

Designing an ethical decision-making model for consumers in the clothing industry

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Abstract

Identifying consumers' decision-making approaches in every industry is necessary. This study investigates consumers' ethical decision-making approach in the clothing industry. This qualitative exploratory study uses grounded theory and is applied in terms of purpose. The research data were collected using semi-structured interviews with 17 experts, including business management professors and clothing industry activists, who were selected intentionally; the data were analyzed using MaxQDA2020 and the Grounded theory approach. This research identifies six categories. First, strategies that include government policymaking and empowering the business environment. Second, intervening factors include social relations and government policies. Third, consequences include sustainable development in Iran, increasing sellers' and producers' capacities, and enhancing customers' qualitative and quantitative levels. Fourth, contextual factors include individual and environmental factors. Fifth, causal factors include internal and external factors. Sixth, consumers' ethical decision-making includes supporting national production, ethical decision-making approaches, avoiding extravagance and luxury, and applying environmental ethics. All social entities across the country need to pay attention to ethical decision-making to see its reflection in consumers, from the individual level to the government.

Keywords: ethics, ethical decision-making, consumer, garment industry
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1 Introduction

To meet his needs across history, humans have interacted with its internal and environmental limitations and competed with other creatures. Since winning an apparent competition is defined as achieving an intended result, the emergence of Machiavellian behaviors is not surprising. Behaviors not approved by society have increased [3], and social concerns about moral issues have grown significantly [2]. Legal issues increase the complexity because some measures may be legally correct but ethically incorrect [7].

In such a situation, ethics and moral behaviors are undeniable necessities to save humanity from degeneration. Besides individual aspects, ethical compliance also has long-term social effects [20]. Ethics has always been a critical

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issue. However, in recent years, many attitudes and behaviors are related to consumer behaviors, and drastic changes have occurred in lifestyles and consumption patterns, increasing ethics importance [8].

Ethics are reflected in decisions and behaviors, and an area needing decision-making is consumer behavior or ethics-based purchasing decisions [15]. Ethical decision-making is comparing solutions and decision-making based on moral reasoning [22]. Of course, ethics and ethical decisions should not be viewed as a bipolar moral-immoral or black-white spectrum [6]; instead, as fuzzy logic suggests, various matters, including ethics, are relative.

In the last few decades, problems such as consumerism and environmental crises have led to overconsumption and, as a result, research on ethical consumption in business literature [8, 16]. The importance of ethics has led companies to use it in their marketing to gain competitive advantages [11]. Ethical issues significantly affect customers' and consumers' decision-making [18]. Contrary to outdated beliefs [3], all businesses are affected by the ethical decisions of consumers purchasing their goods and services [4]. Behaviors based on consumers' unethical decisions negatively affect the market or the company and harm the consumers themselves [24].

In recent years, extensive research has been carried out on consumers' ethics, including ethical consumption [13], responsible consumption [11], consumers' social responsibility [18], consumption values [4], conscious consumption [19], conscientious and teleological evaluation [23], and other relevant concepts. Despite this extensive research, further research is needed to clear existing ambiguities in this field, including:

1. The great similarity and overlap between the presented concepts have confused students, researchers, and policymakers, so they cannot understand the problem correctly.
2. Most research has analyzed just a specific aspect or variable (i.e., consumption behavior) and a specific consequence (i.e., environment); therefore, they are not comprehensive.
3. Uncontrollable factors such as cultural and political factors are chosen as moderating variables, and their impact on ethics is not considered.
4. There needs to be more qualitative research on the subject. Most studies on ethical consumption, consuming ethics types, and their effects on consumer behavior have employed a quantitative approach to investigate the relationship between variables to prove hypotheses or have reviewed theories scientifically.
5. Adopting a new approach requires examining its consequences or the consequences of the previous trend, which needs to be better investigated in the existing research.

Existing literature was reviewed. Investigating the ethical approaches to consumer decision-making suggested that ethical issues are invisible and perhaps less important business variables significantly affecting consumers' decision-making and emotions and, as a result, affect their decisions [18]. Another study examined ethical consumption concerns and the ethical behavior of consumers. They divided the ethical concerns into three categories: environmental welfare, human-social welfare, and animal welfare. Moreover, they realized that customers affect businesses through product incentive purchases, boycotting companies, voluntary simple living, slow food consumption, and adopting an ethical lifestyle [16]. A study showed that the behavioral dimensions of conscious consumption as an ethical consumption pattern in society include the individual behavior's matching with ethical values, principles, and family's financial affordability; avoiding demonstrative, acquisitive, harmful, and repeated consumption behavior; moderate consumption; focusing on essential purchases; consuming environmentally friendly products, and responsible disposal of goods [9].

An empirical study in Australia examined spiritual well-being, materialism, and consumers' ethics and introduced four areas for spiritual well-being: personal, collective, transcendental, and environmental. They examined the relationship between these four areas and consumers' beliefs, such as the active/illegal dimension, passive/legal dimension, safe/no-fault dimension, and doing well/recycling dimension. They found that spiritual well-being is relevant to consumer ethics, and spirituality is an important factor in consumer behavior at the individual level. Other areas of spiritual well-being are not the same as consumer ethics, and there was a significant negative relationship between materialism and consumer ethics [5].

Karimova et al. investigated the virtue ethics between East and West in consumer behavior and identified 30 dimensions relating to the differences and similarities of ethics between China and ancient Greece [12]. Osburg et al. examined the effect of conflicting values on consumer receptiveness based on ethical information and choices. They found that different consumer values, such as ethical values, affect their attitudes and choices concerning ethical marketing [17].

A cross-cultural research on consumer ethics employed an exploratory approach and compared the consumers in Egypt and Europe. American consumers vary from Egyptian consumers regarding ethics and beliefs regarding various questionable consumption practices and moral ideology priorities. However, both had the same materialistic approach [1].

Tejari et al. examined the role of ethics (idealism) in sports consumers’ behavior and found a significant relationship between idealistic thinking and consumer behavior [21]. Mahdie et al. investigated factors affecting the emergence of ethical behavior in consumers. They found that the psychological factor is the most significant factor affecting consumers’ ethical behaviors, followed by social factors (culture) and religious beliefs [14].

Izadi examined the effect of awareness, emotions, and moral intensity on the intention to buy fake sportswear. They found that increasing consumers’ moral awareness can increase their emotions and moral intensity, and better moral judgment can decrease the intention to buy and consume fake sportswear brands [10].

Hosseini Mahmudi et al. used the phenomenological method to examine consumer ethics and the antecedents and consequences of consumers’ guilt and regret in purchasing decisions. They concluded that conscientious and teleological evaluations are effective individual factors in consumer guilt and regret feelings and affect their behavior [9]. According to the review, the researchers identified existing theoretical and field gaps and used grounded theory to present an ethical decision-making model for consumers in the clothing industry.

2 Method

This exploratory research uses a qualitative approach (grounded theory) and is applied in terms of purpose. The population includes business management professors, producers, sellers, and consumers of the clothing industry. Purposive sampling was used and 17 participants were selected. Theoretical saturation was achieved in 14 interviews. However, the rest three interviews were also performed. Demographic characteristics included gender, age, service history, and education. Moreover, semi-structured interviews were used to collect data. After being implemented and converted into text, these interviews were coded by two analysts (a researcher and an independent analyst) to confirm the analysis validity. The grounded theory and MAXQDA 2020 were used to analyze the interviews.

3 Findings

According to the demographic data, 14 participants were, and the rest were female. Most (8 participants) were 35-45 years old and had a master’s degree or higher (9 participants). The grounded theory was used to design consumers’ ethical decision-making model in the clothing industry. Data analysis included collecting, categorizing, coding, and comparing data. The analysis process included examining the text of comments and interviews, called coding, which enables the identification of categories, characteristics, and dimensions. During the coding process, categories were gradually found and developed using a systematic and standard method in three stages: open, axial, and selective coding. Table 1 summarizes and presents the concepts, categories, subclasses, and main classes based on the grounded theory:

Table 1: Results of open, axial, and selective coding extracted from the interviews

	Open coding	Axial coding	Selective coding
Basic concept	Secondary concept	Subclass	Main class
	Consumer support		
Fight against smuggling			
Labor organization			
Social security	Supporting domestic producers		
Government organizations		Governance politics	
Ethical values institutionalization			
Fighting against Keeping up with the Joneses			
Promoting Iranian products	Cultivation		
The necessity of quality			
Encouraging people to buy from reputable stores			
Replacing synthetic fibers with cotton			
Market segmentation			Strategies
Emphasis on social responsibility			
After sales service			
Emphasis on customer relationship management			
Branding of Iranian products	Understanding and improving the business environment		
Maintaining the products’ quality level		Empowering the business environment	

Responsibility towards customers			
Research and needs assessment			
Sellers' continuous training			
Providing more product variety			
Customer honoring			
Trust building			
Providing complete and accurate information to customers	Customers interaction		
Accurate consumer needs assessment			
Community custom			
Consumers interactions		Social relations	
Advertising products	Cyberspace users		Interfering factors
Multiplicity of rules			
Valuing cultural and social attitudes		Governance politics	
Limitations			
Promoting entrepreneurship			
Improving the cultural and social level			
Providing currency			
Job creation		Sustainable development in Iran	
Economic boom			
Environmental protection			
Strengthening the economic circulation of society			
Reducing import			Consequences
Increasing sales			
Increasing production		Increasing the strength of sellers and producers	
Increasing the seller's income			
Buying products			
Customer perfectionism		Improving the quality and quantity for customers	
Word-of-mouth advertising			
Repurchase			
Customer satisfaction			
Resources limitation			
Society's belief in the quality of domestic/foreign products			
Social classes		Environmental factors	
Economic issues			
Ethnic perspective	Cultural issues		
Education			Contextual factors
Individual's social position			
Job			
Income		Individual factors	
Gender			
Family values			
Religious beliefs			
Targeted advertising			
Polite treatment			
Proper customer guidance	Seller		
Honesty			
Seller's appearance			
Cultural and social associations		External factors	
Family			
Social media			
Cyberspace	Social learning		
Others' expectation or opinion			
Keeping up with the Joneses			
Protecting animals	Rules		
Prohibiting the use of animal skin			
Membership in groups	Identity		
Personal evaluations			
Mental norms	Attitude		
Family culture			
Individual's beliefs			Causal factors
Individual's income			
Individual's political system			
Individual's position among relatives	Individual's social position		
Individual's position in the city			
Individual's position in society			
Individuals' spirits			
Religious values		Intrapersonal factors	
Personal values			

Clothing consistency with personality and place			
Fashion			
Practical view			
Beauty	Life style		
Price			
Quality			
Effect of oral advertising			
Experiences from previous purchases			
Honesty			
Preferring domestic products to foreign products		Supporting national production	
Ethical normative partiality towards domestic products			
Deontology			
Outcome orientation	Normative ethics	Ethical decision making approaches	
Hedonism			
Virtueism			
Society values	Functionalism ethics		Phenomenon-based research: consumer's ethical decision making
Cultural values			
Necessary purchasing		Avoid extravagance and luxury	
Not keeping up with the Joneses			
Refreshing clothes			
Donating to others			
Good use			
Low production and after production pollution		Applied environmental ethics	
Safe to environment			
Using less water to produce the product			
Not using natural skin			

4 Discussion

This research designs an ethical decision-making model for consumers in the clothing industry. Therefore, identified concepts are divided into six main categories:

1. Strategies (government policymaking, empowering the business environment),
2. Intervening factors (social relations, government policies),
3. Consequences (sustainable development in Iran, increasing seller's and producers' capacities, enhancing customers' qualitative and quantitative levels),
4. Contextual factors (individual and environmental factors),
5. Causal factors (internal and external factors), and
6. Consumer's ethical decision-making (supporting national production, ethical decision-making approaches, avoiding extravagance and luxury, applied environmental ethics).

These concepts were combined to present the research's conceptual model and are described in the following.

4.1 Strategies

The strategies used in this research include governance policymaking and empowering the business environment. The former is divided into consumer support, producer support, and culture building. Producer support includes fighting against goods smuggling and measures carried out by Iran Labor, Cooperative and Social Welfare Organization, Iranian Social Security Organization, and other Iranian government organizations. Culturalization means institutionalizing moral values, not keeping up with the Joneses, promoting purchasing Iranian products, improving quality, and encouraging people to buy from reputable stores. The latter is divided into understanding and empowering the business environment and customer interaction. The first one includes the substitution of synthetic fibers with cotton, market segmentation, emphasis on social responsibility, after-sales services, managing communications with customers, branding Iranian products, improving product quality, responsibility towards customers, research and needs assessment, continuous training of sellers, and providing more product variety. The second includes respecting customers, building trust, providing accurate information, and correctly assessing consumers' needs.

4.2 Intervening factors

The intervening factors are divided into social relations and government policies. Social relations include society's customs and cyberspace (i.e., consumer interactions and advertising products). In addition, government policies include the multiplicity of laws, the valuing of cultural and social attitudes, and the limitations that the government faces for various reasons and localizes these limitations, consistent with the results of previous research [9].

4.3 Consequences

Consequences are divided into three main categories: the country's sustainable development, increasing the sellers' and producers' capacities, and improving customer quality and quantity. Sustainable development in Iran includes promoting entrepreneurship, improving the cultural and social level, providing currency, job creation, creating an economic boom, environmental protection, strengthening the economic circulation of society, and reducing imports. Increasing the strength of sellers and producers means increasing sales, production, and seller's income. While providing better quality and quantity for customers means purchasing products (or services), customer perfectionism, word-of-mouth advertising, repurchase, and customer satisfaction, consistent with previous studies [10, 18].

4.4 Contextual factors

The model's contextual factors include mainly environmental and personal factors. Environmental factors include limited resources, society's belief in the quality of domestic/foreign products, social classes, and economic and cultural issues. Individual factors include education, individual's social status, job, income, gender, family values, and religious beliefs, which is consistent with previous research [5, 14, 21].

4.5 Causal factors

The proposed model's causal factors include external and intrapersonal factors. The latter includes identity (group membership), attitude (personal evaluations and mental norms), individual's social status (e.g., family, culture, beliefs, income, political system, relatives, position in the city and community, and attitudes), lifestyle (religious values, personality values, clothing suitability concerning personality and place of use, fashion, practical look, beauty, price, quality, effectiveness of word-of-mouth advertising, previous purchase experiences, and honesty). The former includes seller (targeted advertising, polite treatment, proper customer guidance, honesty, and seller's appearance), social learning (cultural and social associations, family, social media, cyberspace, others' expectation or opinion, keeping up with the Joneses), and rules (protecting animals, and prohibiting the use of animal skin). This finding is consistent with previous research [9, 16, 17, 18].

4.6 Phenomenon-based research: consumer's ethical decision-making

Consumer's ethical decision-making comprises four main categories: supporting national production, ethical decision-making approaches, avoiding extravagance and luxury, and applied environmental ethics. Supporting national production includes preferring domestic products to foreign products and ethical normative partiality towards domestic products. Ethical decision-making approaches include normative ethics (deontology, outcome orientation, hedonism, and virtueism), and functionalism ethics (society values and cultural values). Avoiding extravagance and luxury includes necessary purchasing, not keeping up with the Joneses, refreshing clothes, donating to others, and good use) and applied environmental ethics include low production and after-production pollution, safe to the environment, using less water to produce the product, and not using natural skin. These findings are consistent with previous research [9, 18, 21].

5 Conclusion

The proposed model is presented based on interviews and the grounded theory. The results suggest that increasing individual and group consensus on the necessity of observing ethics and its promotion and facilitation and the more emphasis of governmental and non-governmental institutions and organizations on ethical issues accelerates the realization of their consequences. An outcome could be the development and improvement of the country's quantitative and qualitative economic conditions so that more people could benefit from them.

Ethical considerations

This research referring to previous research has observed the moral principle of scientific trustworthiness and the intellectual right of the authors. Other scientific, ethical principles such as confidentiality and informed consent are observed too.

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