

# DO FEMALE CONSUMERS HAVE HIGHER ETHICAL PERCEPTIONS OF MARKETING?

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## ABSTRACT

*Studies have found either females being more ethical than males or no significant differences. Ethical evaluations and judgments lead to intentions, and behavior. Furthermore, marketing activities create positive, e.g., ethical, or negative, e.g., unethical, perceptions of firms' market offerings. The purpose is to make an initial study of consumers' ethical perceptions of firms' marketing strategy and to clarify prior findings of these somewhat inconsistent results of gender differences toward marketing ethics. Two propositions are presented with each under different cues and intensiveness levels. The conclusion is that under certain conditions – “it depends” – there are differences between male and female consumers' ethical perception of firms' marketing strategy.*

**JEL:** D11; M31

**KEYWORDS:** Consumer behavior, ethical perceptions of marketing, gender differences of ethics

## INTRODUCTION

Marketing, more than any other area in a business, is undoubtedly the most visible to the public. It is the “face” of the organization either in person, e.g., sales representatives, or in actions, e.g., advertising. While marketing provides firms a competitive advantage, it can also create great harm if not meeting the ethical expectations of consumers, e.g., aggressive high pressure selling, deceptive advertising. In a 1961 survey of 1,700 executives, 80% responded that in their industry there were “practices which are generally accepted and are unethical” (Baumhart, 1961, p. 160). More recently, it was found in a 1997 survey of public perception that ethics were “at 5.7 on a 10-point scale, the lowest recorded in the 13 surveys conducted since 1959” (Heubusch, 1997, p. 29). Marketing strategies are critical in creating a positive image and trust, by establishing acceptable practices and relationships, to meeting or exceeding consumers' ethical expectations, and for retaining and attracting new customers.

Consumer studies have generally focused on ethical behavior in such areas as (1) culture (Swaidan, Vitell, Rose and Gilbert, 2006), (2) international markets (Erffmeyer, Keillor and LeClair, 1999), (3) race (Swaidan, Vitell and Rawwas, 2003), (4) age (Vitell, Lumpkin and Rawwas, 1991) and (5) gender (Glover, Bumpus, Sharp and Munchus, 2002). Within this latter affluence of consumer research, gender has attracted much attention and continues to warrant further investigation. Approximately one-half of the studies have found females being more ethical than males with the remaining one-half of the studies finding no significant differences between genders (Ford and Richardson, 1994). Another study reported that of the 21 empirical studies nine found no differences between the genders and 12 where females were more ethical than males under certain situations (Low, Ferrell and Mansfield, 2000). O'Fallon and Butterfield concluded that “there are often no differences found between males and females, but when differences are found, females are more ethical than males” (2005, p. 379). While these studies have been consumer-focused, they have been generally in regard to consumer behavior characteristics, e.g., shoplifting (Moschis and Powell, 1986), ideology (Rawwas, 1996). Only one study was found to be related to marketing strategies, and that was an ethics study of moral norms associated with environmental-friendly packaging (product) as perceived by Danish consumers (Thøgersen, 1999).

Therefore, the primary purpose of this research is to advance the understanding of marketing ethics by examining the literature and determining consumer perception of marketing strategy. A secondary purpose is to analyze this area of consumer marketing ethics from the perspective of male and female shoppers. Hence, are there differences between men and women consumers' ethical perception of firms' marketing strategy? This study presents a review of the literature, the theoretical framework with an analysis of the empirical literature to support this framework, and then a discussion and conclusion of the findings.

## REVIEW OF THE LITERATURE

Marketing strategies identify and achieve an unserved or underserved position in the marketplace by segmenting and targeting. Positioning or repositioning may occur with products (goods and services) or retail stores (Kerin, Hartley, Berkowitz and Rudelius, 2006). Segmentation has been a marketing tool for decades in which the segment must be large enough to be profitable (Smith, 1956). Markets may be segmented on the bases of geographic, demographic, psychographic, and behavioral methods (Kotler and Armstrong, 2008) to target a specific homogenous consumer group.

Targeting is merely the selection of specific segment in a demographic segment, e.g., gender (males or females). Consumer product manufacturers, services providers, and retailers "must decide on a value proposition – on how it will create differentiated value for targeted segments and what position it wants to occupy in those segments" (Kotler and Armstrong, 2008, p. 203). Jack Trout reminds marketers of Walter Landor's statement that "products are created in the factory, but brands are created in the mind" (2005, p. 28) or perceptions. Retail stores, products or particular brands, therefore, are created by having the appropriate marketing mix – product, price, place, promotions (McCarthy, 1960) – to support (connected with) the positioning strategy in the minds of the target market in comparison to competitors (Kotler and Armstrong, 2008). Furthermore, these views, or these "perceptions can vary widely among individuals exposed to the same reality" (Kotler and Keller, 2006, p. 186), e.g., male or female ethical perceptions of marketing strategies or specific marketing activities (Schneider, 1983/1984). Therefore, strategies are based on segmenting, targeting, and positioning that may influence the perception of marketing ethics.

In order to successfully implement a marketing strategy (marketing mix) and a favorable position, firms must know consumers' needs, wants and behavior with the offerings as to what is acceptable or not, including ethical considerations. From the positioning strategy for a target market, those consumers make a judgment which is "typically represented as good-bad, favourable-unfavourable" (Bagozzi, Gürhan-Canli and Priester, 2002, p. 5) using evaluative criteria of "standards and specifications to compare different products and brands" (Blackwell, Miniard and Engel, 2006, p. 80). A positive, e.g., good or favorable, judgment leads to the intention that "should always predict behavior, provided that the measure of intention corresponds to the behavioral criteria" (Ajzen and Fishbein, 1980, p. 50), e.g., the consumers' perception of the marketing strategy and the associated ethical considerations (Smith, 1995).

Marketing ethics research has evolved through three primary eras. First, until 1985 there were empirical studies with the focus on marketers and their ethical responsibilities and decision-making (Levy and Dubinsky, 1983; Sturdivant and Cocanougher, 1973) that were based on ethical theories from philosophy (Hunt and Vitell, 1986). Second, between 1985 and 1990 major marketing theories were developed (Ferrell and Gresham, 1985; Ferrell, Gresham and Fraedrich, 1989; Hunt and Vitell, 1986) that enable "a theory of marketing ethics to guide empirical research and analysis" (Hunt and Vitell, 1986, p. 15). Finally, since 1990 consumer marketing ethics of the buyer-seller dyad became much more prevalent (Fullerton, Kerch and Dodge, 1996; Vitell and Muncy, 1992; Vitell, Singhapakdi and Thomas, 2001).

Certain ethics theories, e.g., Bartels (1967) in marketing and Trevino (1986) in management, were advanced and have influenced the current marketing ethics theories. For example, Ferrell and Gresham “assume that exigencies of the firm being the marketer into contact with situations that must be judged as ethical or unethical (right or wrong)” (1985, p. 88), or situations based more on the organization rather than the consumer. They proposed a “contingency framework” that begins with the influence from the social and cultural environment which may present an ethical issue or dilemma, e.g., advertising deception, falsifying research data, price collusion, bribes, bid rigging. This issue or dilemma impacts the individual decision making that results in his/her evaluation and behavior as being ethical or unethical.

In addition to the ethical issue or dilemma, individual factors, significant others, and opportunities impact individual decision making. Individual factors include knowledge, values, attitudes and intentions; significant others are differential associations and role-set configuration; and opportunity includes professional codes, corporate policy and rewards/punishment. Individual factors, significant others, and opportunity are influenced by the evaluation of behavior but individual factors are also influenced by the individual decision making (two- or each-way influence). Therefore, the core relationships to individual decision making are from ethical issue or dilemma, individual factors, significant others and opportunity. Ferrell and Gresham state that the theory is “process oriented, with events in a sequence causally associated or interrelated ..... (with) a start toward developing a comprehensive framework of ethical decision making” (1985, p. 95).

A second marketing ethics theory was advanced in the late 1980s. Hunt and Vitell (1986) developed a positive “General Theory of Marketing Ethics” that was supported by prior empirical research. In this theory, the environment (cultural, industry, organizational) and personal experiences influence the (1) perceived ethical problem, alternatives and consequences, (2) deontological norms, (3) probabilities and desirability of consequences, and (4) importance of stakeholders. Deontological norms and perceived alternatives impact deontological evaluation, while probability and desirability of consequences influence teleological evaluation. Ethical judgments are determined from deontological and teleological evaluations which lead to intentions. In addition, teleological evaluation may not only lead to ethical judgments but directly to intentions.

Furthermore, intentions results in behavior but behavior is also influenced by situational constraints. Behavior, then, leads to the actual consequences that impacts personal experiences. Hunt and Vitell argue, and important to this study is the contention that “with general theories in consumer behavior ....., ethical judgments impact on behavior through the intervening variable of intentions” (1986, p. 9). Therefore, the core relationships with these components towards intentions are the deontological norms influencing the deontological evaluations, and the consequences and importance of stakeholders influencing the teleological evaluations, which in turn impact ethical judgments.

Ferrell, Gresham and Fraedrich (1989) attempted to synthesize the Ferrell and Gresham (1985) and Hunt and Vitell (1986) theories. However, while they are compatible and greater effort for micro aspects, the synthesis remained more of macro orientation of marketing ethics. Therefore, the General Theory of Marketing Ethics is “the only (marketing ethics theory) that can be applied to individual contexts such as consumer behavior” (Vitell, Singhapakdi and Thomas, 2001, p. 155).

With the Hunt-Vitell model (1986, 1993) as the key theory for this study, other theories are necessary to explain the differences between male and female perceptions of marketing activities that have not been before proposed as well as a gap in the literature. Two primary research areas – business and moral development – pertain to this study. First, the business literature supports the role of intensity in management ethics decision making (Jones, 1991) and in marketing (consumer behavior) (Meyers-Levy, 1989). Second, additional aspects, however, of gender’s evaluation, judgments and intentions of ethical perceptions is needed. There are different determinants of moral development, one for males (Kohlberg,

1971) and another for females (Gilligan, 1982/1993). The following sections synthesize the theoretical and empirical literature in these areas to explain and better understand the differences between males and females perceptions of marketing.

## THEORETICAL FOUNDATION

The intent of this conceptual research is to determine relationship differences between male and female ethical perceptions resulting from marketing strategies. Marketing strategy, as the marketing mix, is well established, researched and practiced for over five decades (Kotler and Keller, 2006; Smith, 1956). Additional discussion is warranted as to the remaining two theories. First, the General Theory of Marketing Ethics (Hunt and Vitell, 1986) is further analyzed. Moreover, an integration of this theory with an ethical decision-making model that includes moral intensity is presented (Jones, 1991). Second, a theory of moral development that establishes a hierarchy of values with six moral stages is discussed (Kohlberg, 1971). However, during the 1980s as with marketing ethics, an extremely different view of these values and a new understanding of moral development was advanced, e.g., females' motives, moral commitments and psychological growth as to what is important in their lives (Gilligan, 1982/1993).

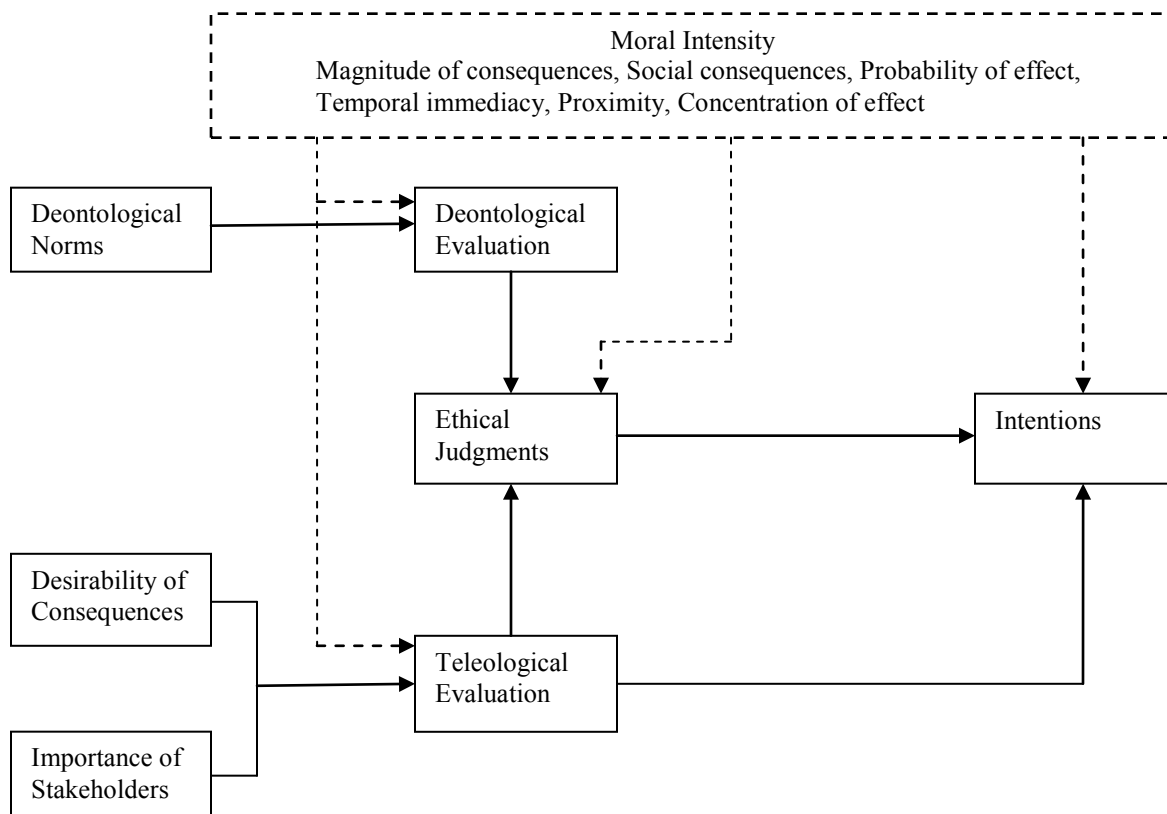
### General Theory of Marketing Ethics and Moral Intensity

The core relationships of the Hunt-Vitell model are the basis for this study. Therefore, the focus is on the (1) deontological norms and deontological evaluations on ethical judgments relationship and (2) desirability of consequences, importance of stakeholders, teleological evaluations relationships on ethical judgments or on intentions relationship (Hunt and Vitell, 1986). See Figure 1 with the solid lines. Judgments (Bagozzi, Gürhan-Canli and Priester, 2002; Blackwell, Miniard and Engel, 2006) and intentions (Ajzen and Fishbein, 1980) were discussed above, except in this theory these constructs are in an ethical context.

Once the consumer is exposed to and identifies an ethical issue, two ethical evaluations occur – deontological and/or teleological evaluations. Hunt and Vitell (1986) state that a consumer may use one or both evaluations. The primary differences between the two are deontological evaluations are based on rule norms and teleological evaluation on the situation, e.g., the consequences, stakeholder considerations. Specifically, deontological relies on the particular actions and the “good” *over* “evil” to make evaluations. For them, the rules to live by may be the “golden rule” or a matter of a principle of justice. Deontological ethics is idealism, or the acceptance of universal moral principles. On the other hand, teleological is highly concerned about self, e.g., consequences, and the affect on others, e.g., importance of stakeholders, that results in having *greater* “good” than “bad” to make evaluations. Teleological ethics is relativism, or the rejection of universal moral principles, and associated with utilitarian, “the greatest good for the greatest number”. Therefore, these differences in the two evaluations, e.g., rule versus situation based, would likely result in different ethical judgments. Furthermore, the Hunt and Vitell theory has been empirically tested using the core relationships (Mayo and Marks, 1990) and for investigating consumer behavior, marketing ethics, and gender (Rawwas, 1996).

Moreover, the Issue-Contingent Model states that particular moral intensity factors (variables) influence ethical behavior (Jones, 1991). Jones uses, as a basis, Rest's (1986) four stage model – recognize moral issue, make moral judgment, establish moral intent, and engage in moral behavior. This moral reasoning process is similar to those developed by Hunt and Vitell (1986), e.g., see Jones (1991), Figure 1, page 370. Jones argues that “moral intensity focuses on the moral issue” and “is likely to vary substantially from issue to issue, with a few issues achieving high levels and many issues achieving low levels” (Jones, 1991, p. 373) in which this intensity influences each of the four stages.

Figure 1: Core Relationships from the General Theory of Marketing Ethics and Moral Intensity from the Issue-Contingent Model



Sources: Adapted from Shelby Hunt and Scott Vitell (1986) *A General Theory of Marketing Ethics*, *Journal of Macromarketing*, 8(Spring), p. 8 and Thomas M. Jones (1991) *Ethical Decision Making by Individuals in Organizations: An Issue-Contingent Model*, *The Academy of Management Review*, 16(2), p. 370. This Figure depicts the core relationships of the General Theory of Marketing Ethics with factors influencing moral evaluation, judgments and intentions (solid lines). The moral intensity components from the Issue-Contingent Model have been integrated with the General Theory of Marketing Ethics to show the influence on the evaluation, judgments and intentions (dash lines).

Moral intensity includes the magnitude of consequences, social consequences, probability of effect, temporal immediacy, proximity and concentration of effect. See Figure 1 with the dash lines. These components are characteristics of a moral issue and have an interactive effect. Furthermore, this effect is expected to increase “if there is an increase in any one (or more) of its components, and it is expected to decrease if there is a decrease in any one (or more) of its components, assuming the remaining components remain constant” (Jones, 1991, p. 378).

Jones (1991) points out that people use external cues when moral issues are low and rely on self-perception processes when such issues are higher. With such stimuli, “high-intensity moral issues are salient and vivid (and) they will be more likely to catch the attention of the moral decision maker and will be recognized as having consequences for others, a vivid component of recognizing moral issues” (Jones, 1991, p. 381). Jones concludes, “The relative importance of personal factors and situational factors might vary considerably, from issue to issue. Similarly, issue characteristics could alter the balance of teleological and deontological considerations in the moral evaluation stage of Hunt and Vitell’s (1986) general theory model of marketing ethics” (1991, p. 391). The Issue-Contingent Model has been empirically tested (Loo, 2003; Singhapakdi, Marta, Rallapalli and Rao, 2000; Weber, 1996).

### Moral Development

During the 1960s and 1970s, a cognitive development approach was evolving to further understand moral judgment (Kohlberg, 1971, 1981a, 1981b). This approach as applied to cognitive structure is the “rules for processing information or for connecting experienced events” (Kohlberg, 1971, p. 349) and assumes “that basic mental structure is the product of the patterning of the interaction between the organism and the environment rather than directly reflecting either innate patterns in the organism or patterns of events (stimulus contingencies) in the environment” (p. 350). Kohlberg finds that “the rules of the game” influences moral decision making of the situation or task at hand (“the interaction between the organism and the environment”). These “rules of the game” are based on the theory of justice. Kohlberg states that his “philosophic conception of moral judgment has been based on principles of justice and has depended upon the theories of Kant and Rawls (1971) to justify the principles of the highest stages (of moral judgment)” (1981a, p. 7). As applicable to the General Theory of Marketing Ethics (Hunt and Vitell, 1986) Kohlberg theory is deontological (idealism, universal moral principles) which is based on rules and justice.

Kohlberg (1981a, 1981b) has used longitudinal studies primarily in schools and prisons to observe and analyze findings in developing the six stages of moral judgment. See Table 1 for the three levels with two stages in each level as well as a brief description for each stage. Kohlberg (1981b) has found that most people in the United States reason at the conventional level (Stages 3 and 4). For example, Stage 3 includes people who trust others, care about other group members and abide by shared expectations. At Stage 4, individuals share responsibilities, make their opinions known and have a concern for the welfare of and harmony with others (Kohlberg, 1981a). Kohlberg states, “As far as we can ascertain all Stage 6 persons must have been killed in the 60s like Martin Luther King” (1981a, p. 34).

However, while Kohlberg’s specific theory of moral development is widely used in research and education, it nevertheless has been questioned and challenged (Gilligan, 1982/1993). Gilligan observes that a female’s “phrase ‘it depends’ has been repeated by many women who also resist formulaic solutions to complex human problems” (1982/1993, p. xxi). She has found that development theories, e.g., by Kohlberg (1971, 1981a, 1981b), have been viewed and built on the observations of men’s lives, and lacked the aspects of women’s development. She establishes “two voices” – one autonomous (men) and the other connected (women). For example, Gilligan (1982/1993) finds that (1) masculinity is defined through separation while femininity is defined through attachment (p. 9); (2) women do not conform to the standards of psychological expectations (p. 15) with their sensitivity to the needs of others and the assumption of responsibility for taking care (p. 16); and (3) women’s criterion for judgment is when the morality of action is assessed .... in terms of the realities of its intention and consequence (p. 83).

On the other hand, men use the approach that “the absolutes of truth and fairness (are) defined by the concepts of equality” (Gilligan, 1982/1993, p. 166). Gilligan concludes,

In view of the evidence that women perceive and construe social reality differently from men and that these differences center around experiences of attachment and separation, life transitions that invariably engage these experiences can be expected to involve women in a distinctive way. And because women’s sense of integrity appears to be entwined with the ethic of care, so that to see themselves as women is to see themselves in a relationship of connection, the major transitions in women’s lives would seem to involve changes in the understanding and activities of care. (1982/1993, p. 171)

Table 1 : Six Stages of Moral Judgment

Level	Stage	Content
Preconventional	Stage 1 Punishment and Obedience	Right is literal obedience to rules and authority, avoiding punishment, and not doing physical harm.
	Stage 2 Individual Instrumental Purpose and Exchange	Right is serving one's own or other's needs and making fair deals in terms of concrete exchange.
Conventional	Stage 3 Mutual Interpersonal Expectations, Relationships, and Conformity	The right is playing good (nice) role, being concerned about the other people and their feelings, keeping loyalty and trust with partners, and being motivated to follow rules and expectations.
	Stage 4 Social System and Conscience Maintenance	The right is doing one's duty in society, upholding the social order, and maintaining the welfare of society or the group.
Postconventional	Stage 5 Prior Rights and Social Contract or Utility	The right is upholding the basic rights, values, and legal contracts of a society, even when they conflict with the concrete rules and laws of the group.
	Stage 6 Universal Ethical Principles	This stage assumes guidance by universal ethical principles that all humanity should follow.

Source: Lawrence Kohlberg (1981b), *The Philosophy of Moral Development*, San Francisco: Harper & Row, p. 409-412. This table shows the three levels, six stages and brief description of each stage of Kohlberg's moral development theory.

Therefore, moral development theories show further relationship to and use for the General Theory of Marketing Ethics (Hunt and Vitell, 1986). Based on Gilligan's finding women "with the ethic of care", "a relationship of connection" and "the realities of (the action's) intention and consequence" would support having teleological ethics (relativism), or "it depends". Men with views of "separation" (independent) and "the absolutes of truths and fairness" would support having deontological ethics (idealism). These theories have been empirically tested in marketing with the Selectivity Model (Meyers-Levy, 1989).

Empirical Evidence

Gilligan's "ethic of care" is applicable to business ethics (White, 1992). White states that "despite the growing number of discussions of differences between men and women in business, Gilligan's ideas have been largely ignored in this context" (1992, p. 51). He points out that Kohlberg's findings were based on rules, laws and principles while Gilligan's on helping others, goodness, and obligations and responsibilities to others. White further analyzes the findings from two business studies, one in marketing, in which women were found more ethical than men. White concludes that in business "many women do approach and resolve ethical dilemmas as Gilligan claims that they do" (1992, p. 57). Marketing studies have results associated with the differences between Kohlberg and Gilligan views of moral reasoning, yet these studies have not focused on, nor have been analyzed and explained in such method.

According to the Selectivity Model, males and females process information differently (Meyers-Levy, 1989), e.g., marketing mix examples of product safety, advertising messages, price disclosures and restrictive distribution. Males use selective, or discrete information processing that is heuristic, schematic. On the other hand, females use more comprehensive, or continuous processing that is effortful, detailed elaboration. Furthermore, Meyers-Levy and Maheswaran (1991) confirmed that females use greater detailed elaboration of information than males, but this difference disappeared when recognition versus recall tasks (condition, situation factors) and/or cue incongruity (information factors) stimulated both genders.

Meyers-Levy and Maheswaran (1991) study offers a greater understanding of differences in gender moral reasoning that results in distinctive male-female buying decisions, e.g., differences appear at a moderate level of intensity and dissipates at a high level. Women as compared with men have a lower threshold for elaborating message cues (Darley and Smith, 1995; Meyers-Levy and Maheswaran, 1991). Therefore, females make greater use of cues, e.g., perceptions of ethical evaluations leading to judgments, whereas men use heuristic, rule-based judgments in decision making. Furthermore, similar cue situations occur in the level of involvement as well as intensity in judging (evaluation) and making purchase decisions, e.g., magnitude, consequences, effect (Jones, 1991). For example, consumer behavior studies find that for lower priced products, e.g., toothpaste, there is a low level of involvement, an indication of intensity level, while for higher priced products, e.g., an automobile, there is high involvement (Blackwell, Miniard and Engel, 2006; Petty, Cacioppo and Schumann, 1983). As a result, with high involvement, high intensity of an automobile purchase there would be expected that women would be more critical, discriminating (sensitive) of the sales representative or advertising message ethical cues than men.

Weber (1996) studied the nature of harm, magnitude of consequences (moral intensity) and moral reasoning. The nature of harm was physical with the Heinz dilemma (possibility of a spouse death) and economic by the Roger dilemma (possibility of unethical cover-up of an illegal transaction). The harm was manipulated in a low and high level of consequences. Moral reasoning was evaluated by a scale determining the stages of Kohlberg's moral judgment. As expected, the study found that physical harm evoked higher stage of moral reasoning than economic harm with increased magnitude of consequences. While gender results were not reported, the study provides an understanding of the differences in and relationship between the nature of harm, and the level of moral intensity and reasoning.

In a perception of ethics study, Singer (1996) compared managers and the general public judgments. Using three ethical decision making scenarios, the participants evaluated situations of being financially harmed and benefited. The judgments were assessed based on overall ethicality, magnitude of consequence, social consensus, likelihood of action, likelihood of consequence and perceived fairness. Overall, both groups (managers and the public) made similar judgments about ethicality, moral intensity of the issues and fairness. However, for the magnitude of consequences ("How would you estimate the seriousness of the consequences of the decision?") was the major deterrent for the general public's ethical judgment while for managers it was social consensus ("How likely is it that there is a general consensus among people that the decision is unethical?"). Clearly the results show that differences in perceptions with the public's greater concern about the magnitude of the consequences of an ethical judgment and by managers' being more interested by being "guided by their peers and to stay in line with prevailing business practices" (Singer, 1996, p. 474). The study did not report if the general public (males or females) had greater concern about the consequences.

In a study that includes all six components of moral intensity, Tsalikis, Seaton and Shepherd (2008) used two scenarios with 350 non-student respondents. The mechanic and dentist ethical situations were developed to include the six components and to be germane to the participants. Each respondent completed evaluations and made judgments using a 9-point scale (unethical-ethical). The results indicated clearly that the three most important components influencing ethical perceptions were probability of effect, magnitude of consequences and temporal immediacy. Social consensus was a very distant fourth in importance. While again this study does not indicate differences between genders, it nevertheless is the only one to test all components and to indicate consumers' moral intensity of ethical situation perceptions.

Consumer ethics research has focused on the behavior of the customers (e.g., Rawwas, 1996; Vitell, Lumpkin and Rawwas, 1991; Vitell, Singhapakdi and Thomas, 2001), not the ethical perceptions of marketing activities. For example, Rawwas used an Austrian consumer sample to determine such ethical situations as "changing price-tags on merchandise in a store," "lying about a child's age to get a lower



price,” “not telling the truth when negotiating the price of a new automobile” (1996, p. 1017). In a study of elderly consumers, Vitell, Lumkin and Rawwas asked such ethical dilemmas as “drinking a can of soda in a supermarket without paying for it,” “getting too much change and not saying anything,” “returning merchandise after trying it and not liking it” (1991, p. 369). However, using the Hunt and Vitell theory (1986) Vitell, Singhapakdi and Thomas (2001) did test ethics position (idealism and relativism) and certain marketing situations. These included coupon proneness (e.g., “redeeming coupons makes me feel good”), consumer alienation from the marketplace (e.g., “there is little that people like myself can do to improve the quality of the products they sell”), value consciousness (e.g., “I am very concern about low price, but am equally concerned about product quality”) (Vitell, Singhapakdi and Thomas, 2001, p. 175-176). However, the focus of the study was, “Is consumer behavior in ethically questionable situations guided by principles or by consequences?” (Vitell, Singhapakdi and Thomas, 2001, p. 155), not the ethical perception of marketing activities.

While these, and many other similar consumer ethics studies are important to businesses in general and to marketers in particular, they do not identify the firms’ marketing activities that consumers perceive as being ethical (acceptable) and those as unethical (unacceptable). Studies (e.g., Singer, 1996) have shown that there are intensity differences as to what is ethical or not between managers and consumers. For consumers drive the success of businesses in terms of revenue and profits, it is their perceptions of fairness and value that are vital. Furthermore, there are significant differences between male and female perceptions, e.g., loyalty, brand equity (Chen and Green, 2009; Green and Chen, 2010), and as to what is ethical, e.g., the “two voices” (Gilligan, 1982/1993). Therefore, we posit based on the General Theory of Marketing Ethics (Hunt and Vitell, 1986) that differences between men and women consumers (Chen and Green, 2009; Green and Chen, 2010) will vary as to the moral intensity (Jones, 1991) and their ethical perception (Gilligan, 1982/1993) of marketing activities.

Meyers-Levy and Sternthal found that women “have a lower threshold for elaborating message cues and thus made greater use of such cues in judging products” (1991, p. 84). Moreover, females change information processing strategies (evaluations) at different levels of cue intensity that creates differences in perceptions (judgments) (Darley and Smith, 1995). According to the Selectivity Model (Meyers-Levy, 1989), this would result with females as “comprehensive information processors who consider both subjective and objective product attributes, and respond to subtle cues” (Darley and Smith, 1995, p. 41). This is expected to result in that females will identify an ethical problem situation at lower intensity level (threshold) than males. Therefore, we propose,

*P<sub>1</sub>* Male and female consumers have significantly different ethical views of marketing strategies associated with moderate levels of cue intensity.

However, at low and at high salient levels of cue intensity and involvement, there are no differences between male and female evaluations and judgments. Meyers-Levy and Sternthal determined “when manipulations prompted attention to the message cues that was either above or below both genders’ threshold for elaboration, no differences in judgments were found. .... In general, gender differences seem most likely to emerge when the average of the task demands is moderate” (1991, p. 93). Therefore, “as risk increased, females shifted from responding equally to objective and subjective claims to favoring objective claims” (Darley and Smith, 1995, p. 53). As a result, we propose,

*P<sub>2</sub>* Male and female consumers do not have significantly different ethical views of marketing strategies associated with low and high level of cue intensity.

## DISCUSSION

Hunt and Vitell (1986) recognized that to test the model an individual must perceive a situation as having ethical content. They state, “This perception of an ethical problem situation triggers the whole process depicted by the model. If the individual does not perceive some ethical content in a problem situation, subsequent elements of the model may not come into play” (Hunt and Vitell, 1986, p. 7). Moreover, the authors encourage the use of scenario techniques, as being widely used in ethics research. While their examples are for marketers’ ethics, the same approach can be adapted for the consumers’ perceptions (Vitell, Singhapakdi and Thomas, 2001) of specific marketing activities, e.g., three scenarios related to the buyer-seller dyad (sales representative and the customer).

In a study of “marketing strategies for the ethical era,” Smith (1995) asks, what constitutes ethical marketing practices? He established a marketing ethics continuum that ranged from caveat emptor (let the buyer be aware) that included such measures as profit maximization and subject to legal constraints and anchored on the other end with caveat venditor (let the seller be aware) which was customer satisfaction. From the literature, Smith identified several ethical issues and classified them according to the appropriate marketing mix elements of product, promotions (marketing communications), price, and place (channels of distribution). Select examples are shown in Table 2. Using the buyer-seller dyad mentioned by Hunt and Vitell (1986) and the personal selling example of high pressure selling by Smith, at least three scenarios may be developed.

To further develop the scenarios and operationalize the study that tests the propositions, the focus should be on the level of cues and the moral intensity. First, females have lower thresholds of cues that may not be recognized by males (Meyers-Levy and Sternthal, 1991). Therefore, the ethical situations should range from extremely low to high to identify perceptions and any changes in the perceptions of ethical content, e.g., low, moderate, high levels of cue intensity. Second, while the moral intensity components of probability of effect, magnitude of consequences and temporal immediacy have been found as the most important, all six should be included (Tsalikis, Seaton and Shepherd, 2008) since this study would be for a different purpose and with a different sample. As Hunt and Vitell suggest, “Ultimately, respondents would be asked to identify the degree to which they believe each alternative is ethical (Ethical Judgment) and the likelihood in a probability sense that they would actually adopt each alternative (Intentions)” (1986, p. 11).

From the theoretical literature, males with deontological ethics and females with teleological ethics have different perceptions (Gilligan, 1982/1993) of the marketing strategy (marketing mix) which influences their ethical judgments and intentions (Hunt and Vitell, 1986). Teleological evaluations are influenced by consequences and the importance of stakeholders (care considerations for others), while deontological evaluations are influenced with deontological norms, e.g., rules, justice (the Golden Rule). However, individuals do “use both deontological and teleological evaluations in resolving their ethical problems” (Hunt and Vitell, 1986, p. 16).

We argue, based on the literature, that as the intensity increases to a moderate level, females use more elaboration in their evaluations (Meyers-Levy and Maheswaran, 1991) and they rely more strongly on the consequences of the ethical situation, or teleological evaluations. That is, an imbalance occurs strongly favoring teleological evaluations, or favoring teleological than deontological as the intensity increases to moderate level. Hence, this much greater difference results from female consumers having a more interest for others and the situation and male shoppers having a more interest in rules and justice that takes on teleological and deontological evaluation characteristics, respectively. This appears to be consistent, at least in part, with Hunt and Vitell’s (1986) position that people use both deontological and teleological evaluations.

Table 2 : Select Ethical Issues in Consumer Marketing

Marketing Mix Elements	Ethical Dilemma
Product Policy	Product safety Service product delivery (e.g., rotelike service, employee respect for customers)
Marketing Communications	
Personal Selling	Questionable/psychological sales techniques (e.g., high-pressure selling) Overselling (e.g., overestimating customer’s problem, overpromising product performance, over specifying product requirement)
Advertising	Deceptive/misleading advertising (including puffery that amounts to “soft core deception”) Advertising to children
Sales Promotion	Deceptive/misleading sales promotions Bait-and-switch
Direct Marketing	Misrepresentation of products (i.e., misleading advertising via direct mail, etc.) Violations of consumer privacy (e.g., unauthorized use of mailing lists)
Pricing Policy	Deceptive/misleading pricing (e.g., non-unit pricing, absence of item marking in retail stores, price advertising that fails to disclosure full price through disclaimers, retailer “high-low” pricing) Unfair practices (i.e., price too high, can occur when price is signal of quality, price discrimination, nonprice competition, price gouging, limited consumer ability to pay [e.g., life-saving drugs], consumer does not receive value expected {e.g., “downsizing”, price fixing)
Channels of Distribution	Discrimination (e.g., e.g., “redlining,” selective direct marketing) Restricted availability (e.g., supply shortages)

Source: N. Craig Smith (1995). *Marketing Strategies for the Ethics Era*. *Sloan Management Review*, 36(4), p. 94

This table shows the four marketing mix elements with two ethical dilemmas examples for each. Marketing communication is further measured with the four promotional elements and two ethical situations for each of them.

Furthermore, when differences do occur between genders’ perceptions of marketing ethics, the female teleological beliefs (consequences and/or care about others) are from greater elaboration and are stronger than the male deontological beliefs (rules and/or justice) at moderate level of cue intensity. This indicates that women are more ethical than men. However, as cues decrease (or increase) from moderate intensity, females use less (or more) elaboration information processing strategies and males use less (or more) objective, heuristic methods. Goolsby and Hunt conclude that “cognitive moral development suggests a key individual characteristic influencing the ability of people to process the multiple norms and consequences effectively to reach an appropriate ethical judgment” (1992, p. 66). Therefore, there should be expected an “appropriate ethical judgment,” or differences between men and women consumers’ ethical perception (norms and consequences) of firms’ marketing strategy under the condition of moderate levels of cue intensiveness.

Certain implications and considerations are important from this study and to the need for new direction for empirical consumer ethics studies. First, prior marketing ethics studies lack consumers’ perceptions of firms’ marketing strategies. Public opinion of business ethics is at the lowest level since the 1950s (Heubusch, 1997). At a time when the marketing concept of “creating, delivering, and communicating superior customer value” (Kotler and Keller, 2006) to a target market, ethics offer a competitive advantage. This study has advanced the importance of such perceptions of marketing ethics and strategies (Smith, 1995), and market opportunities (Ferrell, Hartline and Lucas, 2002). Second, marketing ethics influence the satisfaction and loyalty of consumers. Using a marketing ethics continuum of caveat emptor and caveat venditor, Smith (1995) identified customer satisfaction as the latter. Satisfaction is the positive perception and experience of a purchase (Sheth and Mittal, 2004), while loyalty is the intent or commitment to repurchase a product (good or service) (Oliver, 1999). Therefore, marketing ethics may act as a mediating factor between marketing strategies, customer satisfaction and loyalty.

## CONCLUSION

This study has contributed to a better understanding of ethical perceptual differences between male and female consumers. The differences begin with identification of an ethical problem (Hunt and Vitell, 1986, 1993). Such ethical situations may result from the type and level of intensity (Jones, 1991). However, according to the Selectivity Model, males and females process information differently (Meyers-

Levy, 1989) that depends on the intensity or level of message cues (Meyers-Levy and Sternthal, 1991). One explanation of this difference in ethical perceptions is moral development (Gilligan 1982/1993; Kohlberg, 1971). However, a limitation of this study is the context in which it could be empirically tested. For example, while the propositions may be tested for retail stores or for specific products (brands) perceived marketing ethics, no consideration has been concluded as to similar or different results between the two contexts. Furthermore, no specific determination is considered as to different marketing mix elements, just suggestions such as high pressure personal selling (Hunt and Vitell, 1986; Smith, 1995). Moreover, this study, however, has provided opportunities as to research strategies to empirically test the propositions, e.g., scenario techniques (Hunt and Vitell, 1986; Vitell, Singhapakdi and Thomas, 2001), in various contexts.

Almost one-half of the studies have found females being more ethical than males with the remaining one-half of the studies finding no significant differences between genders (Ford and Richardson, 1994). O'Fallon and Butterfield concluded that "there are often no differences found between males and females, but when differences are found, females are more ethical than males" (2005, p. 379). Ethical evaluations and judgments lead to intentions, and behavior (Hunt and Vitell, 1986), e.g., purchase decisions. Marketing activities create positive, e.g., ethical, or negative, e.g., unethical, perceptions of firms' market offering. The purpose of this research is to advance the understandings of marketing ethics by examining the literature and determining the differences influencing male and female consumers' perception of marketing strategy.

A basis for gender-distinct moral reasoning is related to different socialization experiences. Men are socialized more as an individual agent, or viewed as an individualistic framework of rules and justice that is associated with deontological ethics. On the other hand, women are socialized more communally, or a communal framework of consequences, concern for others that is linked to teleological ethics (Callahan, 1990; Gilligan, 1982/1993; Goolsby and Hunt, 1992; Hunt and Vitell, 1986). We have determined that these frameworks are further influenced by different processing of information, heuristic predominately by males versus elaboration primarily by females (Meyers-Levy, 1989) and the varying cue intensity, low versus high (Jones, 1991; Meyers-Levy and Maheswaran, 1991). From these influences either contrasting or similar depending on the cue intensity, moral reasoning for ethical issues (deontological or teleological evaluations) results in ethical judgments, and leads to intentions and behavior (Hunt and Vitell, 1986).

A gap in the marketing ethics literature as to the consumers' perceptions of marketing strategies has been identified. We propose the question, are there differences between men and women consumers' ethical perception of the firms' marketing strategy? A conceptual framework was established in this study. Two propositions were established as to the level of intensity and by the ethical perceptions of male and female consumers. Various marketing strategies with related, associated ethical dilemmas (Smith, 1995) were presented in which there are important factors to consider in targeting segments, e.g., males and females (Goolsby and Hunt, 1992; Hunt and Vitell, 1993), to meet, or exceed consumers' ethical expectations. There is a need for more empirical research for a better understanding of marketing ethics perceptions of marketing strategy. Until marketers further know these gender differences of marketing ethics perceptions, the improvement of customer satisfaction, greater customer loyalty and increased market share will not likely achieve the level of expectations. In the meantime, we do know in marketing ethics and gender-specific purchase behavior that from the level of cue intensity – "it depends"!

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