**The Impact of Religiosity in Determining Consumers’ Ethical Beliefs: Moderated by Type of Religious Communities. (A Comparison of Christianity and Moslem Consumers in Indonesia)**

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**ABSTRACT**

This comparative research aims to investigate the impact of religiosity type (i.e intrinsic religiosity and extrinsic religiosity) on consumers’ ethical beliefs, with the moderation effect of type of religious communities. Respondents in this research were 256 (115 of Islam and 141 of Christianity religion) undergraduate and postgraduate students from universities in Yogyakarta, Indonesia. This research has four hypotheses. The research design used in this study is quantitative research using survey technique in data collection to test hypotheses. The analytical technique used in this research is hierarchical regression analysis, F test and t test. All tests using IBM SPSS software version 26. The findings of this research empirically demonstrate the variety of outcomes, such as the intrinsic religiosity has a positive effect on consumers’ ethical beliefs, meanwhile the extrinsic religiosity does not. The moderation effects in the relationship between religiosity type and consumers’ ethical belief were rejected. Each of hypotheses elaborated more detail in discussion section.

**Keywords**: *reliogisity, consumer ethics, Islam, religion, Christianity*

**Introduction**

Ethical concerns in business have been extensively studied since the early 1980s. In business, consumers are the major participants (Vitell and Muncy, 1992). The pioneering study of Vitell and Muncy (1992) examined ethical beliefs among consumers across a wide spectrum of the population to investigate consumer ethical judgements. Their study developed a consumer ethics scale (CES) to determine the extent to which consumers believe that certain questionable behaviors are “wrong” or “not wrong” (i.e., ethical or unethical). Consumer beliefs toward unethical consumer practices have received considerable attention. For instance, other scholars addressed this issue (e.g., Al-Khatib et al., 1997; Muncy and Vitell, 1992; Vitell and Muncy, 1992; Vitell et al., 1991; Rallapalli et al., 1994; Rawwas et al., 1994, 1998; Strutton et al., 1994). In addition, consumer perceptions of unethical consumer behavior have been examined (Chan et al., 1998; Fullerton et al., 1996; Higgs-Kleyn, 1998; Muncy and Eastman, 1998; Polonsky et al., 2001; Rawwas, 1996, 2001; Rawwas et al., 1995, 1996, 1998; Swaidan et al., 2003). Most related empirical study have adopted the consumer ethics scale of Muncy and Vitell (1992).

Numerous authors have examined often in a cross-cultural environment. For example, Rawwas et al (1995) conducted a cross-cultural study comparing consumers in Northern Ireland to those in Hong Kong. Chan et al (1998) used the consumer ethics with a Hong Kong population finding support for a similar factor structure to that in the original study. Using a Japanese sample, Erffmeyer et al (1999) found that younger consumers tended to be more relativistic and Machiavellian, and that they also tended to perceive these various consumer actions as less unethical. Another recent study compared consumers in Northern Europe with those in Southern Europe (Polonsky et al, 2001). Some comparative research results pertain to the interreligious ethical behaviors of managers (Arslan, 2001; Oumlil and Balloun, 2009); there has the persistent impact of the religiosity of consumer (Vitell and Paolillo, 2003; Vitell et al., 2005, 2006, 2007) and the ethical behavior of consumers is still rare (Schneider et al, 2011). Various cross-cultural comparative research on consumer ethics (Al-Khatib et al., 1997, 2005; Belk et al., 2005; Chan et al., 1998; Polonsky et al., 2001; Rawwas, 2001; Rawwas et al., 2005; Schlegelmilch, 1998; Singhapakdi et al., 1999) sometimes includes religion (Cornwell et al., 2005), but it only plays as demographic variable, it is not being as a independent variable; thus, the field lacks an explicit explanation of the extent to which the positive relationship between religiosity and ethical consumer beliefs. In addition, no such analyses test people in one country having different religiosity communities (Schneider et al, 2001).

A recent review of consumer ethics research (Vitell, 2003) has revealed well over 20 distinct studies using the consumer ethics scale (CES) by Muncy and Vitell. However, consumer ethics in Asian countries have been addressed less frequently (Ang et al., 2001; Chan et al., 1998; Erffmeyer et al., 1999; Rawwas, 2001; Rawwas et al., 1998; Thong and Yap, 1998) and there have a few ethical studies targeting Indonesia and only focused on business ethics (Rawwas, 2001; Sawono and Armstrong, 2001; Wu, 2001). Sawono and Armstong (2001) compared the micro-culture differences between ethical problems and value orientations in Indonesia. Wu (2001) examined business ethics for Taiwanese enterprises in Indonesia. Rawwas (2001) compared the ethical judgment of consumers from eight countries, including Indonesia. However, no such studies address the influence religious community on consumer ethical beliefs in Indonesia. Therefore, we choose Indonesia as the object of our study. In addition, Indonesia has population more than 200 million people and is the fourth largest population worldwide as well as the largest Islamic country which 207 million of people are avowed Islam. Protestan represents 16 million people and 7 million people are avowed Catholic. These religion is the top third most religion avowed in Indonesia (Indonesia Buerau, BPS, 2010).

We conducted an interreligious comparison of the influence of religiosity on the ethical beliefs of consumers, with focus on Christianity and Islam. Christianity provides a reference point, in that previous research on the influence of religiosity on ethical consumer convictions only includes this religious society. Islam joins our study because approximately one-quarter of people in the world belong to this religious community, and most Indonesians avowed Islam as their religion (Saeed et al., 2001; Schneider, 2011).

The aim of our study is the question to what extend the positive influence of Catholic and Protestan religiosity on ethical consumer behavior, as identified in literature, also applies to Moslem consumers.

We also hope to contribute to a greater understanding of consumer ethics in an Islamic cultural area, which is not only meaningful conceptually but also has practical relevance, considering the increasing economic importance of Moslem consumers.

The remainder of this article therefore is structured as follows: first, we provide a brief summary of prior literature regarding the connection between religiosity and consumer ethics. Second, we derive hypotheses based on a conceptual model of assumed cause-and-effect relationships. Finally, we conclude with a discussion of the results and some study limitations.

**Literature Review**

*Consumer Ethics*

The understanding of consumer ethics is crucial to today’s marketers and policy makers. But what is consumer ethics? In the early 1990s, Vitell and Muncy identified the lack of focus on the buyer side of the buyer or seller dyad and observed that the research on consumer ethics was very limited. They found only three previous studies that empirically studied consumer ethical judgments (Davis, 1979; De Paulo, 1987; Wilkes, 1978). These studies were limited to small samples, had a narrow scope and lacked emphasis on attitudinal factors. Therefore, they (Muncy and Vitell, 1992; Vitell and Muncy, 1992; Vitell et al, 1991) developed a scale of consumer ethics, and found that consumers react differently to different kinds of ethical issues or situations.

Furthermore, they discovered four distinct dimensions relating to these ethical issues or situations, namely – actively benefiting from illegal activities, passively benefiting, actively benefiting from deceptive, but legal practices, and no harm activities. The first dimension (actively benefiting from illegal activities) represents those actions in which the consumer is actively involed in benefiting at the expense of the seller. The second dimension is comprised of situations where the consumer is the passive beneficiary of the seller’s mistake. Consumers are more likely to find the actions in this second dimension acceptable as compared to those in the first. The third dimension consists of actions in which the consumer actively engages in questionable practices that are not necessarily perceived as illegal. Finally, the last set of actions is those that are not perceived to cause direct harm to anyone. In conclusion, Muncy and Vitell (1992) define consumer ethics as “the moral principles and standards that guide behavior of individuals or groups as they obtain, use, and dispose of goods and services”. Since then, numerous studies relating to the concept of consumer ethics have been published in the last two decades (Schneider et al, 2011).

*Religion*

According to Berger (1961), religion is a fundamental determinant of social behavior. Research invarious disciplines, like psychology and sociology, therefore considers the influence of religious value systems on human actions (Allport, 1950; Anderson, 1970; Greeley, 1977; Patai, 1977; Weaver and Agle, 2002). In economic research into consumer behavior, analyses of religion’s influence are somewhat more recent, though several studies demonstrate the influence of religious affiliation on psychological dispositions and physical actions (Bailey and Sood, 1993; Chamberlain and Zika, 1992; Delener, 1990; Essoo and Dibb, 2004; McDaniel and Burnett, 1990). In three studies, Hirschman (1983) shows that compared with religion, few other variables possess greater explanatory power. Thus, it seems frankly astonishing that – despite several studies that compare consumer ethics with intercultural standards and occasionally address religion in a country context (Babakus et al., 2004; Cornwell et al., 2005) – religiosity as a determinant of ethical convictions has been ignored (e.g., Ekin and Tezo¨lmez, 1999; Menguc, 1998).

*Religiosity*

The link between religion and business goes back to before 1950 when Culliton (1949, p. 265) stated that ‘‘... maybe religion has something to offer business”. Huffman (1988) states that a major theme in functionalist theory is that religiosity is one of the strongest determinants of values. Furthermore, Weaver and Agle (2002) report that religiosity is known to have an influence both on human attitudes and behavior. Finally, Hunt and Vitell (1993) in their revised ‘‘general theory of marketing ethics’’ include religion as one of the factors that significantly influences ethical judgments and suggest that the strength of religious beliefs might result in differences in one’s decision-making processes.

Allport (1950) perceived religious motivation as differentiated by intrinsic religiosity and extrinsic religiosity. Intrinsic religiosity involves the internal commitment to religion due to its innate spirituality, to serve the common good, whereas extrinsic religiosity reflects the pursuit of religion to gain social approval or further a business agenda. The ‘‘extrinsically motivated person uses his religion whereas the intrinsically motivated lives his religion’’ (Allport and Ross, 1967). Recently, using a student sample, Vitell et al. (2005) found that intrinsic religiosity was consistently a determinant of consumer ethical beliefs, but extrinsic religiosity was not. In another recent study using a non-student population, Vitell et al. (2006) only examined intrinsic religiosity and again found that it was a significant determinant of ethical beliefs. In this study, both extrinsic and intrinsic religiosities are hypothesized to yield a positive relationship with consumer ethical beliefs and should significantly explain these beliefs.

Hunt and Vitell (1993) in their ‘‘general theory of marketing ethics’’ include religion as one of the personal characteristics that might influence ethical judgments and suggest that the strength of religious beliefs might result in a difference in one’s decision processes (see Figure 1). In an empirical study, Vitell and Paolillo (2003) found that religiosity was, in fact, an important personal characteristic in forming some types of ethical judgments. However, the results may not have been as strong as expected due to the particular three-item scale that was used. Batson et al. (2003) emphasize that moral actions are stimulated by the universal rule ‘‘Do unto to others as you would have them do unto you’’ which has been suggested by various religious teachers and philosophers. Therefore, to conduct an interreligious analysis of the meaning of the religiosity for ethical consumer behavior, we first must determine which religions to involve, that dictte the potential values that may be internalized. A look into various religious scriptures and teachings of religious personalities representing various religions indicates that all religions strongly emphasize morality and ethics (Singh, 2001). For example, Catholic, Islam, Protestan depend on religious texts, which promote similar core values in terms of ethical evaluations of actions such as lying, cheating, deceiving, or manipulating (Srnka et al, 2007; Schneider, 2011). Therefore, we would not initially expect any difference regarding the relationship between intrinsic religiosity and ethical consumer behavior for Christianity or Moslem consumers. Thus, the following hypothesis is proposed:

*H1: Consumers with high intrinsic religiosity refuse unethical behavior in the form of (a) active/illegal benefiting, (b) passive benefiting, (c) active/legal benefiting, and (d) no harm more than do consumers with low intrinsic religiosity.*

Research suggests that the practice of religion has a stronger influence on ethical decision-making than knowledge of religion (Conroy and Emerson 2004). Extrinsic religiosity is the external manifestation of a religion (Vitell and Paolillo 2003). In the marketing literature, Vitell et al. (2005) found that consumer’s ethical beliefs are determined by intrinsic religiosity but not by extrinsic religiosity. Instead of attributing personal importance to religious practice, individuals high in extrinsic religiosity primarily focus on how their religious practices are judged by other people and tend to view religion as means of providing comfort and support (Vitell et al. 2005). Since extrinsically religious individuals may not be spiritual or committed to religion beyond the appearance of their actions, these individuals may not have strong ethical beliefs. In short, an individual with high degree of extrinsic religiosity might not necessarily be as commited to religion as they might appear to be and, therefore might not be ethically sensitive. Therefore, we explore extrinsic religiosity as it applies to the ethical beliefs of Catholic, Islam, and Christian Protestan consumers and posit as follows:

*H2: Consumers with high extrinsic religiosity refuse unethical behavior in the form of (a) active/illegal benefiting, (b) passive benefiting, (c) active/legal benefiting, and (d) no harm more than do consumers with low intrinsic religiosity.*

Because of the similarity of the Islamic and Christianity codes regarding ethically correct behavior (Saroglou et al, 2004), we posit that increasing intrinsic religiosity results in increasing basic ethical beliefs, regardless of which religion the consumer avowes. However, the connection between intrinsic religiosity and ethical values should differ one main reason. First, Christianity and Islam differ with regard to the situational relatively of ethical principles, as outlined in the distinction between relativism and idealism described by Forsyth (1980).

Moral relativism asserts that all moral standards are related to the culture in which they occurred (Schlenker and Forsyth, 1977). Relativists weigh the circumstances rather than the ethical principles that are violated (Forsyth, 1992). Idealism refers to the extent that an individual focuses on the inherent rightness or wrongness of an action, regardless of the consequences of that action (Swaidan et al., 2003). Forsyth (1980) asserted that idealistic individuals adhere to moral absolutes when making moral decisions. Smith and Quelch (1993) stressed the importance of idealism and relativism as sources of ethical discrepancies among individuals. In addition to exploring the ethics of various groups (e.g., Rawwas et al., 1994; Singhapakdiz et al., 2001; Swaidan et al., 2003), several studies have adopted personal moral philosophies to compare the ethical beliefs of consumers from two or more countries, such as Egypt and the United States (Al-Khatib et al., 1997), Gulf Bay countries (Al-Khatib et al., 2005a), Korea and the United States (Lee and Sirgy, 1999), as well as Malaysia and the United States (Singhapakdi et al., 1999). In addition, several studies have adopted moral ideologies to explore the ethical beliefs of consumers in a country or a culture (e.g., Al-Khatib et al., 1995; Erffmeyer et al., 1999; Kenhove et al., 2001; Rawwas, 1996). The above studies demonstrated that idealism and relativism significantly influence consumer ethical decision making within those countries or cultures. Indonesian consumers are largely Muslims. Islam urges strict compliance with the moral dictates of the Quran: followers of this faith thus tend to be less rather than more relativistic (Abeng, 1997). Islamic culture tendencies suggest that individuals endorse moral philosophies that are more idealistic and less relativistic (Forsyth et al., 2008). According to Forsyth (1980), an individual’s degree of idealism and relativism determines their ethical ideology, as well as identifies four distinct ethical positions, i.e., exceptionism, subjectivism, situationism, and absolutism. Indonesia tends to belong to the absolutist category, higher idealism and lower relativism (Forsyth et al., 2008).

In addition, Weber argued that Protestant societies had a special work ethic which was distinct from non-Protestant societies (Weber, 1985). He named this ethos as the Protestant work ethic (PWE). According to Weber's thesis Protestants are more work-oriented than non-Protestants. He believed that the PWE played an important role in the development of capitalism in the West. Weber explained the role of Calvinism in the development of capitalism through "the spirit of capitalism". He believed that a new morality and its religious framework encouraged hard work and productivity. He, therefore, argued that "the spirit of capitalism" was a feature of Protestant groups. He compared Muslim and Christian societies together in his research projects due to few probing research. Weber (1985) did not argue that a non-Protestant society cannot produce "the spirit of capitalism", rather he emphasised the fact that Catholicism and Islam had not developed such a spirit in their history (Weber, 1985). According to Weber, Islamic societies were not able to produce "the spirit of capitalism" because of the warrior ethic, other-worldly Sufism and oriental despotism. Weber also believed that Catholicism, with its iron Church authority, was an obstacle to the development of religious individualism and, therefore, "the spirit of capitalism" (Weber, 1982). Religious individualism refers to a direct relationship between believer and God or any divine being without existence of a clergy (Turner, 1994). In Weber's thesis religious individualism is one of the important aspects of the PWE and "the spirit of capitalism". According to Turner (1994) Religious individualism was one of the important origins of secular individualism. Arslan’ research (2001) showed that Protestant managers indicated a higher level of PWE than Catholic managers. Furthermore, the higher PWE values of Moslem managers can be explained by their belief system, and political and economical situation in which they work. The negative impacts of Ottoman despotism were minimised through democratic reforms and traditional Sufism were transformed into a kind of entrepreneurial ideology (Arslan, 2001). Islamic way of life forbids certain leisure activities such as gambling, drinking alcohol and dancing.

Based on the above findings, we thus posit the following:

*H3: The connection between intrinsic religiosity and refusal of unethical behavior on the dimensions (a) active/illegal benefiting, (b) passive benefiting, (c) active/legal benefiting, and (d) no harm is moderated by the religious society.*

*H4: The connection between extrinsic religiosity and refusal of unethical behavior on the dimensions (a) active/illegal benefiting, (b) passive benefiting, (c) active/legal benefiting, and (d) no harm is moderated by the religious society.*

H1

H2

H3 H4

High intrinsic religiosity

Consumer ethical beliefs

High extrinsi religiosity

Religious community

Figure 1: Theoritical Framework

**METHODS**

*Sample*

The data have been collected within the scope of studying author at large university in Yogyakarta, the data used this study derived from students business at public university and private universities in Yogyakarta, Indonesia. The selection of specific university was undertaken in pragmatic convenient manner. Using students samples was not deemed in itself to introduce bias, as it has been suggested that within cross-cultural research that students are relatively homogeneous and the students sample enable researchers to control for a rage of moderating factors, such as age, education level, etc (Waller and Polonskuy, 1999). In addition much of the literature examining business ethics and more specifically CES based on consumer ethics, has used student samples (Chan et al., 1998; Rallapalli et al., 1994). In addition, students are consumers and thus at the extreme the sample would be representative of a segment of the wider population. The CES survey instrument was translated from English to the host country language and back translated from the host language to English when necessary, using the original CES instrument to ensure lingusitc consistency. A questionnaire was administered during class to a sample of undergraduate and postgraduate student consumers, there were 256 respondents in total (see Table 1). The response rate was 100%. The majority of the respondents were male (56.6%) and under 25 years of age (74.2 %).

Table 1: Respondent Demographics

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Male=** **145****Female= 111** | **56,6 %****43,4 %** | **Under 25 years of age = 190****26 – 40 years old = 66** | **74,2 %****25,8 %** | **Islam = 115****Protestan = 66****Catholic = 75** | **49,9 %****25,8 %****29,3 %** |
| **Total= 256** | **100%** |  |  |  |  |

*Measures*

The questionnaire consisted of two parts, with the first part consisting of the Muncy and Vitell (1992) consumers’ ethical beliefs scale. The second section included intrinsic and extrinsic religiosity scales.

The dependent construct in the analyses was consumers’ ethical beliefs as measured by the Vitell and Muncy scale (1992). In all, a 19 item scale was used. The respondents were asked to rate each behavior on a 5-point Likert scale from -- ‘‘strongly believe that this is wrong’’ (1) to ‘‘strongly believe that this is not wrong’’ (5). Based on a principal component factors analysis (see Appendix A) with a varimax rotation, 19 items in the consumer ethical scale (CES) and religiosity with a factor loading more than 0.4 were valid from this measure. The original factor labels were retained since the four dimensions produced corresponded to previous studies (e.g., Chan et al 1998; Muncy and Vitell, 1992; Rawwas et al 1994, Swaidan et al 2003). Table 2 lists the Validity and Cronbach’s alpha for all research constructs in the model. Table 3 contains an overview of the results of the descriptive statistics, for both the complete sample and the religion-specific subsamples. Lower values on the scale indicate stronger basic enthical beliefs.

Religiosity as an independent variables was measured by the intrinsic and extrinsic religiousness scales adopted from Allport and Ross (1967) and using 5-point Likert type scales. Slight changes were made in the wording so that the scale would not appear to be measuring any specific religion, but rather a general religious commitment. For example, the wording ‘‘attending house of God’’ was changed to ‘‘attending religious services.’’ The intrinsic scale has 8 items and is exemplified by items such as, ‘‘I try hard to live my life according to my religious beliefs.’’ The extrinsic dimension includes 6 items and is exemplified by items such as, “I go to religious services because it helps me make friends”. Table showed a reliability of them. Table 4 and 5 contain an overview of the results for both the intrinsic and the extrinsic religiosity as well as the respective group mean values in an overview. Higher values indicates a higher level of religiosity.

Table 2: Validity and Reliability Test

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Research Constructs** | **Item** | **Item loading** | **Validity** | **Cronbach’s Alpha** |
| Intrinsic Religiosity | INT1INT2INT3INT4INT5INT6INT7INT8 | 0.6960.5210.5890.8760.7100.8760.7090.664 | ValidValidValidValidValidValidValidValid | 0.858 |
| Extrinsic Religiosity | EXT1EXT2EXT3EXT4EXT5EXT6 | 0.6310.9160.9230.8820.9320.886 | ValidValidValidValidValidValid | 0.955 |
| Actively benefiting from Illegal actions | ABIL1ABIL2ABIL3ABIL4ABIL5ABIL6 | 0.9110.8880.8910.9430.8720.943 | ValidValidValidValidValidValid | 0.966 |
| Passively benefiting from mistakes of sellers | PB1PB2PB3PB4 | 0.8860.8790.8490.904 | ValidValidValidValid | 0.966 |
| Actively benefiting from legal actions | ABL1ABL2ABL3 | 0.8630.7670.688 | ValidValidValid | 0.765 |
| No harm/no foul actions | NH1NH2NH3NH4NH5NH6 | 0.5870.8510.8060.4590.8490.804 | ValidValidValidValidValidValid | 0.844 |

Table 3: Descriptive for consumer ethic scale

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Complete sample** | **Moslems consumer** | **Christians consumer** |
|  | n | Mean | SD | n | Mean | SD | n  | Mean | SD |
| **Active benefiting from illegal (ABIL)** | 256 | 2.49 | 1.34 | 115 | 2.45 | 1.31 | 141 | 2.92 | 1.26 |
| **Passive benefiting (PB)** | 256 | 3.13 | 1.22 | 115 | 3.55 | 1.20 | 141 | 2.78 | 1.25 |
| **No harm (NH)** | 256 | 3.10 | 1.115 | 115 | 3.04 | 1.12 | 141 | 3.13 | 1.105 |
| **Active benefiting from legal (ABL)** | 256 | 1.903 | 0.95 | 115 | 1.9 | 0.98 | 141 | 1.9 | 0.92 |

Table 4: Descriptive statistic for intrinsic religiosity

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Complete sample****(n=256)****Mean (SD)** | **Moslems consumer****(n=115)****Mean (SD)** | **Christians consumer****n=(141)****Mean (SD)** |
| **I enjoy reading about my religion** | 4.09 (0.87) | 4.26 (0.85) | 3.95 (0.86) |
| **It is important for me to spend time in private thought and prayer** | 4.10 (0.93) | 4.27 (0.78) | 3.97 (1.02) |
| **I have often had a strong sense of God’s presence** | 4.62 (0.71) | 4.68 (0.65) | 4.57 (0.75) |
| **I try hard to live all my life according to my religious beliefs** | 4.36 (0.80) | 4.41 (0.75) | 4.32 (0.85) |
| **My religion is important because it answers many questions about the meaning of life** | 4.42 (0.76) | 4.59 (0.67) | 4.28 (0.79) |
| **I would rather join a Bible/Koran group than a House of God group** | 4.35 (0.81) | 4.41 (0.75) | 4.31 (0.85) |
| **My whole approach to life is based on my religion** | 4.23 (0.81) | 4.41 (0.62) | 4.08 (0.91) |
| **Prayers I say when I am alone are as important to me as those I say in House of God** | 4.27 (0.83) | 4.41 (0.67) | 4.15 (0.93) |
| **Mean** | 4.305 (0.815) | 4.43 (0.717) | 4.203 (0.87) |

Table 5: Descriptive statistic for extrinsic religiosity

|  |  |  |  |
| --- | --- | --- | --- |
|  | Complete sample(n=256)Mean (SD) | Moslem (n=115)Mean (SD) | Christiansn=(141)Mean (SD) |
| **I go to religious services because it helps me to make friends** | 2.68 (1.102) | 2.79 (1.09) | 2.62 (1.08) |
| **I pray mainly to gain relief and protection** | 2.19 (0.99) | 2.35 (0.95) | 2.11 (1.02) |
| **What religion offers me the most is comfort in times of trouble and sorrow** | 2.17 (1.02) | 2.30 (0.98) | 2.10 (1.02) |
| **Prayer is for peace and happiness** | 2.23 (1.02) | 2.43 (1.02) | 2.10 (1.00) |
| **I go to religious services mostly to spend time with my friends** | 2.17 (1.01) | 2.32 (0.98) | 2.09 (1.02) |
| **I go to religious services because I enjoy seeing people I know there** | 2.24 (1.02) | 2.44 (1.02) | 2.10 (1.00) |
| **Mean** | 2.28 (1.027) | 2.44 (1.006) | 2.19 (1.023) |

**RESULTS AND DISCUSSION**

The hypotheses tests consisted of two steps. First, hypothesis 1 and 2 test the impact of intrinsic religiosity and extrinsic religiosity on the four dimension of the consumer ethical scale, separately. Therefore, we first tested the used variables for normal distribution. Afterward on the basis of a median spilt (median = 4.38), we set up two groups of test persons with high (n= 145) and low intrinsic religiosity (n= 111). Then, we also set up two groups of test persons with high (n= 131) and low extrinsic religiosity (n=125). Afterward for each of the three dimensions of consumer ethics, we tested if there were significant differences between these shaped groups by using the one factor analysis of variance (ANOVA). Intrinsic religiosity has a significantly positive influence on dimension of ethical consumer behavior, especially active benefiting/legal (*p*= 0.03). Thus, these results offer partially supported H1d was supported (see Table 2).

To examine the moderating influence of religious community on the connection between intrinsic religiosity and consumer behavior ethics (H3), we first conducted a median split for Christians and Moslems separately. We also calculated ANOVAs separately for both religious communities, with regard to the connection between religiosity and consumer behavior ethics. In addition, we conducted a multifactorial variance analysis (MANOVA) to identify potential interaction effects between the independent variables. In Table 4 and 5, we provide the results of our MANOVA carried out to examine the moderating influence of religious community. We do not find a support for H3 and H4.

**CONCLUSION**

Hypothesis 1 is partially supported in one dimension of consumer ethical beliefs (see Table 6), active benefiting from legal. This action represents actively benefiting from questionable actions consists of all actions in which the consumer acts purposefully but the related actions are not necessarily illegal. This might have been because consumers with a high intrinsic religiosity adhere relativism were likely to initiate an illegal activity from which they would benefit. In addition, this finding suggests that consumer exhibit high ethical concerns over deceptive but legal activities. The study is not correspond with the result of Schneider’s research (2011), his study showed consumer with high intrinsic religiosity refuse all of unethical behavior dimension. Regardless of high or low intrinsic religiosity, this may have been because Indonesia adheres to the mottor of *Bhinneka Tunggal Ika* (unity in diversity) which one’s conviction is different from others. A person have a willing to do not only based fully on his religiousness but also based on other reasons. For example, according to Barrett (1992) indicated that certain unethical behaviors are associated with higher levels of materialism. Also, Belk (1988) asserted that a higher level of materialism with an inenvitable loss of a sense of community might make individuals less sensitive to behaviors that might affect others negatively. In collecting possessions (i.e., the major component for achieving happiness), more materialistic consumers might be willing to compromise ethical rules to gain possessions (Ferrel and Gresham, 1985; Richins and Dawson, 1992). In addition, Tang (2002) reports that one’s money ethic has a significant and direct impact on unethical behavior such that he labeled the money ethic as the ‘love of money’ and unethical behavior as ‘evil’ stating that ‘the love of money is the root ofall evil’. These reason may give an additional explanation toward ethical beliefs of consumers in Indonesia for other researchers who have pay attention to this issue.

Table 6: Variance analysis: connection between religiosity and consumer behavior ethics

|  |  |  |
| --- | --- | --- |
|  | **Intrinsic religiosity****Low High****n=111 Mean n=145** | **F *p-value*** |
| **Active Benefiting from Illegal****Passive benefiting****No harm****Active benefiting from legal** | 2.78 | 2.58 | 1.653 | 0.200 |
| 3.17 | 3.09 | 0.297 | 0.586 |
| 3.20 | 3.02 | 3.247 | 0.073 |
| 2.07 | 1.77 | 9.214 | 0.003\* |

\*sig. (alpha=0.05)

Table 7: Variance analysis: connection between religiosity and consumer behavior ethics

|  |  |  |
| --- | --- | --- |
|  | **Extrinsic religiosity****Low High****n=125 Mean n=131** | **F *p-value*** |
| **Active Benefiting from Illegal****Passive benefiting****No harm****Active benefiting from legal** | 2.64 | 2.36 | 3.424 | 0.065 |
| 3.20 | 3.06 | 0.964 | 0.327 |
| 3.09 | 3.10 | 0.002 | 0.968 |
| 1.82 | 1.98 | 2.529 | 1.113 |

Table 8: MANOVA results: influence of religiosity on consumer behavior ethics

|  |  |  |
| --- | --- | --- |
| **Religiosity community x Religiosity** | **Intrinsic religiosity of Moslem consumers****F *p-value*** | **Intrinsic religiosity of Christian consumers****F *p-value*** |
| **Active Benefiting from Illegal****Passive benefiting****No harm****Active benefiting from legal** | 0.405 | 0.668 | 1.537 | 0.219 |
| 0.715 | 0.492 | 0.604 | 0.548 |
| 1.130 | 0.327 | 1.547 | 0.217 |
| 1.031 | 0.360 | 0.989 | 0.375 |
| **Wilk’s lambda (overall)** | 0.682 | 0.707 | 1.162 | 0.323 |

Table 9: MANOVA results: influence of religiosity on consumer behavior ethics

|  |  |  |
| --- | --- | --- |
| **Religiosity community x Religiosity** | **Extrinsic religiosity of Moslem consumers****F *p-value*** | **Extrinsic religiosity of Christian consumers****F *p-value*** |
| **Active Benefiting from Illegal****Passive benefiting****No harm****Active benefiting from legal** | 1.809 | 0.118 | 1.094 | 0.338 |
| 1.008 | 0.417 | 0255 | 0.775 |
| 1.423 | 0.222 | 1.547 | 0.084 |
| 0.964 | 0.444 | 0/574 | 0.565 |
| **Wilk’s lambda (overall)** | 1.123 | 0.324 | 1.090 | 0.370 |

Hypothesis 2 was not supported for all of the consumer ethical beliefs. Extrinsic religiosity does not seem to impact of one’s view as to the ethicalness of any of these consumer practices. This might be explained by the fact that extrinsic religiosity does not involve spirituality, but rather how one’s religion is viewed by others and how it might, perhaps, comfort and support the individual. The results correspond with Vitell et al (2005) findings that consumer ethical beliefs are influenced by extrinsic religiosity (see Table 7).

Hypothesis 3 was not supported for all of the consumer ethical beliefs. That means, no difference between high intrinsic religiosity of Moslems and Christians consumers on consumer ethical beliefs (see Table 8). Regardless of high and low intrinsic religiosity, this intrinsic religiosity is not effect to consumer ethical beliefs. This might be explained by people might be adhere relativism than idealism. Forsyth (1980) said that relativist perspective evaluate facts depending on situational circumstances rather than universal ethical principles. With respect to the religion category, Vitell et al (2005) indicated that intrinsic religiosity was a significant determinant of consumer ethical beliefs; however, this study did not find that Islamic significantly differed from others in terms of ethical beliefs. Hypothesis 4 was not supported for all of the consumer ethical beliefs (see Table 9). There has no difference between high extrinsic religiosity of Moslems and Christians consumer on consumer ethical beliefs. This findings correspond with Vitell et al (2005) that extrinsic religiosity did not influence on consumer ethical beliefs, regardless of high or low one’s extrinsic religiosity.

As with any study, some limitations exist. First, our study includes only Islam and Christianity as religions. The correlations associated with other religious communities remain uncertain. Second, the data was collected in one county, in Jogjakarta. It can be considered to be a representative in general. Third, we acknowledge the possibility that the results may be due to other, unexamined variables, which is a problem generaly faced by every researchers, especially those undertake cross-cultural studies. For example, the sample across religious societies differ in terms of age and gender ratio. Finally, there appear limitations regarding the student sample not least because it is a sample containing students of business studies who might posses specific ethical basic orientations based upon their economic orientation.

The mentioned limitations are at the same time connecting factors for further research work. First, it seems worthwhile to examine additional religious society with regard to the meaning of intrinsic and extrinsic religiosity for the consumer ethics. Second it can be conducted in one county which have more population avowed one religion, for example, in Indonesia, Aceh is the largest Moslem county; Manado (North Sulawesi) is the largest Christianity (Indonesia Buerau, 2010). It gives further researchers an opportunity to expand these results. In addition, future research would be preferable to examine medium intrinsic religiosity as an independent variable, compared to high and low intrinsic religiosity, whether it provides a great understanding about this issue on consumer ethical beliefs or not. It will be interesting for future research. Finally, it would be better if future research was conducted using non-student sample such that it gives distinction result on consumer ethical beliefs.

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