

**AN INVESTIGATION INTO THE ANTECEDENTS INFLUENCING UNETHICAL
CONSUMER BEHAVIOR**

BY :

**NAZAHAH ABD RAHIM
MUNA ABDUL JALIL
SHAKIRAH MOHD SAAD**

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Pn Nazahah Abd Rahim
Fakulti Pengurusan Perniagaan
Universiti Teknologi MARA Cawangan Kedah
Peti Surat 187
08400 Merbok, Kedah

Y. Brs. Profesor./Tuan/Puan

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4. Peruntukan kewangan akan disalurkan melalui tiga (3) peringkat berdasarkan kepada laporan kemajuan serta kewangan yang mencapai perbelanjaan lebih kurang 50% dari peruntukan yang diterima.

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: 603-5521 1386

5. Report

5.1 Executive Summary

This research investigates consumers' motivation for behaving unethically and to understand the factors influencing it. It aims to develop a model predicting the factors or antecedents influencing unethical consumer behaviors. As there are less research and reports on this issue in Malaysia, thus study on this is important. Respondents from the Northern region of Malaysia were chosen as the sample for this study. A purposive sampling technique was implemented in selecting the respondents aged between 19 to 35 years old. The Theory of Planned Behavior (TPB) model is applied to reveal the secret behind it. It is found that the potential factors of consumers behaving unethically are attitude, subjective norms and perceived behavioral control. Given the complexity of this integrated model and simultaneous involvement of many factors, the SEM is used and a multivariate analysis technique is adopted. Results show that there are significant direct impacts among variables except for subjective norms. It is also found that there are mediating effects of intention in all relationships.

5.3 Introduction

5.3.1 Background And Motivation Of The Study

The issue of consumer ethics is always going to be a never-ending story as such attributes is embedded unconsciously and naturally in our daily lives. Although rationally behaving unethically is generally unacceptable, consumers are less likely to notice and to be aware of their own ethical behaviors. Unethical behaviors such as shoplifting, deshopping, counterfeiting, getting too much change and not saying anything, cutting queues and misrepresent child's age to get discounts are sometimes perceived as something normal, a norm or a habit. Consumers tend to just be ignorant.

Consumer ethics is defined by Muncy and Vitell (1992) as "the moral principles and standards that guide behavior of individuals or groups as they obtain and dispose of goods and services". Consumer ethics are important to business not only due to the absolute cost of loss but also due to the increasing cost of security. The National Retail Security Survey conducted in USA finds that shoplifting, employee theft, vendor fraud and administration errors to cost an estimated US\$32 billion in 2000 (Stores, 2002). Berstein (1985) posits consumers are "out-doing" big business and the government at unethical behavior.

Nevertheless concern for ethics in business specifically on consumer ethics is not limited to developed countries. In China, up to 90 percent of daily-use products found in street markets are counterfeits (Business Times, 1999). The business communities in developing nations appear to be affected by many of the same ethical problems. For instance, growth in white collar crime in Malaysia, a developing nation, has shaken public trust and has gained the attention of researchers and politicians in that country (Zabid & Alsagoff, 1993). Another alarming example due to dishonesty and opportunistic behavior of consumers has led to the lost of RM149 million to piracy in Malaysia's software industry (Business Software Alliance, 2005). Malaysian enforcement office