

Does Relationship Quality Matter in Consumer Ethical Decision Making? Evidence from China

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ABSTRACT. This study explores the linear logic between consumer ethical beliefs (CEBs) and consumer unethical behavior (CUB) in a Chinese context. A relational view helps fill the belief–behavior gap by exploring the moderating role of relationship quality in reducing CUBs. Specifically, when consumers are more receptive to a set of actions that may be deemed inappropriate by moral principles, they are more likely to engage in unethical behaviors. However, when consumers perceive their misconduct as possibly damaging to the relationship developed with the seller, they tend to refrain from unethical behaviors. CEBs and relationship quality also combine to affect unethical behaviors. Although consumers find the misconduct acceptable according to their ethical beliefs, they become less likely to conduct the behavior if they have a close relationship with the seller. The results contribute to a better understanding of the simplistic logic that connects CEBs and their unethical behaviors and shed light on how close relationships with consumers help contain CUBs.

KEY WORDS: consumer ethical belief, consumer unethical behavior, relationship quality

Consumers play a critical role in sustaining market dynamics. They purchase goods and services in support of business sectors such as retailing, and they interact with businesspeople to develop loyal relationships that contribute to firms' long-term profits (Crosby et al., 1990; Morgan and Hunt, 1994). Consumers empower firms that produce what they need and boycott firms that produce inferior or unethical products (Shaw et al., 2006). Yet the concept of consumer sovereignty has prompted market policymakers to work to contain unethical business behaviors as a means to protect consumer welfare, such that consumers have gained an asym-

metrical market position in which their misconducts rarely are socially monitored (Fullerton et al., 1996).

Unethical consumer behavior, a form of guerrilla warfare against companies (Tian and Keep, 2002), results in significant damage to business profits and market morale (Steenhaut, 2006). According to the European Retail Theft Barometer, executed by the Centre for Retail Research, European store chains lost €24.7 billion due to retail crime, and 49% of that loss came from customer theft. The Piracy Report 2005 by IFPI (International Federation of the Phonographic Industry) reports that illegal pirate music is worth \$4.6 billion globally (i.e., ~1.5 billion units) and 1.2 billion pirated music discs sold in 2004 (i.e., 34% of all discs sold worldwide). In another type of dishonest consumer behavior, consumers deliberately return goods for reasons other than actual faults in the product (King and Dennis, 2006). For example, a person might buy a high-definition, large screen television set to watch the Olympic Games and then return it afterward. Research indicates that such deshopping behavior is widespread and undercuts business profits by more than 10% (King, 2004).

Market policymakers therefore should consider how to curtail consumer unethical behavior (CUB) to protect business sovereignty (Sirgy and Su, 2000), though prior research on consumer ethics focuses mainly on consumer ethical beliefs (CEBs) and their antecedents (Fukukawa, 2002; Vitell, 2003). Studies of the relationship between CEBs and CUB remain inadequate (Kenhove et al., 2003). Moreover, a linear logic between CEB and CUB may not shed much light on ways to manage CUB, because of the atomic nature of consumer behavior in a market (Smith, 1995).

Is there any manageable factor that affects both consumer ethical decision making and behavior? We believe that consumers, when making ethical decisions, consider not only their personal values, such as their ethical beliefs, but also the relationship that they have developed with retailers. For example, Tian and Keep (2002) find that consumers engage in fraud to retaliate against businesses that commit unethical acts against them. Kenhove et al. (2003), in contrast, reveal that loyal consumers commit less questionable behavior when dealing with retailers. Consumers who express greater commitment also are likely to forgive unethical business behaviors (Ingram et al., 2005). In other words, the relationship quality with the retailer may affect the likelihood of CUB. We adopt this relational view of consumer ethics and develop a holistic model in a Chinese context that may shed more light on managing CUB. Specifically, we attempt to confirm the linear logic between CEBs and unethical behavior, and then uncover some relational factors that may modify this logic.

In the following sections, we review literature on CEB and CUB, as well as consumer relationship quality, and then develop a model that includes the combined effects of CEBs and relationship quality on CUB. In mainland China, our research context, consumer misconduct is rampant, but research on consumer ethics is scarce (Gan and Zeng, 2004). We next describe our data collection process and data analysis methods. We conclude with a discussion of the results in terms of their implications, limitations, and possible directions for further research.

Conceptual framework

Consumer ethical belief and consumer unethical behavior

The concept of consumer ethics emerged in 1970s with the clear aim of dealing with CUB such as shoplifting and defrauding (Cole, 1989; Cox et al., 1990; Kallis et al., 1986; Moschis, 1985) and consumer ethical cognition, including views on pollution and energy consumption (Antil, 1984; Haldeman et al., 1987).

Consumer ethics refers to the moral rules, principles, and standards that guide consumers in selecting, purchasing, using, and disposing of goods

or services in a socially responsible way (Muncy and Vitell, 1992). Operationally, consumer ethics can be captured by four types of CEBs: actively benefiting from an illegal activity (ABIA belief), passively benefiting (PB belief), actively benefiting from a questionable action (ABQA belief), and no harm/no foul (NHNF belief). Actively benefiting from an illegal activity includes universally illegal actions, such as shoplifting, but passively benefiting means consumers benefit at the expense of others, such as receiving too much change but keeping silent. Actively benefiting from a questionable action consists of behaviors that might or might not be illegal or unethical, such as using an expired discount voucher. Finally, NHNF beliefs include minor behaviors that most consumers could accept, such as spending over an hour trying on clothes but not buying anything (Muncy and Vitell, 1992).

When consumers make decisions that involve ethical issues, they may use their ethical beliefs to judge various alternatives in terms of their morality (Rest, 1986). This logic is consistent with the premise of the theory of reasoned action (TRA), which states that a person's behavioral intention, which leads to his or her actual behavior, is a function of his or her subjective norms and attitude toward the behavior, which in turn are determined by his or her beliefs (Fishbein and Ajzen, 1975). Although this linear logic between belief and behavior (i.e., ethical judgments precede ethical behaviors) might provide the basis for educational programs, it lacks empirical support [as Rest and Narvaez (1994) note the correlations between the two variables range from 0.3 to 0.4] and may ignore some important intervening variables that also affect consumer ethical decision making and behaviors (Fukukawa, 2002). For example, social factors such as the relationship between the consumer and the retailer may modify the simplistic connection between ethical beliefs and ethical behavior. According to Hunt and Vitell's (1993) model, consumers make two types of ethical judgments: deontological and teleological. The deontological evaluation involves comparisons among the various alternatives and a set of established personal norms, whereas the teleological evaluation entails the consumer's assessment of how much good or bad will result from the decision. In most situations, consumers combine these evaluations to make their ethical decisions; in addition, consumer teleological

evaluations may alter the link between their deontological evaluations and behaviors, causing the behavior to be inconsistent with their ethical judgments (Hunt and Vitell, 1993). For example, when consumers realize their behavior may damage their relationship with the retailer, they may change the behavior, even if they deem it (in)appropriate from an ethical perspective (Rao and Al-Wugayan, 2005).

Relationship quality

Consumer relationship quality with a retailer results from relationship marketing. Specifically, consumer loyalty likely depends on the quality of his or her relationship with the business organizations, which reflects consumers' interests and emotions (Buttle, 1995). Smith (1998) defines consumer relationship quality as a higher-order construct that encompasses several positive relationship aspects that indicate the intensity of the relationship. Hennig-Thurau and Klee (1997) argue that relationship quality, similar to product quality, reflects the degree of eagerness to satisfy the other side. That is, the higher the relationship quality, the more likely the seller and buyer interact, trust, and make strong commitments to each other.

Researchers debate the number of dimensions on which this construct rests; some hold that relationship quality consists of the two dimensions of satisfaction and trust (Crosby et al., 1990; Lagace et al.,

1991), whereas others believe that it consists of five dimensions: trust, commitment, conflict, expectation of continuity, and willingness to invest (Kumar et al., 1995). Despite this lack of agreement, most studies concur on three major aspects of relationship quality in a buyer–seller context: satisfaction, trust, and commitment (Dwyer et al., 1987; Hennig-Thurau and Klee, 1997; Smith, 1998). Therefore, we adopt this three-dimensional conception and posit that relationship quality serves as a situational factor that may moderate the relationship between consumer ethical beliefs and CUB. By combining these two bodies of literature, we develop a model of CUB that includes the combined effects of both CEBs and relationship quality (see Figure 1).

Research hypotheses

Ethical belief–ethical behavior logic

Consumer ethical beliefs are the moral rules, principles, and standards that guide consumer ethical behavior (Muncy and Vitell, 1992). According to a cognitive approach, CEBs represent an internal mechanism, based on consumer cognitive moral development stages (Kohlberg, 1969), and thus should approximate consumer ethical decision making and subsequent behavior (Rest, 1986). The TRA (Fishbein and Ajzen, 1975) further suggests that behaviors result from beliefs and attitudes. Therefore, in support of Muncy and Vitell's (1992)

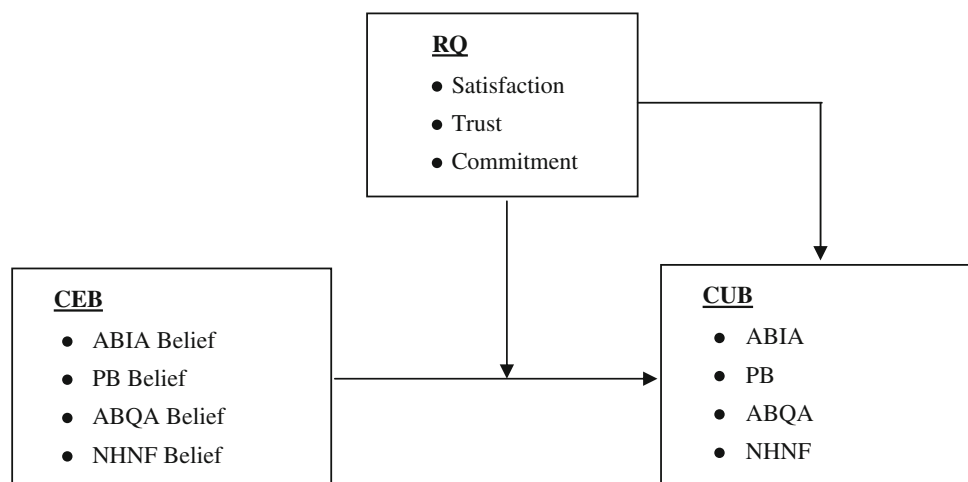


Figure 1. A conceptual model of CEB, RQ, and CUB.

consumer ethical scale, various cross-cultural studies presume that CEBs and resultant judgments are the main cause of or have a significant influence on consumers' subsequent ethical or unethical behaviors (e.g., Al-Khatib et al., 1995; Chan et al., 1998; Erffmeyer et al., 1999; Muncy and Vitell, 1992; Rallapalli et al., 1994; Rawwas, 1996; Rawwas and Singhapakdi, 1998; Vitell et al., 1991; Vitell and Muncy, 1992, 2005). For example, in a Belgian context, Kenhove et al. (2003) uncover a significant positive relationship between CEBs and their ethical behavior, such that consumers with lower levels of ethical beliefs are more likely to conduct unethical behaviors. Therefore, we propose that

H1: Consumer unethical behavior intention relates positively to ethical beliefs.

Belief-behavior gap: relationship quality as a moderator

Relationship quality signifies a satisfying, trustable, and cooperative relationship between the buyer and the seller (Crosby et al., 1990). Satisfaction is an emotional assessment, and as Anderson and Narus (1991) suggest, it not only represents the effectiveness of the relationship but also predicts future behavior. Generally, the more satisfied consumers feel with the seller, the more willing they are to establish long-term partnerships (Gladstein, 1984) and the less likely they are to engage in unethical behavior. Trust means consumers can rely on the seller; when consumers possess higher levels of trust in the seller, they are less likely to abuse the long-term relationship, because they believe the seller can produce more value for them (Garbarino and Johnson, 1999). Finally, commitment reflects a desire to maintain a valued relationship, both emotionally and physically (Moorman et al., 1993). Consumers with high commitment generally are not willing to risk damaging the relationship through unethical behavior; they tend to be loyal to the relationship to safeguard their relational investment. In summary, we propose that consumers with a close relationship with the seller are less likely to conduct unethical behaviors.

H2: Consumer unethical behavior intention relates negatively to relationship quality with the seller.

Relationship quality and consumer ethical beliefs also may combine to affect CUB intentions in a buyer-seller dyad. As we hypothesize in H1, consumers with lower levels of ethical beliefs likely conduct unethical behaviors, perhaps because they perceive less moral pressure about making an unethical decision (Rest, 1986); however, if they have had a close relationship with the seller, they may perceive a high risk of damaging their relational investment and the future value they expect to extract from the relationship. Therefore, they may refrain from making unethical decisions, leading to less misconduct. We propose that

H3: Relationship quality moderates the correlation between consumer ethical belief and consumer unethical behavior intention.

Method

Sampling and data collection

We collected data in China to test our hypotheses. As the biggest emerging economy, the Chinese setting represents an area that marketing and “organizational scholars can no longer afford to ignore” (Peng, 2004). In particular, as a transitional market, China represents a fantastic context in which to study commercial ethics and its interactions with relationship marketing (Su and Littlefield, 2001).

We collected the data in Wuhan, a large city in central China, over a period of 1 month. As consumer ethics is a sensitive issue, we used street intercept interviews (SII) to ensure anonymity but also achieve reliability and information validity (Atuathene-Gima and Li, 2002). The respondents were intercepted at the entrances of a major shopping mall and completed the survey voluntarily. We did not attempt to persuade anyone who was reluctant to undertake the SII. For those willing to participate, we assured them of confidentiality. Eventually, we handed out 366 questionnaires and collected 321 on the spot. We deleted 31 invalid questionnaires that contained incomplete information or meaningless responses (Rest, 1986), resulting in 290 useable questionnaires. We present the sample information in Table I.

TABLE I
Sample information

Classification index	Number of sample	Percentage
Gender		
Male	151	52.07
Female	139	47.93
Age		
Younger than 25	41	14.14
26–35	61	21.03
36–45	98	33.79
46–55	53	18.28
Older than 55	37	12.76
Occupation		
Government staff	43	14.83
Corporate staff	92	31.72
Soldier, student	78	26.90
Health, education, research	46	15.86
Self-employed	19	6.55
Others	12	4.14
Family income (monthly)		
< 1000yuan	39	13.45
1001–2500yuan	54	18.62
2501–4000yuan	103	35.52
4001–6000yuan	67	23.10
> 6001yuan	27	9.31
Education		
High school and below	70	24.14
College	61	21.03
University	107	36.90
Postgraduate	52	17.93

Measures

The measure development process follows standard survey and psychometric scale development procedures (Churchill, 1979; Gerbing and Anderson, 1988; Mullen, 1995). First, our generation and adaptation of the multi-item scales relied on conceptual definitions and literature reviews. Second, the first survey questionnaire, written in English, was translated into Chinese and subjected to a back-translation procedure by two bilingual doctoral students. Third, through several pretests with nine MBA students and three doctoral students at the Management School of Huazhong University of Science and Technology, we refined the questionnaires by clarifying any semantic and cultural ambi-

guity and aligning respondents' perceptions with the conceptualizations in the literature.

Consumer ethical belief (CEB)

We adapt Muncy and Vitell's (1992) 13-item CEB scale with its four dimensions of ABIA, PB, ABQA, and NHNF beliefs. We changed some wording to fit the Chinese cultural setting. For example, the questionnaire asks, "When you are shopping, what do you think of the behavior of changing a high price label to a lower price label and then checking-out? 1 = extremely incorrect and 5 = extremely correct." Consumers respond on five-point Likert scales, on which higher scores indicate their beliefs that the mentioned action is more acceptable.

Consumer unethical behavior (CUB)

Eleven items from the ABIA, PB, ABQA, and NHNF belief dimensions constitute the CUB scale, adapted to a Chinese context. In this part, consumers mentioned by name a store ("Store A") that they were familiar with and visited frequently, then indicated the likelihood of various described behaviors when shopping in this store. For example, in response to the item, "Would you return goods, claiming bad quality, when you actually damaged the goods through your own carelessness?" consumers had five choices, with 1 indicating "definitely not" and 5 "definitely will." Therefore, a higher score on these scales indicates the higher likelihood of CUB.

Relationship quality (RQ)

We adapt 18 items pertaining to satisfaction, trust, and commitment from previous studies (Dwyer et al., 1987; Hennig-Thurau and Klee, 1997; Smith, 1998; Ulaga and Eggert, 2006), such as "I feel the quality of goods in Store A is trustworthy." Of the five response choices, 1 indicates "totally disagree" and 5 "totally agree," so higher scores suggest greater RQ.

Measure validation

We follow well-established procedures to purify the measurement items (Churchill, 1979; DeVellis, 1991), which results in the final scales in Table II. In order to evaluate the psychometric properties of the

TABLE II
Confirmatory factor analysis of measures

Construct and source	Operational measures of construct	SFL ^a	<i>t</i> Value
	Model fit indexes: $\chi^2 = 1436.25$, $df = 764$, $\chi^2/df = 1.88$; GFI = 0.94, CFI = 0.96, AGFI = 0.91, NFI = 0.90, RMSEA = 0.06		
ABIA Belief ^a	1. Changing price-tags on merchandise in a store	0.70	10.20
AVE = 0.61	2. Drinking a can of soda in a supermarket without paying for it	0.87	13.62
CR = 0.88	3. Giving misleading price information to a clerk for a item without price-tag	0.85	13.21
	4. Reporting a lost item as stolen to an insurance company in order to collect the money	0.87	13.66
	5. Returning damaged merchandise when the damage is your own fault	0.58	9.85
PB Belief ^a	1. Telling untrue information about a child to get a lower price	0.78	14.33
AVE = 0.58	2. Getting more change but keeping silent	0.85	13.12
CR = 0.81	3. Not saying anything when the waitress miscalculates the bill in your favor	0.65	9.22
ABQA Belief ^a	1. Damaging a piece of clothing by accident in a store and doing nothing about it	0.90	14.51
AVE = 0.61	2. Not telling the truth when negotiating the price of new merchandise	0.64	12.36
CR = 0.75	1. Tasting grapes in a supermarket but not buying any	0.70	9.70
NHNF Belief ^a	2. Returning merchandise after trying it	0.87	11.38
AVE = 0.54	3. Spending over an hour trying on different dresses but not purchasing any	0.61	8.92
CR = 0.77	1. I was satisfied with the relationship I had with store A	0.64	9.61
Satisfaction ^b	2. I was happy with the effort store A was making toward consumers like me	0.76	11.08
AVE = 0.58	3. I was very pleased with what store A did for me	0.81	11.83
CR = 0.91	4. Compared with other relationships I knew or heard about, the one I had with the store was quite good	0.86	12.55
	5. I feel the quality of goods in store A is trustworthy	0.58	7.00
	6. For this store's products, I perceived high customer value	0.81	11.79
	7. I was quite satisfied with the way this store resolves customer problems	0.82	12.00
Trust ^b	1. I felt that store A is very dependable	0.82	12.23
AVE = 0.52	2. Store A considers my welfare as well as its own	0.61	7.49
CR = 0.87	3. I trust that store A keeps consumers' interests in mind	0.55	8.84
	4. Store A is trustworthy	0.86	14.54
	5. Store A keeps promises it makes to consumers	0.73	10.36
Commitment ^b	1. This relationship deserved my effort to maintain	0.74	9.21
AVE = 0.52	2. I intend to maintain the relationship with store A indefinitely	0.76	9.43
CR = 0.84	3. I am committed to shopping from store A	0.82	13.28
	4. If I had a choice between store A and another store, I would continue to work with store A	0.80	12.20
	5. I care about this store's long-term development and success	0.51	6.09
	6. I'd like to buy the products supplied by store A, or participate in the activities conducted by this store in future	0.67	8.94
ABIA ^c	1. Changing price-tags on merchandise in store A	0.58	9.49
AVE = 0.50	2. Returning damaged merchandise to store A when the damage is your own fault	0.69	8.70
CR = 0.80	3. Put merchandise into your own pocket without paying for it in store A	0.78	10.86
	4. Giving misleading price information to a clerk for a item without price-tag in store A	0.77	10.83

TABLE II
continued

Construct and source	Operational measures of construct	SFL ^a	<i>t</i> Value
	Model fit indexes: $\chi^2 = 1436.25$, $df = 764$, $\chi^2/df = 1.88$; GFI = 0.94, CFI = 0.96, AGFI = 0.91, NFI = 0.90, RMSEA = 0.06		
PB ^c	1. Getting more change but keeping silent in store A	0.80	11.02
AVE = 0.52	2. Not saying anything when the server miscalculates the bill in your favor in store A	0.62	7.46
CR = 0.67			
ABQA ^c	1. Returning an item after finding out that the same item is now on sale	0.71	10.24
AVE = 0.59	2. Damaging merchandise by accident in store A but doing nothing about it	0.83	12.66
CR = 0.81			
NHNF ^c	1. Trying on different clothes and consciously not returning them to where they belong but leaving them in the fitting cubicle	0.77	10.90
AVE = 0.56	2. Returning merchandise to store A after trying it	0.78	11.20
CR = 0.72	3. Spending over an hour trying on different dresses but not purchasing any in store A	0.72	9.20

SFL standardized factor loading.

^aThe scale format for each of these measures is 1 = “extremely incorrect” and 5 = “extremely correct.”

^bThe scale format for each of these measures is 1 = “totally disagree” and 5 = “totally agree.”

^cThe scale format for each of these measures is 1 = “definitely not” and 5 = “definitely will.”

construct measures, we use confirmatory factor analysis (CFA). We estimate a CFA measurement model that includes all 11 latent constructs.

The model as a whole achieves satisfactory fit with the data: $\chi^2 = 1436.25$ ($df = 764$), root mean square error of approximation (RMSEA) = 0.06; goodness-of-fit index (GFI) = 0.94, confirmatory fit index (CFI) = 0.96; adjusted goodness-of-fit index (AGFI) = 0.91; normed fit index (NFI) = 0.90. The ratio of the chi-square to the degrees of freedom is 1.88. Thus, all the fit measures fall within the acceptable range (Hu and Bentler, 1999; Marsh and Hovecar, 1985).

We evaluate the measurement properties of our constructs in terms of their unidimensionality, convergent validity, reliability, and discriminant validity. All items load significantly on their expected constructs, and we detect no significant cross-loadings, which indicates the convergent validity of the measurement items and unidimensionality for the latent constructs. We evaluate the discriminant validity of the constructs by comparing the χ^2 values of a measurement model that constrains their correlation to 1 with a baseline measurement model without this constraint. The χ^2 difference tests with

each pair of factors consistently reveal significant differences (see Table III), which suggests discriminant validity for all constructs (Fornell and Larcker, 1981).

In order to estimate the internal consistency of the constructs, we use composite reliability (CR) and average variance extracted (AVE). The CR values of all constructs are greater than the 0.7 threshold, and the AVEs are all above the recommended 0.5 level (Hair et al., 1998, 2006), which means more than half of the variance observed can be accounted for by the hypothesized constructs. Thus, the construct measures appear to have acceptable reliability (see Table II).

Data analysis and results

We use canonical correlation analysis to test our hypotheses, because they involve relationships among sets of independent variables (CEB and RQ) and one set of dependent variables (CUB). Canonical correlation analysis enables us to explore the linear logic between CEB and CUB, as well as the effects of the RQ–CEB interaction on CUB variables.

TABLE III
Chi-square values comparison

$\Delta\chi^2$	1	2	3	4	5	6	7	8	9	10
1. ABIA Belief										
2. PB Belief	181.27									
3. ABQA Belief	98.07	137.78								
4. NHNF Belief	178.97	260.53	184.71							
5. Satisfaction	244.96	203.23	245.51	181.05						
6. Trust	152.49	227.18	214.67	113.82	134.08					
7. Commitment	202.63	239.55	185.70	174.05	140.01	131.55				
8. ABIA	162.92	184.85	166.88	182.27	186.72	162.21	173.81			
9. PB	76.83	177.54	109.46	103.53	158.31	125.66	152.36	139.31		
10. ABQA	87.06	182.82	119.52	151.80	168.02	129.05	158.02	134.50	88.25	
11. NHNF	68.35	180.74	96.63	149.13	173.74	133.22	152.36	127.74	77.06	61.85

All $p < 0.001$.

TABLE IV
Canonical correlation analysis summary for CEB and CUB

Predictor variable	Canonical variable			Criterion variable	Canonical variable		
	ξ_1	ξ_2	ξ_3		η_1	η_2	η_3
ABIA belief	0.690	0.528	0.379	ABIA	0.860	0.132	0.430
PB belief	0.587	0.678	0.009	PB	0.372	0.905	0.208
ABQA belief	0.059	0.969	0.196	ABQA	0.298	0.515	0.405
NHNF belief	0.494	0.105	0.740	NHNF	0.601	0.063	0.781
Proportion of variance explained	0.267	0.422	0.182	Proportion of variance explained	0.332	0.276	0.250
Redundancy index	0.059	0.088	0.030	Redundancy index	0.073	0.058	0.041
$n = 290$				Canonical correlation coefficient R	0.469***	0.457***	0.404***
				Canonical R^2	0.220	0.209	0.163

* $p < 0.05$, significantly canonical correlated.
 ** $p < 0.01$, highly significantly canonical correlated.
 *** $p < 0.001$, extremely significantly canonical correlated.

Relationships between CEB and CUB (H1)

In Table IV, we show the canonical correlation coefficients between CEB and CUB; three groups of extracted canonical variables are significantly correlated ($p < 0.001$). The first canonical variable ξ_1 of the predictor CEB variables explains 22% of the variance in the first canonical variable η_1 of the criterion CUB variables, and the first canonical

variable η_1 of the criterion variables explains 33.2% of the total variance in the criterion variables. The associated redundancy index is 7.3%, which indicates that the predictor variables explain 7.3% of the variance of the criterion variables through their first canonical variable. The second and the third redundancy indexes of 5.8 and 4.1%, respectively, suggest that the predictor variables explain 5.8 and 4.1% of the criterion variable variance through the

second and third canonical variables. Thus, the four predictor variables (ABIA, PB, ABQA, and NHNF beliefs) explain 17.2% (7.3% + 5.8% + 4.1%) of the four-criterion variable variance through three groups of canonical variables.

As the combined redundancy index is 0.172 (>0.05), which indicates reasonable linear combinations for the two sets of variables, and several factor loadings are >0.30 in each group of canonical variables, we believe some important variables in the linear combinations may combine to explain the canonical correlations (Pedhazur, 1997). Thus, the positive canonical factor loadings of predictor variables and criterion variables indicate that the belief strength for CUB and the inclination to engage in CUB correlate positively, in support of H1.

Relationship between RQ and CUB (H2)

As shown in Table V, we can extract three groups of canonical variables at the 0.99 and 0.95 significance levels. The redundancy index of the three canonical variables ξ_1 , ξ_2 , and ξ_3 for the predictor variables (i.e., RQ) and the three canonical variables η_1 , η_2 and η_3 for the criterion variables (i.e., CUB) are 5.4, 1.1, and 0.9%, respectively. Therefore, three predictor variables of satisfaction, trust, and commitment explain 7.4% (5.4% + 1.1% + 0.9%) of the variance of the four-criterion variables, and the lin-

ear combinations are reasonable because the combined redundancy index exceeds 5%.

Canonical loadings in each group of standard variables are >0.3, and as Table V shows, most canonical loadings of the predictor and criterion variables change in opposite directions. Therefore, the strength of RQ and the inclination to conduct unethical behavior correlate negatively, in support of H2.

Interaction effects of RQ and CEB on CUB (H3)

We test the interaction effects by forming an interaction term $Z_{ij} = A_i \cdot B_j$, where A_i stands for each dimension of RQ and B_j indicates for each dimension of CEB. Table VI shows the linear combinations of the interaction items and CUB items. All four groups of canonical variables we extract are significantly correlated ($p < 0.001$). The redundancy index of the four canonical variables ξ_1 , ξ_2 , ξ_3 , and ξ_4 for the predictor variables (i.e., interaction variables) and the four canonical variables η_1 , η_2 , η_3 , and η_4 for the criterion variable (i.e., CUB) are 15.4, 6.3, 11.8, and 2.6%, respectively. The shared variance of the predictor variable and the four groups of canonical variables ((ξ_1, η_1), (ξ_2, η_2), (ξ_3, η_3), (ξ_4, η_4)) is 36.1% (15.4% + 6.3% + 11.8% + 2.6%); that is, the interaction of RQ and CEB explains 36.1% of the variance of the four-criterion variables, far beyond the 5% benchmark.

TABLE V
Canonical correlation analysis summary on RQ and CUB

Predictor variables	Canonical variables			Criterion variables	Canonical variables		
	ξ_1	ξ_2	ξ_3		η_1	η_2	η_3
Satisfaction	-0.660	0.339	0.670	ABIA	0.751	-0.611	-0.244
Trust	-0.629	0.248	0.737	PB	0.126	0.022	-0.927
Commitment	-0.214	0.177	0.961	ABQA	0.461	-0.155	-0.138
				NHNF	-0.509	0.683	-0.400
Proportion of variance explained	0.292	0.069	0.638	Proportion of variance explained	0.263	0.216	0.274
Redundancy index	0.060	0.004	0.020	Redundancy index	0.054	0.011	0.009
$n = 290$				Canonical correlation coefficient R	0.454***	0.229***	0.179*
				Canonical R^2	0.206***	0.052***	0.032*

TABLE VI
Canonical correlation analysis summary on RQ and CEB

Predictor variable	Canonical variable				Criterion variable	Canonical variable			
	ξ_1	ξ_2	ξ_3	ξ_4		η_1	η_2	η_3	η_4
Z_{11}	-0.258	0.094	0.392	0.371	ABIA	0.927	0.055	0.370	-0.033
Z_{12}	-0.037	-0.077	0.646	0.267	PB	-0.092	0.468	-0.818	0.321
Z_{13}	0.262	-0.316	0.541	0.300	ABQA	0.384	0.278	0.049	-0.879
Z_{14}	0.224	-0.574	0.323	0.095	NHNF	0.177	0.548	-0.789	0.215
Z_{21}	-0.239	-0.005	0.328	0.458					
Z_{22}	-0.023	-0.153	0.576	0.244					
Z_{23}	0.243	-0.394	0.492	0.317					
Z_{24}	0.255	0.467	0.266	0.148					
Z_{31}	-0.497	-0.086	0.263	0.370					
Z_{32}	-0.306	-0.185	0.477	0.215					
Z_{33}	0.027	-0.416	0.372	0.321					
Z_{34}	-0.023	0.405	0.289	0.081					
Proportion of variance explained	0.059	0.102	0.187	0.083	Proportion of variance explained	0.262	0.150	0.358	0.231
Redundancy index	0.035	0.042	0.061	0.009	Redundancy index	0.154	0.063	0.118	0.026
$n = 290$					Canonical correlation coefficient R	0.766***	0.647***	0.574***	0.334***
					Canonical R^2	0.587	0.419	0.329	0.112

Z_{11} - Z_{14} stand for interaction items between satisfaction and four levels of belief (ABIA, PB, ABQA, NHNF); Z_{21} - Z_{24} stand for interaction items between trust and four levels of belief (ABIA, PB, ABQA, NHNF); Z_{31} - Z_{34} stand for interaction items between commitment and four levels of belief (ABIA, PB, ABQA, NHNF).

As shown in Table VI, several canonical loadings are >0.3 in each group of criterion variables, and most canonical loadings of the predictor and criterion variables change in opposite directions. In other words, the positive correlation between consumers' belief strength for CUB and their inclination to engage in CUB, as we posited in H1, gets moderated when consumers perceive good RQ with the seller, which lends support to H3.

Discussion

Consumer unethical behavior has attracted increasing attention in the literature of consumer ethics, though our knowledge remains limited to assume a simplistic logic between consumer ethical beliefs (e.g., consumer attitudes, subjective norms) and consumer ethical decision making and behaviors. From a holistic perspective, Tian and Keep's (2002) observations highlight this limitation in the sense that consumers conduct unethical behaviors not only because of their ethical beliefs but also because of the company's misconduct, such as providing poor product quality, asymmetrical information, or unfair prices. Many consumers, especially those in the middle class, even feel obligated to commit fraud to retaliate against unethical businesses (Tian and Keep, 2002). An important implication of their findings notes that a good relationship between the company and its consumers may serve to reduce CUBs.

Our study confirms the linear logic between consumer ethical beliefs and CUB in a mainland Chinese context. Extending Tian and Keep's (2002) findings, we fill the belief-behavior gap by exploring the moderating role of RQ in reducing CUBs (Kenhove et al., 2003; Rao and Al-Wugayan, 2005). Specifically, we find that CEBs appear to explain CUB, at least in part. If consumers are more receptive to a set of actions that their moral principles would deem inappropriate, they are more likely to engage in unethical behaviors. However, when consumers perceive that their misconducts may damage the relationship they have developed with the seller, they tend to refrain from unethical behaviors. Moreover, CEBs and RQ may combine to affect unethical behaviors. Even if consumers find the misconduct acceptable according to their ethical beliefs, they may be less likely conduct the behavior if they have a close relationship with the seller.

Our results thus contribute to a better understanding of the previously simplistic logic that has connected consumer ethical beliefs and their unethical behaviors. As social entities, consumers act as one party to the transaction with sellers in the marketplace. Their ethical or unethical behaviors also should be shaped by external social forces, such as relational factors (Muncy and Vitell, 1992). In particular, consumers play multiple roles (e.g., economic, social) in market exchanges; their ethical behavior inevitably must be defined by the interplay of these roles (Heide and Wathne, 2006), which requires a modification of the linear logic of CEB and CUB. Managerially, our findings suggest marketers should develop closer relationships with consumers to minimize CUB (Tian and Keep, 2002).

Several directions for further research also deserve attention. First, though we consider customer relationships an intervening variable in this model, other social factors could be introduced, such as face or *renqing* (favors), especially in Chinese society, that would enrich our understanding of consumer ethical decision making in a non-Western context. Second, further explorations of consumer role-specific ethical behavior might take a buyer-seller interaction perspective. As we discussed previously, when playing a friend role, consumers may engage in different ethical behavior than when they play a merely economic role with the seller (Heide and Wathne, 2006). Further research should address different levels of consumer relational closeness and their impact on CUBs. Third, we uncover some different cultural meanings of CEB and CUB in a Chinese context; a cross-cultural study with both a Chinese context and a Western context is warranted to clarify these cultural interpretations and perhaps develop a Chinese scale of CEB and CUB. Fourth and finally, because of the multiple variables included in the model, we use canonical analysis to test our hypotheses. Additional studies might use more stringent analytical methods, such as multiple regression analysis, to confirm these findings.

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