

Looking at consumer behavior in a moral perspective

Johannes Brinkmann

Norwegian School of Management BI

Universität Dortmund

PO Box 4676 Sofienberg

N 0506 Oslo Norway

johannes.brinkmann@bi.no

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Johannes Brinkmann is professor at the Norwegian School of Management BI in Oslo, with research and teaching within business and marketing ethics as well as within intercultural communication. Several articles have appeared in the *Journal of Business Ethics*, *Teaching Business Ethics*, *Business Ethics A European Review*. Two books in business ethics (in Norwegian, 1993 and 2001).

Abstract

The paper suggests that consumers and their behaviors deserve (much) more attention in our field. After a few website references (about ethical shopping and ethical trade initiatives) and after a brief literature review of recent business ethics and consumer behavior literature conceptual frameworks are suggested. As an open end, the paper contains some empirical references, related to consumer honesty, tax loyalty and to motives for buying organic food, and suggests the development of a consumer morality measurement instrument.

1. Introduction

Business ethics as an academic field deals mainly with moral criticism (or self-criticism) of business behavior. Within a market economy, business behavior is not independent from consumer behavior and consumer acceptance. Quite often businesses get the consumers they deserve and vice versa. Rather than criticizing business alone (as politicians and consumer activists tend to do) or passing on the blame to the market and to the consumers (as businesses sometimes do) it seems more fruitful to consider child labour, environmental risks, consumer theft (and similar issues) as a *shared* responsibility of business and consumers. This paper has three points of departure and tries to reconcile them, a practical one, a theoretical one and an empirical one. Ethical trade and ethical shopping initiatives invite consumers to take moral responsibility or co-responsibility for consequences of buying behavior, i.e. how other people, animals and other natural environments directly or indirectly are affected. In the Internet age, such self-organisation has become much easier, technologically and economically. A quick guided website tour departing from but not ending in Norway can serve as an introduction to our theme. On behalf of such initiatives, our paper asks and tries to answer the following question: *Is there any relevant theory and/or are there any relevant empirical research findings which could help such initiatives to guide and improve their work*, i.e.

- increase the market share of "ethical" products;
- increase the consumers' awareness of their moral responsibility *as* consumers;
- exploit the potential political power, e.g. related to consumer boycotts;
- increase other market actors' willingness to listen to such potential consumer criticism and subsequent behavior and
- provide ideas and good reasons for marketing communication using moral appeals.

Independently of such a practical demand for relevant theory and research this paper claims that *the academic fields of business ethics and consumer behavior could profit from further development of their overlap*. Business ethics should be more concerned with consumers and their behaviors, and consumer behavior research should take a closer look at the moral aspects of such behavior. The more academic part of the paper starts with a brief literature review of relevant business ethics and consumer behavior literature.

In a next step, for sorting existing and missing pieces systematic conceptual frameworks are suggested of how moral consumer behavior has been studied and for how it could be studied, not least empirically.

2. Ethical shopping and ethical trade initiatives: a few selected website references

Due to the author's address it is natural to depart from two Norwegian websites, *Etisk forbruk* and *Initiativ for etisk handel* (to prevent ethnocentrism, two British sites are referred to as well: *Ethicalconsumer* and *Ethical trade initiative*). Within the limits of a non-electronic conference paper as a medium, a few "pasted" quotations, together with links to links to links for further surfing and reading, give a sufficient idea of how such types of organizations present themselves and suggests further action of their target groups.

A Norwegian ethical shopping initiative:

Etisk forbruk (<http://www.etiskforbruk.no/>)

Every day we choose between different products. Our purchase decisions do not only affect us ourselves. The way the products have been produced can make a big difference to other people, to nature, the environment and to animals. Ethical purchase behaviour is about taking responsibility for the influence which we control ourselves. On the following pages you find suggestions from Norwegian organisations for how you as a consumer can show that you care. Good luck! (author's working translation from Norwegian)¹

A British ethical shopping initiative:

Ethicalconsumer (<http://www.ethicalconsumer.org/>)

What is ethical purchasing?

Ethical purchasing put simply is buying things that are made ethically by companies that act ethically. Ethical can be a subjective term both for companies and consumers, but in its truest sense means without harm to or exploitation of humans, animals or the environment...

Understanding buying ethically

The ways in which you can act as an 'ethical consumer' can take on a number of often subtle forms.

¹ The original text: "Hver eneste dag velger vi mellom ulike produkter. Men hva vi kjøper har ikke bare betydning for oss selv. Måten produkter er laget på, kan gjøre en stor forskjell for andre mennesker, for natur, miljø og husdyr. Etisk forbruk handler om å ta ansvar for den påvirkningen vi selv står for. På disse sidene finner du tips fra norske organisasjoner om hvordan du som forbruker kan vise at du bryr deg. Lykke til!"

- Positive buying is favouring ethical products, be they fair trade, organic or cruelty free. This option is arguably the most important since it directly supports progressive companies.
- Negative purchasing means avoiding products you disapprove of such as battery eggs or polluting cars.
- Company-based purchasing involves targeting a business as a whole. For example, the Nestlé boycott targets all its brands and subsidiaries in a bid to force the company to change its marketing of baby milk formula in the Third World.
- The fully screened approach is a combination of all three and means looking at all the companies and products together and evaluating which brand is the most ethical...

10 shopping tips for the ethical shopper

1. Local shops
2. Health food shops
3. Fair trade
4. Products not tested on animals
5. Vegan and vegetarian products
6. Organic produce
7. Non-genetically altered food
8. Ethical money
9. Recycling & second hand
10. Wood Products and the FSC logo (for the complete version see the website quoted above).

A Norwegian ethical trade organization:

Initiativ for Etisk Handel (IEH, www.etiskhandel.no)

Declaration of intent by members of Initiativ for Etisk Handel (IEH)

(excerpt - for the complete document see the website)

I. GENERAL DECLARATION OF INTENT

1. Initiativ for Etisk Handel (The Ethical Trading Initiative - Norway, hereafter IEH) is a collaborative initiative involving *companies/employers' organisations, trade unions and NGOs*.
2. The IEH is based on the acknowledgement that *companies* are individually responsible towards human rights, including basic and accepted labour rights.
3. The *member companies* of the IEH will contribute to further socially responsible business through their choice of trade partners, and by using their influence as customers towards suppliers and producers.
4. *Members* of the IEH will also work actively towards trade partners with respect to constant improvement of the social aspects of goods production in low- and middle-income countries.
5. To enable social and economic development in low- and middle-income countries, it is important to import more, not less, from these countries.
6. Norwegian consumers have a growing interest in ethical aspects of goods production and services.
7. It is important to have arrangements for independent verification and which ensure that the production of goods be in line with the primary goals.
8. IEH shall work towards developing global minimum standards in line with the objectives in the "Bulletin".

9. IEH will facilitate the initiation of co-operation between companies, trade unions, NGOs and other relevant parties in the countries concerned, in order to promote responsible business practice.

II. AIMS FOR THE COLLABORATION

Members of the IEH will work to ensure that the suppliers of goods and services meet certain primary goals regarding the social aspects of production.

1. Primary goals for production conditions

- 1.1 Employment is freely chosen
- 1.2 The right to organise and to bargain collectively
- 1.3 Child labour
- 1.4 No discrimination
- 1.5 No harsh or inhumane treatment
- 1.6 Safe and hygienic working conditions
- 1.7 Living wage
- 1.8 Working hours
- 1.9 Regular employment
- 1.10 Property rights and traditional use of resources
- 1.11 Marginalized groups
- 1.12 Environment

2. Favouring of producers and producing countries

- 2.1 Favourable conditions for poor producers
- 2.2 Social responsibility, improvement and potential for improvement
- 2.3 Healthy economic and social development
- 2.4 Poor producing countries
- 2.5 Boycotts of individual countries

3. Continuous improvement of production conditions

- 3.1 Collective bargaining, wages and other working conditions
- 3.2 Regular, reliable and living wage
- 3.3 Health, environment and safety
- 3.4 Poorest producers of raw materials
- 3.5 Marginalized groups
- 3.6 Environment

A British ethical trade organization:

Ethical Trade Initiative (ETI, <http://www.ethicaltrade.org>)

What is ETI?

The Ethical Trading Initiative is an alliance of companies, non-governmental organisations and trade union organisations committed to working together to identify and promote good practice in the implementation of codes of labour practice.

ETI's members believe that this collaborative approach provides the opportunity for making significant progress in promoting the observance of internationally recognised labour standards, in particular fundamental human rights throughout global supply chains.

ETI's members want to ensure that the working conditions of employees in companies that supply goods to consumers in the UK meet or exceed international standards.

The special characteristics of ETI, and the reason it is well known internationally, are its tripartite structure and mode of operation, and its focus on learning rather than certification or labelling. This gives legitimacy to the lessons learned about the implementation and inspection of codes of labour practice.

ETI is NOT an accreditation agency nor does it perform external audits. It primarily exists to share experience and promote learning about implementing international labour standards in international supply chains.

THE ETI BASE CODE.

ETI member companies commit to adopting the standards that are contained in the [ETI Base Code](#). Member companies can adopt the Base Code in two ways: by adopting the ETI Base Code verbatim, or by incorporating the relevant standards into their own code.

The [ETI Base Code](#) is more comprehensive than many codes, and was agreed upon by the founding companies, trade unions and NGOs.

The [ETI Base Code](#) contains international standards derived from the relevant conventions of the International Labour Organisation. The ILO is part of the UN family and almost every country in the world is a member.

Most countries have ratified most of the ILO conventions and their labour laws reflect this. Companies applying the [ETI Base Code](#) are expected to comply with national and other applicable law. Where the provisions of the law and the Base Code address the same subject, the provision which affords the greatest protection to workers is applied.

The nine provisions of the [ETI Base Code](#) are:

1. Employment is freely chosen
2. Freedom of association and the right to collective bargaining is respected
3. Working conditions are safe and hygienic
4. Child labour shall not be used
5. Living wages are paid
6. Working hours are not excessive
7. No discrimination is practised
8. Regular employment is provided
9. No harsh or inhumane treatment is allowed

3. Consumer ethics: Different research traditions

Consumer ethics is represented, but underrepresented as a journal article and textbook topic, both within business and marketing ethics and within consumer research (see Bateman et al., 2002; Vitell et al., 2001, Holbrook, 1994 – all with further references). The subtopics overlap, but there is no common frame of reference. So far, consumer ethics or (im-) morally motivated consumer behavior must be read as a common denominator of several research traditions, such as research about ethically questionable consumer behavior (e.g. various kinds and degrees of consumer dishonesty), about consumer voting behavior (i.e. boycotting certain products and/or from certain producers, or deliberately buying from good corporate citizens) and, as a wide rest category, research about responsible consumer behavior (e.g. buying organic products for environmentalist reasons).

3.1 Ethically questionable consumer behavior

The more one equals ethics with moral criticism and moral self-criticism, the more natural it is to start with looking at *unethical* rather than ethical consumer behavior. In addition to potential theory-traditional reasons, there are good practical and economic reasons for explaining, influencing and prohibiting ethically questionable consumer behavior. A red thread in this consumer ethics research tradition has been its the development, validation and frequent replication of the "consumer ethics scale" (often referred to as CES, see Muncy and Vitell, 1992, and Vitell et al., 1991). This CES scale offers a list of more or less ethically questionable consumer activities for a vote. The activities can be grouped into four categories, ranging from clearly questionable to little controversial categories:

Actively benefiting from illegal activity

1. Changing price tags on merchandise in a retail store.
2. Drinking a can of soda in a supermarket without paying for it.
3. Reporting a lost item as "stolen" to an insurance company in order to collect the money.
4. Giving misleading price information to a clerk for an unpriced item.
5. Returning damaged merchandise when the damage is your own fault.

Passively benefiting at the expense of others

6. Getting too much change and not saying anything.
7. Lying about a child's age in order to get a lower price.
8. Not saying anything when the server miscalculates the bill in your favor.

Actively benefiting from questionable behavior

9. Breaking a bottle of salad dressing in a supermarket and doing nothing about it.
10. Stretching the truth on an income tax return.
11. Using an expired coupon for merchandise.
12. Using a coupon for merchandise that you did not buy.
13. Not telling the truth when negotiating the price of a new automobile.

No harm/no foul

14. Tasting grapes in a supermarket and not buying any.
15. Using computer software or games that you did not buy.
16. Recording an album instead of buying it.
17. Spending over an hour trying on different dresses and not purchasing any.
18. Taping a movie off the television.
19. Returning merchandise after trying it and not liking it.

The strongest argument for this stream of research is its self-reinforcing growth, with numerous cross-cultural replications and controls against other research tools (the most recent and complete listing of replications with a few comments added is probably found in Polonsky et al., 2001 – one of the replications; as another recent replication and literature review see Fukukawa, 2001). On the other hand, consumer ethics is obviously more than resisting such moral temptation.

3.2 Consumer behavior as voting behavior

A paper in progress which was presented a while ago started somewhat romantically: "The citizen is dead, long live the consumer. Be careful, multinationals and governments, if many enough ordinary people feel moral indignation, confess this indignation by a shift in buying behaviour, and if this is covered and reinforced by mass media. The formula moral indignation plus non-buying times incidents equal counterpower is not new..." (Brinkmann, 1996). The headline of this section indicates that ethical consumer behavior also can mean that consumers use their "purchase votes" in the marketplace to "elect" the

sort of society they wish to be part of (Dickinson and Hollander, 1991). The most important case of such ethical consumer behavior as voting behavior are boycotts, i.e. "attempts by one or more parties to achieve certain objectives by urging consumers to refrain from making selected purchases in the marketplace" (Friedman, 1985, p. 97), "organized exercising of consumer sovereignty by abstaining from purchase ... in order to exert influence" (Smith, 1990, p. 140; cf. also Klein et al. 2002). Apart from a routine reference to the classical Nestlé "infant formula" case,² consumer boycotts or boycott threats as a power demonstration are a seldom topic in the business ethics literature.³ N. C. Smith's own summary of his monography "Morality and the Market" (1990, with a 300 page-presentation of relevant theory and an evaluation of both effectiveness and success of 65 boycott initiatives, see pp. 298 ff.) provides still a good introduction to this field: "Consumer sovereignty can ensure social responsibility in business through ethical purchase behaviour. An argument has been advanced as to why and how this may occur... The argument rests on an understanding of how markets work, the problem of the social control of business, and the role and tactics of pressure groups... The study of ethical purchase behaviour reported here has produced a number of interesting conclusions, within which there are five key findings:⁴

- (1) The recognition of ethical purchase behaviour.
- (2) Consumer boycotts should be judged as symbolic acts as well as on their effectiveness; the former may be more important in their success.
- (3) Management response strategies to consumer boycotts are: ignore, fight, fudge/explain, comply; although a proactive strategy, in anticipation of increasing pressure group activity, has most to recommend it.

² See about the Nestlé case the references provided in Brinkmann, 1996, such as e.g. Reidenbach and Robin 1989, 133-136; Baker 1985; Beauchamp 1993, 150-160; Hoffman and Moore 1990, 541-574; Steinmann and Löhr in Seifert and Pfriem 1990, 89-95; Steinmann and Löhr 1991 (1989), 408-411; Dyllik 1989; Smith 1990, 247-250; S. P. Sethi and J.E. Post in Laczniak und Murphy 1985, 165 ff.; McCoy et al. 1995. Cf. also Nestlé's own brochure "WHO International Code..., Revised Instructions to Companies of the Nestlé Group...", October 1982

³ See Brinkmann, 1996, referring to T. Cannon (1994, 48 f.) who deals in his textbook with boycotts as a special case of "social challenge", which any company is facing in its stakeholder environment, in particular by actual or potential *pressure groups*. He then lists historically famous, successful boycotts (e.g., contributing to the independence of the US and India respectively). Similarly, P. Steidlmeier (1992, 322 f.) lists rather than discusses some examples of the 200 consumer boycott initiatives being initiated (or threatened with) in the US, in 1990 alone (and classifies them according to motives into civil rights, environment, animal protection etc.). See for more references political science (under grassroot movements or pressure groups), Marketing/Consumer behavior textbooks (rather under consumer movement or consumerism).

⁴ In addition to C. Smith's focus on ethics, morality, perceived responsibility as a purchase decision-making criterion and on how understanding managers could handle boycotts one could ask how buying *behavior as boycott behavior produces moral responsibility*, for unwilling consequences included.

- (4) There is a role for pressure groups in the marketing system in the social control of business.
- (5) The domain of consumer sovereignty is only limited by information and choice..." (Smith 1990, 278 f., 293 ff.)

In a more recent paper Klein et al. (2002) develop a model for conceptualizing and interpreting the findings of an empirical study, which aimed at explaining by four groups of *moderator variables* why awareness of "contentious acts" by companies (96% of the sample) and somewhat weaker "disapproval" or "perceived egregiousness" (81% of the sample) result in much lower boycott participation (16% of the sample, see figure #1).⁵

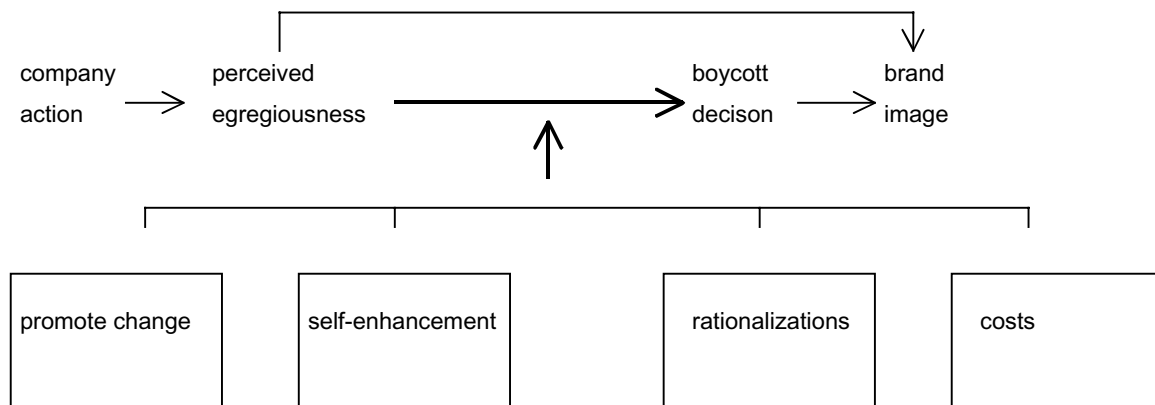


Figure #1, simplified (source Klein et al., 2002; compare *ibid.*, figure 3)

Voting does not necessarily mean voting *against* a given company or product. In particular three recent articles address how consumers respond to (and if they vote *for*) socially responsible companies, with rich literature reviews, conceptualization suggestions and own empirical studies as a reference.⁶ Sen and Bhattacharya's article "examines when, how and for whom specific CSR initiatives work" (2001, p. 225) and looks at "the consumers' personal support for the CSR issues and their general beliefs about CSR as key moderators of consumers' responses to CSR", as well as "the mediating

⁵ Cf. also the flowchart in Sen et al., 2001, p. 401)

role of consumers' perceptions of congruence between their own characters and that of the company in their reactions to its CSR initiatives... CSR initiatives can, under certain conditions, decrease the consumers' intentions to buy a company's products..." (ibid.). Maignan and Ferrell focus in their paper on "past findings and ... future research directions useful for understanding the potential value of corporate citizenship as a marketing tool... After examining the nature of corporate citizenship, the paper discusses its potential impact, first on consumers, then on employees..." (2001, p. 457). The more empirical approach to consumers' perceptions of CSR (which is more similar to the one described in the Sen and Bhattacharya paper referred to above) is published by Maignan alone, in the same year and in another journal (Maignan, 2001).

3.3 Socially responsible consumer behavior

This third and somewhat wider research stream would equate consumer ethics with consumer responsibility or consumer idealism, often as measured by psychological personality scales developed in the early Fifties to Mid-Sixties. Typical references are to two papers about "socially conscious consumers", by Anderson and Cunningham (JM 36, 1972) and by Webster (JCR 2, 1975), suggesting to use the Berkwitz-Daniels "social responsibility scale" for description of consumer segments (for a listing of the items, see e.g. Anderson and Cunningham, 1972, p. 25). An "idealism scale" measures similar consumer attitudes, but under a different label (cf. Christie and Geis, 1970):

Idealism scale

1. A person should make certain that their actions never intentionally harm another even to a small degree.
2. Risks to another should never be tolerated, irrespective of how small the risks might be.
3. The existence of potential harm to others is always wrong, irrespective of the benefits to be gained.
4. One should never be psychologically or physically harm another person.
5. One should not perform an action that might in any way threaten the dignity and welfare of another individual.
6. If an action could harm an innocent other, then it should not be done.
7. Deciding whether or not to perform an act by balancing the positive consequences of the act against the negative consequences of the act is immoral.
8. The dignity and welfare of people should be the most important concern in any society.
9. It is never necessary to sacrifice the welfare of others.

⁶ All three articles as well as Klein et al., 2002, p. 6-7 contain a number of additional references.

10. Moral actions are those which closely match ideals of the most "perfect" action.

When combined with a "relativism scale" to an "ethics position questionnaire" (Forsyth, 1980) one can classify consumer respondents according to four "ethics types".⁷ Such approaches and instruments are now and then reused in more recent consumer behavior studies (see e.g. van Kenhove et al., 2001). They are also similar to commercial market research typologies as, e.g., in Norsk Monitor (see <http://www.mmi.no/fast6/nm/index.html> for testing yourself, in Norwegian – if you are rather an idealist or a materialist and rather modern or traditional).⁸

4. Development of a systematic conceptual framework

4.1 Decision-making approaches

A common denominator of the consumer behavior and the business ethics literature is a focus on decision-making-process models. Consumers as shoppers typically choose between alternative products and apply alternative choice criteria. Decision-making articles and textbook chapters in the field of business ethics have professional decision-makers in mind, preferably with some managerial power and freedom of choice where at least one alternative is moral or immoral, normally with a focus on competing moral philosophies or related criteria.

7

	low idealism	high idealism
low relativism	EXCEPTIONISTS	ABSOLUTISTS
high relativism	SUBJECTIVISTS	SITUATIONISTS

⁸ With the segment characteristics, still in Norwegian: Den *tradisjonelle idealist* er typisk en kvinne over 60 år med middels utdanning som nå er pensjonist. Røttene er knyttet til det gamle bondesamfunnet og den førindustrielle bondekulturen. Stikkord er yte og ofre, og følgende verdier har størst oppslutning i denne kvadranten: sparing, lovrespekt, puritanisme, trygghet, nøysomhet, anti-materialisme, religion, helse og patriotisme. Den *tradisjonelle materialist* bærer det tradisjonelle industrisamfunnets verdier og er typisk en mann godt over 50 år med lav utdanning, han er arbeider eller trygdet/pensjonist, og han har røtter i arbeiderklassen og industrikulturen. Stikkord er eie og trygge, og følgende verdier har størst oppslutning i denne kvadranten: Ikke selvrealisering, tradisjonelle kjønnsroller, konformitet, tradisjon, avstand og autoritetstro. Den *moderne idealist* er typisk en kvinne i 40-årene med høy utdanning, ansatt i det offentlige. Andre aktuelle kjennetegn er "sekstiått-kultur" eller "postindustriell kultur". Stikkord er yte og mestre, og følgende verdier har størst oppslutning i denne kvadranten: Likestilling, selvrealisering, anti-autoritet, individualitet, toleranse, altruisme, miljøvern og nyhet. Den *moderne materialist* er typisk en ung ugift mann som arbeider eller er under utdanning. Andre aktuelle kjennetegn er "jappe-kultur" eller "forbrukerkultur". Stikkord er eie og nytte, og følgende verdier har størst oppslutning i denne kvadranten: Lovforakt, frigjørhet, forbruk, risiko, materialisme, anti-helse, status, ikke-religiøs og urban.

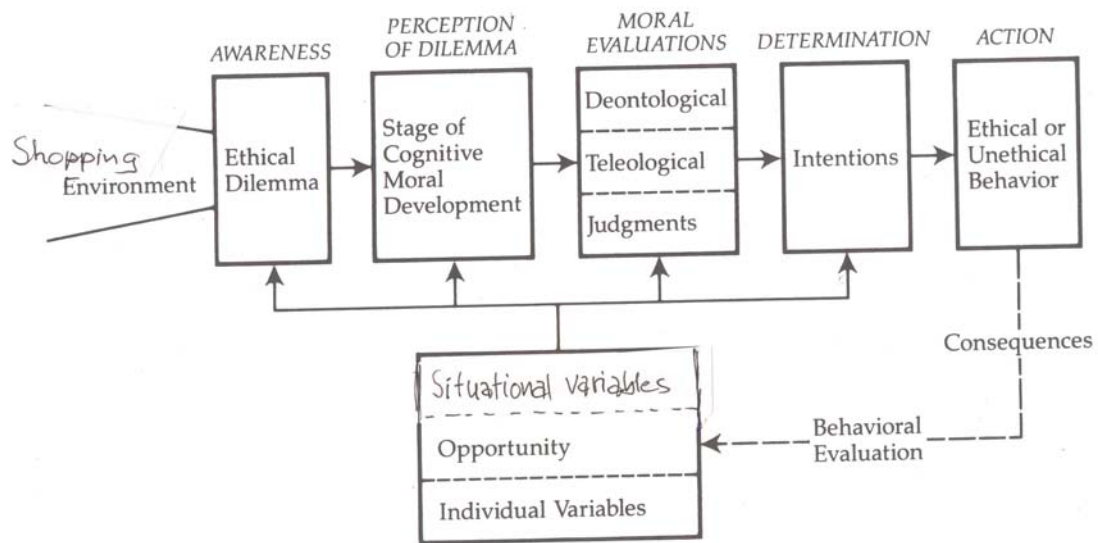


Figure #2 (Ferrell et. al., 1989)

Due to its high level of abstraction, the Ferrell et. al. "synthesis model" (1989) can be used for describing, understanding and evaluating moral *consumer* behavior, too, only with very minor modifications – by specifying business environment as shoppers' or shopping environment and by either dropping the "organizational culture" box or changing it to e.g. "situational factors" (see figure #2, authors' adjustments; for comments about the key terms⁹ see the source or Ferrell et al., 2002, pp. 104-116). Traditional consumer behavior textbooks contain typically a consumer or purchase-decision-process chapter, often with a flowchart (or several ones) as visualization (see e.g. Chisnall, 1995 with a dedicated chapter, commenting several flowcharts). The most widely quoted one of Engel, Kollat and Blackwell, quoted after Chisnall, 1995, p. 205 is shown here as figure #3).

⁹ As a minimum, see the following definitions of the two – perhaps – most important terms: "*Ethical issue intensity* (somewhat equivalent to the ethical dilemma awareness in the 1989-model): ... perceived relevance or importance of an ethical issue to the individual... (it) reflects the ethical sensitivity of the individual... (Ferrell et al., 2002, p.105). *Opportunity*: ...conditions that limit or permit ethical or unethical behavior. Opportunity results from conditions that either provide rewards... or fail to erect barriers against unethical behavior (ibid. p. 113)

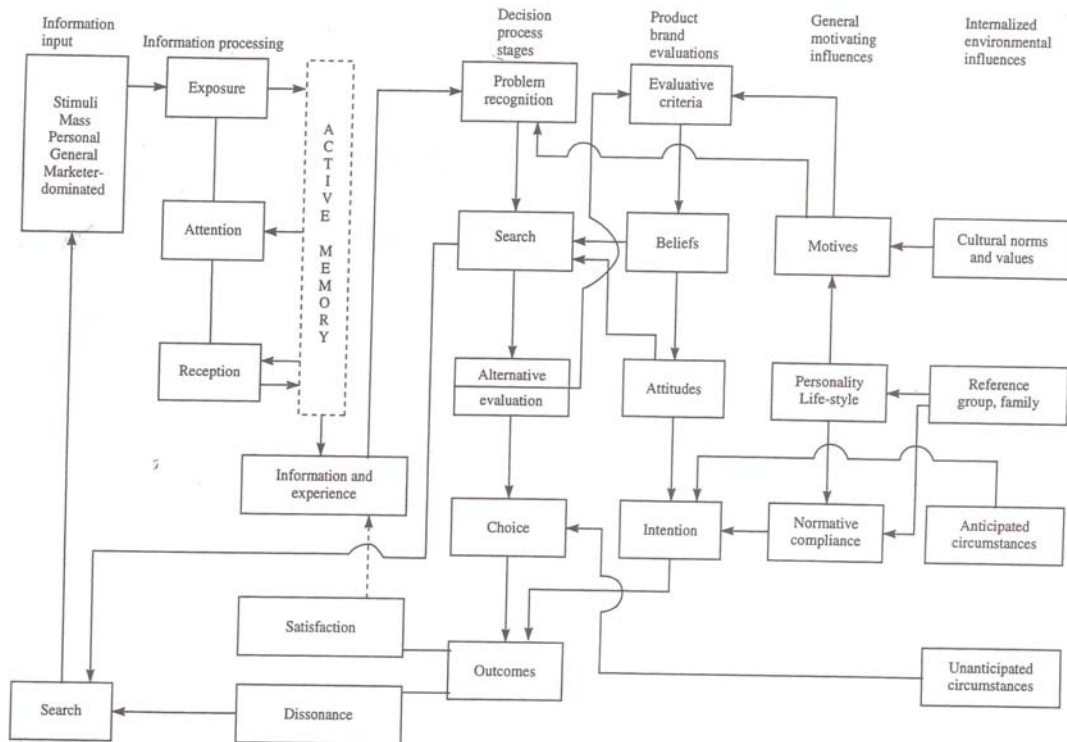


Figure #3 (Engel, Kollat and Blackwell, 1982)

In figure #3 (and in other models which have been examined) there is no explicit reference to moral or ethical issues, aspects or considerations. One possibility is to introduce "moral awareness" as being more or less present in all steps of the process. Another possibility is to look at consumers' relative focus on moral criteria when evaluating and choosing alternatives (and perhaps also when evaluating their behavior ex post).¹⁰ Such evaluation and choice processes are guided by different types of decision rules, consciously or at least implicitly (cf. Bettman, 1979; see table #1 for a presentation of the different rule types indicating the potential influence of moral criteria when evaluating and choosing alternatives).

¹⁰ If one is concerned with further differentiation of decision-making-processes by consumer involvement and/or by degree of emotional significance (cf. Mowen and Minor, 2001, p. 174) one could ask additional empirical questions, e.g. if and when moral criteria are "luxury" criteria which are skipped in low-involvement decisions or "dominant" criteria which gain importance in low-involvement or more emotional purchase situations.

rule type	description	relative importance of morally right-wrong criteria (if applied)
compensatory	weak ratings on one criterion can be compensated by a strong rating on another one – the alternative with the best summarized ratings is chosen	moral attractiveness (and moral questionability) of an alternative <i>counts relatively</i> , i.e. can compensate weak rankings, but can also be compensated by competing criteria
conjunctive	minimum acceptability must be present for each relevant choice criterion	minimum moral acceptability must be present and can't be compromised
disjunctive	minimum acceptability must be present for each relevant choice criterion and exceeded for at least one among them	if minimum acceptability is present for all other criteria the degree of moral acceptability decides
lexicographic	after ranking the criteria by importance choose the best alternative on the most important criterion	moral acceptability is ranked as highly important and dominates the choice
eliminative	determination of minimum cutoff for each criterion and remove worse alternatives	determination of minimum moral acceptability and remove unacceptable alternatives

Table #1

A preliminary conclusion could be that decision-process-models are rather complex and complicated, i.e. more useful as ideals for how consumers *could* make important decisions on a strategic level under ideal conditions than as a description of daily shopping behavior routines. How such implicit approach idealism affects moral decision making criteria is, eventually, an empirical question – moral voting against Shell as a gaz brand in the Brent-Spar-case or choosing organic vegetables if the price difference is considered insignificant could serve as examples. In other words, moral criteria can perhaps serve as a similar decision-making simplifier as its business-made relatives, brand and relationship loyalty.

4.2 Moral maturity and deviance approaches

"Ethically questionable consumer behavior" (cf. section 3.1 above) follows most likely other models than the decision-making approaches referred to above. For or this subgroup of research questions (and perhaps not only for this group) one could consider a focus on moral maturity and/or on deviance instead.

In the first case, one could simply say that "ethically questionable consumer behavior" *represents* a pre-conventional (and sometimes perhaps a conventional) level of consumer morality, while most consumers probably behave as a silent, conformist, conventional majority and a different kind of minority behaves idealistically and altruistically, even in their consumer roles (cf. table #2).

L. Kohlberg's levels and stages		J. Rest's description in prose	possible consumer ethics relevance
pre-conventional	Stage 1	The morality of obedience: Do what you're told	<i>Preconventional consumer behavior</i> (egoistic, ethically questionable)
	Stage 2	The morality of instrumental egoism and simple exchange: Let's make a deal.	
conventional	Stage 3	The morality of interpersonal concordance: Be considerate, nice and kind: you'll make friends.	<i>Conventional consumer behavior</i> (outer-directed, morally conformist)
	Stage 4	The morality of law and duty to social order: Everyone in society is obligated to and protected by the law.	
post-conventional	Stage 5	The morality of consensus-building procedures: You are obligated by the	<i>Postconventional consumer behavior</i> (inner-directed, idealistic and altruistic)
	Stage 6	The morality of nonarbitrary social cooperation: Morality is defined by how rational and impartial people would ideally organize cooperation	

Table #2

The second term, social deviance, is normally defined by sociologists as a violation of specified moral, legal or other social norms, in a given socio-cultural context. Consumer dishonesty and other examples of "ethically questionable behavior" represent deviance from such kinds of norms, rankable by relative rejection or by frequency (mean score or dispersion statistics could then show the relative prestige and consensuality of the norms which are threatened by such behaviors; one could then also look for inter-group differences in such norm rejection or acceptance - such as by culture, generation or gender). One could even suspect, as classical Durkheimian, Weberian and Parsonian sociology has done, that a bias towards ends-rational, non-normative decision-making hampers an understanding of essentially norm-oriented social behavior. Both from a deviance sociological and from a more general normative sociological perspective one would assume that consumer behavior is primarily norm-guided – i.e. value-rational, emotional or habitual consumer behaviors are more "normal" than non-normative, ends-rational consumer behaviors.

There are several alternative deviance theoretical approaches which could help to understand and explain moral consumer behavior, in particular "ethically questionable behaviors". Here is only space for a very brief presentation and only of three approaches:

- a (functionalist) *anomie perspective* would look at consumer behavior in general and questionable consumer behaviors in particular as symptoms of and surviving with societal norm dissolution (where accepted goals of having justify norm-breaking as means or where both goals and means are rejected and inspire boycott and protest behaviors - cf. Merton's anomie-typology of deviant behaviors, 1968, pp. 193-211);
- a *counter-culture perspective* would ask if dishonest (or environmentalist, or consumerist) consumer behaviors represent subgroup conformism rather than societal deviance;
- a *utilitarianist sociology of deviance* would understand and explain questionable (or environmentalist, or consumerist) consumer behaviors as rational-egoistic seeking of rewards and escape of punishments.

5. Presentation of selected empirical studies

Two data-sets can be used for asking and answering consumer behavior ethics questions, too. The first set used three worklife and three private life scenarios for studying gender and age differences in moral reasoning. Two of the three private life scenarios can be read as consumer behavior scenarios:

Case #4 (consumer honesty case): *On a holiday trip far from home, A damages an automobile and faces considerable repair costs. The car must be fixed at a garage on the vacation trip. A pays the bill with a credit card. The next credit card charge statement reveals that the sum charged to the card is much lower than the agreed cost of the repair. A realizes that the garage has made a mistake and charged too little. What would you advise A to do in this situation? Give reasons to support your advice.*

Recommended advice in moral conflict situations by occupation and gender

(vertical %; other/not classifiable answers omitted in the tables but not in the % basis)

Case issue and # advice given	students		managers	
	males	females	males	females
Customer honesty case #4				
contact garage	23	30	74	54
possibly contact garage	25	30	13	23
not contact garage	53	41	9	19

Table #3

Case #4 (Aasen's dilemma) is about customer saving vs. moral consumer behavior. Standard customer honesty tests typically return too much change at the cashier and then ask awkward follow-up questions. In this case a customer discovers a too low credit card charge, from an automobile garage. The setting is a below-average reputation industry, an increased amount and distancing by credit card charging and a time delay between mistake and discovery. A quick look at the results tells that about half of the respondents suggest that customers shouldn't contact the garage (most reasoning that everyone is responsible for one's own mistakes). For an additional quarter such contact would mainly depend on the circumstances.

Case #6 (VAT-evasion case): *There has been a leak in T's home. The leak requires considerable repairs that will not be covered by the insurance. A friend recommends that T use a firm which is known for good work. The person in charge assesses the damage and the necessary repairs. He makes two alternative offers. The first offer is a written and includes a warranty. The second offer involves working off the books. It is tax-free and 30% lower. What would you advise T to do in this situation? Give reasons to support your advice.*

Recommended advice in moral conflict situations by occupation and gender

(vertical %; other/not classifiable answers omitted in the tables but not in the % basis)

Case issue and # advice given	students		managers	
	males	females	males	females
VAT-evasion case #6				
demand a written offer ¹¹	62	70	61	74
advice depends on situation	21	15	22	22
accept VAT-free offer	17	15	4	4
approx. n (100%)	53	27	23	27

Table #4

Case #6 (Teigen's dilemma) presents the issue of tax-free house repairs, where Norwegian customers can save the 23% VAT addition to an invoice, while providers often save income tax and social security tax. Paying the invoice "with tax" is the legal but more expensive way. The reason for the advice, however, is more interesting than the advice in itself. The question is if it is purely economic, legal or moral. Most answers are purely economic and indicate one wouldn't hesitate to break tax-law, but be afraid of the economic consequences if a "VAT-free" construction is not good enough. If the tax-free alternative is suggested, different rationalizations are offered, most of them conventional.

While the above questions and findings are in line with the "ethically questionable" consumer behavior research tradition, another data-set can serve as an illustration of responsible consumer behavior or consumer idealism – e.g. how often Norwegian consumers buy organic food and why. The following three percentage tables, two bivariate ones and a trivariate one, use a simple ordinal-level dependent variable, self-reported purchase frequency of organic food. Purchase frequency is then seen as practicing one's idealism in the shop, so to speak. Since idealism can be a question of

¹¹ Including responses with a more radical advice of dropping such a contractor, given by 13% of the male managers

affordability and/or of price-consciousness as a competing decision-making criterion, a follow-up table controls for price-orientation as a third variable.¹²

Q 9: "Does your household buy organically produced food and if yes how often? (don't know answers omitted in the table but not in the percentages)"

shoppers' idealism focus vs. purchase frequency	low	medium	high	all
as often as possible		3,3%	37,2%	13,7%
sometimes	26,9%	47,8%	50,0%	41,5%
seldom	48,4%	38,9%	11,7%	32,9%
never	19,4%	5,6%		8,3%
n (100%)	93	90	94	277

Table #5

shoppers' price-focus vs. purchase frequency	low	medium	high	all
as often as possible	4,0%	18,8%	10,7%	14,3%
sometimes	44,0%	41,9%	38,5%	40,7%
seldom	28,0%	29,4%	36,9%	32,2%
never	16,0%	6,9%	9,8%	8,8%
n (100%)	25	160	122	307

Table #6

shoppers' idealism focus vs. purchase frequency	low idealism focus			high idealism focus		
	price focus			price focus		
	low	medium	high	low	medium	high
as often as possible					47%	27%
sometimes	20%	34%	19%	75%	47%	51%
seldom	50%	47%	50%	25%	6%	19%
never	20%	19%	19%			
n (100%)	10	47	63	4	53	37

Table #7

6. Next steps

This paper suggests the development of a new business ethics research field. An indication of possible next steps can serve as an open end:

- Qualitative studies of ethical consumption and ethical trade initiatives, their strengths and weaknesses, their self-conception and how they are perceived by their various target groups;

¹² The Norwegian pilot-data set referred to was collected by a mall-intercept enquete in March 02. The Idealism variable is a ordinal-level recoding of factor scores from a three-factor solution of six alternative self-confessed shopping orientation criteria, measured on a 6 point scale (totally unimportant to most important): quality, price, health, environment, ethics and ecology consciousness, with the following solution (Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization):

factor #	1	2	3
Env-conscious	,899		
Ecol-conscious	,854		
Eth-conscious	,845		
Qual-conscious		,983	
price-conscious			,995
var.expl.	49.6	19.7	17.1

- further development and specification of a model which could build a bridge between the two fields of business ethics and consumer behavior research;
 - development of a consumer ethics measurement instrument which would build on but transcend the instruments and research traditions described above, preferably for routine use in on-going commercial and academic consumer research;
 - trying out and adjusting such an instrument in own research about organic food purchasing behavior, in Norway and, preferably, cross-culturally;
 - looking at neighbor phenomena to consumer ethics, e.g. at consumer ethics, trust and relationship/ brand loyalty.
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Appendix 1:

Why buy ethically? *An introduction to the philosophy behind ethical purchasing.*

Big problems, practical solutions

Increasingly we find ourselves beset by problems that seem beyond our control; global warming, species extinction, animal testing, the spread of factory farming, the arms trade and human rights abuses, to list but a few. While this state of affairs appals many, the individual is often left feeling helpless, the typical response being 'there's nothing I can do'.

A common thread, which has caused or perpetuated many of these situations, is the greed and profit of corporations. We believe things don't have to be like this and that by being an ethical consumer we can each encourage truly sustainable businesses that don't exploit or pollute. While many who feel concern usually limit themselves to supporting campaign groups or political parties, ethical consumerism offers a powerful additional tool, which is both practical and accessible to many.

What is ethical purchasing?

Ethical purchasing put simply is buying things that are made ethically by companies that act ethically. Ethical can be a subjective term both for companies and consumers, but in its truest sense means without harm to or exploitation of humans, animals or the environment. Just what is classed as an ethical product and where you can find it, is what EC magazine is all about.

Understanding buying ethically

The ways in which you can act as an 'ethical consumer' can take on a number of often subtle forms.

- **Positive buying** is favouring ethical products, be they fair trade, organic or cruelty free. This option is arguably the most important since it directly supports progressive companies.
- **Negative purchasing** means avoiding products you disapprove of such as battery eggs or polluting cars.
- **Company-based purchasing** involves targeting a business as a whole. For example, the Nestlé boycott targets all its brands and subsidiaries in a bid to force the company to change its marketing of baby milk formula in the Third World.
- The **fully screened approach** is a combination of all three and means looking at all the companies and products together and evaluating which brand is the most ethical. This is exactly what we do in the magazine and the 'Best Buys' we recommend aim to be the best, fully screened products available.

Ethical Consumer magazine acts as a unique guide, advising you on what the progressive products are, which companies you should avoid, and overall which are the 'Best Buy' options.

The benefits of being an ethical consumer

Buying ethical products sends support directly to progressive companies working to improve the status quo, while at the same time depriving others that abuse for profit. For example, when you buy an eco-washing-up liquid you're giving its manufacturer the funds it needs to invest in clean technology and advertise its products to a wider market. At the same time, you're no longer buying your old liquid, so its manufacturer loses business and will perhaps change its ways.

Another attraction of ethical buying is its convenience. After all, everyone needs to go shopping or to consume resources in one way or another. As an ethical consumer, every time you buy something you can make a difference.

The benefits to society of buying ethically are potentially far-reaching. It encourages innovative products and companies while discouraging others that ignore the social and environmental consequences of their actions. It empowers the consumer, giving you a say in how the products you buy are made, and how the company that makes them conducts its business. It can and has made a difference in the past. Turn to the section marked 'successes' to see exactly how.

A forum for debate

Ethical buying is not a substitute for other forms of political action. Nor is it necessarily just concerned with individual consumers. 'Ethical purchasing' is, for example, already being organised by clubs, societies, campaign groups, trades unions, private companies, local authorities and national governments.

Whilst EC magazine is primarily intended as a practical guide to ethical issues for consumers, it also functions as a forum for debate about the nature and limits of consumer power. We are always interested to hear from our readers - whether letters are complimentary, critical or simply providing information we might have missed. Please note we ask that correspondence 'not for publication' is marked as such.

10 shopping tips for the ethical shopper

1. Local shops

We recommend local, independent stores as places to shop. They discourage car use, offer a more personal service and support the local community.

2. Health food shops

These are excellent places to pick up Best Buy products that aren't available in supermarkets. Increasingly, they stock fair trade, vegetarian and organic products, as well as vitamins and herbal remedies.

3. Fair trade

To buy ethically look out for [Fairtrade Foundation](#) marked products which guarantee workers have been fairly rewarded for their labour. Organisations such as [Oxfam](#) (01865 311311) and [Traidcraft](#) (0191 491 1001) sell fair trade goods on the high street or via mail order catalogues.

4. Products not tested on animals

Beauty products tested on animals rightly appal many. Look out for 'not tested on animals' labels or better still contact BUAV (020 7700 4888) or [Naturewatch](#) (01242 252871) for an approved product guide.

5. Vegan and vegetarian products

Avoiding animal products can be tough, especially when they crop up in surprising products such as beer

and sweets. Luckily the [Vegan Society](#) publishes the Animal Free Shopper, a comprehensive guide to vegan and vegetarian products. Also look out for the [Vegetarian Society](#) symbol.

6. Organic produce

The last few years has seen a take-off in the demand for organic produce, ranging from vegetables to bread and meat. Organic food is free of chemical fertilisers and pesticides, which benefits the workforce, the consumer and the environment. Look out for the Soil Association symbol or contact the [Association](#) (0117 9290661) to locate your nearest organic outlet.

7. Non-genetically altered food

Genetically manipulated (GM) food has the potential to be the next big food crisis. Despite around 70% of the public opposing its use, it increasingly finds its way into our diet. Look out for GM-free labels or the Vegetarian Society symbol which is also a guarantee of genetics-free food.

8. Ethical money

The [Co-op](#) (0800 905090) is currently the only high street bank with a truly ethical stance. One of Europe's leading ethical banks is [Triodos](#) (0117 9739339), which now offers savings accounts to customers in the UK while the [Ecology Building Society](#) also offers a range of saving accounts and ISAs.

Ethical investments continue to show growth and [EIRIS](#) (Ethical Investment Research Service) (0207 840 5700) is a great starting point for the first time investor.

9. Recycling & second hand

Recycled and second hand products save precious resources and reduce pressure on landfill sites. Anything from paper to printer cartridges and TVs can be 'recycled'. For advice on recycling points in your area or a guide to recycled products, contact [Wasteline](#) (0870 243 0136).

10. Wood Products and the FSC logo

Many timber products reach the UK having originated from unsustainably managed forests, frequently virgin rainforest. The [Forest Stewardship Council](#) (01686 413916) operates an independent verification of sustainable timber and paper products. Look out for the FSC logo.

(source: <http://www.ethicalconsumer.org/>)