

Towards Socially Responsible Consumption: An Evaluation of Religiosity and Money Ethics

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Abstract— This paper attempts to examine the effect of religiosity and money ethics on socially responsible consumption. The exploratory research was conducted as a number of present environmental problems could be linked to consumer lifestyles and behaviour. A more sustainable and socially responsible way of consuming product and services would be impossible to achieve without drastic changes in consumer attitudes and behaviour. The result of the study reveals that religiosity is a significant and main contributor to all the three dimensions of socially responsible consumption i.e. CSR performance, consumer recycling behaviour and environmental impact purchase and use criteria. However, in the case of money ethics, there is no significant relationship with all the three dimensions of socially responsible consumption.

Index Terms—Socially responsible consumption, religiosity, money ethics, Malaysian consumers.

I. INTRODUCTION

Recent research indicates that consumers are becoming more conscious to include ethical standard in their purchase decisions [1, 2]. Price, quality, convenience and value emerge to be the most important buying criteria for a large segment of US consumers [1] and products with an environmental or social appeal have an added advantage if they meet other competitive requirements. The study of socially responsible consumption is of critical importance. The very definition of consumption often means to consume, waste, squander or destroy [3]. It is therefore not unexpected that the term “consumption” has become synonymous with environmental destruction in most corners of the globe [4].

A number of present environmental problems can be linked to consumer lifestyles. More sustainable lifestyles cannot be achieved without marking changes in consumer attitudes and behaviour [5]. Anderson and Challagalla [4] state that “we live in a global village and can ill afford the negative legacy of consumption”. However, consumption need not be equated with environmental devastation and the squandering of natural resources.

Despite the importance of this type of consumption, marketing researchers have largely neglected it. Except for a few early contributions [6,1] efforts have largely concentrated on ecological conscious (green) consumer behaviour or consumer boycotts. The broader concept of

socially responsible consumption has rarely been considered. Survey through the literatures has not reveal any studies that link one’s belief and behaviour to socially responsible consumption. Therefore, the primary objective of the present study is to investigate the effect of religiosity and money ethics on socially responsible consumption.

II. LITERATURE REVIEW

A. Socially Responsible Consumption

Webster [6] defined socially conscious consumer as “a consumer who takes into account the public consequences of his or her private consumption or who attempts to use his or her purchasing power to bring about social change”. He based this definition on the psychological construct of social involvement, arguing that the socially conscious consumer must be aware of social problems, must believe that he or she has the power to make a difference and must be active in the community. Webster’s [6] research sets the foundation for the work in the field of socially responsible consumption (SRC). Roberts [1] defined the socially responsible consumer as “one who purchases products and services perceived to have a positive (or less negative) influence on the environment or who patronizes businesses that attempt to effect related positive social change”. This definition assumes two dimensions: environmental concern and a more general social concern.

Mohr, Webb and Harris [7] described socially responsible consumer behaviour based on the concept of Corporate Social Responsibility (CSR). One approach to defining CSR involves an attempt to list the major responsibilities of companies. They go on to define socially responsible consumer behaviour as “a person basing his or her acquisition, usage and disposition of products on a desire to minimize or eliminate any harmful effects and maximize the long-run beneficial impact on society”. Webb, Mohr and Harris [8] developed the Socially Responsible Purchase and Disposal (SRPD) scale to reflect recent developments that occurred in theory and practice. Three dimensions of SRC emerge: (1) purchasing based on firms’ corporate social responsibility (CSR) performance; (2) recycling and (3) avoidance and use reduction of products based on their environmental impact. Francois-Lecompte and Roberts [3] developed a scale designed to measure SRC in France. Their scale building process led to a five-factor SRC scale: corporate responsibility, country of origin preferences, shopping at local or small businesses, purchasing cause-related products and reducing one’s consumption.

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B. Religiosity

Religiosity is “the extent to which an individual’s committed to the religion he or she professes and its teachings, such as the individual attitudes and behaviours reflect this commitment” [9]. Therefore the degree to which religion affects one’s beliefs and behaviour depends on the individual’s level of religiosity and the importance one places on the religion itself [10].

It is argued that religiousness or religiosity, is an important value in the individual’s cognitive structure, and can influence an individual’s behaviour [11]. According to Delener [11] the pro-religious (or highly religious) individuals are likely to be more dogmatic and more conservative than are the non-religious (or least religious) individuals. As such, it is expected that the more religious person would more likely to align their behaviour in compliant with their religious belief and practices. It is further suggested that those who are strongly committed to religion are both attitudinally and behaviourally capable of making decisions consistent with moral conscience [10].

A study by Ibrahim, Howard and Angelidis [12] shows that as managers’ degree of religiousness increases, their ethical and philanthropic orientation also increases. Religion may play a significant role in shaping individual perceptions of CSR and that there is considerable variation in attitudes to aspects of CSR across religions [13]. Brammer, Williams and Zinkin [13] concluded in their research that Buddhists tend to hold broader conceptions of corporate social responsibilities than non-religious individuals when it comes to the general role of firms. Muslims are supportive of holding companies responsible for addressing poverty and charity, which are basic tenets of Islam but do not in general expect companies to uphold equal rights between genders. A study by Lau and Tan [14] revealed that intrinsic religiosity has a significant relationship on consumer’s attitude towards green product. However, in the case of extrinsic religiosity, there is no significant relationship on consumer’s attitude towards green product. Of the sporadic research that has been conducted, findings indicated that religiosity could be a significant factor in relation to consumption patterns, innovativeness, media usage, family decision-making, purchase risk aversion and selected store patronage behaviour. So far, searches through the literature have not revealed any past studies on religiosity as a predictor of socially responsible consumption. It is therefore postulated that:

Hypothesis 1: There is a significant and positive relationship between religiosity and all the dimensions of socially responsible consumption.

C. Money Ethics

Krueger [15] states that money at the individual level is the most meaningful object in modern – contemporary life and only food and sex are close competitors for conjuring strong, diverse and significant feelings. Tang [16, 17, 18] developed a scale to measure the ethical meanings that people ascribe to money and has called it the money ethics scale (MES). Tang [19] further reports that one’s money ethic has a significant and direct impact on unethical behaviour. Furthermore, he labelled the money ethic as the ‘love of money’ and unethical behaviour as ‘evil’ stating that ‘the love of money is the root

of all evil.’

Mitchell and Mickel [20] reported that money appears to be related to important individual personality and attitudinal variables. More importantly, Tang [19] reported that one’s money ethic has a significant and direct impact on unethical behaviour. Hence, it is reasonable to assume that people with a high money ethic (love of money) who place a high degree of importance on money would be less ethically sensitive than individuals with a low money ethic. Based on previously cited theoretical and empirical literatures, hypothesis two was proposed:

Hypothesis 2: There is a significant and negative relationship between money ethics and all the dimensions of socially responsible consumption.

III. METHODOLOGY

Validated scale developed by Webb, Mohr and Harris [8] was adopted to measure socially responsible consumption. As for religiosity, questionnaire developed by Worthington et al. [21] was adopted. The measure for money ethic was taken from Tang [19]. Respondents were asked to rate each item on a 5-point Likert scale from “strongly disagree” (1) to “strongly agree” (5). The questionnaires were administered to 350 undergraduate students from a private university in Malaysia. A total of 301 completed questionnaires were obtained. The response rate of 86% was deemed sufficiently complete to be useable for this study. The demographic characteristics of the respondents were shown in Table I.

TABLE I. DEMOGRAPHIC CHARACTERISTICS OF RESPONDENTS (N=301)

Variables	Percentage	Variables	Percentage
Gender		Year of study	
Male	36%	Year 1	27%
Female	64%	Year 2	33%
		Year 3	40%
Course		Home Residence	
Business	36%	Urban	66%
Engineering	15%	Sub-urban	34%
Computing	22%		
Social	27%		
Science			

IV. RESULTS

Reliability tests were conducted on the dependent variable SRC that consists of three dimensions (CSR performance, consumer recycling behaviour and environmental impact purchase and use criteria) and the independent variables (religiosity and money ethics). The reliability coefficient of the variables exceeded the minimum acceptable level of 0.7, which concurs with the suggestion made by Nunnally [22]. Thus, the instruments used in this study showed good level on terms of reliability. Table II indicated the reliability levels of all the variables.

TABLE II. RELIABILITY OF SOCIALLY RESPONSIBLE CONSUMPTION, RELIGIOSITY AND MONEY ETHICS.

Construct	No. of Items	Cronbach Alpha
Socially responsible consumption		
• CSR performance	10	0.853
• Consumer recycling behaviour	6	0.865
• Environmental impact purchase and use criteria	7	0.828
Religiosity	9	0.781
Money ethics	10	0.878

The relationship between the three dimensions of socially responsible consumption with religiosity and money ethics were determined through a multiple regression analysis. The result shown in Table III indicated that there was a significant and positive relationship between all the dimensions of socially responsible consumption and religiosity. Therefore, H₁ proposed in this study was supported. As for H₂, the results indicated that there were no significant relationship between money ethics and all the dimensions of socially responsible consumption. Therefore, H₂ was not supported (p>0.05). The value of R² indicated that 11.1%, 2.5% and 10.2% of the independent variables (religiosity and money ethics) contributed to CSR performance; consumer recycling behaviour and environmental impact purchase and use criteria respectively.

TABLE III. MULTIPLE REGRESSION BETWEEN SOCIALLY RESPONSIBLE CONSUMPTION WITH RELIGIOSITY AND MONEY ETHICS

Dependent Variable (Socially responsible consumption)	Independent Variables (Beta Coefficients)			
	Religiosity	Money ethics	R ²	Sig. F
CSR performance	0.333*	-0.017	0.111	18.743*
Consumer recycling behaviour	0.136*	0.075	0.025	3.770*
Environmental impact purchase and use criteria	0.319*	-0.020	0.102	16.957*

* Significant at p < 0.05

The results of tolerance and VIF value were displayed in Table IV. Each independent variable tested the different dimensions clearly and without any multi-collinearity problems as indicated with the tolerance rate of more than 0.1 and VIF <10 [23].

TABLE IV. COLLINEARITY STATISTICS (TOLERANCE AND VIF VALUE)

	Tolerance	VIF
Religiosity	0.813	1.230
Money Ethics	0.837	1.194

V. DISCUSSIONS

The result from the exploratory research indicates that religiosity is a significant and the main contributor to all the three dimensions of SRC. A more religious consumer would likely be supportive of companies CSR initiative such as buying from companies that help the needy and support victims of natural disasters or avoid buying products from companies that discriminate against the minorities. Religious convictions also enhance consumer's recycling behaviour. A

more religious consumer would be more supportive of any recycling activities. Religiosity also impacted consumer's tendency to purchase and use environmentally safe products. Activities such as using public transport to help reduce air pollution, avoiding products that pollute the air and water as well as conserving energy such as electricity or natural gas would be appealing to them. The results is consistent with past study by Lau and Tan [14] which revealed that a person who has a high intrinsic religiosity would be more likely to have a positive attitude towards green products. Furthermore a study by Angelidis and Ibrahim [24] found a significant relationship between degree of religiousness and attitudes toward the economic and ethical components of CSR.

Money ethics on the other hand did not show any significant relationship with all the three dimensions of SRC. This might mean that a person who placed a lot of emphasis on money might or might not be supportive of SRC concerns. Further research exploring this relationship should be considered in the future. The summary of the results in relation to the research hypotheses is shown in Table V.

TABLE V. SUMMARY OF RESULTS IN RELATION TO THE RESEARCH HYPOTHESES

No	Hypotheses	Finding
H ₁	There is a significant and positive relationship between religiosity and all the dimensions of socially responsible consumption	Supported
H ₂	There is a significant and negative relationship between money ethics and all the dimensions of socially responsible consumption.	Not Supported

VI. LIMITATIONS AND FUTURE RESEARCH

Future research should consider larger sample size and to include a cross sectional survey that reflects the Malaysian population. A larger sample size would have been more useful to assess the stability and dependability of the findings. Future study should also devote attention to investigate the moderating effects of any variables that may strengthen or prohibit socially responsible consumption. In addition, the interaction between various demographic, psychographic, and situational factors that influence the socially responsible consumption need to be further researched. Finally, the perception of consumers towards environmentally friendly products, areas of green purchase intention and green buying commitment need be examined in depth to provide appropriate recommendations for the current and potential green firms in the market.

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