Summary Brief An Empirical Investigation of Consumer Ethics in Kuwait: A Dyadic Approach

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Abstract

As business expand their operations on a global scale, there is an increasing emphasis on marketing ethics in diverse socioeconomic and cultural contexts. While there is a growing body of research on marketing ethics, most of it is directed at the managerial aspects of marketing ethics and the consumer perspectives received scant research attention in the past. In this research the focus was on consumer-marketer dyadic interaction and its impact on the ethical behaviors and intentions of consumers. The empirical research was conducted with college students and general public in Kuwait, an Arab country. To stimulate different levels of dyadic interaction and extent of benefit derived by consumers four carefully constructed scenarios were utilized. Based on the research reported in this paper, it may be generally concluded that promoting greater positive dyadic interaction between consumers and marketers would have beneficial effect on the former for not engaging in unethical behaviors.

Introduction

As globalization, privatization and liberalization forces shape the economies of each country in the world, the need for interactions on various business issues between business people of different countries and cultures is also increasing. Along with globalization of industries and businesses, business ethics and social responsibility of businesses all over the world are being emphasized. Issues such as green marketing, environmental protection, global warming, software piracy, protection of intellectual property rights and protection of consumer rights from deceptive practices in general are becoming increasingly important to all sorts of businesses in every country. For international business transactions to proceed smoothly, it becomes necessary that business ethics in terms of managerial philosophies, attitudes, intentions and behaviors on various matters of business ethics need to be researched. In recent years, such research investigating cross-cultural managerial business ethics aimed at facilitating conflict-free business interactions between business persons of different countries and cultures has vastly increased. In view of such growing importance of business ethics for international trade relations at micro-level, this research study investigated the business ethical philosophies, ethical values, and ethical intentions and behaviors in Kuwait business environment. This research study specifically focuses on the impact of dyadic interaction process between consumers and marketers on the consumers' ethical intentions and behaviors. Most of the research in marketing and business is from managerial perspectives. Also, the dyadic interaction and its impact on ethical intentions and behavior of persons has been generally neglected in the literature. For these twin reasons this research focused on the impact of dyadic interaction on consumer ethics in the context of socioeconomic and cultural environments of Kuwait.
Our objective in this research is to expand our understanding of the kind of influences that operate during a consumer decision making process when making a purchase with special focus on consumer ethics. Previous literature has shown that personal variables (i.e., gender, age, education, and personality) along with cultural variables (religion and nationality) and situation-specific forces (e.g., peers, regulations, and intensity of competition) were determinants of ethical decision making of business managers. One could argue that the ethics governing a purchase transaction might be different than those controlling managerial decisions; hence different sets of variables could be operating.

**Background**

In recent years, concern with ethical and socially responsible behavior of businesses has been growing all over the world. As mentioned earlier, with globalization, privatization and liberalization forces intensifying free market developments in many parts of the world simultaneously concern with business ethics in general and marketing ethics in particular, has been on the rise. This ethical concern with business practices in turn has lead to intensified research efforts in the area of business ethics in general and especially in the area of marketing ethics.

The early writing on marketing ethics dates back to 1967. In the following decades most of the marketing ethics literature has been inexplicably limited to managerial marketing ethics or ethics in marketing decision making contexts. Comprehensive models have been proposed by experts to conceptualize marketing ethical behaviors. Other conceptual works dealt with approaches to moral philosophy and identified idealism and relativism as two critical dimensions of moral philosophy.

Applying these conceptual frameworks, considerable empirical research has been reported in the marketing ethics literature. Simultaneously, international business scholars published research studies dealing with cross-cultural similarities and differences in ethical decision-making. However, most of the marketing ethics literature has been primarily limited to investigating managerial decision-making processes.

**Consumer Ethics**

A careful review of literature on consumer ethics reveals that it has been somewhat sparse. Although ethics at individual person level were addressed in many of the models of marketing ethics, research on consumer ethics is rather sporadic and certainly not as extensive as managerial ethics. investigating consumer unethical behaviors.

A careful literature search did not reveal any research studies, which directly dealt with the dyadic interaction implications for consumer ethics. The implications of dyadic interactions and perceptions between buyers and sellers for ethical behaviors of the parties have not been systematically researched. More specifically, the proposed research will test the hypothesis that consumers' perceptions of marketers' economic power and ethics will influence the former's ethical behavior towards the later.
The Research Study

Based on prior research studies and the nature of the dyadic interaction built into the scenarios used in the research instrument the following hypotheses were generated.

H1: Unethical actions involving tangible benefit to the customer generate more objections than do questionable actions that produce no benefits.
H2: Disapproval of questionable actions increases when dyadic interaction with the retailer is strong and decreases when the dyadic interaction is weak.
H3: Utmost disapproval occurs when the questionable action results in tangible benefits and when the relationship between the customer and the seller is strong while minimal disapproval occurs when no tangible benefits were realized and the dyadic interaction is weak.
H4: Consumers perceive themselves to be more ethical than other customers when judging the appropriateness of a questionable action
H5: Idealistic individuals show more objections to questionable actions than relativistic individuals.
H6: Increase in religiosity generates more ethical objections toward questionable actions.
H7: Higher alienation from businesses leads individuals to perceiving questionable actions as less objectionable than those with lower alienation from business.

Summary Results

Hypothesis 1 - Partially supported
Hypothesis 2 - Inconclusive
Hypothesis 3 - Partially supported
Hypothesis 4 - Supported
Hypothesis 5 - Supported
Hypothesis 6 - Supported
Hypothesis 7 - Supported

Conclusions

As marketing phenomenon becomes more and more global in scope, there is growing interest in the ethical aspects of marketing world over. Such interest was reflected in the stream of research dealing with various aspects of marketing ethics. However, most of the reported conceptual and empirical research in marketing ethics was very much limited to managerial perspective in different part of the world and cross-cultural comparisons. There is very limited research dealing with marketing ethics from consumer perspectives. Especially lacking is the research dealing with the impact of dyadic interaction between consumers and marketers on the ethical intentions and behaviors of consumers.
The research reported in this study attempted to fill this gap in the literature. A research instrument was constructed incorporating four distinct scenarios involving different levels of dyadic interaction between consumers and retail establishments. Data were gathered from university students and citizens in the socioeconomic and cultural context of Kuwait, an Arab country. Some significant differences between the student sample and the citizen sample were also noted. Based on this research study, it may be generally concluded that promoting greater positive dyadic interaction between consumers and retailers would have beneficial effect on the former for not engaging in unethical behaviors. With the growing emphasis on relationship marketing, this aspect of dyadic interaction and its impact on consumer ethics becomes an important area of concern for marketers, especially for retailers. The dyadic interaction, which was emphasized in this research, will also be significant in the direct and internet marketing contexts.