BURNING FOR FUN OR MONEY: ILLICIT CONSUMER BEHAVIOR IN A CONTEMPORARY CONTEXT

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ABSTRACT

Illegal duplication of copyrighted materials has become a prevalent form of music distribution and is a form of illicit consumer behavior. Through various free file-sharing services, an untold number of individuals can have ready access to both old and new music (some of which has never even been released) at any time and from any place with a connection to the Internet. The Recording Industry Association of America (RIAA) claims that much of the recent loss of revenues within the industry—nearly 25% between 1999 and 2003—is attributable to illegal downloading (Mamudi 2003). That figure amounts to an estimated \$300 million in revenues per year (Langenderfer and Cook 2001) and represents a decline of 31% in units shipped since 2000 (Wade 2004). One estimate has the total loss of revenues from illegal downloading rising from \$2.4 billion in 2003 to \$4.7 billion by 2008 (Morris 2004). Considering the sheer number of downloaders—one estimate places their numbers at 60 million (Taylor 2003)—and illicitly downloaded digital products—2,300,000,000 files each month (108th Congress 2004)—it is clear that the illicit download and sharing of copyrighted materials is an extremely important phenomenon both in terms of its detriment to the industry and its disregard for copyright protection.

We define the illegal download of music and other copyrighted materials as *illicit behavior*, differentiating it from aberrant consumer behavior. Illicit behavior, like speeding, is one that is defined as illegal but is not necessarily considered to be unethical by the general public whereas aberrant behavior is that which is both illegal and considered unethical. Either way, any form of "abnormal" behavior shares certain characteristics with "normal" behavior (Fullerton and Punj 1993; Fullerton, Kerch and Dodge 1996). In particular, participants in such behaviors consider value as a primary motivator (Holbrook and Corfman 1984), which can parsimoniously be divided into two categories: utilitarian value and hedonic value (Arnold and Reynolds 2003; Babin, Darden and Griffin 1994). Working from this distinction, we believe that the type of value pursued by the participant of illicit behavior will likely affect how others judge the act on an ethical level. We also believe that the economic value of any material obtained illicitly will influence the ethical judgments of others.

In considering downloading activity, we also include the notion of anomie, conceptualizing it as an individual state of social instability associated with a degradation or rejection of standards and traditional values. Following Moschis and Cox (1989), it captures the extent to which a consumer would conform to normative expectations. We hypothesize that anomie is related positively to ethical judgments (i.e., questionable acts are rated as more ethical under conditions of high anomie).

Using the MES scale developed by Reidenbach and Robin (1991), we develop a model that is used to test the ethical assessment of downloading behavior based on a hedonic or utilitarian distinction and a condition of anomie. Further, we tested the effects of both the value condition and anomie condition on the attitudes and intentions of consumers. One hundred and twenty seven undergraduate university students were presented with a scenario that described an ambiguous college student illicitly downloading music. A 2 X 2 between subjects design was embedded in the scenario: a manipulation of the motivation—hedonic or utilitarian value—and the economic value to be received—10 songs and 250 songs.

The study revealed several key results. First, the results demonstrate that individuals view downloading for utilitarian value as less morally ethical and socially acceptable than that if it is done for hedonic value. Second, consumers did not judge the behavior as more unethical on any dimension when the economic benefits or worth are described as relatively large rather than small. Third, the results revealed that attitudes toward illicit downloading and intentions to participate in the behavior are more positive when the motivation is described in terms of hedonic value rather than utilitarian value. Furthermore, the study shows that, with higher amounts of anomie, perceptions that the downloading behavior is morally equitable increase. Ultimately, though additional research into the phenomenon is certainly required, it is clear that consumers' ethical judgments, as captured by the MES, do play a role in both judging the behavior and predicting attitudes and intentions.

References available upon request