

AN EMPIRICAL INVESTIGATION OF THE RELATIONSHIPS BETWEEN ETHICAL BELIEFS AND URBANIZATION LEVEL

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ABSTRACT

This study intends to explore the effects of urbanization level on consumers' ethical beliefs regarding questionable consumption behaviors. Based on a field survey of 259 respondents in Taiwan, the results showed follows. First, consumers who live in the high urbanization city are more likely to tolerate the questionable consumption activities. Second, younger consumers and those with lower education levels will be more likely to tolerate the questionable consumption activities. Finally, the difference of gender does not have influence on consumers' ethical beliefs.

INTRODUCTION

Ethics is integrally involves with all aspects of the exchange relationship between dyads. But the major share of attention has been focused on business or marketing situations while few examined ethics related consumer situations [3]. The situation has changes since the early '90s. As the increasing of diversity and complexity of the product and service offerings emerged, as well as the awareness of consumerism; issues of consumption ethics are becoming more and more important. A better understanding of consumers' ethical beliefs will be a great advantage for sellers to solve the exchange problems involving ethical issues [2] [7]. Vitell et al. propose the concept and scale of consumers' ethical beliefs help the research on understanding ethical behavior on the consumers' part [8]. Taiwan has experienced a rapid economic growth in the post-World War II era, and evolved through three stages: underdeveloped, developing, being a leading producer of high technology goods [1]. These sudden changes in economic environment make the society suitable for exploring how economic growth and increase in urbanization level affect consumers' ethical beliefs. This study enriches the research stream by examining the new variable regarding economic and social change to discover new relationships between urbanization level and consumers' ethical judgments.

LITERATURE AND HYPOTHESIS

Several studies found that consumers who are less idealistic and more relativistic tend to be more accepting of questionable consumer practices; relativism is negatively related to consumer's ethical beliefs [5] [6]. Therefore we may propose the following hypothesis:

H1: Consumers who live in the high urbanization city are more likely to tolerate the questionable activities.

Although there are different relationships were found between consumers' ethical beliefs and gender, and there may be no significant relationship between gender and consumers' ethical beliefs [2]. We assume that females are more concerned with ethical issues than males, and tend to be more ethical.

Thus:

H2: Female consumers will be less tolerant of the questionable activities than male consumers.

There have been a lot of researches prove that consumers tend to be more ethical as they grow older. Therefore we may propose the hypothesis three:

H3: Elder consumers will be less tolerant of the questionable activities than younger ones.

Individuals with the highest ethical concern tend to be older, with less education and income than their less concerned counterparts [2]. Therefore we may propose the hypothesis four:

H4: Consumers with higher education levels will be less tolerant of the questionable activities than those with lower education levels.

METHODOLOGY

Our purpose of this study is to detect possible differences about consumers' ethical beliefs based on the urbanization level; therefore we have to choose two locations of residence which are different in the urbanization. We select two cities to be our sampling objects, one is Taipei, the metropolis of Taiwan, and the other one is a village in Middle Taiwan. Taipei is the most flourishing and highest urbanization city in Taiwan, and the village is in the agricultural region. Interviewers were employed to ensure the quality of the questionnaire. They were asked to survey every nth consumer they met in the entry of the biggest supermarket in each location. In total, 259 questionnaires were completed successfully. There are 153 respondents from village, and 106 respondents from the city.

The questionnaire consisted of two sections: consumer's ethical beliefs and respondent backgrounds. The double translation method was applied to make sure the translation was adequate because the measures were originally developed in English. Consumers' ethical beliefs were measured by the scale developed by Muncy and Vitell [4]. Consumers' demographic characteristics include gender, age, and education levels.

CONCLUSIONS

The results support the relationship between urbanization and consumers' ethical beliefs. Consumers who live in the city expressed significantly higher tolerance about the questionable actions and no harm/no foul activities than those consumers of village groups. The two groups are indifferent in the attitudes toward the illegal activities. People who live in the city face the environment changing faster than in the village so they would tolerate the questionable actions more easily. In other words, the questionable actions are happened often in the city and they are used to them. Conversely, the living pace is much slower in the village, people would feel strange and uncomfortable easily when questionable actions happened even the activities are harmless.

Age is positively related to consumers' ethical beliefs. As age increases, the acceptance of questionable behaviors decreases. The elder consumers feel the social press from the society; they care about other's thinking and attitude toward themselves. Sellers need to instill within the consumer the potential social consequences rather than individual benefits which might exist in a purchase situation.

Education level is positively related to consumers' ethical beliefs in the attitude toward "no harm/ no foul activities". Though these activities may not cause obvious damages to sellers, people with higher levels of education may feel it embarrassed to do these activities.

There is only Taiwanese consumers are included in the study, and it is the limitation. The further research should discuss more environmental factors and individual's value system on consumers' ethical beliefs, such as economic growth and inequality, class conflict, materialism, and the interaction effects.

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