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A Moral Competency Approach to Ethical Consumption

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Paper Session: ***Consumer Judgment and Decision Making***

Customers are continuously tempted to BUY...
And then to buy more!



Motivation for research

To advance research on ethical consumption...
we need to understand how young adult
consumers perceive the *ethics* of their purchase
decisions.



Agenda

1 Introduction

2 Model

3 Empirical Discovery

4 Implications & Next Steps

Millennials

- Millennials have surpassed Baby Boomers as the nation's largest living generation (U.S. Census Bureau).
- By 2020 one in three adults in the U.S. will be a millennial.
- Born between 1980-2000, they account for 25% of the U.S. consumers, wielding over \$1.3 trillion dollars in direct spending power.
- As digital natives, they shape how we connect with brands, impacting the way our entire consumer market functions.
- As they reach their prime working/spending years, their impact on the economy will continue to be huge.



Ethical Consumption

- 1) Culture resistance (Peñaloza & Price, 2003; Zavestoski, 2002);
- 2) Consumer boycotts (Herrman, 1993; Kozinets & Handelman, 2004);
- 3) Counter-cultural movements (Victoria, 2002);
- 4) Emancipated consumption (Holt, 2002);
- 5) Conscious consumption (Szmigin, Carrigan, & McEachern, 2008);
- 6) The West is still largely a “throw-away” society, where perceived value of ethical consumption remains limited (Cooper, 2005; Siegle, 2006).

Research Question

Assuming Millennials want to be ethical in their consumer behavior, how do they support a desire and decision *not to buy*, when facing product temptations?



Choosing NOT to buy as an Ethical Option

- The practice of purchasing goods/services produced in a way that minimizes social and/or environmental damage.
- Involves choosing not to buy unnecessary purchases and those that cause harm to people and the planet (based upon materials, manufacturing processes, supply chain, disposal, etc.).
- Ethical consumers buy less and, when they make a purchase, they consider the implications of their choices *before they buy*.



The Need for Morality

- People often take pride in their ability to acquire material goods and enjoy buying/having things;
- Want to avoid the negative experience of denying desires;
- Ads via user profiles online are designed to fit individuals' unique desires, prompting awareness and drive to buy unnecessary goods;
- Americans spend \$1.2 trillion annually on non-essentials (U.S. Dept of Commerce);
- Temptation is an integrated feature of daily life (Stallworth, 2010); and yet,
- Self-regulation (necessary for morality) remains a limited character strength (in most people).



Moral Competency

- More than personal traits, aggregates of capabilities that bear sustainable value and broad applicability (Gallon, Stillman & Coates, 1995);
- Viewed as an “underlying characteristic that may be a motive, trait, skill, aspect of one’s self-image or social role, or a body of knowledge” used to accomplish one’s job (Boyatzis, 1982);
- Harmonized, intentional constructions that can be developed.



Emotional Signaling: Use of emotional cues to fuel moral awareness.

Reflective Pause: Self-imposed time-out for insight and deliberation, regardless of time constraints.

Self-regulation: Manage desires that may run counter to internal or external demands.

Moral Preparation: Preconceived intention to act ethically, even before one faces an ethical challenge (Sekerka, McCarthy, & Bagozzi, 2011).

Moral Restraint (as a moral outcome goal)

- People seem to have a ready explanation for failures of temptation;
- “I couldn’t resist,” suggests that certain impulses are so tempting they overwhelm the power of self;
- Self-control is a struggle between the strength of an impulse and the strength of self;
- Resisting temptation thereby depends upon the capacity to recognize the need for it and then choosing to exert one’s will; which calls for,
- Motivation and effort to exercise the will, substantiating a **moral muscle approach** (Baumeister, Schmeichel, & Vohs, 2007; Sekerka, Bagozzi, & McCarthy, 2011).

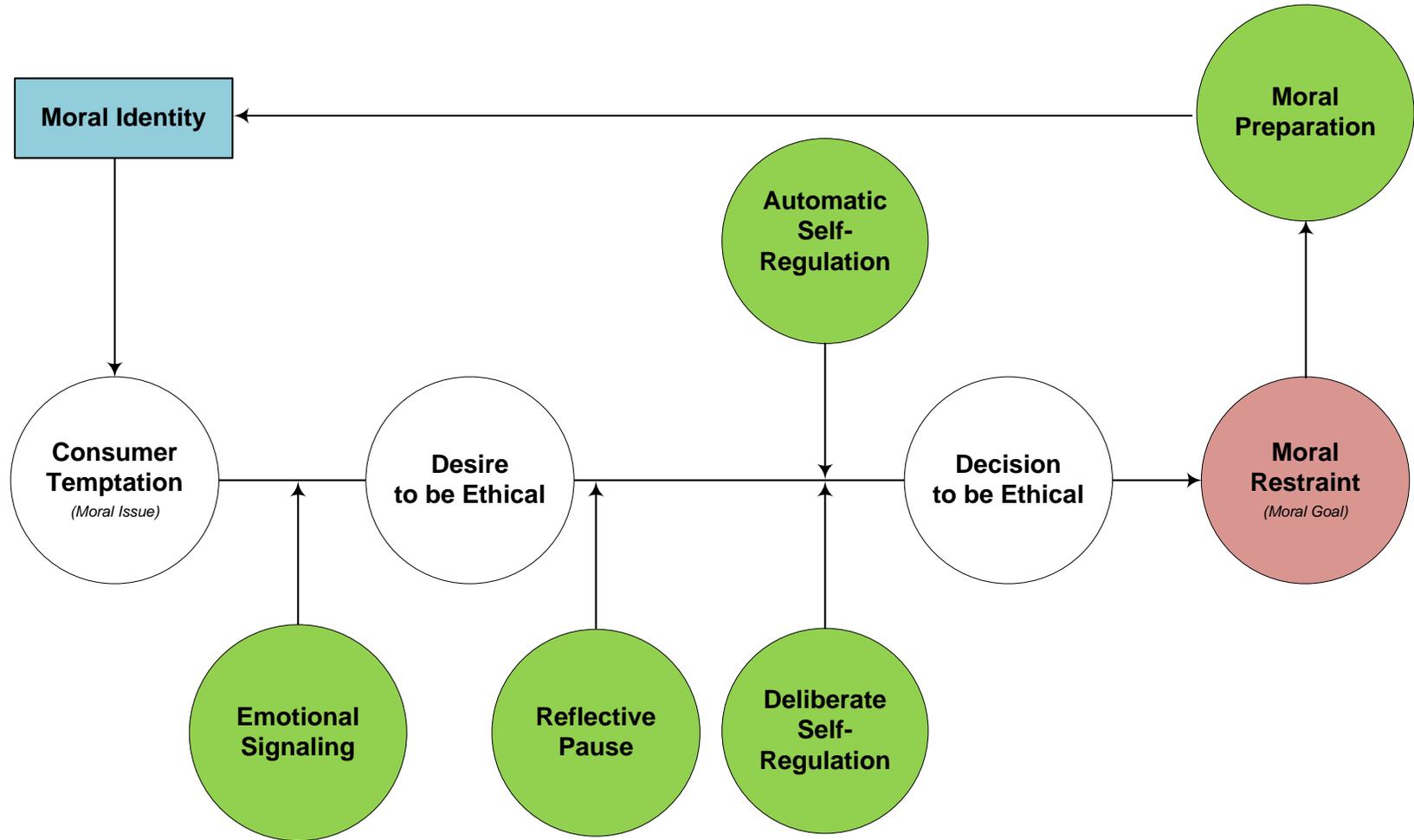


The Study

- Grounded in moral decision-making theory
- Leverages a strength-based focus (Positive Psychology)
- Develops a cognitive-affective based conceptual framework of consumer moral restraint
- Uses targeted and open-ended questions to consider how consumers:
 - (1) manage reactions to product temptations,
 - (2) use restraint as a moral response-action,
 - (3) apply moral competencies to support ethical strength, and
 - (4) advance their ongoing adult moral development.



Managing Consumer Temptation with Moral Restraint



Design & Methods

- **Survey-based discovery:** 78 (N) millennial students in an undergraduate business school setting (non-for-profit/western U.S.).
- **Exploratory:** Designed to better understand the constructs of interest.
- **Questions:** Based on the critical incident interview technique, coupled with open-ended questions to prompt discovery.



Temptation

	Buy		Not buy		t	p-value
	Mean	SD	Mean	SD		
<i>As a consumer I...</i>						
did not hesitate for a moment, I simply acted on impulse (reverse-coded)	3.57	1.835	2.39	1.287	5.334	.000
took a time out to reflect on my purchase decision, whether or not to buy	4.55	1.777	6.12	1.083	-7.322	.000
thought about how buying or not buying this product reflects my personal values	3.24	1.582	4.45	1.769	-5.661	.000
weighed the pros and cons of my decision to buy the item	4.37	1.788	6.01	1.194	-7.176	.000
thought the purchase seemed extravagant	3.92	1.846	5.13	1.799	-4.981	.000
considered my ability to pay for the item, in addition to assuming my other monthly expenses	5.20	1.689	5.79	1.603	-2.505	.014
believed buying this item would cause me financial hardship or lead to excessive debt	2.88	1.549	4.37	2.122	-6.170	.000
Likert Scale (7 = strongly agree, 1 strongly disagree)						

Moral Identity

When you have a clear image of what an ethical, caring, compassionate, fair, friendly, generous, helpful, hardworking, honest, and kind person is like, please answer the questions below.

	1	2
Moral Internalization		
It would make me feel good to be a person who has these characteristics.	.935	-.007
Being someone who has these characteristics is an important part of who I am.	.889	.273
Moral Symbolization		
I often wear clothes that identify me as having these characteristics.	.290	.776
The types of things I do in my spare time (e.g., hobbies) clearly identify me as having these characteristics.	.173	.776
The kinds of books, media, and online materials I read identify me as having these characteristics.	.068	.784
The kinds of products I choose to buy (or not to buy) identify me as having these characteristics.	-.033	.849
Likert Scale (7 = strongly agree, 1 strongly disagree)		

Ethical Considerations

	Buy		Not buy		t	p-value
	Mean	SD	Mean	SD		
<i>As a consumer I...</i>						
believed that there were ethical aspects of making this purchase decision.	2.99	1.409	3.79	1.569	-4.067	.000
believed that this purchase decision involved no moral or ethical issues. (reverse-coded)	4.57	1.578	3.83	1.509	3.727	.000
had a desire to be an ethical consumer, ensuring that my moral values are reflected in what I choose to buy.	3.84	1.347	4.16	1.506	-1.816	.073
had a desire to impose some level of personal restraint in order to sustain my moral values.	3.97	1.405	4.74	1.603	-3.785	.000
believed that consumer temptation is an ethical issue.	4.11	1.571	4.53	1.677	-2.541	.013
Likert Scale (7 = strongly agree, 1 strongly disagree)						

Time Aspect of Ethical Considerations

	Buy		Not buy		t	p-value
	Mean	SD	Mean	SD		
<i>In choosing (not) to buy this product, ethical aspects of consumption were on my mind</i>						
before I considered buying the product.	3.49	1.629	4.22	1.880	-4.028	.000
during the purchase decision-making effort.	3.74	1.708	4.51	1.807	-3.855	.000
after I decided (not) to buy the product.	4.21	1.857	4.45	1.886	-1.136	.260
Likert Scale (7 = strongly agree, 1 strongly disagree)						

Role of Emotions

	Buy		Not buy		t	p-value
	Mean	SD	Mean	SD		
<i>As a consumer I...</i>						
experienced, was aware of, and acknowledged my emotional feelings in that moment	5.13	1.417	5.87	.957	-4.942	.000
felt or anticipated the feeling of guilt	4.34	1.866	5.07	1.761	-3.202	.002
felt or anticipated the feeling of shame	3.04	1.661	4.00	1.804	-4.181	.000
felt or anticipated the feeling of worry	4.01	1.629	4.91	1.737	-3.690	.000
felt or anticipated the feeling of remorse	3.63	1.599	4.54	1.762	-3.749	.000
felt or anticipated the feeling of joy	5.59	1.098	4.71	1.648	4.370	.000
felt or anticipated the feeling of pride	4.32	1.585	4.28	1.748	.174	.862
Likert Scale (7 = strongly agree, 1 strongly disagree)						

Qualitative Reflective Insights

When tempted to buy something you do not need, can you explain why this might be an ethical issue?

- *Buying stuff you don't need is a **waste of the earth's resources.***
- *If things are priced or **promoted in an unfair way** it can alter consumers' decisions to consume when they should not.*
- *You're **acting on an impulse.***
- *Buying things you do not really need is an issue **based on emotions.** Not weighing in on pros and cons.*
- *If you are **emotionally attached** to a product you will buy stuff **you do not need.***
- *Spending based on temptation may be seen as acting on such **impulsive behavior.***
- *You may **fall for temptation.***
- ***Some people do not have self-regulation and may get into financial troubles** because of temptation.*
- *The item may **go to waste.***
- *Marketing companies get people **to buy things they do not need.***
- *You'll sometimes **stray away from your values** when looking at something that you don't need but want.*
- *I don't see it as an ethical issue **if I can afford it.***
- *You might be going **against your morals and values** of buying that product.*
- *If the purchase **hurts you or someone** financially, or if the product supports something you do not believe in.*
- *Money and financial status are values that most people have, decisions we make with our money when we are younger **can affect our financial status** when we are **older and have families.***

Implications & Next Steps

- Highlights need for ethical consumer education (i.e., identifying consumption as an ethical issue);
- Practical application of skills known to support moral strength;
- Effective way for young adults to exercise and strengthen their moral identity;
- Skills can be learned/applied to curtail unnecessary product purchases;
- Expands ethical consumption research, elevating the role of personal responsibility/adult moral development;
- Attention to moral competency, helping consumers make more sustainable choices;
- Future research can test the model in varying contexts (online, in stores, with others, etc.).

