

THE IMPACT OF URBANIZATION LEVEL ON CONSUMERS' MORAL PHILOSOPHY AND ETHICAL BELIEFS

Lee-Yun Pan, Department of Business Administration, Feng Chia University, No. 100, Wenhwa Road, Seatwen, Taichung, Taiwan, R.O.C., lypan@fcu.edu.tw

Shih-Chi Chang, Department of Business Administration, National Changhua University of Education, No. 1, Jin-De Road, Changhua City, Taiwan, R.O.C., shihchi@cc.ncue.edu.tw

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 (Vitell, 2003).

Vitell et al. (1991) and Muncy and Vitell (1992) proposed the concept and scale of a consumers' ethical beliefs help the research on understanding ethical behavior on the consumers' part. The theory proposed that an individual's personal characteristics, industrial, organizational and cultural environment, affect how an ethical situation is perceived. There have been a lot of researches focusing on the influences about personal characteristics on consumers' ethical beliefs, but more research should be done on how environmental factors influence ethical judgment in different cultures (Vitell, 2003). Culture refers to deeply set values that are common to the members of a society, and implies some level of shared meaning, of a commonality in the way in which behavior is evaluated. These shared beliefs are acquired through a person's primary socializing in interacting with others. People who live in different locations, face different people, experience different environments will tend to have different thoughts and values, include ethical beliefs. Therefore, people live in urban areas or villages maybe have different consumption beliefs.

We selected two cities to be our sampling objects, one is Taipei, the metropolis of Taiwan, and the other one is an agricultural county in Middle Taiwan. The questionnaire consisted of three sections: consumer's ethical beliefs, moral philosophy, and respondent backgrounds. Consumers' ethical beliefs are measured by the scale developed by Muncy and Vitell (1992); the measurement scales of moral philosophy were adopted by Forsyth (1980). The hypotheses were tested by ANOVA analysis. Based on a field survey of 380 respondents (192 respondents in Taipei and 188 respondents in village), we found that there were two distinct classification of personal moral philosophy: relativism versus idealism, and four dimensions of consumer's ethical beliefs: actively benefiting from illegal activities, passively benefiting from illegal activities, actively benefiting from questionable actions, and no harm/no foul. Consumers who lived in the high urbanization city were more likely to have the relativism concept and expressed significantly higher tolerance about the questionable activities than those consumers of village groups. Conversely, people who lived in the village would feel strange and uncomfortable easily when questionable actions happened even the activities were harmless.

REFERENCES

- [1] Forsyth, D.R. A Taxonomy of Ethical Ideologies, *Journal of Personality and Social Psychology*, 1980, 39(1), 175-184.
- [2] Muncy, J.A. and Vitell, S.J. Consumer Ethics: An Investigation of the Ethical Beliefs of the Final Consumers. *Journal of Business Research*, 1992, 24(6), 297-311.
- [3] Vitell, S.J. Consumer Ethics Research: Review, Synthesis and Suggestions for the Future. *Journal of Business Ethics*, 2003, 43(1/2), 33-47.
- [4] Vitell, S.J., Lumpkin, J.R. and Rawwas, M.Y.A. Consumer Ethics: An Investigation of the Ethical Beliefs of Elderly Consumers. *Journal of Business Ethics*, 1991, 10(5), 365-375.