

A Conceptual Model of Ethical Purchasing

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Abstract

Most research on ethical consumerism has attempted to describe the ethical consumer but not to understand the ethical purchasing process. The ethical purchasing process is of particular interest to marketers as it is characterised by a significant words/deeds inconsistency. In this paper we explore the reasons for the low translation of intentions to behaviour and propose modifications to existing conceptual models of ethical purchasing that could result in better prediction of ethical purchasing behaviour. In particular, we draw on models developed by Davies et al. (2002), Osterhus (1997), and the Schwartz (1977) norm activation model.

Keywords: ethical purchasing behaviour, personal norms, norm activation

Introduction

Since the early 1990s there has been a flood of brands on supermarket shelves claiming to have some 'ethical' content. Ethical positioning has ranged from some alignment of the brand with a charity or cause, appealing to consumer altruism and social responsibility, to pro-environmental and anti animal-testing claims, with a dual appeal to consumer health and environmental responsibility goals. However, the demand for ethically positioned products has been weak; with estimates of the market share captured by ethical products across all categories ranging from 1% to 3% (Harrison, 1997; MacGillivray, 2000; Palmer, 2004).

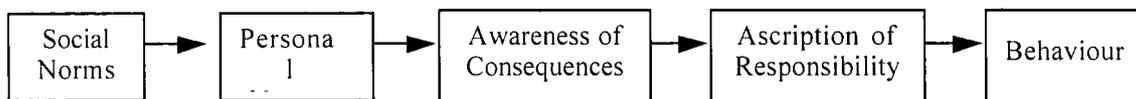
Ethical products have been launched in response to the perception of a growing awareness among consumers of the environmental and social impact of their own consumption and the apparent increased demand for more 'ethical' product alternatives (Hogg et al., 2004; Diamantopoulos et al., 2003; Creyer and Ross, 1997). While, environmental concern has become a social norm (Roberts, 1995), the low market shares, and the high incidence of green marketing failures (Ottman, 2002) indicate that either consumers are not being satisfied with current product offerings and/or our methods for predicting market potential are not adequately representing ethical purchase behaviour. A particular criticism is that statements of purchase intentions have a poor predictive record. Futerra (2004) reported that, in general, of the 30% of people who state they will purchase ethically, only 3% actually do.

In this paper we explore the reasons for the low translation of intentions to behaviour and propose modifications to existing conceptual models of ethical purchasing that could result in better prediction of ethical purchasing behaviour. In particular, we draw on recent models developed by Davies et al. (2002) and Osterhus (1997), both of which are underpinned by the Schwartz (1977) norm activation model.

The Socially Responsible Consumer

Surprisingly little academic research has been undertaken to understand the causative effects on ethical consumer behaviour despite its long interest to researchers (Cooper-Martin and Holbrook, 1993; Roberts, 1995). For the most part research has focused on identifying the socially ethical consumer. However, such a creature has proved elusive (Diamantopoulos et al, 2003; Ray and Anderson, 2000 etc) with little evidence of correlation between social responsibility as a community member and social responsibility as a consumer (Webster, 1975). One exception to this finding is that both the socially responsible community member and the socially responsible consumer feel that they can make a difference (Webster, 1975; Brooker, 1976; Mohr et al, 2001). It is this belief of individuals that they can ‘make a difference’ that distinguishes between socially responsible consumers and consumers who do not purchase ethically (Harrison, 1997; Mohr et al, 2001). For example, Straughan and Roberts (1999, p.570) found “it is more important that consumers believe in the efficacy of individuals to combat environmental destruction than it is to show concern for the environment”. The desire to make a difference is best reflected by Schwartz’s (1977) norm activation model (see Figure 1), which describes how the individual assumes responsibility for social issues and acts on this responsibility. The norm activation model has been repeatedly applied to conservation issues like energy use, support for environmental protection and recycling (Davies, et al., 2002).

Figure 1: The Davies et al (2002) depiction of Schwartz’s model of norm activation



In the model, social norms “represent the values and attitudes of significant others” (Davies, et al., 2002, p.38) but, on their own, are too general to govern behaviour except where the behaviour is highly visible in which case they become salient through social sanctioning. Their main influence is indirect as they become internalised by individuals as personal norms. The central assumption in Schwartz’s model is “the idea that altruistic behaviour is causally influenced by feelings of moral obligation to act on one’s personally held norms” (Schwartz 1977, p.273). People are motivated to uphold personal norms because, unlike social norms, they are tied to their self-concept and their violation engenders feelings of guilt, while upholding them is a source of pride (Schwartz, 1977).

Personal norms are activated for a specific behaviour when the person is aware of the consequences (AC) of the behaviour and ascribes responsibility (AR) for these consequences to him or herself. Note that a key characteristic of AC is that it is a subjective belief. Norms will be activated regardless of whether or not the information leading to awareness is complete or accurate, what matters is the person’s perception. In a study of how managers make ethical decisions, awareness of consequences was found to be antecedent to an intention to behave ethically (Watley and May, 2004).

Ascription of Responsibility further strengthens the potential to act in a socially responsible manner when the individual makes a judgement that their behaviour will contribute to the consequences. AR operates through the reinforcement or violation of personal norms and is

moderated by anticipated guilt or pride (Schwartz and Howard, 1981). In their work on responsibility as a predictor of ecological behaviour, Kaiser and Shimoda (1999) found 55 per cent of their subjects' ecological behaviour could be explained by their judgement of responsibility. This has been supported by others examining ecological behaviour (Van Liere and Dunlap, 1978; Guagano, Stern and Dietz, 1995).

However, in a test of the Schwartz model on recycling behaviour, which also incorporated the Theory of Reasoned Action and Theory of Planned Behaviour, Davies et al (2002) found only one variable that significantly correlated with recycling behaviour, personal norm. Osterhus (1997) similarly tested a model based on Schwartz that attempted to predict environmentally responsible consumption of electricity and found that ascription of responsibility and an unrelated variable, Trust, were important moderators of pro-social behaviour. Thus it would seem that further testing of the Schwartz concepts is needed and in a range of contexts.

The need to specify the context of choice

In the Davies et al (2002) study purchase intention was found to add no predictive value to the model and was subsequently omitted leaving behaviour as primarily a function of personal norms and its antecedents. However, Osterhus' (1997) model suggests that there is value for managers in including contextual factors that can moderate the influence of personal norms. A difference between the models is that Davies et al. used a scale measuring "implementation intentions". Osterhus did not measure intentions but utilized contextual information in the form of perceived economic costs and benefits which proved significant to predicting choices.

Osterhus' incorporation of contextual constraints goes some way to addressing the shortcomings highlighted by critics of models that utilise only purchase intentions as a predictor of behaviour. Two criticisms that are particularly prevalent are that elicited intentions are subject to social desirability bias (Roberts, 1995, Mohr et al., 2001; Nancarrow, et al., 2001) and do not take account of purchasing constraints (Auger et al., 2003). The business literature has taken issue with the former, arguing that "it's not that the consumer is lying, it's just that when you ask them the question they have the issue 'front of mind', and then when they are cruising the supermarket shelves the issue has fallen out of the 'intentional behaviours' category" (Futerra 2004, p.15). Schwartz (1968b, p.232) himself provided some insight as to why norms may not be activated on certain occasions: while "an observer may think that a particular norm or attitude he has measured or inferred is pertinent, the actor himself may not define the situation of action as one in which this norm or attitude applies". In the context of purchases it may be that the consumer does not always associate purchase behaviour with an opportunity to act in a socially responsible manner. For example, if there are alternative courses of action (lobbying, donating) then the expected behaviour may not occur.

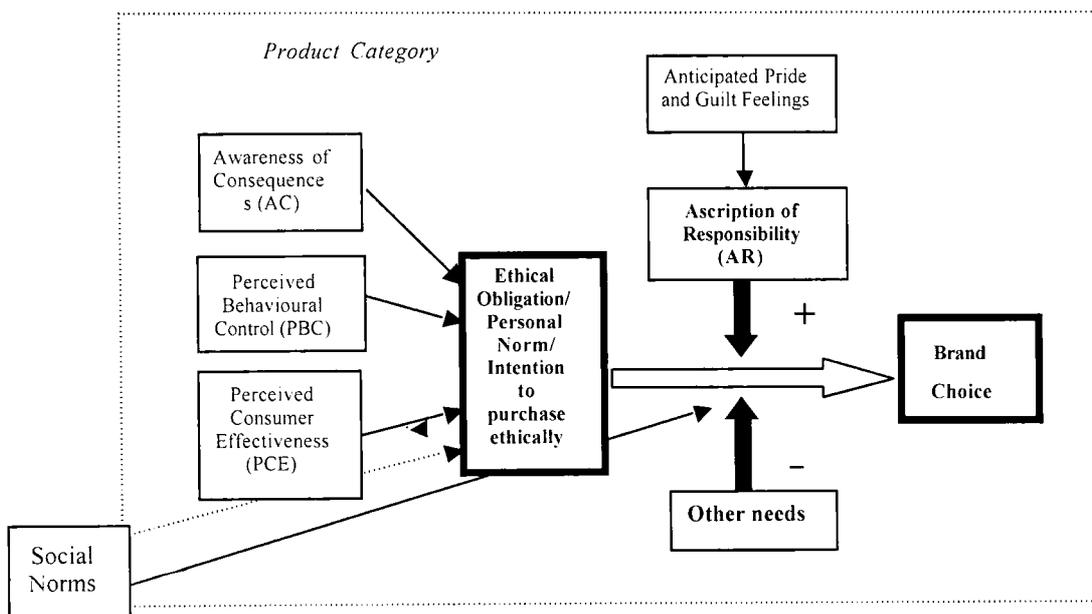
The second reason, purchasing constraints, was explored by Hogg et al (2004) in their study of U.K. clothing consumers. Although respondents stated strong intentions to purchase 'sweatshop free' clothing, they cited four main constraints: lack of information about brands or retailers that are 'sweatshop free'; difficulties in accessing ethical retailers; limited range offered and the nature of ethically produced clothing. Angus-Leppan et al. (2004) reported

similar constraints. Thus, while a consumer may have a general intention to purchase ethically contextual constraints impede their realising these intentions. Osterhus (1997) recognition of the relevance of these factors was operationalised as multi-item measures of the level of agreement with statements of perceived costs and benefits (e.g. “I couldn’t accept any restriction on the amount of electric power used in my household at any time”). While these statements address the issue of specificity of the choice context, they fail to account for the trade-offs (Auger et al., 2003) that must be made between functional benefits and costs and social norms. This is particularly important in the shopping context given the ready availability of substitutes and is further supported by the fact that choices involving the presence of alternatives have been found to substantially improve prediction of the Theory of Reasoned Action (Sheppard et al., 1988), which has not had a good track record of prediction. Thus, we argue that what needs to be recognised in a model of ethical purchasing behaviour are information constraints and trade-offs, both economic and other.

An Integrated Model of Purchasing Behaviour

The model in Figure 2 is an integrated model of ethical purchasing behaviour. The model departs from earlier models by making explicit that, with the exception of social norms, the impact of personal norms and its moderators are contextual. That is, personal norms are activated in the context of a product category. It also makes explicit the trade-off between other needs and personal norms and introduces an additional construct Personal Consumer Effectiveness (PCE). The elements of the model are outlined below.

Figure 2: A contextual model of ethical purchasing



Social norms influence intentions directly through social sanctions as argued by Schwartz (1977) and Davies et al (2002) and are most likely to be salient for visible behaviours where someone is present who might sanction the actor and damage the actor’s social standing. They also have an indirect influence through developing personal norms.

Personal norms and purchase intentions are indistinguishable as argued by Ajzen and Fishbein (1988). The immediate antecedents to activation of personal norms are Awareness of Consequences (AC) as outlined earlier, Perceived Behavioural Control (PBC) and Perceived Consumer Effectiveness (PCE). Schwartz (1977) proposed that AC plays dual roles, in both the formation of norms and in the translation of norms into behaviour. However, in tests of his model it has been found to have little effect on behaviour (Black, Stern and Elworth, 1985; Osterhus, 1997; Davies et al, 2002). Osterhus (1997) found that it enhanced the development of personal norms.

Perceived Behavioural Control (PBC) is “the person’s belief as to how easy or difficult performance of the behaviour is likely to be” (Ajzen and Madden, 1986, p.457) while Ellen, et al. (1991, p.103) argue that Perceived Consumer Effectiveness (PCE) is “a domain-specific belief that the efforts of an individual can make a difference in the solution to a problem”. The distinction between the two is illustrated by responses to a qualitative study of Australian consumer attitudes to Corporate Social Responsibility and ethical purchasing (Angus-Leppan et al, 2004). The first quote can be seen to reflect PBC and the latter would be considered PCE:

“If I had a problem with...I don’t know Rio Tinto I wouldn’t even know where to begin boycotting their products because they’re in the fuel, the car that I drive, ...”.

“my dollar will have the biggest say cause if companies aren’t selling stuff because people are aware and refuse to buy it...”(Angus-Leppan et al, 2004, p16).

In the first case the primary obstacle is lack of information which they perceive renders their choices ineffectual. The second statement focuses more on beliefs about their purchase impact rather than their ability to make the choice. It could be argued that the distinction between PCE and PBC is slight and PCE is in fact subsumed in PBC. The effect of PCE on behaviour has been mixed (Straughan and Roberts, 1999, Janssens et al, 2005) and while PCE has been tested as a single predictor of behaviour, it has not been incorporated and tested in a single model of purchase behaviour. Both PBC and PCE are included in the model to determine whether there are separate effects.

Ascription of Responsibility is viewed as antecedent to behaviour rather than intentions and is mediated by anticipated pride and guilt. As outlined earlier, the stronger the emotions associated with complying with personal norms the stronger the likelihood that people will judge themselves to be responsible for the outcome, all else equal.

Similar to Osterhus (1997), but placed in a choice framework, intentions are moderated by trade-off among functional attributes of the product and its alternatives, search costs in terms of availability of an ethical alternative, and the level of moral concern held by the consumer. Crane (2001) has identified four potential levels of ‘issues’ that the consumer has in mind when considering ethical purchases: the product (including its lifecycle: Peattie, 1992), its marketing, the corporation and the country of origin. At the marketing level, consumers may take issue with the way a product is marketed but not with the product itself. At the corporate level, the firm’s ethics impact on product evaluations and at the country level,

government policies may be part of the consumer's ethical consideration of the product (Crane 2001).

Empirical research supports Crane's (2001) levels: recent studies have shown that consumers will base their ethical purchasing decisions on any one of the four levels. Hogg et al's. (2004) study of a group of ethical consumers making fashion purchases in the U.K. found that self-identified ethical consumers use cues to buy or avoid buying products based on the country of origin, the size of the company and the brand. Following Crane (2001) and Peattie (1992), to the extent that factors such as country of origin, design and marketing factors are relevant to the evaluation of a product category they are included in "other needs".

More difficult to operationalise are the instances where norms are activated and responsibility taken but still the ethical purchase is not made. That is, the consumer justifies their violation of personal norms through various rationalisations (small footprint, next time, uncertainty over the authenticity of the ethical claim). Osterhus (1997) uses Trust as a component in his model. Trust can be at the general level of the product category (or even broader) or in relation to a specific brand. In the model Trust is incorporated in PBC (contributing to the knowledge factor) and can be implicit in the choice where it is a distinguishing feature among alternatives. Factors such as having a small footprint or swearing to purchase an ethical product next time can really only be treated as random error as they may appear in one shopping incident and not in another. In reality, these are most likely to occur as a result of preference for another alternative and so are a post hoc reconciliation between an individual's values and their behaviour.

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