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H1: female students are more critical of questionable consumer actions than are male students

H2: female students are more critical of questionable business actions than are male students

H3: business students are more critical of questionable consumer practices than are non-business students

H4: non-business students are more critical of questionable business practices than are business students

Survey Instrument

The 28 items used in this study came from a scale used by Fisher et al. (2003). The items depict questionable practices by both consumers and businesses. In the questionnaire, the scenarios provide a range of actions varying from legal to illegal. Examples of questionable business practices include illegal behaviors such as deceptive pricing, legal but controversial practices such as raising prices after a natural disaster, and commonly employed business strategies such as using popular athletes as product endorsers. Similarly, examples of consumer actions include illegal behaviors such as filing a false insurance claim, legal but controversial practices such as misleading market researchers, and common consumer strategies such as using a retailer for product information but purchasing elsewhere. Each of the 28 vignettes required students to rate the acceptability of the described action on a six-point Likert type scale, anchored by 1 = Acceptable and 6 = Unacceptable.

Data

Data were collected using non-probability, purposive judgment design with self-completed questionnaires distributed in lectures at three large Australian universities over a ten year period. The first sample (n=407) was collected in 1997, and the second (n=345) in 2007. An overall total of 752 students provided usable responses. The sample is 47% male, and 81% were enrolled in business (predominantly marketing) majors. Using an independent samples t-test, we compared the responses of the combined student group and tested between genders and academic majors.

Results

Hypothesis 1 tests the contrasts between male and female respondents on the 14 questionable consumer actions. Females were significantly more critical of consumers who engaged in the following actions: not returning extra change, filing false insurance claims, purchasing mistakenly marked retail items at lower prices, selling a frequent flyer ticket, returning goods to the wrong retailer, using coupons for the wrong goods and returning used goods for a full refund.

Hypothesis 2 compares male and females responses to 14 questionable business actions. Females were significantly more critical of businesses on ten of the 14 scenarios: tying a retailer to a sole distributor contract, using bait and switch tactics, raising prices after a natural disaster, charging more for the same goods in poorer areas, delaying new stock until old stock is sold, shipping unsafe products to countries with different standards, not displaying a 'sold' sign after a house had been sold, using transfer pricing to reduce tax liability, smuggling illegal medicine into the country and using comparative advertising. Males were not significantly more critical of any of the business behaviors than females.

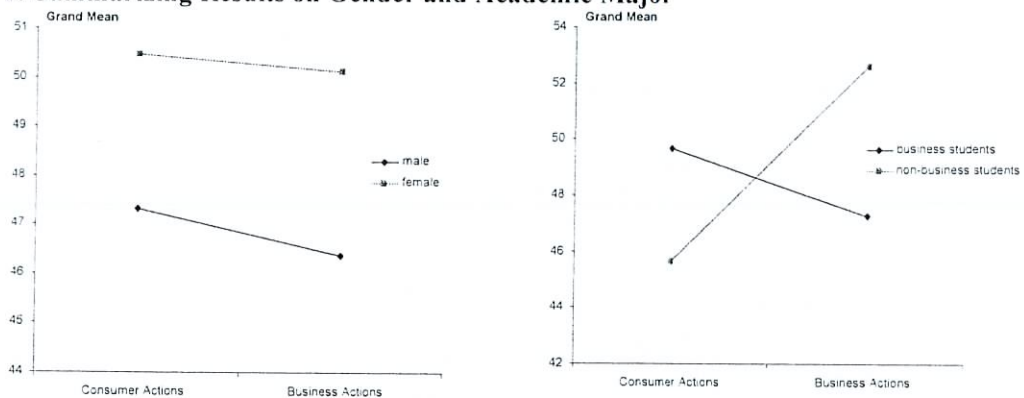
Hypothesis 3 compares the responses of business and non-business students to 14 questionable consumer actions. Business students were significantly more critical of seven consumer actions including: filing a false insurance claim, lying about their child's age to secure a discount, purchasing mistakenly marked

retail items at lower prices, using a retailer for information and buying elsewhere, selling a frequent flyer ticket, returning goods to the wrong retailer and using coupons for the wrong goods. Business students were significantly less critical of only one consumer action: returning used goods for a full refund.

Hypothesis 4 examines the prevailing attitudes of business and non-business students on 14 questionable business actions. The analyses, revealed seven significant differences, all in the hypothesized direction. Non-business students were more critical of businesses: using bait and switch tactics, charging higher prices in poorer areas, delaying new stock until old stock is sold, using transfer pricing to reduce tax liability, promoting a paid phone call to Santa, outsourcing labor to cheaper countries and advertising a false sale.

Adding and comparing the consumer and business actions provides additional measures to test the four hypotheses. Figure 1 summarizes the results on gender and academic major, and shows the grand mean score for females is significantly higher ($p < 0.05$) for both consumer and business actions. Regardless of academic major, females are more critical of questionable practices, and therefore both hypotheses 1 and 2 are supported. Again, using the summed totals for each segment, Figure 1 reveals that business students are significantly ($p < 0.05$) more critical of questionable consumer actions than are non-business students; however, the reverse is true for questionable business actions. Therefore hypotheses 3 and 4 are also supported.

Figure 1: Summarizing Results on Gender and Academic Major



Discussion

The results emanating from this assessment further support the often-stated premise that women tend to possess a stronger ethical predisposition than do their male counterparts. Furthermore, they document the reality that it does not matter whether the questionable behavior is undertaken by a business entity or a consumer; women are more critical in either case.

Since hypotheses three and four were both supported, the results illustrate that students form broad macro-level psychological groups while still at university and tend to align themselves with future reference groups to which they aspire to belong. It is reasonable to conclude that business students already see themselves as businesspeople, and they have already begun to assume a mindset that they feel is consistent with the members of that aspiratory reference group. Conversely, the non-business students may be more inclined to associate themselves with the consumer segment within this dyad. As such, they may view themselves as potential victims of practices that they deem to be unacceptable. Thus, the non-business students are likely to impose higher standards for the conduct of business entities with which they interact. In an *us-against-them* setting, the consumer transgressions may simply be viewed as a small win in an environment where consumers often perceive themselves to be at a disadvantage.

References

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