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ARTIGOS

DO CONSUMERS CARE ABOUT ETHICS? A CROSS-CULTURAL STUDY

OS CONSUMIDORES SE IMPORTAM COM A ÉTICA? UM ESTUDO CULTURAL COMPARATIVO

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ABSTRACT

Discussion towards an understanding about ethical and social responsible corporate behaviours has increased over last two decades. Both marketers and academicians emphasize the interest of the topic. Developed research has been focusing the understanding of a few organizational practices, but consumer's dyad of the problem calls for further investigation. This work presents some of the main theoretical contributions about consumer ethics, emphasizing the way how purchase attitude may be influenced by consumers' perceptions about firms' behaviour. The study aims to fill two important gaps in the burgeoning literature on marketing ethics: by looking at the consumer side of the marketing exchange dyad, and comparing consumer perspectives on ethics across cultures. As such, levels of consumer ethical awareness and expectations, and their impact on purchasing behaviours are measured in the contexts of Portugal and Cape Verde, one of its former colonies in Africa. Both qualitative and quantitative analyses were developed.

Key-word: Organizational Ethics. Social Responsibility. Consumer Behavior. Portugal and Cape Verde.

1 INTRODUCTION

The past years have witnessed an increasing interest in corporate ethics, by both academics and practitioners. The literature on marketing ethics in particular, although burgeoning, still presents important gaps, which need to be filled for a better understanding of the topic and more effective marketing management policies. One of these gaps relates to the *consumer side* of the marketing exchange dyad, typically neglected in favour of the study of managerial attitudes and behaviours, yet fundamental to a more complete understanding of ethical business issues (MUNCY; VITELL, 1992, MURPHY; LACZNIAK, 1992). A second gap relates to *cross-cultural* comparisons of the ethical attitudes, expectations and behaviours of consumers, the understanding of which becomes increasingly relevant in the new "global economy" (CASTELLS, 1996: 92) which has "brought cross-cultural contact home to every business", whether operating internationally or not. (ADLER, 1997: 123). The purpose of this study is thus to contribute to the understanding of the main similarities and differences between consumers' ethical awareness, and the effect of this awareness on purchasing intentions, in two different contexts: European Union context, as represented by Portugal and an African context, represented by Cape Verde, a former Portuguese colony.

In what concerns consumer ethics the main cross-cultural studies developed over the last years compare consumers from developed countries (SINGHAPAKDI et al, 1999; AL-KHATIB; VITELL; RAWWAS; 1996; POLONSKY Et al., 2001). Ethics in African contexts is an understudied topic and to our best knowledge, no study on ethics has yet been carried out in Cape Verde. In a recent literature review, Vitell (2003) emphasizes that *“additional cross-cultural studies should be conducted, especially in those developing regions such as Latin America and Africa where few prior studies have been done”* (p.44)

Comparative studies are typically undertaken in well known contexts, often not too different from each other. In this case, however, the countries under analysis are of quite distinct characteristics. Cape Verde is a small Atlantic archipelago made up of ten islands (nine inhabited) off the Western Coast of Africa. In terms of its relationship and comparability to Portugal, the country's colonial experience stands out as the major issue. Although clearly two very different contexts, in different continents, with differing degrees of economic development and different cultures, the colonial experience created enduring bridges and otherwise improbable similarities between the two countries. Cape Verde thus bears far more cultural resemblance to Portugal than would any other random African country without this shared history, or even any other Western country. Having been a colony, Cape Verde is also relatively young as an independent country, and even more so as a democracy. Under socialist regime after its independence, the first multi-party elections were held only in 1989, and so Cape Verde exists as a free market economy also only as of this date. It is a relatively stable economy, however, as is its democracy. In spite of the high levels of corruption which tend to typify African political regimes (often accordingly called “cleptocracies”), Cape Verde stands out as an exception in the general political landscape of sub-saharian Africa.

In a recent consumer ethics research review, Vitell (2003) suggests that environmental factors may influence ethical judgments. The author points out that environments of civil unrest or terrorism can lead to lower consumer ethics. Likewise, a more chaotic type of colonialism (as opposed to a more stable one) can lead to lower standards of consumer ethics, as can peer pressure to engage in unethical/illegal behaviors. The author further suggests that it would be worthwhile investigating these issues in greater depth, and in cross-cultural settings in particular, which sustains the relevance of this investigation.

This study thus takes a first step towards this objective by exploring the existence of differences and similarities on ethical issues between Portugal and Cape Verde. The aim is to find out to what extent the issue of culture is worth pursuing, within the context of consumer perceptions of firm ethics. Indeed, if no significant differences emerged between the two countries, the issue could be “put to rest”. In fact, however, the results found indicate a need for greater research into this issue.

The paper is organized as follows: section two contextualizes the research within the literature, namely in what refers to previous research on consumer levels of ethical awareness and their impact on expectations and purchasing behavior, and to differences in consumers’ ethical judgments of different market players. Section three then presents the research objectives, hypotheses put forth and methodology used to test them. Results are discussed in section four and the section five of the paper looks at conclusions, implications, limitations and suggestions for future research.

2 LITERATURE REVIEW

Ethics is not a new topic in business (DEES; ELIAS, 1998; YAMAJI, 1997; MCINERNEY, 1998; COLLIER, 1998) yet, the central stage it is assuming in business writing and practice *is*. Ethics and Corporate Social Responsibility (CSR) are now part of the corporate *zeitgeist* (PHAROAH, 2004), and are moving “far beyond peripheral ‘do-goodism’” toward “the central sphere of corporate strategy” (WILSON, 2000: 12). This move is not happening at the same speed everywhere, however, and of all the functional areas of business, Marketing has been pointed as the one where ethical problems emerge more often (BAUMHART, 1961; BRENNER; HOLANDER, 1977; MURPHY; LACZNIAK, 1981, LUND, 2000).

The consequent proliferation of writing on marketing ethics which has been witnessed over the past years notwithstanding, certain gaps remain in the literature, namely in what refers to the participants addressed. Any organization must at some point engage in a marketing exchange process with another party, yet the research emphasis has hitherto been mostly focused on the organizational side of this dyad (topics such as firms’ (un)ethical behaviours or business professionals’ ethical awareness, (e.g.: BASS, BARNETT; BROWN, 1999; VITELL, PAOLILLO; THOMAS, 2003), in detriment of

the consumer (MUNCY; VITTEL, 1992). Failure to include consumer perceptions in ethics research, however, will most likely result in an incomplete understanding of the topic and ineffective marketing management policies (MUNCY; VITELL, 1992). Consumers today expect far more from companies than mere successful economic performance (WILSON, 2000). They expect to deal with ethical, socially responsible firms, with which they identify in terms of values, conduct and positioning, thus compelling firms to perform their economic functions within the parameters of socially acceptable standards of behaviour (SETHI; SAMA, 1998).

2.1 THE IMPORTANCE OF ETHICAL FIRM BEHAVIOUR AND CONSUMER EXPECTATIONS

Understanding consumer perspectives on business ethics is important because of the generally held belief that ethical firm behaviour will be rewarded in the marketplace, whereas unethical behaviour will be punished (e.g.: HOLLENDER; FENICHELL, 2004). The idea is that besides internal benefits, such as creating greater employee commitment (ibid.), being perceived as adopting ethical stances will have positive effects on organisational images and reputations (WORLD ECONOMIC FORUM REPORT, 2002), as well as on consumers' purchasing decisions (e.g.: CREYER; ROSS, 1997). The result has been a new emphasis on ethics by both business academics and practitioners. The argument is that firms today not only need to *consider* ethics in their activities and planning, but in what is being called the "ethics era" (SMITH, 1995), must create a "strategic fit" of their ethical preoccupations with "overall business strategy" (HUTTON, 2004, p. 17). Corporate Social Responsibility should be the heart of business, making it more likely that firms will achieve high performance levels (UK WORK FOUNDATION, 2003).

According to Creyer and Ross (1997), this can be understood through the concept of the consumer reference point. If consumers expect firms to behave ethically, then ethical behaviour is the reference point against which perceived firm behaviour will be judged. Behaviours conforming to this reference point will not be highly valued, but perceived firm ethical standards significantly deviating from it, whether positively or negatively, will meaningfully impact consumer evaluations of the firms in question. Thus, Wilson (2000) proposes that firms need to meet consumers' expectations of ethicality in order not to disappoint them, and further suggests that these expectations regard *all* of the organisation's operational levels, so that ethical performance must be elevated in all operations in order to build trust.

The practical result of such arguments has been a number of actions toward more ethical behaviour by firms, perhaps the most visible of which has been the development and adoption of codes of ethics. Not only do most organizations now possess such codes, but they ensure to make them known to their stakeholders, through web pages for example. Indeed, a significant role is being played by communications developments in putting ethics in the centre stage of business concerns. The media and tools such as the internet can quickly spread positive company images, but at the same time have “opened up routes for international groups of consumers and interested bodies to coordinate their activities globally” (CARRIGAN; ATTALA, 2001:7), and allowed for large scale consumer actions, such as the boycotts against Nestlé or Nike.

Ethics is thus increasingly being presented to organisations as a variable too costly to ignore; yet the available research evidence is far from conclusive about the actual marketplace impact of concern for corporate ethics. While some authors claim that consumers are ethically aware and willing to punish and even reward firms’ (un)/ethical stances (e.g.: CREYER; ROSS, 1997), others argue that there is “very little commercial reward in terms of consumer purchasing to be gained by behaving as an ethical marketer” (CARRIGAN; ATTALA, 2001, p.7).

To measure the importance of (un)ethical firms’ behaviour to consumers, Hypothesis 3 was postulated.

As a result, it becomes pertinent to investigate the issue further, to try to determine actual levels of consumer awareness about ethics and the importance attributed to it.

2.2 CONSUMER ETHICAL AWARENESS

Ethics will have a greater impact on organisational activities, the greater the levels of consumer awareness on the matter. Thus, in order to understand consumers’ willingness to punish/reward (un)/ethical firm behaviour through their purchasing intentions, it is necessary to first establish consumers levels of ethical awareness. A key element determining these measures is information.

Titus and Bradford (1996) suggest that the greater amounts of information currently available to consumers, be it through the media, the internet or consumer protection groups, have led to a new

type of consumer - the “sophisticated consumer”, one who is better informed, more educated and has a greater awareness of consumer rights and product requirements.

However, the increase in available information on ethics has not necessarily led to more discriminating consumer behaviour. Carrigan and Atalla (2001) point out that while some consumers are committed to ethics, seeking out environmentally friendly products and boycotting firms they perceive as unethical, others with the same amount of information are unwilling to do so. Furthermore, the tendency seems to be for complacency in seeking out further information about organisations’ ethical stances.

Thus, it is not only important to understand consumer awareness of ethical issues, but also the importance attached to these, and the way they are reflected in consumers’ purchasing behaviours.

2.3 WILLINGNESS TO REWARD ETHICAL BEHAVIOURS AND PUNISH UNETHICAL BEHAVIOURS

Issues surrounding marketing ethics are inherently controversial, and an area that causes particular dispute is the question of the effect of ethical/unethical marketing activities on the purchasing behaviours of consumers (CARRIGAN; ATALLA, 2001). While one would like to think that being a “good company” will attract consumers, and unethical behaviour punished through boycotts or other such actions, some authors argue that there may be very little commercial reward in terms of consumer buying behaviour to be gained from adopting an ethical conduct (CARRIGAN; ATALLA, 2001). The issue is that although it is relatively uncontested that consumers hold more positive attitudes towards companies that behave ethically than towards those which do not, it is not clear if and how these attitudes will materialise in terms of their purchasing decisions. Thus, while consumers may be willing to punish unethical firm behaviour, they might be less willing to reward ethical behaviour, especially where this implies greater costs (CARRIGAN; ATALLA, 2001). The reward/punishment construct can thus be evaluated both in terms of consumers’ preferences for the products of firms perceived as ethical, and in terms of the price they are willing to pay for these products. Williams; Zinkin (2008) sustain that propensity of consumers to punish firms for bad behaviour varies in terms of their cultural characteristics.

Hypotheses 4 and 5 were postulated in order to explore the extent to which consumers are willing to punish unethical firms and reward the ethical ones. It is important to emphasize the idea

that this study tries to analyze consumer *intentions* and not consumer *effective buying behaviour* towards ethical or unethical firms.

2.4 “DOUBLE STANDARDS” IN ETHICAL JUDGEMENTS

Even where ethics is an important consumer concern and consumers indicate a willingness to alter purchasing behaviours accordingly, there seem to be differences in the way (un)ethicity is defined according to who is carrying out the actions – whether the consumer or the organisation. Empirical studies reveal that the level of severity in consumers’ ethical judgments tends to be greater with regard to *firm* behaviours than when judging parallel consumer behaviours (WILKES 1978; DAVIS, 1979; DEPAULO, 1987; VITELL ET AL., 1991; AND MUNCY; VITELL, 1992).

The explanation seems to lie in identification with the subjects and roles presented. Consumers can far more readily relate to and identify with consumers and the ethical dilemmas faced by them, than with those faced by organisations. The tendency is thus for greater benevolence toward ethically dubious behaviours of consumers than of “faceless” organisations. Accordingly, consumers also appear far more willing to accept their rights as consumers, than their consumer obligations (DAVIS, 1979).

3 RESEARCH OBJECTIVES, HYPOTHESES AND METHODOLOGY

The above discussion raises a number of important questions which need to be answered for a more complete understanding of ethics in purchasing decisions and thus constitute the objectives of this research: a) are consumers ethically aware? b) is ethical behaviour an important consumer concern? c) what are consumers’ expectations with regard to firm ethical behaviour? d) how do organisational ethical stances impact consumers’ purchasing behaviour? and finally e) how do the issues raised in points (a) to (d) vary in distinct national and cultural contexts, such as those of Portugal and Cape Verde.

To answer these questions, a number of hypotheses were developed:

H1 – Consumers tend to reveal a high level of ethical awareness.

H2 – Consumers tend to expect ethical behaviours from the firms with which they deal.

H3 – The ethical dimension of firms’ behaviour is an important consumer concern.

H4 - Consumers are willing to reward firms’ ethical conducts through their purchasing behaviour.

H5 – Consumers are willing to punish firms’ unethical conducts through their purchasing behaviour.

H6 – In ethically questionable situations, consumers tend to show greater levels of tolerance when responsibility for the unethical behaviour lies with the buyer than when responsibility is with the seller.

H7 – Consumers with prior experiences of unethical firm behaviour tend to have more negative expectations of firms’ ethicality than those without such experiences.

3.1 METHODOLOGY

In order to contribute to a better understanding of the problems described above, the investigation was conducted following both a qualitative and quantitative approach. The qualitative work was essentially exploratory in nature and had a two-fold aim: to explore the constructs from the literature under analysis and to improve the quantitative tool (questionnaires) used.

Because most of the research on ethics and the consumer perspective on ethics has been carried out in the US, it was important to verify the applicability and transferability of its constructs to the contexts of Portugal and Cape Verde, before ensuing in their utilisation. The focus groups and personal in-depth interviews, audio and video taped, carried out confirmed the appropriateness of the chosen constructs, and further contributed providing part of the groundwork for the later quantitative work: the questionnaires were improved and a new hypothesis (H7) was put forth. They also proved useful for a better understanding of the issue, given the sensitive and delicate nature of the problems under examination.

Results from the qualitative analysis reveal that all the participants expressed a high level of concern toward ethical issues. However, the results also indicate that this concern was not significant enough to lead participants toward supplementary efforts, such as *looking for* information about firms’ behavior. They claimed to take into consideration information received through the media or

word of mouth, but to be unwilling to actually search for such information themselves. The stance is therefore a reactive, rather than an active and engaged one, reflected in expressions such as:

“if it [information] arrives to me, I pay attention. If it doesn’t, I don’t look for it”

This leads us to believe that individuals are more passively than actively ethical concerned.

With regard to expectations of firm behavior, results are not as clear. Some participants revealed a high level of confidence in organizational relations, in particular those who had never experienced unethical conducts from firms. Other interviewees were suspicious towards firms’ conducts and their levels of ethical behaviour. Their perception seemed to be that given that company’s are primarily and almost solely concerned with their own gain and profit, consumers ought to be very cautious in dealing with them. It was their opinion that given the possibility, and if it will lead to greater profits, firms will behave unethically. Their comments offer some insight into this perspective:

“we must not be naive , all they want is profit, profit, profit”

“they don’t look towards means to achieve their ends”

“they are consciously unethical, because it is worth it”

or also:

“I’m confident for now. Perhaps if I have a bad experience one day...”

Discussions regarding consumers’ willingness to reward ethical behavior or punish unethical behavior led us to different results, analyzed subsequently in the quantitative research. According to Creyer; Ross (1997) if consumers expect a firm to behave ethically they are not willing to reward that behavior. The qualitative research indicated that although they believe ethicality should be the expected behavior, interviewees think it is uncommon in today’s society. As such, they claimed to be willing to reward such behaviour by paying more for the service or product offered (given the same level of quality or product value). Interviewees further claimed that this reward behaviour was a natural consequence of their loyalty to these more ethically behaving firms. With regard to

punishment of unethical behaviours, answers were more consensual still. The great majority of individuals revealed they would punish unethical behavior, by refusing to buy from the companies performing those behaviours. For example:

"I wouldn't buy a product if I knew, for example, that firm exploits its workers"

"Recently we have heard of a bar that refuse African people entrance. I've never gone there again"

"No, I wouldn't buy and I would tell everyone not to buy."

However, information again emerged as a key issue here. Despite their apparent willingness to punish, this would be contingent on having information regarding firms' behaviours, and in general, this appeared to be greatly lacking. Furthermore, consumers themselves seemed unwilling to search for it.

Consumers' different tolerance levels toward ethically dubious behaviour as a function of who is performing it were also considered, but the analysis was not conclusive. Participants were invited to state their positions in a "totally unacceptable" to "totally acceptable" scale. The third person technique was used to conduct participants to a general analysis, but even so, it is likely that interviewees' own ethical behaviours as consumers were not totally revealed. Nevertheless, participants did show greater tolerance towards buyer unethical behaviour than seller unethical behaviour. For example:

[about selling] "it's unacceptable. They should try to develop the cleanest products they can"

[about buying] "it's acceptable. Most of green products are more expensive than the others"

Finally, an idea which created some consensus among participants related to past experiences. The majority of interviewees agreed that their expectations towards firms' behaviour were clearly influenced by their past experience dealing with firms. Participants held that having had bad experiences with firms (in terms of ethically questionable behaviour on their part) led them to form more negative expectations regarding firm behaviours. This was such an insistently reinforced idea that it was decided to include this variable into study. Thus Hypothese seven emerged, in an attempt to determine to what extent past experiences influence consumer expectations of firms' (un)/ethical behaviour.

Further, for the main purpose of measuring levels awareness and the attitudes of consumers with regards to ethics, however, a quantitative method was used. Self-administered questionnaires were applied, designed to measure levels of ethical awareness, expectations of ethical firm behaviour, the importance attributed to such behaviour and its impact on purchasing intentions. The questionnaires further sought to detect differences in consumer tolerance levels towards ethically dubious behaviour, according to who carries it out. In this sense, two different questionnaires (A and B) were applied, similar in major contents, but different with respect to one of the question groups: whereas questionnaire A asked respondents to express their levels of agreement with firm ethical dilemmas, questionnaire B asked respondents about the same dilemmas, but faced by consumers.

The questionnaires were applied in classroom contexts to university business students, in both Portugal and Cape Verde. Convenience samples were drawn, of 356 students (175 answering questionnaire A and 181 answering questionnaire B) in Portugal and 202 students (109 questionnaires A and 93 questionnaires B) in Cape Verde. Despite the smaller sample size for Cape Verde, this did not influence the results obtained. At the same time, the smaller sample is also a reflection of the smaller student population in Cape Verde. Not only is it a far smaller country with far less population (around 400 thousand, in contrast with Portugal's 10 million), at the time of the research, there was a single university in Cape Verde offering an undergraduate business course. This was a private Portuguese-owned university, which opened in Cape Verde in 2000. Two other Higher Education institutions did exist at the time, but offering a limited number of courses and not recognised as universities.

The two versions of the questionnaire looked identical and were alternated in a single pile from which they were handed to the students. Thus, half of the class completed each version.

Although the use of student samples can constitute a limitation, this methodology has been used in previous research on similar topics (e.g.: ALCANIZ et al., 2005), and further allowed a simple division of the same group in two distinct matched samples. Because it is the same group of individuals which is divided into two, it becomes easier to obtain comparable samples. Analysis of samples and B's demographic characteristics further confirmed their comparability.

All the students were presented with two ethics-related behavioural scenarios. One of these described a situation where the unethical behaviour conducted to damage to another person; whereas

the other led to positive consequences to an individual. The great majority of students in both groups and in both countries classified the first attitude (the one harming others) as “very unacceptable”, but the second (which led benefited others) as “acceptable”. This means judgements of the ethicality of behaviour are partly formed in terms of the consequences of actions, revealing a teleological view of ethical dilemmas. Because this was similar in both samples and in both countries, it further ensures the homogeneity of the samples used. This methodology of sampling has been used in similar studies developed both by DePaulo (1987); Wilkes (1978).

The use of a student’s sample is a widespread practice in academic research and cross-national research in particular. Similar studies on this topic have used the same kind of sampling procedure (e.g., CHEUNG, 1999; VITELL ET AL, 2001; STEVENSON; BODKIN, 1998; MUNCY; EASTMAN, 1998; BORKOWSKI; UGRAS, 1998; POLONSKI ET AL, 2001; CARLSON; KACMAR, 1997) . Advantages of sampling students include low-cost, availability, cooperation and ease of following instructions (HAMPTON, 1979); however, the author also suggests that the applicability of the construct of exploratory behaviour to students has to be warranted, in which case their use can enhance the internal validity of the research. Peterson (2001) also advised that the use of students should be scrutinized, as their responses can be slightly more homogeneous than those of non-students samples. In this study, given the cross national nature of the research and the need for matched samples, as well as time and budgetary restraints, the use of student samples seemed appropriate to objectives at hand.

The use of quantitative methods to understand consumer ethical issues has been criticized by Belk, Devinney; Eckhardt (2005) e Auger, Burk e Louviere (2003) that defend interpretative methods as the one’s that are capable of uncovering paradoxes in thoughts and behaviour, and revealing the nature and structure of consumer rationales and justifications. However, it is also true that investigation conducted in cross-cultural settings is primarily based on quantitative methods. Also, the need to compare results obtained with known research instruments but in new cultural contexts justify this methodology. Further, exploratory qualitative research firstly developed helps filling the gap of a simple statistical analysis.

4 MAJOR RESULTS

H1: An index was constructed to measure ethical awareness. The scale was composed of 20 items in a five point scale ranging from 1-totally disagree to 5-totally agree. Given the items' opposite orientations, ten of the variables were recoded, in order to guarantee that in all the 20 items 1 was the less ethical position and 5 the most ethical. As suggested by Sirkin (1995), the items were further recoded from 1-5 to 0-4 to build a more realistic consumer ethics index, in which the lowest level of ethical awareness was "0". So after recoding, the scale ranged from "0" (if the individual scored 0 in all 20 items) to "80" (if the individual scored 4 in all 20 items). Thus, "2" would represent the middle point of the scale and 40 (2*20) the medium position of the consumer ethical awareness index.

In this research, Portuguese students' ethical awareness index ranged from a minimum of 32 to a maximum of 79 and Cape Verdian students' from a minimum of 30 to a maximum of 72. Following Sirkin (1995), three levels of ethical awareness were defined: low, medium and high, as shown in table 1.

Table 1: Level of ethical awareness in Portugal and Cape Verde

	PORTUGAL Range	% individuals	CAPE VERDE Range	% individuals
Low level of ethical awareness	32-47	9,6%	30-43	9,4%
Medium level of ethical awareness	48-63	70,7%	44-58	63,9%
High level of ethical awareness	64-79	19,7%	59-72	26,7%

The categories were determined by dividing of the overall range into three parts, and adding this value to the limit of each category. Thus in Portugal, where the range varied from 32 to 79, the value $(79-32)/3 = 15$ (approximately) was added to the limit of each level. The same procedure was used for Cape Verde (Table 1). The alternative methodology, which is the division of the range based on percentiles, was also considered. However, as suggested by the literature, the first method was thought more appropriate (SIRKIN, 1995).

The results indicate that for both samples the hypothesis that consumers tend to reveal a high level of ethical awareness (H1) is rejected. An alternative hypothesis that consumers have medium levels of ethical awareness was also considered and was accepted. That is, both countries present

above average (medium to high) levels of ethical awareness, with Portuguese consumers' ethical awareness index being higher than that of the Cape Verdian sample (Table 2).

Table 2: Testing H1

	Test value	N	Mean	T value	Significance level (SI)
PORTUGAL	64	356	56,79	-17,225	0,000
CAPE VERDE	58	194	53,79	-7,544	0,000

Initially, it was thought that a possible explanation for these results might lie in the countries' relatively low levels of purchasing power. Previous studies have shown Portuguese consumers to be far more concerned with price as a purchasing criterion than their counterparts from richer European countries, whose interests lie far more in aspects such as quality, for example (FARHANGMEHR et al., 2000). A lower purchasing power and greater preoccupation with price may mean that issues such as corporate social responsibility or firm ethicality simply become secondary to consumers, as reflected in the results obtained. This would also explain the lower awareness indices obtained for Cape Verde, given that the country is much poorer and purchasing power far lower (a GDP per capita of \$1,400 against Portugal's \$17,900) (CIA WORLDFACTBOOK, 2005).

However, it must also be taken into account that university students in poorer countries tend to come from wealthier strata. This is likely to be particularly true in the case of Cape Verde, given that the only university in the country (thus far) is private, implying the payment of a monthly fee. Thus, the lower levels of ethical awareness in Cape Verde might be better explained by the lower levels of information available on the issue in that country. It has been proposed that more ethically discriminating consumer purchasing behaviors are crucially dependent on greater access to information on ethics (e.g.: CREYER, 1997, CARRIGAN; ATTALA, 2001), and the availability of such information is clearly more limited in Cape Verde. Furthermore, media attention to such matters in Cape Verde is scarce, consumer and environmental defense groups almost inexistent in terms of practical visibility and internet access ("a route for international groups of consumers and interested bodies to coordinate their activities globally" [CARRIGAN; ATTALA, 2001]) far more restricted.

Beyond such "material" aspects, however, there are likely to be cultural reasons for these results as well, both in terms of the discrepancy found with previous research results (e.g.: CREYER;

ROSS, 1997) and of the differences between Cape Verde and Portugal; a subject which merits further research.

H2, H3, H4, H5: To analyse the data confirmatory factor analyses were carried out to verify whether the dimensions under analysis corresponded to those identified in the literature (CREYER; ROSS, 1997). From a set of 27 questions, after varimax rotation, the following four constructs were identified confirming the dimensions suggested by literature:

Factor 1: Importance of ethical behaviour

Factor 2: Willingness to punish unethical behaviour

Factor 3: Willingness to reward ethical behaviour

Factor 4: Consumers' expectations of firm behaviours

Following the analysis, a t test was used to test the postulated hypotheses. Results were observed and interpreted using a significance level of 5% (table 3).

Table 3: Testing H2, H3, H4 and H5

PORTUGAL	Mean *	t value	Significance level
Factor 1 (F1) - H3	3,86	30,896	0,000
Factor 2 (F2) - H5	3,25	6,828	0,000
Factor 3 (F3) - H4	3,89	28,847	0,000
Factor 4 (F4) - H2	3,70	24,556	0,000
CAPE VERDE			
F1	4,54	35,198	0,000
F2	4,11	24,181	0,000
F3	4,16	25,468	0,000
F4	3,44	6,781	0,000

Note 1: * Mean of a 5 point likert scale from 1= totally disagree to 5= totally agree

Note 2: test value: 3

As shown in the table, hypotheses two to five were all confirmed. Consumers expect ethical behaviours from the firms they deal with (H2) and consider this to be an important concern (H3), although in conformity with their degree of ethical awareness, which in this case was not found to be high. This is consistent with the often made contention that consumers are typically unwilling to actively search for information regarding firm behaviours in what pertains to ethical or socially

responsible behaviours (e.g.: ALCAÑIZ et al., 2005). The result is that although consumers expect ethicality of firms and consider it to be important, they feel ill informed and only moderately aware of ethical business issues, as also indicated in the qualitative part of the research.

Hypotheses four and five suggested that consumers, given that they consider the ethical dimensions of firm behaviour to be important, would be willing to punish/reward (un)/ethical behaviour through their purchasing behaviour. The test results show this to be the case, which is consistent with previous research (e.g.: CREYER; ROSS, 1997) and suggests there would be merit in further research, in order to determine to what extent these stated intentions of punishment and/or reward actually materialize into action, particularly when entailing additional costs.

This might also explain the fact that consumers keep buying products from firms accused of unethical behaviour.

H6 – Hypothesis six referred to the differences found in previous research (DEPAULO, 1987; DAVIS, 1979; WILKES, 1978) in the severity of consumer judgements of ethically dubious behaviour according to who is carrying out that behaviour – whether the firm or the consumer. Here the results differ between the two countries: whereas Portugal presents the typical behaviour described in the literature, in Cape Verde the difference in harshness of appraisal of organisational vs. consumer behaviour was not significant (although a difference could be observed). Indeed, the mean values for this hypothesis suggest that Cape Verdian consumers are far less tolerant of perceived unethical behaviour than the Portuguese, independently of who is carrying it out.

The reason for this may be that respondents could relate to and identify themselves with the role of the consumer far less in Cape Verde. Because both the quantity and variety of products on offer is much lower than in Portugal, as is purchasing power, Cape Verdians take on the role of the consumer less often. As such, their answers are more likely to reflect judgements made on the basis of general ethical principles, rather than on a greater leniency towards situations and characters they can more readily recognise themselves in.

Table 4: Testing H6

PORTUGAL	N	Mean	t value	Significance level
Level of tolerance of firms' behaviours	175	14,58	-5,120	0,000

Level of tolerance of consumers' behaviours	181	14,99	-5,035	0,000
CAPE VERDE				
Level of tolerance of firms' behaviours	107	9,39	-0,416	0,678
Level of tolerance of consumers' behaviours	92	9,72	-0,416	0,678

H7 - The test results indicate that, contrary to what had been hypothesised, consumers' previous experiences of unethical firm behaviour does not seem to lower their expectations with regard to organisational ethicality. No significant relationship between previous negative experiences and expectations was found in either country. This result needs to be interpreted with caution, however, as only a small proportion of the respondents indicated actually ever having had a bad experience with an organisation in the past: approximately 13% in Portugal and 33% in Cape Verde.

The larger percentage of Cape Verdian consumers indicating having had bad experiences with organisations in the past probably reflects the scarcity of consumer rights' groups and the lack of consumer protection in the country, also leading to the lower levels of awareness regarding ethical issues found.

Table 5: Testing H7

PORTUGAL	N	Mean	t value	Significance level
Had a bad experience in the past	44	3,815	-1,549	0,137
Did not have a bad experience in the past	300	3,687	-1,491	0,137
CAPE VERDE				
Had a bad experience in the past	48	4,5694	0,296	0,767
Did not have a bad experience in the past	144	4,5394	0,296	0,767

Although the impact of culture on consumer perceptions regarding ethics was not directly tested (this was not the major aim of the study), the cross country comparison undertaken raises important issues. The fact that differences were found between the two countries in terms of consumer ethical awareness, expectations and purchasing behaviours, suggest cultural elements may influence these factors. As such, further research is necessary to uncover the magnitude and functioning of these effects. One approach might be to relate consumer perceptions and actions regarding firm ethics to Hofstede's (1973) cultural dimensions.

Understanding the impact of culture and cultural dimensions on consumers' understanding of firm ethics can help firms manage their ethical issues more appropriately in different markets, allowing them to better determine how to communicate their ethical standards to their consumers, as well finding ways to encourage more discriminating consumer purchasing behaviour.

The relationship between the different factors above and demographic variables was also analysed; however, no significant relationship emerged.

5 CONCLUSIONS, IMPLICATIONS AND SUGGESTIONS FOR FUTURE RESEARCH

The above results allow us to draw a number of conclusions regarding comparative consumer perspectives in Cape Verde and Portugal. A first similarity between the two countries lies in their levels of ethical awareness. Both present medium levels of ethical awareness, rather than the high consumer ethical awareness proposed in the literature (e.g.: CREYER; ROSS, 1997), and the levels are lower in Cape Verde.

Explanations were put forth for these results, relating to purchasing power and access to means of communication (see section 4). However, it would be of interest to go beyond these "material" reasons, and analyze potential cultural reasons for these results as well, both in terms of the discrepancy found with previous research and of the differences in ethical awareness levels between Cape Verde and Portugal.

Not only do consumers have only moderate levels of ethical awareness, the qualitative research revealed that they generally consider themselves ill informed on ethical issues, and yet unwilling to look for additional information on the matter. Nevertheless, the quantitative results showed consumers in both countries to expect ethical behavior from the firms they deal with; and in congruence with the literature, the qualitative research further suggested that failure to meet these expectations will significantly damage firm image.

Accordingly, consumers in both countries expressed a predisposition to discriminate on ethical grounds through their purchasing behaviour. In consistency with the contentions of Creyer and Ross (1997), respondents claimed to be willing to both reward ethical firm behaviour and punish unethical behaviour through their purchasing decisions.

However, it is important to delve deeper into these results, as a social acceptability bias may be at hand due to self-reporting. Future research might do well to try to observe actual purchasing behaviour in order to determine to what extent these stated intentions of punishment and/or reward actually materialize into action, particularly when entailing additional costs. It would also be of interest to try to quantify these additional costs – how much more are consumers willing to pay for an “ethical product”? How much further are they willing to travel for it? And is their willingness the same for every product, or does ethical firm behaviour become more important for certain product categories than for others?

Finally, it would be also be of interest to explore differences in views regarding what ethical behaviour actually is, since different country cultures will no doubt lead to different definitions of the concept itself.

These questions show that beyond their academic interest for a deeper understanding of consumers’ ethical perspectives, these issues have practical implications for firms. As awareness of consumers’ willingness to discriminate on the basis of (un)ethical firm behaviour grows among firms, so do the constraints on their behaviours in ethically shady situations. At the same time, however, this also presents firms with new opportunities and challenges: how to promote greater ethical standards? how to make these known to their stakeholder, consumers in particular? and how to encourage consumers to reward the ethical behaviour of firms in general, and of their own enterprise in particular?

Information becomes a key element here, and the media take on a crucial role. In the qualitative research carried out, consumers said they would be more discriminating in their buying behaviour if they had more information on firms’ ethical attitudes, and cited the media as a privileged source of such information. These claims are coherent with the literature (e.g.: CREYER, 1997, CARRIGAN; ATTALA, 2001),

The research also set out to uncover potential differences in the harshness of consumers’ judgments of ethically dubious behaviour according to who was carrying it out. In conformity with the literature, consumers were found to be more rigorous when it came to firm behaviours than

consumer behaviours in parallel situations, although for Cape Verde the difference was not significant.

Finally, in spite of the indication from the qualitative research that expectations of firm ethicality are greatly dependent on past experiences, no such effect was found in the results. However, this may be a result of the low proportion of consumers having had previous negative experiences, which suggests room for a further exploration of the results reached at, through recourse to more qualitative methods in the future. Qualitative research typically lacks the breadth and the potential for creating generalisations which quantitative analysis allows for, but it provides access to subtleties which might otherwise be left undetected (ROSEN, 1991).

In this particular case, the quantitative research also presented a limitation with regard to the samples used, which being convenience samples, restricted the ability to generalise from the results. Nevertheless, the results obtained were deemed valuable in and of themselves, and additionally made possible quantitative country-comparisons. Furthermore, student samples have been used in previous research on similar topics (e.g.: ALCAÑIZ et al., 2005).

Nevertheless, it would be of interest to replicate the study with more representative samples in the future, as well as to include more countries for comparisons. Measuring consumer ethical perspectives in different contexts and the underlying reasons for differences and similarities between them will constitute an important contribution to a more complete understanding of the consumer side of the marketing exchange dyad, for both academic and practitioners.

OS CONSUMIDORES SE IMPORTAM COM A ÉTICA? UM ESTUDO CULTURAL COMPARATIVO

RESUMO

A discussão do entendimento sobre a ética e o comportamento corporativos socialmente responsável tem aumentado nas últimas duas décadas. As organizações e os acadêmicos enfatizam o interesse no tema e a pesquisa desenvolvida tem focado na compreensão de algumas práticas organizacionais, no entanto o consumidor dá de do problema exige uma investigação mais aprofundada. Este trabalho apresenta algumas das principais contribuições teóricas sobre a ética do consumidor, enfatizando a forma como a atitude de compra pode ser influenciada pela percepção dos consumidores sobre o comportamento das empresas. O estudo visa preencher duas lacunas importantes na literatura crescente sobre a ética de marketing: olhando para o lado do consumidor e da troca de marketing, e comparando as perspectivas dos consumidores sobre a ética em todas as culturas. Como tal, os níveis de sensibilização dos consumidores éticos, suas expectativas, e seu impacto sobre os comportamentos de compra são medidos nos contextos de Portugal e Cabo Verde, uma de suas ex-colônias na África. Ambas as análises qualitativas e quantitativas foram desenvolvidas.

Palavras-chave: Ética nas Organizações. Responsabilidade Social. Comportamento do Consumidor. Portugal e Cabo Verde.

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