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INFLUENCE OF FIRM BEHAVIOR ON PURCHASE INTENTION: DO MALAYSIAN CONSUMERS REALLY CARE ABOUT BUSINESS ETHICS?

The purpose of this research is to examine the issue of unethical corporate behavior from the perspective of consumers in Malaysia. Several questions are addressed. First, what are consumers' expectations regarding ethicality of corporate behavior? Second, is whether a firm acts ethically or unethically an important consumer concern? Third, will information regarding a firm's behavior influence purchases? A survey of consumers was conducted to provide insight into these issues. Malaysian consumers show almost parallel findings compared with consumers in developed countries. This study provides an important element for policy-makers in firms to initiate corporate ethics policy to deal effectively with the matter, not just merely to fulfill the requirement of regulators.

Keywords: firm behavior; purchase intention; Malaysian consumers.

Сіріл Х. Понну

ВПЛИВ ПОВЕДІНКИ ФІРМИ НА НАМІР ЗДІЙСНИТИ ПОКУПКУ: СТАВЛЕННЯ МАЛАЙЗІЙСЬКИХ СПОЖИВАЧІВ ДО БІЗНЕС-ЕТИКИ

У статті оцінено питання неетичної корпоративної поведінки з точки зору споживачів у Малайзії. Розглядаються такі питання: які очікування споживачів щодо етичної поведінки корпорацій? Чи турбує покупців питання етичної або неетичної поведінки фірми? Чи впливає інформація про неетичну поведінку фірми на намір здійснити покупку? Проведено анкетування для отримання відповідей на ці питання. Різниця між відповідями споживачів у розвинених країнах і в Малайзії неістотна. Результати дослідження можуть допомогти керівникам підприємств при розробці правил корпоративної етики.

Ключові слова: поведінка фірми; намір здійснити покупку; малайзійські споживачі.

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ВЛИЯНИЕ ПОВЕДЕНИЯ ФИРМЫ НА НАМЕРЕНИЕ СОВЕРШИТЬ ПОКУПКУ: ОТНОШЕНИЕ МАЛАЙЗИЙСКИХ ПОТРЕБИТЕЛЕЙ К БИЗНЕС-ЭТИКЕ

В статье оцениваются вопросы неэтичного корпоративного поведения с точки зрения потребителей в Малайзии. Рассматриваются такие вопросы: каковы ожидания потребителей относительно этического поведения корпораций? Заботит ли покупателей вопрос этического или неэтичного поведения фирмы? Влияет ли информация о неэтическом поведении фирмы на намерение совершить покупку? Проведено анкетирование с целью получить ответы на эти вопросы. Разница между ответами потребителей в развитых странах и в Малайзии незначительна. Результаты исследования могут помочь руководителям предприятий при разработке правил корпоративной этики.

Ключевые слова: поведение фирмы; намерение совершить покупку; малайзийские потребители.

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Introduction. In developed countries where consumer activism is strong, firms understand that they depend on consumers and take note of the trend towards ethics which form a core part of consumer decision-making. The willingness of consumer to "reward" or "punish" businesses on the basis of ethics shows how important for a firm is to define clearly its ethical position to public. Many firms in developed countries place great emphasis on business ethics and corporate social responsibility. The amount of research on the relationship between consumer purchase intention and corporate business ethics in developed countries is very substantial. However, Malaysia is lacking research in this area is lacking.

Research objective and significance of the study. The purpose of this research is to examine the issue of unethical corporate behavior from the perspective of consumers in Malaysia. Several questions are addressed. First, what are consumers' expectations regarding ethicality of corporate behavior? Second, is whether a firm acts ethically or unethically an important consumer concern? Third, will information regarding a firm's behavior influence consumers' purchases?

This study will provide important insights for policy-makers in firms to initiate corporate ethics policy to deal effectively with the matter, not just merely to fulfill the requirement of the regulators. Since there is no prior research on this topic in Malaysia, this study will adopt the approach of Creyer and Ross (1997).

Literature review & hypotheses. As information about firms' ethical behavior is thought to influence product sales and the overall image of the company (Mohr et al., 2001; Mascarenhas, 1995), manufacturers and retailers are encouraged to reflect the changing demands of customers. It is no longer sufficient for leading retailers to provide consumers with superior products value & customer services, they must also demonstrate their role as citizens (Adams, 2002 p.147).

At present the empirical research on ethics and social responsibility in marketing is extensive (e.g. Laczniak and Inderrieden, 1987; Sherwin, 1983; Thompson, 1995; Tybout and Zaltman, 1974). Extensive research was focused on ethical problems faced by marketing managers, marketing researchers, advertising personnel, salespeople and purchasers (Ferrel and Gresham, 1985; Ferrel and Skinner, 1988; Ferrel and Weaver, 1978; Hunt et al., 1984; Murphy and Laczniak, 1981). Many firms have initiated a number of actions that encourage employees to include ethics as a formal part of their decision-making processes. Firms hope that a consideration of ethical issues during the decision-making process will be helpful in preventing, or at least decreasing, the frequency of unethical behavior. Having a corporate ethics policy also seems to facilitate the process of recovery after an ethical scandal.

However, many businessmen choose to behave within the generally accepted standards of ethical behavior because they desire to behave ethically as a personal choice. Thus, it is important to understand the factors influencing the way how business decision-makers respond to ethical dilemmas, it is equally important to understand how consumers interpret and react to the outcomes of such a corporate decision.

Expectations Regarding Ethicality of Corporate Behavior in Today's Society (Expectation). Expectations are beliefs regarding what is to be expected, or anticipated. They have been shown to play an important role in many types of decisions (Creyer & Ross Jr., 1997). In particular, consumers form a number of different expect-

tations; whether or not those expectations are met is crucial in determining their level of satisfaction or dissatisfaction (Creyer & Ross Jr., 1997).

Beliefs may be formed in 3 essentially different ways (Van Raaij, 1991). Firstly, beliefs may be formed through direct experience. Secondly, beliefs may be formed on the basis of the information provided by outside sources such as mass media and word-of-mouth. Finally, beliefs may be inferential, that is, formed when an individual goes beyond the information provided by their experience or by information source. Therefore, consumers have both the capability and countless opportunities to form expectations about the ethicality of corporate behavior.

Importance of the Ethicality of a Firm's Behavior (Importance). To behave ethically is to behave in a manner consistent with what is right or moral. What does "generally considered to be right" mean? That is a critical question, and part of the difficulty in deciding whether or not firm behavior is ethical. Thus, if consumers expect firm to behave ethically, then ethical behavior is a reference point against which perceived firm behavior will be judged. For example, ethical behavior should not be valued highly by consumers if all they do is meeting the reference point or expectation (Creyer & Ross Jr., 1997).

Klein and Oglethorpe (1986) develop a categorization scheme for reference points based partially on previous work by Della Bitta and Monroe (1973). They propose 3 classes of reference points. Firstly, aspiration-based, which is what a consumer would like to happen. Second, market-based is about what exists at the current market. Finally, experience-based is what had happened to a consumer in the past.

Willingness to Reward Ethical Firm and Willingness to Punish Unethical Firm. Consumers can express their feelings of responsibility towards society and their appreciation of socially responsible companies and or products through ethical consumption behavior. Ethical consumption can be defined as the purchase of a product that concerns a certain ethical issue and that a consumer chooses freely (Doane, 2001). Consumers can express their concerns by buying products for their positive ethical qualities (e.g., fair trade, environmental, biological, or social) or by boycotting products for their perceived unethical characteristics (Auger et al., 2000; Carrigan and Attalla, 2001; Grankvist et al., 2004).

A nation-wide survey conducted to the scientifically selected sample of 1,037 American households over a six-month period in 1994 confirms that a company's social performance significantly influences prospective customers, employees and investors in basic decisions about a firm. Another survey in the USA finds that ethical behavior is an important consideration during the purchase decision and consumers are willing to pay higher prices for that firm's product (Creyer and Ross, 1997).

Forte and Lamot (1998) saw that consumers would increase their consumption on the basis of a company's or brand's social values and, in line with Creyer and Ross (1997), they also found that ethical corporate attitudes are influential in the decision-making process of consuming. However, contradictory results and indications of gaps between attitudes and behavior were generated from other studies (Roberts, 1996). Although consumers harbored socially responsible attitudes, only 20% had actually purchased something over the last year based on the fact that a product in question had connotations of "a good cause" (Simon, 1995). Consumers express a willingness

to favor ethically defensible products but in terms of actual purchase behavior, social responsibility is not the primary determining factor.

In the Market and Opinion Research Institute survey on British consumers' attitudes, one-third of all the respondents were concerned about ethical issues (Mason, 2000). Half of them had bought a product or recommended a brand or a company basing on its reputation of acting ethically. According to another study by Hines and Ames (2000), about half of the respondents felt they could make a difference to a company's behavior by buying ethical products, and 68% claimed to have done so in the past. In the study by MORI (2000), 46% of European consumers claimed to be willing to pay a substantial price premium for ethical products. Based on the literature review above, 4 hypotheses are proposed for this study:

H1: The more the consumers expect firms to conduct business ethically, the more they are willing to *reward* ethical firms.

H2: The more the consumers expect firms to conduct business ethically, the more they are willing to *punish* unethical firms.

H3: The more the consumers perceived *importance* of firm's ethical behavior, the more they are willing to *reward* ethical firms.

H4: The more the consumers perceived *importance* of firm's ethical behavior, the more they are willing to *punish* unethical firms.

Research methodology

Sampling Design. The sample population consists of randomly selected respondents from all the major population centers in Malaysia. A total of 200 questionnaires were distributed and collected, 140 were found to be usable. The questionnaire was distributed by field assistants at shopping centers. The whole process of data collection took 6 months.

Selection of Measures and Test Statements. Data was collected by self-administered questionnaires. The questionnaire has 27 items, constructed to measure 4 constructs, i.e. importance of firm's ethical behavior, expectations regarding firm's ethical behavior, willingness to reward ethical firm, willingness to punish unethical firm. A five-point Likert scale was used to study ethical beliefs of respondents' with the relation to firm's ethical behavior.

Data Analysis Techniques

Respondents Demographic Profile. The respondents' demographic profile, such as sex, age, education level, and race, was analyzed and is presented in Table 1 below.

Factor Analysis. Hair et al. (1995) suggested various criteria for selecting the right number of factors. Factor analysis was used to obtain the most representative and parsimonious set of factors possible. Latent root or eigen value criterion was also applied.

A principal component analysis with varimax rotation test was performed to factor-analyse respondents' ethical beliefs in relation to firm's ethical behavior. The decision to include a variable in a factor was based on factor loading of 0.5, and an eigen value > 1 . Further, an alpha test was performed to test the internal reliability of the results for each factor. Reliability can be defined as the degree to which measures are free from error and therefore yield consistent results. Factors identified from this analysis will be used for further analysis in this study.

6 general attitudinal statements in Section 2 of the questionnaire were analyzed to determine the degree of the respondents' ethical beliefs. Mean score and ranking of 6 attitudinal statements were determined for further analysis and interpretation.

Correlation Analysis

The factors identified by the factor analysis were analyzed with 6 general attitudinal statements (Section 2) by correlation analysis using Parson coefficient. This coefficient will indicate both the magnitude and the direction of the relationship between the variables.

Independent T-test by Gender

An independent t-test for gender was performed to test the differences between two gender groups.

ANOVA Analysis

ANOVA analysis was performed to test the mean differences between the groups with the factors identified. The tolerance level of unethical behaviours by the groups was analyzed to determine whether there is any significant level of differences among the demographic variables.

Findings and discussion

Demographic Profile. The demographic profile of the sample is shown in Table 1 below.

Table 1. Demographic Profile

		Frequency, <i>n</i>	Percentage, %
Gender	Male	80	57.10
	Female	60	42.90
Age range	Less than 20	1	0.70
	20-29	53	37.9
	30-39	66	47.1
	40-49	13	9.30
	50 and above	7	5.00
Marital status	Single	65	46.40
	Married	75	53.60
	Divorced/Separated	0	0.00
	Widowed	0	0.00
Ethnic group	Malay	56	40.00
	Chinese	64	45.7
	Indian	10	7.10
	Others	10	7.10
Education level	Secondary or below	3	2.10
	Certificate or diploma	16	11.40
	Undergraduate	54	38.60
	Postgraduate or higher	67	47.90
		(<i>N</i> = 137)	
Monthly income	Low (RM 2000 or less)	10	7.30
	Medium (RM 2001 - RM 10,000)	122	87.10
	High (RM 10,001 and above)	5	3.60

Normality. Stem-and-leaf plots showed the data to be normally distributed. Using boxplot, two potential outliers were found and removed. Hence, the total sample size was reduced from *N* = 142 to *N* = 140. Skewness and kurtosis tests were performed and all the values were found to be between -2 to +2 which are in the range of normality. The details of the results findings are shown in Table 2.

Table 2. Statistical Normality Tests for Sample (N = 140)

	Reward	Punish	Importance	Expectation
Mean	4.63	4.65	4.63	5.14
5% trimmed mean	4.66	4.66	4.62	5.13
Median	4.60	4.60	4.60	5.00
Variance	1.17	1.32	0.46	0.65
Std. deviation	1.08	1.15	0.68	0.81
Minimum	1.40	1.60	3.00	3.00
Maximum	7.00	7.00	6.60	7.00
Range	5.60	5.40	3.60	4.00
Skewness	-0.36	-0.09	0.07	0.28
Kurtosis	0.21	-0.39	0.21	0.13

In the comparisons of the values of the tests in m-estimators with descriptive statistic as shown in Table 2, the mean, 5% trimmed mean and median of each variable are almost the same or not far away from the all expected m-estimators tests' value. As the result, the normality of this sample is supported. The findings are shown in Table 3.

Table 3. M-Estimators Tests for the Sample (N = 140)

	Reward	Punish	Importance	Expectation
Huber's m-estimator ^a	4.66	4.64	4.62	5.07
Tukey's biweight ^b	4.69	4.66	4.61	5.01
Hampel's m-estimator ^c	4.67	4.66	4.62	5.07
Andrews' wave ^d	4.68	4.66	4.61	5.01

a. The weighting constant is 1.339.

b. The weighting constant is 4.685.

c. The weighting constants are 1.700, 3.400, and 8.500

d. The weighting constant is 1.340 pi.

Table 4. Summary of Normality Tests of the Sample (N = 140)

Test	Normal distribution of sample
Histogram	Support
Stem-and-leaf plots	Support
Boxplot	Support
Normal Q-Q plot and detrended normal Q-Q plot	Support
Descriptive statistic	Support
M-estimators	Support

In summary, all the normality tests (histogram, stem-and-leaf plots, boxplot, normal Q-Q plot and detrended normal Q-Q plot, descriptive statistics and m-estimators are emerging positive approach of the normalized data. The results of the tests are summarized in Table 4.

All the measurable items were analyzed to determine its internal consistency. The findings of the test are shown in Table 5.

Table 5. Reliability Coefficient Cronbach's α for each Variable

	Measure	Sample item	Number of items	Coefficient α	
				Previous study (N = 280)	Current study (N = 140)
DV	Willing to reward	I would pay considerably more money for a product from a firm that I knew to be extremely ethical	5	0.71	0.80
DV	Willing to punish	I would pay considerably less money for a product from a firm that I knew to be extremely unethical	5	0.61	0.80
IV	Importance of ethical behavior	I really care whether the stores I patronize have a reputation of ethical behavior	10	0.96	0.73
IV	Expectation about ethical behavior	I expect the firm that I deal with to act ethically at all times	5	0.80	0.70

The results show that the reliability of the measured items are between 0.70 to 0.80, which is considered to be reasonably good. Nunnally (1967) indicated that for a exploratory work, a reliability of 0.60 to 0.70 is adequate. Therefore, the obtained α values are acceptable. Moreover, the overall α values obtained in this study are better than what was found in the previous studies, where the willingness to punish has higher α values than in the previous where it was only 0.61. In other words, those items reveal more internal consistency of this study.

Inferential Analysis. Pearson's Correlation

Willingness to Reward: There is a significant, moderate and positive correlation between the willingness to reward and the importance of firms' ethical behaviour ($r = 0.57$, $p < .01$). At the same time, there is also a significant, moderate and positive correlation between the willingness to reward and the expectation about firms' ethical behaviour ($r = 0.45$, $p < .01$). This correlation shows the higher consumers' perception of importance and expectation regarding firms' ethical behavior, the higher consumers' willingness to reward ethical firms.

Willingness to Punish: There is a significant, moderate and positive correlation between the willingness to punish and the importance of firms' ethical behaviour ($r = 0.50$, $p < .01$). At the same time, there is also a significant, moderate and positive correlation between the willingness to punish and the expectation about firms' ethical behaviour ($r = 0.57$, $p < .01$). This correlation shows the higher consumers' perception of importance and expectation regarding firms' ethical behavior, the higher consumers' willingness to punish unethical firms is Pearson's correlation values are shown in Table 6.

Table 6. Correlations between Variables

DV		IV	
		Importance	Expectation
Reward	Pearson correlation	.57**	.45**
	Sig (2-tailed)	.00	.00
Punish	Pearson correlation	.50**	.57**
	Sig (2-tailed)	.00	.00

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

Table 7. Multiple Correlation of Variables with Willingness to Reward

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	Df 1	df2	Sig F Change	
1	.569 ^a	.323	.318	.89369	.323	65.424	1	137	.000	
2	.606 ^b	.368	.358	.86706	.044	9.546	1	136	.002	1.815

a. Predictors: (constant), expectation

b. Predictors: (constant), expectation, importance

c. Dependent variable: reward

Inferential Analysis. Multiple Regression

Willingness to Reward: Tables 7 and 8 show modest correlations ($R = .61$) of predictors (importance of ethical behavior and expectation about ethical behavior) with criterion (willingness to reward). Two predictors have a significant effect size or explain 37% of the variability towards the willingness to reward; 32% from the expectation about ethical behavior, and 5% from the importance of ethical behavior. This regression is significant ($F_{2, 136} = 39.53$, $p < .01$).

Table 8. Significances of Independent Variables

Model		Sum of squares	df	Mean square	F	Sig.
1	Regression	52.253	1	52.253	65.424	.000 ^a
	Residual	109.420	137	.799		
	Total	161.673	138			
2	Regression	59.430	2	29.715	39.525	.000 ^b
	Residual	102.244	136	.752		
	Total	161.673	138			

Table 9 below indicates both importance of ethical behavior ($t = 3.09$, $p < .01$), and expectation about ethical behavior ($t = 5.91$, $p < .01$) are significantly positively related to the criterion in the regression. Expectation about ethical behavior has a higher regression coefficient than importance of ethical behavior, 0.73 (95% CI = .48 to .97) compared with 0.32 (95% CI = .12 to .53). Therefore, the estimated regression equation is as follows:

$$\text{Willingness to reward} = -0.38 + 0.32 (\text{Importance}) + 0.73 (\text{Expectation})$$

In addition, two predictors have the tolerance values $> .1$, and the VIF values < 10 . It reveals there is no multicollinearity between the variables.

Table 9. Regression Coefficients and Significance of Willingness to Reward

Model		Unstandardized coefficients		Standardized Coefficients Beta	<i>t</i>	<i>Sig.</i>	95% Confidence interval for <i>B</i>		Collinearity statistics	
		<i>B</i>	Std. Error				Lower bound	Upper bound	Tolerance	VIF
1	(Constant)	.437	.524		.835	.405	-.598	1.473		
	Expectation	.906	.112	.569	8.089	.000	.685	1.128	1.000	1.000
2	(Constant)	-.384	.574		-.669	.504	-1.518	.750		
	Expectation	.728	.123	.456	5.907	.000	.484	.971	.779	1.284
	Importance	.321	.104	.239	3.090	.002	.115	.526	.779	1.284

From the scatter plot of residuals, it was observed that the points in the scatter plot were evenly distributed on both sides of zero. This shows a clear relationship between the residuals and the predicted value, consistent with assumption of linearity.

Willingness to Punish: Tables 10 and 11 show modest correlations ($R = .63$) of predictors (importance of ethical behavior and expectation about ethical behavior) with criterion (willingness to punish). They have a significant effect size or explain 40% of the variability towards the willingness to punish; 33% from the importance of ethical behavior, and 7% from the expectation about ethical behavior. This regression is significant ($F_{2, 136} = 44.58, p < .01$).

Table 10. Multiple Correlation of Variables with Willingness to Punish

Model	<i>R</i>	<i>R</i> -square	Adjusted <i>R</i> -square	Std. error of the estimate	Change statistics					Durbin-Watson
					<i>R</i> -square change	<i>F</i> -change	<i>df</i> 1	<i>df</i> 2	Sig. <i>F</i> change	
1	.574 ^a	.330	.325	.94449	.330	67.387	1	137	.000	
2	.629 ^b	.396	.387	.89985	.066	14.930	1	136	.000	1.710

a. Predictors: (constant), expectation

b. Predictors: (constant), expectation, importance

c. Dependent variable: punish

Table 11. Significances of Independent Variables ANOVA

Model		Sum of squares	<i>df</i>	Mean square	<i>F</i>	<i>Sig.</i>
1	Regression	60.114	1	60.114	67.387	.000 ^a
	Residual	122.213	137	.892		
	Total	182.327	138			
2	Regression	72.203	2	36.102	44.584	.000 ^b
	Residual	110.124	136	.810		
	Total	182.327	138			

Table 12 below indicates that both importance of ethical behavior ($t = 5.79, p < .01$), and expectation about ethical behavior ($t = 3.86, p < .01$) are significantly positively related to the criterion in the regression. The importance of ethical behavior

has a higher regression coefficient than expectation about ethical behavior, 0.62 (95% CI = .41 to .84) compared with 0.49 (95% CI = .41 to .75). Hence, the estimated regression equation is as follows:

$$\text{Willingness to punish} = -0.84 + 0.62 (\text{importance}) + 0.49 (\text{expectation})$$

In addition, two predictors have the tolerance values $> .1$, and the VIF values < 10 . It indicates there is no multicollinearity between the variables.

Table 12. Regression Coefficients and Significance of Willingness to Punish

Model		Unstandardized coefficients		Standardized coefficients	t	Sig.	95% Confidence interval for B		Collinearity statistics	
		B	Std. error	Beta			Lower bound	Upper bound	Tolerance	VIF
1	(Constant)	.438	.519		.844	.400	-.589	1.465		
	Importance	.819	.100	.574	8.209	.000	.622	1.017	1.000	1.000
2	(Constant)	-.841	.595		-1.412	.160	-2.018	.337		
	Importance	.624	.108	.437	5.789	.000	.411	.837	.779	1.284
	Expectation	.494	.128	.292	3.864	.000	.241	.747	.779	1.284

a. Dependent variable: punish

From the scatter plot of the residuals, it was found that the points in the scatter plot were evenly distributed on both sides of zero. As the previous criterion (willingness of reward as dependent variable), there is a clear relationship between the residuals and the predicted value, consistent with assumption of linearity.

Discussion. All the tested variables proved to be significant and the overall structure was verified. The more the consumers expect firms to conduct business ethically, the more they are willing to reward ethical firms (H1 accepted). The more the consumers expect firms to conduct business ethically, the more they are willing to punish unethical firms (H2 accepted). The more the consumers perceived importance of firms' ethical behavior, the more they are willing to reward ethical firms (H3 accepted). The more the consumers perceived importance of firms' ethical behavior, the more they are willing to punish unethical firms (H4 accepted).

With regards to willingness to reward ethically behaving firms, the expectation regarding the firm's ethical behavior has a more significant effect than the importance of firm's ethical behavior. On the other hand, for willingness to punish unethically behaving firms, the importance of firm's ethical behavior has a more significant effect than the expectation regarding the firm's ethical behavior.

The results are encouraging from societal perspective, suggesting that firms should behave ethically, as ethical behavior may benefit a firm while unethical behavior may harm a firm. These findings are consistent with the suggestion that ethical behavior is expected to become a vital component of business practices in the future

(Carrigan & Attalla, 2001), thus providing some new insight into the long-standing debate regarding the usefulness of socially responsible behavior (Aupperle et al., 1985).

As this research demonstrates, consumers have expectations about ethicality of firms' behavior. Perhaps marketers should be encouraged to identify which behaviors are expected as ethical by consumers and play a more active role in managing these expectations. These expectations serve as a reference point for evaluative decisions.

Implications & Recommendations. Consumers, by rewarding ethical behavior in terms of willingness to pay higher prices for products or services, seem to have a significant regulating effect on corporate behavior. A desire to pay lower prices for products or services offered by disreputable firms as a form of punishment seems to have a significant discouragement of unethical corporate behavior. The findings also have an implication for public policy makers as they suggest that consumers are concerned with the ethicality of corporate behavior, which public policy-makers can utilize as a vehicle to indirectly regulate corporate behavior. Ethical corporate behavior not just benefits consumers and public policy-makers, but also firms. However, for this system to work effectively, information on questionable business practices must be easily available for general public and for policy-makers. Ethical corporate behavior benefiting firms must also be made aware to consumers, which could, at end of the day, encourage firms to behave ethically.

Limitations & Future Research. "Ethicality" is a multidimensional concept where different ethical corporate acts could result in different consumer responses. Similarly, different unethical corporate acts might lead to different types of responses. For example, although consumer deception and price fixing at the wholesale level are both unethical behaviors, consumers may have a stronger reaction in the latter case. Indiscrimination on the basis of race or age when hiring employees and making a full disclosure of the risks associated with the use of a cold medicine are both examples of ethical behavior, yet they might have different impacts on the consumer decision process. Thus, the opportunity exists for future research to identify the dimensions along which ethicality of corporate behavior is evaluated. Consumers do report that they care about business ethics, but greater insight into precisely how much they care and under what circumstances is needed. Secondly, since the sample in this study was exploratory, obtained via convenience method, the generalizations of the findings should be approached with some caution.

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Стаття надійшла до редакції 15.02.12