

Research finds consumers who receive government assistance face moral scrutiny in marketplace

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New research by a professor at the University of Kansas School of Business finds the morality of consumer choices may hinge on perceptions of wealth and income.

Jenny Olson, assistant professor of marketing, and her co-authors looked at how buying decisions made by low-income groups are perceived in the marketplace. The research, "Wealth and Welfare: Divergent Moral Reactions to Ethical Consumer Choices," will be published in the [April 2016 issue](#) of *Journal of Consumer Research*.

"We demonstrate that an identical choice can be perceived differently as a function of who makes the choice," Olson said. "We often assume that buying [organic food](#), driving hybrid cars and donating to charity are 'good' acts. Our research suggests that it's only a 'good' act if the person is seen as deserving of choice."

Olson's research focused on individuals receiving government financial support such as nutritional assistance to survive. The research looked at unique challenges welfare recipients face in the marketplace.

"Our research asks the question, 'In addition to financial constraints, might the buying decisions of low-income consumers receiving government support be constrained further by others' judgmental attitudes?' We predicted that those receiving government assistance

would be under extra scrutiny because consumers view these individuals as misusing 'their' taxpayer money," Olson said.

The paper looks specifically at ethical goods—those meant to benefit people, animals and the environment. Examples of ethical goods include organic food, fair-trade cotton and cruelty-free cosmetics. These goods are generally perceived as pro-social because the products benefit others, but ethical goods frequently cost more than conventional alternatives. Because of these higher prices, Olson predicted that an identical choice would be judged differently as a function of the buyer's income.

To address the question, the research team compared how people evaluate a choice when it is made by someone receiving government assistance versus by someone earning modest to high incomes.

Across five experiments, the research found consistent evidence of differing moral judgments for the same choice. Relatively wealthy consumers were perceived as more virtuous when they chose ethical versus conventional goods. In contrast, buyers receiving government assistance were viewed as less moral for making the same choice.

"The present results indicate that when it comes to [moral judgments](#), the absolute level of one's income may not be as important as the perceptions of having earned that income. In particular, low-income groups who earned their income were not derogated in the same way the non-income earners were," she said. "We're not saying that aid recipients don't deserve ethical goods. Instead, our goal with this research was to examine how different choices are perceived within the marketplace."

Provided by University of Kansas

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