

When brands tempt us to lie, cheat and steal

November 30 2017

While many people consider themselves generally moral and honest, even the most upstanding citizens will likely become willing to lie, cheat and steal under certain circumstances, according to evidence from a new study in the *Journal of Consumer Psychology*.

If consumers believe that a company is harmful in some way—to the environment or to people—then they feel justified participating in illegal activities, such as shoplifting, piracy or hacking, according to findings in the study.

"People are much more willing to do something that risks their own integrity if they believe a company is unethical," says Jeffrey Rotman, a professor in the business school at Deakin University in Australia. "And this desire to punish a harmful brand occurs even when the consumer has not personally had a bad experience with the company."

Rotman's team discovered this effect in one study in which <u>participants</u> were introduced to a fictitious pharmaceutical company that produced drugs to treat Parkinson's disease and a bacterial infection called Brucellosis. Some of the participants learned that the company planned to increase the price of the drug by 300 percent to generate considerably more profit, even if it meant that certain customers could no longer afford the medication. Other participants learned that the company would not raise prices despite the profit benefits.

The researchers discovered that the participants who were told that the company was raising prices were significantly more willing to punish the



company via unethical means, such as lying, cheating or stealing. To better understand why consumers violate their personal code of ethics in these situations, the researchers conducted another experiment in which participants read a report stating that on average, Internet speeds in the United States are consistently below advertised speeds. The federal report explained that this occurs because many ISPs intentionally cap speeds at 20 percent lower than advertised speeds. One group of participants was told that their Internet speeds had in fact underperformed, and they were asked to sign a letter to the ISP asking for a 10 percent discount on monthly fees. The other group was told that their Internet speeds were as advertised, but they should still sign the letter based on the findings in the federal report. Even though their Internet speeds were good, they were encouraged to lie to justify the discount and capture the company's attention.

Typically, people feel emotional consequences when they engage in <u>unethical behavior</u>, but the researchers found that negative feelings, such as guilt, were absent because people felt that the company was cheating customers. "People felt morally justified lying to the ISP because the report claimed that the <u>company</u> was not delivering promised speeds," Rotman says.

The researchers discovered that this desire to punish companies perceived as harmful is also reflected in the real world. Participants rated how harmful they perceived a variety of different industries, such as pharmacies, supermarkets and home improvement stores. On average, the more harmful the ratings, the greater the rates of theft were in these industries.

"There is growing distrust among the public of certain aspects of business and government, and these findings suggest that if people perceive these entities as harmful, they might feel justified in being unethical," Rotman says. "My hope is that organizations will make it a



priority to build a reputation that allows <u>consumers</u> and businesses to be on the same side."

This study will appear in the *Journal of Consumer Psychology* in July, 2018.

More information: Lie, Cheat, and Steal: How Harmful Brands Motivate Consumers to Act Unethically, <u>DOI: 10.1002/jcpy.1002</u>, <u>onlinelibrary.wiley.com/doi/10 ... 2/jcpy.1002/abstract</u>

Provided by Society for Consumer Psychology

Citation: When brands tempt us to lie, cheat and steal (2017, November 30) retrieved 11 May 2024 from https://phys.org/news/2017-11-brands.html

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.