fairness, and moral intensity (and each outside of the TPB construct).

⁸ For a review, see Frey (2000).

Moral obligation is described as internal pressure of how strongly one feels obliged to behave in a certain manner. It was considered that moral obligation would significantly influence ethical decision-making and yet would be moderated by other conflicting values, such as self-interest with regard to specific situations.

The possible role of fairness in the EQB decision-making process was considered with respect to the behaviour of firms in the marketplace. Consumers seem to evaluate firms' performance in terms of fairness, and, if consumers perceive that firms are dealing with consumers unfairly, consumers might use such evaluation in reasoning their own behaviour. This would include, as discussed previously in this chapter, the case of customers accepting, to some extent, insurance fraud against the firms that are perceived as unfair.

Moral intensity was considered to indicate situational effects of a specific behaviour on decision-making. The two components of moral intensity, *the magnitude of consequences* and *social consensus*, have been found as the most significant factors influencing the ethical decision-making process. Though, these factors might equally, as noted in section 4.4.4.3, be taken to represent similar concepts of the theory of planned behaviour (TPB, Ajzen, 1985; 1991).

The previous discussions on these influencing factors (outside of the TPB construct) imply that these factors would nevertheless provide some insight in respect of a setting where ethically questionable behaviour in consumption (EQB) is performed. Yet, the precise role of these factors is unknown and needs to be explored in the context of EQB decision-making. As will be presented in Chapter 6 - where the first

empirical study conducted by this research is outlined - the exploration of possible factors influencing the EQB decision-making process is carried out in depth by adopting qualitative research methods. As the current research progresses, factors that are found to influence EQB decision-making significantly will be added to the framework of TPB. Examination of the effects of additional factors will be subjected to further research.

4.5 Conclusion

This chapter introduced an attitude-behaviour theory, the Theory of Planned Behaviour (TPB, Ajzen, 1985; 1991), as a theoretical foundation to understand ethically questionable behaviour in consumption (EQB). It discussed the applicability of TPB for understanding EQB. It was concluded that TPB would provide a reasonable foundation to develop a model for EQB. The chapter also attempted to explore the insights of EQB in relation to TPB. Finally, other influencing factors that might affect directly or indirectly intention of EQB were briefly summarised.

An application of the theory suggests an implication of three research stages to understand the nature of EQB and finally operationalise a framework of EQB. Firstly, salient beliefs influencing the determinants of intention need to correspond with the context of EQB. For instance, in the event that an individual obtains a drink without paying for it, it can be assumed that self-benefit (e.g., not paying for a drink to save money) might be relevant in positively influencing attitude (i.e., a favourable

evaluation to perform that behaviour). Ajzen and Madden (1986, p.454) note ‘the constructs employed by the Theory of Reasoned Action [consequently TPB] are fundamentally motivational in nature.’ Hence, the first stage of research explores insights of beliefs, which motivate the practice of EQB. The second stage of research examines the structure of the beliefs in relation to TPB and so identifies the antecedents of EQB. It also includes examination of the antecedents in relation to both acceptance and performance of EQB to propose a link between the construct and intention. The third stage of research attempts to examine the relations between the antecedents and intention for EQB (i.e., testing the developed framework of EQB). Prior to an account of these investigations, the next chapter discusses in greater detail the overall methodology of the current research.

Chapter 5 Methodology

5.1 Introduction

This chapter discusses methodology, establishing a general approach to how one can reasonably satisfy the requirements of research questions set in individual research (Lacey, 1986). The current research pursues an understanding of *how* and *why* consumers engage in ethically questionable behaviour (EQB). In approaching this issue, the discussions so far have addressed the following points: Chapter 2 addressed the importance of developing a theory that enables a holistic explanation of ethical decision-making in consumption. Chapter 3 emphasised the need to explore insights of consumer ethical decision-making, identifying factors that influence intention and possibly modify ethical judgements. Chapter 4 discussed the usefulness of an established behavioural theory to understand the decision-making process in the ethical context and to capture factors influencing EQB other than ethical beliefs (or judgements).

In having discussed the above points, the current research has implicitly taken methodological decisions and adopted a particular research paradigm. The research is in principle grounded in a positivist approach, which is often associated with the particular philosophical assumption of *objectivism*, and an associated research technique of *quantitative* methods. However, perspectives of an interpretivist approach have influenced the early stage of the empirical investigation. This is to say the current research combined quantitative and qualitative research methods and that the latter introduces a more subjective perspective. The following explains why

the current research took such a direction. More specifically, it explains how qualitative research methods could compensate for the limitations of a positivist research design that uses only quantitative research methods in order to deal with the current research question. Thereafter, methodological concerns specific to ethics research are addressed to support the choice of specific methods.

5.2 Methodological Debate

The methodological debate in social science mainly focuses on which paradigm of research provides researchers with a better description of the social world. Such a debate has been necessarily continuing for the development of further knowledge because each paradigm suffers from some limitations. Competing research paradigms in social science, though diverse, can broadly be placed within either the positivist or the interpretivist approach. The characteristics of these paradigms can be associated with a set of assumptions of ontology, epistemology, and human nature. The following sections discuss in brief, philosophical assumptions that underlie developments of research paradigms and so reflect on the characteristics of research paradigms. By considering the current research through a consideration of a number of its necessary philosophical assumptions, the subsequent discussion points out some problems with the typical associations made between research paradigms and specific research techniques (i.e., positivist/quantitative and interpretivism/qualitative), and attempts to address a more unified, or at least combined approach to the current investigation.

5.2.1 *Philosophical Assumptions*

Presumptions of ontology, epistemology and human nature indicate a way of viewing a social world, and a world where social science research is taking place. Prior to empirical research, researchers need to consider a set of these philosophical assumptions in relation to a topic of research. These philosophical questions themselves are separate, if not prior to questions posed, and in part answered by empirical studies. In this way, taking up a particular philosophical position within these concerns reflects ‘on the very presuppositions of knowledge and the identity of facts’ that are to be investigated (Hughes and Sharrock, 1990, pp.3-4). The following summarises the three key philosophical concerns which predicate social science research discourse.

Ontology concerns the nature of existence and enquires as to whether there is something for people to share in the same sense; its central question might be said to ask ‘what kinds of things really exist in the world?’ (Hughes and Sharrock, 1990, p.5). In the sphere of social science, an ontological assumption endorses ‘identities of facts’ (Hughes and Sharrock, 1990, p.6). That is to say that the assumption allows social science researchers to have a knowable condition of an object or feature to investigate, so indeed allow the possibility of investigating things, events, or individual perceptions.

Epistemology concerns what things mean to individuals; the conditions and constraints of our knowledge and ability to reason. It enquires how and to what extent information can be communicated interpersonally and admitted as being true or false commonly in a society. Its assumption provides *a condition* of the

possibility of knowledge (Hughes and Sharrock, 1990, p.4). In the sphere of social science, it is a question as to what extent a researcher determines characteristics of individual experiences and beliefs as knowledge.

Human nature considers the relationship between 'we' and 'the social world'. It enquires to what extent environmental influences reflect the forms of individual knowledge to be shared in a society. Definitions and social theories are often grounded on assumptions within human nature (Burrell and Morgan, 1979, p.6). An assumption in human nature underlies a set of explanatory concepts, i.e., theory (Silverman, 1993).

Objectivist and subjectivist perspectives are often used to explain opposing positions that reflect specific philosophical presumptions in social science research paradigms. The objectivist approach is to view 'the social world as if it is hard, external, *objective* reality, [to which] then the scientific endeavour is likely to focus upon an analysis of relationships and regularities between the various elements which it comprises' (Burrell and Morgan, 1979, p.3). Within this view, it is believed that understandings about things can be established with certain truths. On the other hand, the subjectivist approach stresses an individual experience in, and creation of, the social world. The concern is with 'an understanding of the way in which the individual creates, modifies and interprets the world in which he or she finds himself' (Burrell and Morgan, 1979, p.3). Within this view, it claims that there is no external or absolute truth about things, and regards absolute truth (as claimed by the objectivist approach) as a form of expression about things. Thus, the subjectivist approach sees that understandings about things are more based on personal taste or

opinion (Lacey, 1986, p.233). Table 5-1 presents an overview of the differences of understanding a social world between objectivist and subjectivist positions within the above schema of philosophical concerns. Providing an initial instruction of how ‘reality’ should be understood, perspectives of ontology, epistemology and human nature can be seen to determine or influence assumptions of methodology and so influence presumptions of research paradigms.

Table 5-1: Different views between objectivists and subjectivists in philosophies

Philosophy	Objectivist	Subjectivist
Ontology (identity of things)	Realism Things an individual is able to recognise are facts for everyone to share. These facts consist of a reality of the social world.	Nominalism There is no component of a society available to an individual but names and concepts of a reality, which enables individuals to make sense of it.
Epistemology (the nature of knowledge)	Positivism A social world can be available for everyone to understand.	Anti-positivism A social world can be understood only by the individuals involved in a particular event.
Human nature (social theory)	Determinism A human being and his activities are influenced by situations and environment.	Voluntarism A human being and his activities are free from situational and environmental influence.
<div> <div>↓</div> <div>↓</div> </div>		
Methodology	Nomothetic The social world is considered to be externally available to individual cognition. Thus, ‘a reality’ in a social science can be deduced by testing hypotheses based on rigorous frameworks as in natural science.	Ideographic The social world is internal elements of an individual mind. Thus, individual processes of understanding ‘a reality’ are more carefully determined to induce ‘a reality’. Various approaches may be employed to gain a closer look at individual experiences.

Adopted and modified from Burrell and Morgan (1979, pp.2-6)

5.2.2 Paradigms of Research

Based on philosophical assumptions of the objectivist approach, positivist researchers believe that the social world is externally available to individual cognition. Components of the social world are externally available to investigation and their meanings are socially confirmed over time. Thus, frequency and regularity of social events become the most reliable factors in an analytic description of the

social world (Burrell and Morgan, 1979). As it is supposedly assumed that matters under investigation are precisely defined, positivist researchers can focus on finding regularity and in gaining a broad consensus. Within this approach, quantitative research methods - operating with large-scale sample sizes - are favoured because these provide researchers with a capability of treating well-defined components as testable and measurable. The aim of positivist research is, in this respect, to conceptualise a subject of research and search for “universal” laws.

Although none of the authors specify their philosophical positions, the previously discussed empirical studies in consumer ethics (see Tables 3-3 and 3-10 in Chapter 3) and over 80% of studies in business ethics (Randall and Gibson, 1990) are predominantly of the positivist approach, and rely extensively on questionnaire-based surveys¹. Those researching in consumer ethics tend to focus on identifying consumer ethical judgements by proxy of casual relationships between the judgements and influencing factors as well as developing reliable measurements. This may not be surprising since the positivist approach and its findings seem to be widely accepted as the most powerful and dominant research paradigm and rigorous explanation of ‘reality’ in social science. However, the positivist approach is often criticised for being too rigid and abstract in its understanding of ‘reality’ of a social world (Hughes and Sharrock, 1997, pp.28-30).

¹ Of the other 20% of studies in business ethics, examples can be given of studies adopting phenomenological perspectives and applying qualitative research methods such as focus groups and individual interviews (e.g., Voters’ ethical perceptions of political advertising, Kates, 1998; Patients’ rights and responsibility for social audit implementation in primary health care, Hill et al. 1998).

In the process of developing the best approach to understand the social world, the interpretivist approach can be considered as an alternative, emphasising in-depth explanation and avoiding an over-generalisation of 'reality'. Especially in consumer behaviour research, the interpretivist approach is said to have brought disciplinary evaluation (Marsden and Littler, 1998)². The approach of interpretivism is built upon philosophical assumption of subjectivism and believes that the social world is not to be easily disengaged from the internal elements of an individual mind. Interpretivist researchers emphasise an exploration of what and how each individual is concerned about things in a social world from a standpoint that only an individual involved in a certain event can understand what it is and how it is meant. Social phenomenon in the context of interpretativism is rather implicit and its details are investigated to develop theoretical ideas (Burrell and Morgan, 1979, pp.28-32). Interpretivist researchers are interested in eliciting detailed theoretical insights and then generating research findings. Various qualitative research methods may be employed to afford closer look at individual experiences. Qualitative research methods are thought to distinguish meaningful components from lived experiences and use these insights when focusing on subsequent events. Typically, a small number of samples are obtained in order to examine individual experiences in depth and gain a more sophisticated view of the social world (Hughes and Sharrock, 1997, pp.97-100; p.103). However, the interpretivist approach is often criticised for being too subjective (and localised), thus making it difficult to generalise its findings as 'facts' of a social world.

² See Marsden and Littler (1998) for a general discussion on research paradigms in consumer research, and Stern (1998) for more discussions on various perspectives of interpretivism approaches in consumer research (e.g., phenomenological perspective, consumption symbolism, consumer-oriented ethnography etc.).

The question arises as to which paradigm of research and specific research methods, if any, would be appropriate to approach the current question. The benefit of having a wide agreement on one single paradigm such as a positivist approach is that researchers can concentrate on improvement of research techniques and research questions (Pfeffer, 1993). However, the danger of following a single paradigm increases when the paradigm becomes so strong that it may control intellectual authority and eliminate the potential of discovery by innovative assumptions (Pfeffer, 1993; Cannella and Paezold, 1994). Of course, one single paradigm need not be solely relied upon in providing extended knowledge of social world. Kuhn (1970; 1996) argues the benefit of multiple paradigms in science; discovering contrary evidence and raising a question against contemporary paradigms encourages emergence of scientific discoveries. Hassard (1993, cited in Crane, 1999) argues Kuhn's position further in social science by pointing out limitations of a single paradigm and possibly of *any* paradigm. Crane (1999) articulates Hassard's implications:

In conducting his craft, the researcher must engage in his subject in a mode which reflects both the nature of the phenomenon itself and his own values and interests. The researcher's ontological assumptions thus inform, but do not determine, the selection of an appropriate research methodology (p239).

The author further continues:

It is important then for a [business ethics] scholar to understand the relative strengths and weaknesses with a particular mode of engagement with the research subject. In this way it is possible to set out the parameters within which the theory generated can be regarded as 'true' and pertinent to some notion of 'reality' (p.239).

The above discussion demonstrates that it is not appropriate to determine that one paradigm is superior to another. It is rather to say that researchers should be aware of the different strengths and weaknesses of research paradigms and research methods when making methodological choices to accommodate the specific interest and need of research. The current research is set to pursue an understanding of *how* and *why* consumers engage in ethically questionable behaviour (EQB). To approach this issue, the current research has sought a research direction within descriptive approaches (cognitive and social learning approaches, as noted in Chapter 2), and developed an initial theoretical foundation from an attitude-behavioural theory, the theory of planned behaviour (as noted in Chapter 4). On such a basis, and in the attempt to extend an understanding of EQB decision making, the current research is operationalised from within a positivist perspective. However, it should be pointed out an understanding of EQB decision-making is still at an early stage, and so can be said to require the researcher to qualitatively explore insights of the decision-making process. Hence, the current research uses both quantitative and qualitative research methods. In remaining within a single (positivist) paradigm of research, the following attempts to argue how multiple research methods best serve the interests of the current research.

5.2.3 Limitations of a Single Method

The ultimate goal of the current research is to develop a theoretical framework that explains causes of EQB. This is consistent with the objectivist's methodological issues of importance, 'the concepts of themselves, their measurement and the identification of underlying theme' (Burrell and Morgan, 1979, p.3). As discussed in

Chapters 2 and 4, the current research found a descriptive approach useful to build further understanding of causes of ethically questionable behaviour in consumption. The descriptive approach originates from determinism, with an objectivist assumption of human nature (Marsden and Litteler, 1998). The descriptive approach takes an account of social influence in decision-making. With regard to an epistemology, by accepting existing knowledge concerning ethics and consumer behaviour, the current research is undeniably based upon an objectivist approach.

It is often the case then, that the positivist approach is associated with quantitative research methods while the interpretivist approach is associated with qualitative research methods. This custom has given the researcher difficulty in approaching the current research question. The problem of dealing with *subjectivity* and *objectivity* in the nature of the current topic rises when researchers are forced to concentrate on specific research techniques favoured by one single paradigm.

However, the relevance of *subjectivity* can be seen to be quite distinct to the complexity of ethical issues in themselves. In Chapter 1, the difficulty of finalising an “ethics” of consumption was addressed and a decision was made not to predetermine it. The implications for what is thought ethically questionable behaviour for consumers and businesses can vary widely. What is assessable to the (positivist) observer is that there is *something ethical* going on; something in reference to people’s ethics is questioned, and/or questionable. If we imagined a line extending between degrees of the ethical and unethical, the ethicality of the behaviour can be thought to be fluid along that continuum between the ethical and unethical. The current research inevitably is faced with such a *fluidity* of consumer

ethics, which is subject to individual decision-making. However, whilst some paradigms of research – being of an interpretivist perspective – are concerned with how and why such fluidity comes to be fixed upon the line, or continuum of ethicality, the current research is strictly of a positivist perspective. As such it is concerned only with how and why decision-making – in a generalisable, repeatable and testable manner – functions in the face of ‘*something ethical* going on’.

In addition, based on the literature review in Chapters 3 and 4, arguments were raised that ethical judgement does not fully explain subsequent behaviour; and considers that there can be other factors explaining causes of EQB; the existing theories do not appear to capture requisite elements in predicting intention of EQB. These arguments however do not reject assumptions of the positivist approach at all but call upon a need to explore, in depth, consumer decision-making in an ethical context. However, methodological issues of importance - framing theoretical components by detailing requisite elements - were emphasised particularly by the interpretivist approach and effectively identified by qualitative research methods.

This mode of investigation would benefit in later stages from the use of quantitative methods in order to make *subjective* reality more towards an *objective* one. The aim of explanations about causes of EQB is ‘to show how patterns of *subjective* status are correlated with features of *objective* social reality’ (Hughes and Sharrock, 1991, p.123). In this way, it is also possible to provide both context specific and holistic explanations, and to confirm frequency and regularity, of the current topic.

Subjectivist and objectivist approaches are not methodologically contradictory but are considered to have different methodological issues of importance. Thus, qualitative and quantitative research methods derived from positivist and interpretivist paradigms were thought to be suitable for achieving different aims at different stages of the current research. In fact, Baker (1991, p.32) emphasises that although the two approaches [i.e., qualitative and quantitative research methods] are 'distinctively different they are complementary and most sophisticated research designs will contain elements of both'. As Silverman (1993, p.2) notes, 'methodologies cannot be true or false, only more or less useful', the combined approach of qualitative and quantitative research methods was felt 'more or less' the most useful approach to the current research question.

5.2.4 A Plan for an Empirical Investigation in the Current Research

Qualitative and quantitative methods were applied at different stages of the current study in order to achieve different stages of theory development. The empirical investigation undertaken is comprised of three separate studies.

The first stage of the investigation (Chapter 6; hereafter STUDY 1) is designed to provide insights into EQB. The aim of this stage is to explore various influences on EQB in depth so that interviews and focus groups were applied. Taking an account of a subjectivist perspective, the study sought to establish 'if there exists an external reality worthy of study' (Burrell and Morgan, 1979, p.3). With reference to an established behavioural theory (i.e., The Theory of Planned Behaviour, TPB, Ajzen, 1985; 1991), qualitative findings were generated to ground a premise of *how* and *why*

consumers engage in EQB. To support the premise with greater objectivity, the second stage of the investigation (Chapter 7; hereafter STUDY 2) conducted a survey questionnaire and attempted to quantitatively establish the antecedents of EQB. Based on these combined findings, a theoretical framework for EQB was proposed. At this stage, hypotheses were subsequently developed based on a match with TPB. The third stage of the investigation (Chapter 8; hereafter STUDY 3) was conducted to test a framework for EQB, again through a survey questionnaire. Its aim was to observe the casual relationship between the antecedents and intentions of EQB.

Due to the different aims at the different stages of investigation, research methods were chosen according to aims of individual studies. Such an approach was rationalised by a combination of qualitative and quantitative research methods because it was believed to contribute to initiating development of theory in consumer decision-making in relation to ethics. This approach was also overlapped with a cautious methodological choice ‘to address some of the concerns of an over reliance on a quantitative or positivist approach in the measurement of “ethicality” (see Crane 1999)’ (cited in Shaw et al., 2000, p.890).

5.3 Methodological Concerns to Ethics Research

Detailed discussions on choices of specific research techniques are presented in relevant chapters because each of the empirical studies developed distinctive approaches according to the aim of each individual study. Thus, this section

provides a more general discussion on methodological concerns that are particularly relevant to an investigation on ethical issues.

5.3.1 Dealing with Socially Desirable Responding

Socially desirable responding is a personal trait or style of responding, demonstrated when one might not wish to respond honestly but instead, with respect to socially desirable constraints, over/understate his/her intention in a survey questionnaire. Socially desirable responding is often observed in self-administrated surveys, especially concerning sensitive issues such as ethics. The effect of this responding style is also known as social desirability bias and one of the most threatening issues to the validity of empirical studies that use multi-dimensional measurements (King and Bruner, 2000, p.80). The effect of socially desirable responding potentially does not allow researchers to observe variable relationships. This tendency is also relative to qualitative research where researchers attempt to identify why consumers behave in a certain manner. Baker (1991, p.93) describes it as ‘the well-known human behaviour to want to please and so give the researcher the answer you think he is looking for.’ Hence, great care needs to be taken to firstly reduce such a potential bias.

5.3.2 *Minimising an Effect of Socially Desirable Responding: Indirect Questioning*

As listed below, several techniques have been recommended to minimise the effect of socially desirable responding³ and implicated during designing and conducting empirical studies in the current research.

- Adjusting question wordings and presenting the items in a non threatening way
- Ensuring anonymity, administering the survey via mail rather than in person
- Indirect questioning

Among the techniques above, indirect questioning was a key feature of the current investigation to minimise the effect of socially desirable responding. Al-Jabri and Abdul-Gader (1997, p.340) note: ‘sometimes it is difficult to get the real intended action from respondents, especially if it is *illegal* or *violates* certain traditional norms.’ Considering the sensitivity of the current topic, it is difficult to find people who openly discuss their own behaviour associated with ethical dimensions and also admit that they practice the behaviour that is ethically questioned. Al-Jabri and Abdul-Gader (1997) confirmed the difficulty in learning respondents’ behaviour in an ethical context, and made an effort to establish the link between respondents’ beliefs and their own behaviour. They measured individual beliefs and peer beliefs toward software piracy and also managed to acquire the information about whether the respondents possess unauthorised software packages, as well as their future intentions. By testing the correlation between beliefs and participation, their findings

³ Nederhof (1985); Randall and Fernandes (1991); Fisher (1993); Fisher and Katz (2000)

supported the hypothesis that ethical behavioural intention is positively associated with ethical behaviour. The degree of acquiring the information about respondents' own behaviour may depend on the kinds of EQB. For instance, software piracy as studied by Al-Jabri and Abdul-Gader (1997) is widely known and practised by some consumers, although it is illegal. Consumers may not be so hesitant to report such behaviour. On the other hand, Gibson and Frakes (1997) note the difficulty in acquiring accurate information through the use of a self-report questionnaire in business ethics research. As the result of the Randomised Response Technique that detects socially desirable responding (RRT developed by Stem and Steinhorst, 1984 cited in Gibson and Frakes, 1997), these authors imply that 'individuals appeared to be unwilling to accurately report unethical behaviour' (Gibson and Frakes, 1997, p.169).

Wilkes (1978) studied consumer fraudulent behaviour. He asked for respondents' attitudes towards fraudulent behaviour and possible frequency of their friends' practices of the behaviour. Then, he attempted to project respondents' own behaviour through their reporting of peers' behaviour in similar situations. He notes (1978):

An attempt (to learn the likelihood of behaviour) was made to estimate how widespread this behaviour really is. In spite of certain shortcomings, projective techniques seemed most appropriate as indicative of respondents' likelihood to engage in the behaviour themselves, these answers may be regarded as suggestive of the diffusion of such behaviour within a given socio-economic stratum (p.71).

Projective techniques have been widely used in market research, specifically the investigation of consumer motivation. It is explained (Parasuraman, 1986; Tull and

Hawkins, 1984) that these techniques are used for an occasion where consumers might not want to reveal motivations of buying behaviour when being asked about their desires, emotions and intentions. Projective techniques are designed to proceed in a situation in which respondents can feel unworried enough to describe freely (i.e., non-structure), or it is unrelated to respondents (i.e., disguised). Consequently, respondents are expected to reveal their true feelings. Indirect questioning is one of the main projective techniques and this is often used by the studies that investigate socially sensitive issues and attempt to reduce socially desirable responding.

Indirect questioning could be limited to measure ‘what respondents think typical others might do or think, rather than the respondents’ own attitude and evaluations’ (Fisher, 1993 cited in Jo, 2000, pp.138-139). However, Fisher and Tellis (1998) found that respondents would give a more honest answer (i.e., close to the statistically true means) when they are indirectly asked rather than directly asked. These authors concluded that ‘indirect questioning may be even more useful when dealing with more socially-sensitive topics such as safe sex, shoplifting, or drug/alcohol consumption’ (Fisher and Tellis, 1998, p.567).

5.3.3 Identifying Socially Desirable Responding

Despite an attempt to minimise an effect of socially desirable responding, it is almost impossible to completely eliminate its effect. Subsequently, researchers need to identify whether the collected data has been affected by socially desirable responding; as such there is preference for the inclusion of measures to identify the

effect of socially desirable responding. Researchers need to accommodate and interpret the data, depending on the degree of the bias identified during the analysis.

Identifying socially desirable responding is of particular interest for the third stage of the current investigation. In the third study, scenarios⁴ were written in the third person as an application of indirect questioning (e.g., Flannery and May, 2000). As the aim of study was to examine casual relationships between respondents' intentions and influencing factors, an impact of the socially desirable responding was of particular concern. In considering the inclusion of measures to reduce, identify and control of the effect of socially desirable responding, the following measures are known (cf. Akers et al., 1983; Paulhus, 1991; Fisher, 2000): Bogus Pipeline (Jones and Sigell, 1971), Randomised Response Technique (Greenberg et al., 1969) and Proxy Subjects (Sudman and Bradburn, 1974). However, these require sophisticated instruments and procedures, and so would incur additional cost and complexity to data collection (Fisher, 2000, p.74). A less complex and less costly alternative is to combine direct and indirect questioning in the same questionnaire (Fisher, 1993; Cohen et al., 1995; Jo, 2000). Assuming that respondents are, on average, no different from their peers, the difference between the responses on "Would you perform this action?" and "Would your colleagues perform the action?" can be used to identify and assess the impact of social desirable responding (Cohen et al., 1995, p.49). Though inevitably, this method makes the length of a questionnaire twice as long, as questions would be repeated twice. It would be a disadvantage in encouraging respondents to complete a questionnaire and risk a decrease in the response rate.

So, in considering cost effectiveness and ease of measures in operation, the Crowne-Marlowe Social Desirability Scale (The M-C scale, Crowne and Marlowe, 1964) and the Balanced Inventory of Desirable Responding (BIDR, Paulhus, 1991) are considered as strong alternatives. Based on previous findings (detailed in sections 8.3 and 8.5), it was considered that BIDR would be able to access socially desirable responding more accurately than the M-C scale. So, BIDR was applied in the current research and detailed discussion is presented in Chapter 8.

5.3.4 Introduction to Validation

Validation of empirical findings is generally assessed with two aspects, reliability and validity. As the entire investigation consists of qualitative and quantitative studies, the assessment of the validation of these studies is not simple. There is a continuous process of assessment with Study 2 seeking the validation of Study 1, Study 3 the validation of Study 2. The following presents brief explanations of reliability and validity and introduces a plan of these assessments regarding the current research. Table 5-2, provided at the end of this section, briefly summarises this validation plan, and the assessment is made in the relevant chapters of the current thesis.

⁴ The detailed discussion on the use of scenarios is presented in Chapter 8.

5.3.4.1 Reliability

Concerns for qualitative research regard repeatability and consistency of the procedure, while with quantitative research the concern is with the reliability of measurement. Redoing the procedure and re-testing the measurement is an obvious way of assessing reliability. Yet, problems can be pointed with test-retest procedures since people respond to the same measurement differently at different times, for instance, due to attitude change over time. Such differences though may be minimised by conducting test-retest procedures within the shortest time period possible (Trochim, 1999). However, in the current research, the three studies necessarily adopt different research techniques (and subsequently at different times) under the aim of theory development. Hence, the current research did not adopt a test-retest procedure to provide an opportunity to confirm reliability of its procedure and measurement. Instead however, other attempts were made to increase inferred reliability.

As previously mentioned, the qualitative researcher engages in the subject of research, in part, by reflecting his/her own values and interests as well as the nature of phenomenon (Crane, 1999, p.239). Thus, Crane (1998, p.134) asserts that it would be unlikely for another researcher to produce exactly the same conclusions and its reliability would be 'practically informed when the research process can be traced stage by stage, and where its theoretical development can be followed and understood by a fellow researcher.' For this purpose, the researcher made an effort to present the procedure of data collection and analysis as carefully and precisely as possible.

The measurement in the quantitative studies was developed and modified through three studies. As a common procedure of measurement development, reliability of the measurement is normally assessed after conceptual consistency and significance of the construct under the investigation is confirmed (Hinkin et al., 1997). Thus, establishing reliability of the current measurement would not be fruitful unless confidence in [the] validity of “the premise” of the current research is increased. Thus, re-testing the measurement is strongly encouraged for establishing its reliability. In the current research, as a reference for further research, Cronbach alpha was calculated for the reliability of the measurement for the construct of EQB (see Chapters 7 and 8). Cronbach alpha is a commonly accepted measure, which indicates ‘how well the items measure the same construct’ (Price and Mueller, 1986 cited in Hinkin et al., 1997).

5.3.4.2 Validity

Validity is concerned with the match of a testable proposition with a proposed hypothesis (Silverman, 1993). Quantitative research is often developed based on a theoretically grounded proposition and so is proposed from a working hypothesis. Therefore, its conclusive validity of the research is often focused on whether the measurement represents that which the researcher intended to measure (Hull, 1999). On the other hand, qualitative research often aims to generate a proposition so, concurrent to that, assessing its validity may be difficult or simply non-applicable. The categories of validity are summarised below with reference to the existing literature (Mellenbergh, 2000; Crane, 1998; Churchill, 1983; Cook and Campbell 1979).

- *Internal validity*: an extent to which one measure/procedure can be replaced to explain a casual relationship between another measure/procedure and the same construct/ phenomenon.
- *External validity*: an extent to which the result of one measure/procedure can be generalised in another situation.
- *Construct validity*: (particular to quantitative research), an extent to which the measurement represents the construct that it is intended to measure.

The current research attempts to derive its validity from the combination of qualitative and quantitative studies. External and internal validity is partly assessed because of lack of resource and opportunity in the current research. On the other hand, construct validity is a key feature of the current research under the remit of theory development.

In a comment on the work of Glaser and Strauss (1967), Crane (1999) points towards the need for theories to be internally consistent, ‘that is that they fit together without contradiction and are mutually reinforcing’ (p.135). The sentiment is that the researcher in part needs to work intuitively to develop theoretical propositions (‘... does it make intuitive sense? is it logical? does it “feel” right?’ (Ibid.)). In the current research, the qualitative study in the first stage of the investigation provides the researcher with an opportunity to develop a conception of what might motivate consumers to engage in EQB (i.e., identifying influencing factors on EQB). The theory of planned behaviour (TPB, Ajzen, 1985; 1991) has been established as an attitude-behavioural theory, capturing dimensions of a behaviour and decision-making in a given moment. TPB provides a general idea of dimensions of behaviour

in a decision-making process. Having identified the factors that might explain occurrence of EQB through the qualitative study, it is later examined whether these factors are corresponding with the general idea of dimensions of behaviour theorised by TPB, in order to explore antecedents of EQB. The proposition of the relationship between the influencing factors and the antecedents of the behaviour in question (i.e., EQB) is subsequently addressed.

At the second stage of the investigation, content adequacy of the proposed relationship between the factors and antecedents of EQB is quantitatively examined based on exploratory factor analysis. This procedure overlaps with checking external validity of the qualitative findings. An assessment of content adequacy is undertaken because it is established as a first step in assessing construct validity (Tenopyr, 1977 cited in Schriesheim et al., 1993); and which is to ask if 'it is an adequate representation of the theoretical construct of interest' (Mellenbergh, 2000, p.328). With respect to the results of exploratory factor analysis, t-test and theoretical consideration, some of the scales measuring the antecedents of EQB are disregarded because of low communality and cross loading.

Based on the findings of the first and second studies, hypotheses are generated that help assess construct validity. External validity of conclusive findings in the current study needs to be addressed in the future, as the research can not afford to repeat a study with a different population.

Table 5-2: Validation plan of the current research

	Reliability	Validity
STUDY 1: Qualitative Study Chapter 6	'Can an outsider effectively view the material through the lens of the investigator?' (Crane, 1998, 134)	<i>Internal validity</i> Does a theoretical idea correspond with a valid construct? (the theory of planned behaviour) <i>External validity</i> Examined in Chapter 7
STUDY 2: Quantitative study Chapter 7	Assessed by Cronbach alpha	<i>Content adequacy</i> Introduction to construct validity (exploratory factor analysis) <i>External validity</i> Examined in Chapter 8
STUDY 3: Quantitative study Chapter 8	Assessed by Cronbach alpha	<i>Construct validity</i> (exploratory factor analysis) <i>External validity</i> To be addressed by future research

5.4 Sampling

The current research accommodated different kinds of sampling strategies to maximise the interest of the individual studies. At the first stage of the investigation, the qualitative study aimed to draw attention to all possible factors that might explain causes of the behaviour in question. Heterogeneity sampling was deemed appropriate here because the mixture of different characteristics obtained in the sampling was hoped to acquire a wide variety of possible views, and so aid the process of shaping the basis of the research subject (Trochim, 1999). The small size of the sample was set to take an account of an interpretivist perspective, seeking to obtain rich and in-depth insights of *why* and *how* consumers engage in EQB.

The subsequent two studies aimed to establish measurable components and examine their effects based on the proposed framework and so were quantitative in orientation. To make sampling decisions in quantitative research, Randall and

Gibson (1990) recommend a consideration of the following four aspects: study population, sample design, sample size and response rate.

- *Study population:* The study population in the current research is *any* consumers who have previously experienced a situation as specified by the current research. As many of the previous studies have been conducted outside of the UK, studying the UK consumers was thought to be beneficial. Consumers in the Nottingham area of the UK were used. Nottingham was considered to be typical of the East Midlands region, and indeed reasonably representative of UK consumers in general⁵ (The Advertising Association, 2001).
- *Sample design:* the current research aims to examine effects of observed influencing factors in a situation of interest. For that purpose, it is desirable that samples reflect the interests of the real world (Calder et al., 1981). Thus, it would be ideal that samples are representative of the population of interest by using random sampling (cf. Tull and Hawkins, 1984). Practically, random sampling was not feasible due to the limited resources and time of the current research. Instead, an attempt was made to obtain some degree of representativeness by purposely sampling the groups of individuals that are likely to reflect important characteristics of the targeted population (Cook and Campbell, 1975). Such convenience samples were thought appropriate at the

⁵ Demographic characteristics of the population in the East Midlands was compared, and found to be, mostly equivalent to the UK population in terms of age and sex ('Key Population and Vital Statistics', National Statistics), employment ('Labour Market Trends', National Statistics) and occupation ('Regional Trends', National Statistics). Weekly household expenditure between 1997-2000 in the East Midlands was 97.3% of the UK average and indeed the closest fit to the UK average over all other regions ('Family Expenditure Survey 1999-2000', Office for National Statistic).

early stage of research to ‘gain a better understanding of the market and consumers’ (e.g., Tuncalp, 1988 cited in Al-Khatib et al., 1997, p.76).

- *Sample size:* typically, 100 subjects are often considered to be an appropriate sample size (Bailey, 1982). As the current research is to examine the effects of influencing factors on a particular behaviour, the unit of analysis is the *case* [or situation], rather than the individual. 72 responses (6 cases per respondent) were obtained in the second study while 344 responses (3 cases per respondent) were obtained in the third study. This means that more than 400 cases in the second study and 1000 cases in the third study were available for subsequent analysis; this was considered to be sufficient.
- *Response rate:* The typical response rate of a mail survey is said to be around 20% in market research (Colombo, 2000), while it could go as low as 10% (Lambert and Harrington, 1990) in consumer research. The nature of the current sensitive topic was obviously an obstacle to increasing the response rates. The response rates in the second and third studies were 14.2% and 27.5% respectively. After having a moderate response rate in the second study, additional attempts were made to increase the response rate of the second study (e.g., shorten the length of the questionnaire, change its presentation, etc.). The response rate of the third study was improved and comparable to other studies which have used mail survey in consumer ethics; for example, response rates of between 27% and 37% are declared in studies by Vitell et al. (1991), Muncy and Vitell (1992), Dogdge et al. (1996), Fullerton et al. (1996), and Al-Khatib et al. (1997).

Having made these sampling decisions, the samples have inherited problems in generalising the findings. Firstly, when convenience samples are employed, generalisability can be threatened because the samples often do not reflect an actual situation (Calder et al., 1981). In such occasions, Calder et al. (1981) note that 'the underlying theoretical framework may be useful in determining important dimensions for any nonrepresentative sample' (p.199) and 'qualitative insight may assist the researcher in judging whether or not the research experience matches that of the real world' (p.206). Accordingly, the current analysis, based on the theoretical foundation (i.e., the theory of planned behaviour, Ajzen, 1985; 1991) and qualitative findings derived from the first study, has proceeded with caution.

Secondly, where the response rate is low, there is greater possibility that the sample does not reflect the characteristics of the true population. When there is a significant imbalance of non-respondents to respondents, there is a need to register this concern, and possibly alter the findings (Ellis et al., 1970 cited in Rylander et al., 1995). This is a non-response bias which can pose a threat to the generalisability of the findings. There are several ways of rectifying this problem, such as interviewing non-respondents and sampling non-respondents after the planned period is completed (Lambert and Harrington, 1990). In this current research obtaining the data from non-respondents was not feasible because the questionnaires were hand-delivered to households without the name of candidates specified to assure complete anonymity. Alternatively, late responses as a substitute of non-responses can be compared with earlier ones (Rylander et al., 1995). However, this method was also not available, because the questionnaires were distributed on different days and no second wave of the questionnaire was conducted.

When none of these techniques are available, Randall and Gibson (1990) suggest that fellow researchers need to be warned that the findings may have little generalisability based on statistical significance beyond its setting. In terms of this research and its validity beyond the research setting, one can say that confidence in generalising the findings may be limited because there was no way to detect a non-response bias. However, by examining the two different samples that were obtained to examine effects of the influencing factors based on some of the established behavioural theories, it is hoped to defend some valuable theoretical insights brought to light by the current research. For instance, based on taking an account of the significance of influencing factors, judgement and intention are antecedent of behaviour (e.g., the learning theory, Fishbein, 1963; the theory of reasoned action, Fishbein and Ajzen, 1980; the theory of planned behaviour, Ajzen, 1985; 1991). The current research found that acceptability (i.e., judgement) and recent past performance (i.e., behaviour) measured in the second study are highly and positively correlated with intention measured in the third study (Coefficient >0.9 at the 95% confidence level, see Graph 8-1 in Chapter 8). This result implies that there was some consistency between different samples. Thus, it is expected to contribute with some degree of confidence in generalising the current findings within the current setting (i.e., the UK consumers). Despite the use of convenience samples and moderate response rates, it can still be considered as appropriate to put forward the current research, and its proposed theoretical propositions (cf. Hunt, 1990 cited in Hull, 2000) for further theory development relating to consumer decision-making in an ethical context.

5.5 Summary

The current chapter provided a discussion of the general approach of the current research. Due to the complex nature and the early development of theoretical explanations of the current topic, the current research adopts an approach that in certain respects combines the benefits of both objectivist and subjectivist perspectives. The subjectivist perspective was expected to bring rich insights into ethical issues in consumption, and aid the development of a theoretical framework. The objectivist perspective was expected to establish components that might explain and measure motivations of EQB, which would increase the objectivity of this subjective phenomenon. Within such an approach, some aspects of the empirical studies may have failed to satisfactorily meet with rigorous statistical standards of quantitative methods. However, maximum effort was made to pay attention to several methodological issues such as effects of social desirability responding by balancing the weaknesses and strengths of chosen research techniques. The analysis was done cautiously with the support of underlying established theory as well as qualitative insights. The empirical investigation of the current research was designed in such a way, believed to bring together valuable insights and gain a better understanding of consumers in an ethical context, as well as establish problems for subsequent testing and analysis, if only to repeat, and extend this current study.

The following three chapters present, in turn, three empirical studies (which are interrelated to each other) under the aim of developing a framework for EQB. Chapter 6 presents Study 1, a qualitative study focused on exploring what might explain the causes of EQB. Study 1 identifies factors influencing the EQB decision-making and considers possible dimensions of EQB, and which are represented by the

influencing factors. Underlying this study, the Theory of Planned Behaviour (TPB) was taken to provide an initiating theoretical framework for exploring dimensions of behaviour in a specific situation (i.e., the EQB decision-making).

Chapter 7 presents Study 2, a quantitative study focused on establishing the possible theoretical dimensions of EQB as formulated by Study 1. Possible dimensions of EQB are examined through exploratory factor analysis and proposed as factors influencing the EQB decision-making. The impact of the dimensions of EQB on acceptance and reported behaviour is also examined, and links inferred between the dimensions and intention for EQB. Based on the findings from Studies 1 and 2, an extended framework for EQB is proposed. Following this, Chapter 8 presents Study 3, a further quantitative study designed to test the proposed framework.

Chapter 6 The Explanatory Factors of Ethically Questionable Behaviour in Consumption (STUDY 1)¹

6.1 Introduction

As has already explained, the current research undertook three interrelated empirical studies to understand *how* and *why* consumers engage in ethically questionable behaviour (EQB). This chapter details the first stage of this empirical investigation and named here as Study 1. It presents a qualitative study, which was conducted with the aim of developing exploratory explanations for EQB. An open-ended questionnaire combined with individual interviews and several focus groups were conducted with 11 individuals over the period of two months (Summer, 1999). The open-ended questionnaire was designed based on the Muncy and Vitel typology, describing 27 different kinds of ethical issues in consumption (i.e., ethically questionable behaviour, EQB). Respondents were asked to consider all possible motivations for each of these individual behaviours with respect to other people, asking why other consumers engage in a particular EQB. The development and conduct of this study, along with the results gained, is detailed in what follows.

¹ The findings of this study was presented at AM 2000 Academy of Marketing Annual Conference, University of Derby U.K. (July, 2000)

The following section firstly explains the method of a data collection, followed by the analysis of the factors that might explain causes of EQB. These are specific motivational factors, namely: *risk-taking*, *expediency*, *avoidance of trouble*, *opportunity* and *unfairness* and typically apply to perhaps one or two types of behaviours. Secondly, subsequent analysis identified generic factors that the respondents used to explain how consumers rationalise and/or justify the performance across different kinds of EQB. These factors are *consequence* and *social influence*. These motivational and generic factors are taken to be explanatory factors that are expected to influence the occurrence of EQB. According to the Theory of Planned Behaviour (TPB, Ajzen, 1985; 1991), these explanatory factors are expected to be salient in influencing the decision-making process. Thus, thirdly the explanatory factors are examined in relation to the components of TPB (Ajzen, 1985; 1991) to explore antecedents of EQB.

6.2 Method

The literature presented in the previous chapters suggests that our understanding of the factors which motivate EQB is limited. In the absence of any established framework to address the issue, a qualitative approach was considered to be most appropriate as it would allow more detailed information to be collected and more complex issues to be explored (Hughes and Sharrock, 1997). The current study attempts to provide narrative situations in which consumers are motivated to engage in EQB.

Given difficulties with the meaning and understanding of EQB and the consequent need to contextualise discussions, a data collection instrument (in this case, an open-ended questionnaire) was designed based on the Muncy and Vitell typology (1992; see Table 6-1). The Muncy and Vitell typology consists of 27 statements that describe ethical issues in consumption. These issues describe various behaviours that can be ethically questioned, and ranging from behaviour that is legally constituted as unethical, to behaviour that can be - in varying degrees, and in some cases depending on social settings – considered to be acceptable or does not lead to any obvious ethical concerns. For example, video-recording a movie from the television (no. 16) is not illegal in the UK, although there are restrictions preventing the copy of the film from being lent, sold or hired, and is intended solely for domestic consumption by the individual who made the recording. Though the legal context regarding home-taping might be similar in Malaysia, the general availability of pirated film and software media is well known, and could be considered a very different context in respect of the ethical decision-making process. In another case, returning merchandise after some use of the item (no.6, no.12, no.17 and no.27) is acceptable for most high-street retailers in the UK, and indeed a long established general policy (or even tradition) of Marks and Spencer. The situation is very different in Japan, for instance, where the product really can only be returned if it is faulty from production or delivery. In other cases the ethical concern at stake may simply be of little or no concern. For instance, in the case of removing a pollution control device (no.23), such a device may not be familiar with some people where either concerns for the environment are lacking, or where they are established such a device may have become fully embedded in the available technology suggesting no alternative.

Table 6-1: The typology of EQB, adopted from Muncy and Vitell (1992)

Actively benefit from an illegal action	
1.	Drinking a can of soda in a supermarket without paying for it.
2.	Changing price-tags on merchandise in a retail store.
3.	Giving misleading price information to a clerk for an unpriced item.
4.	Using a long distance access code that does not belong to you.
5.	Reporting a lost item as “stolen” to an insurance company in order to collect the money
6.	Returning damaged merchandise when the damage is your own fault.
Passively Benefiting at the expense of sellers	
7.	Not saying anything when the waitress miscalculates the bill in your favour.
8.	Getting too much change and not saying anything
9.	Lying about a child’s age in order to get a lower price.
10.	Moving into a new residence, finding that the cable TV is still hooked up, and using it rather than signing up and paying for it.
Actively benefiting from a questionable action	
11.	Using an expired coupon for merchandise.
12.	Returning merchandise to a store by claiming that it was a gift when it was not.
13.	Not telling the truth when negotiating the price of a new automobile.
14.	Stretching the truth on an income tax return.
15.	Using a coupon for merchandise you did not buy.
No harm / no foul	
16.	Taping a movie off the television.
17.	Returning merchandise after trying it and not liking it.
18.	Recording an album instead of buying it.
19.	Spending over an hour trying on different dresses and not purchasing any.
20.	Using computer software or games that you did not use buy.
Statements that did not load strongly on any factor	
21.	Taking an ashtray or other “souvenir” from a hotel or restaurant.
22.	Observing someone shoplifting and ignoring it.
23.	Removing the pollution control device from an automobile in order to get better mileage.
24.	Tasting grapes in a supermarket and not buying any.
25.	Joining a record club just to get some free records without any intention of buying records.
26.	Breaking a bottle of salad dressing in a supermarket and doing nothing about it.
27.	Returning an item after finding out that the same item is now on sale.

Clearly the differences of issues at stake, and the relative importance attached to them varies from case to case, and including much differentiation according to regions, and nations. It is no doubt impossible to make a full sense of such complexity, however, using the typology of Muncy and Vitell can be said to capture a very broad set of contexts for EQB. Such breadth should give the opportunity to explore the decision-making process and motivations that effect behaviour across many different cases. As intention is considered ‘to capture motivational factors that influence a behaviour’ (Beck and Ajzen, 1991, p.268), respondents were asked

to explain what factors they thought might motivate each of the different types of EQB, and were specifically asked to consider *all possible* motivations.

6.2.1 Indirect Questioning: Minimising the Possible Effect of Social Desirability Bias

This research in investigating ethical issues in consumption is dealing with a sensitive topic. As discussed in the previous methodology chapter (the section 5.3.2), researchers must be aware of the possible effect of social desirability bias on their findings when investigating such sensitive issues. Social desirability bias is demonstrated when respondents, with respect to socially desirable constraints, overstate or understate their responses in a survey questionnaire.

To minimise such an effect, this current study applied a projective technique, indirect questioning. Projective techniques have been widely used in marketing research, and specifically in the investigation of consumer motivation. The techniques are used on occasions where consumers might not want to reveal motivations of buying behaviour when being asked about their desires, emotions and intentions (Parasuraman, 1986; Tull and Hawkins, 1984).

The main projective technique, indirect (i.e., structured projective) questioning is often used by studies that investigate socially sensitive issues and attempt to reduce social desirability response bias (Fisher, 1993, p.303). Fisher and Tellis (1998) found that respondents would give a more honest answer (i.e., close to the true means) when they are indirectly asked rather than directly asked. Indirect questioning has been suggested to be useful when dealing with more socially-

sensitive topics such as safe sex, shoplifting, or drug/alcohol consumption' (Fisher and Tellis, 1998, p.567) as well as ethics research (Schlachter, 1990). Hence, the respondents were asked to answer with respect to other people.

In the latest study to date on consumer ethics, Mitchell and Chan (2002) also used indirect questioning in their individual in-depth interviews², and with the same concern to investigate respondents' past experience of EQB. Mitchell and Chan (2002) asked respondents to 'think of an unethical person and then describe what they might do' (p.10), as part of an attempt to explain in detail how consumers would rationalise the occurrence of EQB.

6.2.2 Sampling

The current qualitative study was concerned to establish *all possible factors*, which could explain why people engage in EQB. To draw attention to all possible factors, the current study adopted heterogeneity sampling; which included recruitment of different nationalities. Heterogeneity sampling helps broaden the range of possible views which can aid the researcher in shaping the conceptualisation of the research topic (Trochim, 1999). Because cultural and social contexts will affect consumers' responses, it was felt to be an advantage to have a culturally diverse sample. Discussions of different nationals all together enabled the researcher to draw a variety of possible causes of EQB and capture a fuller diversity of EQB. Some of the participating nationals were more familiar with certain types of EQB than others, because these variants of EQB were more widely spread in their countries. Dealing with 27 different types of EQB within the study, it was apparent that respondents were familiar with different sets of EQB. From this point of view, the different

² Mitchell and Chan (2002) conducted 22 in-depth interviews.

backgrounds of participants indeed helped to identify a wider range of possible causes of EQB that would have been neglected by homogeneous samples.

All communication was held in English although the nationalities of the respondents were various and their native languages were not necessarily English. However, all respondents had a good command of English with well-educated background (i.e., postgraduate students). It was not expected that the language would cause huge misunderstanding and affect the context of the respondents' comments. The respondents' nationalities were British (2), Polish, Uganda, Sudanese, Bahrain, Pakistan, Indian, Malaysian, Japanese and American. The age of the respondents ranged between 21 and 45. This study was conducted between June and July in 1999

The difficulty of recruiting subjects for research of this nature required a degree of pragmatism in regard to the collection of data with 4 subjects responding independently and 7 respondents participating in 3 group discussions each of which lasted for around 2 hours. Although the absolute number of respondents was small (n=11), each respondent considered 27 types of EQB, providing almost 300 units for analysis.

The initial analysis was operationalised by coding the information accumulated from open-ended questionnaires, interviews and focus groups. Coding is defined as 'the operations by which data are broken down, conceptualized, and put back together in new ways' (Strauss and Corbin, 1990, p.57). Miles and Huberman (1994, p.56) describe the *coding process* as 'part of analysis' involving 'how you differentiate and combine the data you have retrieved and the reflections you make about this information'. The process involved in this study works in two respects. Firstly, it

breaks down the data into smaller units of 'words, phrases, sentences' (Miles and Huberman, 1994, p.56) which are taken as descriptors of specific issues relating to EQB decision-making. For example, as will be evident in the following sections, words such as "over-priced" and "over-charged" recur as a specific concern of individuals in relation to EQB. Secondly, there is an attempt to 'differentiate' distinctive characteristics explaining the occurrence of particular EQB and further to 'combine' those of similar characteristics in delineating the occurrence of behaviour across the different kinds of EQB. For example, as will be evident in the following sections, some behaviours can be described as an individual's perception of business practices while others can be described as an individual's perception of their own interests.

6.3 The Motivational Factors

Data analysis aimed to identify all possible factors that might explain why certain behaviours might occur and why performing those behaviours might be considered as acceptable or unacceptable. Explanations provided by the respondents were examined carefully.

As discussed in detail in Chapter 3 (see the section 3.3.2.1), Muncy and Vitell (1992) measured ethical beliefs for 27 different EQB and identified the structural dimensions of consumer ethical judgements; *actively benefiting from an illegal action*, *passively benefiting at expense of sellers*, *actively benefiting from a questionable action* and *no harm/no foul*. The first two dimensions (i.e., *actively*

benefiting from an illegal action and *passively benefiting at expense of sellers*) are concerned with consumer benefits at the expense of sellers and an initial intention of consumers. Benefits resulted from both types of behaviours are gained at the expense of sellers. However, in the former case, benefit is gained from a result of consumers proactively initiating EQB. Whereas, in the latter case, consumers do nothing to seek benefit gained through EQB. The third dimension, *actively benefiting from a questionable action* is that consumers deceive the seller in some way. The fourth dimension, *no harm/no foul*, is that no one appears to be directly harmed as the result of this type of behaviour. These four dimensions appeared to be basis of consumer ethical judgement for EQB; evaluating whether behaviour is ethically wrong. Muncy and Vitell further suggested that these dimensions might be “possible causes” of EQB. However, as discussed previously, ethical judgement does not always indicate subsequent behaviour. These “possible causes” may not have fully explained motivations for (leading to intention of) EQB.

In order to provide more insight into causes of EQB and the inconsistency between ethical judgement and subsequent behaviour, the analysis specifically focused on explaining motivations of behaviours and judgements about performing behaviours. As a result, the following aspects emerged as motivational factors of EQB, namely: *risk-taking, expediency, avoidance of trouble, opportunity* and *unfairness*. While the identification of motivational factors is a focus of the current study, an attempt was made to distinguish between explanations of why certain types of behaviours might happen and judgements of the acceptability of those behaviours. Each of these factors, and behaviour characterised, were analysed in relation to the type of behaviour and its position within the Muncy and Vitell classification to identify areas

of similarity and difference. The following sections discuss in turn motivational factors and related behaviours.

6.3.1 Risk-taking: Excitements [Economic Motives]

No.1	Drinking a can of soda in a supermarket without paying for it.
No.2	Changing price-tags on merchandise in a retail store.
No.3	Giving misleading price information to a clerk for an unpriced item.
No.4	Using a long distance access code that does not belong to you.
.... the behaviours referred in relation to <i>Risk-taking</i>	

One set of explanations as to why individuals might engage in EQB concerns *risk-taking* and a desire to take a risk for excitement and/or economic gain. This motive was especially important in relation to the category described by Muncy and Vitell (1992) as “actively benefiting from an illegal action”.

All the respondents saw these behaviours as unquestionably wrong or unethical. In trying to explain why these behaviours might occur, the most common suggestion was the risk, thrill and excitement of doing something, which was clearly wrong. Clearly though a certain degree of economic gain and social influence were also of relevance.

With risk-based explanations, the behaviour is an end in itself. This aspect has been suggested as an experimental factor by Cox et al. (1990), explaining it as an attraction of novelty or risk in the experience of shoplifting. The respondents mostly associated this kind of behaviour with adolescence misbehaving, though the respondents also expected that individuals might shoplift for the sake of saving money. Economic gain however was considered of secondary relevance. In such situations, as Moore suggests (1984 cited in Krasnovsky and Lane, 1998), it is assumed that individuals would admittedly do something illegitimate but incline to minimise the seriousness of the behaviour in question.

When economic gain was a pure motive, certainly economic hardship was seen as a reason for taking a risk in performing EQB. In this case, the behaviour is a means to achieve economic gain. People who suffer from severe financial conditions would purely desire to acquire goods without paying. There is evidence that people fighting economic hardship incline to be preoccupied with surviving “today” (Al-Khatib et al, 1997; Rawwas et al., 1998). Thus, these consumers appeared to have less concern towards ethical issues than others without such hardship do. How desperately people need to survive might significantly motivate such behaviour.

Where social influence was relevant to taking risk, the respondents thought that individuals might want to show off a “cleverness” in cheating over someone and still getting away with it, and/or comply to peer pressure. Where none of experimental, economic and social reason was applied, the respondents further suggested that individuals, especially adults who are motivated for this kind of behaviour *‘have psychological problems to deal with social rules’* or *‘have not been raised properly*

to understand the rules'. Moore explained such a case was usually triggered by psychological stressors to 'satisfy intense needs for self-punishment' (1984 cited in Krasnovsky and Lane, 1998, p.221).

Finally, a group of the respondents (i.e., their nationalities: Bahrain, Uganda and Pakistan) also suggested a degree of responsibility on the part of businesses for failing to develop effective systems to prevent such occurrences; one respondent commenting '*the kinds of behaviour we have discussed may be caused due to the poor system to avoid these events at stores*' [sic].

In summary, it was thought that the concept of *risk-taking* may explain why individuals perform the behaviours concerned *risk-taking* because they attempt to acquire some form of individual benefits. These benefits were often thought to be excitement, economic gain, compliance of social pressure and, though rarely, to redress psychological problems. These were collectively described as *risk-taking*.

6.3.2 Expediency: This Is My Lucky Day

- | | |
|------|--|
| No.7 | Not saying anything when the waitress miscalculates the bill in your favour. |
| No.8 | Getting too much change and not saying anything |
| No.9 | Lying about a child's age in order to get a lower price (in the case of the driver assuming the age of the child as younger than they really are). |

.... the behaviours referred in relation to *Expediency*

The above behaviours were thought to be characterised by any intention to benefit, and overlaps with the Muncy and Vitell's category (1992) "passively benefiting at the expense of the seller." The respondents did not perceive any fault on the part of the consumer; rather the consumer was simply taking advantage of something. Thus, provided the amounts involved were small, *'consumers who got extra change would partly feel a broader economy of luck and disassociate such events with the sellers'*. As a Sudanese respondent described *'God gave me a luck for today'* [sic], consumers believe their luck, feel a broad sense of economy and may be disassociated with any ethical dilemma. The respondents perceived these behaviours more acceptable than the behaviours explained by *risk-taking* because consumers *'did not do anything wrong to gain benefits'*

While to a large extent such events were seen to be fortuitous, there was also a sense in which the respondents felt justified at benefiting on a small scale because *'prices are often too high'*, *'Shops in general earn too much from you'* and *'loss by miscalculations are normally insignificant for shops'*. In addition, it was assumed that a customer might not say anything to correct the situation in a case of that customer not liking a shop assistant or waitress.

However, the acceptability of taking advantage of good fortune appears to be related to the size of the benefit, such that the larger the amount involved, the more likely it is that a consumer would attempt to rectify the situation. The severity of possible consequences may on occasion affect consumers' engagement in EQB.

6.3.3 Avoidance of Trouble

No.22	Observing someone shoplifting and ignoring it.
No.26	Breaking a bottle of salad dressing in a supermarket and doing nothing about it.
.... the behaviours referred in relation to <i>Avoidance of trouble</i>	

This categorisation has no parallel in the Muncy and Vitell (1992) but was identified as a form of acquiescent behaviour – i.e., not getting involved to avoid extra effort. The perception was that such behaviour did not entail actively doing anything wrong but rather choosing not to do something that might be thought of as ‘right’. Consumers may estimate that such actions are possible troublesome. Time and effort to act ‘ethically right’ was generally perceived as too much. For instance, although stopping someone shoplifting might be a good thing to do, the respondents pointed out that it might threaten an observer’s safety, with perhaps the shoplifter becoming aggressive in response to such a caution. Moreover, the respondents would not like to take time with reporting such a case to the store. The comment, ‘*it’s not my business*’ to get involved, describes this aspect of the respondents’ perception. Leaving a broken bottle behind (no.26) might happen if an individual would rather avoid the inconvenience that would arise in dealing with the bottle. Behaving in such a manner may be justifiable when an individual perceives that ‘*large supermarkets should be able to absorb such losses*’. Although there might be ethical issues raised, consumers may rather take an easier course of action, as represented by behaviours no. 22 and 26, because the situation arose from neither their fault nor

resulted in significant losses. This would seem to be consistent with an observation of Wilkes (1979), noted as “reluctance to get involved”.

6.3.4 Opportunity

The explanation for individuals engaging in another set of behaviours was seen to be related to opportunity for gain, ostensibly with no harm resulting and no risk. Two broad categories emerged – namely avoidance of payment and free access. In general, the respondents perceived these situations presented by the behaviours as too good to miss out and felt that these behaviours did not present real ethical dilemmas. Muncy and Vitell (1992) identify a category of “no harm/no foul” which overlaps to some degree with the grouping presented below.

6.3.4.1 Avoidance of Payment

No.16	Taping a movie off the television.
No.18	Recording an album instead of buying it.
No.23	Removing the pollution control device from an automobile in order to get better mileage.
.... the behaviours referred in relation to <i>Avoidance of payment</i>	

These above behaviours were perceived as providing an opportunity to save money, apparently without harming anyone. Copying or recording CDs and videos for individual use was considered to be taken for granted as bearing no ethical concern

(e.g., in the case of someone borrowing a CD from one of their friends to tape it). These behaviours were seen as perfectly normal and reasonable forms of behaviour with no adverse consequences to anyone. In other words, most of the respondents did not perceive any ethical dilemmas with the situations. The respondents showed ethical concern only with the case of reselling recorded tapes, CDs and videos on black markets. Behaviour No.23 is also a form of saving. In the long term, driving without a pollution control device would harm the natural environment. However, the immediate benefit of saving would be more important for individuals than considering the pollution caused by their behaviour.

The longer-term implications (e.g., loss of revenue to artists, pollution etc.) were mentioned only briefly, and in general, the immediate gains were seen as more significant. Since there is no market transaction involved in the above situations, it was thought of as being difficult for consumers to be aware of harmful consequences to others during the course of actions. The respondents thought that consumers were simply economising, for their own convenience, their time and money. So again the consideration would seem to be away from a concern for long-term consequences, and more concern with the immediate situation and individual benefit. Although profits of firms may possibly be what is sacrificed in these situations, consumers may not perceive their behaviour to be unethical – this may be described as perhaps either the ethical issue is not taken to be of concern, or simply the behaviour is not considered to be unethical. This is consistent with the findings of the majority of studies in consumer ethics.

6.3.4.2 Access Free

No.21 Taking an ashtray or other “souvenir” from a hotel or restaurant.

No.24 Tasting grapes in a supermarket and not buying any.

.... the behaviours referred in relation to *Access free*

These behaviours essentially provide access to something free of charge, but are distinct from the previous category in that they are perceived as being something that is free as opposed to an active attempt to avoid payment. Items taken from hotels were generally perceived as small items which made a ‘nice souvenir’. It was considered to be perfectly reasonable for the consumer to take such items, as they considered these insignificant losses to the hotels and restaurants. Similarly, tasting grapes was - with the exception of one respondent who was of Japanese origin - seen as something acceptable, being a part of the purchase process. The Japanese respondent noted that in Japan such behaviour would be considered as stealing unless products are exhibited for testing. However, other national respondents pointed out that such behaviour would become problematic if a customer would of habit regularly take small things; this then would be considered as shoplifting or stealing.

6.3.5 Perceived Unfairness: Redress-seeking

A common explanation across a range of behaviours, described below, concerns the idea of unfairness; an aspect which does not immediately correspond with the typology of Muncy and Vitell (1992). A prime motive, as regarded by the

respondents, in explaining the occurrence of these behaviours, is to redress an imbalance in the relationship between consumers and firms (i.e., retaliation). It was thought, for instance, that firms' unfair pricing behaviour and other kinds of unfair market practices might affect consumer perception of unfairness and lead consumers to rationalise such redress-seeking.

6.3.5.1 Pricing

No.5	Reporting a lost item as “stolen” to an insurance company in order to collect the money.
No.10	Moving into a new residence, finding that the cable TV is still hooked up, and using it rather than signing up and paying for it.
No.14	Stretching the truth on an income tax return
No.20	Using computer software or games that you did not buy.
No.27	Returning an item after finding out that the same item is now on sale.
.... the behaviours referred in relation to <i>Pricing</i>	

In discussing motivations for these behaviours, the phrases “Over-priced”, “Over-paid” and “Over-charged” (or other descriptions with such implications) were widely used by the respondents as shown below.

‘Insurance policy holders have been paying a large amount of money for the fee. Thus, when they get opportunities to claim, they would like to get some little back.’
(No.5)

'Cable companies tend to over-charge (consumers), so one should make the most of such an opportunity' (No.10)

'You may be tempted to stretch the truth when you think that the tax system is being unfair to you.' (No.15)

'We cannot afford software, which would be upgraded sooner. [sic]' 'These products are highly over-charged – it is normal for this behaviour to happen' 'The products should come out with affordable fair prices, otherwise this behaviour is acceptable' (No.20)

'Why do we have to pay more for something available at cheaper price? Even if the product is on sale, firms are still making profits' (No.27)

Jacoby and Jaccard (1981, 5) raised “redress-seeking” in their study of consumer complaint behaviour, with, for example, consumers seeking redress simply when they think they have overpaid. To the extent that EQB is a substitute for complaint, the dimension of redress-seeking may be relevant to the motivation of EQB. Certainly, there is evidence that consumers are often concerned about the fairness of a price and may be unwilling to pay a price that is perceived as unfair (e.g., Kahneman et al. 1986; Martins and Monroe; 1994, Urbany et al, 1989 cited in Campbell, 1999). This aspect appeared to be particularly significant in relation to the price of software and CDs; indeed for many respondents, copying such products had almost been considered to be a normal reaction to perceived high prices. An Indian respondent further made an interesting comment relating to the piracy issue, *'[the]*

pirating business sometimes brings benefits to consumers. It [pirating business] encourages price competition and avoids monopoly of a big company.' This sentiment concurs with comments made by a Malaysian respondent. It might be considered how, in some Asia countries – India, Malaysia, Hong-Kong (Chan et al., 1998) etc. – where there is a 'culture of copying', the violation of copyright is perceived as acceptable since firms are considered to have already been unfair to consumers. Perhaps with the presence of monopolies of production and distribution maintaining prices beyond the means of many would-be consumers, there is a turn towards copying as it is the only realistic way of obtaining what is wanted by consumers. In addition, it has been pointed out that in some countries there are *only* pirated products available since genuine products are too technical and/or costly to be produced. This example presents an aspect of behaviour determined by beliefs originated in a particular culture rather than the legality of the issue, which is assumed to have a strong effect to prevent unethical practices by consumers. Husted (2000) argued a similar point that national culture clearly influences acts of software piracy and many developing countries do not accept the legitimacy of the monopoly claims over intellectual property asserted by business firm' (p.199)

Campbell (1999) studied consumer perceptions of price unfairness when a price is increased. She suggested that consumer evaluation of price unfairness would be negatively influenced by an inferred motive for a price increase, which is just for maximising firms' profits. She further suggested that the bad reputation of firms would indirectly help negative perception of inferred motive by consumers. As the respondents commented, consumers are conscious about pricing and profits. Thus, it is reasonable to expect that consumers may evaluate not only the price of products

but also past performance of firms when considering fair pricing. In other words, whether consumers accept a price as fair might depend on an overall fairness evaluation of firms' market performance. This dimension was in fact raised by the respondents and relates to another aspect of perceived unfairness considered below.

6.3.5.2 *Unfairness in Business Practices*

No.6	Returning damaged merchandise when the damage is your own fault.
No.11	Using an expired coupon for merchandise.
No.12	Returning merchandise to a store by claiming that it was a gift when it was not.
No.15	Using a coupon for merchandise you did not buy.
No.17	Returning merchandise after trying it and not liking it.
No.19	Spending over an hour trying on different dresses and not purchasing any.
No.25	Joining a record club just to get some free records without any intention of buying records.
.... the behaviours referred in relation to <i>Unfairness in business practice</i>	

In addition to pricing, the respondents referred arbitrary or exploitative strategies and behaviour as factors motivating consumers seeking redress through EQB, with examples;

'Some people believe that they have not got a "fair deal" in life.' 'Idea that the merchandise is already damage prone.' 'If you have to pay for the same product twice, you may feel cheated or reluctant to pay twice' (No.6)

'Why does a coupon have to have expiry? It is firms' arbitrary promotion strategy' (No.11)

'As a customer we have the right to do this. Customer satisfaction is the main aim after all.' (No.17 and 19)

'Consumers use a structure in a way allowed by that structure' (No.25)

According to the respondents, *'a lot of consumers may feel exploited by the big commercial powers or firms, hence feeling justified in minor unethical behaviour.'*

Thus, consumers may seek a way of recovering perceived losses but also justifying their behaviour by shifting the blame for their problems onto others. Some respondents mention that the size of firm might affect willingness to engage in EQB;

'Consumers are less concern about the loss of big firms than the loss of small newsagents [sic]' [because] 'consumers may become acquaintances or friends with people at smaller shops'

The above statement implies that consumers develop emotional attachment (positive preference) towards smaller outlets. That fact may affect these consumers' attitudes to be honest with these shops. Findings by Hagner et al. (1996), in consideration of

consumer evaluation of the behaviour of friends and family against those of professionals, support the effect of preference on consumer ethical evaluations, as depending on the subject to be evaluated. Indications are that consumer evaluations are not always rational but influenced by consumer preferences towards people in shops. Thus, it can be expected that consumer evaluations of fairness of market performance be also varied by preferences.

The respondents also recognised limits to performing this kind of behaviour and seemed to distinguish between redress-seeking and a malicious intent to deceive a firm. Thus, *'a consumer bought a wedding dress with the intention of returning it after the event and she did'* was not considered to be redress-seeking anymore (presumably beyond consumer right) but using consumer privilege with malice. The respondents said, *'this kind of behaviour would be determined by individual ethical predisposition in consumption'*.

To note, the perception of unfairness appeared to be attributed to industries and/or products, rather than addressing particular named firms. This is consistent with the findings by Boulstridge and Carrigan (2000). It was thought appropriate that redress-seeking should be proportional to perceived losses. In the context of redress-seeking, their respondents addressed firms as being big profit makers or unable to perform fairly to consumers (i.e., cheating over consumers). The search for profit maximisation by firms was seen to give consumers an excuse to benefit at the expense of those firms. In general then, the consumers' image of firms may indirectly affect occurrence of EQB.

The discussions so far described, attempted to distinguish between explanations of why certain types of behaviour might happen, along with the judgement of the acceptability of those behaviours. The specific purpose of making this distinction was to examine the impact of situational effects (contexts) on consumer ethical judgement of performing EQB. Although many factors are identified as having only one main motivation, there are a number that appear to have more than one explanation. Admittedly, it was rather difficult to rigorously categorise behaviours in relation to one factor. Observed were indeed multiple dimensions that could overlap among the categories and help explain occurrence of EQB. Table 6-2 below presents the relations of different kinds of EQB and the motivational factors that apparently help explain its occurrence.

Table 6-2: The factors explaining occurrence of EQB

	Risk taking	Expediency	Unfairness Pricing	Fairness in business practices	Avoidance of trouble	Opportunity Saving	Opportunity Access free
1	++						
2	++						
3	++						
4	++						+
5			++			+	
6				+		+	
7		++	+				
8		++	+				
9		++				+	
10			++			+	+
11				+		+	
12				++		+	
14			++	+		+	
15				++		+	
16						++	+
17				++			
18						++	+
19				++			
20			++	+		+	+
21							++
22					++		
23						++	+
24							++
25				++		+	
26					++		
27			++				

No. 13 The meaning of the statement was not fully understood, so no comment provided.

6.4 Generic Factors

As described, EQB appeared to be explained by more than one factor at any one time, and so to be as complex as other social behaviour. In addition, this current study observed two factors that commonly emerged across the different kinds of EQB in explaining how consumers rationalise and/or justify its occurrence. These factors are *consequence* and *social influence*.

6.4.1 Consequences

During conducting the current study, a degree of possible consequence was considered in evaluating the acceptability and justification of performing EQB; enquiring whether a specific EQB result in being harmful to others and beneficial to actors. The degree of consequence, from different kinds of EQB, was often referred to by the respondents in justifying consumers' performance of that specific behaviour. Behaviours characterised by *expediency* and *avoidance of trouble* were considered as acceptable when they might result in providing a relatively small amount of benefit to consumers. Behaviour characterised by *opportunity* was generally thought to provide benefits without harming anyone. The respondents generally imagined that losses are equivalent to such small benefits and insignificant for firms (c.f. Dogde et al., 1996, as discussed in section 3.3.2.1.2). Behaviour characterised by *perceived unfairness* was considered to be appropriate in some cases. When consumers perceived that firms have been dealing with the consumers unfairly, the consumer considered that they had, to certain degree, lost possible benefits. When a particular EQB result in harming firms (i.e., effecting losses) but

the losses by the firms were proportionally equivalent to the perceived losses by consumers, the behaviour was considered to be acceptable.

Commonly, the size of firms was also taken into account. The behaviour resulting in some losses to 'Big' firms were considered not to be an issue of concern for some respondents, since these firms were considered to be '*making profits anyway*' and *should be able to absorb such losses.*' However, where a possible outcome would be considerably harmful to other members of a society and/or suppliers (cf. a relatively large of benefit to an actor), it was thought that such situations should be rectified. However, long-term implications did not seem to reflect possible consequences.

6.4.2 Social Influence

Another generic factor, which the respondents commonly considered as a reason to engage in EQB across the different kinds of behaviour, was social influence. The respondents considered the possible impact of social influence on EQB with regard to forms of peer influence and societal influence. These aspects seemed to indicate important ideas for consumers to underline the appropriateness of their ethically questionable actions. Peer influence was particular of the behaviour characterised by *risk-taking*. It was described as a desire to show off 'cleverness' to other peers, and as complying to peer pressure. The impact of societal influence was addressed across the different types of EQB and considered to be significant especially with the behaviours characterised by *unfairness* (e.g., piracy and insurance fraud).

Societal influence seemed to provide two steps of justification; i.e., approval and inferred consensus. A case of buying counterfeiting products is exemplary with regards to the impact of societal influence. With the development of industrialisation, the materialistic interest to obtain particular products (i.e., materialism) has affected more consumers and become a dominant ideology in consumption (Muncy and Eastman, 1998). While genuine products are highly priced, many consumers may experience that counterfeited products alongside them actually provide similar quality but at a cheaper price. As Muncy and Eastman (1998) found, materialistic consumers appear to be tolerant towards EQB; if buying counterfeit products satisfies such individual interest (i.e., obtaining a goods at a cheaper price), such behaviour can become socially acceptable. Certainly “copying software” has been considered as one of the most acceptable forms of behaviour among many other EQBs (Vitell and Davis, 1990 cited in Taylor and Shim, 1993, p.421).

It was also suggested that the wide availability of counterfeiting products might be tempting in countries like Malaysia, as expressed by the Malaysian respondent (and it relates back to the comment raised in the previous section 6.3.5.1 *Unfairness of Pricing*, regarding different cultural attitudes to copying). It can thus be argued that in such a context, consumers can expect to obtain approval from other consumers (i.e., ‘*everyone does it, why don’t I do it?*’). Subsequently, performance of the behaviour might become widely accepted, with consumers inferring a certain degree of consensus among other consumers. As highlighted by other studies (Jones and Ryan, 1997; Davis et al., 1998), social inferred consensus was observed as a

powerful aspect in justifying performance of EQB. Consequently, it may contribute to the likelihood of the behaviour.

The example of counterfeiting demonstrated that approval and inferred consensus from other consumers might ease consumer justification of performing EQB. It is certainly expected to differ depending on the kinds of EQB, countries and even much smaller cultural entities (e.g., institution, organisation and peer). Regardless of the ethicality of the behaviour, it could be expected that greater approval and/or inferred consensus obtained from other consumers aids consumers in justifying the performance of EQB.

6.5 The Explanatory Factors and the Antecedents of Ethically Questionable Behaviour

The current qualitative study has presented primary explanations for the occurrence of EQB: *risk-taking, expediency, avoidance of trouble, opportunity* and *unfairness*. Some kinds of behaviour have more than two motivational factors as indicated. Further analysis identified generic factors *consequence* and *social influence* which constantly emerged to explain occurrence of behaviour across the different kinds of EQB. The respondents used some, if not all, of the motivational and generic factors in order to explain why consumers engage in different kinds of EQB. Based on the theory of planned behaviour (TPB, Ajzen, 1985; 1991), these factors are expected to be salient beliefs influencing the EQB decision-making process (i.e., the explanatory factors of EQB). In respect of this, the following sections examine the explanatory factors to explore antecedents of EQB.

6.5.1 Attitude

In TPB, attitude is determined by behavioural beliefs and outcome evaluation (Ajzen and Fishbein, 1980). Behavioural beliefs are personal beliefs contending that a specific behaviour leads to a certain outcome. Such outcomes, in performing EQB, relate to forms of benefit characterised by *risk-taking* and *expediency*. *Risk-taking* is related to the extent to which an actor is motivated to take risks for some achievement such as experiencing thrill or excitement (March and Shapira, 1987 cited in Highhouse and Yüce, 1996) and acquiring economic gain. This factor in the context of EQB can be interpreted in two ways. Firstly, this is related to individual perception; an assessment of risk an actor perceives in relation to a specific behaviour (Slovic, 2000). Secondly, this is related to personality trait; whether an actor inclines to seek risks or refrain from risks (Kowert and Hermann, 1997). With either interpretation, *risking-taking* is concerned with explaining behaviour to gain, through taking risk, some form of benefit. *Expediency* is concerned with explaining behaviour with any intention to benefit; simply taking advantage of something in a situation in which little or no attention towards its ethical dimension seems to be attended.

Another determinant of attitude concerns the evaluation of the expected outcome, described by TPB as outcome evaluation (Ajzen and Fishbein, 1980). In the current study, *consequence* is taken to represent outcome evaluation. The study found that individuals evaluate consequences resulted from performing EQB in relation to themselves, other members of a society and firms (i.e., suppliers). *Consequence to an actor, others in a society or suppliers* are described as how harmful or beneficial possible outcomes are to each of the parties. In summary, attitude towards

performing EQB may be influenced by the following explanatory factors: *risk-taking, expediency, and consequence*.

As previously mentioned, Muncy and Vitell (1992) identified four dimensions of consumer ethical judgements and suggest these as “possible causes” of EQB: *actively benefiting from an illegal action, passively benefiting at expense of sellers, actively benefiting from a questionable action and no harm/no foul*. The first three dimensions can be associated with any intention to benefit while distinguishing themselves at the level of ethical issues involved. The fourth dimension is indeed an evaluation of consequences. Clearly, these “possible causes” suggested by Muncy and Vitell (1992) fit into the frame of attitude in TPB and associate with the explanatory factors suggested here. Responding to an inconstancy between the relation of attitude to behaviour, the current study further continues introducing explanatory factors to expand our understanding of EQB beyond consumer ethical judgements.

6.5.2 Social Influence

In TPB, subjective norm refers to the extent of social pressure an individual perceives in performing a specific behaviour. The factor “subjective norm” was here renamed as “social influence”. This is because subjective norm in TPB is limited only to what important referents (i.e., parents, family and close friends) think an actor should do. However, the current qualitative study revealed that other members of a society, as well as important referents, influence an individual in the decision-making of EQB. Such influences can reflect a mode of consensus, approval, or

pressure from society in a wider sense. This idea appears to be broader than the one of subjective norm. Hence, the ideal of “subjective norm” in TPB has been expanded to a much broader sense and renamed as “social influence”. Indeed, the narrowness of the idea of “subjective norm” has been criticised (Miniard and Cohen, 1981) and there are empirical supportive evidences for the substitution of “subjective norm” by “social influence” (Klobas and Clydes, 2000; Bhattacharjee, 2000). The current study proposes that social influence in performing EQB may be influenced by individual normative beliefs regarding peer (i.e., *peer influence*) and society (i.e., *societal influence*) and the belief that a specific EQB is a normal behaviour (i.e., *irrelevance of ethical dimensions*).

6.5.3 Perceived Behavioural Control

In TPB, perceived behavioural control (PBC) refers to the perception of the ease or difficulty, and the ability to practice a specific behaviour. PBC over performing EQB may be influenced by *avoidance of trouble* and *opportunity*. *Avoidance of trouble* is described as to a tendency to take an easier course of action in a give situation. It captures the aspect of an actor’s ability to perform a specific behaviour. *Opportunity* is described as an inferred chance to gain benefit. It captures the aspect of available resource to perform a specific behaviour. In the current study, *opportunity* emerged as significant, with particular respect to the existence of an opportunity to benefit with no obvious harm to others and no risk involved. Zey-Ferrell and Ferrell (1982), Chang (1998) and Shaw and Clarke (1999) also noted a positive association between PBC and opportunities.

6.5.4 Perceived Unfairness

In addition to these theoretically established components of TPB, the findings of the current qualitative study have pointed towards the importance of “perceived unfairness”. “Perceived unfairness” can be described as the extent to which an actor is motivated to redress an imbalance between firms and customers that is perceived to be unfair. This component may consist of *retaliation*, *pricing* and *business performance*. *Retaliation* is described as a degree of desire to seek to redress a perceived unfair imbalance with firms. *Pricing* is described as firms’ pricing behaviour that is perceived as unfair. *Business performance* is described with regard to firms’ market performance, or strategy, which is perceived as arbitrary or exploitative to consumers.

At this stage, the precise role of “perceived unfairness” is still unclear, but the discussions held with the respondents provided two possible interpretations. First, an action that might be considered unacceptable may be re-evaluated as acceptable if motivated by a perceived unfairness. In that sense, perceived unfairness may serve to mediate the relationship between beliefs and evaluations. An equally plausible interpretation would be that an action might be considered unacceptable but that the consumer will still perform the action because of perceived unfairness. Thus, perceived unfairness mediates the relationship between judgement and intention. Table 6-3 and Diagram 6-1 below present the relationships between the explanatory factors and the antecedents of EQB. Table 6-3 details the explanatory factors identified by the current study and their description. The table also presents the relations between the explanatory factors and antecedents of EQB. In Diagram 6-1, the EQB decision-making is meant proceed from left to right. As far left are

presented the explanatory factors that are proposed to explain the occurrence of EQB. In the middle are presented the antecedents of EQB. As far right is presented EQB as the result of the decision-making. Each of the explanatory factors is proposed to influence one of the antecedents of EQB. Broken lines between the explanatory factors and the antecedents indicate possible influences from explanatory factors to its corresponding antecedent. The antecedents of EQB are proposed to influence EQB with broken lines indicating possible influences of the antecedents on EQB.

Table 6-3: The explanatory factors and the antecedent of ethically questionable behaviour (EQB)

Antecedent of EQB	The explanatory factor	Description of the explanatory factor
Attitude towards practicing EQB	Risk taking	The feeling associated with risk and thrill to do something that seems to be wrong.
	Expediency	An attempt of taking advantage of something for one's own benefit.
	Consequence to an actor	Possible outcomes to an actor
	Consequence to other consumers	Possible outcomes to other members of a society
	Consequence to suppliers	Possible outcomes to suppliers (i.e., business)
Social influence	Peer influence	Individual normative beliefs regarding the influence of peers.
	Societal influence	Individual normative beliefs regarding the influence of a society.
	Irrelevance of ethical dimensions	The perception that a specific behavior is considered to be normal.
Perceived behavioural control over practicing EQB	Opportunity	An opportunity that infers benefit that is expected to gain and feasibility to practice a particular EQB.
	Avoidance of trouble	An attempt of not getting involved with a specific situation in order to avoid making an extra effort.
Perceived Unfairness An additional dimension to TPB	Pricing	Perceived unfairness in relation to pricing
	Business performance	Perceived unfairness in relation to general other performance of firms
	Retaliation	Retaliation to firms that is perceived as unfair

and generic factors are expected to be salient beliefs, that influence EQB. Based on TPB (Ajzen, 1985; 1991), the explanatory factors were examined to identify antecedents of EQB. In this respect, as presented at Table, 6-3 and Diagram 6-1, antecedents of EQB were proposed as Attitude, Social Influence, Perceived Behavioural Control, which are derived from TPB, and Perceived Unfairness, which is posited as an additional dimension to TPB.

In Chapter 4, three other factors - outside of the TPB frame - were discussed as providing possible influence on EQB. These were moral obligation, fairness and moral intensity. The idea of fairness was addressed through the dimension of perceived unfairness. Whereas, based on the analysis of the respondents' comments, moral obligation and moral intensity were not considered as factors that explain causes of EQB. In fact moral obligation attracted very little attention from the respondents. Thus, this factor was excluded from further examination during the current study. As expected, as far as moral intensity is concerned, the current study identified the possible importance of outcome evaluation (i.e., consequence) and social influence. As explained in Chapter 4, these aspects are overlapped with the construct of TPB (Ajzen, 1985; 1991). Hence, though the form of moral intensity was excluded, its premise is integrated into two forms, consequence and social influence.

The current qualitative study has highlighted both the importance and complexity of EQB. With exception of those individuals considered as moral absolutists, consumers pursue their own beliefs and interests, and evaluate possible consequences of their actions when faced with EQB. In addition to such a judgement toward

performing EQB, consumers are influenced by the perceptions of what a society thinks is acceptable, what is possible, and in what sense and how firms have been unfair to consumers.

From the combination of the established Theory of Planned Behaviour (Ajzen, 1985; 1991) and the findings of the qualitative study, decisions have been made over what factors might explain motivations (causes) of EQB. Indeed, explanatory factors have been clearly identified as possible antecedents of EQB. It will be the aim of the next study to assess the validity of both the content and the construct of EQB as outlined here. Schriesheim et al. (1993) note the importance of assessing content validity as a necessary procedure to ensure the quality of a measurement before assessing its construct validity. 'Although content adequacy alone is inadequate to support construct validity of a measurement' (Tenopyr, 1997 cited in Schriesheim et al., 1993, p.389), it is a first step in assessing construct validity. With these recommendations in mind, Chapter 7 present a study that investigates quantitatively whether these factors adequately represent the antecedents of EQB, and leads towards the basis of an improved theoretical framework for the take-up by subsequent research.

Chapter 7 The Underlying Construct of Ethically Questionable Behaviour in Consumption (STUDY 2)¹

7.1 Introduction

This chapter presents the second stage of the empirical investigation, named here as Study 2. A survey questionnaire was conducted, with the aim of trying to establish antecedents of EQB quantitatively. This survey was conducted with 71 individuals in February 2000. The survey questionnaire was designed based on 16 kinds of ethical issues in consumption, selected from the Muncy and Vitell typology, and with the measurement developed from the findings of Study 1 (as presented in Chapter 6). Following a brief summary of Study 1 (which helps contextualise the second stage of the investigation), Study 2 is detailed in terms of its development, conduct, and the results gained.

The first stage of the empirical study was presented in Chapter 6 and identified the factors that might explain *how* and *why* consumers engage in ethically questionable behaviours in consumption (EQB). These explanatory factors are namely risk-taking, expediency, consequence to an actor, consequence to others, consequence to suppliers, peer influence, societal influence, irrelevance of ethical dimensions, opportunity, avoidance of trouble, unfairness of pricing, unfairness of business

¹ The findings of this study was presented at the Eighth Annual International Conference Promoting Business Ethics, DePaul University Chicago U.S.A. (October, 2001)

performance, and retaliation. According to the Theory of Planned Behaviour (TPB, Ajzen, 1985; 1991), the explanatory factors are expected to be salient beliefs that influence EQB. Hence, the contents of the explanatory factors were compared to the TPB components (i.e., attitude, subjective norm and perceived behavioural control) in order to explore antecedents of EQB. The relationship between the explanatory factors and the antecedents of EQB was proposed based on and around the framework of TPB.

The first antecedent of EQB, Attitude towards performing EQB may be represented by the following explanatory factors: risk-taking, expediency, and consequence to an actor, others in a society, or suppliers (i.e., firms). Risk-taking is related to the extent to which an actor is motivated to take risks to gain excitement and/or economic gain. Expediency can be described as when an actor takes advantage of something, with little or no attention towards its ethical dimension. Both risk-taking and expediency are concerned with some form of individual benefit. These factors are possible outcomes of performing EQB and determinants of attitude. Consequence to an actor, others in a society, or suppliers refers to how harmful or beneficial possible outcomes are to each of the parties and other determinants of attitude.

Subjective norm was renamed as social influence to broaden the concept (originally individual beliefs concerning important referents) to one concerning any external influence on EQB. The second antecedent of EQB, social influence in performing EQB may be represented by individual normative beliefs regarding peers (i.e., peer influence) and society (i.e., societal influence) and the belief that a specific EQB is a normal behaviour (i.e., irrelevance of ethical dimensions). Peer influence and

societal influence are concerned with external influences in the decision-making of EQB; the extent to what important referents (i.e., parents, family and close friends) think an actor should do as well as other members of a society. Such influences can reflect not only external pressure but also consensus and approval toward performing EQB from these people. Irrelevance of ethical dimensions is concerned with the extent to which consumers perceive that EQB is considered as normal practice in a society.

The third antecedent of EQB, Perceived Behavioural Control to engage in EQB may be represented by avoidance of trouble and opportunity. Avoidance of trouble captures the aspect of an actor's ability in a specific situation. Opportunity captures the aspect of resource to perform a specific behaviour, and is described as an inferred chance to gain benefit.

In addition to these theoretically established dimensions of TPB, “perceived unfairness” was found to be an important component influencing the decision-making of EQB. The fourth antecedent of EQB, perceived unfairness refers to the extent to which an actor is motivated to redress an imbalance between firms and customers, that is perceived as unfair. This dimension consists of unfairness of pricing, unfairness of business performance and retaliation.

As discussed above, Study 1 identified and examined the explanatory factors based on TPB to explore antecedents of EQB. As shown in Table 6-3 in the previous chapter, each of the explanatory factors is proposed to represent one of the four antecedents of EQB. The antecedents of EQB were proposed as: the three

components derived from TPB (i.e., attitude, social influence and perceived behavioural control) and an additional aspect of “perceived unfairness”.

The relationship of correspondence between the explanatory factors and antecedents of EQB was initially considered as developed through Study 1 (and shown in Table 6-3). Subsequently, it is the task of the current study to examine in greater detail the validity of this schema, and then propose a framework for EQB. In doing so, the current study investigates quantitatively the extent to which the different identified explanatory factors represent its corresponding antecedent of EQB.

Hereafter is presented the method of the current study and its findings. Following this, the final sections present a schematic framework of EQB and a conclusion with remarks towards the final stage of the empirical investigation, as will be discussed in Chapter 8.

7.2 Method

7.2.1 A Survey Questionnaire

A survey questionnaire (see Appendix for the complete survey questionnaire) was conducted to examine the extent to which each of the explanatory factors explains why people engage in EQB. Ethics researchers have noted the difficulty in acquiring accurate information through the use of self-report questionnaire in ethics research (e.g., Wilkes, 1978; Gibson and Frakes, 1997; Al-Jabri and Abdul-Gader, 1997). Al-Jabri and Abdul-Gader (1997) note ‘sometimes it is difficult to get the real intended

action from respondents, especially if it is illegal or violates certain traditional norm' (p.340). Due to the sensitivity of the current topic, it is often observed that respondents describe their own behaviour in a more socially desirable way. This is called social desirability bias and a major methodological concern in ethics research. This tendency of respondents makes empirical findings questionable where self-reports are used.

The present quantitative study continued to apply indirect questioning in designing the survey questionnaire. Indirect questioning is one of the main projective techniques and often used by studies investigating socially sensitive issues and when attempting to reduce social desirability response bias. Fisher and Tellis (1998) suggest that respondents would give a more honest answer (i.e., close to the true means) when they are indirectly questioned rather than asked directly. These authors concluded that 'indirect questioning may be even more useful when dealing with more socially-sensitive topics such as safe sex, shoplifting, or drug/alcohol consumption' (Fisher and Tellis, 1998, p.567). In the current study, respondents were asked specifically to consider their school friend's behaviour.² The decision to use "school friends" was made based on the methodological example of previous consumer ethics studies (e.g., Wilkes, 1978; Fullerton et al., 1996) and the pre-tests of the current study's questionnaire.³

² By using "an old school friend of the same sex as yourself", the subject respondents considered should be demographically reflected in terms of age, sex and possibly education.

³ The comment from one candidate that gave a reason not to fill out the questionnaire implies that respondents possibly associate their behaviour with that of their friends. 'I cannot answer your questionnaire. I left school in 1948 and have lost touch with all my school friends. However, I can assure you that neither I nor any of my old school friends would have been guilty of such totally unacceptable and immoral behaviour.' The comment supports the expected benefit of using indirect questioning in the current study.

In addition to using indirect questioning, anonymity was assured because the method of data collection may otherwise influence self-reported data (Krohn et al., 1974 cited in Albers-Miller, 1999). The questionnaire was self-administered with no obligation to specify one's identity and with return by pre-paid post (i.e., no interaction with the researcher). Assurance of respondents' anonymity was also important to increase the response rate of a questionnaire regarding sensitive issues.

For the purpose of identifying problems such as question wording and order, confusing context and poor scale items (Bailey, 1982 cited in Randall and Gibson, 1990), the questionnaire was pre-tested on three different groups. The first group consisted of several academics with experience in the design of survey type of questionnaires. This group was selected to improve technical aspects of the questionnaire such as plainness of wording and format. The second group comprised 9 postgraduate research students, and the third was a group of UK consumers aged between 17-50. The latter two groups were selected to ascertain whether the questionnaire would be understandable to the target audience.

Based on the measurement from this preliminary testing, the questionnaire was designed to examine to what extent the explanatory factors explain 16 different kinds of EQB. The statements of these 16 different kinds of EQB were selected, as noted, from the Muncy and Vitell typology (1992); so maintaining continuity between the qualitative study and the current study. Each statement was presented along with a question relating to each of the explanatory factors. Only single items were used to measure each of the individual factors because of the number of scenarios being considered, and the need to keep the questionnaire to a reasonable length for

completion. Each respondent was given a questionnaire containing 6 of the 16 behaviours selected at random.

Table 7-1: The explanatory factors, the antecedents of ethically questionable behaviour and the questions

Antecedent of EQB	The explanatory factor	Question (a fully anchored five point scale)
Attitude towards practising EQB	Risk taking	The thrill associated with taking risk (1. Not at all; 5 very much)
	Expediency	It benefits the individual (1. Not at all; 5 very much)
	Consequence to an actor	How is your school friend affected by this behaviour? (1 seriously harmed; 5 strongly benefited)
	Consequence to other consumers	How are other consumers affected by this behaviour? (1 seriously harmed; 5 strongly benefited)
	Consequence to suppliers	How is the supplier affected by this behaviour? (1 seriously harmed; 5 strongly benefited)
Social Influence	Peer influence	Copying his/her friends' behaviour (1. Not at all; 5 very much)
	Societal influence	Copying other people's behaviour (1. Not at all; 5 very much)
	Irrelevance of ethical dimensions	It is just normal behaviour (1. Not at all; 5 very much)
Perceived Behavioural Control over practising EQB	Opportunity	It is too good an opportunity to miss (1. Not at all; 5 very much)
	Avoidance of trouble	It's the easiest course of action (1. Not at all; 5 very much)
An additional dimension to TPB Perceived Unfairness	Pricing	It is to compensate for overcharging (1. Not at all; 5 very much)
	Business performance	It is ok to benefit at the supplier's expense (1. Not at all; 5 very much)
	Retaliation	The supplier deserves it (1. Not at all; 5 very much)

7.2.2 Sampling and Distribution Methods

Areas in Nottingham (UK) were selected for the hand-delivery of 500 questionnaires and self-addressed pre-paid envelopes. These delivery and collection methods were determined as an attempt to increase the response rate and ensure the respondent’s anonymity. Although this was not a random sample, a number of streets were selected systematically to ensure that a range of different residential environments was covered and questionnaires distributed where possible to every house in those streets. Out of 500, 82 questionnaires were returned including 72 usable responses (February, 2000). The response rate of this study was 14.4%. The moderate

response rate might have been caused by the sensitivity of the current topics. A second mailing to follow up was difficult due to the sampling method. However, the available cases for the analysis exceeded 400 since each of 72 respondents answered the same sets of questions regarding the explanatory factors for 6 different kinds of EQB. It was considered as appropriate to conduct exploratory factor analysis in order to examine whether the explanatory factors represent the hypothesised determinants of EQB. The demographic characteristics of the sample are shown in Table 7-2. It had a good mix of gender and education. However, the sample might be said to be a little biased in terms of age (i.e., a greater number of older people) and therefore occupation (i.e. a greater number of retired people).

Table 7-2: Demographic information

Demographic categories / No. of the respondents				
Gender (n=70)	Male	39	Female	31
Age (n=70)	Under 20			1
	20-29			6
	30-39			18
	40-49			11
	50-59			12
	over 60			19
Marital status (n=70)	Married	45	Other	25
Children (n=70)	More than one	47	None	23
Nationality (n=69)	UK	66	Other*	3
Education (n=70)	Second degree			7
	First degree			25
	A-level/university entrance			14
	O-level/GCSE/school leaving			12
	Other			12
Occupation (n=70)	Self-employed			3
	Senior managerial/professional			5
	Middle managerial/professional			14
	Junior managerial/professional			11
	Skilled/semi/unskilled manual worker			6
	Retired			24
	Full-time student			1
	House wife			6
	Unemployed			0

Note: 72 usable samples out of 500 (14.4% usable response, excluding 11 unusable returns), The demographic information for 3 samples was partly or all missing. * Other Nationalities: Finnish, Australian and Irish

7.3 Findings

7.3.1 *The Likelihood and Acceptance of Ethically Questionable Behaviour*

The respondents were asked to report whether they had performed any 6 of a possible 16 EQB in the last year. They were also asked to state which EQBs they would usually consider to be acceptable or unacceptable. Table 7-3 shows the likelihood and the acceptance of EQB by these UK consumers.

The current study focuses on examining whether the explanatory factors represent the hypothesised determinants of EQB across the different kinds of scenarios. The respondents were required to answer only 6 out of a possible 16 questions due, as previously noted, to the need to keep the questionnaire to a reasonable length and the number of scenarios used. Consequently the data was not available to examine the structure of consumer beliefs regarding ethical issues in isolation. However, it was not an objective to examine individual sets of beliefs but rather the aim was with gaining a more generic understanding of consumer beliefs in relation to performing EQB. By comparing the dimensions suggested by the Muncy and Vitell typology (1992), the UK consumers assumed of acceptability seems to be consistent with ethical concerns found in the previous studies. The UK consumers are intolerant toward benefiting from illegal or questionable actions, whereas, acceptance toward EQB appeared to increase when the behaviour involved no obvious harm to others or no initial intention to benefit. The frequency of the likelihood of EQB gives an impression that some kinds of EQB might well be wide spread among UK consumers as a whole. Where a large number of past performances of a specific

EQB were reported, half or more of the respondents show acceptance toward these cases.

Table 7-3: The likelihood and acceptance of EQB by the UK consumers

Ethically Questionable Behaviour in Consumption	The Muncy and Vitell typology (1992)	Practised		Acceptable	
		%	N	%	N
1. Drinking a can of cola in a supermarket without paying for it	Actively benefiting from an illegal action	0%	0	4%	1
2. Reporting an item to an insurance company as stolen when it has not been	Actively benefiting from an illegal action	0%	0	0%	0
3. Accidentally damaging a hire car and tried to hide the damage from the hire company	NA	0%	0	4%	1
4. Giving misleading price information to a cashier for an unpriced item	Actively benefiting from an illegal action	0%	0	8%	2
5. Returning a damaged item to the shop when the damage is his/her own fault	Actively benefiting from an illegal action	0%	0	10%	3
6. Eating some grapes in a supermarket without buying any	Not loaded on any factor	0%	0	13%	4
7. Changing the price-tag to a lower price on an item in a retail store	Actively benefiting from an illegal action	4%	1	0%	0
8. Deliberately exaggerating the value of a lost item when making an insurance claim	Actively benefiting from a questionable action	6%	2	23%	7
9. Taking an ashtray or other "souvenirs" from a hotel	Not loaded on any factor	11%	3	33%	9
10. Lying the child's age on the train in order to get a lower priced ticket	Passively benefiting at expense of the sellers	10%	3	27%	8
11. Spending over an hour trying on different clothes at a shop but not purchasing any	No harm / no foul	17%	4	50%	17
12. Returning an item after finding out that the same item is now cheaper in a sale	Not loaded on any factor	13%	4	73%	22
13. Failing to say anything to the shop assistant after getting too much change	Passively benefiting at expense of the sellers	25%	5	32%	6
14. Returning an item to a shop after trying it and not liking it	No harm / no foul	30%	6	85%	17
15. Copying computer software or use unauthorised software	NA	32%	9	58%	15
16. Recording a tape or CD instead of buying a new copy in a shop	No harm / no foul	52%	12	71%	17

Note 1: The “%” (percentage) figures relate to the total number of the respondents that considered a particular behaviour, and “N” indicates the actual number of the respondents that considered a particular behaviour and reported past performance and acceptability for the behaviour.

Note 2: NA indicates “Not Applicable” for the Muncy and Vitell typology (1992); the statements were either modified or added through the qualitative exploratory study and the pre-testing.

7.3.2 *Factor Loading*

An exploratory factor analysis (EFA) was conducted on the explanatory factors (see Table 7-1) as identified by the qualitative study. EFA is used to study the structure of the construct and subsequently its result contributes to developing a representation of the construct under investigation. The whole sample, across the 16 different kinds of EQB, was analysed altogether. EFA was applied to the whole sample (401 cases across the 16 different kinds of EQB) rather than each of the behaviours (Number of the sample between 17 and 34). This decision was made because the current study sought the universality of the content of EQB rather than the content specificity in different ethical situations. Following this, the content of the explanatory factors was compared in relation to the components of the construct theorised by the theory of planned behaviour (TPB, Ajzen, 1985; 1991). Prior to interpreting the results of EFA, the adequacy of the correlation matrix of the current data was assessed. The two available measurements were satisfactory (i.e., Kaise-Meyer-Olkin Measure of Sampling and Bartlett's test of sphericity).

The number of factors extracted was determined by 'a rule of thumb - the rule known either as the Kaiser or eigenvalue criterion, i.e., eigenvalue greater than or equal to 1' (Kim and Mueller, 1994, p.43). The explanatory factors (i.e., variables) were subjected to principal components factor analysis and factors were extracted by an orthogonal rotation based on eigenvalue criterion. The variable *opportunity* was excluded due to cross loading on perceived unfairness (0.520) and social influence (0.420), and the variable *avoidance of trouble* was excluded from further analysis due to the low communality (0.373).

Hair et al. (1998) suggest a guideline for appropriate values of factor loadings that can be taken to be significant. Broadly, the guideline can be considered as follows: the value of factor loadings greater than ± 0.3 can be taken 'to meet the minimum level' of significance; greater than ± 0.4 is 'considered to be more important'; ± 0.5 is considered to be 'practically significant' (p.111). Yet, Hair et al. (1998) also suggest to take an account of the sample size in individual studies when the minimum acceptable level of factor loadings is determined. The level of factor loadings as low as ± 0.3 can be accepted when the sample size is more than 350, while the level of factor loadings as high as ± 0.75 should be applied when the sample size is less than 50. The sample size of the current study is indeed more than 350 and so the acceptable level of factor loadings is ± 0.3 . However, none of the explanatory factors⁴ analysed have factor loadings less than ± 0.5 . This indicates that all of the factor loadings can be considered as 'practically significant' for the subsequent analysis. Table 7-4 overleaf shows the results of EFA.

As Table 7-4 shows, four factors emerged from the statements relations to EQB. Together they accounted for 72% of the total variance. The first factor clearly captured the perception of unfairness and accounted for 29.5% of the total variance. This factor consists of 3 items, and the 3-item scale generated an acceptable alpha coefficient of 0.82 for the measure of reliability (Hair et al., 1998). This factor was proposed to be an additional dimension to TPB. All of the items loaded on this factor involve a perception of an imbalance between firms and consumers. As some studies (Tennyson, 1997; Strutton et al., 1994) note, perceived unfairness of firms'

⁴ Except the explanatory factor opportunity, which was excluded from the current analysis. As mentioned above, opportunity was loaded on both perceived unfairness and social influence. Its factor loading on social influence was 0.420)

performance would affect consumer justification for EQB; this suggests that consumers may seek a way of receiving perceived losses when they perceive an unfair balance with firms. This factor indicates a motivation to redress the imbalance through EQB.

Table 7-4: The factor loading of the explanatory factors of EQB

Factor extracted (variance explained by the factor)	Perceived Unfairness (29.5%)	Social Influence (19.5%)	Consequence to others (13.9%)	Evaluation (9.1%)
Cronbach Alpha	.82	.81	.76	.45
Retaliation	.892			
Pricing	.851			
Business performance	.727			
Irrelevance of ethical dimensions		.662		
Peer influence		.918		
Societal influence		.914		
Consequence to other consumer			.888	
Consequence to suppliers			.865	
Risk-taking				-.663
Expediency				.707
Consequence to an actor				.594
Opportunity	This variable was excluded due to cross loading.			
Avoidance of trouble	This variable was excluded due to the low communality (0.373).			
Note: KMO Measure of Sampling Adequacy = 0.694, Bartlett's Test of Sphericity was significant: p < .001, Extraction Method: Principal Component Analysis, Rotation Method: Varimax with Kaiser Normalization. Total Variance Explained: 71.995%				

The second factor captures social influence on EQB and accounted for 19.5% of the total variance. This factor consists of 3 items, and the 3-item scale generated an acceptable alpha coefficient of 0.81 for the measure of reliability (Hair et al., 1998). This factor can be considered in relation to social influence, an extended concept of subjective norms in TPB. Two of the items loading on this factor (i.e., peer and societal influence) involve the extent to which an individual would follow what friends or other member of a society would do - expressing the sentiment that “every one is doing it” (Litton, 1998). It can be interpreted that such a feeling creates social perceived support for performing EQB. Subsequently, such behaviour may appear to

be normal to a majority of consumers. This is reflected in the third item loading on this factor: the irrelevance of ethical issues. This highlights the fact that when consumers lack ethical concerns about a specific behaviour, they are unlikely to consider ethical implications in a broader sense. Overall, a higher value for this factor indicates proportionally a higher level perceived social support or lack of ethical concerns for performing a specific EQB in a given moment.

The third and fourth factors show correspondence with attitude in TPB; as such they can be expected to represent favourable or unfavourable attitude for performing a specific EQB. The third factor accounted for 13.9% of the total variance. This factor indicates an individual assessment of consequences to other consumers and suppliers as the result of EQB. The lower the value, the more harmful the consequence to others, while a greater value indicates more beneficial consequence to others. This factor consists of 2 items, and the 2-item scale generated an acceptable alpha coefficient of 0.76 for the measure of reliability.

The fourth factor accounted for 9.1% of the total variance. This factor reflects an individual behavioural belief about what would be expected to happen as the result of EQB. This factor indicates an estimate of some form of benefit to an actor in return for performing EQB. The negative loading of the explanatory factor risk taking (-0.663) implies that the majority of respondents did not consider that thrill or excitement associated with “risk-taking” was anything other than harmful to the actor.

The fourth factor consists of 3 items, and the 3-item scale only generated an alpha coefficient of 0.45. Despite the relatively low reliability of the measure, this factor was included because the current research is taken to be exploratory, and so developing and testing the measure for the first time. In addition, based on the initiating theoretical framework (i.e., the theory of planned behaviour, TPB, Ajzen, 1985; 1991) taken up by the current research, the inclusion of the fourth factor would be theoretically compatible in explaining the process of decision-making. The 3 items loading on this factor appeared to represent attitudinal beliefs influencing attitude; and indeed attitude is theorised as one dimension in the theory of planned behaviour. Theoretically the dimension has been established as a factor influencing behaviour, and indeed this would not seem to be in question, rather it is the measurement – as developed here - that has presented problems. Thus, the modification of the measure is addressed in the subsequent study.

The factors emerged from the factor analysis can be described as perceived unfairness, social influence, consequence to others and evaluation. Each of the factors is based on the corresponding individual factors, which were identified to explain why consumers engage in EQB. According to the theory of planned behaviour (TPB, Ajzen, 1985; 1991), these emergent factors are expected to be the factors that influence a decision-making process and more specifically antecedents of the behaviour in a specific given context (i.e., EQB).

The following section examines the significance of the identified antecedents on the acceptance and the likelihood of EQB by these UK consumers. This analysis was done to infer a link between the antecedents of EQB and intention. Hereafter, the

factor scores are used for the analysis as it provides the advantage of allowing the researcher to use 'a smaller number of uncorrelated, normalised factors, easing the interpretability of subsequent analysis' (Cox et al., 1990, p.153). The factor scores should be understood as follows: for perceived unfairness, a more positive factor score indicates that a greater unfair balance with business was perceived (when it comes to perform a particular EQB). For social influence, a more positive factor score indicates a higher level of perceived social support or lack of ethical concerns for performing EQB. For consequence, a positive factor score indicates possible benefit to others as the result of EQB. Whereas a negative factor score indicates possible harm to others as the result of EQB. The greater value of a factor score indicates either more possible benefit or harm to others. For evaluation, a positive factor score indicates benefit to an actor as the result of EQB. Whereas, a negative factor score indicates harm to an actor as the result of EQB. The greater value indicates either more benefit or harm to an actor.

7.3.3 The Impact of the Antecedents of Ethically Questionable Behaviour on the Acceptance and Performance

Binary logistic regression was performed to examine the influence of the antecedents of EQB on the UK consumers' acceptance towards EQB. Acceptance was regressed on the factor scores of the four identified antecedents (i.e., perceived unfairness, social influence, consequence to others, and evaluation). The results are shown in Table 7-5.

The binary logistic regression model above was overall significant in predicting acceptance. The dependent variable *acceptability* was measured with '1' equalling acceptable and '0' equalling unacceptable. The percentage of the correct classification was 81.2% and the overall hit ratios were 91.0% and 59.5% for acceptable and unacceptable respectively. In looking at the influence of each dimension, consequence to others had the strongest impact ($\beta = 1.619, p < 0.001$). It indicates that consumers assess whether EQB would cause any harm to other consumers or business. More beneficial to others EQB is considered to be, the more consumers incline to accept the behaviour. Evaluation had the second strongest impact ($\beta = 1.125, p < 0.001$); indicating that consumers estimate how beneficial to an actor the behaviour would be. The more beneficial to an actor, the more likely consumers are to accept the behaviour. Social influence had the third strongest impact ($\beta = .724, p < 0.001$). It suggests that the more it is perceived that other people in a society approve EQB, the more likely it is individual consumers will accept the behaviour. Perceived unfairness was also significant ($p = .011$), though its predictive power was relatively small ($\beta = .354$). It indicates the perception of an unfair balance vis-à-vis business that needs to be redressed. The more an imbalance is perceived, the more consumers are likely to accept the behaviour.

Table 7-5: Binary logistic regression model: acceptance toward EQB (1 = acceptable and 0 = unacceptable, n=389)

Variable	Beta	Sig.
Perceived Unfairness	.354	0.011
Social Influence	.724	< 0.001
Consequence to others	1.619	< 0.001
Evaluation	1.125	< 0.001

Overall Model Fit: -2 Log Likelihood = 322.613, Cox & Snell R Square = 0.337, Nagelkerke R Square = 0.474

Due to the small number of reported EQB performers relative to the non-EQB performers, binary logistic regression was considered inappropriate to examine the impact of the antecedents of EQB. Instead, the mean factor scores of the antecedents were compared between EQB performers and non-EQB performers. An EQB performer is one who reported his/her practice of EQB in the last year. Table 7-6 shows the results of the comparison.

The results indicate that the EQB performers - those having reported previous engagement with EQB - go on to hold a more positive perception of evaluation, consequences to others and social influence, than do the non-EQB performers. It can be interpreted that consumers are motivated to engage in EQB in general because they expect to gain some benefits without harming other people, and furthermore it is considered likely to meet social approval. In explaining EQB, social influence, consequence to others and evaluation were constantly significant on both counts of acceptance and past performance. However, perceived unfairness was not seen to be different between the EQB performers and the non-EQB performers. Where a range of EQB was being considered, the impact of perceived unfairness was moderate in the case of acceptance, though it did not appear to be significant in the case of past performance. The cause for this might be that the influence of perceived unfairness can be expected to be situation specific. Hence, the following section examines how the antecedents of EQB function depending on different kinds of EQB.

Table 7-6: The perception of EQB performers versus Non-EQB performers

	EQB performers' mean factor score	Non-EQB performers' mean factor score	T-statistics	Sig.
Perceived Unfairness	.03	.00	-.23	ns.
Social Influence	.78	-.11	-4.82*	P < .001
Consequence to others	.41	-.06	-3.06	P < .01
Evaluation	.50	-.07	-4.41*	P < .001

*Equal variances not assumed. ns. = not significant

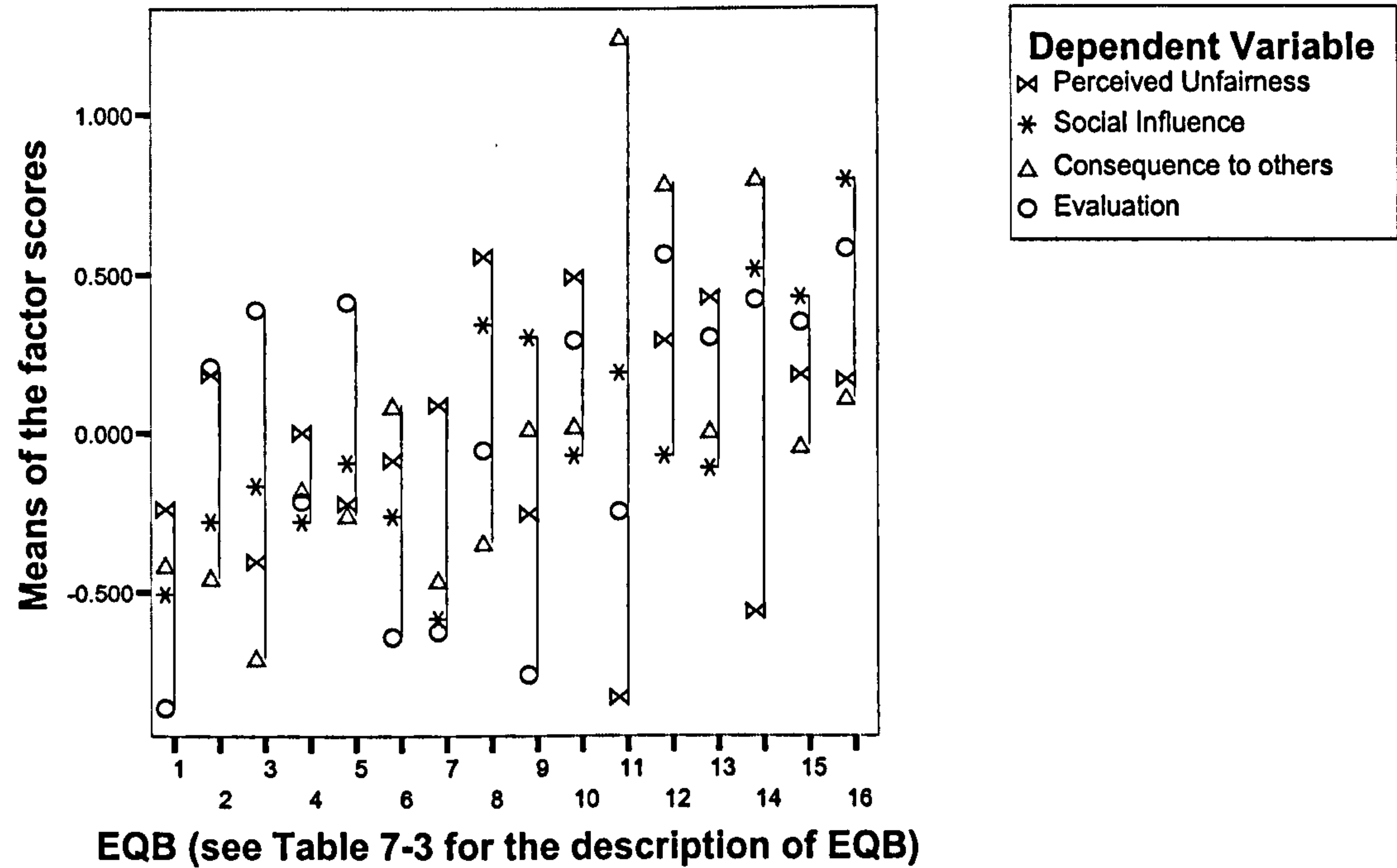
7.3.4 The Antecedents of Ethically Questionable Behaviour and Individual Ethically Questionable Behaviour

Initially, analysis of variance (ANOVA) tests were conducted to examine the different reasons (i.e., the dimensions of EQB) that the respondents agree upon when explaining individual EQB. Due to the different number of cases of the groups that were subjected to ANOVA, the assumption of ANOVA - homogeneity of variance was not met. The impact of a violation of the assumption could not be assured either.⁵ Instead, the means of the antecedents were visually compared across the 16 different kinds of EQB based on a drop-line chart (see Diagram 7-1) that presents the variation of the influence of the antecedents on individual EQB. The drop-line chart shows a mean score for each antecedent across the different kinds of behaviours.

As depicted in the drop-line chart, the aspect of perceived unfairness becomes increasingly more important depending on the kinds of EQB. For instance, the respondents appeared to agree that perceived unfairness is likely to motivate the following behaviours: no. 8 *deliberately exaggerating the value of a lost item when making insurance claim* (mean = 0.558) and no.10 *lying about a child's age on the train in order to get a lower priced ticket*, (mean = 0.495). Although the respondents

recognised a certain degree of harmful consequence to others (mean = -0.344) as the result of exaggerating an insurance claim (no.8), there is a possibility that consumers justify such behaviour because of perceived unfairness and also positive social inferred approval (mean = 0.337). Though it is notable, the respondents hardly saw any harm to others (consequence to others, mean = 0.026) by lying to get a cheaper ticket (no.10) but foresaw small gain of economy (evaluation, mean = 0.295).

Diagram 7-1: Drop-in Chart - Means of the factor scores across EQB



The behaviours no. 8 and 10 are distinctive from the behaviours no. 11 and no.14, respectively *spending over an hour trying on different clothes at a shop but not purchasing any* (perceived unfairness, mean = -0.835), and *returning an item to a shop after trying it and not liking it* (perceived unfairness, mean = -0.563). That is to

⁵ It should be assumed that the size of the groups analyzed is approximately equal. The largest group size divided by the smallest group size is less than 1.5 (Hair et al., 1998, p.348). In this study, it is 1.53.

say that the respondents did not perceive unfairness with these situations. Instead, the respondents perceived that the behaviours no. 11 and 14 would be supported by others in a society (social influence, mean = 0.187 and 0.518 respectively) and could result in being beneficial to others (the positive high mean of consequence = 1.247 and 0.803 respectively). The respondents appeared to rationalise *recording a tape or CD instead of buying a new copy* (no. 16) based on inferred social consensus (social influence, mean = 0.796) and benefit (evaluation, mean = 0.578). Recording a tape and CD is legally restricted to protect the well being of authors, except for an owner's use, yet such behaviour is somehow widely accepted and practised by consumers. Some of the respondents reported previous practice of these behaviours, as noted here. As one explanation for such phenomenon, consumers may be said to see some form of benefit, to justify such self-interest combined with social inferred consensus (Ross and DiTecco, 1975), and to perceive unfairness in order to act in the ethically questionable manner.

No respondent reported previous performance for the following behaviours: no.2 *reporting an item to an insurance company as stolen when it has not been*, no. 3 *accidentally damaging a hire car and tried to hide the damage from the hire company*, and no.5 *returning a damaged item to the shop when the damage item to the shop when the damage is his/her own fault*. The respondents appeared to believe that these behaviours were more likely to be motivated by a possibility of some form of benefit (evaluation mean = 0.208, 0.389 and 0.408 respectively). Yet, the respondents inclined to believe that the motivation for insurance fraud (no.2) is also influenced by perceived unfairness. This is consistent with the previous finding that acceptability and tolerance toward consumer insurance fraud increases particularly in

a situation where individuals have negative perceptions towards insurance companies (Tennyson, 1997), and then that the accepting attitude towards fraudulent activities positively influences the frequency of such behaviour (Cummins and Tennyson, 1996).

The above observation suggests that one or a combination of motivations (the identified factors of the underlying construct of EQB) result in different types of EQB. Importantly, perceived unfairness becomes an inferred motivation in explaining some kinds of EQB but not others.

7.3.5 The Explanatory Factors related to Perceived Behavioural Control

The exploratory factor analysis (EFA) in the current study resulted in an exclusion of the explanatory factors *avoidance of trouble* and *opportunity*. These factors were proposed to represent perceived behavioural control (PBC) as one of the factor influencing the EQB decision-making. This section reconsiders the influence of these factors notwithstanding the fact that they did not emerge as part of the factor structure.

Table 7-7 presents the T-test to compare the means of the explanatory factors between acceptance and non-acceptance, and performers and non-EQB performers. These results imply that there are possible impacts of these explanatory factors in the decision-making process. Both of the explanatory factors, *avoidance of trouble* and *opportunity*, differ between the groups. When the respondents perceive a specific EQB as an easy course of action or a good opportunity to gain benefit, acceptance

towards EQB and its likelihood increase. Yet, due to the low communality, *avoidance of trouble* (0.373) was excluded from a set of the factors that were thought to explain causes of EQB. On the other hand, the communality of *opportunity* was satisfactory (0.588). The respondents inclined also to agree that *opportunity* is a reason to engage in EQB, since the total mean of the factor was the second highest mean (m=2.60) among the explanatory factors after individual benefits. The t-test and the high mean imply that opportunity may infer a certain degree of temptation to EQB. As Chang (1998) notes, the presence of opportunity to engage in EQB may influence the probability of benefiting from such behaviour and therefore influence the perception of control. Hanno and Violette (1996) also found the impact of opportunity on intention to engage in tax evasion. Zey-Ferrel et al. (1979) also argued that an individual necessarily evaluates an opportunity to engage in unethical behaviour in organisation.

Table 7-7: The different impacts of *avoidance of trouble* and *opportunity* on performance and acceptance.

	Acceptance mean	Non-acceptance mean	T-statistics	Sig.
Avoidance of trouble	2.55	2.06	-3.58*	P < .001
Opportunity	3.00	2.40	-4.00	P < .001
	EQB performers mean	Non-EQB performers mean	T-statistics	Sig.
Avoidance of trouble	2.87	2.11	-3.98	P < .001
Opportunity	3.31	2.49	-3.88	P < .001

Note: A five-point scale was used. *Equal variances not assumed p=0.051.

On the other hand, the result of EFA show that *opportunity* is cross-loaded with perceived unfairness (0.520) and social influence (0.420). The relationship between *opportunity* and the antecedents of EQB was examined to consider whether the factor *opportunity* would explain the EQB decision-making in conjunction with the

antecedents of EQB. Table 7-8 shows the correlation between *opportunity* and the antecedents of EQB. Of the four antecedents, *opportunity* appeared to be correlated with the three antecedents of EQB. Its association with perceived unfairness can be interpreted as consumers being motivated to redress a perceived unfair balance with business in a situation in which an opportunity exists. The correlation with evaluation suggests that an individual may perceive a given situation as an opportunity to gain benefit. The association with social influence supports the notion that a decision-maker may practice EQB in a situation where consensus for such behaviour seems to be attainable. The cross loading of *opportunity* may have been due to a problem of a measurement. As an explanation, if all loading is low, then this might indicate that other factors are not being fully measured by the data.

Taking the presence of opportunity as of significant importance in the decision-making of EQB, this study argues a need to consider *opportunity* as a salient belief of PBC, and so as part of the antecedents of EQB. Due to the difficulties of establishing accurate measurements, further investigation on the explanatory factor *opportunity* in relation to PBC should be conducted with extensive care to its definition and measurement.

Table 7-8: The correlation between opportunity and the dimensions of EQB

	Perceived Unfairness	Social Influence	Consequence to others	Evaluation
Opportunity	.460*	.386*	-.030	.252*

*Correlation is significant at the 0.01 level (2-tailed).

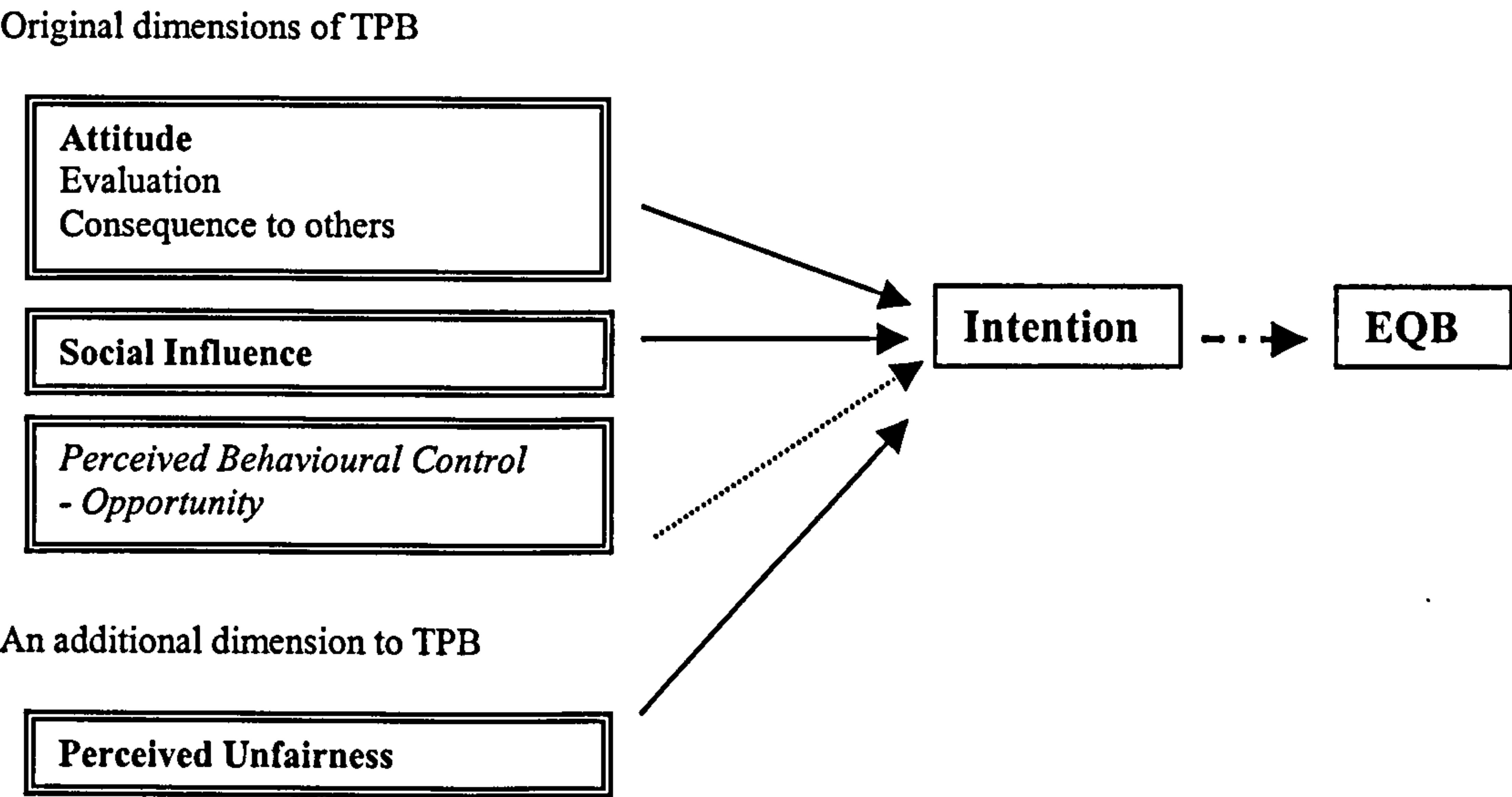
7.4 The Framework of Ethically Questionable Behaviour in Consumption (EQB)

Based on the findings of the current study, a framework for EQB can be presented schematically, with decision-making is processed from the left to the right, as seen in Diagram 7-2. Intention to engage in EQB is influenced by the following antecedents; attitude (i.e., evaluation and consequence to others), social influence, perceived behavioural control (PBC), and perceived unfairness. At any given moment, each of the antecedents is generated by each of held salient beliefs (i.e., the corresponding explanatory factors). Out of the four antecedents consisting of the framework of EQB, three antecedents were initiated by the Theory of Planned Behaviour (i.e., attitude, social influence and PBC) and proposed based on the qualitative findings from Study 1 and the current study (Study 2). In addition, Study 1 focused attention on consumer perception of unfairness in relation to business practice and the current study (Study 2) revealed its influence in EQB decision-making. Thus, the dimension of “perceived unfairness” was also proposed, as an additional dimension to TPB, in order for an explanation of the EQB decision-making to be more specific.

The current study revealed the influence of evaluation and consequence to others as attitude, social influence and perceived unfairness in relation to acceptance and reported performance. Thus, it is proposed that these factors would influence the formation of intention (shown in Diagram 7-2 by direct arrows). Due to the result of EFA, the influence of PBC could not be examined. Instead, a potential role of PBC was considered from the impact of *opportunity* based on the means comparison, as

established from the T-test. It was considered that PBC might influence acceptance and behaviour and thus intention (shown in Diagram 7-2 by a broken arrow). Where an actor is motivated more strongly and positively by the above-proposed dimensions, he/she is more likely to develop an intention to engage in EQB. Stronger intention will be more likely to increase the likelihood of EQB.

Diagram 7-2: The Framework of Ethically Questionable Behaviour in Consumption (EQB)



7.5 Conclusion: Limitations and Implications

The current study has highlighted the complexity of EQB. With the exception of those individuals considered as moral absolutes, a decision-making process of EQB is influenced by evaluation of individual benefits, the degree of consequence to others, an assessment of social support and the perception of unfairness with business.

The precise role of “perceived unfairness” at this stage still needs further clarification - though it has been put forward in this study that this aspect needs to be integrated in a theoretical framework of EQB. Tsui (1996, p.123) notes, ‘in confronting a conflict situation which elicits ethical judgements, individuals would normally invoke their basic conception of social co-operation and notion of fairness in judging what is right or wrong.’ On the strength of the current study, what one can assume for now is that perception of unfairness moderates ethical beliefs in a given ethical situation. For instance, though buying a counterfeit product may be perceived unethical, a genuine product may be considered to be overpriced. In such a situation, consumers might perceive the potential to redress this unfair balance and so become ethically permissive, allowing the lowering of their ethical beliefs (Cordell, et al., 1996, p.42). The perception of unfairness might facilitate the mechanism of reasoning an act in a given situation.

The limitations of the current study regard issues of measurement and sampling, and both concerns need to be carried over for further attention in the next stage. In terms of measurement: firstly, the relatively low reliability of Evaluation (0.45) needs to be acknowledged. Secondly, it can be argued that the current study failed to articulate

the role of perceived behavioural control (PBC) by using the explanatory factors (i.e., *avoidance of trouble* and *opportunity*). However, the decision was made to retain the concept of PBC in the framework for EQB based on the impact of *opportunity* on acceptance and performance, and with regard to the previous studies. From having determined to include *opportunity* (i.e., PBC) as an antecedent of EQB, it is clear that a problem arises by using single-item scales, and this will need to be addressed in further research. Indeed, Reidenbach and Robin (1990) note that a single item scale, being able only to capture one aspect of a situation or an action, can be problematic in measuring ethical decision-making, as one is required to evaluate more than one aspect of a given situation.

In the process of developing a measurement, in order to obtain adequate internal consistency reliability, Hinkin et al. (1997) suggest that it would be useful to test a relation between the dimensions of an explanatory study and the dimensions of a related established theory. In doing so, Hinkin et al. (1997, p.105) note, 'the new items should be administered with other established measures to later assess the distinction or overlap among the proposed and existing scales. These would include measures with which the new scales would be hypothesised to be strongly related and unrelated to examine discriminant, convergent and criterion-related validity.' Hence it was considered preferable, in the subsequent study, that the single item scale of the explanatory factor *opportunity* be combined with the established measures developed from TPB (Ajzen, 1985; 1991).

In terms of sampling limitations, the current findings are based on a sample that may be biased towards the population of older people. Thus, further validation and

development using larger group sampling, so making up a more accurate representation of the UK consumer population, would be considered desirable. Thus, sampling size in the subsequent study was increased. Furthermore, since the dimension of social influence has been seen in the EQB decision-making, it is acknowledged that it would be of value to extend research to include the perspective of consumers from other countries. Certainly, this would be helpful with the respect to developing an understanding of the precise role of perceived unfairness and in addressing the role of opportunity in the EQB decision-making process. However, such extensive survey cannot be tackled in the scope of the current research. The next chapter presents the final stage of the empirical investigation, conducted to test the framework for EQB.

Chapter 8 Testing the Framework for Ethically Questionable Behaviour in Consumption (STUDY 3)

8.1 Introduction

This chapter presents the final stage of the empirical research on ethically questionable behaviour in consumption (EQB), and here named as Study 3. The purpose of this study was to test empirically the theoretical framework of EQB proposed by STUDY 2 in Chapter 7. A survey questionnaire was conducted with 344 individuals over the period of 5 weeks during June – July 2001. The questionnaire was based on 5 scenarios describing consumer ethical issues, modified from the Muncy and Vitell Typology. Respondents were asked for their intention and reasons for performing a behaviour specified by each of the scenarios. The following briefly summarises the previous empirical studies that have provided initial contents to begin to build a theoretical framework for EQB, followed by addressing the contents of the current study.

As discussed in Chapter 5, the investigation of EQB was planned to consist of three stages. The first stage (STUDY 1) was presented in Chapter 6, contributing to exploring insights into beliefs that might influence EQB. Based on the Theory of Planned Behaviour (TPB, Ajzen, 1985; 1991), these beliefs are expected to be salient in influencing the behaviour in question. For that purpose, a qualitative study was conducted and identified the following explanatory factors of EQB: *risk-taking*,

expediency, consequence to an actor, consequence to others, consequence to suppliers, peer influence, societal influence, irrelevance of ethical dimensions, opportunity, avoidance of trouble, unfairness of pricing, unfairness of business performance, and retaliation. These factors were considered to be a set of salient beliefs. Given that the framework of TPB proposes Attitude, Subjective Norm and Perceived Behavioural Control to influence a behaviour in a given context, it was subsequently attempted to examine content characteristics of the above salient beliefs in order to explore antecedents of EQB and then map the salient beliefs onto the behavioural dimensions theorised by TPB.

It was proposed that: (1) *risk-taking, expediency, consequence to an actor, consequence to others, and consequence to suppliers* may represent a dimension of ATTITUDE; (2) *peer influence, societal influence and irrelevance of ethical dimensions* may represent a dimension of SOCIAL INFLUENCE (and derived from subjective norm in TPB); (3) *opportunity and avoidance of trouble* may represent a dimension of PERCEIVED BEHAVIOURAL CONTROL. The qualitative study (Study 1) also highlighted that the aspect of unfairness perceived by consumers of suppliers might influence EQB, and did not correspond immediately with any dimensions in TPB. This aspect was named as “Perceived Unfairness”, and might be represented by *unfairness of pricing, unfairness of business performance, and retaliation.* Thus, the antecedents of EQB have mapped onto TPB, with an *additional* dimension PERCEIVED UNFAIRNESS.

The second stage of the investigation was presented in Chapter 7, contributing to the assessment of whether the explanatory factors could be taken to offer perspectives on

EQB. A survey questionnaire was conducted for that purpose. Exploratory factor analysis resulted in producing four antecedents of EQB, namely, *evaluation*, *consequence to others*, *social influence* and *perceived unfairness*. *Evaluation* and *consequence to others* were assumed to represent favourable or unfavourable Attitude toward performing EQB. Social Influence was interpreted as a reflection of social inferred support and/or participation with regards to performing EQB. Perceived Unfairness was interpreted as a motivation to redress an unfair imbalance between consumers and suppliers.

Further analysis (see the result of T-test in Table 7-7) suggested potential significance of the explanatory factor *opportunity* in influencing EQB. *Opportunity* was assumed to be of relevance to Perceived Behavioural Control - that is the perception of control concerning ability and resource to perform EQB. Thus, it was considered that Perceived Behavioural Control might be important in influencing an intention to engage in EQB and was therefore included within the framework of EQB. Due to the observation of significant impact on acceptance and past performance, Attitude (*evaluation* and *consequence to others*), Social Influence, Perceived Behavioural Control and Perceived Unfairness were considered to influence the EQB decision-making process and were more firmly posited as antecedents of intention within the developing framework of EQB. Thus, the initial framework drawn from the findings in Study 1 was modified based on the findings in Study 2 and then proposed for testing in Study 3 (as will be considered here).

The current chapter gives a detailed analysis of the study conducted to test the above framework of EQB. The following section outlines the hypotheses concerning the

antecedents of intention for EQB. The hypotheses are formulated based on the theoretical framework of EQB. Following this, the method of the current study is addressed, the findings are presented, and finally conclusions are drawn.

8.2 The Hypotheses

The current study uses a theoretical framework derived from the Theory of Planned Behaviour (TPB, Ajzen, 1985; 1991): a framework of ethically questionable behaviour in consumption (EQB). As with TPB, Intention is at the centre of the framework for EQB. It is the major goal of the current study that the framework of EQB predicts and accounts for the intention to engage in EQB. This Intention might be described as what an individual would do relative to ethical situations in consumption. As discussed, Intention is influenced by the following determinants, ATTITUDE, SOCIAL INFLUENCE, PERCEIVED BEHAVIOUR CONTROL and PERCEIVED UNFAIRNESS. The following presents a hypothesis for each of these determinants.

8.2.1 Attitude toward Engaging in Ethically Questionable Behaviour in Consumption

Attitude refers to the extent to which an actor feels favourable or unfavourable about performing a specific behaviour. For the current study, consumers' Attitude toward performing EQB is the main concern. STUDY 1 and STUDY2 (Chapters 6 and 7)

suggested that some forms of benefit and consequence are relevant for Attitude in the context of EQB.

Benefit is an expected outcome from performing EQB and suggested as forms of thrill by risk-taking and/or economic gain. Economic gain may be considerably emphasised to favour engaging in EQB because of increasing materialistic interests. Chan et al., (1998) and Muncy and Eastman (1998) found that consumers with more materialistic desires are inclined to accept less ethical behaviour.

Consequence is the subsequent impact of performing EQB. Consequences are evaluated as beneficial or harmful to any parties involved. The parties involved in the current context are taken to be the actor, other consumers, and suppliers. Jones (1991) suggests that the magnitude of consequences is a part of the moral intensity that affects individuals' awareness of ethical issues and subsequent judgements in given situations. Among the aspects of moral intensity outlined by Jones (1991), "magnitude of consequence" has been found to be one of the most significant aspects in ethical decision-making (e.g., Singhapakdi et al., 1996; Singer and Singer, 1997; Frey, 2000). Flannery and May (2000, environmental decision-making) examined the impact of the magnitude of consequences within the TPB. They found that with lower magnitude of harmful consequences ethical concerns in decision-making would be moderated.

For the current study, it is assumed that greater self-benefiting interest and less harmful consequences influence favourable Attitude toward engaging in EQB. Chang (1998) and Beck and Ajzen (1991) having applied TPB to the domain of EQB

(i.e., Using illegal software and Shoplifting respectively) have found Attitude to be a strong predictor of intentions to engage in such behaviours. In addition, the study in Chapter 7 found a positive influence of Attitude on acceptance, and a strong positive relation between Attitude and past performance (i.e., a similar performance in the last year). These findings suggest that Attitude influences Intention for EQB. Hence, the first hypothesis can be formulated as:

Hypothesis 1-a: Where consumers believe that there are significant personal benefits from ethically questionable behaviour in consumption, they are more likely to have positive intention to engage in the behaviour.

Hypothesis 1-b: Where consumers believe that there are significant harmful consequences from ethically questionable behaviour in consumption, they are less likely to have positive intention to engage in the behaviour.

8.2.2 Social Influence on Performing Ethically Questionable Behaviour in Consumption

As discussed earlier, Social Influence is an extended concept of Subjective Norm in TPB. It includes an actor's perception of what people in general think the actor should do in a given situation as well as his/her important referents.

Within the concept of Subjective Norm, Beck and Ajzen (1991) found Subjective Norm significant in predicting the intention to lie. Chang (1998) found an indirect effect of Subjective Norm on intentions to make an illegal copy of software through

attitude. Similarly, Babin and Griffin (1995) found the effect of peer pressure to be significant on EQB (i.e., adolescent shoplifting), while Cox et al (1990) found that an adolescent would often learn to shoplift from other adolescent shoplifters. In addition, Albers-Miller (1999) found a wider range of external influence on individual consumers to engage in EQB; for example, an individual is more willing to buy an illicit good when others are present to buy as well. These findings, rather than being considered examples of social pressure, might more accurately be described as instances of Social Participation. Actors are not simply forced into their actions, but rather they are able to learn from those around them, and can to a degree make their own choices. The range of choice may be argued to be determined by the process of learning from those around them, but the emphasis is one of participating in differing decision-making processes, rather than simply that pressure concerning a particular choice is felt.

A benefit in extending the concept of Subjective Norms to Social Influence is that it enables the framework of EQB to capture a sense of the influence of social consensus on a specific behaviour as well as Social Participation. In addition to the magnitude of consequences mentioned earlier, social consensus influences moral intensity (Jones, 1991). Social consensus was found as one of the most important predictors in decision-making among the aspects of moral intensity (for a summary of empirical evidence regarding moral intensity, see Frey, 2000). Low moral intensity concerning a particular ethical issue might be said to lead to ethically questionable decisions because these studies conclude that high social consensus and the magnitude of consensus moderate the degree of moral intensity. One survey (the UK Chartered Institute of Loss Adjuster, 1995) reported a case in point: 'a clear

majority [of the respondents] felt that the average householder added at least 25% to their claim' because 'they feel every one is doing it' (69% of the respondents, cited in Litton, 1998, p.196).

In the current research, a moderating effect of social consensus was implied by *irrelevance of ethical dimensions* as a part of Social Influence; the idea that consumers pay little attention to ethical implications when they perceive an EQB as normal. The study in Chapter 7 found a positive influence of Social Influence on acceptance and a strong relationship between Social Influence and past performance (i.e., have done something similar last year). The current discussion about social consensus suggests that consumers may infer a great deal of what could be labelled as Social Support; that is an approval for performing EQB when perceiving that the behaviour has been widely practised among other consumers.

In summary, Social Influence in the current study regards an actor's perception of Social Participation as well as Social Support about performing EQB. This is expected to influence Intention for EQB. Hence, the following hypotheses are formulated:

Hypothesis 2-a: Consumers' intentions to engage in an ethically questionable behaviour in consumption will be influenced by their positive assessment of Social Participation associated with performing that behaviour.

Hypothesis 2-b: Consumers' intentions to engage in an ethically questionable behaviour in consumption will be influenced by their positive assessment of Social Support associated with performing that behaviour.

8.2.3 Perceived Behavioural Control to Engage in Ethically Questionable Behaviour in Consumption

'Since most unethical behaviour, such as corruption and computer hacking, require substantial resources and opportunities to perform successfully, it is reasonable to hypothesize that the theory of planned behavior [TPB] will better explain unethical behavior than theory of reasoned action [TRA]'
(Chang, 1998, p.1827)

The Theory of Planned Behaviour (TPB, Ajzen, 1985; 1991) that is applied to develop the framework of EQB is an extension of the Theory of Reasoned Action (TRA, Fishbein and Ajzen, 1980). The major contribution of TPB to TRA is to add Perceived Behavioural Control to the original constructs of TRA, that of Attitude and Subjective Norm. Perceived Behavioural Control refers to an actor's perception of the ease or difficulty and ability in practising a specific behaviour. It refers to the individual's ability and resources to practice the behaviour successfully.

The study in Chapter 7 was not able to observe an impact of Perceived Behavioural Control on EQB because of the result of the exploratory factor analysis: the factors in relation to Perceived Behavioural Control (i.e., *opportunity and avoidance of trouble*)

were excluded due to the low communality and cross loading. Yet, further analysis on these factors (i.e., see the result of T-test exhibited at Table 7-7) implied that Perceived Behavioural Control might be important in EQB decision-making. Certainly its importance has been evident in previous studies. Chang (1998) found Perceived Behavioural Control to be the most important determinant of intention for using illegal software. Beck and Ajzen (1991) found significant improvement in predicting the intention of dishonest behaviours [cheating, shoplifting and lying] by adding Perceived Behavioural Control to the TRA model. Perceived Behavioural Control seems to significantly influence Intention for performing EQB. Although the impact of Perceived Behavioural Control was not observed in Study 2, the decision to include it was made, because previous studies (as noted above), and the result of T-test in Study 2, suggest that its influence in EQB decision-making might be important. Hence, the following hypothesis is formulated.

Hypothesis 3: Consumers' intentions concerning the engagement with ethically questionable behaviour in consumption will be positively influenced by their perception of control in engaging in the behaviour.

8.2.4 Perceived Unfairness in Consumption

Influences of Attitude and Social Influence within the framework of EQB can explain some, if not most, of those situations in which ethical issues provide consumers with dilemmas. For instance, positive evaluations of possible consequences as the result of performing unethical behaviour might outweigh ethical beliefs [e.g., materialistic desire]. Consumers might have irresistible social pressures

to behave unethically [e.g., peer pressures on shoplifting]. In the current study, Perceived Unfairness was suggested as another reason that might explain the above situations.

The possible impact of Perceived Unfairness on EQB has been a consideration throughout the course of the current research. Perceived Unfairness refers to the extent to which a consumer is motivated to redress an imbalance between consumers and suppliers that is perceived as unfair. Some researchers (Kahneman et al., 1986; Campbell, 1999) suggest that consumers are concerned about the fairness of a price and may be unwilling to pay a price that is perceived as unfair. The study in Chapter 6 found the perception of unfair pricing as a reason to engage in different kinds of EQB, in particular the copying of software and CDs. The study in Chapter 7 also found the perception of unfair pricing as a reason to engage in different kinds of EQB, in particular with the exaggeration of an insurance claim and in lying about a child's age on a train to get a lower priced ticket. In addition, Tennyson (1997) has suggested that the fairness of firms' practices would affect consumers' evaluations towards engaging in EQB (i.e., insurance fraud). Her study found that consumers' acceptability toward insurance fraud increases when insurance institutions are perceived as unfair.

These findings imply that consumers may seek a way of recovering perceived losses when they perceive an imbalance with suppliers. Based on the technique of neutralisation (Sykes and Matza, 1957), Grove et al. (1989) explained this process of consumer's justifications concerning unethical behaviour, as a process of either "condemning the condemner", or simply abdicating ethical concerns since it is

already the fault of the supplier; i.e. a denial of being the victim. Strutton et al. (1994) found some evidence of the link between behaviour and reasoning through this theory. Hence, the following hypothesis is formulated:

Hypothesis 4: Consumers' intentions concerning the engagement with ethically questionable behaviour in consumption will be positively influenced by their perception of unfairness relative to the situation involved in the process.

8.3 Method

This section addresses the method of the current study. It includes the design of a scenario questionnaire, the measurement, and sampling and distribution methods.

8.3.1 Scenarios

The theoretical framework of ethically questionable behaviour in consumption (EQB) discussed earlier was tested using a survey questionnaire based on scenarios (see Appendix for the complete survey questionnaire). These scenarios provide hypothetical situations which are used to address the level of engagement in EQB. An obvious methodological problem which can arise is that a response to these scenarios does not necessarily reflect behaviour in reality (Randall, 1989 cited in Randall and Gibson, 1991). However, due to the sensitive nature of ethical questioning, respondents may need to be spared from any sense of judgement or querying forced at the point of questioning. Scenarios can be useful in dealing with

such sensitive issues for the very fact that they remain hypothetical and therefore less threatening (Garriker and Kelley, 1999). Consequently, scenarios have been adopted as a useful tool in attitude-behaviour research (Gliner et al, 1999) and also ethics research (Harrington, 1997; Gattiker and Kelly, 1999; Hull, 2000; Singhapakdi et al, 1999; Singhapakdi et al, 1996; Randall and Gibson, 1991).

Furthermore, a scenario approach provides researchers with several advantages as well as disadvantages. Given scenarios, respondents are provided standardised information that describes specific situations (Alexander and Becker, 1978; Mellinger et al., 1982; Karande et al., 2000), and so they are necessarily directed to respond to the variables that are intended to be measured (Kerlinger, 1986, p.475 cited in Gliner et al., 1999, pp.313-314). Clear and concrete descriptions can make respondents feel familiar with situations specified in scenarios (Mellinger et al., 1982), and so go on to provide a more genuine account of their possible decision-making process (Alexander and Becker, 1978). However, though scenarios can provide respondents with enough information to employ an appropriate decision-making framework (Mellinger et al., 1982), they can also present artificial situations. The length and complexity of scenarios can certainly influence the quality of responses (Esposito and Jobe, 1991 cited in Stolte, 1994).

To overcome the above disadvantages, care was taken in designing and pre-testing the current questionnaire. In order to avoid artificial situations, the context of scenarios should be realistic and recognisable to respondents. The current questionnaire adopted scenarios based on the studies of Wilkes (1978, p.154) and Muncy and Vitell (1992) since ethical issues described in these studies have been

recognised as common practices in consumption. Overall, an attempt was made to design as short, clear and concrete descriptive scenarios as possible during the course of pre-testing.

Using scenarios is also criticised for generalisability (Gliner et al., 1999) because they are too context specific. Weber (1992) recommended avoiding using only one or two scenarios, or to the other extreme also a dozen or more. Thus, five scenarios were selected to keep a wider range of ethical issues and so that the components of EQB could be examined in a wider context. The subjects described in the scenarios were made free from a fixed gender (e.g., “a person” and a gender-free name such as “Chris” were used to describe the actor). The descriptive scenarios are presented at Table 8-1.

Table 8-1: Scenarios

Scenario label	Description
Scenario 1: Changing a price tag	A customer notices that certain prices have been lowered in a retail store by crossing out the old price and writing the new price in red ink. The customer has a red pen, so simply crosses out the old price and makes reductions on a few of products she/he wishes to buy. She/he then pays the lower price.
Scenario 2: Returning the stained suite	A person buys a new suit on Friday to wear for an important party on Saturday. At the party, the suit gets stained with traces of food and perspiration. On Monday, the person returns the suit to the retail store and demands a refund, claiming the suit was not suitable after all.
Scenario 3: Exaggerating an insurance claim	While on holiday, Sam accidentally dropped a camera worth £100 down a cliff. On return, Sam makes an insurance claim, but gives the value of the lost camera as £200.
Scenario 4: Coping software from a friend	Chris buys a new computer but chooses not to purchase extra game software priced £50 from the computer shop. Chris then copies the game software from a friend.
Scenario 5: Taking a quality towel away from a hotel	Sarah/Simon goes on a trip and stays in a hotel. She/he finds a quality towel in her/his room, and thinks it would make nice souvenir. When checking out, she/he takes the towel away with her/him.

8.3.2 *Measurement*

The current questionnaire included two sets of measurements. One measurement is concerned with intention and the factors influencing EQB. The other measurement is concerned with socially desirable responding. The first measurement set was based on the scales developed during the study in Chapter 7 and the established scales of the Theory of Planned Behaviour (TPB, Ajzen, 1985; 1991). Using combined measures has been suggested to compensate the weakness of newly developed scales by the established scales (Hinkin et al., 1997). Table 8-2 presents descriptive scales used in the current questionnaire.

The second measurement set is concerned with socially desirable responding. Due to the sensitive nature of the current topic, attention should be paid to the impact of socially desirable responding on the measures of interest. As discussed in Chapter 5, socially desirable responding is a personal trait or style, demonstrated when one might not wish to respond honestly but instead over/understate his/her intention in a survey questionnaire. This tendency is often known as social desirability bias, possibly making empirical findings less reliable. To date, socially desirable responding is considered to have two constructs: self-deception and impression management. Self-deception occurs when a person unconsciously sees and describes him/herself in a positive light, whereas impression management occurs when a person consciously seeks to present the most positive social image (Paulhus, 1991 cited in Flannery and May, 2000, p.651). It has been suggested that 'impression management may cause subjects to underreport or conceal undesirable consumption activity' (Fisher 1993; Mick, 1996 cited in Rindfleisch and Crockett, 1999, 164): i.e., intentionally responding in a socially desirable manner, (Burton and Hegarty, 1999).

Table 8-2: The measurement of EQB

Antecedents	Variable	Scale (a 7-point scale)
Intention	Intention to perform EQB	In this situation, I would do the same. extremely unlikely – extremely likely.
Attitude	Consequence to others	If I did the same, other shoppers would be: extremely harmed – extremely benefited.
	Consequence to suppliers	If I did the same, the retailer/the insurer/the software company/the hotel would be: extremely harmed – extremely benefited.
	Consequence to an actor	If I did the same, I would be: extremely harmed – extremely benefited.
	Evaluation, good/bad*	Doing this would be: extremely good – extremely bad.
	Evaluation, low risk/high risk	Doing this would be: extremely low risk – extremely high risk.
	Evaluation, foolish/wise*	Doing this would be: extremely foolish – extremely wise.
Social Influence	Peer approval	If I did this, my friends would be strongly disapprove – strongly approve.
	Societal approval	If I did this, other shoppers/other policy holders/ other users/other guests would be strongly disapprove – strongly approve.
	Peer pressure	If I was faced with this situation, I would do what I think my friends would do. Strongly disagree – strongly agree.
	Societal pressure	If I was faced with this situation, I would do what I think other shoppers/other policy holders/ other users/other guests would do. Strongly disagree – strongly agree.
Perceived Behavioural Control	PBC, easy/difficult**	For me to do the same would be: extremely difficult - extremely easy
	PBC, Opportunity	For me this situation would be too good an opportunity to miss. Strongly disagree – strongly agree.
	PBC 1**	I could imagine times when I might do the same even if I hadn't planned to. Strongly disagree – strongly agree.
	PBC 2**	Even if I had a pressing need, I couldn't bring myself to do this. Strongly disagree – strongly agree.
	PBC 3**	I have control over whether or not I would do the same. Strongly disagree – strongly agree.
Perceived Unfairness	Pricing	Such behaviour would compensate for the retailer's/the insurer's/the software company's/the hotel's overcharging. Strongly disagree – strongly agree.
	Retaliation	The retailer/the insurer/the software company/the hotel would deserve such behaviour. Strongly disagree – strongly agree.
	Business performance	It is OK for shoppers/policy holders/users/ guests to benefit at the retailer's/the insurer's/the software company's/the hotel's expense. Strongly disagree – strongly agree.

* adopted from Ajzen and Fishbein (1980) ** adopted from Chang (1998)

The decision to determine socially desirable responding as social desirability bias, i.e. a contamination to the measures of interest, should be made based on the theoretical focus of research. It has been suggested that socially desirable responding should not be statistically controlled if any content of the theoretical construct under

investigation shares the concept of a need for approval (Mick, 1996). During the course of the current research, peer and societal approvals have been proposed to comprise social influence as one of the proposed antecedents of ethically questionable behaviour (EQB). Consequently, it is expected that the social influence measure may be related to socially desirable responding. Whereas, the measures of the other antecedents should be free from an inexpedient effect of socially desirable responding, i.e. social desirability bias. Hence, the current study will make an attempt to register such an effect where necessary.

To detect the impact of socially desirable responding, the Crowne-Marlowe Social Desirability Scale (the M-C scale, Crowne and Marlowe, 1964) has been widely adopted. However, the M-C scale has been suspected of being ineffective in 'isolating the degree to which impression management is contaminating the results' (Mick, 1996, p.108). To overcome the weakness of the M-C scale, the Balanced Inventory of Desirable Responding (BIDR, Paulhus, 1991) was developed to effectively separate impression management from self-deception. In comparison to the M-C scale, BIDR has been used less often (Randall & Fernandes, 1991) and so has not attained 'a strong history of reliability and stability across samples' (Flannery and May, 2000, p.651). However, several studies have found supportive evidence that the BIDR is better in measuring impression management and self-deception separately (Mick, 1996), and its scale for impression management is preferable to investigate social desirability as a personal trait (Randall and Fernandes, 1991) that reflects a responding style. Thus, the impression management scale of the BIDR (Paulhus, 1991) was included to examine possible effect of socially desirability responding in the current questionnaire. The impression management scale consists

of 20 items and measured on a 7-point scale, anchored as 1 = not true, 4 = somewhat true and 7 = very true.

8.3.3 Sampling and Distribution Methods

The procedure of sampling and distribution methods chosen for this study was based on the method adopted for the study in Chapter 7. Areas in Nottingham (UK), which were different from the areas of sample of the study in Chapter 7, were selected for the hand-delivery of 1250 questionnaires and self-addressed pre-paid envelopes. These delivery and collection methods were determined to increase the response rate and ensure respondents' anonymity. Once again, although this was not a random sample, a number of streets were selected systematically to ensure that a range of different residential environments was covered and questionnaires distributed where possible to every house in those streets.

Out of 1250, 344 (27.52%) usable responses¹ were returned over a period of 5 weeks in June - July 2001. The response rate increased in comparison to the study in Chapter 7. This might have occurred because the current questionnaire was shorter, its presentation was improved, and a scenario approach might have provided respondents with familiarity to answer the questionnaire. The demographic information of respondents in this study is presented in Table 8-3 below. It had a good mix of gender, and education, though it was slightly biased in terms of age; but nevertheless this did present a better mix of age than the study in Chapter 7.

Table 8-3: Demographic Information

Demographic categories / No. of the respondents (Valid Percent)					Missing
Gender	Male	154 (45.0%)	Female	188 (55.0%)	2
Age	Under 20	9 (2.7%)			7
	21 – 30	28 (8.3%)			
	31 – 40	70 (20.8%)			
	41 – 50	72 (21.4%)			
	51 – 60	67 (19.9%)			
	61 – 70	49 (14.5%)			
	Over 70	42 (12.5%)			
Marital status	Married and living with spouse			243 (71.5%)	4
	Other			97 (28.5%)	
Children	Yes	261 (75.9%)	No	76 (22.1%)	7
Education	O-level/GCSE/school leaving		92 (27.4%)		8
	A-level/university entrance		53 (15.8%)		
	First degree (BA, BSc etc)		87 (25.9%)		
	Second degree (MA, PhD etc)		34 (10.1%)		
	Other		70 (20.8%)		
Occupation	Self-employed			21 (6.2%)	6
	Senior managerial/professional			24 (7.1%)	
	Middle managerial/professional			80 (23.7%)	
	Junior managerial/professional			56 (17.2%)	
	Skilled/unskilled manual worker			25 (7.4%)	
	Retired			91 (26.9%)	
	Full-time student			12 (3.6%)	
	Housewife			27 (8.0%)	
	Unemployed			0 (0%)	

8.4 Findings

This section discusses the findings of the current study. Firstly, it discusses reported Intention to engage in ethically questionable behaviour in consumption (EQB), and is compared with past performance and acceptability for corresponding ethical issues as reported in Chapter 7. Secondly, an exploratory factor analysis is conducted to identify antecedents of EQB. Thirdly, the factors emerged as antecedents of EQB are regressed to examine their significance in predicting intention to engage in EQB

¹ Total number of responses received reached 358 (28.64%).

as a whole. Fourthly, the different roles of the factors are examined across individual EQB. Finally, an effect of socially desirable responding on the current data is examined.

8.4.1 *Intention to Engage in EQB*

Table 8-4 shows the frequency of Intention to engage in different kinds of EQB by UK consumers. Intention to engage in EQB differed when the respondents were faced with different ethical situations. EQB described by the five different scenarios can be largely categorised in three groups. Group 1 is concerned with scenarios 1 and 2 (changing a tag and returning the stained suite respectively); most of the respondents appeared to have no intention to engage in these behaviours. Group 2 is concerned with scenarios 3 and 5 (exaggerating an insurance claim and taking a quality towel away from a hotel respectively). Although small, some of the respondents reported an intention to engage in these behaviours; the total number of likely responses (i.e., “extremely likely”, “quite likely” and “slightly likely”) were 35 (19.4% of the total) and 21 (10.7% of the total) respectively. Group 3 is concerned with scenario 4 (copying a software from a friend); the greatest number with intention to engage in this behaviour was reported (81, 58.3% of the total).

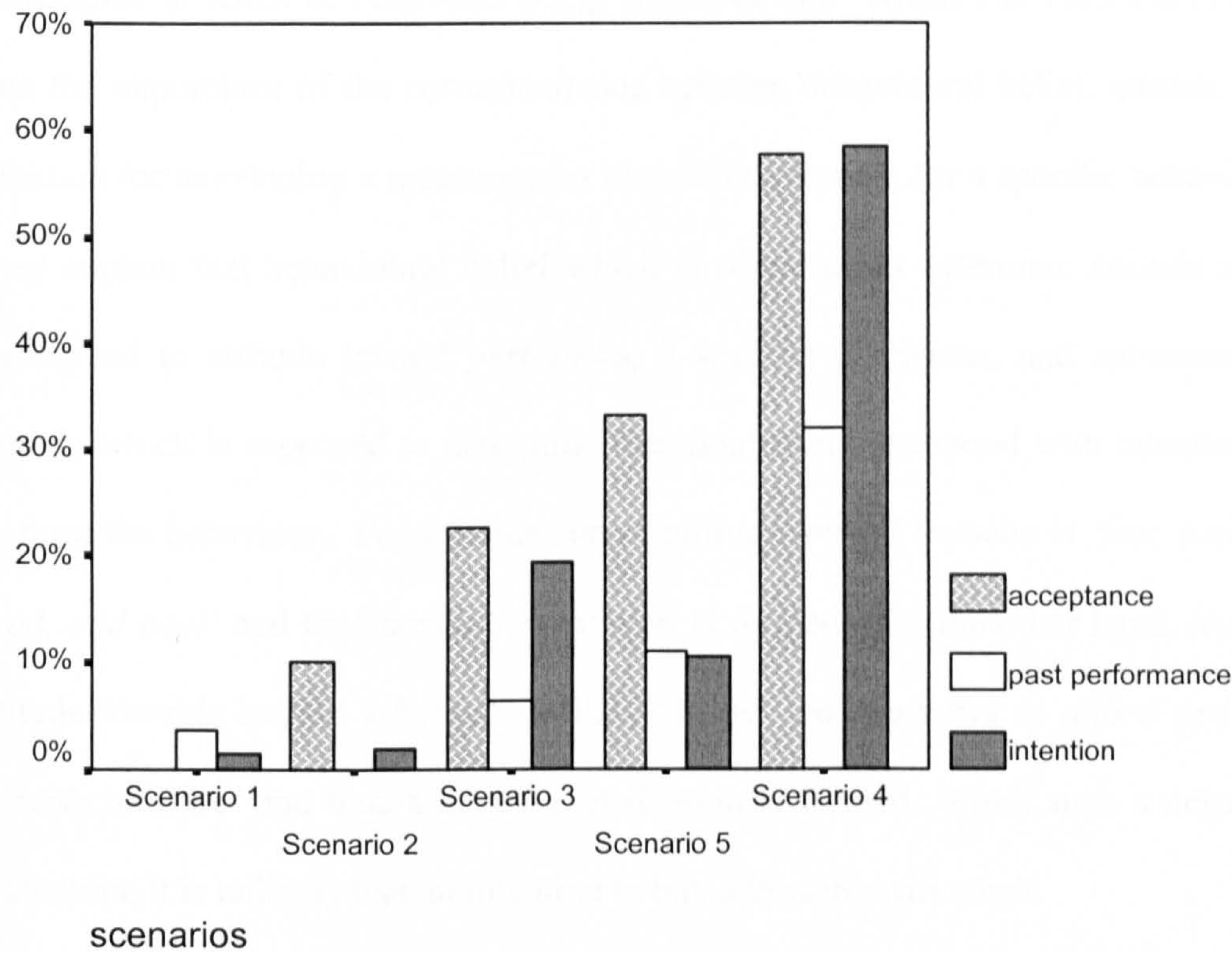
Table 8-4: Intention for EQB by UK consumers

	Group 1		Group 2		Group 3	
	Scenario 1: Changing a price tag	Scenario 2: Returning the stained suite	Scenario 3: Exaggerating an insurance claim	Scenario 5: Taking a quality towel away from a hotel	Scenario 4: Coping a software from a friend	
Extremely unlikely	180	183	111	139	31	644
Quite unlikely	16	22	38	30	30	136
Slightly unlikely	2	2	13	6	12	35
Neither	5	3	4	5	11	28
Slightly likely	1	1	19	12	23	56
Quite likely	0	2	15	5	48	70
Extremely likely	2	1	5	4	31	43
Total	206	214	205	201	186	1012

Diagram 8-1 shows a ratio comparison of intention reported by the current study, and past performance and acceptance reported by the study in Chapter 7. As mentioned, the majority respondents of Group 1 (scenarios 1 and 2) would be unlikely to engage in EQB. The study in Chapter 7 found that a very small number of the respondents engaged in the same behaviours. Both of the behaviours were considered to be unacceptable as also implied by an illegitimate dimension of “actively benefiting from illegal or questionable actions” in the Muncy and Vitell typology. Group 2 presents a small portion of the respondents whose Intention was *to some extent* likely to engage in EQB. The number of the respondents who reported past performance and indicated acceptance is also slightly higher than Group 1. Regarding Group 3, Intention to engage in the concerned behaviour is much greater than Groups 1 and 2. Similarly, the study in Chapter 7 found that the largest number of the respondents was reported for their engagement in past. As expected, the majority of respondents show their acceptance for the same issue. As this comparison suggests Intention to

engage in EQB might increase when acceptability for the behaviour increases (correlation between acceptance and intention = .909); Intention to engage in EQB appeared to correspond with reported past performance across the different kinds of EQB (correlation between past performance and intention = .960).²

Diagram 8-1: A Ratio comparison between intention, acceptability and past performance



Mitchell and Chan (2002) have also investigated the relations between ethical judgements and past performance. They found weak correlations between ethical

² The correlation between acceptance and past performance was 0.928 in Study 2 (Chapter 7).

judgement and past performance for most of the ethical issues³ (correlations between –0.11 and –0.42). This finding may indicate that ethical belief does not fully explain subsequent behaviour, which would support the argument made throughout the current thesis.

It can also be argued that the weak correlations between ethical judgement and past performance were found because Mitchell and Chan (2002) measured ethical judgements in terms of behaviour being wrong or not. Ajzen and Fishbein (1980) note the importance of the correspondence between behavioural belief, attitude and intention for developing a measurement to predict intention for a specific behaviour. They explain that behavioural belief which is supposed to determine attitude must correspond to attitude toward *performing* a specific behaviour; and subsequently attitude which is supposed to determine intention must correspond with intention to *perform* the behaviour. For instance, one's attitude toward Porsche is '*fast, looking good, and cool*' and thus positive evaluation is formed. On the other hand, his/her attitude towards buying a Porsche is likely to be '*too expensive to afford and not suitable to drive*' and thus a negative evaluation is formed. From such a negative evaluation, it is unlikely that an intention to buy a Porsche will result.

³ Among 50 different kinds of EQB, Mitchell and Chan (2002) found the strong correlation with one behaviour 'drinking a can of coke in a supermarket without paying for it' (the correlation was -0.86). This finding may indicate that ethical belief – an evaluation of the behaviour in terms of wrongness – is strongly related to occurrence of subsequent behaviour in this particular issue.

Based on the principles above, ethical judgement measured in Mitchell and Chan's study may represent attitude toward a particular EQB, but may fail to consider an account of *performing* it. In the current study, on the other hand, acceptability and intention were measured in terms of *engaging* in a particular behaviour. This can – to some extent – explain why the current study found strong correlations between acceptability, past performance and intention (> 0.9), while Mitchell and Chan's study did not (< 0.5).

8.4.2 Factor Loading

An exploratory factor analysis (EFA) was conducted on the factors. As was done for the study in Chapter 7, the whole sample ($n = 1015$) was analysed altogether across 5 scenarios⁴ because the current study continued to seek the universality of the content of EQB. It was also expected to moderate specificity of scenario contents. Prior to interpreting the results of EFA, the adequacy of the correlation matrix of the current data was assessed. The two available measurements were met with satisfaction (i.e., Kaise-Meyer-Olkin Measure of Sampling and Bartlett's test of sphericity).

Factors were extracted by orthogonal rotation based on eigenvalue criterion (greater than or equal to 1). The factors were subjected to principal components factor analysis. The following factors were excluded due to low communality (less than 0.50): Evaluation risk, Evaluation foolish/wise, Consequence to an actor and

Perceived Behavioural Control PBC3 (see Table 8-2 for the description of the scales). With respect to the appropriate value of factor loadings, the same rule was applied as in Study 2 (the section 7.3.2). The sample size of the current study is more than 350 and so the acceptable level of factor loadings as suggested by Hair et al. (1998) is ± 0.3 . However, none of the factors had factor loadings less than ± 0.5 , and so can be considered to be 'practically significant' for the subsequent analysis. Table 8-5 shows the results of EFA.

As seen in Table 8-5, four factors – Evaluation, Perceived Unfairness, Social Participation and Consequence - emerged as antecedents of EQB. Together they accounted for 70.995 percent of the total variance. The four factors emerged were different from the components proposed by Study 2 in Chapter 7 and also different from the components of the Theory of Planned Behaviour (TPB, Ajzen, 1985; 1991). The factors Evaluation, Perceived Unfairness and Social Participation generated acceptable alpha coefficients of 0.88, 0.83 and 0.86 respectively, while the factor Consequence produced an alpha coefficient of only 0.53 (Hair et al., 1998). However, the factor Consequence was included for further analysis because the same scale for this factor in the previous study (Study 2 in Chapter 7) actually produced the acceptable alpha coefficient of 0.76 (see Table 7-4).

⁴ Exploratory factor analysis by scenarios was also conducted. Some of factors consistently emerged and appeared to be stable (i.e., Social Participation and Perceived Unfairness) across the scenarios while others were not stable. A common structure emerged from the whole sample and was applied because there is some stability. The common structure was also required because subsequent analysis was to examine impacts of the antecedents of EQB across the scenarios.

Table 8-5: Factor Loading

Factors (% of variance explained)	Evaluation (43.6%)	Perceived Unfairness (11.3%)	Social Participation: (8.1%)	Consequence (7.2%)
Cronbach alpha	0.88*	.83	.86	.53
Attitude, evaluation good/bad	-.584			
Attitude, evaluation risk	This variable was excluded due to the low communality (0.388).			
Attitude, evaluation foolish / wise	This variable was excluded due to the low communality (0.243).			
Attitude, outcome to an actor	This variable was excluded due to the low communality (0.309).			
Attitude, outcome to other consumers				.819
Attitude, outcome to suppliers				.711
Social influence, peer participation			.940	
Social influence, societal participation			.902	
Social influence, peer support	.764			
Social influence, societal support	.582			.508
PBC, easy/difficult	.757			
PBC, opportunity	.768			
PBC, Control 1	.786			
PBC, Control 2	-.684			
PBC, Control 3	This variable was excluded due to the low communality (0.406).			
Perceived unfairness, pricing		.820		
Perceived unfairness, retaliation		.809		
Perceived unfairness, business performance		.693		

Note: KMO Measure of Sampling Adequacy: 0.890, Bartlett’s Test of Sphericity: Significant, Extraction Method: Principle Component Analysis, Rotation Method: Varimax with Kaiser Normalization. Total Variance Explained: 70.161%
* the scores of items which load negative factor scores were reversed to calculate Cronbach alpha.

The first factor accounted for 43.6% of the total variance and named as Evaluation. This factor was comprised of variables related to the three dimensions (i.e., Attitude, Social Influence and Perceived Behavioural Control) that were proposed as three different dimensions of EQB during the course of the current research. However,

these aspects presented a similar pattern of consumer responses concerning EQB and produced one factor. The variable Attitude that is loaded on this factor reflects individual belief whether performing the behaviour in question is good or bad. The two variables representing Social Support that were proposed to be a part of Social Influence in the current study were also loaded on this factor: these variables capture individual beliefs of whether friends and/or other consumers approve or disapprove of performing the behaviour in question. These reflect the strength of the beliefs of how much support an individual infers from members of a society when performing the behaviour in question. All variables representing Perceived Behavioural Control that are loaded on this factor reflect individual belief of one's ability and resource to perform EQB. These factors are possible criteria for assessing engagement of a specified EQB either positively or negatively. Such criteria might provide a reference point and so help evaluate the issue for further consideration of an engagement. Evaluation of potential to engage in EQB is likely to become more favourable when the behaviour is perceived as a good thing to do; the behaviour is likely to gain approval of friends as well as other consumers; and the behaviour is expected to provide a good opportunity to effectively acquire some form of benefit as a result of performing the behaviour.

The second factor captured the perception of unfairness of business performance and accounted for 11.3% of the total variance. This factor indicates how strongly consumers are motivated to perform EQB because of a perceived imbalance between consumers and suppliers. It reflects the context specificity of a situation in which consumers face a choice of whether or not to engage in EQB. Consumer perception of an imbalance is expected to be determined in the context of a specific situation

(i.e., pricing and suppliers' practices to consumers). This factor as it has emerged is consistent with the result of the study in Chapter 7 and so its label remains as Perceived Unfairness.

The third factor was comprised of other variables representing social influence that were not loaded on the first factor (Evaluation). This factor accounted for 8.2% of the total variance and named as Social Participation. It captured external pressure on ways of behaving in a specific situation. It indicates how willingly consumers behave in a manner which their friends and other consumers would do in the same situation. The factor Social Participation is conceptually similar to the original component of the Theory of Planned Behaviour (TPB), "Subjective Norm", indicating the extent to which an individual perceives external pressure to perform a specific behaviour.

The fourth factor captured the aspect of consequences that are expected to result from engaging in EQB and accounted for 7.2% of the total variance. This factor indicates an estimate of harmful consequence or beneficial consequence to other consumers and suppliers as a result of performing EQB and so has been labelled as Consequence.

The four factors, Evaluation, Perceived Unfairness, Social Participation and Consequence, are subsequently expected to predict Intention to engage in EQB (i.e., antecedents of intention for EQB). Before proceeding further analysis, a point needs to be made concerning the structure of EQB that affects the following analysis. Consequence (hypothesis 1-b), Social Participation (hypothesis 2-a) and Perceived Unfairness (hypothesis 4) consist of the corresponding variables as proposed,

whereas, the other factor Evaluation consists of different sets of variables than proposed earlier. The factor analysis also suggested the low communality of some variables and so resulted in the excluding of factors that are supposed to construct a part of Attitude, behavioural belief (i.e., evaluation of risk, evaluation of being foolish/wise and outcome to an actor in terms of performing EQB). Consequently, this forces a situation that not all of the hypotheses formulated in the previous section can be tested. However it ought to be stressed, the nature of the current research is exploratory, exploring insights of EQB decision-making, and certainly it is believed that the factors extracted in the current study may suggest useful means of engaging in the analysis of EQB⁵. Thus, a decision was made that further analysis should focus on examining how these extracted factors of EQB influence Intention.

Hereafter, the factor scores of the extracted factors are used in the analysis which follows. As discussed previously in Chapter 7, such analysis should provide the advantage of allowing the researcher to use 'a smaller uncorrelated, normalised factor, easing the interpretability of subsequent analysis' (Cox et al., 1990, p.153).

⁵ The hypothesised structure was initially imposed and regressed on Intention. Comparing to the model which consists of the components extracted by the factor analysis, the model resulted in being less powerful. Cox & Snell R Square (0.389), Nagelkerke R square (0.645) and -2 log likelihood (424.337) all deteriorated (see the section 8.6).

The factor scores should be understood as follows: for Evaluation, a positive factor score indicates that engaging in EQB is assessed as favourable while a negative factor score indicates that engaging in EQB is assessed as unfavourable. For Perceived Unfairness, a more positive factor score indicates that a greater unfair balance with business was perceived (when it comes to perform a particular EQB). For Social Participation, a more positive factor score indicates a higher level of willingness to behave in a manner as would friends and other consumers in the same situation. For Consequence, a positive factor score indicates possible benefit to others as the result of EQB. Whereas, a negative factor score indicates possible harm to others as the result of EQB. The greater value of a factor score indicates either more possible benefit or harm to others.

8.4.3 Predicting Intention for EQB

This section examines whether the factors extracted in the previous section predict intention to engage in EQB. Intention to engage in EQB was measured by a 7-point scale (1 extremely unlikely, 7 extremely likely). Initially, ordered probit was performed because of the nature of the dependent variable. Strictly speaking, liner regression (i.e, ordinal least square) assumes that a dependent variable is continuous. Whereas here, the dependent variable Intention is discrete and of more than three values. Ordered probit is designed for this type of data, and so was performed with the current data. However, the model turned out to be inappropriate because the number of the respondents was very unevenly distributed across 7 categories as previously shown in Table 8-4.

As an alternative, two groupings of the data were created in terms of intention to engage in EQB for the current analysis. One group was comprised of 3 categories indicating that the respondent is unlikely to engage in EQB (1 extremely unlikely, 2 quite unlikely and 3 slightly unlikely) and so labelled as *unlikely* (scored as 0, n = 816). The other group was composed of 3 categories of responses likely to engage in EQB (7 extremely likely, 6 quite likely and 5 slightly likely) and so labelled as *likely* (scored as 1, n = 171). The response *neither* was excluded from these groups because the respondents' intention was unknown (the excluded cases, n = 28). From this dichotomy of the dependent variable Intention, a binary logistic regression (likely vs. unlikely) was performed to examine the significance of the factors (i.e., the antecedents of EQB), Evaluation, Perceived Unfairness, Social Participation and Consequence.

Table 8-6: Binary Logistic Regression Model: intention to engage in EQB (likely = 1, unlikely = 0; n=987)

Variable	Beta	S.E.	Wald	Sig.	Exp (B)
Evaluation	2.911	.235	154.129	.000	18.383
Perceived Unfairness	1.092	.146	56.151	.000	2.980
Social Participation	.661	.163	16.390	.000	1.937
Consequence	.697	.168	17.171	.000	2.007
Constant	-3.611	.279	167.021	.000	.027

Overall Model Fit: -2 log likelihood = 311.826, Cox & Snell R square = .455, Nagelkerke R square = .755

As seen, the result of the binary logistic regression model (Table 8-6) indicates that all of the factors appeared to be highly significant. The percentage of the correct classification was 93.1% and the hit ratios were 96.2% and 78.4% for the *unlikely* and *likely* samples, respectively. Evaluation was the strongest determinant of all in predicting intention of EQB. It indicates that a positive evaluation for engaging in

EQB increases an intention for the behaviour. More specifically, it means that an intention to engage in EQB is likely to be greater when the behaviour was assessed as positive, approved by members of society, and easily achieved goal based on self-efficiency.

The second strongest determinant was Perceived Unfairness. This result supported the hypothesis 4 concerning an impact of Perceived Unfairness. This suggests that intention to engage in EQB is likely to increase when consumers perceive an unfair imbalance that needs to be redressed with suppliers.

Social Participation and Consequence were also significant. The result concerning Social Participation supports the hypothesis 2-a; when consumers perceive more external pressure to engage in EQB, Intention to perform the behaviour is likely to be greater. Whilst the result for Consequence suggested that Intention to engage in EQB is likely to be higher when consumers estimate less harmful (or even beneficial) consequences to others in a society as the result of the behaviour; supported the hypothesis 1-b.

Due to the small number of the *likely* samples, the ratio of the number of the *unlikely* and *likely* samples was 4.8:1, and disproportionate. Hence, bootstrapping techniques were used to obtain a sample which was a balance of *unlikely* and *likely* intentions, and this procedure was repeated ten times. The overall model fit was improved (-2 log likelihood: 146.896 - 172.888, Cox & Snell R square: 0.574 - 0.613, Nagelkerke R square: 0.817 - 0.766). The overall classification was also improved (86.5% - 93.6%). Evaluation and Perceived Unfairness were constantly significant at the

99.9% confidence level, and Social Participation and Outcome were significant at the 95.0% confidence level. This result indicates the stability of the current model in predicting Intention.

The results of a further test using a binary logistic model shown in Table 8-7 was constructed, to include a dummy variable for Scenario. This examined whether different kinds of ethical issues influence Intention to engage in EQB. The percentage of the correct classification was 93.9% and the overall hit ratios were 96.4% and 81.9% for the *unlikely* and *likely* samples, respectively. The result indicated that scenarios 4 (i.e., copying a software from a friend) and 5 (i.e., taking a quality towel away from a hotel) were moderately significant ($p = .020$ and $p = .098$ respectively). The positive coefficient suggested that Intention to engage in EQB is more likely to increase when consumers are faced with the situations described by these scenarios than the situation described by scenario 1 (i.e., changing a price tag). As discussed in the section 8.4.1, most of the respondents appeared to have no intention to engage in the behaviour described by scenario 1 (i.e., changing a price tag). Whereas, a high number of respondents reported their intention to engage in the behaviours described by scenarios 4 and 5 (“copying software from a friend” and “taking a quality towel away from hotel” respectively).

Some reasons can be assumed why the respondents are less likely to engage in certain behaviour (e.g., “changing a price tag”), compared to other behaviour (e.g., “copying software from a friend” and “taking a quality towel away from hotel). For instance, in comparison with the situations described by scenarios 4 and 5, it might have been perceived that engaging in the behaviour of “changing a price tag” is less

acceptable (cf. scenario 4: copying software from a friend) and also more risky in terms of getting caught (scenario 5: taking a quality towel away from hotel). Further consideration on this matter is made in section 8.4.4, with an analysis of the role of the antecedents of EQB in relation to Intention across the different scenarios.

Table 8-7: Binary logistic regression model: an effect of a kind of ethical issue (likely = 1, unlikely = 0; n=987)

Variable	Beta	S.E.	Wald	Sig.	Exp (B)
Evaluation	2.627	.247	112.755	.000	13.831
Perceived Unfairness	1.053	.154	46.934	.000	2.866
Social Participant	.601	.166	13.060	.000	1.825
Consequence	.637	.172	13.685	.000	1.891
Sceanrio2	.312	.937	.111	.739	1.367
Scenario3	1.158	.763	2.304	.129	3.184
Scneario4	1.767	.763	5.369	.020	5.854
Scenario5	1.277	.771	2.740	.098	3.584
Constant	-4.598	.731	39.298	.000	.010

Overall Model Fit: -2 log likelihood = 301.965, Cox & Snell R square = .460, Nagelkerke R square = .764

Table 8-8 presents the results of another binary logistic model that further included demographic variables. This examined whether different demographic factors influence Intention to engage in EQB. As shown in Table 8-8, the impact of each demographic factor, with regards to Intention, appeared to be rather disappointing. By adding the demographic factors, the variable Scenario lost some of its significance. On the other hand, all the factors of EQB were consistently significant in predicting Intention. The percentage of the correct classification was 94.4% and the overall hit ratios were 96.9% and 82.7% for the *unlikely* and *likely* samples, respectively. This result seemed to be in agreement with the argument put forward by Azjen and Fishbein (1980) that demographic factors and personality traits should influence intention through behavioural factors such as Attitude and Subjective Norm.

Table 8-8: Binary logistic regression model: an effect of a kind of ethical issue (likely = 1, unlikely = 0; n=987)

Variable	Beta	S.E.	Wald	Sig.	Exp (B)
Evaluation	2.809	.290	93.655	.000	16.598
Perceived Unfairness	1.198	.177	45.597	.000	3.314
Social Participant	.558	.184	9.238	.002	1.748
Consequence	.713	.193	13.683	.000	2.040
Sceanrio2	.272	.995	.075	.784	1.313
Scenario3	1.315	.804	2.676	.102	3.724
Scneario4	1.852	.817	5.139	.023	6.375
Scenario5	1.212	.818	2.193	.139	3.359
Gender	.108	.364	.087	.768	1.114
Age	.023	.020	1.241	.265	1.023
Marital	-.382	.417	.839	.360	.683
Children	.502	.498	1.014	.314	1.651
O-level etc.	.284	.547	.270	.603	1.329
A-level etc.	.925	.617	2.249	.134	2.522
First degree	-.416	.548	.578	.447	.659
Second degree	-.105	.650	.026	.871	.900
Self-employed	.620	.954	.422	.516	1.859
Senior managerial etc.	-1.319	1.024	1.658	.198	.267
Middle managerial etc.	-.225	.770	.086	.770	.798
Junior managerial etc.	-.335	.810	.171	.679	.715
Manual worker	-.668	.880	.576	.448	.513
Retired	-1.057	.890	1.410	.235	.347
Full-time student	.443	1.214	.133	.715	1.557
Constant	-5.757	1.496	14.813	.000	.003

Note 1: All demographic data uses dummy variables except Age (reported age of the respondents used). For gender, 1 indicates 'male' and 0 indicates 'female'. For Marital, 1 indicates 'married and living with spouse' and 0 indicates 'other'. For Children, 1 indicates 'having a child or more' and 0 indicates 'having no children'. For Education and Employment, 1 indicates 'Yes' to a particular category and 0 indicate 'No' to a particular category.
Note 2: Overall Model Fit: -2 log likelihood = 264.098, Cox & Snell R square = .474, Nagelkerke R square = .784

The four factors Evaluation, Perceived Unfairness, Social Participant and Consequence were tested for their significance in predicting intention for EQB. The three regression models exhibited the significance of all the components. Based on these results, the above components are considered to be antecedents of intention for EQB. The following section examines the role of these antecedents across the different kinds of EQB.

8.4.4 The Roles of the Antecedents of Intention for EQB

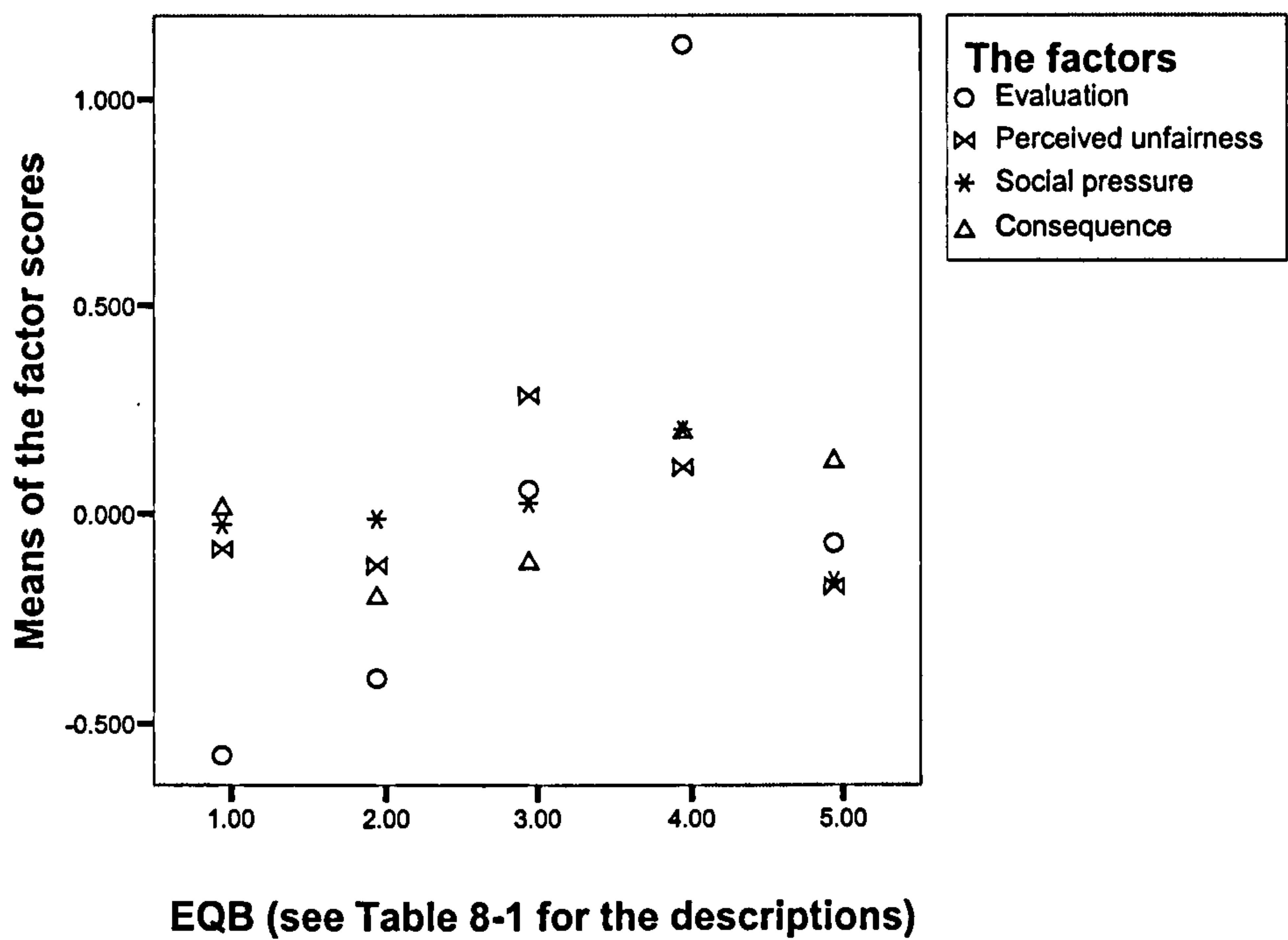
Analysis of variance (ANOVA) was performed to examine different functions of the antecedents across the different kinds of EQB. Although the assumption of ANOVA – Homogeneity of variance was not assured, a minimum impact of a violation was assumed⁶. The result of ANOVA (Table 8-9) indicated that the means of the antecedents differ across the scenarios ($p < .05$). The significant differences among the means of the antecedents across the scenarios were examined based on Scheffe post-hoc tests. Scheffe post-hoc test is considered to be the most conservative method (Hair et al., 1998) and is used for *unequal* sample sizes to test if pairs of the means are different (the sample sizes of the current study is between 186 and 214). In addition, Diagram 8-2 presents the means of the factor scores of the antecedents across the five different scenarios. It is provided to help the understanding of the roles of the antecedents in influencing a specific EQB.

Table 8-9: ANOVA: The dimensions of EQB and Scenarios

		Sum of Squares	df	Mean Square	F	Sig.
Evaluation	Between Groups	340.479	4	85.120	127.644	.000
	Within Groups	673.521	1010	.667		
	Total	1014.000	1014			
Perceived Unfairness	Between Groups	29.975	4	7.494	7.692	.000
	Within Groups	984.025	1010	.974		
	Total	1014.00	1014			
Social Participant	Between Groups	12.920	4	3.230	3.259	.011
	Within Groups	1001.080	1010	.991		
	Total	1014.000	1014			
Consequence	Between Groups	20.717	4	5.179	5.266	.000
	Within Groups	993.283	1010	.983		
	Total	1014.000	1014			

⁶ It should be assumed that the size of the groups analysed is approximately equal. The largest group size divided by the smallest ought to be less than 1.5 (Hair et al., 1998, p.348). In the current study, it is 1.18.

Diagram 8-2: Drop Chart - Means of the factor scores across EQB



To specify further, the means of the antecedent Evaluation differ across the scenarios. Scenario 1 (changing a price tag) and scenario 2 (returning the stained suite) indicate a negative means of evaluation while scenario 4 (copying a software from a friend) indicates a positive means of Evaluation. The means of scenarios 3 (exaggerating an insurance claim) and scenario 5 (taking a quality towel away from a hotel) turned out to be neutral, closed to 0. As Evaluation is the strongest determinant of Intention, the pattern of reported Intention across the five EQB corresponds to the pattern of the means of Evaluation (i.e., the number of those who reported intention to engage in EQB increased in ascending order of scenarios 1, 2, 3, 5 and 4, see Table 8-4).

In terms of Perceived Unfairness, the means for scenario 3 is 0.285, the highest absolute value among the five scenarios, and statistically, differ significantly from

scenarios 1, 2, and 5. It can be said that Perceived Unfairness characterises an occurrence of the behaviour described by scenario 3 (exaggerating an issuance claim). Although negative Consequence was recognised for this behaviour, the perception of an unfair imbalance was believed to motivate consumers to engage in the behaviour. On the other hand, Evaluation and Social Participation did not appear to be so influential to an occurrence of this behaviour.

The antecedent Social Participation defined the difference between scenarios 4 and 5. Software piracy described by scenario 4 is a well-known example of EQB. The impact of Social Participation on this behaviour is distinctive. Along with a positive Evaluation, this could confirm a phenomenon that this behaviour is widely spread among ordinary consumers and considered *not* to be wrong. Consumers are exposed to an environment where many other consumers conduct software piracy and subsequently learn to follow other consumers' behaviour in this respect.

The means of the antecedent Consequence were statistically different between scenario 2 and scenarios 4 and 5. The negative means for scenario 2 can be interpreted as that consumers recognise possible loss to retailers (e.g., losses of sales and possibly sellable products) and other consumers (e.g., retailers may recover such losses by raising a price) by returning the stained suit. The positive means for scenarios 4 and 5 may be complex. For interpretation, it would be necessary to recall the qualitative study in Chapter 6. For scenario 4, there was expressed that software piracy could result in beneficial outcomes to both other consumers and suppliers. Piracy would encourage competition in a price and so discourage large multinational companies for charging monopoly prices. As the result of the competition, other

consumers would benefit from by a lower price. For scenario 5, it can be recalled that taking amenities from hotels and restaurants could function for promotional purposes, since these hotels and restaurants often mark their amenities.

In the previous section, the binary logistic regression model suggested that positive Evaluation would largely serve to increase Intention to engage in EQB in a broad context. On the other hand, the current analysis suggested that other factors would come to play distinctive roles in predicting EQB depending on specificity of ethical issues. It is to say that each of the factors functioned differently depending on a given ethical situation. As mentioned, the case of software piracy (i.e., scenario 4) exemplifies that positive Evaluation would increase Intention to engage in EQB. It seemed that positive weighting of the other components (Social Participation, Consequence and Perceived Unfairness) also added justification to perform this act. This decision-making process reflected on the large number of reported Intention ($n = 102$, 58.3% of the total). While, the cases of changing a price tag or returning a stained suit (scenarios 1 and 2) exemplifies that negative Evaluation would decrease Intention to engage in EQB and reflect on the very small portion of reported Intention (1.5% and 1.9% respectively). Evaluations for scenarios 3 (i.e., exaggerating an issuance claim) appeared to be slightly positive and then Perceived Unfairness came into play a significant role to increase Intention.

8.5 Assessing an Effect of Socially Desirable Responding

A need for sensitivity is inevitable when attempting to investigate ethical issues, and this was taken into account in designing and implementing the empirical research. In the current study, scenarios were used for the questionnaire to make it less threatening. Anonymity was also assured. These techniques are useful to reduce the impact of bias that would be possibly caused by socially desirable responding. Yet, the measurement, the Balanced Inventory of Desirable Responding (BIDR, Paulhus, 1991), was included to assess socially desirable responding because it would be almost impossible to eliminate such an impact. Socially desirable responding was calculated using the BIDR Score. This study followed the procedure outlined by Paulhus (1991). Impression management, which assesses the degree of socially desirable responding, consists of 20 items on a 7-point scale, and out of these items, 10 are keyed in the negative (see appendix; negatively keyed items are marked with an asterisk). In calculating the BIDR score, one point is added for an answer of '6' or '7' per item and with no points added for any other answer ('1' to '5'). With items keyed negatively, this calculation needs to be reversed. Thus, one point is added for an answer of '1' or '2' per item and with no points added for any other answer ('3' to '7'). Overall, the minimum BIDR score is 0 and the maximum is 20. The higher score indicates a tendency that an individual is more inclined to overstate his/her response. The BIDR Score mean was 7.8 and did not differ across the scenarios. The BIDR Score mean was slightly higher in comparison with the means generated in the confirmatory study of BIDR by Paulhus (1999); where the mean ranged from 5.3 to 6.7. This may have been caused since the current sample is slightly biased toward an older population. This suggestion follows from Paulhus'

explanation (1999) that a sample including a larger proportion of older respondents would score a greater BIDR mean.

A procedure suggested by Mick (1996) was followed to assess an effect of socially desirability responding on the current data. In the first place this examined the correlations between the antecedents of EQB and Intention, and socially desirable responding. As shown in Table 8-10, the BIDR Score was negatively related to Intention, Evaluation and Perceived Unfairness while unrelated to Consequence and Social Participation. Negative correlations mean that a respondent with greater tendency to seek to present the most positive social image (the BIDR Score) is less likely: to engage in EQB (Intention); to see benefits gained from performing EQB (Evaluation); and to perceive an unfair balance with business performance (Perceived Unfairness). The antecedent Evaluation includes the explanatory factors, peer and societal approvals. As peer and societal approvals were expected to share a concept of social desirability, it was not surprising that this antecedent was related to the BIDR Score although it was relatively small. Consequently, Intention was negatively also correlated with the BIDR Score as Evaluation explained the largest part of the total variance of EQB (43.6%). Perceived Unfairness was negatively correlated with socially desirable responding (-0.256), though relatively small, this indicates the possibility of an effect of social desirability bias on the currently findings.

Table 8-10: Correlations between BIDR Score and the of the antecedents of intention for EQB

	Intention	Evaluation	Consequence	Social Participation	Perceived Unfairness
BIDR score	-.180**	-.196**	-.015	-.047	-.256**

**p<0.001

To further examine the effect of socially desirable responding on the current data, simple and partial correlations in which the BIDR Score was controlled was compared between the antecedents of intention for EQB and Intention (Table8-11). This was to examine whether socially desirable responding attenuates the relation between the components of EQB and intention. Simple correlations indicated substantive relations between all of the antecedents and Intention. If there exists an effect of socially desirable responding, then partial correlations controlling for BIDR Score between the antecedents and Intention would appear differently from the simple correlations. However, as shown in Table 8-11, the differences between simple and partial correlations were very small ranging from 0.0028 to 0.0310. Partial correlations indicated then that the relations of all the antecedents with intention were hardly seen as different, and maintained their significance, this includes the antecedent Perceived Unfairness that had been suspected of social desirability bias.

Table 8-11: Simple and partial correlations controlling for BIDR Score

	Evaluation	Consequence	Social Participation	Perceived Unfairness
Intention Simple correlation (Partial correlation)	.728** (.718**)	.156** (.159**)	.146** (.139**)	.297** (.266**)

**p<0.001

The binary logistic regression model was tested to examine whether the BIDR Score moderates influences of the antecedents on Intention. The model included all of the antecedents, the BIDR Score, and the interactions of the BIDR Score with the dimensions of EQB as dependent variables (Table 8-12). The overall hit ratios were 96.1% and 81.9% for the *unlikely* and *likely* samples, respectively. If the coefficient for the interaction term were indeed significant, the relation between the dimensions of EQB and Intention would be moderated by the BIDR Score. In such circumstances, the coefficient should be compared with the coefficient of the relevant variable in the logistic model without the interaction terms (cf. the binary logistic regression model in Table 8-6) in order to examine changes as effects of the BIDR Score (Mick, 1996). However, as shown in Table 8-12, all the interactions turned out to be statistically insignificant so that it was believed that the BIDR Score did not moderate the relations between the antecedents and Intention.

Table 8-12: Binary logistic regression model to prediction intention for EQB including the interactions of the BIDR Score with the antecedents of intention for EQB (likely = 1, unlikely = 0; n = 987)

Variable	Beta	S.E.	Wald	Sig.	Exp (B)
Evaluation	3.264	.571	32.717	.000	26.150
Perceived Unfairness	.848	.341	6.199	.013	2.336
Social Participation	.790	.391	4.081	.043	2.204
Consequence	.851	.432	3.892	.049	2.343
<i>BIDR score</i>	.069	.007	.801	.371	1.071
<i>BIDR score by Evaluation</i>	-.041	.066	.368	.535	.960
<i>BIDR score by Perceived Unfairness</i>	.040	.046	.750	.387	1.041
<i>BIDR score by Social Pressure</i>	-.015	.052	.090	.765	.985
<i>BIDR score by Consequence</i>	-.024	.054	.196	.658	.976
Constant	-4.122	.666	38.350	.000	.016

Overall Model Fit: -2 log likelihood = 309.294, Cox & Snell R square = .456, Nagelkerke R square = .757

Due to the lack of evidence for socially desirable responding resulting in social desirability bias on the variables under the investigation, a decision was made neither to control statistically nor to disregard responses with higher the BIDR Scores.

8.6 Imposed (Hypothesised) vs. Emerged Factor Structures

Prior to the current study (Study 3), the framework for Ethically Questionable Behaviour in Consumption (EQB) was hypothesised as consisting of Attitude, Social Influence, Perceived Behavioural Control and Perceived Unfairness. This framework was based on the Theory of Planned Behaviour (TPB, Ajzen, 1985; 1991) and as developed with the findings of the previous empirical studies (Studies 1 and 2). However, as the result of the current study, the antecedents for EQB are proposed (and as discussed above) as Evaluation, Perceived Unfairness, Social Participation and Consequence; with the significance of these antecedents found to be in predicting intention for EQB. This framework can be considered now as an emergent model as distinct from what was an imposed or hypothesised model. This section examines and compares these two models in terms of their ability to predict intention for EQB.

Independent variables for the hypothesised structure were calculated using corresponding items of the current data (see table 8-2) and were tested for multicollinearity. This is necessary before it is possible to complete the regression analysis that allows for a comparison with the emergent model.

Multicollinearity is the term used to describe the case in which one independent variable correlates with a set of other independent variables. An extreme case of multicollinearity would be one in which an independent variable is fully explained by another independent variable. Such a case would be problematic for regression analysis, as the effect of multicollinearity is 'to reduce any single independent variable's predictive power by the extent to which it is associated with the other independent variables' (Hair et al., 1998, p.156). The effect of multicollinearity can be assessed by the common diagnostic measures such as the tolerance value and its inverse - the variance inflation factor (VIF). Tolerance refers to 'the amount of variability of the selected independent variable not explained by other independent variables' (Hair et al., 1998, p.193). Low value of tolerance indicates a greater effect of multicollinearity (i.e., the variable is explained by more than one of the other variables), whilst in reverse (since $VIF = 1/\text{tolerance}$), a high value of VIF indicates a greater effect of multicollinearity. Hair et al. (1998) suggest the minimum acceptable value of tolerance is to be 0.10; and in reverse the maximum acceptable value of VIF is to be 10.0.

The corresponding items for the independent variables of the hypothesised structure (i.e., Attitude, Social Influence, Perceived Behavioural Control and Perceived Unfairness) were summed and then their average score was used in the analysis (i.e., the summated scale). Subsequently, correlations between the independent variables were assessed for the level of multicollinearity. Table 8-13 shows the tolerance and VIF values for each of the independent variables. All of the independent variables produced acceptable values of both tolerance (between 0.653 and 0.898 > 0.1) and VIF (between 1.113 and 1.531 < 10.0). This result was considered to be satisfactory,

and that the level of multicollinearity would not significantly affect on any independent variables’ predictive power.

Table 8-13: Multicollinearity Diagnostics for the independent variables of the hypothesised model

Independent variables	Tolerance	VIF
Attitude	.898	1.113
Social Influence	.688	1.453
Perceived Behavioural control	.693	1.443
Perceived Unfairness	.653	1.531

Based on the evidence of insignificant levels of multicollinearity, the hypothesised model was regressed based on the new independent variables and compared with the emergent model. As shown in Table 8-14, the emergent model for EQB appeared to be better in predicting intention for EQB when compared with the hypothesised model based on TPB. The current study found the antecedents of EQB (see Table 8-5) to be different from the previously hypothesised structure of EQB (i.e., the components of TPB and an additional dimension Perceived Unfairness; for the details of the hypothesised structure, see Table 8-2). When the hypothesised structure was imposed for regression analysis, the model appeared to be less powerful than the emergent model for EQB. The significance of the individual determinants of behaviour in TPB was clearly less evident. Attitude ($B = .048$) was insignificant ($p = .864$), and whilst Social Influence ($B = .849$), Perceived Behavioural Control ($B = 1.767$) and Perceived Unfairness ($B = .467$) remained significant, their coefficient was each diminished. The imposed model did not improve the overall model fit (-2 log likelihood: 424.337, Cox & Snell R square: 0.389, Nagelkerke R square: 0.645), and is less powerful in explaining intention for

EQB than the emergent model (-2 log likelihood: 311.826, Cox & Snell R square: 0.455, Nagelkerke R square: 0.755). This is considered as supportive evidence that the emergent model for EQB has captured important elements in explaining the EQB decision-making process better than TPB.

Table 8-14: A comparison of the powers in predicting intention between the framework of EQB and the theory of planned behaviour (likely = 1, unlikely = 0)

The framework of EQB (n = 987)		The imposed model (the components of the theory of planned behaviour and Perceived Unfairness, n = 985)	
Variable	Beta	Variable	Beta
Evaluation	2.911*	Attitude	0.048 ns
Consequence	.697*	Social Influence	.849*
Social Participation	.661*	Perceived Behavioural Control	1.767*
Perceived Unfairness	1.092*	Perceived Unfairness	.467*
Constant	-3.611*	Constant	-13.046*
Overall Model Fit:		Overall Model Fit:	
-2 log likelihood	311.826	-2 log likelihood	424.337
Cox & Snell R square	.455	Cox & Snell R square	.389
Nagelkerke R square	.755	Nagelkerke R square	.645

Note: ns = not significant (p= .864); * significant (p>.001).

8.7 Conclusions: Summary and Limitations

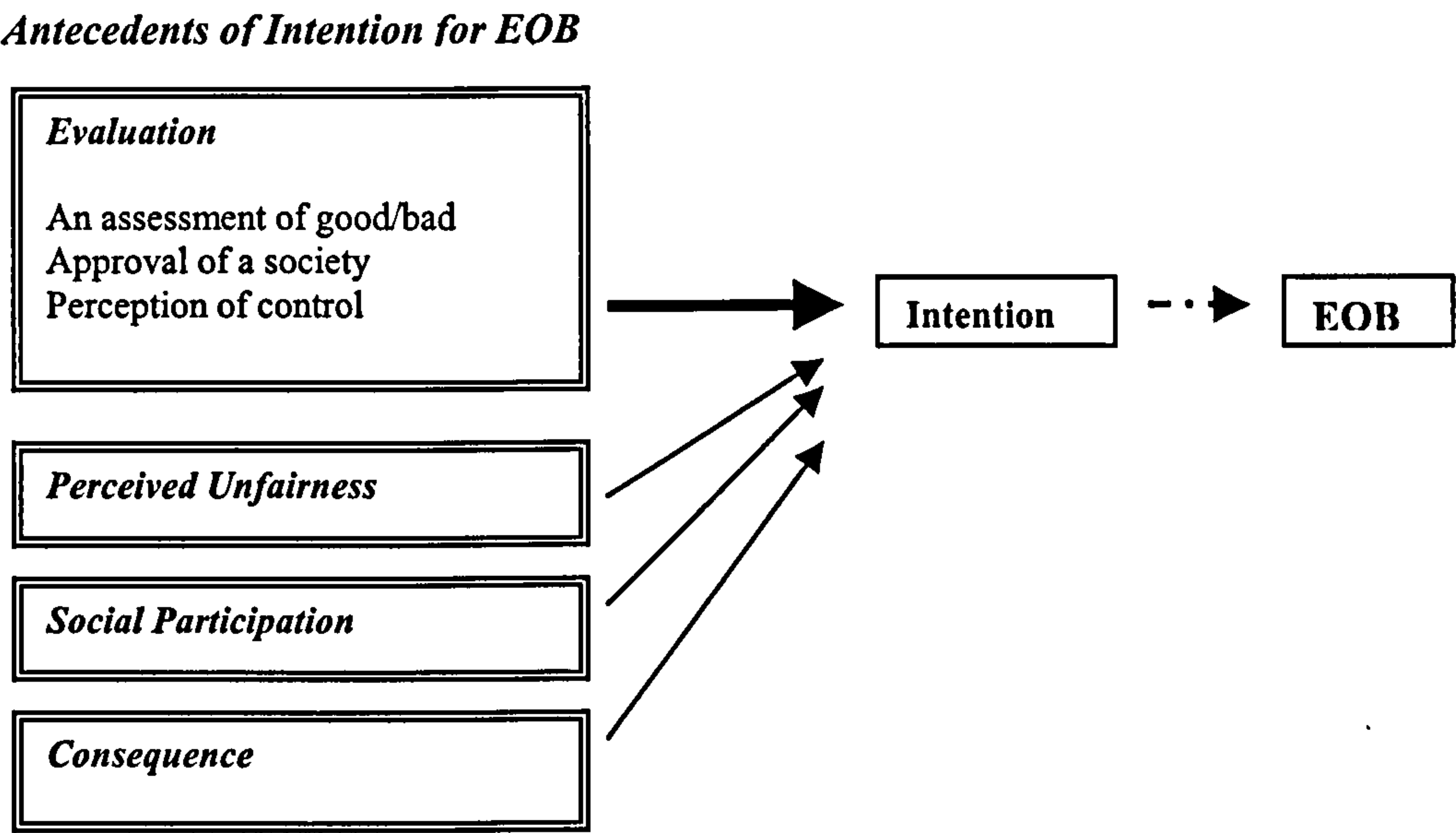
The current study makes a comparison between reported intention, and acceptability and past performance by using a new questionnaire data set and the data of the study in Chapter 7. The comparison suggested that intention to engage in ethically questionable behaviour (EQB) is likely to increase when acceptability and past performance increase across different kinds of EQB. The analysis identified the four antecedents of EQB as Evaluation, Social Participation, Consequence and Perceived Unfairness.

Diagram 8-3 presents a theoretical framework for EQB based on the findings of the current research. Of the four antecedents, Evaluation appeared to inform the very initial consideration of whether or not to engage further in the behaviour in question (shown in Diagram 8-3 by a bold arrow). This is not to suggest that the other three antecedents then follow in a decision-making process in some linear fashion. Indeed it is not possible to determine such a logical progression, nor is it likely to be illuminating since the decision-making process is always a complex of interrelated antecedents of EQB. However, Evaluation is certainly a dominant antecedent to which the other antecedents might be thought to accommodate and/or modify (shown in Diagram 8-3 by normal arrows) according to specific situations.

Social Participation appeared to indicate a sense of external pressure on performing EQB. Consequence appeared to be an estimate of harmful or beneficial outcome resulting from the behaviour. Perceived Unfairness appeared to indicate how strongly consumers are motivated to redress an unfair imbalance with suppliers. The binary logistic regression model suggested that these dimensions were statistically significant in predicting Intention to engage in EQB. Based on the significance, these dimensions were then considered to be antecedents of intention for EQB. In addition, the result of analysis of variance (ANOVA) exhibited the different functions of the antecedents depending on the kind of EQB. As a whole, positive (or negative) Evaluation would largely imply greater (or lesser) Intention to engage in EQB. The other antecedents would either add justification for the behaviour in question or would come to play distinctive roles in the EQB decision-making depending on specificity of ethical issues. Where an actor is motivated more

strongly and positively by the above-proposed antecedents, he/she is more likely to develop an intention to engage in EQB. Stronger intention will be more likely to increase the likelihood of EQB (shown in Diagram 8-3 by a broken arrow).

Diagram 8-3: The Framework of Ethically Questionable Behaviour in Consumption



Limitations of the current research remain in the development of reliable measurement and sampling. The current scales developed through the course of investigation were not fully satisfactory. The reliability of the measure for Consequence ($\alpha = .5289$) was disappointing. Further study needs to address what precisely determines possible consequence by engaging in EQB. The current sample was slightly biased in terms of age and therefore occupation. Although the sample was carefully selected to obtain a wide range of consumers, further validation and development with groupings making up an accurate representation of the UK consumer population would be desirable.

Chapter 9 Conclusions

9.1 Introduction

The purpose of undertaking the current research was to gain a better understanding of consumer decision-making in an ethical context: *how* and *why* consumers engage in ethically questionable behaviour (EQB). This research question was addressed based on the significance of consumer behaviour in the marketplace as outlined in Chapter 1. The current chapter provides a brief summary of the thesis and empirical findings followed by their implications. Thereafter the limitations and the contributions of the current research are reflected upon. In concluding remarks, further directions in this area of research are considered.

9.2 A Brief Summary of the Thesis

As outlined in Chapter 1, ethics research in the marketplace has tended to focus on the perspective of the business practitioner. Such a perspective has progressed (by and large) based on positivist theoretical explanations of the consumer as they relate to business performance, rather than in relation to a specific consumer perspective concerned with consumer decision-making itself. Specifically, business ethics research tends to emphasise the role of ‘ethical’ consumers with regard to improving business practice. Clearly then an understanding of ‘ethical’ consumers is of major interest to ethics research of the marketplace. However, an understanding of a consumer perspective has been much less emphasised and focused upon. This has

meant for example that particular situations in which consumers are motivated to engage in ethically questionable behaviour such as software piracy and retail fraud has been relatively under-researched.

Chapter 2 discussed in more depth issues relating to the lack of research in the area of consumer ethics, and examined the theoretical development of consumer ethics in comparison with business ethics. The two major approaches that categorise ethics research are the normative and descriptive approaches. The normative approach has been influenced by a number of different philosophies and ethical theories and attempts to identify what ought to be done in ethical situations in marketplaces. Subsequently, this approach has contributed to the development of codes of ethics. However, such codes were considered to be of marginal relevance to the current research question since the interest of the approach here is not to understand why specific decision are taken, but rather to understand more broadly the dynamics of ethical decision-making as a process. For this purpose, the descriptive approach is more appropriate to emphasise an understanding of the decision-making process and indeed was taken to be the framework of this research.

The chapter went on to examine the contributions and limitations of the descriptive approach. Commonly business and consumer ethics researchers have investigated the components of decision-making and the decision-making process. Until recently, business and consumer ethics researches have covered more or less similar issues such as ethical judgements and influencing factors. However, business ethics research is more advanced in terms of synthesising previous studies and proposing holistic models of business ethics decision-making. Thus, business ethics

researchers have identified significant dimensions pertaining to the complex decision-making process and projected a more thorough picture. Such advancements can be taken up by consumer ethics researchers to gain a better theoretical understanding of consumer ethical decision-making. As emphasised in Chapter 2, the development of a comprehensive model of EQB was thought to be crucial to explaining the decision-making in relation to EQB.

The literature on consumer ethics was reviewed in Chapter 3 and discussed in two parts: recent discussions of consumer ethics in general and empirical studies. The discussion on consumer ethics mainly examined the importance and significance of consumer behaviour in marketplaces. The empirical studies were categorised into two groups. The first group focused on specific kinds of EQB: investigating the decision-making in relation to a specific issue of EQB; seeking to understand components of attitude; and the formation of intention and the causes of behaviour in relation to those specific issues. These studies are generally more descriptive and context contingent (e.g., focusing on one particular issue such as shoplifting). The second group examined consumer behaviour, which is ethically questioned, in all of its variety. These studies are concerned with providing a more holistic view of consumer behaviour, though this research is dominated by concerns about ethical judgement. The current research deals with the variety of EQB as a whole, and so clearly operates on a similar basis to much of what has been described from the second group of research. However, by placing the findings of the current research in the context of relevant research from criminology, economics, psychology, business ethics, and consumer ethics research, the thesis aims to develop a well-

grounded explanation of why and how consumers engage in EQB and thus broaden the first stream of research.

Chapter 4 sketched out the theoretical foundations EQB. The established Theory of Planned Behaviour (TPB, Ajzen, 1985; 1991) was thought to provide a reasonable foundation in order to further build a model specific to consumer ethical decision-making. In TPB, attitude, subjective norms and perceived behavioural control influence intention to engage in a specified behaviour. Stronger intention is more likely to result in behaviour. Direct applications of TPB have substantiated its ability to predict intention in different contexts, and it has been widely applied in many fields of research investigating social behaviour. In addition, several studies have found the theory useful to support analysis when researchers attempted to build initial theoretical explanations of specific behaviour (e.g., Internet Use – Klobas and Clyde, 2000; Arbitrator Acceptability – Posthuma and Dworkin, 2000; E-Commence Service Acceptance – Bhattacharjee, 2000; Ethical Consumers – Shaw and Clarke, 1999 and Shaw et al., 2000). Thus, TPB was taken as an initial theoretical foundation.

Within and around this theoretical framework, Chapter 4 examined the literature in relation to consumer ethical decision-making in order to consider the factors that might influence EQB. In addition to the determinants of intention theorised in TPB, Chapter 4 also drew attention to other factors that might influence specifically consumer decision-making with respect to EQB; namely, *moral obligations*, *fairness* and *moral intensity*. These factors, as well as the original components of TPB, were proposed for further investigation during the empirical phase of the research.

Chapter 5 discussed the methodological approach taken in this research, which in principle can be located in a positivist paradigm, but using both qualitative and quantitative research methods. This was done because it was thought to effectively achieve the objectives at the different stages of the empirical investigation. More specifically, the early stage of the investigation focused on exploring insights into EQB decision-making generated from a qualitative study. The latter stage of the investigation focused on examining the effect of the factors identified by the qualitative research. Quantitative studies were conducted to establish the antecedents of EQB and subsequently test the framework for EQB.

For the purpose of the empirical investigation, several methodological issues were addressed. First, it is desirable in ethics research to consider how to investigate a sensitive issue such as ethics. Thus, the primary focus was on the handling of socially desirable responding. The effect of this responding style is also known as social desirability bias and is a potential threat to the validity of empirical studies. The design of the empirical research included several techniques to minimise its effect (i.e., anonymity, indirect questioning, mail-survey, and scenarios) and also methods of detection were employed at the final stage of analysis (i.e., inclusion of the Balance Inventory of Desirable Responding, Paulhus, 1991). An assessment of the effect of social desirability bias was made in Chapter 8 and concluded that there was little evidence of its effect. Secondly, a method of assessing the quality of the empirical findings was presented; this included reliability and validity (summarised in detailed in the next section).

Thirdly, sampling issues were discussed in terms of study population, sample design, sample size and response rate. Because of the convenience sample and the moderate response for the first survey questionnaire (14.4%, Study 2 in Chapter 7), the generalisability of the quantitative findings may be limited. Although subsequent researchers need to be warned about its generalisability, great attention was paid to minimise the specificity of the scenarios and make sense out of the findings based on an established behavioural theory. As recommended by Calder et al. (1981), the analysis was cautiously conducted with support of the established theory of planned behaviour (Ajzen, 1985; 1991) and findings generated from a qualitative study. However, there was no opportunity for a direct or indirect assessment of non-response bias. This was due partly to technical matters relating to the current research design, which in minimising and addressing the effect of socially desirable responding prevented the researcher from assessing non-respondents. Instead, the patterns of acceptability, intention and reported behaviour across the different ethical situations were compared to infer some consistency between the two different samples in Studies 2 and 3 (Chapters 7 and 8). As the correlations of acceptability, intention and behaviour between the two samples (for details, see the section 8.4.1 and the table 8-4) were over 0.9 ($p < .05$), it was argued that two different groups of respondents evaluated ethical issues in a similar manner. However, further investigation may be desirable before any generalisation of the current findings is made.

The subsequent three chapters (Chapters 6 – 8) presented the empirical studies. Chapter 6 presented Study 1, detailing the qualitative study that focused on exploring what might adequately explain the causes of EQB. This study identified a set of

explanatory factors and considered possible antecedents of EQB, which were examined in relation to the initial theoretical framework - the Theory of Planned Behaviour (TPB). Using TPB to interpret explanations of EQB meant that this study was able to identify factors that could explain EQB.

Chapter 7 presented Study 2, detailing a quantitative study focused on establishing the relevance of the proposed theoretical dimensions of EQB (i.e., antecedents, of EQB). The dimensions of EQB were extracted by exploratory factor analysis and proposed as the factors influencing the EQB decision-making. The impact of these factors on acceptance and reported behaviour was also examined to infer links between these factors and intention within the process. Subsequently, these factors were proposed as possible antecedents of intention for EQB and the framework for EQB was proposed based on these antecedents. Chapter 8 presented Study 3, detailing a further quantitative study testing the proposed framework. A summary of empirical findings is presented in detail in the following section.

9.3 Empirical Findings

9.3.1 Acceptance, Intention and Performance of UK Consumers

This research was conducted by sampling UK consumers. According to the literature review, in respect of assessing a more holistic account of behaviour, UK consumers had been only investigated for their ethical judgement towards different kinds of EQB in the study of Mitchell and Chan (2002). This current study sought to examine acceptability as ethical judgements towards EQB. It revealed that the respondents

had a range of views about the acceptability of different kinds of behaviour, and which were consistent with the findings of the studies presented in the literature review. While the respondents found illegal or significantly questionable behaviour unacceptable, the acceptance towards EQB appeared to increase when the behaviours involved no obvious harm to others or no initial intention to seek benefit. This pattern of acceptability reflected the assessments of performance and intention as shown in Chapter 8 (and with correlation of over 0.9, see section 8.4.1). Past performance, which was evidently acceptable to a significantly large proportion of respondents, was reported for a range of the behaviours (including *making a copy of software* and *returning goods because of not liking them after all*). The implication is that these behaviours may be widespread among UK consumers.

Mitchell and Chan (2002) examined ethical belief (i.e., ethical judgement) in terms of what was thought to be wrong (or not) across a series of EQB. These ethical judgements were examined in relation to past performance of relevant EQB. Similarly, the current study investigated acceptability in relation to past performance of EQB. However it also examined *intention* to perform EQB (and again the relation to past performance of EQB). While Mitchell and Chan found weak correlations between ethical judgement and past performance, the current study found strong correlations between acceptability, intention and past performance. Thus, and as discussed in section 8.4.1, the findings of Mitchell and Chan's study and the current study both imply that ethical belief may not fully explain subsequent behaviour. In respect of this, whilst ethical judgement (i.e., what is taken to be wrong or not) may continue to represent attitude for a particular ethical issue in a general (or abstract)

sense, it may not necessarily represent attitude for its performance, i.e., a generalised principle is not necessarily acted upon.

9.3.2 The Antecedents of Intention for EQB

The main focus of empirical investigation was to identify the factors that would influence consumer decision making with respect to EQB in order to develop a theoretical framework for EQB. From conducting three interrelated empirical studies the antecedents of intention for EQB were proposed, as discussed below.

In Study 1, the explanatory factors were identified by the textual analysis of the qualitative data generated from focus groups and open-ended questionnaires. The majority of these factors were thought to correspond with the dimensions of social behaviour, theorised by the theory of planned behaviour (TPB). These dimensions are Attitude, Social Influence and Perceived Behavioural Control. On the other hand, the explanatory factors in relation to unfairness did not immediately correspond with any dimension in TPB. These factors were considered to represent consumer perception of unfairness in relation to suppliers. Subsequently, the three dimensions derived from TPB (i.e., Attitude, Social Influence and Perceived Behavioural Control) and an additional dimension Perceived Unfairness was proposed as possible dimensions of EQB. Table 9-1 shows the proposed relations between the explanatory factors and the antecedents of EQB in relation to TPB. This proposition was based on the behavioural structure of EQB, explaining why consumers engage in EQB.

Table 9-1: The behavioural structure of ethically questionable behaviour in consumption (EQB), proposed by Study 1

Antecedents of EQB	Explanatory factor	Description of the explanatory factor
Attitude towards engaging in EQB	Risk taking	The feeling associated with risk and thrill to do something that seems to be wrong.
	Expediency	An attempt at taking advantage of something for one's own benefit.
	Consequence to an actor	Possible outcomes to an actor.
	Consequence to other consumers	Possible outcomes to other members of a society.
	Consequence to suppliers	Possible outcomes to suppliers (i.e., business).
Social influence to engage in EQB	Peer influence	Individual normative beliefs regarding the influence of peers.
	Societal influence	Individual normative beliefs regarding the influence of a society.
	Irrelevance of ethical dimensions	The perception that a specific behaviour is considered to be normal.
Perceived behavioural control to engage in EQB	Opportunity	An opportunity that infers benefit that is expected to gain and feasibility to practice a particular EQB.
	Avoidance of trouble	An attempt of not getting involved with a specific situation in order to avoid making an extra effort.
An additional dimension to TPB Perceived Unfairness	Pricing	Perceived unfairness in relation to pricing.
	Business performance	Perceived unfairness in relation to general other performance of firms.
	Retaliation	Retaliation to firms that are perceived as unfair.

Study 2 attempted to establish the factors that would explain the EQB decision-making based on the newly developed measure and the findings of Study 1. The proposed relations between the explanatory factors and the antecedents of EQB were partly observed. The findings of the study were as follows:

- The four antecedents emerged as Evaluation, Consequence, Social Influence and Perceived Unfairness.
- Evaluation and Consequence were thought to represent attitudes towards EQB. However, they appeared to be distinctive from each other according to the result of exploratory factor analysis.
- Social Influence and Perceived Unfairness emerged as proposed in Study 1.

- The impact of the emerged antecedents on acceptance and performance for EQB was observed. The observed links between these dimensions and acceptance and performance implied a possible link between the dimensions and intention.
- The impacts of the antecedents were found to vary depending on different kinds of EQB.
- Study 1 proposed that the explanatory factors, *avoidance of trouble* and *opportunity*, were assumed to represent perceived behavioural control influencing EQB. However, due to the result of the subsequent exploratory factor analysis, these factors were excluded from subsequent analysis of the impact of perceived behavioural control on acceptance and past performance for EQB. Thus, possible impact of the dimension of Perceived Behavioural Control on acceptance and performance for EQB could not be observed.
- The explanatory factor *Opportunity* was assumed to represent Perceived Behavioural Control, and its possible impact on acceptance and performance were observed. Hence, although the result regarding Perceived Behavioural Control could not be observed, the dimension of Perceived Behavioural Control was retained within the framework for EQB.

Based on the above findings, the factors Attitude (i.e., Evaluation and Consequence), Social Influence, Perceived Behavioural Control and Perceived Unfairness were proposed as possible antecedents of intention for EQB. As established in the methodological discussion concerning validation (see section 5.3.4.2), the attempt to establish antecedents of EQB in Study 2 was also meant to take a first step in approaching construct validity of the newly developed measurement for EQB (as initiated from TPB and Study 1). Indeed this is the recommended procedure of

assessing content adequacy of the proposed relationship between the explanatory factors and antecedents of EQB (Schriesheim et al., 1993), and also checking external validity of the qualitative findings in Study 1. In consideration of external validity, the results of explanatory factor analysis showed that the antecedents of EQB appeared to be consistent with the theoretical proposition in Study 1, and in consideration of content adequacy, there was consistency with the dimensions that were purported to be measured in Study 2. However, following from the results of internal reliability, t-test and theoretical consideration, some of the items measuring the antecedents of EQB were disregarded because of low communality and cross loading. To test the proposed framework for EQB, and further develop the measurement, modifications for Study 3 were suggested based on the problems of Study 2. The major modifications considered were as follows:

- The internal reliability of evaluation was low ($\alpha = .4463$). Thus, using the existing scales of behavioural beliefs (i.e., the determinant of attitude) of TPB was thought appropriate and combined with the current newly developed measure to improve the measurement of Attitude towards EQB.
- An application of the existing measure of perceived behavioural control of TPB was thought appropriate and combined with the current newly developed measure (i.e., *opportunity*) to consider possible influence of perceived behavioural control on intention for EQB.

Table 9-2 summarises the findings of Study 2 and presents the modifications suggested for Study 3.

Table 9-2: The framework for EQB proposed by Study 2

Components extracted Variance explained Cronbach Alpha (α)	Explanatory factors loaded	Modifications for Study 3
Evaluation 9.2% $\alpha = .4463$	Risk-taking Expediency Consequence to an actor	The existing scales of TPB were used to modify and improve the measurement of attitude.
Consequence 13.8% $\alpha = .7615$	Outcome to other consumers Outcome to other suppliers	No modification.
Social Influence 19.5% $\alpha = .8066$	Peer influence Societal influence Irrelevance of ethical dimensions	Peer and societal influences were renamed as peer and societal influence to distinguish them from Irrelevance of ethical dimensions. The idea of Irrelevance of ethical dimensions was extended as peer and societal supports.
Perceived Unfairness 29.5% $\alpha = .8210$	Retaliation Pricing Business performance	No modification.
Factors not loaded	Avoidance of trouble Opportunity	The idea of avoidance of trouble was replaced with a TPB item (easy/difficult). Opportunity was used as it was in Study 3. Other items of perceived behavioural control was also added to examine if its dimension were relevant to EQB.

With the modifications suggested in Study 2, Study 3 tested the proposed framework for EQB. The findings of the study are as follows:

- The proposed framework for EQB was partly supported. The four antecedents emerged; namely Evaluation, Consequence, Social Participation (derived from Social Influence) and Perceived Unfairness.

- The dimensions, Consequence, Social Participation and Perceived Unfairness emerged almost as proposed, except that the content of Social Influence was slightly different due to its measure having been modified, and renamed as Social Participation. However, the content of Evaluation changed dramatically¹.
- The significant impact of the dimensions on intention was observed. These dimensions were then considered to be the antecedents of intention for EQB.
- The distinctive functions of the antecedents on intention were observed, depending on the nature of ethical issues.
- Demographic information did not influence intention of EQB significantly.

As summarised above, the emergent structure of EQB was different from the hypothesised structure. Concerning the validity of the measurement for EQB used in Study 3, one might argue that this newly developed measurement does not fully account for what it is intended to measure. However, it should be emphasised that the nature of the current research is exploratory, examining insights of EQB decision-making (i.e., studying possible theoretical dimensions that would explain the causes of EQB). In this respect, it was believed that the emergent structure of EQB might suggest useful means of engaging in the analysis of EQB. The following discussion defends the value of the emergent structure, and suggests it might more adequately explain the EQB decision-making process. The framework of EQB established here is presented with the view to further research, as such it is encouraged that the validity and reliability of the newly developed measurement

¹ The factors loaded as Evaluation in Study 2 are Risk-taking, Expediency and Consequence of an actor. The factors loaded as Evaluation in Study 3 are Evaluation good/bad, Peer support, Social support, Opportunity, Easy/difficult, Control 1, Control 2. The changes of the contexts of the factors can be compared at Tables 9-2 and 9-3.

should be addressed along with consideration of external validity. Table 9-3 summarises the findings of Study 3.

Table 9-3: The final proposed framework for EQB

Dimensions extracted Variance explained Cronbach Alpha (α)	Explanatory factors loaded	Implications for further investigation
Evaluation 43.6% $\alpha = .8784$	Evaluation good/bad* Peer support Societal support Opportunity Easy/difficult** Control 1** Control 2**	Identification of the factors that determine general evaluations of ethical issues is important. Relevance with social desirable responding.
Consequence 7.2% $\alpha = .5289$	Outcome to other consumers Outcome to other suppliers	The relatively low reliability of the scale in the study might have been caused by a 2-item scale.
Social Participation 8.1% $\alpha = .8603$	Peer Participation Societal Participation	Similar conception with motivation to comply, the determinant of subjective norm and also the differential association theory.
Perceived Unfairness 11.3% $\alpha = .8286$	Retaliation Pricing Business performance	This dimension was consistent throughout the investigation. Further expansion of understanding may lie on applications of justice theories, neutralisation of techniques.
Factors not loaded	Evaluation low risk/high risk* Evaluation foolish/wise* Consequence to an actor Control 3**	Is individual benefit irrelevant in the context of ethical decision-making?

Note: *adopted and modified from Ajzen and Fishbein (1980); ** adopted from Chang (1998).

9.3.3 Assessing the Proposed Framework for Ethically Questionable Behaviour in Consumption in Relation to the Theory of Planned Behaviour

According to Ajzen's recent review (2001) on applications of the Theory of Planned Behaviour (TPB, Ajzen, 1985; 1991), TPB is a content-free model and possesses a strong predictive power, while the predictive power of other models designed for specific issues often failed to exceed that of TPB. The following assesses the quality of the framework for ethically questionable behaviour in consumption (EQB) proposed through the current empirical investigation, in comparison to TPB.

Diagrams 9-1, 9-2 and 9-3 at the end of this section present the three frameworks for EQB which were proposed and modified based on the findings during the course of the current empirical investigation.

Following the recommended procedure for applying TPB, the first stage of the current empirical investigation (Study 1) identified and used a set of salient beliefs that might motivate performance of EQB (i.e., the explanatory factors; see Table 9-1 for the descriptions of each of the factors). The relationship between the explanatory factors was examined in relation to the dimensions of social behaviour theorised by TPB, namely attitude, social influence and perceived behavioural control (see Diagram 9-1). The relations between the explanatory factors and the proposed dimensions were examined quantitatively to establish antecedents of EQB (see Diagram 9-2). Subsequently, the antecedents of EQB were empirically tested and found to emerge differently from the behavioural dimensions proposed by TPB. The antecedents of EQB that emerged were Evaluation, Consequence, Social Participation and Perceived Unfairness (see Diagram 9-3).

In the subsequent quantitative studies (Studies 2 and 3), the relations between the variables and the underlying antecedents were examined by exploratory factor analysis. As shown in Tables 9-2 and 9-3, the variables that were proposed to represent the antecedents Consequence, Social Participation and Perceived Unfairness appeared to be consistent in both of the studies. The variables that were proposed to represent the antecedent Evaluation were, however, rather inconsistent. The major difference then between the antecedents and the original dimensions in

TPB was seen in regards to the varying factors that influence evaluation towards engaging in EQB.

Based on the exploratory factor analysis, the final study (Study 3) concluded that the antecedent Evaluation was represented by the behavioural belief of the 'goodness' or 'badness' of the behaviour, social support and perceived behavioural control. In TPB, these types of variable are proposed as measures of three distinctive dimensions of behaviour – attitude, social influence and perceived behavioural control. One might argue that the current research was not able to accurately measure different types of beliefs, influencing attitude, social influence and perceived behavioural control (i.e., behavioural beliefs, normative beliefs and control beliefs, respectively). That is because the measurement for EQB was newly developed during the current research and has not been separately tested for its reliability and validity. However, the value of the proposed dimension can be defended with the following points regarding, firstly the conceptual independence between the determinants of attitude, subjective norms and perceived behavioural control, and secondly the improvement in predicting intention with the model developed in the current research. Following this, the framework for understanding EQB is finalised as shown in Diagram 9-3, and on which it is possible further research can be based.

There are continuous arguments concerned with the conceptual interdependence (or ambiguity) between the determinants of attitude (i.e., behavioural beliefs), subjective norms (i.e., normative beliefs), and perceived behavioural control (i.e., control beliefs), (cf. Minard and Cohen, 1979; Trafimow and Duran, 1998). It has been

suggested that the interdependence might be caused when normative and control beliefs reflect an actor's favourable or unfavourable evaluations about performing a specific behaviour (i.e., attitude).

Minard and Cohen argue that normative beliefs could be considered as a part of behavioural beliefs, when there is not 'a very clear separation in the individual's mind between wanting to do something because "I want to do" and because other people think he should do, except in the case of true compliance' (1979, p.104). In the context of EQB this may be interpreted as that, attaining other people's support is something an individual wants to do. In this way, social support is a favourable evaluation concerning the performance of EQB.

To sustain this interpretation further, the result of exploratory factor analysis in Study 3 are worth noting. Under the heading of Social Influence are two factors, social support and social participation. The result indicates that social participation is structurally different from social support (see Table 8-5). Social participation is defined here as whether an individual does what he thinks other people do. Hence, the thesis argues that the respondents have distinguished "what they want to do" from the pressure of whether they should behave in the manner which other people do. In this respect, respondents' reports of social support might actually need to be considered in terms of their behavioural beliefs; that is representing their belief which influence an internal preference to perform a particular behaviour, rather than as in regard to a concern for others.

In terms of perceived behavioural control, Trafimow and Duran (1998, p.3) point out 'if the ease or difficulty of performing a behaviour is an advantage or a disadvantage, then perceived behavioural control is merely one of many determinants of attitude.' The qualitative study (Study 1) found that *avoidance of trouble* and *opportunity* were proposed as the factors that might influence perceived behavioural control. *Avoidance of trouble* reflects the ease of performing EQB while *opportunity* reflects a feasibility to perform EQB as well as inferred benefits. Based on the qualitative findings (Study 1), it is reasonable to believe that the respondents linked *opportunity* with inferred benefits as an advantage of performing EQB, while taking an easy course of action (i.e., avoidance of trouble) was thought to be beneficial. As the newly developed scales for avoidance of trouble and opportunity were not satisfactory in Study 2, the scales were combined with the established measure of perceived behavioural control in Study 3, and *avoidance of trouble* was replaced with the perceived behavioural control measure. As the measure of perceived behavioural control loaded with *opportunity* on Evaluation, then again, it is reasonable to believe that the respondents did not separate control beliefs from behavioural beliefs.

Based on the above point, the thesis concludes that the explanatory factors loaded as Evaluation were not distinctive in the respondents' minds, for the case of EQB decision-making. In other words, these factors together represent the beliefs determining favourable or unfavourable evaluation of performing EQB.

Furthermore, as discussed in the section 8.6, the framework of EQB (Diagram 9-3) appeared to be better in predicting intention for EQB than TPB. In Chapter 8, Study 3 found the antecedents of EQB differently from the hypothesised structure of EQB

(for the comparison between the emerged antecedents and the hypothesised structure, see Tables 9-2 and 9-3). When the hypothesised structure was initially imposed for regression analysis, the imposed model appeared to be less powerful than the framework of EQB as shown at Table 8-13. This is also considered as supportive evidence that the framework has captured important elements in explaining the EQB decision-making.

The above discussion emphasises the importance of the findings that underpin the current framework, describing the process of the antecedents influencing significantly the causes of EQB. In what follows, some consideration is made of two issues that may raise some immediate discussions (even counter-arguments) with respect to the current findings; and which it is suggested may be worthwhile to explore in future research. The two issues are (1) an alternative interpretation of the influencing factors (i.e., the antecedents); and (2) the influencing factors and relationships that were not extensively examined during the current empirical investigation.

(1) The first issue concerns fundamentally the degree to which EQB is 'planned' behaviour. In the current research the EQB decision-making process is examined based on the theory of planned behaviour (TPB, Ajzen, 1985; 1991) – that is on the assumption that EQB is predetermined (or planned). This assumption was considered to be appropriate in exploring the *causes* of EQB (i.e., the antecedents of behaviour). So having been derived from TPB, the antecedents of behaviour for the EQB decision-making process have been described across a range of contexts. For instance, it has been noted that some consumers may make an unauthorised software

copy or may exaggerate their insurance claim because these individuals perceived they have been unfairly charged for the products in the first place. Another example describes a case in which consumers may change a price-tag or give a misleading price to retailers because these individuals foresaw the benefits as the outcome of such behaviours.

Alternatively, one could argue that these so-called antecedents actually describe factors emerging *after* the occurrence of behaviour: being justification and rationalisation of post behavioural responses. Indeed, during the qualitative study, an example of justification after the occurrence of behaviour was detailed; in this case consumers are given extra change but fail to rectify the situation. Based on the current framework, such a case can be described as one in which the consumers may realise the mistake at the point of being given the a change and yet decide to keep it, since it provides obvious benefit. Alternatively, it describes the case in which consumers were given extra change but did not realise it until long gone from the shop. In this latter version of events, the consumer does not bother to go back to the shop in order to return the extra change. The possible justification in this process might occur *after* the event. Indeed, all accounts of justification, whether regarding Evaluation (e.g., the perception of 'it is not my fault as the shop assistant made a mistake' or 'Since I did not have control, my friends (or even other customers) wouldn't disagree with me that it is not such a bad thing to do!'), Consequence (e.g., where the consumers may perceive that the retailer's loss of giving away extra change would not be significant), Social Participation (the perception of 'everyone is doing it') or Perceived Unfairness (e.g., the perception of 'the shop assistant treated me badly!') can each be read as justifications after the event.

While the current empirical investigation provides evidence that the factors identified indeed influence intention of behaviour and should be considered to be the antecedents of behaviour (i.e., motivation), the proceeding discussion also notes possible functions of these antecedents in a later different stage of the EQB decision-making process (i.e., influence to post behavioural responses) and should be addressed in future research.

(2) The second issue is in regard to discussion on the factors and relationships which were not observed during the current empirical investigation. This can be considered in two parts: The first aspect of this issue concerns the influence of past experiences of EQB upon beliefs influencing decision-making of EQB. The second aspect concerns the factors that are unidentified in the current proposed framework. The current empirical investigation focused on examining the relationship between the antecedents and intention, thus, there are no empirical findings available that could be incorporated as feedback into the current model. However, as the cognitive and social psychology literatures suggest, if a number of beliefs eventually influencing the cause of behaviour are developed through life experience, it is reasonable to believe that any previous engagement in EQB could play a part in the process of subsequent decision-making when in similar situations.

With respect to the above, and as discussed in Chapter 3, some consumer ethics researchers have pointed out the function of behaviour (based on previous experiences) in the subsequent decision-making process. So for example, in finding a difference of ethical judgement between gender for the same EQB, Muncy and

Vitell (1992) suggested that the experience of male and female respondents might be different, with the implication that different experiences of ethically questionable situations might influence consumer ethical judgements. Fullerton et al. (1996) also argue, more generally, that differences experienced in ethically questionable situations might lead to variations in the context of correspondents' judgements. Grove et al., (1989, p.132) also explained that individuals (i.e., consumers) do not necessarily seek to decline conventional values in a society but learn to render those values ineffective under special circumstances. The overall implication is that consumers with more experience of ethically questionable situations (and previous engagement in EQB) may be inclined to defend their specific position arguing that such behaviour is more acceptable and so its conduct is justifiable. Hence, a feedback loop (indicated by a dotted line) is added Diagram 9-3 to incorporate such an effect. Further empirical investigation to account for such 'feedback' might be found to be difficult to collect since the topic is of a very sensitive nature, however it is noted here as one of the challenges, and indeed opportunities, for future research.

The second aspect for consideration with regard to factors not observed in the current research concerns possible influencing factors that though not examined in any great detail during the current investigation, are considered of potential importance for further research. For example, recall the Structural Model of Aberrant Behaviour (Fullerton and Punj, 1993) noted in Chapter 4. This model aims to place a boundary between aberrant behaviour and acceptable behaviour in consumption and so to consider various factors leading to these different kinds of behaviour. Fullerton and Punj (1993) suggest a number of possible influencing factors, (listed in Table 9-4

below) which are largely categorised into two groups: consumer traits and predisposition, and characteristics of exchange setting and marketing institutions.

Table 9-4: The factors possibly influencing aberrant consumer behaviour (Fullerton and Punji, 1993)

<p>Consumer traits and predisposition</p> <ul style="list-style-type: none"> - Demographic Characteristics including age, sex, economic status and education/occupation. - Psychological Characteristics including personality traits, level of moral development, unfulfilled aspirations, propensity for thrill-seeking, and attitude towards big business - Social/group Influence (i.e., differential association) - Consumer's Frame of Mind (i.e., mood state or high level of anxiety)
<p>Characteristics of the exchange setting and marketing institutions</p> <ul style="list-style-type: none"> - Type(s) of products/services offered - Physical environment - Type and level of deterrence/security - Attitudes and conduct of marketing employees - Public's image of marketing institution - Antecedent state (i.e., the conditions in the exchange environment that vary across time)

As it can be seen, some of the above factors (printed in bold-type) have been either discussed and/or examined within the current thesis. The potential role played by the other remaining factors, it is considered, may warrant exploration in future research. Among these, personality traits such as the ‘need for approval’ and ‘need for affiliation’ may be suggested to be most important and have indeed emphasised here since they are conceptually overlapped with socially desirability responding style. During the current empirical investigation, the findings provided some evidence regarding the influence of social desirability responding style on intention of EQB. This personal tendency, whereby one tends to present himself/herself in a socially desirable manner and so to behave in the similar and (self-)regulated manner, may be of significant interest and importance to extend the investigation by exploring how consumers present themselves (i.e., self-image and identity) in ethical situations.

Implications and research opportunities concerned with this aspect are discussed in depth in subsequent sections (see sections 9.3.4 and 9.6).

In above sections then the findings of the current research have been summarised and also noted have been some issues (or counter-arguments), that are worth considering in respect of future research. The following diagrams present the process of the development of the theoretical framework for EQB, which were identified and modified throughout the current empirical investigation; and concluding with Diagram 9-3 which incorporates a feedback loop as noted above.

Diagram 9-1: The Relationship between the Explanatory Factors and the Antecedents of Ethically Questionable Behaviour in Consumption, proposed in Study 1

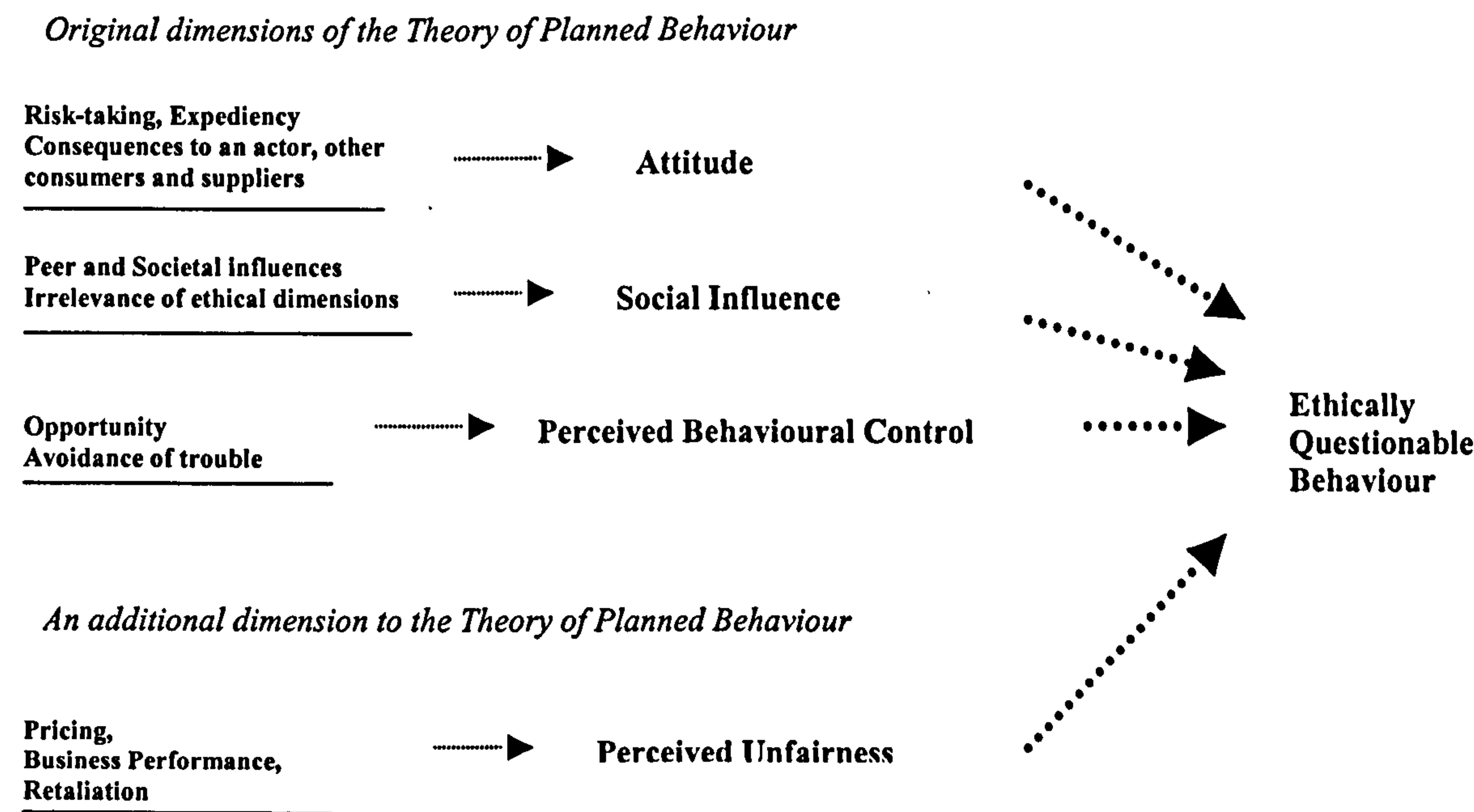


Diagram 9-2: The Framework of Ethically Questionable Behaviour in Consumption, proposed in Study 2

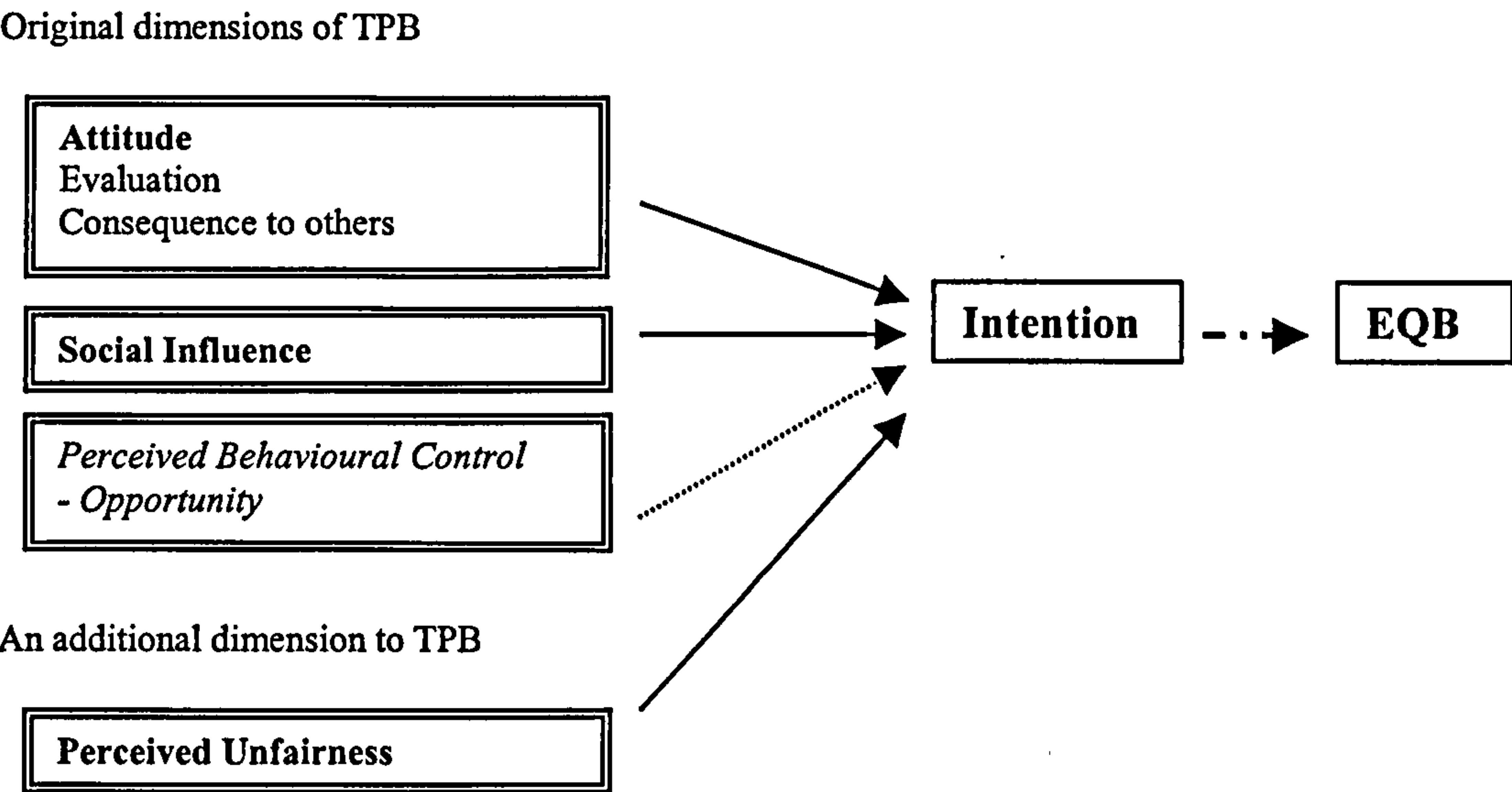
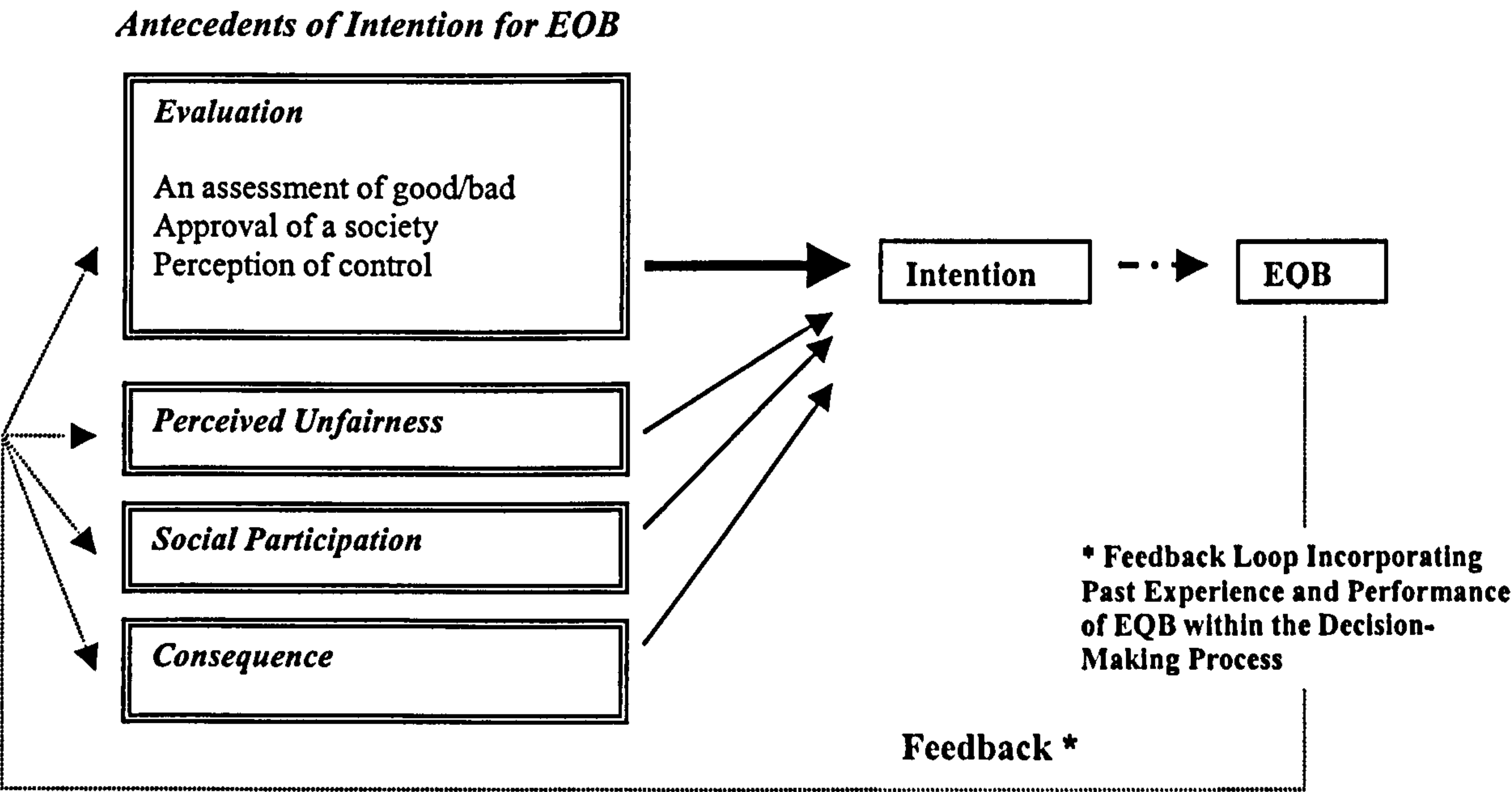


Diagram 9-3: The Framework of Ethically Questionable Behaviour in Consumption, proposed in Study 3



9.3.4 Implications

Based on the empirical findings, the implications of this research are considered in the following points:

1. Consumer acceptance, intention and performance of EQB are expected to differ according to the situation. While consumers present ethical concerns towards various issues, more than a few consumers are willing to engage in some forms of EQB. Clearly, consumers are not simply accepting EQB as “unethical” and their behaviours are not even restricted to isolated benefits provided by the illegitimacy of some EQB. For instance, to recall one of the respondents’ comments, ‘[the] pirating business sometimes brings benefits to consumers. It [pirating business] encourages price competition and avoids monopoly of a big company.’ Some consumers then are welcoming “ethically questionable” business and are participants in “ethically questionable” transactions. Carrigan and Attalla (2001) also record changeable and fluid consumer ethics within their study on consumer attitudes towards ethical marketing. Despite Nike’s “ethically questionable” engagement with child labour in developing countries, their respondents appeared to continue buying its products. In the study by Carrigan and Attalla, one of their respondents said: ‘it is exploitation, but without companies such as Nike, they wouldn’t have a job at all’ (Carrigan and Attalla, 2001, p.568). Consumers are proposing - in some cases proactively - different standards of ethics and social responsibility. Ethics of consumers can be dramatically changed, depending on the perspectives of individual consumers.

2. EQB decision-making is clearly complex, and the strength and significance of antecedents of EQB will vary across contexts. If businesses face such consumer behaviours and consider them as undesirable, it is firstly important to understand its complexity according to individual ethical issues. The following domains can be suggested to explore the potentials of the so-considered undesirable consumer practices to businesses:

- **Industry [issue]:** some industries can be more trouble prone than others. As found in the current research, software piracy and insurance fraud, for instance, appeared to be widely accepted and more than a few cases of such performance were reported. Businesses within certain sectors of the economy need to maintain awareness of how consumers perceive the image of the industry as a whole.
- **Company [organisation/institution]:** as indicated by consumer perception of unfairness concerning business practices, consumers take account of how businesses are performing in the marketplace. The qualitative findings imply that consumers would rarely assess the fairness of the company based on detailed information, but on the vague image of the company or business. Thus, as well as approaching the question of how fairly the company is actually performing, it may be equally important to understand how and to what extent consumer decision-making is influenced by such performances of the company.
- **Size of Companies [context of situations]:** consumers also take account of the size of the company involved in an ethically questionable situation. For instance, the respondents in the qualitative study commented, 'consumers are less concern about the loss of big firms than the loss of small newsagents [sic]', and offering reasons such as 'consumers may become acquaintances or friends with people at small shops.' This can be considered an important implication in particular for multinational companies which are often

perceived derogatively in terms of Big Business (i.e., as overbearing profit makers). Since their associated marketing activities and business practices have been criticised as 'unfair' and 'abusive' (cf. Cox et al., 1965 cited in Hunt and Chonko, 1984), multinational companies have been long attempting to improve their positive image and communicate their good-doings to consumers by getting involved with social concerns such as health projects, educational and recreational needs, and other such civic-based concerns. However, as the current findings indicate, these large companies are still perceived as faceless global enterprises for which many consumers have little sympathy. Furthermore, the companies' efforts to try and stop negative perceptions of business have been received cynically by consumers, and most notable with the rise in an anti-globalisation protest discourse (cf. Klein 2000).

- **Business-Customer Relationship [operation]:** Consumer interactions with businesses (and indeed their employees) are also a key element in determining how consumers respond with ethically questionable situations. As the literature of relationship marketing suggested (e.g., Morgan and Hunt, 1994; Gronroos, 1997), if businesses are concerned with establishing and developing successful exchanges with consumers, ethical dimensions in the relationship require their attention. This aspect was also suggested by Mitchell and Chan (2002), that investigated UK consumers' attitude and behaviours for EQB.

3. Consumers incline to attain social support for performing EQB. Consumers learn to participate in performing EQB from other consumers. In addition, if opportunities exist, consumers may not hesitate to engage in EQB. These observations imply that the environment surrounding consumers is a key element in encouraging consumers to engage in EQB. This implication also leads to addressing the importance of another area of consumer ethics research:

encouraging the development of a consumer ethics code as well as its implementations.

4. The respondents presented their concern for ethical issues and yet distinguished consequence and evaluation. This implies that consumers may adopt the teleological principle rather than the moral absolute principle in their decision-making. This implication is consistent with the general theory of marketing ethics (Hunt and Vitell, 1986).
5. Some of the antecedents of EQB proposed by the current research overlap with some elements found in other theories relating to ethical decision-making, these works are listed below. It needs to be pointed out however that these theories are considered only to be supplementary since they each deal only partially with aspects of ethical decision-making. However, these theories might be useful in expanding some aspects of the investigation of EQB decision-making. In one respect, the conjunction of these theories with the current research might help assess external validity of the current findings and construct validity of the newly developed measurement for EQB (cf. Hinkin et al., 1997).
 - *Sutherland's theory of differential association* (1970 cited in Zey-Ferrell et al., 1979, p.559) and *The Model of Unethical Behaviour* (Zey-Ferrell et al., 1979) – the former theory emphasises social influence on engaging in criminal behaviour, 'assuming that such behaviour is learned in interaction with other persons who are parts of intimate personal groups' (Zey-Ferrell et al., 1979, p.559). Based on the differential association theory, Zey-Ferrell and her colleagues attempted to expand the understanding of unethical behaviour in organisations and addressed an additional factor, opportunity

(Zey-Ferrell et al., 1979; Zey-Ferrell and Ferrell, 1982). These authors found that marketing managers' perception of what their peers do and the existing opportunity positively influence organisational unethical behaviour. Their findings appeared to correspond with the current research findings: that the EQB decision-making process appeared to be influenced by what other consumers do (i.e., Social Participation) and that the presence of opportunity to gain benefit through the performance of EQB is perceived as an advantage and positively influences evaluation towards performing EQB (i.e., opportunity as a part of Evaluation).

- *The Moral Approbation Model* (Jones and Ryan, 1997) – this is an extended model of the Jones' issue contingent model (1991) synthesising the existing ethical decision making models in business ethics. The synthesised model projects an ethical decision-making process consisting of recognition of a moral issue, making moral judgement, ethical intent and engaging in moral behaviour. Further this considers the specificity of ethical issues involved in ethical judgement and action in organisations. The moral approbation model attempts to capture the specificity of organisational characteristics by emphasising moral approbation – the influence of the referent groups. Moral approbation relates to the fact that individuals in organisations are concerned with what their referent groups think and their behaviours are affected by organisational and environmental factors. Taking an account of situation specific aspects such as *severity of consequence* as well as *social pressure*, the Moral Approbation Model shares important concepts of the factors influencing EQB, Consequence and Social Support (a part of Evaluation) with the proposed framework.

6. As discussed in Chapters 5 and 8, impression management (Paulhus, 1991) was discussed as one of two aspects of socially desirable responding and one causing social desirable response bias. In ethics research, this personal tendency is often recognised as social desirability bias, which is a possible threat hindering researchers from observing variable relationships. Its effect should be addressed

when an individual consciously seeks to present the most positive social image (i.e., over/under-report his responses). On the other hand, a decision to consider this personal tendency as a bias should be cautiously made based on the theoretical focus of the research, as impression management is conceptually attributed to a need for approval. However, it is reasonable to suspect that an individual tendency to obtain social approval may reflect performance of EQB and this is also a feature of the differential association theory and the moral approbation model. Further investigation needs to address whether it is evident that any of the aspects of EQB are relevant to the concept of impression management. If it is so, researchers should not control components of EQB for the bias, which is shared conceptually with related aspect of impression management. However researchers should cautiously determine how to deal with socially desirable responding in their empirical investigation. The relevance of the construct of impression management to EQB is unknown, and therefore it should be addressed urgently since this issue could involve significant change for the operationalisation of ethics research.

7. The current research is an exploratory study and therefore at the very beginning of a longer process of theoretical development. Thus, it is considered not necessarily appropriate to generalise the current findings in order to provide practical guidelines for business practitioners and policy makers who wish to reduce the negative effect of EQB. However, it might be a useful attempt to provide some practical implications to those who deal with the impact of EQB on a daily basis. Firstly, it should be reminded that evaluation towards ethical issues was considered to be a strong indicator of EQB conduct. In addition,

social participation – ‘everyone is doing it’ – was also observed as moderating ethical conflict among consumers. Based on these findings, it is encouraged that consumer ethics be incorporated within business ethics education. For example, to date, many business schools in the world provide business ethics courses, yet the danger of teaching *only* business ethics is, as previously discussed in Chapter 1, that too much emphasis on the ethicality of business can lead to the myth and precept of a reified consumer: the pervasive doctrine of the consumer is always right (i.e., ‘ethical’). Incorporating consumer ethics then within business ethics may help develop a more balanced view and an awareness of ethics in marketplace as being constituted and supported by consumers, business and other parties of a society and that thus a single individual act (from these different participants) could have an effect on either increasing or decreasing ethical standards in the marketplace².

Secondly, from a more strategic perspective, it can be suggested that companies may adopt a number of procedures depending on the contexts of ethical issues they may face. Outlined here are four such strategies or procedures:

² Pedagogical concerns could of course be widened to include a debate about schooling, and whether or not civic and social issues could, or should, be adopted to encourage engagement with social and ethical dilemma from a much younger age. Such a complex, and in some cases precarious, discussion is certainly beyond the scope of this current thesis.

(1) Where some industries such as insurance and software industries appear to be more prone to the effects of EQB, these companies may seek to co-operate to improve the image of the industry as a whole. This strategy is in part in action with regard to the music recording industry covering the distribution of video and cassettes, but this may now be a out-of-date campaign, especially in an environment of media synergy, offering an ever burgeoning array of available media, especially digital media. Additionally, companies may attempt to send out honest messages to note that prices may be forced to rise if a minority choose to abuse the process of acquiring software for example. Such a strategy, which seeks to encourage consumers to be responsible for their own practices, can only really work if the company themselves can demonstrate their own sense of responsibility. Thus, for example, it may be important to offer greater transparency to its customers, relating, in this case, the costs and incurring costs of developing and 'manufacturing' software.

(2) Retailers may seek to further emphasise (and in cases re-orientate) in-store staff training. Misleading information and lack of knowledge of in-store staff can cost customers time and effort, and certainly does not aid customer relations, which in turn does make for a particularly positive perception of the business overall. In some cases this might be perceived as unhelpful, even unfair treatment. Thus, the improvement of in-store staff quality may positively aid the building of good relations between staff and customers. Making for a more reliable partnership between consumer and producer/retailer would naturally help discourage customer behaviour that is deceptive and damaging.

(3) Hotels and restaurant may distinguish the amenities that can be retained by their customers from those which cannot.—A simple sign such as ‘please take if you like’ or ‘help yourself’ on the goods may be helpful in at least two ways: Not only do customers become aware of goods that are not deemed to be free, they are also offered possible souvenirs which may please them.

(4) In a more general context, companies may develop more direct lines of communication with consumers; for instance, providing the means, and using technologies (e.g., internet), to give customers more opportunity to give feedback. Alternatively, several companies may work together to develop an effective network with sales agents to ensure a sophisticated and dedicated feedback channel. In this way, companies may be able to moderate the impact of being ‘faceless giant’ enterprises.

9.4 Limitations

Firstly, the current findings may be biased towards the population of older people in view of the sample disadvantages displayed. There was also no means available to examine a non-sampling bias. Although the samples were carefully selected to obtain a wide range of consumers, further validation and development with groupings making up an accurate representation of the UK consumer population would be desirable.

Secondly, scenarios were used to question the level of engagement in EQB. As discussed in Chapter 8 (see the section 8.3.1), using scenarios has the limitation that response to these scenarios may not necessarily reflect the behaviour in real situations (Randall, 1989 cited in Randall and Gibson, 1991), because these scenarios describe only hypothetical situations. However, the use of scenarios was considered to be the most appropriate method of dealing with the sensitive topic of ethical issues, mainly because scenarios remain less threatening to respondents (Garriker and Kelley, 1999).

Thirdly, a limited number of scenarios were used. While the context specific scenarios made it possible to observe a very specific process of decision-making, the fact that the nature of EQB decision-making is very complex and situation-specific made it far too difficult to generalise the current findings. However, by analysing the antecedents of intention for EQB across 16 different scenarios in Study 2, and 5 scenarios in Study 3, the current research at least attempted to moderate the specificity of scenario contents.

Fourthly, the emphasis of the current research on establishing dimensions of EQB was obviously on identifying theoretical relevance of the antecedents of intention with EQB decision-making as an on-going concern throughout the investigation. Thus, the quality of the newly developed measurement used in the current research was limited by the very initial testing. Further improvement should pay attention to the aspect of measurement validation.

Overall, having stressed the complexity of the EQB decision-making process, it can be suggested that the application of quantitative methods - such as a questionnaire survey - might be considered to be unable to reveal and examine fully the importance of situational factors and opportunities (specific to context). The analysis and interpretation of the EQB decision-making in the current thesis has been supported by insights from the first stage of the empirical investigation - that is from the findings of qualitative study. To describe the decision-making process the research kept returning to the qualitative data as an aid to the interpretation of the quantitative data. Clearly a greater volume of qualitative data could have provided more detailed insights into individual motivations but only at the expense of the broader perspective offered by the quantitative data. For example, justification and rationalisation of post behavioural responses might have been more precisely described by such data. This is noted as a limitation, not to undermine what has been considered here, but rather more in support of the need to extend the use of qualitative study, which in turn would help further elucidate the EQB decision making process as a whole. At the most basic level, qualitative studies can capture data that is not necessarily intended to be examined from the outset. This can be particularly the case for subjective perspectives that may alter according to either demographic factors (gender, education etc.) or situational factors (regarding psychological or specific context factors).

The current research has focused on examining a specific instance in the process of decision-making, and its enactment. This focus has been specifically the relationships between antecedents and intention. Whilst it has been an overriding principle of this research that quantitative study is most appropriate and indeed

powerful in making sense of such a specific aspect of an otherwise extended chain of cause and effect, it has been a significant principle of research to pay attention to the findings of qualitative data. Indeed, the initiating qualitative study provided descriptive insights that show the EQB decision-making is largely affected by situations. It was thought to be important to examine the distinctive roles of situational factors; one method then for the current research was to employ multiple scenarios to analyse the different function of the antecedents across the scenario. Following this, the quantitative data was found to be extremely useful and helped delineate the significance of the antecedents of the EQB in terms of a more holistic view of EQB decision-making, as well as to make sense of the important and distinctive role played by situational factors. It is considered to be beneficial for further research to both extend the use of qualitative study, but equally to seek to understand further the relationship (and indeed combination) of quantitative and qualitative modes of enquiry and forms of data.

9.5 Contributions

The contributions of the thesis are made with the following three aspects of the EQB decision-making. The first aspect is identification of factors that would influence occurrence of EQB in addition to ethical belief. The second aspect is identification of perceived unfairness as an additional dimension to the established behavioural theory of planned behaviour (TPB, Ajzen, 1985; 1991) to add to our understanding of consumer behaviour in ethical context. The third aspect is a theoretical

proposition projected by the framework of EQB to explain the EQB decision-making in different contexts. These aspects are discussed in turn below.

The thesis argues that ethical judgement (i.e., belief relating to what is wrong or not wrong) alone would not explain the causes of EQB. Mitchell and Chan (2002) have investigated ethical judgement and past behaviour for 50 different kinds of EQB extended from the Muncy and Vitell typology (1992). The authors found only weak negative correlations between ethical judgement and past behaviour. The authors explain that the weak correlations were 'a result of the sample having different strengths of belief' (Mitchell and Chan, 2002, p.18). The focus of this thesis was to understand such "different strengths of belief" determining intention and behaviour in ethical contexts - how strengths of belief (ethical judgements) would differ across ethical situations and be influenced by other factors in the decision-making process. With the theoretical support from the Theory of Planned Behaviour (TPB, Ajzen, 1985; 1991), the thesis looked beyond an examination of ethical judgement alone, and sought to identify possible factors that might affect the occurrence of EQB. The four antecedents of EQB (Evaluation, Perceived Unfairness, Social Participant and Consequence) were proposed as factors influencing EQB, the positive influence of the antecedents of EQB on past performance was demonstrated (The sections 7.3.3 and 7.3.4.).

Another contribution of the thesis is an identification of Perceived Unfairness. This was found to be an antecedent of EQB, and also as an additional dimension to the Theory of Planned Behaviour (TPB, Ajzen, 1985; 1991) in order to explain EQB decision-making. While EQB decision-making has been investigated in several

theoretical frameworks (e.g., TPB and The Hunt-Vitell Model), none of those included the factor Perceived Unfairness. The significance of Perceived Unfairness was examined throughout the empirical investigation. The thesis started off exploring the EQB decision-making with the support of the established behaviour theory, TPB. While the theoretical initial foundation led by TPB provided the researcher with a reasonable foundation to explore motivations for EQB, the research focused attention on a possible role of Perceived Unfairness by a qualitative approach (Study 1 presented in Chapter 6). Then, subsequent quantitative studies found this dimension as a significant part of the structure of EQB, linked with acceptability and reported behaviour (Study 2), as well as observing the influence of the dimension on intention (Study 3). Its distinctive role in EQB decision-making appeared to be contingent upon a given ethical situation.

It is worth noting that in a recent article on consumer ethics in relation to EQB, Mitchell and Chan (2002) point out that no previous 'simultaneous' investigation examining the relationship between ethical beliefs, attitude and behaviour has been conducted, and recommend further identification of factors that capture future intention (p.23). The current research can be considered to be such a 'simultaneous' investigation: it combines an attempt to identify the factors influencing intention for EQB, along with an exploration of the decision-making process examining acceptability (as a substitute of ethical judgement), intention and past behaviour through the three interrelated empirical studies. In this way the current research contributes both a wider discussion of the theoretical concerns of consumer ethics research, along with a detailed examination of the specific influencing factors

brought together here as a proposed framework for understanding the EQB decision-making process.

The current research managed to exhibit a wide range of acceptability, intention and past performance for the different kinds of EQB by UK consumers. The three interrelated empirical studies have identified and established the antecedents of EQB (i.e., Evaluation, Perceived Unfairness, Social Participant, and Consequence), and observed the significant impact of these antecedents on intention for EQB. Subsequently, by concluding that these antecedents were considered to determine intention to engage in EQB, the framework for EQB was firmly developed. The strength of the framework of EQB is that it enables provision of a holistic picture of EQB decision-making (the average of Overall Model Fit, demonstrated in the section 8.4.3). At the same time, as demonstrated in the sections 7.3.4 and 8.4.4 (the structure analysis across the different kinds of scenarios), the framework enables examination of distinctive roles of the antecedents in a specific ethical situation. Indeed, though the proposed model took a different form from TPB, it did perform better in predicting intention of EQB (see Table 9-4). This implies that the model was well modified specifically in explaining the EQB decision-making.

9.6 Directions for Future Research

Opportunities for future research are seen in the following areas. Firstly, the factors that might influence Evaluation were unstable throughout the current research. The explanatory factors such as risk-taking and individual benefits were excluded from

the final framework for EQB because of the low communality. As discussed in the section 9.3.3, some of the explanatory factors were proposed to represent three distinctive dimensions in TPB, but however were later found to represent one dimension. More specifically, the variables which were considered to represent social influence and perceived behavioural control (i.e., normative and control beliefs), were found to be structurally similar with behavioural belief of good/bad (which is considered to influence attitude). Thus, more precise conceptual definitions are needed. Further research could begin to examine whether these explanatory factors are irrelevant and also whether normative and control beliefs are just some of many behavioural beliefs in ethical situations. To do so, the adoption of a further qualitative study may be useful to gain insights of the EQB decision-making and support subsequent analysis of the quantitative data, as it was shown to be beneficial for the current research. In this way, fellow researchers are encouraged to find other unidentified aspects of EQB decision-making.

Secondly, as well as the need to define the antecedents of EQB precisely, further attempts should be made on the development of the reliable measurement of the antecedents of EQB.

Thirdly, the current research is limited in generalising its findings because of the lack of sample representativeness and the complexity of the EQB decision-making. Thus, applications of the proposed model for EQB into different ethical situations and different populations would be most desirable.

Fourthly, the relevance of socially desirable responding (i.e., impression management) with the dimensions of EQB should be urgently addressed. Very few consumer ethics studies in fact include the measurement to examine this effect. If socially desirable responding is considered as social desirable bias, subsequent researchers should be encouraged to deal cautiously with the bias. If socially desirable responding is actually relevant to EQB decision-making, further understanding of this issue should contribute to the validation of the dimensions of EQB and the development of appropriate methodology for approaching the examination of EQB decision-making.

Further understanding of these matters, and EQB decision-making as a whole, will provide an added contribution to the academic understanding of consumer ethics and which in turn may provide practical guidance to firms considering how to minimise the effect of EQB and how best to manage their image and reputation.

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Appendix: The Questionnaires

The two questionnaires used in the current research are reproduced in the following pages. The first questionnaire was designed for STUDY 2 (as presented in Chapter 7). Out of 16, 6 different kinds of ethical statements based on the Muncy and Vitell typology (1992) were selected at random and given to each respondent. The second questionnaire was designed for STUDY 3 (as presented in Chapter 8). Out of 5, 3 different kinds of scenarios were selected at random and given to each respondent. In addition, the Balanced Inventory of Desirable Responding (Paulhus, 1991) was included in the second questionnaire.

The Questionnaire for Study 2

February 2000

Dear Sir or Madam:

Consumer Motivation Survey

I am a research student at the University of Nottingham Business School under the supervision of Professors Christine Ennew and Stephen Diacon. I am investigating motivations for consumer behaviour and am undertaking a survey to understand why consumers might engage in certain types of behaviour.

I would be most grateful if you could take a few moments to complete the enclosed questionnaire. I guarantee that any information provided will be analysed in strictest confidence, and will not be passed on to anyone else.

If you have any queries about this questionnaire, please do not hesitate to telephone Christine Ennew (0115-951-5259) or Stephen Diacon (0115-951-5267). Please return the completed questionnaire to me in the attached pre-paid envelope. You do not need to use a stamp. Your help with my survey will be very much appreciated.

Thank you for your co-operation in this matter.

Yours faithfully

Ms Kyoko Fukukawa



University of Nottingham Business School

Consumer Motivation Survey

Instructions

In the following pages you will find a list of six different types of deliberate behaviour and factors that might explain these behaviours. When considering the questions, please think about how an old school friend of the same sex as yourself might behave in such circumstances. For each type of behaviour, please indicate the extent to which the factors listed might explain that behaviour. Please answer all of the questions.

Questions A to J have a five-point scale, where 1 = Not at all, 2 = A little, 3 = Moderately, 4 = Quite a lot, and 5 = Very much. Questions K to M have a different five-point scale, where 1 = Seriously harmed, 2 = Harmed, 3 = Neither, 4 = Benefited, and 5 = Strongly benefited.

All answers will be treated in strictest confidence and the questionnaire will take approximately 10 minutes to complete.

Please return the completed questionnaire in the attached pre-paid envelope to

Ms Kyoko Fukukawa
The University of Nottingham Business School
Jubilee Campus
Wollaton Road
Nottingham NG8 1BB

1. An old school friend has *drunk a can of cola in a supermarket without paying for it*. Why do you think he/she might have done this? Please indicate, for all of the following factors, the extent to which you feel that the factor may explain this behaviour.

	Not at all	A little	Moderately	Quite a lot	Very much
A. The thrill associated with taking a risk.	1	2	3	4	5
B. The retailer deserves it.	1	2	3	4	5
C. It is to compensate for overcharging.	1	2	3	4	5
D. It is OK to benefit at the retailer's expense.	1	2	3	4	5
E. It's the easiest course of action.	1	2	3	4	5
F. It benefits the individual.	1	2	3	4	5
G. It is just normal behaviour	1	2	3	4	5
H. Copying his/her friends' behaviour	1	2	3	4	5
I. Copying other people's behaviour	1	2	3	4	5
J. It is too good an opportunity to miss.	1	2	3	4	5

	Seriously harmed	Harmed	Neither	Benefited	Strongly Benefited
K. How is your school friend affected by this behaviour?	1	2	3	4	5
L. How are other consumers affected by this behaviour?	1	2	3	4	5
M. How is the retailer affected by this behaviour?	1	2	3	4	5

N. Have you done something similar in the last year? Yes [] No []

O. What do you think about this behaviour? Usually unacceptable [] Usually acceptable []

2. An old school friend has *changed the price-tag to a lower price on an item in a retail store*. Why do you think he/she might have done this? Please indicate, for all of the following factors, the extent to which you feel that the factor may explain this behaviour.

	Not at all	A little	Moderately	Quite a lot	Very much
A. The thrill associated with taking a risk.	1	2	3	4	5
B. The retailer deserves it.	1	2	3	4	5
C. It is to compensate for overcharging.	1	2	3	4	5
D. It is OK to benefit at the retailer's expense.	1	2	3	4	5
E. It's the easiest course of action.	1	2	3	4	5
F. It benefits the individual.	1	2	3	4	5
G. It is just normal behaviour	1	2	3	4	5
H. Copying his/her friends' behaviour	1	2	3	4	5
I. Copying other people's behaviour	1	2	3	4	5
J. It is too good an opportunity to miss.	1	2	3	4	5

	Seriously harmed	Harmed	Neither	Benefited	Strongly Benefited
K. How is your school friend affected by this behaviour?	1	2	3	4	5
L. How are other consumers affected by this behaviour?	1	2	3	4	5
M. How is the retailer affected by this behaviour?	1	2	3	4	5

N. Have you done something similar in the last year? Yes [] No []

O. What do you think about this behaviour? Usually unacceptable [] Usually acceptable []

3. An old school friend has *given misleading price information to a cashier for an unpriced item*. Why do you think he/she might have done this? Please indicate, for all of the following factors, the extent to which you feel that the factor may explain this behaviour.

	Not at all	A little	Moderately	Quite a lot	Very much
A. The thrill associated with taking a risk.	1	2	3	4	5
B. The retailer deserves it.	1	2	3	4	5
C. It is to compensate for overcharging.	1	2	3	4	5
D. It is OK to benefit at the retailer's expense.	1	2	3	4	5
E. It's the easiest course of action.	1	2	3	4	5
F. It benefits the individual.	1	2	3	4	5
G. It is just normal behaviour	1	2	3	4	5
H. Copying his/her friends' behaviour	1	2	3	4	5
I. Copying other people's behaviour	1	2	3	4	5
J. It is too good an opportunity to miss.	1	2	3	4	5
	Seriously harmed	Harmed	Neither	Benefited	Strongly benefited
K. How is your school friend affected by this behaviour?	1	2	3	4	5
L. How are other consumers affected by this behaviour?	1	2	3	4	5
M. How is the retailer affected by this behaviour?	1	2	3	4	5
N. Have you done something similar in the last year?	Yes []			No []	
O. What do you think about this behaviour?	Usually unacceptable []			Usually acceptable []	

4. An old school friend has *reported an item to an insurance company as stolen when it has not been*. Why do you think he/she might have done this? Please indicate, for all of the following factors, the extent to which you feel that the factor may explain this behaviour.

	Not at all	A little	Moderately	Quite a lot	Very much
A. The thrill associated with taking a risk.	1	2	3	4	5
B. The insurer deserves it.	1	2	3	4	5
C. It is to compensate for overcharging.	1	2	3	4	5
D. It is OK to benefit at the insurer's expense.	1	2	3	4	5
E. It's the easiest course of action.	1	2	3	4	5
F. It benefits the individual.	1	2	3	4	5
G. It is just normal behaviour	1	2	3	4	5
H. Copying his/her friends' behaviour	1	2	3	4	5
I. Copying other people's behaviour	1	2	3	4	5
J. It is too good an opportunity to miss.	1	2	3	4	5
	Seriously harmed	Harmed	Neither	Benefited	Strongly benefited
K. How is your school friend affected by this behaviour?	1	2	3	4	5
L. How are other individuals affected by this behaviour?	1	2	3	4	5
M. How is the insurer affected by this behaviour?	1	2	3	4	5
N. Have you done something similar in the last year?	Yes []			No []	
O. What do you think about this behaviour?	Usually unacceptable []			Usually acceptable []	

5. An old school friend has *copied computer software or used unauthorised software*. Why do you think he/she might have done this? Please indicate, for all of the following factors, the extent to which you feel that the factor may explain this behaviour.

	Not at all	A little	Moderately	Quite a lot	Very much
A. The thrill associated with taking a risk.	1	2	3	4	5
B. The software company deserves it.	1	2	3	4	5
C. It is to compensate for overcharging.	1	2	3	4	5
D. It is OK to benefit at the software company's expense.	1	2	3	4	5
E. It's the easiest course of action.	1	2	3	4	5
F. It benefits the individual.	1	2	3	4	5
G. It is just normal behaviour	1	2	3	4	5
H. Copying his/her friends' behaviour	1	2	3	4	5
I. Copying other people's behaviour	1	2	3	4	5
J. It is too good an opportunity to miss.	1	2	3	4	5
	Seriously harmed	Harmed	Neither	Benefited	Strongly benefited
K. How is your school friend affected by this behaviour?	1	2	3	4	5
L. How are other consumers affected by this behaviour?	1	2	3	4	5
M. How is the software company affected by this behaviour?	1	2	3	4	5
N. Have you done something similar in the last year?	Yes []			No []	
O. What do you think about this behaviour?	Usually unacceptable []			Usually acceptable []	

6. An old school friend has *returned an item to a shop after finding out that the same item is now cheaper in a sale*. Why do you think he/she might have done this? Please indicate, for all of the following factors, the extent to which you feel that the factor may explain this behaviour.

	Not at all	A little	Moderately	Quite a lot	Very much
A. The thrill associated with taking a risk.	1	2	3	4	5
B. The retailer deserves it.	1	2	3	4	5
C. It is to compensate for overcharging.	1	2	3	4	5
D. It is OK to benefit at the retailer's expense.	1	2	3	4	5
E. It's the easiest course of action.	1	2	3	4	5
F. It benefits the individual.	1	2	3	4	5
G. It is just normal behaviour	1	2	3	4	5
H. Copying his/her friends' behaviour	1	2	3	4	5
I. Copying other people's behaviour	1	2	3	4	5
J. It is too good an opportunity to miss.	1	2	3	4	5
	Seriously Harmed	Harmed	Neither	Benefited	Strongly benefited
K. How is your school friend affected by this behaviour?	1	2	3	4	5
L. How are other consumers affected by this behaviour?	1	2	3	4	5
M. How is the retailer affected by this behaviour?	1	2	3	4	5
N. Have you done something similar in the last year?	Yes []			No []	
O. What do you think about this behaviour?	Usually unacceptable []			Usually acceptable []	

7. An old school friend has *failed to say anything to the shop assistant after getting too much change*. Why do you think he/she might have done this? Please indicate, for all of the following factors, the extent to which you feel that the factor may explain this behaviour.

	Not at all	A little	Moderately	Quite a lot	Very much
A. The thrill associated with taking a risk.	1	2	3	4	5
B. The retailer deserves it.	1	2	3	4	5
C. It is to compensate for overcharging.	1	2	3	4	5
D. It is OK to benefit at the retailer's expense.	1	2	3	4	5
E. It's the easiest course of action.	1	2	3	4	5
F. It benefits the individual.	1	2	3	4	5
G. It is just normal behaviour	1	2	3	4	5
H. Copying his/her friends' behaviour	1	2	3	4	5
I. Copying other people's behaviour	1	2	3	4	5
J. It is too good an opportunity to miss.	1	2	3	4	5

	Seriously harmed	Harmed	Neither	Benefited	Strongly benefited
K. How is your school friend affected by this behaviour?	1	2	3	4	5
L. How are other consumers affected by this behaviour?	1	2	3	4	5
M. How is the retailer affected by this behaviour?	1	2	3	4	5

N. Have you done something similar in the last year? Yes [] No []

O. What do you think about this behaviour? Usually unacceptable [] Usually acceptable []

8. An old school friend has *returned an item to a shop after trying it and not liking it*. Why do you think he/she might have done this? Please indicate, for all of the following factors, the extent to which you feel that the factor may explain this behaviour.

	Not at all	A little	Moderately	Quite a lot	Very much
A. The thrill associated with taking a risk.	1	2	3	4	5
B. The retailer deserves it.	1	2	3	4	5
C. It is to compensate for overcharging.	1	2	3	4	5
D. It is OK to benefit at the retailer's expense.	1	2	3	4	5
E. It's the easiest course of action.	1	2	3	4	5
F. It benefits the individual.	1	2	3	4	5
G. It is just normal behaviour	1	2	3	4	5
H. Copying his/her friends' behaviour	1	2	3	4	5
I. Copying other people's behaviour	1	2	3	4	5
J. It is too good an opportunity to miss.	1	2	3	4	5

	Seriously Harmed	Harmed	Neither	Benefited	Strongly benefited
K. How is your school friend affected by this behaviour?	1	2	3	4	5
L. How are other consumers affected by this behaviour?	1	2	3	4	5
M. How is the retailer affected by this behaviour?	1	2	3	4	5

N. Have you done something similar in the last year? Yes [] No []

O. What do you think about this behaviour? Usually unacceptable [] Usually acceptable []

9. An old school friend has *spent over an hour trying on different clothes at a shop but did not purchase anything*. Why do you think he/she might have done this? Please indicate, for all of the following factors, the extent to which you feel that the factor may explain this behaviour.

	Not at all	A little	Moderately	Quite a lot	Very much
A. The thrill associated with taking a risk.	1	2	3	4	5
B. The retailer deserves it.	1	2	3	4	5
C. It is to compensate for overcharging.	1	2	3	4	5
D. It is OK to benefit at the retailer's expense.	1	2	3	4	5
E. It's the easiest course of action.	1	2	3	4	5
F. It benefits the individual.	1	2	3	4	5
G. It is just normal behaviour	1	2	3	4	5
H. Copying his/her friends' behaviour	1	2	3	4	5
I. Copying other people's behaviour	1	2	3	4	5
J. It is too good an opportunity to miss.	1	2	3	4	5
	Seriously harmed	Harmed	Neither	Benefited	Strongly benefited
K. How is your school friend affected by this behaviour?	1	2	3	4	5
L. How are other consumers affected by this behaviour?	1	2	3	4	5
M. How is the retailer affected by this behaviour?	1	2	3	4	5
N. Have you done something similar in the last year?	Yes []			No []	
O. What do you think about this behaviour?	Usually unacceptable []			Usually acceptable []	

10. An old school friend has *recorded a tape or CD instead of buying a new copy*. Why do you think he/she might have done this? Please indicate, for all of the following factors, the extent to which you feel that the factor may explain this behaviour.

	Not at all	A little	Moderately	Quite a lot	Very much
A. The thrill associated with taking a risk.	1	2	3	4	5
B. The recording company deserves it.	1	2	3	4	5
C. It is to compensate for overcharging.	1	2	3	4	5
D. It is OK to benefit at the recording company's expense.	1	2	3	4	5
E. It's the easiest course of action.	1	2	3	4	5
F. It benefits the individual.	1	2	3	4	5
G. It is just normal behaviour	1	2	3	4	5
H. Copying his/her friends' behaviour	1	2	3	4	5
I. Copying other people's behaviour	1	2	3	4	5
J. It is too good an opportunity to miss.	1	2	3	4	5
	Seriously Harmed	Harmed	Neither	Benefited	Strongly benefited
K. How is your school friend affected by this behaviour?	1	2	3	4	5
L. How are other consumers affected by this behaviour?	1	2	3	4	5
M. How is the recording company affected by this behaviour?	1	2	3	4	5
N. Have you done something similar in the last year?	Yes []			No []	
O. What do you think about this behaviour?	Usually unacceptable []			Usually acceptable []	

11. An old school friend has *accidentally damaged a hire car and tried to hide the damage from the hire company*. Why do you think he/she might have done this? Please indicate, for all of the following factors, the extent to which you feel that the factor may explain this behaviour.

	Not at all	A little	Moderately	Quite a lot	Very much
A. The thrill associated with taking a risk.	1	2	3	4	5
B. The hire company deserves it.	1	2	3	4	5
C. It is to compensate for overcharging.	1	2	3	4	5
D. It is OK to benefit at the hire company's expense.	1	2	3	4	5
E. It's the easiest course of action.	1	2	3	4	5
F. It benefits the individual.	1	2	3	4	5
G. It is just normal behaviour	1	2	3	4	5
H. Copying his/her friends' behaviour	1	2	3	4	5
I. Copying other people's behaviour	1	2	3	4	5
J. It is too good an opportunity to miss.	1	2	3	4	5
	Seriously Harmed	Harmed	Neither	Benefited	Strongly benefited
K. How is your school friend affected by this behaviour?	1	2	3	4	5
L. How are other consumers affected by this behaviour?	1	2	3	4	5
M. How is the hire company affected by this behaviour?	1	2	3	4	5
N. Have you done something similar in the last year?	Yes []			No []	
O. What do you think about this behaviour?	Usually unacceptable []			Usually acceptable []	

12. An old school friend has *taken an ashtray or other "souvenirs" from a hotel*. Why do you think he/she might have done this? Please indicate, for all of the following factors, the extent to which you feel that the factor may explain this behaviour.

	Not at all	A little	Moderately	Quite a lot	Very much
A. The thrill associated with taking a risk.	1	2	3	4	5
B. The hotel deserves it.	1	2	3	4	5
C. It is to compensate for overcharging.	1	2	3	4	5
D. It is OK to benefit at the hotel's expense.	1	2	3	4	5
E. It's the easiest course of action.	1	2	3	4	5
F. It benefits the individual.	1	2	3	4	5
G. It is just normal behaviour	1	2	3	4	5
H. Copying his/her friends' behaviour	1	2	3	4	5
I. Copying other people's behaviour	1	2	3	4	5
J. It is too good an opportunity to miss.	1	2	3	4	5
	Seriously harmed	Harmed	Neither	Benefited	Strongly benefited
K. How is your school friend affected by this behaviour?	1	2	3	4	5
L. How are other consumers affected by this behaviour?	1	2	3	4	5
M. How is the hotel affected by this behaviour?	1	2	3	4	5
N. Have you done something similar in the last year?	Yes []			No []	
O. What do you think about this behaviour?	Usually unacceptable []			Usually acceptable []	

13. An old school friend has *eaten some grapes on sale in a supermarket without buying any*. Why do you think he/she might have done this? Please indicate, for all of the following factors, the extent to which you feel that the factor may motivate this behaviour.

	Not at all	A little	Moderately	Quite a lot	Very much
A. The thrill associated with taking a risk.	1	2	3	4	5
B. The retailer deserves it.	1	2	3	4	5
C. It is to compensate for overcharging.	1	2	3	4	5
D. It is OK to benefit at the retailer's expense.	1	2	3	4	5
E. It's the easiest course of action.	1	2	3	4	5
F. It benefits the individual.	1	2	3	4	5
G. It is just normal behaviour	1	2	3	4	5
H. Copying his/her friends' behaviour	1	2	3	4	5
I. Copying other people's behaviour	1	2	3	4	5
J. It is too good an opportunity to miss.	1	2	3	4	5
	Seriously Harmed	Harmed	Neither	Benefited	Strongly benefited
K. How is your school friend affected by this behaviour?	1	2	3	4	5
L. How are other consumers affected by this behaviour?	1	2	3	4	5
M. How is the retailer affected by this behaviour?	1	2	3	4	5
N. Have you done something similar in the last year?	Yes []			No []	
O. What do you think about this behaviour?	Usually unacceptable []			Usually acceptable []	

14. An old school friend has *deliberately exaggerated the value of a lost item when making an insurance claim*. Why do you think he/she might have done this? Please indicate, for all of the following factors, the extent to which you feel that the factor may explain this behaviour.

	Not at all	A little	Moderately	Quite a lot	Very much
A. The thrill associated with taking a risk.	1	2	3	4	5
B. The insurer deserves it.	1	2	3	4	5
C. It is to compensate for overcharging.	1	2	3	4	5
D. It is OK to benefit at the insurer's expense.	1	2	3	4	5
E. It's the easiest course of action.	1	2	3	4	5
F. It benefits the individual.	1	2	3	4	5
G. It is just normal behaviour	1	2	3	4	5
H. Copying his/her friends' behaviour	1	2	3	4	5
I. Copying other people's behaviour	1	2	3	4	5
J. It is too good an opportunity to miss.	1	2	3	4	5
	Seriously harmed	Harmed	Neither	Benefited	Strongly benefited
K. How is your school friend affected by this behaviour?	1	2	3	4	5
L. How are other consumers affected by this behaviour?	1	2	3	4	5
M. How is the insurer affected by this behaviour?	1	2	3	4	5
N. Have you done something similar in the last year?	Yes []			No []	
O. What do you think about this behaviour?	Usually unacceptable []			Usually acceptable []	

15. An old school friend has *returned a damaged item to the shop when the damage is his/her own fault*. Why do you think he/she might have done this? Please indicate, for all of the following factors, the extent to which you feel that the factor may explain this behaviour.

	Not at all	A little	Moderately	Quite a lot	Very much
A. The thrill associated with taking a risk.	1	2	3	4	5
B. The retailer deserves it.	1	2	3	4	5
C. It is to compensate for overcharging.	1	2	3	4	5
D. It is OK to benefit at the retailer's expense.	1	2	3	4	5
E. It's the easiest course of action.	1	2	3	4	5
F. It benefits the individual.	1	2	3	4	5
G. It is just normal behaviour	1	2	3	4	5
H. Copying his/her friends' behaviour	1	2	3	4	5
I. Copying other people's behaviour	1	2	3	4	5
J. It is too good an opportunity to miss.	1	2	3	4	5
	Seriously harmed	Harmed	Neither	Benefited	Strongly benefited
K. How is your school friend affected by this behaviour?	1	2	3	4	5
L. How are other consumers affected by this behaviour?	1	2	3	4	5
M. How is the retailer affected by this behaviour?	1	2	3	4	5
N. Have you done something similar in the last year?	Yes []		No []		
O. What do you think about this behaviour?	Usually unacceptable []		Usually acceptable []		

16. An old friend has *lied about a child's age on the train in order to get a lower priced ticket*. Why do you think he/she might have done this? Please indicate, for all of the following factors, the extent to which you feel that the factor may explain this behaviour.

	Not at all	A little	Moderately	Quite a lot	Very much
A. The thrill associated with taking a risk.	1	2	3	4	5
B. The rail company deserves it.	1	2	3	4	5
C. It is to compensate for overcharging.	1	2	3	4	5
D. It is OK to benefit at the rail company's expense.	1	2	3	4	5
E. It's the easiest course of action.	1	2	3	4	5
F. It benefits the individual.	1	2	3	4	5
G. It is just normal behaviour	1	2	3	4	5
H. Copying his/her friends' behaviour	1	2	3	4	5
I. Copying other people's behaviour	1	2	3	4	5
J. It is too good an opportunity to miss.	1	2	3	4	5
	Seriously harmed	Harmed	Neither	Benefited	Strongly benefited
K. How is your school friend affected by this behaviour?	1	2	3	4	5
L. How are other consumers affected by this behaviour?	1	2	3	4	5
M. How is the rail company affected by this behaviour?	1	2	3	4	5
N. Have you done something similar in the last year?	Yes []		No []		
O. What do you think about this behaviour?	Usually unacceptable []		Usually acceptable []		

General information

Please answer all the following questions and tick where appropriate.

1. What is your gender?

Male []Female []
2. What is your age?

..... Years
3. What is your marital status?

Married and living with spouse []
Other []
4. Do you have any children?

Yes []No []
5. What is your nationality?

.....
6. What is the level of your *final* education? Please tick one.

O-level/GCSE/school leaving []
A-level/university entrance []
First degree (BA, BSc etc) []
Second degree (MA, PhD etc) []
Other []
7. How would you describe your occupation? Please tick one.

Self-employed []
Senior managerial / professional []
Middle managerial / professional []
Junior managerial / professional []
Skilled manual worker []
Semi / unskilled manual worker []
Retired []
Full-time student []
Housewife []
Unemployed []

Thank you for your co-operation

The Questionnaire for Study 3

Our reference

Your reference

Direct line/e-mail



June 2001

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Dear Sir or Madam:

Consumer Motivation Survey

I am a doctoral research student at Nottingham University Business School under the supervision of Professors Christine Ennew and Stephen Diacon. I am investigating consumer behaviour and am undertaking a survey to understand why consumers might engage in certain types of behaviour.

I would be most grateful if you could take a few moments to complete the enclosed questionnaire. I guarantee that any information provided will be analysed in strictest confidence, and will not be passed on to anyone else.

If you have any queries about this questionnaire, please do not hesitate to telephone Stephen Diacon (0115 951 5267). Please return the completed questionnaire to me in the attached pre-paid envelope. You do not need to use a stamp. Your help with my survey will be very much appreciated.

Thank you for your co-operation in this matter.

Yours faithfully

Kyoko Fukukawa





Nottingham University Business School

Consumer Motivation Survey

Instructions

In this questionnaire, the questions make use of a seven-point rating scale. You are asked to circle the number which best describes **your opinion**. For example:

If you think the weather in Nottingham is *extremely good*, then you would place your circle as follows:

	The weather in Nottingham is:							
good	①	2	3	4	5	6	7	bad
	extremely	quite	slightly	neither	slightly	quite	extremely	

If you think the weather in Nottingham is *quite bad*, then you would place your circle as follows:

	The weather in Nottingham is:							
good	1	2	3	4	5	⑥	7	bad
	extremely	quite	slightly	neither	slightly	quite	extremely	

The questionnaire will take approximately 15 minutes to complete and all answers will be treated in strictest confidence.

Please read each of the following scenarios and answer all of the questions.
Please return the completed questionnaire in the attached pre-paid envelope. You do not need to use a stamp.

Please read the following scenario carefully.

A customer notices that certain prices have been lowered in a retail store by crossing out the old price and writing the new price in red ink. The customer has a red pen, so simply crosses out the old price and makes reductions on a few of the products she/he wishes to buy. She/he then pays the lower price.

Please circle the number which best describes **your opinion** about this situation.

In this situation, I would do the same.

unlikely	1	2	3	4	5	6	7	likely
	extremely	quite	slightly	neither	slightly	quite	extremely	

If I did the same, other shoppers would be:

harmed	1	2	3	4	5	6	7	benefited
	extremely	quite	slightly	neither	slightly	quite	extremely	

If I did the same, the retailer would be:

harmed	1	2	3	4	5	6	7	benefited
	extremely	quite	slightly	neither	slightly	quite	extremely	

If I did the same, I would be:

harmed	1	2	3	4	5	6	7	benefited
	extremely	quite	slightly	neither	slightly	quite	extremely	

Doing this would be:

good	1	2	3	4	5	6	7	bad
	extremely	quite	slightly	neither	slightly	quite	extremely	

Doing this would be:

low risk	1	2	3	4	5	6	7	high risk
	extremely	quite	slightly	neither	slightly	quite	extremely	

Doing this would be:

foolish	1	2	3	4	5	6	7	wise
	extremely	quite	slightly	neither	slightly	quite	extremely	

If I did this, my friends would:

disapprove	1	2	3	4	5	6	7	approve
	strongly	quite	slightly	neither	slightly	quite	strongly	

If I did this, other shoppers would:

disapprove	1	2	3	4	5	6	7	approve
	strongly	quite	slightly	neither	slightly	quite	strongly	

Please circle the number which best describes **your opinion** about this situation.

	For me to do the same would be:							
difficult	1	2	3	4	5	6	7	easy
	extremely	quite	slightly	neither	slightly	quite	extremely	
I could imagine times when I might do the same even if I hadn't planned to.								
disagree	1	2	3	4	5	6	7	agree
	strongly	quite	slightly	neither	slightly	quite	strongly	
For me this situation would be too good an opportunity to miss.								
disagree	1	2	3	4	5	6	7	agree
	strongly	quite	slightly	neither	slightly	quite	strongly	
Even if I had a pressing need, I couldn't bring myself to do this.								
disagree	1	2	3	4	5	6	7	agree
	strongly	quite	slightly	neither	slightly	quite	strongly	
I have control over whether or not I would do the same.								
disagree	1	2	3	4	5	6	7	agree
	strongly	quite	slightly	neither	slightly	quite	strongly	
Such behaviour would compensate for the retailer's overcharging.								
disagree	1	2	3	4	5	6	7	agree
	strongly	quite	slightly	neither	slightly	quite	strongly	
The retailer would deserve such behaviour.								
disagree	1	2	3	4	5	6	7	agree
	strongly	quite	slightly	neither	slightly	quite	strongly	
It is OK for shoppers to benefit at the retailer's expense.								
disagree	1	2	3	4	5	6	7	agree
	strongly	quite	slightly	neither	slightly	quite	strongly	
If I was faced with this situation, I would do what I think my friends would do.								
disagree	1	2	3	4	5	6	7	agree
	strongly	quite	slightly	neither	slightly	quite	strongly	
If I was faced with this situation, I would do what I think other shoppers would do.								
disagree	1	2	3	4	5	6	7	agree
	strongly	quite	slightly	neither	slightly	quite	strongly	

Please read the following scenario carefully.

A person buys a new suit on Friday to wear for an important party on Saturday. At the party, the suit gets stained with traces of food and perspiration. On Monday, the person returns the suit to the retail store and demands a refund, claiming the suit was not suitable after all.

Please circle the number which best describes **your opinion** about this situation.

In this situation, I would do the same.

unlikely	1	2	3	4	5	6	7	likely
	extremely	quite	slightly	neither	slightly	quite	extremely	

If I did the same, other shoppers would be:

harmed	1	2	3	4	5	6	7	benefited
	extremely	quite	slightly	neither	slightly	quite	extremely	

If I did the same, the retailer would be:

harmed	1	2	3	4	5	6	7	benefited
	extremely	quite	slightly	neither	slightly	quite	extremely	

If I did the same, I would be:

harmed	1	2	3	4	5	6	7	benefited
	extremely	quite	slightly	neither	slightly	quite	extremely	

Doing this would be:

good	1	2	3	4	5	6	7	bad
	extremely	quite	slightly	neither	slightly	quite	extremely	

Doing this would be:

low risk	1	2	3	4	5	6	7	high risk
	extremely	quite	slightly	neither	slightly	quite	extremely	

Doing this would be:

foolish	1	2	3	4	5	6	7	wise
	extremely	quite	slightly	neither	slightly	quite	extremely	

If I did this, my friends would:

disapprove	1	2	3	4	5	6	7	approve
	strongly	quite	slightly	neither	slightly	quite	strongly	

If I did this, other shoppers would:

disapprove	1	2	3	4	5	6	7	approve
	strongly	quite	slightly	neither	slightly	quite	strongly	

Please circle the number which best describes **your opinion** about this situation.

	For me to do the same would be:							
difficult	1	2	3	4	5	6	7	easy
	extremely	quite	slightly	neither	slightly	quite	extremely	
I could imagine times when I might do the same even if I hadn't planned to.								
disagree	1	2	3	4	5	6	7	agree
	strongly	quite	slightly	neither	slightly	quite	strongly	
For me this situation would be too good an opportunity to miss.								
disagree	1	2	3	4	5	6	7	agree
	strongly	quite	slightly	neither	slightly	quite	strongly	
Even if I had a pressing need, I couldn't bring myself to do this.								
disagree	1	2	3	4	5	6	7	agree
	strongly	quite	slightly	neither	slightly	quite	strongly	
I have control over whether or not I would do the same.								
disagree	1	2	3	4	5	6	7	agree
	strongly	quite	slightly	neither	slightly	quite	strongly	
Such behaviour would compensate for the retailer's overcharging.								
disagree	1	2	3	4	5	6	7	agree
	strongly	quite	slightly	neither	slightly	quite	strongly	
The retailer would deserve such behaviour.								
disagree	1	2	3	4	5	6	7	agree
	strongly	quite	slightly	neither	slightly	quite	strongly	
It is OK for shoppers to benefit at the retailer's expense.								
disagree	1	2	3	4	5	6	7	agree
	strongly	quite	slightly	neither	slightly	quite	strongly	
If I was faced with this situation, I would do what I think my friends would do.								
disagree	1	2	3	4	5	6	7	agree
	strongly	quite	slightly	neither	slightly	quite	strongly	
If I was faced with this situation, I would do what I think other shoppers would do.								
disagree	1	2	3	4	5	6	7	agree
	strongly	quite	slightly	neither	slightly	quite	strongly	

Please read the following scenario carefully.

While on holiday, Sam accidentally dropped a camera worth £100 down a cliff. On return, Sam makes an insurance claim, but gives the value of the lost camera as £200.

Please circle the number which best describes **your opinion** about this situation.

In this situation, I would do the same.

unlikely	1	2	3	4	5	6	7	likely
	extremely	quite	slightly	neither	slightly	quite	extremely	

If I did the same, other policyholders would be:

harmed	1	2	3	4	5	6	7	benefited
	extremely	quite	slightly	neither	slightly	quite	extremely	

If I did the same, the insurer would be:

harmed	1	2	3	4	5	6	7	benefited
	extremely	quite	slightly	neither	slightly	quite	extremely	

If I did the same, I would be:

harmed	1	2	3	4	5	6	7	benefited
	extremely	quite	slightly	neither	slightly	quite	extremely	

Doing this would be:

good	1	2	3	4	5	6	7	bad
	extremely	quite	slightly	neither	slightly	quite	extremely	

Doing this would be:

low risk	1	2	3	4	5	6	7	high risk
	extremely	quite	slightly	neither	slightly	quite	extremely	

Doing this would be:

foolish	1	2	3	4	5	6	7	wise
	extremely	quite	slightly	neither	slightly	quite	extremely	

If I did this, my friends would:

disapprove	1	2	3	4	5	6	7	approve
	strongly	quite	slightly	neither	slightly	quite	strongly	

If I did this, other policyholders would:

disapprove	1	2	3	4	5	6	7	approve
	strongly	quite	slightly	neither	slightly	quite	strongly	

Please circle the number which best describes **your opinion** about this situation.

	For me to do the same would be:							
difficult	1 extremely	2 quite	3 slightly	4 neither	5 slightly	6 quite	7 extremely	easy
I could imagine times when I might do the same even if I hadn't planned to.								
disagree	1 strongly	2 quite	3 slightly	4 neither	5 slightly	6 quite	7 strongly	agree
For me this situation would be too good an opportunity to miss.								
disagree	1 strongly	2 quite	3 slightly	4 Neither	5 slightly	6 quite	7 strongly	agree
Even if I had a pressing need, I couldn't bring myself to do this.								
disagree	1 strongly	2 quite	3 slightly	4 neither	5 slightly	6 quite	7 strongly	agree
I have control over whether or not I would do the same.								
disagree	1 strongly	2 quite	3 slightly	4 neither	5 slightly	6 quite	7 strongly	agree
Such behaviour would compensate for the insurer's overcharging.								
disagree	1 strongly	2 quite	3 slightly	4 neither	5 slightly	6 quite	7 strongly	agree
The insurer would deserve such behaviour.								
disagree	1 strongly	2 quite	3 slightly	4 neither	5 slightly	6 quite	7 strongly	agree
It is OK for policyholders to benefit at the insurer's expense.								
disagree	1 strongly	2 quite	3 slightly	4 neither	5 slightly	6 quite	7 strongly	agree
If I was faced with this situation, I would do what I think my friends would do.								
disagree	1 strongly	2 quite	3 slightly	4 neither	5 slightly	6 quite	7 strongly	agree
If I was faced with this situation, I would do what I think other policyholders would do.								
disagree	1 strongly	2 quite	3 slightly	4 neither	5 slightly	6 quite	7 strongly	agree

Please read the following scenario carefully.

Chris buys a new computer but chooses not to purchase extra game software priced £50 from the computer shop. Chris then copies the game software from a friend.

Please circle the number which best describes **your opinion** about this situation.

In this situation, I would do the same.

unlikely	1	2	3	4	5	6	7	likely
	extremely	quite	slightly	neither	slightly	quite	extremely	

If I did the same, other users would be:

harmed	1	2	3	4	5	6	7	benefited
	extremely	quite	slightly	neither	slightly	quite	extremely	

If I did the same, the Software Company would be:

harmed	1	2	3	4	5	6	7	benefited
	extremely	quite	slightly	neither	slightly	quite	extremely	

If I did the same, I would be:

harmed	1	2	3	4	5	6	7	benefited
	extremely	quite	slightly	neither	slightly	quite	extremely	

Doing this would be:

good	1	2	3	4	5	6	7	bad
	extremely	quite	slightly	neither	slightly	quite	extremely	

Doing this would be:

low risk	1	2	3	4	5	6	7	high risk
	extremely	quite	slightly	neither	slightly	quite	extremely	

Doing this would be:

foolish	1	2	3	4	5	6	7	wise
	extremely	quite	slightly	neither	slightly	quite	extremely	

If I did this, my friends would:

disapprove	1	2	3	4	5	6	7	approve
	strongly	quite	slightly	neither	slightly	quite	strongly	

If I did this, other users would:

disapprove	1	2	3	4	5	6	7	approve
	strongly	quite	slightly	neither	slightly	quite	strongly	

Please circle the number which best describes **your opinion** about this situation.

For me to do the same would be:								
difficult	1	2	3	4	5	6	7	easy
	extremely	quite	slightly	neither	slightly	quite	extremely	

I could imagine times when I might do the same even if I hadn't planned to.								
disagree	1	2	3	4	5	6	7	agree
	strongly	quite	slightly	neither	slightly	quite	strongly	

For me this situation would be too good an opportunity to miss.								
disagree	1	2	3	4	5	6	7	agree
	strongly	quite	slightly	neither	slightly	quite	strongly	

Even if I had a pressing need, I couldn't bring myself to do this.								
disagree	1	2	3	4	5	6	7	agree
	strongly	quite	slightly	neither	slightly	quite	strongly	

I have control over whether or not I would do the same.								
disagree	1	2	3	4	5	6	7	agree
	strongly	quite	slightly	neither	slightly	quite	strongly	

Such behaviour would compensate for the Software Company's overcharging.								
disagree	1	2	3	4	5	6	7	agree
	strongly	quite	slightly	neither	slightly	quite	strongly	

The Software Company would deserve such behaviour.								
disagree	1	2	3	4	5	6	7	agree
	strongly	quite	slightly	neither	slightly	quite	strongly	

It is OK for users to benefit at the Software Company's expense.								
disagree	1	2	3	4	5	6	7	agree
	strongly	quite	slightly	neither	slightly	quite	strongly	

If I was faced with this situation, I would do what I think my friends would do.								
disagree	1	2	3	4	5	6	7	agree
	strongly	quite	slightly	neither	slightly	quite	strongly	

If I was faced with this situation, I would do what I think other users would do.								
disagree	1	2	3	4	5	6	7	agree
	strongly	quite	slightly	neither	slightly	quite	strongly	

Please read the following scenario carefully.

Sarah/Simon goes on a trip and stays in a hotel. She/he finds a quality towel in her/his room, and thinks it would make nice souvenir. When checking out, she/he takes the towel away with her/him.

Please circle the number which best describes **your opinion** this situation.

In this situation, I would do the same.

unlikely	1	2	3	4	5	6	7	likely
	extremely	quite	slightly	neither	slightly	quite	extremely	

If I did the same, other guests would be:

harmed	1	2	3	4	5	6	7	benefited
	extremely	quite	slightly	neither	slightly	quite	extremely	

If I did the same, the hotel would be:

harmed	1	2	3	4	5	6	7	benefited
	extremely	quite	slightly	neither	slightly	quite	extremely	

If I did the same, I would be:

harmed	1	2	3	4	5	6	7	benefited
	extremely	quite	slightly	neither	slightly	quite	extremely	

Doing this would be:

good	1	2	3	4	5	6	7	bad
	extremely	quite	slightly	neither	slightly	quite	extremely	

Doing this would be:

low risk	1	2	3	4	5	6	7	high risk
	extremely	quite	slightly	neither	slightly	quite	extremely	

Doing this would be:

foolish	1	2	3	4	5	6	7	wise
	extremely	quite	slightly	neither	slightly	quite	extremely	

If I did this, my friends would:

disapprove	1	2	3	4	5	6	7	approve
	strongly	quite	slightly	neither	slightly	quite	strongly	

If I did this, other guests would:

disapprove	1	2	3	4	5	6	7	approve
	strongly	quite	slightly	neither	slightly	quite	strongly	

Please circle the number which best describes **your opinion** about this situation.

For me to do the same would be:								
difficult	1	2	3	4	5	6	7	easy
	extremely	quite	slightly	neither	slightly	quite	extremely	

I could imagine times when I might do the same even if I hadn't planned to.								
disagree	1	2	3	4	5	6	7	agree
	strongly	quite	slightly	neither	slightly	quite	strongly	

For me this situation would be too good an opportunity to miss.								
disagree	1	2	3	4	5	6	7	agree
	strongly	quite	slightly	neither	slightly	quite	strongly	

Even if I had a pressing need, I couldn't bring myself to do this.								
disagree	1	2	3	4	5	6	7	agree
	strongly	quite	slightly	neither	slightly	quite	strongly	

I have control over whether or not I would do the same.								
disagree	1	2	3	4	5	6	7	agree
	strongly	quite	slightly	neither	slightly	quite	strongly	

Such behaviour would compensate for the hotel's overcharging.								
disagree	1	2	3	4	5	6	7	agree
	strongly	quite	slightly	neither	slightly	quite	strongly	

The hotel would deserve such behaviour.								
disagree	1	2	3	4	5	6	7	agree
	strongly	quite	slightly	neither	slightly	quite	strongly	

It is OK for guests to benefit at the hotel's expense.								
disagree	1	2	3	4	5	6	7	agree
	strongly	quite	slightly	neither	slightly	quite	strongly	

If I was faced with this situation, I would do what I think my friends would do.								
disagree	1	2	3	4	5	6	7	agree
	strongly	quite	slightly	neither	slightly	quite	strongly	

If I was faced with this situation, I would do what I think other guests would do.								
disagree	1	2	3	4	5	6	7	agree
	strongly	quite	slightly	neither	slightly	quite	strongly	

Using the scale below as a guide, please write a number beside each statement to indicate how much you agree with it.

1 — 2 — 3 — 4 — 5 — 6 — 7
not true somewhat very true
 true

Please answer all the following questions.

- [] I sometimes tell lies if I have to.*
- [] I never cover up my mistakes.
- [] There have been occasions when I have taken advantage of someone.*
- [] I never swear.
- [] I sometimes try to get even rather than forgive and forget.*
- [] I always obey laws, even if I'm unlikely to get caught.
- [] I have said something bad about a friend behind his or her back.*
- [] When I hear people talking privately, I avoid listening.
- [] I have received too much change from a salesperson without telling him or her.*
- [] I always declare everything at customs.
- [] When I was young I sometimes stole things.*
- [] I have never dropped litter on the street.
- [] I sometimes drive faster than the speed limit.*
- [] I never read sexy books or magazines.
- [] I have done things that I don't tell other people about.*
- [] I have taken things that don't belong to me.
- [] I have taken sick-leave from work or school even though I wasn't really sick.*
- [] I have never damaged a library book or store merchandise without reporting it.
- [] I have some pretty awful habits.*
- [] I don't gossip about other people's business.

[**NB:** the questionnaire sent out did not include asterisk marks (*) on the above questions, this has been included simply to help detail the BIDR calculation procedure, and denotes items keyed negatively, see p.256.]

General Information

Please answer all the following questions and tick where appropriate.

What is your gender?	Male	[]	Female	[]
What is your age? Years			
What is your marital status?	Married and living with spouse	[]		
	Other		[]	
Do you have any children?	Yes	[]	No	[]

What is the level of your <i>final</i> education?	Please tick <i>one</i> .
O-level/GCSE/school leaving	[]
A-level/university entrance	[]
First degree (BA, BSc etc)	[]
Second degree (MA, PhD etc)	[]
Other	[]

How would you describe your occupation?	Please tick <i>one</i> .
Self-employed	[]
Senior managerial / professional	[]
Middle managerial / professional	[]
Junior managerial / professional	[]
Skilled / unskilled manual worker	[]
Retired	[]
Full-time student	[]
Housewife	[]
Unemployed	[]

Thank you for your co-operation.

