Deterring deviant consumer behaviour: When 'it's wrong, don't do it' doesn't work

Dr Paula Dootson*

QUT Business School, Queensland University of Technology

GPO Box 2434; Brisbane, QLD 4001

Phone: + 61 7 3138 2173 Email: paula.dootson@qut.edu.au

*Corresponding author

Prof. Ian Lings

QUT Business School, Queensland University of Technology

GPO Box 2434; Brisbane, QLD 4001

Phone: + 61 7 3138 2972 Email: ian.lings@qut.edu.au

Dr Amanda Beatson

QUT Business School, Queensland University of Technology

GPO Box 2434; Brisbane, QLD 4001

Phone: + 61 7 3138 1241 Email: a.beatson@qut.edu.au

Dr Kim A. Johnston

QUT Business School, Queensland University of Technology

GPO Box 2434; Brisbane, QLD 4001

Phone: + 61 7 3138 4089 Email: kim.johnston@qut.edu.au

Deterring deviant consumer behaviour: When 'it's wrong, don't do it' doesn't work

Abstract

Tactics to deter deviant consumer behaviour have received limited attention in the literature despite deviance being an ongoing problem in the marketplace. Across two studies, the findings suggest there is a heterogeneous response to the rules placed on consumers' behaviour, which manifests from an absence of consensus among consumers on what is right and wrong behaviour undermining the *'it's wrong, don't do it'* approach to deterrence. Further, risk perceptions of being caught and punished are low, if not absent, undermining the *'you will be caught and punished'* approach to deterrence. Alternate underlying mechanisms were tested and found to influence deviant consumer behaviour (perceived prevalence, perceived outcomes, and moral identity), which could underpin alternate deterrence tactics, including: social proofing, moral triggers, and humanising the victim.

Keywords: deviant consumer behaviour, deterrence tactics, perceptions of behaviour wrongness, quantitative

Summary statement of contribution

This paper bridges the gap between the plethora of research on why deviant consumer behaviour occurs and the dearth of research on how deviant consumer behaviour can be deterred. The findings in this paper provide an avenue for future empirical research on the efficacy of different approaches to deterring deviant consumer behaviour.

Deterring deviant consumer behaviour: When 'it's wrong, don't do it' doesn't work

Introduction

Deviant consumer behaviour is an ongoing problem around the world (Daunt & Harris, 2012), causing negative financial, physical and/or emotional harm to organisations, employees and/or other consumers. Deviant consumer behaviour is behaviour that is against the law, organisational policy or violates the generally accepted norms of conduct (Fullerton & Punj, 1997). In 2016, retailers in the United States (US) lost $US60 billion to theft, up from $US45.2 billion in 2015 (Leinbach-Reyle, 2015). US retailers are not alone; retailers in Australia are also experiencing increases in theft, with the average cost of each stolen or fraudulent transaction being $AU216 in the state of Queensland (National Retailers Association, 2016). These are just some examples of the impact of deviant consumer behaviour. Managers currently use tactics to deter deviant consumer behaviour that rely on appealing to the consumer to comply with the objective classification of behaviour (i.e., law, organisational policy, rules), manifesting as *'it's wrong, don't do it'*. Moreover, managers use tactics that appeal to the consumer's fear of punishment such that the consumer perceives there is a risk of being caught and punished for engaging in deviant consumer behaviour, manifesting as *'you will be caught and punished'*. However, these deterrence tactics make two critical assumptions: people agree and comply with the objective classifications of behaviour, and consumers actually perceive there is a risk of being caught and punished for their deviance.

First, for people to agree with and comply with the objective classification of behaviour they need to have internalised the values, beliefs and morality on which the law, policy or rule is based. However, the limitation of this assumption is that consumers actually differ in their subjective perceptions of right and wrong (Dootson, Johnston, Beatson, & Lings, 2016), which

manifests in their deviance threshold; that is, their metaphoric line in the sand. A deviance threshold allows consumers to engage in deviant consumer behaviour that they subjectively perceive as acceptable, or can justify, despite it being objectively classified as wrong. Second, the assumption underpinning the fear of punishment tactic is that consumers actually perceive a risk of being caught and punished when engaging in deviant consumer behaviour. However, in reality, most deviant consumer behaviour goes undetected because it is expensive and difficult for managers to detect and punish (e.g., Lin, Hastings, & Martin, 1994; Lindblom & Kajalo, 2011). A low objective risk of being caught and punished encourages low perceptions of risk, which increases the likelihood of deviant consumer behaviour occurring. As deviant consumer behaviour continues to be observed in the marketplace (see for example: Baldwin, 2016; Essential Retail, 2013; Ford & Forbes, 2016; Hunjan, 2016) there is an opportunity to explore how these assumptions underpinning deterrence tactics play out in the consumption context. Further, there is an opportunity to ascertain if there are other factors influencing deviance that could underpin alternate approaches to deterring deviant consumer behaviour in instances where these assumptions are inaccurate.

To date, there is limited research on how to deter deviant consumer behaviour, with most of the focus being on understanding why deviance occurs. In this paper, the authors seek to bridge the gap between research on why deviance occurs and future research on how it could be deterred. By doing so, the authors attempt to provide an evidence base on which to build deterrence strategies for managers. The aims of this research are three-fold. First, the authors examine the extent to which there is societal consensus in subjective perceptions of behaviour wrongness to address the first assumption – that consensus exists and is reflected in the objective classifications of behaviour. Second, the authors examine the role of perceived risk to understand

the second assumption – that fear of punishment is present in the consumer context – which subsequently deters behaviour. Third, the authors examine the presence of alternate underlying mechanisms driving deviant consumer behaviour, given limitations in the two existing assumptions of deterring deviance. Specifically, the authors examine perceived prevalence, perceived outcomes, moral identity, and ethical ideology as alternate motives for deviance, beyond perceived risk, to ascertain if tactics such as social proofs, humanising the victim, and moral triggers could be relevant to deterring deviant consumer behaviour in the future.

The authors first discuss the objective and subjective classifications of behaviour wrongness and how they pertain to the deterrence tactics used to curb instances of deviant consumer behaviour. Noting the limitations of the assumptions on which these tactics are based, the authors develop a series of hypotheses. In Study 1, the authors find that, as a society, we agree on the outright acceptable and unacceptable behaviours, yet there is an absence of consensus on behaviour wrongness for a majority of behaviours, irrelevant of the objective classification. Two behaviours (illegal downloading and fare evasion) are taken from Study 1 for Study 2 as a comparative case to ascertain how perceived risk operates when consensus varies and subjective and objective classifications of behaviour wrongness are misaligned. Theoretically, perceived risk should be evident for both behaviours tested, as fear of being punished is a tactic currently used to deter both illegal downloading and fare evasion. The findings, however, challenge this assumption. Study 2 subsequently tests alternate motives for deviant consumer behaviour to identify future opportunities for testing deterrence tactics beyond the current approaches to better target underlying mechanisms of deviance, as opposed to relying on the more universal approach of *'it's wrong, don't do it'* or *'you will be caught and punished'*.

Deterring deviant consumer behaviour

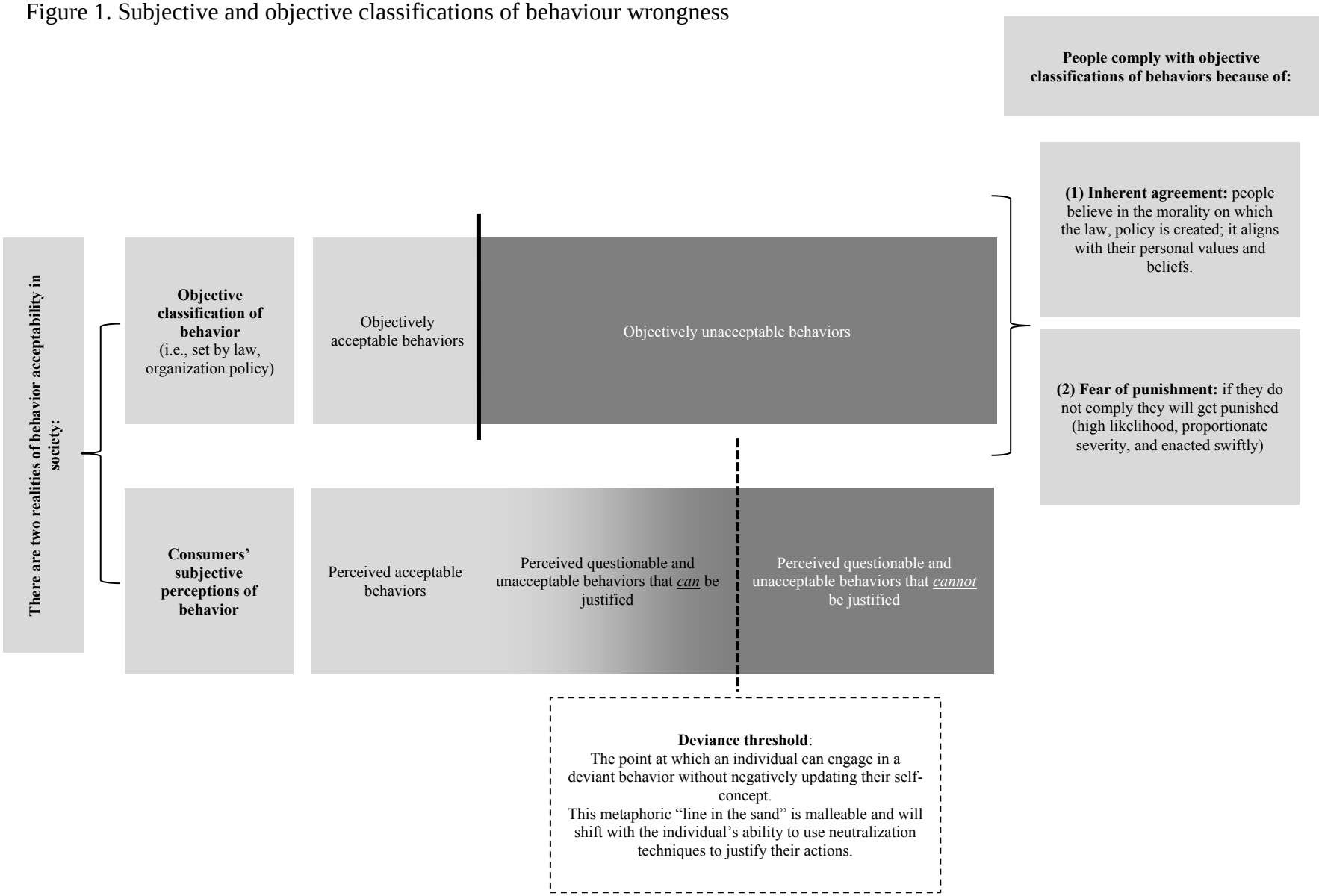
Social control theory, from criminology, argues that social order is maintained when there is consensus within society on values and beliefs of what constitutes right and wrong behaviour, which is formalised through an objective classification of behaviour wrongness; that is, law, organisational policy, or rules (Costello, 2017). Individuals will use objective classifications to guide their actions both because they internalise the values, beliefs, and morality on which that law, policy, or rule is based, or because there is punishment associated with violating it. Both meta-reasons for compliance with objective classifications of behaviour are explored in detail below, along with how they relate to deterrence tactics to curb instances of deviant consumer behaviour.

Deterrence tactic: 'it's wrong, don't do it'

Individuals have their own subjective perceptions of behaviour wrongness; a mental line in the sand dictating what behaviour is right and wrong in a given context. This line is conceptualised as an individual's deviance threshold. Self-concept maintenance theory suggests individuals will only be able to engage in deviant consumer behaviour that allows them to also maintain a positive self-concept (Mazar, Amir, & Ariely, 2008). Self-concept is an individual's perception of oneself (Sirgy, 1982). Consumers may be able to perform minor degrees of deviant consumer behaviour, such as lying and cheating, while maintaining a positive view of himself or herself, whereas greater degrees of deviant consumer behaviour, such as fraud, may require the consumer to negatively update their self-concept to reflect their bad behaviour. Negatively updating an individual's self-concept is contradictory to their inherent drive to maintain consistency in their beliefs, perceptions, and behaviours (Blasi, 1984; Cheng, Lam, & Hsu, 2005; Cialdini, 1988;

Festinger, 1957; Mazar et al., 2008; Sanitioso, Kunda, & Fong, 1990; Sirgy, 1982). The point at which an individual can no longer engage in a greater degree of deviant consumer behaviour without negatively updating their self-concept is the individual's deviance threshold (Dootson et al., 2016). The issue with people having their own subjective perceptions of behaviour wrongness is that they do not always align with objective classifications of behaviours (Figure 1).

Figure 1. Subjective and objective classifications of behaviour wrongness



The law and an organisation's policy or rules dictate an objective classification of behaviour wrongness. Deterrence tactics that appeal to the objective classification of behaviour are appealing to consumers to abide by the law, an organisation's policy or rules (i.e., *'it's wrong, don't do it'*). However, this deterrence tactic assumes, sometimes inaccurately, that the consumer agrees the behaviour is wrong. Take for example a commonly used deterrence message, *'piracy is stealing'*, which appeals to consumers to uphold the objective classification of copyright infringement. Dootson and Suzor (2015) found consumers question the morality on which copyright law is based. When copyright law constrains choice, like geographically restricting access to content, reactance theory (Brehm, 1966) suggests consumers will react by infringing on copyright to restore their freedom to choose what to consume. Where groups collectively disagree on the morality on which an objective classification is based the efficacy of that objective classification (e.g., copyright law) to guide non-deviant behaviour is undermined (Cooter, 2000; Hinduja, 2007). In this case, copyright infringement occurs despite the consumer knowing their behaviour is objectively wrong.

For an alternate example, the frequently used message, *'shoplifting is a crime'*, appeals to consumers to uphold the objective classification of shoplifting. While consumers may acknowledge shoplifting is objectively wrong they could use a neutralisation technique to justify their actions. Neutralisation techniques are statements individuals use to resolve the conflict between wanting to perform deviant consumer behaviours for some benefit, while not having to negatively update their self-concept (Mazar et al., 2008). For instance, shoplifting may reap the benefit of paying less for groceries, which the consumer may justify using the 'denial of injury' technique – *'this national grocery chain can afford it, I'm only taking cosmetics worth $100'* –

or the 'denial of victim' technique – *'they put in self-checkouts and fired all the staff, I should get something for packing my own bags!'*

Either way, when a consumer is presented with a deterrence tactic of *'it's wrong, don't do it'* that they disagree with or can justify violating, they will ignore this deterrence message. As such, the authors challenge recommendations, such as Mitchell and Chan's (2002), that organisations should overtly stress the wrongness of the deviant consumer behaviour to deter consumers from performing it, as it may be falling on deaf ears.

Prior research has demonstrated that individuals vary in their perceptions of the seriousness (e.g. Wilkes, 1978) and ethicality (e.g., Muncy & Vitell, 1992; Neale & Fullerton, 2010; Vitell & Muncy, 2005) of different consumer behaviours, yet research to date has not yet considered those data in aggregate form to understand the degree of convergence of those beliefs. This is important, because where there is consensus on subjective perceptions of behaviour wrongness, and those subjective perceptions align with the objective classification of behaviour, tactics using appeals to uphold the objective classification (i.e., *'it's wrong, don't do it'*) will likely be effective as there is agreement in values, beliefs, and behaviours. Issues arise, however, when: (1) there is consensus on subjective perceptions of behaviour wrongness but these do not align with the objective classification of behaviour, in other words when social norms do not align with the law (e.g., lying on your taxes is illegal, yet socially acceptable); and (2) when there is an absence of consensus on subjective perceptions of behaviour wrongness, making it difficult for subjective perceptions to align with objective classifications of behaviour (e.g., people fail to agree on the wrongness of lying about why you're returning an item, despite it being a violation of organisational policy). Both of these scenarios make deterrence tactics using appeals to uphold the objective classification difficult to execute because there are other factors people are drawing

on to guide their actions. In order to understand the extent to which there is consensus in society on the subjective perceptions of behaviour wrongness, and what the implications are for deterring deviant consumer behaviour, Study 1 runs a best–worst scale survey using a balanced incomplete block design (BIBD). The authors hypothesise that there will be an absence of consensus in subjective perceptions of behaviour wrongness given variability in consumers' deviance thresholds and consumers' heterogeneous responses to law, policy, and rules placed on their behaviour (Stewart & Scammon, 2016). Therefore:

H1a. *There is a significant variation in perceived unacceptability of consumer behaviours;* and

H1b. *These perceptions do not align with objective classifications.*

If these hypotheses are supported, the authors argue there will be instances where an *'it's wrong, don't do it'* deterrence tactic will be ineffective and, instead, more targeted tactics are required to deter deviant consumer behaviour, which is explored in Study 2.

Deterrence tactic: 'you will be caught and punished'

Where consumer violations of objective classifications of behaviour are backed by a fear of punishment then deterrence theory suggests people will be less likely to engage in deviant behaviour. Deterrence theory is grounded in the classical school of criminology (Beccaria, 1963; Bentham, 1967) and is a rational view of human behaviour (Pratt, Cullen, Blevins, Daigle, & Madensen, 2011). It assumes that individuals weigh up the costs and benefits of a situation, and then make rational decisions based on increasing their pleasure (e.g., benefits) and decreasing their pain or harm (e.g., risk/costs) (Pratt et al., 2011). Perceived risk only works as a deterrent if

the probability, severity and swiftness[1] of punishment are all perceived to be high (Akers & Sellers, 2004; Grasmick & Green, 1980). Where one of those three factors approximates zero, the other two factors become redundant (Grasmick & Green, 1980). When perceived risk is low, individuals are more likely to engage in deviant consumer behaviour (Albers-Miller, 1999). The lower the levels of perceived risk present, the greater the individual's perceived opportunity to engage in deviant consumer behaviour (Cole, 1989).

Deterrence theory proposes a two-step approach to controlling behaviour. First, the punishment of current offenders seeks to deter others (non-offenders) from offending themselves, based on fear of punishment (Akers & Sellers, 2004), drawing on the principles of vicarious learning, as proposed by Bandura's (1977) social learning theory; if you observe others being caught and punished as a result of engaging in a specific action, to avoid punishment you avoid engaging in that same action. Managers try to communicate this risk of punishment through in-store signs like 'shoplifters will be prosecuted', or using closed circuit television (CCTV) and security tags to signal the probability of being caught. The second approach for controlling behaviour under deterrence theory is focused on reoffending. The convicted and punished offenders refrain from reoffending as a result of the punishment incurred, in accordance with the principles of operant conditioning (Akers & Sellers, 2004). When punishment is experienced following a specific action, to avoid future punishment the individual avoids repeating that action. This approach to deterrence requires resourcing for detection and punishment of deviant consumer behaviour. Unfortunately, deviant consumer behaviour is very difficult and expensive to detect and punish (Leaver, 1993; Zetter, 2014), which could explain why perceptions of the risk of being caught and punished in the consumer context are low for

[1] It is important to note that past research in both the consumer and criminology contexts have found that the celerity of punishment is not a strong factor informing overall risk perceptions (Nagin & Pogarsky, 2001; Dootson et al., 2016), which is why the concept is not explored further in this paper.

most acts of deviance (e.g., lying). This makes the objective risk of being caught and punished low, which subsequently can inform individuals' low perceptions of detection, rendering the influence of perceived severity of punishment irrelevant for engaging in deviant consumer behaviour.

Where perceived risk is absent, or low, tactics based on fear of punishment fail to effectively deter deviance. Consistent with past research, the authors hypothesise that perceived risk (probability and severity) has a negative relationship with deviant consumer behaviour. Moreover, and perhaps more novel, is that the authors hypothesise this negative relationship will be stronger for behaviour where there is consensus on subjective behaviour wrongness and those subjective perceptions align with the objective classification of wrongness. In other words, as a society there is agreement that *behaviour X* is wrong, which aligns with the law, policy or rule also classifying *behaviour X* as wrong. Therefore, the authors hypothesise that:

H2a. *Perceived risk – probability and severity – will have a significant negative relationship with deviant consumer behaviour;* and

H2b. *The negative relationship will be stronger for behaviour where there is consensus on subjective perceptions of behaviour wrongness, and these perceptions align with the objective classification (i.e., fare evasion), as opposed to inconsistency between subjective perceptions and objective classifications (i.e., illegal downloading).*

Study 2 aims to test these hypotheses. If these hypotheses are not supported, however, the authors argue there will be instances where a fear of punishment deterrence tactic will be

ineffective. In that case, Study 2 also explores alternate underlying motives for deviance that could provide a foundation for alternate deterrence tactics.

Alternate mechanisms to inform new deterrence tactics

In the absence of perceived risk, deviant consumer behaviour could occur when the objective classification of behaviour does not align with the societal consensus in subjective perceptions of behaviour wrongness. In other words, when a normative behaviour is in violation of a law, policy or rule. Perceived prevalence is a concept proposed in this research to capture the extent to which consumers perceive others are engaging in a specific behaviour, signalling perceptions of normative behaviour.

Perceived prevalence

The influence of others on an individual's behaviour is extensively studied in criminology and sociology literature pertaining to misconduct, criminal behaviour, and deviant behaviour, which drove investigations into the effect of social influence on deviant consumer behaviour (Albers-Miller, 1999; Conger, 1980; Gellerman, 1986). Social group influence on an individual's behaviour is reflected in Sutherland's (1947) differential association theory. The central proposition of differential association theory is that behaviour is learned through social interaction (Sutherland, 1947). The groups that individuals associate with teach them beliefs, attitudes, and justification techniques, and are a primary source of behavioural reinforcement, which guides the individual's behaviour (Burgess & Akers, 1966): 'an opinion, a belief, an attitude is "correct", "valid", and "proper" to the extent that it is anchored in a group of people with similar beliefs, attitudes and opinions' (Festinger, 1957 p. 272). Cultural deviance theory

suggests an individual would not consider behaviour deviant if it complies with their group norms, irrelevant of its objective classification or what people outside the group are doing (Costello, 2017).

When an individual does not know how to behave in a particular situation they turn to others to see what is appropriate and what behaviour is being rewarded (Pratt et al., 2010). Ambiguity in how to behave or what constitutes acceptable behaviour can occur when the objective classification of the behaviour does not reflect the perceived prevalence of the behaviour. If an illegal behaviour is perceived to be prevalent in society, engaged in by peers or friends, or the media reports the saliency of the behaviour then some individuals may perceive this as a signal to engage in deviant consumer behaviour. It is, therefore, hypothesised that:

H3a. *Perceived prevalence will have a significant positive relationship on deviant consumer behaviour;* and

H3b. *The significant positive relationship will be stronger for behaviour where there is an absence of consensus on subjective perceptions of behaviour wrongness, and these perceptions do not align with the objective classification (i.e., illegal downloading), as opposed to consistency between subjective perceptions and objective classifications (i.e., fare evasion).*

While the influence of others is a critical factor for engagement in deviant consumer behaviour, individual characteristics are also particularly important. Even if a person perceives behaviour to be prevalent in society, their own deviance threshold could still prevent them from engaging in deviant consumer behaviour. In this paper, the authors propose an individual's deviance threshold is informed by their moral identity and ethical ideology. Moral identity captures the

elasticity of the deviance threshold (the extent to which the line in the sand can move to accommodate more/less deviant consumer behaviour), while ethical ideology explains where behaviours fall (either within or outside of the elastic or inelastic deviance threshold).

Moral identity

Moral identity is the extent to which moral traits are a central and relatively stable part of an individual's self-concept (Aquino & Reed, 2002). The moral traits (e.g. kindness, honesty, compassion) were drawn from philosophical virtue theories that Aquino and Reed (2002) suggested would trigger a wider network of related moral traits underlying an individual's moral identity (Aquino & Reed, 2002; Reed & Aquino, 2003; Weaver, 2006). The individual's deviance threshold is the point at which an individual can no longer justify that an 'honest, kind and caring' person would perform such behaviour.

Internalised moral traits work to regulate one's behaviour by substituting threats of external sanctions with internal self-sanctions (Grasmick & Green 1981; Spivak, Fukushima, Kelley & Jenson, 2011). Individuals who have a strong moral identity, in which moral traits are very salient in the individual's self-concept, will have a more restrictive deviance threshold than an individual with a weak moral identity, in which moral traits are not salient in the individual's self-concept. A more restrictive deviance threshold means individuals with a strong moral identity are less tolerant of deviant consumer behaviours, and are less likely to engage in them, because violation of an individual's moral identity would cause the individual to experience cognitive dissonance (Trevino, Weaver, & Reynolds, 2006; Weaver, 2006). Cognitive dissonance is one form of self-sanction that an individual with a strong moral identity can administer to regulate their own actions. A less restrictive deviance threshold means the

individual with a weak moral identity is more tolerant of deviant consumer behaviours, and more likely to engage in them because there are no moral traits being violated to cause cognitive dissonance. Individuals with weak moral identities look to the threat of external sanctions to guide their behaviours, as opposed to relying on internal sanctions (Aquino & Reed, 2002). Relying on threats of external sanctions is undesirable in the consumer setting, as most deviant consumer behaviour goes undetected (Bandura, 1991b). The lack of detection is attributed to the difficulty in identifying minor acts of deviant consumer behaviour (e.g., lying) or the organisation not having the resources to detect any type of deviant consumer behaviour or to administer formal sanctions (e.g., punishment for fraudulent returns).

The more central morality is to an individual's self-concept, the more motivated the individual will be to act in accordance with those traits (Hardy, 2006). Moral identity is 'a motivational force that translates cognitions into behaviour because of a desire for self-consistency' (McFerran, Aqunio, & Duffy, 2010, p. 50). Individuals have an inherent need for consistency between their behaviour, attitudes and beliefs (Blasi, 1984; Cheng et al., 2005; Cialdini, 1988; Festinger, 1957), including between subjective perceptions of behaviour wrongness and objective classifications of wrongness. It is therefore hypothesised that:

H4a. *Moral identity will have a significant negative relationship with deviant consumer behaviour;* and

H4b. *The significant negative relationship will be stronger for behaviour where there is an absence of consensus on subjective perceptions of behaviour wrongness, and these perceptions do not align with the objective classification (i.e., illegal downloading), as opposed to consistency between subjective perceptions and objective classifications (i.e., fare evasion).*

While moral identity can arguably capture an individual's tolerance for deviant consumer behaviour the individual's ethical ideology could explain how behaviours are categorised within that threshold, based on an assessment of the outcomes of the behaviour or an assessment of the inherent nature of the behaviour itself.

Ethical ideology

Ethical ideology is a system of beliefs or principles that individuals use to guide their judgments of the acceptability of a behaviour, based on the extent to which they accept or reject universal moral rules (Aleassa, Pearson, & McClurg, 2011; Forsyth, 1980). An individual can associate with an idealistic ethical ideology or a relativistic ethical ideology. Idealism is the doctrine that universal moral rules exist to determine the inherent goodness or badness of an action (Vitell & Paolillo, 2003). Individuals associating with idealism follow the deontological approach to ethics, which focuses on the inherent acceptability of the behaviour itself, to determine if it should be performed (Forsyth, O'Boyle, & McDaniel, 2008). Deontology proposes that individuals are duty-bound to certain behaviours as they constitute the right thing to do (Kant, [1785] 2002). Individuals associating with high levels of idealism are thus more likely to be the individuals who use the objective classification of behaviour (law, policy) to guide their actions. As such, it is hypothesised that:

H5a. *Idealism will have a significant negative relationship with deviant consumer behaviour;* and

H5b. *The significant negative relationship will be stronger for behaviour where there is consensus on subjective perceptions of behaviour wrongness, and these perceptions align with the objective classification (i.e., fare evasion), as opposed to consistency between subjective perceptions and objective classifications (i.e., illegal downloading).*

Critics of the deontological philosophy of ethics argue, however, that universal moral rules guiding deontologists' behaviours can only exist in their most specific form, because with each new situation a new contributing factor ultimately discounts the rule (Prinz, 2008). The criticisms of the deontological approach to ethics suggest individuals largely favour a more consequentialist approach to processing environmental factors and past experiences when assessing the ethicality of a behaviour (Hunt & Vitell, 1986). Individuals associating with relativism follow the teleological philosophy of ethics. Teleology is from the consequentialist theory of ethics, which focuses on the outcome of an action to determine its inherent acceptability (Hunt & Vitell, 1986). There are two branches of teleology: (1) ethical egoists who focus on increasing the good outcome for themselves, which in turn constitutes the 'right' behaviour; and (2) utilitarians who focus on promoting the greatest good to the greatest number, which in turn constitutes the 'right' behaviour (Hunt & Vitell, 1986).

Individuals associating with the relativism ethical ideology have been found to be more tolerant of, and more likely to engage in, deviant consumer behaviour (e.g., Aleassa et al., 2011; Allmon, Page, & Roberts, 2000; Forsyth & Berger, 1982; Forsyth & O'Boyle Jr, 2011; Forsyth et al., 2008; Vitell & Paolillo, 2003). Therefore, it is hypothesised that:

H6a. *Relativism will have a significant positive relationship with deviant consumer behaviour*; and

H6b. *The significant positive relationship will be stronger for behaviour where there is an absence of consensus on subjective perceptions of behaviour wrongness, and these perceptions do not align with the objective classification (i.e., illegal downloading), as opposed to consistency between subjective perceptions and objective classifications (i.e., fare evasion).*

Given relativists are proposed to be more likely to engage in deviant consumer behaviour, and these individuals assess outcomes to guide their actions, it is important to next consider perceived outcomes of performing different behaviours.

Perceived outcomes

In Hunt and Vitell's (1986) general theory of marketing ethics, individuals associating with a relativistic ideology are proposed to process past experiences and environmental factors to guide their assessment of behaviour. Following the teleological philosophy of ethics, relativists are suggested to focus on: (1) the perceived consequences of each behaviour alternative for those involved, (2) the probability of the harm being incurred by those involved, (3) the (un)desirability of the consequence incurred by those involved and (4) the importance of each party involved in the behaviour (Hunt & Vitell, 1986). Weighing up these four factors would provide the individual with an overall assessment of the perceived outcomes of performing deviant consumer behaviour. In Burgess and Akers' (1966) social learning theory, from criminology, differential reinforcement is a concept that captures whether generally good or bad outcomes are likely to result from an individual performing a deviant behaviour. If the outcomes

are perceived to be generally good then the behaviour is more likely to be performed than if the outcomes were perceived to be generally bad (Akers & Lee, 1996). Differential reinforcement does not distinguish between an individual assessing the outcome for themselves versus the outcome for others. Egoists, as explained above, will place more emphasis on the outcome for themselves, whereas the utilitarian will place more emphasis on the outcome for others (Hunt & Vitell, 1986); yet both arrive at the same end point: a general perception of what the outcomes are likely to be if the behaviour was performed with positive or negative valence.

Synthesising these ideas, the authors suggest perceived outcomes as a construct that could best capture whether people think generally good or bad outcomes will result from performing deviant consumer behaviour. It is thus hypothesised that consumers who generally perceive that positive outcomes will result from engaging in deviant consumer behaviour will be more likely to engage in deviant consumer behaviour. Specifically:

H7a. *Perceived outcomes will have a significant positive relationship with deviant consumer behaviour;* and

H7b. *The significant positive relationship will be stronger for behaviour where there is an absence of consensus on subjective perceptions of behaviour wrongness, and these perceptions do not align with the objective classification (i.e., illegal downloading), as opposed to consistency between subjective perceptions and objective classifications (i.e., fare evasion).*

To test the hypotheses presented in this paper two studies were conducted. Study 1 examines H1a and H1b and provides two behaviours for examination in Study 2. Study 2 tests hypotheses

H2a–H7b across two behaviours before providing recommendations on possible alternate deterrence tactics to pursue for future research.

Study 1

Study 1 empirically examined the extent to which there is consensus in society on the subjective perceptions of behaviour wrongness using a best–worst scale survey with a BIBD. In doing so, the authors establish empirical evidence that the *'it's wrong, don't do it'* deterrence tactic is built on inaccurate assumptions that there is consensus in subjective perceptions of wrongness, and those perceptions align with the objective classifications of behaviours.

Participants

A total of 100 Australian consumers (69% females; 88% aged 18–49, 12% aged 50+) participated in a best–worst scale (BIBD) study. Participants were recruited using non-probability sampling techniques of convenience and snowballing for time and cost efficiencies (Zikmund, Ward, Lowe, Winzar, & Babin, 2011). Convenience sampling was used in the first instance by promoting the survey on Facebook and Twitter, and sending it via email. Snowball sampling was then used, whereby respondents were asked to refer others to the study. Ninety per cent of the sample were Australian nationals; however, all participants were living in Australia during the time the survey was live, as required to reflect the Australian consumer marketplace.

Procedure

The respondents were asked 30 best–worst scale questions. The 10 behaviours used in this study were a selection of the most commonly researched consumer behaviours taken from the literature

(see Appendix A), while some behaviours were selected by the lead author to reflect more salient consumer issues in the marketplace. All bar one of the behaviours tested violated organisational policy and/or law.

A BIBD was used to dictate the structure of the best–worst scale study using the formula: v =10, k = 3, b = 30, r = 9, λ = 2 (see Appendix B). This BIBD formula was chosen over alternatives as it allowed the maximum number of behaviours (v =10) to be ranked in a manageable number of questions (b = 30), before respondent fatigue occurred. Moreover, this formula was chosen as it compared three objects (behaviours, k = 3) at one time, which obtains the entire ranking of all behaviours, as opposed to comparing four or five objects in a set, which only offers implied rankings as not all the behaviours are compared (Marley & Louviere, 2005). Behaviours appeared a total of nine times in the survey (r = 9), and behaviours were compared to one another twice (λ = 2). The sets of three behaviours were randomised such that behaviours did not appear nine times in a row. Randomisation was required to overcome potential order effects associated with similar items (Tourangeau, Singer, & Presser, 2003). However, respondents received the same ordering and grouping of behaviours as each other in the survey.

Following Louviere and Flynn's (2010) recommendations, the data were analysed using simple summary statistics, which involved assessing best–worst frequencies to obtain a ranking of consumer behaviours (Louviere & Flynn, 2010). The simple summary statistics approach is deemed appropriate as it obtains approximately the same outcome as Multinomial Logit analysis – a more complicated analysis sometimes conducted on best–worst scale BIBD data (see Auger, Devinney, & Louviere, 2007; Marley & Louviere, 2005). After the simple summary statistics, a one-way within-subjects (repeated measures) ANOVA was conducted to test if the ranked behaviours were significantly different from one another, following recommendations from

Allen and Bennett (2012) and Tabachnick and Fidell (2006). Being able to assess if behaviours are significantly different from one another demonstrates that, even though a behaviour is ranked third, while another is ranked fourth, both behaviours may not be statistically significantly different from one another. As such, clusters of behaviours could appear that are not significantly different from one another (Louviere, Lings, Islam, Gudergan, & Flynn, 2013). This is an underexplored outcome in rating scales research in the consumer deviance field, where authors tend to make claims that a behaviour is more/less ethical/unethical, acceptable/unacceptable or serious/not serious than another, without examining statistical differences.

Results and discussion

The data were initially analysed using simple summary statistics (Table 1). Totals were calculated for the number of times a specific behaviour was identified as the 'most acceptable' and 'most unacceptable' over all the comparison sets (Louviere & Islam, 2008). The data were subsequently ranked. A value of '+1' was allocated to the behaviours identified as 'most acceptable', and a value of '-1' to the behaviours identified as 'most unacceptable' (Louviere & Flynn, 2010). This is based on the assumption that the 'most acceptable' estimates are equal to the minus 'most unacceptable' estimates (Louviere & Flynn, 2010). In accordance with the BIBD used in this study, behaviours appeared nine times; therefore, behaviour preferences are measured on a scale bounded by '-9' to '+9' as reported in the rank column of Table 1. The more times a behaviour appeared as 'most acceptable' ('most unacceptable'), the closer it appeared to the '+9' ('-9') boundary at the 'acceptable' ('unacceptable') end of the ranking (Yu, Sun, Goodman, Chen, & Ma, 2009). The best-minus-worst totals of the behaviours were subsequently

calculated to ascertain their ranking (Cohen, 1988). The consumer behaviours were ranked from 1–10 as in Table 1.

Table 1. Ranked consumer behaviours – most acceptable to least acceptable

Ranked behaviours		Total Best	Total Worst	Best–Worst	Rank (B-W)/n	Sqrt B/W	Sqrt Stand.	Std dev.
1	Using the 4 cents fuel voucher from the grocery store to buy petrol	822	9	813	8.13	9.56	100	1.86
2	Creating a fake US iTunes account to access and pay for content not available in Australia	417	112	305	3.05	1.93	20.19	3.57
3	Returning merchandise to a store by claiming it was a gift when it was not	402	192	210	2.1	1.45	15.14	3.72
4	Saying there are only 2 people staying in a holiday apartment when there are really 4	330	162	168	1.68	1.43	14.93	3.74
5	Illegally downloading TV shows from the internet for free, for personal consumption	336	191	145	1.45	1.33	13.88	3.58
6	Lying about a child's age in order to get a lower price	277	187	90	0.9	1.22	12.74	3.58
7	Not saying anything when the waitress miscalculates the bill in your favour	260	274	-14	-0.14	0.97	10.19	3.71
8	Evading fare on public transport	94	378	-284	-2.84	0.50	5.22	2.96
9	Reporting a lost item as 'stolen' to an insurance company to collect the money	27	620	-593	-5.93	0.21	2.18	2.4
10	Using stolen credit cards to order goods over the internet	6	868	-862	-8.62	0.08	0.87	1.08

The data were also normalised onto a scale of 0–100 following Mueller and Rungie (2009) to allow for direct comparisons. For instance, *fare evasion* is perceived as five time more unacceptable as *creating a fake US iTunes account to access and pay for content not available in Australia* despite both actions being illegal (Table 1). The standard deviations outlined in Table 1 indicate that the polar acceptable and unacceptable behaviours had smaller standard deviations (σ = 1.08 – 2.96), suggesting less variability in perceptions of wrongness. Comparatively, the behaviours ranked in-between had higher standard deviations, suggesting greater variability in perceptions of acceptability (σ = 3.58 – 3.74). Greater variability suggests an absence of social consensus in the subjective perceptions of behaviour wrongness.

To ascertain if statistically significant differences exist between the behaviours ranked, an ANOVA was conducted. The best and worst counts were calculated for the nine times each behaviour appeared in the survey as per the BIBD. Then, a best–worst variable was computed for each of the 10 behaviours, which calculated the best-minus-worst counts. A one-way repeated-measures ANOVA was used to compare 100 consumers' ratings of the 10 different consumer behaviours. The Mauchly's test of sphericity indicated that the assumption of sphericity had been violated (χ^2= 284.63, p <.00); therefore, degrees of freedom were corrected using Huynh-Feldt estimates of sphericity (epsilon = 0.78) following Tabachnick and Fidell's (2006) recommendations. The results show that the best–worst scores of the 10 behaviours differed significantly, $F(6.99, 692.12) = 205.49$, $p = .00$, partial $\eta^2 = 0.68$. Pairwise comparisons revealed seven groups of behaviours as significantly different from one another ($p < 0.005$) (Allen & Bennett, 2012). The groups are identified in the columns of Table 2.

Table 2. Groups identified as significantly different from one another

	Group 1	Group 2	Group 3	Group 4	Group 5	Group 6	Group 7
Using the 4 cents fuel voucher from the grocery store to buy petrol	x						
Creating a fake US iTunes account to access and pay for content not available in Australia		x					
Returning merchandise to a store by claiming it was a gift when it was not		x	x				
Saying there are only 2 people staying in a holiday apartment when there are really 4		x	x	x			
Illegally downloading TV shows from the internet for free, for personal consumption		x	x	x			
Lying about a child's age in order to get a lower price			x	x			
Not saying anything when the waitress miscalculates the bill in your favour				x			
Evading fares on public transport					x		
Reporting a lost item as 'stolen' to an insurance company to collect the money						x	
Using stolen credit cards to order goods over the internet							x

While the seven groups are statistically significantly different from one another, where more than one 'x' appears in a group it means those behaviours are not significantly different from one another. For example, *lying about a child's age in order to get a lower price* and *not saying anything when the waitress miscalculates the bill in your favour* are not significantly different from one another despite *lying about a child's age* being ranked as more acceptable. However, both of those behaviours are significantly different from *evading fares on public transport*.

Following on from the standard deviations discussed above, polar acceptable behaviours are identified with group 1, and polar unacceptable behaviours are with groups 5, 6 and 7, with greater variability in perceptions of other consumer behaviours found in groups 2, 3 and 4. These findings support H1a in that there is significant variation in consensus on the subjective perceptions of behaviour wrongness. Moreover, the findings support H1b in that there is misalignment between subjective perceptions of behaviour wrongness and the objective classification of behaviour, as nine behaviours were objectively wrong.

The purpose of Study 2 is to take two behaviours from Study 1: one where there is consensus on subjective perceptions of wrongness that aligns with the objective classification of behaviour wrongness (the authors selected fare evasion); and one where there is an absence of consensus on subjective perceptions of behaviour wrongness, which contradicts the objective classification (the authors selected illegal downloading, with a trend towards being perceived as more acceptable than unacceptable). These two behaviours were selected over alternatives as they both share common underlying characteristics, which aids in reducing confounding variables for this current study. Both illegal downloading and fare evasion are acts against large organisations, which are perceived to be profitable. Moreover, both behaviours involve some social distance between the consumer and the organisation being harmed. Similar neutralisation techniques are

used to justify engaging in these behaviours, such as denial of injury *('no one is getting hurt by me doing this'*) and denial of responsibility *('it's not my fault, the organisation should be doing X to prevent me from doing this'*) (Dootson et al., 2016). However, it should also be noted that fare evasion is likely to be perceived as more deviant than illegal downloading for the following reasons: fare evasion is likely perceived to be riskier, in that the probability of being caught is perceived to be higher than illegal downloading, despite the actual punishment of illegal downloading being more severe. The act of fare evasion is also likely to result in mostly bad outcomes, as fare evasion has been experientially or vicariously learned to result in a fine, in comparison to the lack of perceived punishment for illegal downloading (Dootson et al., 2016).

Study 2

The purpose of Study 2 was two-fold. First, Study 2 examines the extent to which perceived risk influences engagement in deviant consumer behaviour to provide empirical evidence for the fear of punishment deterrence tactic (H2a, H2b) across two behaviours: illegal downloading and fare evasion. Second, Study 2 examines alternate underlying motives for deviance that could provide a foundation for alternate deterrence tactics (H3a–H7b).

Participants

A total of 214 Australian consumers (52% females; 41% aged 18–44, 23% aged 45–59, 36% aged 60+) participated in an online survey. Participants were recruited using a market research panel. All participants were living in Australia during the time the survey was live, as required to reflect the Australian consumer marketplace.

Measures

Past behaviour was measured using Perugini and Bagozzi's (2001) past behaviour scale capturing frequency and recency of the behaviour. On a 7-point Likert scale respondents indicated the frequency with which they had performed both of the behaviours in the past year and in the past four weeks. The Cronbach's alphas for past behaviour for illegal downloading and fare evasion were $\alpha = .926$ and $\alpha = .919$ respectively. The mean score for past illegal downloading behaviour was 1.916, with a standard deviation of 1.643; the mean score for past fare evasion was 1.154, with a standard deviation of .577.

Perceived risk was measured using an adaption of Grasmick and Green's (1980) perceived probability of being caught and perceived severity of punishment measures. The two measures of perceived probability and perceived severity of punishment were treated independently. To capture perceived probability of being caught, respondents were asked to 'Estimate the chance you would be caught if you did [insert behaviour]?' and were required to answer on a 7-point Likert scale from 'very unlikely' (1) to 'very likely' (7). To capture perceived severity of punishment, respondents were instructed to 'Think about the punishment you would likely incur from [insert behaviour]. Indicate how big a problem that punishment would create for your life.' This question was also answered on a 7-point Likert scale, from 'no problem at all' (1) to 'a very big problem' (7).

Perceived outcomes were measured using Akers and Lee's (1996) differential reinforcement scale. Respondents were asked 'Overall the outcomes of doing this behaviour are likely to result in …' and were given a 7-point Likert scale from 'mainly bad outcomes' (1), to 'about as much good as bad outcomes' (4) to 'mainly good outcomes' (7).

Perceived prevalence was captured using a one-item measure of ‘How many Australians do you think [do this behaviour]?’ measured on a 7-point Likert scale of ‘none’ (1) to ‘all’ (7), as adapted from Moodie, MacKintosh, Brown and Hastings (2008).

Ethical ideology was measured using Forsyth’s (1980) Ethics Position Questionnaire. The 20-item questionnaire measures the two dimensions of idealism (items 1–10) and relativism (items 11–20) that underpin an individual’s ethical ideology. A factor analysis recommended the removal of two cross-loading items on the relativism scale (items 9 and 10). Therefore, the relativism scale used in this study consisted of items 11–18, while the idealism scale used the original items 1–10 of the ethical ideology scale. The Cronbach’s alpha for the idealism dimension was $\alpha = .927$ and $\alpha = .869$ for the relativism dimension. The mean for idealism was 5.812, with a standard deviation of 1.107. The mean for relativism was 4.513, with a standard deviation of 1.285.

Moral identity was measured using Aquino and Reed’s (2002) 10-item moral identity scale to measure the two dimensions of moral identity: internalisation (items 1, 2, 4, 7, 10) and symbolisation (items 3, 5, 6, 8, 9). Only the internalisation scale was used in analysis, as it captured the information of interest to this study. All respondents were presented with a list of nine personal characteristics that are typically perceived as describing a moral individual: ‘Caring, Compassionate, Fair, Friendly, Generous, Helpful, Hardworking, Honest, Kind’ (Aquino & Reed, 2002, p. 1426). Respondents were then asked to visualise a person who might have those characteristics and were subsequently asked to answer a series of statements, such as ‘It would make me feel good to be a person who has these characteristics’. Using a 7-point Likert scale respondents were asked to indicate their level of agreement with the statements, which ranged from ‘completely disagree’ (1) to ‘completely agree’ (7). A factor analysis recommended

the removal of two reverse-coded items (items 4 and 7) due to cross-loading, which frequently occurs with reverse-coded items (Allen & Bennett, 2012). The moral identity measure used in this study consisted only of items 1, 2 and 10 of the original scale. The Cronbach's alpha for the internalisation dimension was $\alpha = .798$. Mean scale scores were computed whereby higher scores indicated higher levels of moral identity. The mean for the moral identity scale was 5.936 with a standard deviation of 1.051. A total of 63% of the respondents associated with a strong moral identity (> 5.963) and 38% associated with a weak moral identity (< 5.936).

Given the sensitive nature of the topics being discussed, social desirability bias was controlled for (Zikmund et al., 2011). Social desirability bias was measured using a short-form version of the Marlowe-Crowne Social Desirability Scale, as validated by Reynolds (1982). The scale consists of 13 items, such as 'There have been times when I felt like rebelling against people in authority even though I knew they were right.' Respondents were required to answer by selecting 'True' or 'False'. The results were scored following Crowne and Marlowe's (1960) recommendations. The Cronbach's alpha was $\alpha = .736$. Social desirability bias had a small effect on some of the constructs in the data, but not enough to compromise the interpretation of the results (see Appendix C).

Procedure

All respondents were provided with a participant information sheet, explaining details of the study and stipulating that submitting their survey inferred consent to participate. Respondents were asked to complete questions pertaining to their ethical ideology, moral identity and social desirability. Gender and age were subsequently asked to break up the independent and dependent variable measures. Respondents were then reminded of the confidentiality of the results before

proceeding to the questions capturing their engagement in the dependent variables, and questions about the perceived risk, perceived outcomes and perceived prevalence of each of the dependent variables. A dummy question was included to capture the respondents' engagement in an acceptable behaviour: *Using a 4 cents fuel voucher from the grocery store to buy petrol*. Inclusion of this question further increased the temporal distance between the independent variable measures and the dependent variable measures in an attempt to reduce common method bias (Podsakoff, MacKenzie, & Podsakoff, 2012).

Results and discussion

To test the presence and power of perceived risk, a series of linear regressions were run. In combination, perceived probability of being caught (past illegal downloading: $\beta = -0.036$, $p = 0.625$) and perceived severity of punishment (past illegal downloading: $\beta = -0.051$, $p = 0.493$) accounted for a non-significant 0.5% of the variability in past illegal downloading behaviour, $R^2 = 0.005$, adjusted $R^2 = -0.004$, $F(2, 211) = 0.57$, $p = 0.565$. Furthermore, in combination, perceived probability of being caught (past fare evasion: $\beta = -0.020$, $p = 0.802$) and perceived severity of punishment (past fare evasion: $\beta = -0.110$, $p = 0.168$) accounted for a non-significant 1.5% of the variability in past fare evasion, $R^2 = 0.015$, adjusted $R^2 = 0.005$, $F(2, 211) = 1.579$, $p = 0.209$. H2a and H2b therefore were not supported. As such, perceived risk was not a significant predictor of either behaviour, which could be attributed to the fact that most deviance goes undetected.

To test the presence and power of alternative drivers of behaviour that could in turn underpin alternate tactics for deterring deviant consumer behaviour, a series of linear regressions were run. In combination, perceived outcomes (past illegal downloading: $\beta = 0.346$, $p < 0.000$), perceived

prevalence (past illegal downloading: β = 0.319, $p < 0.000$), idealism (past illegal downloading: β = -0.046, $p = 0.485$), relativism (past illegal downloading: β = 0.100, $p = 0.088$) and moral identity (past illegal downloading: β = -0.126, $p = 0.052$) accounted for a significant 34.6% of the variability in past illegal downloading behaviour, $R^2 = 0.346$, adjusted $R^2 = 0.330$, F (5, 208) = 22.009, $p < 0.000$. Support was therefore provided for H3a and H7a at $p < 0.000$. In other words, where there was an absence of consensus on subjective perceptions of behaviour wrongness, which did not align with objective classifications (i.e., illegal downloading), deviance was predicted by perceived prevalence and perceived outcomes. This means that people assess the outcomes generally and look to others to guide their actions.

In combination, perceived outcomes (past fare evasion: β = 0.150, $p < 0.05$), perceived prevalence (past fare evasion: β = 0.094, $p = 0.139$), idealism (past fare evasion: β = -0.116, $p = 0.114$), relativism (past fare evasion: β = -0.082, $p = 0.210$) and moral identity (past fare evasion: β = -0.259, $p = 0.001$) accounted for a significant 18.1% of the variability in past fare evasion, $R^2 = 0.181$, adjusted $R^2 = 0.161$, F (5, 208) = 9.195, $p < 0.000$. Support was therefore provided to H4a and H7a at $p < 0.05$. In other words, where there was consensus on subjective perceptions of behaviour wrongness and it aligned with the objective classification (i.e., fare evasion), deviance was predicted by perceived outcomes and moral identity. This means that, in the absence of external sanctions, internal sanctions work to guide behaviour desistence via moral identity. Moreover, consumers continue to assess the general outcomes of their actions.

As perceived outcomes were the only consistent significant factor across both behaviours, comparisons can only be made for H7b, of which there was support for H7b such that the relationship was stronger for illegal downloading (β = 0.346, $p < 0.000$) than fare evasion (β = 0.150, $p < 0.05$). Perceived outcomes could have been significant across both behaviours because

direction of harm and degree of harm are key factors consumers consider when evaluating the outcomes of their actions (Dootson et al., 2016). The two foci behaviours in this study were against large organisations, consistent with past research (e.g., Fullerton, Neale, & Dootson, 2014), which has found that consumers fail to acknowledge harm caused when: (1) an action is directed to an organisation not a person (employee or fellow customer), and (2) when the degree of harm is perceived to be low (e.g. small fare for transport, small price for a TV show or movie – especially if only done once).

Limitations

No research is without limitations. The primary limitation of this research, and most research in the field of consumer deviance, is the low self-reporting of engagement in deviant consumer behaviour. As only a small number of the sample self-reported deviant consumer behaviour and intentions to perform deviant consumer behaviour the effect sizes must be interpreted with caution. This limitation could be overcome by testing more than two dependent variables. For instance, using more behaviours from Study 1, such that if a respondent reports engagement in behaviours 1, 2 and/or 3 it constitutes engagement in a questionable behaviour, while reporting engagement in behaviours 4, 5 and/or 6 constitutes engagement in an unacceptable behaviour. This was difficult to execute in this specific study given the lack of statistically significant differences between the behaviours tested in Study 1. In other words, most behaviours were in the questionable category and were not significantly different from one another.

Another limitation is that the individual's *need* to illegally download TV shows was not asked in the survey. This means that a respondent may not illegally download TV shows due to an absence of need or interest in doing so, not because of the predictors being tested. Replicating

this study with a younger sample might capture more self-reported illegal downloading behaviour, as found in previous research (e.g. Aleassa et al., 2011; Danaher, Dhanasobhon, Smith, & Telang, 2010; Hinduja, 2007). An individual's use of public transport was asked in the survey; however, when the tests controlled for 'use' standardised betas tended to exceed 1. This could be due to the low levels of self-reported fare evasion behaviour and intentions to fare evade. Statistics show that fare evasion costs Australian taxpayers millions of dollars (NSW Audit Office, 2006; Ironside, 2013; Harris, 2013; Westen, 2016), which suggests the behaviour is more prevalent than what was captured in this sample.

Implications and future research

The purpose of this research was to explore the underlying mechanisms of deviance as they pertain to the commonly used deterrence tactics. The aims of this research were three-fold. First, the authors examined the extent to which there is societal consensus in subjective perceptions of behaviour wrongness to address the first assumption that consensus exists and is reflected in the objective classifications of behaviour. Findings challenged this assumption. Second, the authors examined the role of perceived risk to understand the second assumption that fear of punishment is present in the consumer context, which subsequently deters behaviour. Findings suggest it was not present. Third, the authors examined the presence of alternate underlying mechanisms driving deviant consumer behaviour, given the limitations in the two existing assumptions of deterring deviance. Specifically, the authors found perceived prevalence, perceived outcomes and moral identity as alternate motives for deviance, which could suggest efficacy in exploring tactics like social proofs, humanising the victim and moral triggers to deter deviant consumer behaviour in the future. Alternative tactics stem from the findings that deviant consumer

behaviour is motivated by perceived outcomes, perceived prevalence and moral identity as explored below.

First, perceived outcomes. There is a need for organisations to increase awareness of the outcomes of deviant consumer behaviour. One tactic could involve educating consumers about the harm caused to the victim, to change consumers' perceptions of the outcomes of their behaviour. One persuasive approach to educating consumers about harm incurred is through the use of personal stories, relying on empathy with the victim. Where the victim is a large, faceless organisation, the authors recommend humanising the organisation or the technology the organisation is using to trigger an anthropomorphic response (Kim & McGill, 2011), which makes the consumer feel empathy towards the victim. For instance, using self-service technology in-store that resembles human-like features. Future research is already exploring how the use of robots and virtual reality in-store can trigger empathetic responses to large organisations to curb instances of deviant consumer behaviour without creating negative customer experiences commonly associated with bag-checks or CCTV (e.g., Brook, 2017; Bruce-Smith, 2017; Collier, 2017; Mortimer & Dootson, 2017).

Second, perceived prevalence. Social proofs could be used to persuade individuals to perform a desired behaviour by suggesting peer or social group engagement in that behaviour (Goldstein, Cialdini, & Griskevicius, 2008). However, the behaviour being promoted must be engaged in by the majority, otherwise the strategy ends up promoting the undesirable behaviour (Cialdini et al., 2006). Similar strategies have been used to encourage voter turnout and promote environmentally friendly behaviours (Goldstein et al., 2008; Gerber & Rogers, 2009). An

opportunity exists to test this in the deviant consumer behaviour context. Future research has begun to explore how social sanctions, like social judgement, can encourage desired actions, which is arguably cheaper than organisations administering formal sanctions – consider it crowd-sourced administration of external sanctions to discourage deviance (e.g., Brook, 2017; Bruce-Smith, 2017; Collier, 2017; Mortimer & Dootson, 2017).

Third, moral identity. Moral triggers can be used to encourage self-regulation by activating an individual's objective self-awareness of their own moral traits (see for example, Mazar et al., 2008; Shu, Mazar, Gino, Ariely, & Bazerman, 2012). Increasing the saliency of moral values such as honesty, even temporarily, can reduce the likelihood of deviant consumer behaviour (Mazar et al., 2008). This means a strategy based on appealing to one's moral identity is effective for those with a strong moral identity, whereby honesty is salient to the individual's self-concept, and for those with a weak moral identity as the honesty moral value is temporarily triggered for this group. Past research has demonstrated that individuals with a weak moral identity can be affected by moral triggers that raise the saliency of moral traits (e.g. honesty), if only temporarily, to prevent or reduce instances of deviance. Shu et al. (2012) triggered honesty, the primary trait for a moral identity (Aquino & Reed, 2002), by asking people to sign at the beginning of their insurance claim form, declaring the information they were about to disclose was honest. This is in comparison to typical insurance claim forms (or even tax file forms) that ask individuals to sign at the end of the form once the dishonesty has been performed, declaring the information is honest. Signing at the beginning of the form saw a reduction in fraudulent insurance claims (Shu et al., 2012). Hence, an individual with a low or high moral identity can

still have moral traits (e.g. honesty) made salient to nudge their behaviour and, even if only temporarily, alter their perceived deviance threshold.

While the aim of the research was not to solve the problem of deviance and develop a winning tactic for deterrence, this research takes an incremental step towards new ways to approach deterrence in the consumption context when traditional assumptions of deterrence tactics do not apply. For theory, this research offers architectural innovation (Voss, 2003) in the field of consumer deviance in that, by challenging the assumptions on which deterrence tactics are based and offering alternate explanations for deterring deviance, this research deepens theoretical understanding of the complexity of consumer deviance and its relationship with deterrence as a phenomenon. To date, only one paper – Cole's (1989) – has considered the relationship between deterrence and deviance, which the authors extend on by exploring alternate tactics for deterrence. The findings also offer an improved understanding of the situational aspects of risk perception as a sanction for behaviour, as called for by Pogarsky and Loughran (2016). In other words, the findings demonstrate a situation in which perceptual risk fails to act as a sanction for behaviour – the consumption context. This research also extends directly on the work of Dootson et al. (2016) by quantifying the variability in consumer subjective perceptions of behaviour wrongness and highlighting how the drivers of deviance vary as consensus on behaviour wrongness varies, which has implications for managers seeking tactics to discourage different types of deviant consumer behaviours. Finally, this research challenges conventional managerial use of deterrence tactics – *'it's wrong, don't do it*' and *'you will be caught and punished'* – providing an important contribution to the marketing management literature. The findings challenge current approaches to deterrence and suggest alternate, potentially more effective,

tactics to deter deviant consumer behaviour in the future. Practically, the research offers a key lesson for managers in that there are ways in which deviance can be deterred beyond current approaches, as discussed in depth above. Future research should explore the efficacy of the proposed alternate deterrence tactics to provide managers with evidence-based solutions to real-world problems of deviant consumer behaviour.

Not every consumer engages in a significant amount of deviant consumer behaviour, nor are their actions usually severe. However, with most consumers able to justify engaging in small degrees of deviant consumer behaviour, with varying frequencies, the impact on organisations is cumulatively much more significant. To date, the traditional universal approaches to deterrence – *'it's wrong, don't do it'* or *'you will be caught and punished'* – are proving ineffective for behaviours that are difficult to detect or where there is disagreement on the wrongness of an action; it is time to abandon the one-size-fits-all approach to deterrence. Taking a more targeted approach to deterring these actions could involve smaller interventions, nudging behaviour in the right direction. Small changes in behaviour in a large number of people will have cumulatively greater impacts on the negative consequences incurred from deviant consumer behaviour.

References

Akers, R. L., & Lee, G. (1996). A longitudinal test of social learning theory: Adolescent smoking. *Journal of Drug Issues, 26*, 317-343. DOI: 10.1177/002204269602600203

Akers, R. L., & Sellers, C. S. (2004). *Criminological theories: Introduction, evaluation, and application*. Los Angeles, CA: L Roxbury Publishing.

Albers-Miller, N. D. (1999). Consumer misbehaviour: Why people buy illicit goods. *Journal of Consumer Marketing, 16*(3), 273-287. DOI: 10.1108/07363769910271504

Aleassa, H., Pearson, J. M., & McClurg, S. (2011). Investigating software piracy in Jordan: An extension of the theory of reasoned action. *Journal of Business Ethics, 98*(4), 663-676. DOI: 10.1007/s10551-010-0645-4

Allen, P., & Bennett, K. (2012). *SPSS statistics: A practical guide version 20*. Victoria, Australia: Cengage Learning Inc.

Allmon, D. E., Page, D., & Roberts. R. (2000). Determinants of perceptions of cheating: Ethical orientation, personality and demographics. *Journal of Business Ethics, 23,* 411-422. DOI: 10.1023/A:1006087104087

Aquino, K., & Reed, II A. (2002). The self-importance of moral identity. *Journal of Personality and Social Psychology, 83,* 1423–1440. DOI: 10.1037//0022-3514.83.6.1423

Auger, P., Devinney, T., & Louviere, J. (2007). Using best-worst scaling methodology to investigate consumer ethical beliefs across countries. *Journal of Business Ethics, 70,* 299-326. DOI: 10.1007/s10551-006-9112-7

Baldwin, C. (2016). Mobile-scan-and-pay technologies encourage retail theft. Retrieved August 2, 2016 from http://www.essentialretail.com/news/article/57a0c2d99cfa7-study-mobile-scan-and-pay-technologies-encourage-retail-theft

Bandura, A. (1977). *Social Learning Theory*. Englewood Cliffs, NJ: Prentice-Hall.

Bandura, A. (1991). Social cognitive theory of moral thought and action. In W. M. Kurtines, & J. L. Gewirtz (Ed.), *Handbook of moral behaviour and development: Vol. 1 theory* (pp. 45–104). Hillsdale, NJ: Erlbaum.

Beccaria, C. (1963). *On Crimes and Punishments* (H. Paolucci, Trans.). New York, NY: Free Press.

Bentham, J. (1967). *A Fragment on Government and an Introduction to the Principal of Morals and Legislation*. Oxford, UK: Basil Blackwell.

Blasi, A. (1984). Moral identity: Its role in moral functioning. In W. M. Kurtines, & J. L. Gewirtz (Ed.), *Morality, moral behaviour and moral development* (pp. 128-139). New York, NY: Wiley.

Brehm, J. W. (1966). *A theory of psychological reactance*. Ann Arbor: University of Michigan Academic Press.

Brook, B., (2017). New study to look at the clever strategies to cut down on self-serve checkout theft. Retrieved June 14, 2017 from http://www.news.com.au/finance/business/retail/new-study-gears-up-to-look-at-the-clever-strategies-to-cut-down-on-self-serve-checkout-theft/news-story/ac3296eae56ed06206bdf4f3c879b162

Bruce-Smith, A. (2017). QLD'S top minds are trying to stop you scanning everything as onions. Retrieved June 15, 2017 from https://www.pedestrian.tv/news/arts-and-culture/qlds-top-minds-are-trying-to-stop-you-scanning-eve/dc3be179-f122-48a4-9685-3b5669d5bb4a.htm

Burgess, R. L., & Akers, R. L. (1966). A differential association-reinforcement theory of criminal behaviour. *Social Problems, 14*(2), 128-147. DOI: 10.2307/798612

Cheng, S., Lam, T., & Hsu, C.H.C. (2005). Testing the sufficiency of the theory of planned behaviour: A case of customer dissatisfaction responses in restaurants. *Hospitality Management, 40*, 475-492. DOI: 10.1016/j.ijhm.2004.10.006

Cialdini, R. B. (1988). *Influence*. New York, NY: HarperCollins.

Cialdini, R. B., Demaine, L.J., Sagarin, B. J., Barrett, D. W., Rhoads, K., & Winter, P. L. (2006). Managing social norms for persuasive impact. *Social Influence, 1*(1), 3–15. DOI: 10.1080/15534510500181459

Cohen, J. (1988). *Statistical power analysis for the behavioural sciences* (2nd ed.). Hillsdale, NJ: Erlbaum.

Cole, C. A. (1989). Deterrence and consumer fraud. *Journal of Retailing, 65*(1), 107–120. Accession number: 4667362

Collier, K. (2017). Humanising self-serve check-outs could help fight theft. Retrieved June 14, 2017 from http://www.heraldsun.com.au/news/victoria/humanising-selfserve-checkouts-could-help-fight-theft-researcher/news-story/c897e2bbf85d60b68e6a4ee3dbad4541

Conger, R. (1980). Juvenile delinquency: Behaviour restraint or behaviour facilitation. In T. Hirschi, & M. Gottfredson (Ed.), *Understanding crime: Current theory and research* (pp. 131-142). Beverly Hills, CA: Sage Publications, Inc.

Cooter, R. D. (2000). Three effects of social norms on law: Expression, deterrence, and internalisation. *Oregon Law Review, 79*(1), 1-22. Accession number: 502335054

Costello, B. J. (2017). Social Control Theory. In B. Teasdale & M. S. Bradley (Ed.), *Preventing Crime and Violence* (pp. 31-41). Switzerland: Springer.

Crowne, D. P., & Marlowe, D. (1960). A new scale of social desirability independent of psychopathology. *Journal of Consulting Psychology, 24*(4), 349-354. Accession number: 1961-02183-001

Danaher, B., Dhanasobhon, S., Smith, M.D., & Telang, R. (2010). Converting pirates without cannibalizing purchasers: The impact of digital distribution on physical sales and internet piracy. *Marketing Science, 29*(6), 1138-1151. DOI: 10.1287/mksc.1100.0600

Daunt, K. L., & Harris, L. C. (2012). Motives of dysfunctional customer behaviour: An empirical study. *Journal of Services Marketing, 26*(4), 293-308. DOI: 10.1108/08876041211237587

Dootson, P., Johnston, K. A., Beatson, A., & Lings, I. (2016). Where do consumers draw the line? Factors informing perceptions and justifications of deviant consumer behaviour. *Journal of Marketing Management, 32*(7-8), pp. 750-776.

Dootson, P., & Suzor, N. P. (2015). The game of clones and the Australia tax: Divergent views about copyright business models and the willingness of Australian consumers to infringe. *University of New South Wales Law Journal, 38*(1), pp. 206-239.

Essential Retail. (2013). Global insight: Return fraud costing retailers billions. Retrieved December 10, 2013 from http://www.essentialretail.com/news/ecommerce/article/52a5fd4f5abc5-global-insight-return-fraud-costing-retailers-billions

Festinger, L. (1957). *A theory of cognitive dissonance*. Stanford, CA: Stanford University Press.

Ford, E., & Forbes, T. (2016). Movie piracy: Young Australians illegally downloading films almost doubles, convention hears. Retrieved October 10, 2016 from http://www.abc.net.au/news/2016-10-10/movie-piracy-12-17yos-illegally-download-films-doubles-australia/79188088

Forsyth, D. R. (1980). A taxonomy of ethical ideologies. *Journal of Personality and Social Psychology*, *39*(1), 175-184. DOI: 10.1037/0022-3514.39.1.175

Forsyth, D. R., & Berger, R. E. (1982). The effects of ethical ideology on moral behaviour. *The Journal of Social Psychology, 117*, 53-56. DOI: 10.1080/00224545.1982.9713406

Forsyth, D. R., & O'Boyle, E. H. Jr. (2011). Rules, standards, and ethics: Relativism predicts cross-national differences in the codification of moral standards. *International Business Review, 20*, 353–361. DOI: 10.1016/j.ibusrev.2010.07.008

Forsyth, D. R., O'Boyle, E. H. Jr., & McDaniel, M. A. (2008). East meets west: A meta-analytic investigation of cultural variations in idealism and relativism. *Journal of Business Ethics, 83*(4), 813-833. DOI: 10.1007/s10551-008-9667-6

Freestone, O., & Mitchell, V.W. (2004). Generation Y attitudes towards e-ethics and internet-related misbehaviours. *Journal of Business Ethics, 54*, 121-128. DOI: 10.1007/s10551-004-1571-0

Fullerton, R. A., & Punj, G. (1997). Can consumer misbehaviour be controlled? A critical analysis of two major control techniques. *Advances in Consumer Research, 24*, 340-344. http://acrwebsite.org/volumes/8066/volumes/v24/NA-24

Fullerton, R. A., & Punj, G. (2004). Repercussions of promoting an ideology of consumption: Consumer misbehaviour. *Journal of Business Research, 57*, 1239-1249. DOI: 10.1016/S0148-2963(02)00455-1

Fullerton, S., Neale, L., & Dootson, P. (2014). Consumer misbehaviour: A concurrent look at the impact that the size of the victim and size of the loss have on opinions regarding the acceptance or unacceptance of 12 questionable consumer actions. In R. VanMeter, & J. Weiser (Eds.), *Society for Marketing Advances Conference, Society for Marketing Advances* (pp. 19-26), New Orleans, LA: Society for Marketing Advances. Retrieved from http://c.ymcdn.com/sites/www.marketingadvances.org/resource/resmgr/2014_SMA_Proceedings.pdf

Gellerman, S. W. (1986). Why 'good' managers make bad ethical choices. *Harvard Business Review*, July–August, 85-90.

Gerber, A. S., & Rogers, T. (2009). Descriptive social norms and motivation to vote: Everybody's voting and so should you. *The Journal of Politics, 71*(1), 178-191. DOI: 10.1017/S0022381608090117

Goldstein, N. J., Cialdini, R. B., & Griskevicius, V. (2008). A room with a viewpoint: Using social norms to motivate environmental conservation in hotels. *Journal of Consumer Research, 35*, 472-482. DOI: 10.1086/586910

Grasmick, H. G., & Green, D. E. (1981). Deterrence and the morally committed. *The Sociological Quarterly, 22*(1), 1-14. DOI: 10.1111/j.1533-8525.1981.tb02204.x

Grasmick, H. G., & Green, D.E. (1980). Legal punishment, social disapproval and internalization as inhibitors of illegal behaviour. *The Journal of Criminal Law and Criminology, 71*(3), 325-335. DOI: 10.2307/1142704

Hardy, S. A. (2006). Identity, reasoning, and emotion: An empirical comparison of three sources of moral motivation. *Motivation and Emotion, 30*, 207-215. DOI: 10.1007/s11031-006-9034-9

Harris, A. (2013). A plan to cut public transport fare evasion meets resistance. Retrieved January 26, 2014 from http://www.theaustralian.com.au/news/a-plan-to-cut-public-transport-fare-evasion-meets-resistance/story-e6frg6n6-1226629556801

Hinduja, S. (2007). Neutralization theory and online software piracy: An empirical analysis. *Ethics and Information Technology, 9*, 187-204. DOI: 10.1007/s10676-007-9143-5

Hunjan, R. (2016). NSW police to crack down on shoplifting at supermarket self-service checkouts. Retrieved October 6, 2016 from http://www.abc.net.au/news/2016-10-06/nsw-police-to-crackdown-on-shoplifting-at-self-service-checkouts/79081544

Hunt, S. D., & Vitell, S. (1986). A general theory of marketing ethics. *Journal of Macromarketing, 6*(1), 5-16. DOI: 10.1177/027614678600600103

Ironside, R. (2013). Public transport fare evaders costing Queensland $25 million a year. Retrieved January 26, 2014 from http://www.couriermail.com.au/news/queensland/public-transport-fare-evaders-costing-queensland-25-million-a-year/story-e6freoof-1226560416187

Kant, I. (2002). *Groundwork for the metaphysics of morals.* (A. W. Wood, Trans.). Binghamton, NY: Vail-Ballou Press. (Original work published 1785).

Kim, S., & McGill, A. L. (2011). Gaming with Mr. Slot or Gaming the Slot Machine? Power, Anthropomorphism, and Risk Perception**.** *Journal of Consumer Research, 38,* 94-107. DOI: 10.1086/658148

Leaver, D. (1993). Legal and social change affecting UK retailer response to consumer theft. *International Journal of Retail and Distribution Management, 21*(8), 29-33. DOI: 10.1108/09590559310050847

Leinbach-Reyle, N. (2015), "New report identifies US retailers lose $60 billion a year, employee theft top concern", *Forbes*, October 7, available at: https://www.forbes.com/sites/nicoleleinbachreyhle/2015/10/07/new-report-identifies-us-retailers-lose-60-billion-a-year-employee-theft-top-concern/#4a7cad5780eb

Lin, B., Hastings, D.A., & Martin, C. (1994). Shoplifting in retail clothing outlets. *International Journal of Retail and Distribution Management, 22*(7), 24-29. DOI: 10.1108/09590559410069909

Lindblom, A., & Kajalo, S. (2011). The use and effectiveness of formal and informal surveillance in reducing shoplifting: A survey in Sweden, Norway and Finland. *The*

International Review of Retail, Distribution and Consumer Research, *21*(2), 111-128. DOI: 10.1080/09593969.2011.562677

Louviere, J. J., & Flynn, T. N. (2010). Using best-worst scaling choice experiments to measure public perceptions and preferences for healthcare reform in Australia. *Patient*, *3*(4), 275-283. DOI: 10.2165/11539660

Louviere, J. J., & Islam, T. (2008). A comparison of importance weights and willingness-to-pay measures derived from choice-based conjoint, constant sum scales and best–worst scaling. *Journal of Business Research, 61*, 903-911. DOI: 10.1016/j.jbusres.2006.11.010

Louviere, J., Lings, I., Islam, T., Gudergan, S., & Flynn, T. (2013). An introduction to the application of (case 1) best–worst scaling in marketing research. *International Journal of Research in Marketing*, *30*(3), 292-303. DOI: 10.1016/j.ijresmar.2012.10.002

Marley, A. A. J., & Louviere, J. J. (2005). Some probabilistic models of best, worst, and best-worst choices. *Journal of Mathematical Psychology*, *49*(6), 464-480. DOI: 10.1016/j.jmp.2005.05.003

Mazar, N., Amir, O., & Ariely, D. (2008). The dishonesty of honest people: A theory of self-concept maintenance. *Journal of Marketing Research, 45*, 633-644. DOI: 10.1509/jmkr.45.6.633

McFerran, B., Aquino, K., & Duffy, M. (2010). How personality and moral identity relate to individuals' ethical ideology. *Business Ethics Quarterly*, *20*(1), 35-56. DOI: 10.5840/beA20102014

Mitchell, V-W., & Chan, J. K. L. (2002). Investigating UK consumers' unethical attitudes and behaviours. *Journal of Marketing Management, 18*, 5-26. DOI: 10.1362/0267257022775873

Moodie, C., MacKintosh, A. M., Brown, A., & Hastings, G. B. (2008). Tobacco marketing awareness on youth smoking susceptibility and perceived prevalence before and after an advertising ban. *European Journal of Public Health, 18*(5), 484-490. DOI: 10.1093/eurpub/ckn016

Mortimer, G., & Dootson, P. (2017). The economics of self-service checkouts. *The Conversation, June*(12).

Mueller, S., & Rungie, C. (2009). Is there more information in best–worst choice data? Using attitude heterogeneity structure to identify consumer segments. *International Journal of Wine Business Research, 21*(1), 21-40. DOI: 10.1108/17511060910948017

Muncy, J. A., & Vitell, S. J. (1992). Consumer ethics: An investigation of the ethical beliefs of the final consumer. *Journal of Business Research, 24*, 297-311. DOI: 10.1016/0148-2963(92)90036-B

Nagin, D. S., & Pogarsky, G. (2001). Integrating celerity, impulsivity, and extralegal sanction threats into a model of general deterrence: Theory and evidence. *Criminology, 39*(4), 865 – 891. DOI: 10.1111/j.1745-9125.2001.tb00943.x

National Retailers Association. (2016). Retail Crime & Loss Prevention. Retrieved May 10, 2016 from http://www.nra.net.au/wp-content/uploads/2015/09/RetailCrime_Mar2016_FinalDraft_190516.pdf

Neale, L., & Fullerton, S. (2010). The international search for ethics norms: Which consumer behaviours do consumers consider un(acceptable)? *Journal of Services Marketing*, *24*(6), 476-486. DOI: 10.1108/08876041011072591

NSW Audit Office. (2006). *Fare evasion on public transport: Follow-up of 2000 performance audit.* Retrieved January 26, 2014 from

http://www.audit.nsw.gov.au/ArticleDocuments/138/150_Fare_Evasion.pdf.aspx?Embed=Y.

Perugini, M., & Bagozzi, R. P. (2001). The role of desires and anticipated emotions in goal-directed behaviours: Broadening and deepening the theory of planned behaviour. *British Journal of Social Psychology, 40,* 79-98. DOI: 10.1348/014466601164704

Podsakoff, P. M., MacKenzie, S.B., & Podsakoff, N.P. (2012). Sources of method bias in social science research and recommendations on how to control it. *Annual Review of Psychology, 63,* 539-569. DOI: 10.1146/annurev-psych-120710-100452

Pogarsky, G., & Loughran, T. A. (2016). The policy-to-perceptions link in deterrence. *Criminology & Public Policy, 15*(3), 777-790. DOI: 10.1111/1745-9133.12241

Pratt, T. C., Cullen, F. T., Blevins, K. R., Daigle, L. E., & Madensen, T. D. (2011). The empirical status of deterrence theory. In F. T. Cullen, Wright, J. P., & Blevins, K. R (Ed.), *Taking stock: The status of criminological theory.* New Brunswick, N.J.: Transaction Publishers.

Pratt, T. C., Cullen, F. T., Sellers, C. S., Winfree Jnr, T. L., Madensen, T. D., Daigle, L. E., Fearn, N. E., Gau, J. M. (2010). The empirical status of social learning theory: A meta-analysis. *Justice Quarterly, 27*(6), 765-802. DOI: 10.1080/07418820903379610

Prinz, J. (2008). Is morality innate? In W. Sinnott-Armstrong (Ed.), *Moral psychology*. Cambridge, MA: The MIT Press.

Rasch, D., & Herrendorfer, G. (1986). *Experimental design: Sample size determination and block designs*. Dordrecht, Holland: D. Reidel Publishing Company.

Reed, I. A., & Aquino, K. (2003). Moral identity and the expanding circle of moral regard toward out-groups. *Journal of Personality and Social Psychology, 84*(6), 1270-1286. DOI: 10.1037/0022-3514.84.6.1270

Reynolds, W. (1982). Development of reliable and valid short forms of the Marlowe-Crowne Social Desirability Scale. *Journal of Clinical Psychology, 38*(1), 119-125. DOI: 10.1002/1097-4679(198201)38:1<119::AID-JCLP2270380118>3.0.CO;2-I

Sanitioso, R., Kunda, Z., & Fong, G.T. (1990). Motivated recruitment of autobiographical memories. *Journal of Personality and Social Psychology, 59*(2), 229-241. DOI: 10.1037/0022-3514.59.2.229

Shu, L. L., Mazar, N., Gino, F., Ariely, D., & Bazerman, M. H. (2012). Signing at the beginning makes ethics salient and decreases dishonest self-reports in comparison to signing at the end. *Proceedings of the National Academy of Sciences*, *109*(38), 15197-15200. DOI: 10.1073/pnas.1209746109

Sirgy, J. M. (1982). Self-concept in consumer behaviour: A critical review. *The Journal of Consumer Research, 9*(3), 287-300. http://www.jstor.org/stable/2488624

Spivak, A. L., Fukushima, M., Kelley, M. S., & Jenson, T. S. (2011). Religiosity, delinquency, and the deterrent effects of informal sanctions. *Deviant Behaviour, 32*(8), 677-711. DOI: 10.1080/ 01639625.2010.514211

Stewart, D. W., & Scammon, D. L. (2016). Introduction to special issue on consumer response to regulation. *Journal of the Association for Consumer Research, 1*(3), 337-340. DOI: 10.1086/687282

Sutherland, E. H. (1947). *Principles of criminology* (4th ed.). Philadelphia, PA: Lippincott.

Tabachnick, B. G., & Fidell, L. S. (2006). *Experimental design using ANOVA*. Victoria, Australia: Cengage Learning Inc.

Tourangeau, R., Singer, E., & Presser, S. (2003). Context effects in attitude surveys: Effects on remote items and impact on predictive validity. *Sociological Methods & Research, 31*, 486-513. DOI: 10.1177/0049124103251950

Trevino, L. K., Weaver, G. R., & Reynolds, S. J. (2006). Behavioural ethics in organisations: A review. *Journal of Management, 32*, 951-990. DOI: 10.1177/0149206306294258

Vitell, S. J., & Muncy, J. A. (2005). The Muncy-Vitell Consumer Ethics Scale: A modification and application. *Journal of Business Ethics, 62*, 267-275. DOI: 10.1007/s10551-005-7058-9

Vitell, S. J., & Paolillo, J.G.P. (2003). Consumer ethics: The role of religiosity. *Journal of Business Ethics, 46*, 151-162. DOI: 10.1023/A:1025081005272

Voss, G. B. (2003). Formulating interesting research questions. *Journal of the Academy of Marketing Science, 31*(3), 356-359. DOI: 10.1177/0092070303253870

Weaver, G. R. (2006). Virtue in organisations: Moral identity as a foundation for moral agency. *Organisation Studies, 27*(3), 341-368. DOI: 10.1177/0170840606062426

Westen, P. (2016). Cheats costing us all a motza as Gold Coast becomes State's free-riding public transport capital. Retrieved June 30, 2016 from http://www.goldcoastbulletin.com.au/news/gold-coast/cheats-costing-us-all-a-motza-as-gold-coast-becomes-states-freeriding-public-transport-capital/news-story/977348ed30f4d8e94ece56b5722d3dc7

Wilkes, R. E. (1978). Fraudulent behaviour by consumers. *Journal of Marketing, 42*(October), 67-75. DOI: 10.1016/j.jretai.2008.09.003

Yu, Y., Sun, H., Goodman, S., Chen, S., & Ma, H. (2009). Chinese choices: A survey of wine consumers in Beijing. *International Journal of Wine Business Research, 21*(2), 155-168. DOI: 10.1108/17511060910967999

Zetter, K. (2014). Target got hacked hard in 2005. Here's why they let it happen again. Retrieved January 17, 2014 from http://www.wired.com/2014/01/target-hack/

Zikmund, W., Ward, S., Lowe, B., Winzar, H., & Babin, B. J. (2011). *Marketing research* (2nd Asia Pacific ed.). Victoria, Australia: Cengage Learning.

Appendix A. Study 1 behaviours

Behaviour	Source
Returning merchandise to a store by claiming it was a gift when it was not	Muncy & Vitell, 1992; Vitell & Muncy, 2005
Illegally downloading TV shows from the internet for free, for personal consumption	Fullerton & Punj, 2004; Freestone & Mitchell, 2004; Vitell & Muncy, 2005
Lying about a child's age in order to get a lower price	Mitchell & Chan, 2002;
Reporting a lost item as 'stolen' to an insurance company to collect the money	Muncy & Vitell, 1992; Vitell & Muncy, 2005;
Not saying anything when the waitress miscalculates the bill in your favour	Neale & Fullerton, 2010; Wilkes, 1978
Using the 4 cents fuel voucher from the grocery store to buy petrol	
Saying there are only 2 people staying in a holiday apartment when there are really 4	Dootson et al., 2016
Creating a fake US iTunes account to access and pay for content not available in Australia	
Evading fares on public transport	
Using stolen credit cards to order goods over the internet	Mitchell & Chan, 2002; Freestone & Mitchell, 2004

Appendix B: Balanced incomplete block design

v **=10,** ***k*** **= 3,** ***b*** **= 30,** ***r*** **= 9, λ = 2**
(1, 2, 3), (1, 2, 4), (1, 3, 5), (1, 4, 6), (1, 5, 7), (1, 6, 8), (1, 7, 9), (1, 8, 10), (1, 9, 10), (2, 3, 6), (2, 4, 10), (2, 5, 8), (2, 5, 9), (2, 6, 7), (2, 7, 9), (2, 8, 10), (3, 4, 7), (3, 4, 8), (3, 5, 6), (3, 7, 10), (3, 8, 9), (3, 9, 10), (4, 5, 9), (4, 5, 10), (4, 6, 9), (4, 7, 8), (5, 6, 10), (5, 7, 8), (6, 7, 10), (6, 8, 9)

(Sourced from Rasch & Herrendörfer, 1986, p. 171)

Appendix C: Social desirability bias

Social desirability bias – illegal downloading (low social consensus)

	β	Sig.
Illegal downloading		
Past illegal downloading	-.227	.001
Intentions to illegally download	-.206	.003
Perceived risk (probability)	.061	ns
Perceived risk (severity)	.106	ns
Perceived outcomes	-.239	.000
Perceived prevalence	-.109	ns
Fare evasion		
Past fare evasion	-.176	.010
Intentions to fare evade	-.122	ns
Perceived risk (probability)	.103	ns
Perceived risk (severity)	.164	.016
Perceived outcomes	-.109	ns
Perceived prevalence	.014	ns
Other		
Moral identity	.207	.003
Relativism	.024	ns
Idealism	.288	.000