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**A Study on the Ethical
Consumption Gap. -The possibility
of conversion of ethical purchase
intention into behavior-**

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A Study on the Ethical Consumption Gap

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Abstract

The concept of ethical consumption covers broad area and includes various terms such as environmental, health, and well-being. Consumer cooperatives in Korea (hereafter CCK) have been strongly oriented toward pursuing ethical consumption such as labor/worker's rights, fair price, and safe goods, etc. However, purchasing behavior of CCK members is discordant with their recognition for core value of CCK. In the previous researches, such phenomenon is presented as "Ethical Consumption Gap," "Ethical Purchase Attitude Gap," or "Ethical Consumer Paradox." According to these studies, price, lack of information, reliability of information, convenience, ethical attitude and recognition are found to be the factors generating ethical consumption gap. However, these studies have limitations in terms of measuring the intention of purchase, not actual behavior. Therefore, the purpose of this study is to find out the gap between ethical purchasing behavior and the purchase intention of ethical products, and to find out the point to resolve or reduce purchasing gap. We conducted 20 in-depth interviews with the participants who well know about or buy eco-friendly/organic products. The interviews were analyzed in two steps using the GDM(Grounded Delphi Method) method, which combines the Grounded Theory and Delphi. This study will increase more understanding for ethical consumer behavior and provide marketing managers with strategic implication for how to reduce ethical purchasing gaps in the future.

1. Introduction

Over the past decade, ethical consumerism has been extended to a wide range from cultural to social aspects (Carrigan & Attalla, 2001; Crane et al., 2004; Shaw et al., 2000). Reflecting this trend, ethical consumers have become new market segmentation (Crowe & Simon, 2001; Hayes et al., 2007). Especially, consumer Cooperatives of Korea (CCK) pursuing ethical consumption has grown rapidly. CCK has played an important role to provide environment-friendly organic products. During the past three decades, they gradually expand their business with various ethical products from other co-operatives, fair trade organizations and social enterprises.

There are four representative associations of CCK, each named Hansalim, iCOOP, Dure-coop, and Happycoop. The total number of members is about 86 million households, with an annual turnover of 800 billion won (Son et al., 2015). Eco-friendly agricultural products market in Korea, including consumer cooperatives, is expected to be 7,047.49 billion won in 2020, which is equivalent to 20% of the total agricultural market (Kim et al., 2013). Compared with global organic market, organic market in Korea is still at an early stage¹, but it has been expected that there would be a high possibility of rapid growth. It is because the boundary of ethical market is thought to be able to go beyond organic market, including transportation, donation, leisure, and housing, etc. For example, Freestone and McGoldrick (2008) pointed out that ethical shopping carts can be used in a variety of areas ranging from food safety and health to daily supplies, cosmetics, energy, housing, transportation, donation, leisure.

However, the growth rate of ethical market has slowed down, though (Hamm & Gronefeld, 2004). The

¹ According to KOTRA's April 2015 Trend Report, the global market size grew to \$ 88.1 billion in 2015, compared with \$ 59.3 billion in 2010.

reasons of decreasing growth rate are pointed out, and the phenomenon called “attitude-behavior gap” is one of them. This means that although the market share of ethical product is quite big and awareness of ethical product is increasing, the observed real purchase rate of ethical products is behind the level (Carrigan & Attalla 2001; Roberts 1996; Vermeir & Verbeke 2006). One of the examples of attitude-behavior gap is “30:3 syndrome” which means a phenomenon that 30% of consumers have an intention to buy ethical goods, but only 3% of consumers actually buy the ethical goods (Crowe & Simon, 2001).

Studies on ethical consumption gap have been gradually attracting attention since 2000s. These studies based on ethical consumerism were conducted using three theoretical models, such as decision making structure, TPB (Theory of planned behavior), and cognitive model (Fukukawa, 2003). However, These studies were criticized for disregarding the empirical research, and some social psychologists argues that purchase intention directly relate to actual purchasing behavior (Ajzen et al., 2004; Bagozzi, 2000; Carrington et al., 2010; Morwitz et al., 1993; Young et al., 2010).

The purpose of this study is to find out the factors that affect ethical consumption gap, and the conversion level of each gap factor which is the level of gap factor that does not act as a gap, focusing on the part of purchasing behavior during the entire ethical consumption decision-making process. Through in-depth interviews with consumers who buy eco-friendly or organic products, we investigate the factors generating purchasing gap and examine the levels that can be converted into real purchasing behavior.

2. Theoretical background

2.1. Ethical consumption gap

As the ethical consumption is increasingly important, the necessity of empirical research on ethical consumption gap is also increasing because that can provide understanding about real purchasing of ethical consumer. However, the definition of ethical consumption gap is not clear yet. Cone / Roper reports(1999) explained that ‘the gap between attitude and purchasing behavior’ is a phenomenon that actual purchasing rate of consumers who react to social responsibility is only 20%, and Roberts (1996) used the term ‘attitude gap’ in his research. Young et al.(2010) used the expression “value/action gap”. Vermeir and Verbeke(2006) defines an “attitude-behavioral intention gap” as a gap between a sustainable food purchasing behavior and a preferred attitude for sustainable behavior, and Belk et al.(2005) suggested the concept of “intention-behaviors gap”. Carrington et al.(2010) used the expression of ‘the gap between the ethical purchase intentions and actual buying behavior’. In this way, different expressions are used for explaining the phenomena that behaviors do not always correspond to attitudes and intentions. Therefore, a general definition of ethical consumption gap is necessary.

In this study, we define ethical consumption gap as ‘the phenomenon that attitude toward ethical consumption does not lead to actual purchasing behavior in consumer’s ethical consumption decision-making process including recognition, attitude, intention, real purchasing behavior’. Focusing on the factors generating purchasing gap is meaningful to understand attitude and purchasing behavior more specifically by subdividing the whole ethical consumption decision making process. The factors of ethical consumption gap found in the previous researches are; high price, relatively low quality, low reliability and/or the lack of information, lack of accessibility, CSR(corporate social responsibility), busy lifestyle, and so on. However, some researchers suggest that it is difficult to generalize the results of the previous researches because the influence of the factor varies depending on purchase situation, product category, and the characteristics of consumers (Heo, 2011; Carrington

et al., 2014; Hamm and Gronefeld, 2004; Vermeir and Verbeke, 2006). Nevertheless, the increasing number of empirical researches on ethical consumption shows that ethical consumption becomes important research theme (Bray et al., 2011; Carrington et al., 2014; Castaldo et al., 2009; Nicholls, 2002; Nicholls, 2004; Padel and Foster, 2005; Yin et al., 2010; Yong et al., 2010). However, the research about the relationship between intention and behavior of ethical consumption as well as other empirical research about ethical consumption is not enough yet.

2.1.1. attitude-behavior gap of ethical decision-making process

Ethical consumption gap includes the all types of gap occurring in the decision making process. Papaoikonomou et al. (2011) divided decision-making process of ethical consumption into stimulus, knowledge, attitudes, and behavior, and explained the three gaps that occur between each stages as a holistic approach (Figure 1). They named the gaps as 'receiving information', 'processing information and forming attitudes', and 'taking action', and also presented the impeding factors for each gaps.

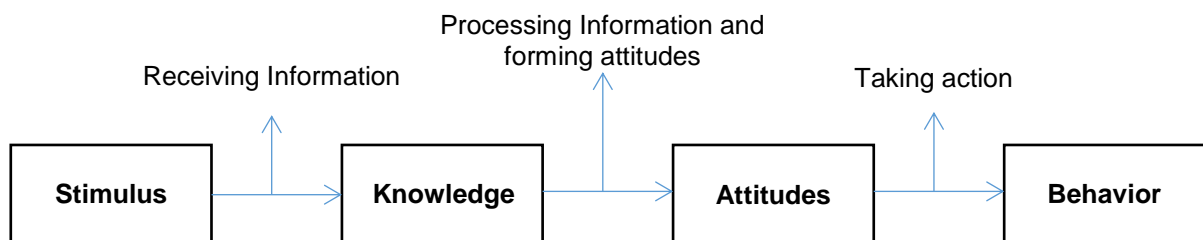


Figure 1. The attitudes-behavior gap in ethical consumer decision making (Papaoikonomou et al., 2011)

The three gaps suggested in Figure 1 are re-segmented into perceive gap, attitude gap, and purchase gap for this study (Table 1). The definition and cause factors from previous research were suggested in Table 1. For example, the “take action” has a similar meaning to the purchase gap which is the main subject of this study.

Among three gaps, we focused on the 'purchase gap'. In consumer behavior theory, it is generally understood that attitudes towards consumption lead to purchase behavior through purchase intention (Ajzen, 1991). However, Carrington et al. (2010) explained that there is an additional step of “implementation intentions” between purchase intention and behavior. The study has an implication of segmenting ethical consumer's decision making process in more detail and conceptualizing, but it is not an empirical research based on real purchasing situation. Therefore, this study focuses on the purchase gap that occurs in real purchase situation in which an ethical consumer encounters rather than the conceptual discussion.

Papaoikonomou et al.(2011)	Operational definition	Description	Cause factors
Receiving information gap	Perceive gap	The process of the primary stimulus becomes knowledge in ethical consumer decision making	insufficient information (or excessive information), confusion information (as reliability, imbalance), negative information of corporation
Processing information and forming attitudes	Attitude gap	The process of the knowledge becomes attitude in ethical consumer decision making	skeptical attitude of CSR, relativity of ethics, consequences of consumer action, favorite company (or brand)
Taking action gap	Purchase gap	The process of the attitude becomes behavior in ethical consumer decision making	<external> inefficient ethical product alternatives, high price,
			<internal> Lack of time, first purchasing experience(as price, quality), unavoidable compromise in everyday life, slow process of change to adopt ethical consumer habits

Table1. Classification of gap section

2.1.2. Ethical consumption purchase gap

There are several empirical researches dealing with the ethical consumption purchase gap; the studies comparing the intention to pay a premium between organic food buyers and non-purchasers (Padel and Foster, 2005), analyzing factors that influence attitudes and behavior intention (Vermeir and Verbeke, 2006), and finding impeding factors of organic food purchasing behavior (Hughner et al., 2007). These preceding researches describe prices, quality, diversity of products, purchase accessibility etc. as ethical purchase gap factors related to products. In particular, many of them are concerned with price. For example, Padel and Foster (2005) revealed that the high price of ethical product has different impacts on those who purchase organic foods from those who do not purchase, and confirmed how WTP (Willingness To Pay) for the product changes as well. Young et al. (2010) considered that the price has the greatest influence on the consumers of eco-friendly electronics.

In case of organic food, various different factors other than price are suggested, such as 'bad taste', 'inferior quality', 'lack of diversity of products', 'lack of retail store', and 'difficulty of labeling', etc. Based on the gap factors presented in the preceding researches, we organized the purchase gap factors as shown in Table 2.

Purchase gap factor	Factor description	Previous search
Price	eco-friendly, organic, fair trade products are expensive more	Nicholls(2002; 2004), Yong et al.(2010), Carrington et al.(2014)
Low purchase accessibility	lack of retail stores	Yin et al.(2010), Vermeir and Verbeke(2006), Padel and Foster(2005), De Pelsmacker et al.(2005)
Confusion information	Insufficient information(as product information, advertising) → difficult to recognize or choice for products	Davies et al.(2012), Castaldo et al.(2009), Bray et al.(2009)
	Excessive information → verification trust or difficult to distinction (ex. various label)	
Low competitiveness of product	Quality is lower than regular products (ex. Taste, fresh, service)	Vermeir and Verbeke(2006), Nicholls(2002; 2004)

Table 2. Purchase gap factors of primary researches

As seen in Table 2, it is clear that the awareness and purchasing intention of ethical consumer do not match with their actual buying. Based on this phenomenon, the specific research questions of this study are drawn as follows (see Fig. 3).

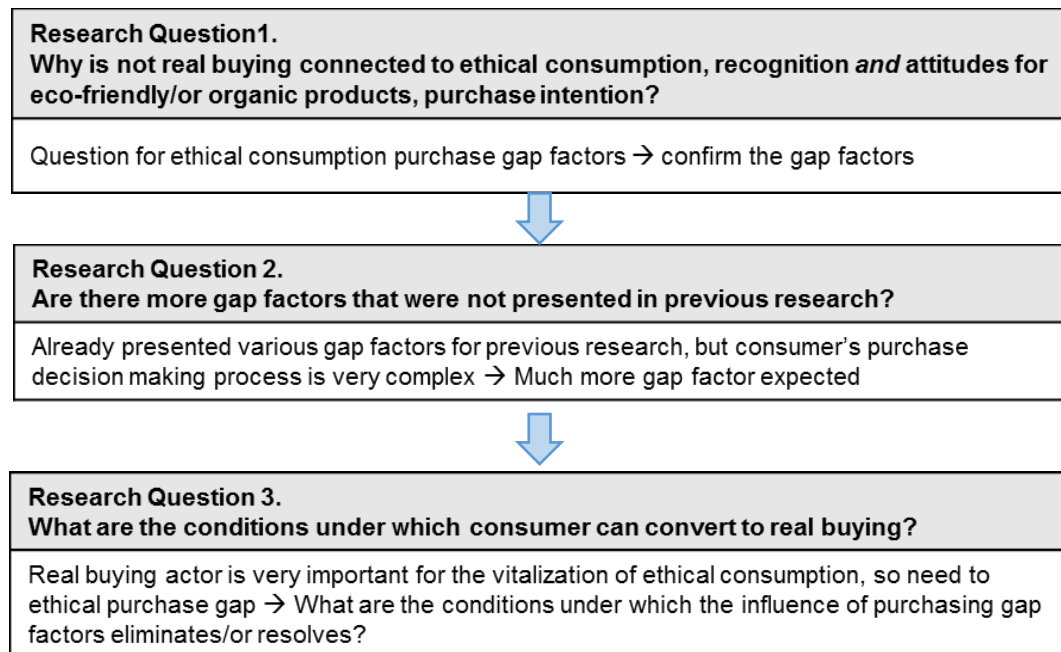


Figure 2. Research Questions

In this study, we tried to find out ethical consumption purchase gap factors and to figure out the conditions that the influence of the purchase gap factors could be eliminated. This could be a meaningful alternative to reduce the gap between consumer's attitude towards ethical purchase and real buying.

3. Methodology

In this study, we used a qualitative method to understand the complex purchase decision-making process that reflects individual characteristics. The area of "ethical consumption" tends to have no generalized theoretical basis or analyzed studies. Since it is impossible to describe the present situation and experience without a specific theoretical system, researchers using qualitative method try to describe and interpret phenomena based on the theory chosen (Kim, 2005). Therefore we decided to use qualitative research method because it is suitable to analyze and define the issues of ethical consumption by exploring people's real experiences of "ethical consumption gap".

3.1. Participant Selection criteria and profile

With a maximum variation sampling method², general consumers who have basic recognition of eco-friendly/organic products are selected. Referring to existing survey reports³ to consider the criteria for selecting research participants, we listed up the criteria for participants. Then, pilot interviews with 5 participants were conducted to apply these criteria to acquire validity of selection. Thus, we chose 20 housewives as participants whose ages are thirties and forties with young children, and all of them have experience to purchase eco-friendly/organic products. According to the usage rate of eco-friendly/organic product, 20 participants are composed of as follows; eight of them show high purchasing rates (real purchasing rate 70%~90%), three with normal purchasing rates (real purchasing rate 40%~50%), seven with low purchasing rates (less than 20%), and two with recognition of eco-friendly/organic product but rare usage (Table 3).

	Participant	Age	Brand to buy for eco-friendly/or organic products	Purchasing rate for eco-friendly/organic products
1	A	30s	iCOOP*, Hansalim*	90%
2	B	30s	Orga**, Choroc village	10%
3	C	30s	Hansalim*, Mugonghae's	20%
4	D	30s	iCOOP*, Hansalim*, Dure-coop*	90%
5	E	30s	iCOOP*, Hansalim*	80%
6	F	30s	Woori COOP, Hansalim*, iherb shop	80%
7	G	30s	Hello nature, Choroc-village, Hansalim*, iherb-shop	50%
8	H	30s	Choroc-village, Dure-coop*, with nature	50%
9	I	30s	iCOOP*, Hansalim*, Happy-coop*, Market Kurly, Chamgerea farmer market, Danong shop, EM-green	90%
10	J	40s	Hanaro mart, Traditional market of Korea	Rarely buy
11	K	40s	iCOOP*	5%

² By selecting as many cases as possible in the sample, maximum variation sampling not only describes the character displayed in each case, but also finds common topics or results (Kim, 2005).

³ We referred to following two reports; '2015 iCOOP KOREA Members' Consumption Pattern and Attitude Survey' (SON and LEE, 2016) and 'Consumption trend research materials' (Trend monitor, 2015)

12	L	30s	Organic part in Lotte mart , Choroc village	10%
13	M	40s	Organic part in market(as E-mart, Lotter mart) , local food part in Hanaro mart, Hansalim*	20%
14	N	30s	iCOOP*, Orga**, Choroc village	70%
15	O	30s	Happy-coop*, Choroc village	40%
16	P	30s	iCOOP*, Choroc village	10%
17	Q	30s	There is no preferred place to buy	Rarely buy
18	R	40s	Hansalim*, Dure-coop*, Happy-coop*	90%
19	S	40s	Choroc village, deal directly with farm	10%
20	T	30s	iCOOP*	90%

* A consumer cooperative organization

** Olga: Premium level store

Table 3. Profiles of Participants

3.2. Interview method and question composition

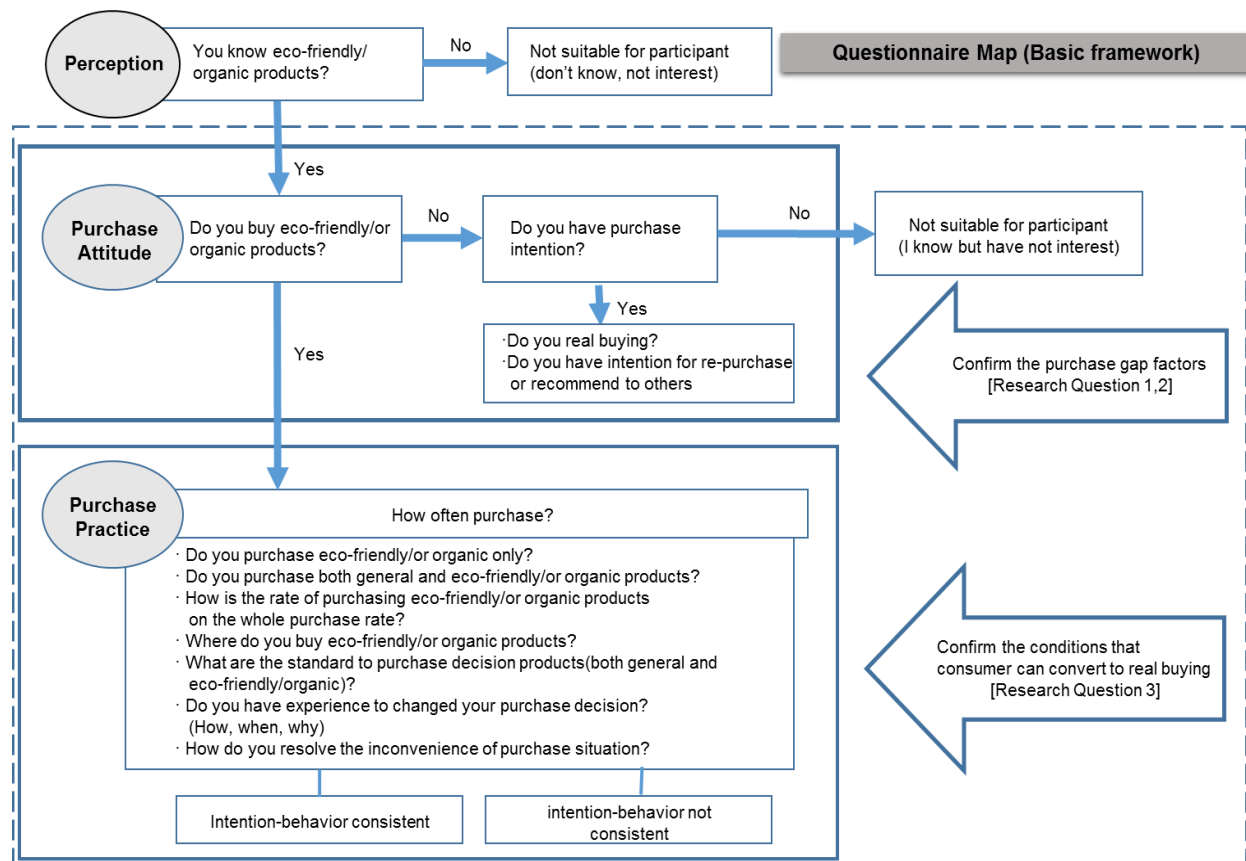


Figure 3. Research Question Map

We used the semi-structured interview method. To achieve the purpose of finding gap factors in real purchase situation, we set basic frame for questioning before interview (see FIG. 4). Through this arranged 'question map', we tried to figure out gap factors by questions related to perception, attitude

toward purchase and purchasing practice on ethical products. Then, after three main questioning, in-depth interview was followed with free questions to find the conditions where the gap factors can be removed.

3.3. Method of analysis

Grounded Delphi Method (hereafter GDM) was used for data analysis. GDM is the analysis model combining grounded theory and Delphi (Päivärinta et al., 2011). Grounded theory has an accurate axial coding analysis procedure supporting abundant theoretical sampling and interpretive perspective. Delphi method has the advantage of establishing relationships between issues based on the acceptance of opinion experts group. GDM is a method integrating the advantages of two theories.

The reasons why we apply GDM to this study are as follows. First, we needed a more accurate method to analyze the gap factors extracted from interview materials. Second, we thought that Delphi method is suitable to refer to experts' opinion in the specific area of 'ethical consumption gap'. Third, another advantage of GDM is mutually complementary relationship between Delphi and grounded theory. The critical point of the Grounded theory (researcher's theoretical sensitivity, reliability of coding analysis) is complemented by the advantages of Delphi (expert opinion acceptance process). The weakness of Delphi (the bias of expert groups) is complemented by the advantage of Grounded theory (accurate coding procedure). We considered that this feature is also appropriate with the direction of data analysis (See Figure. 5).

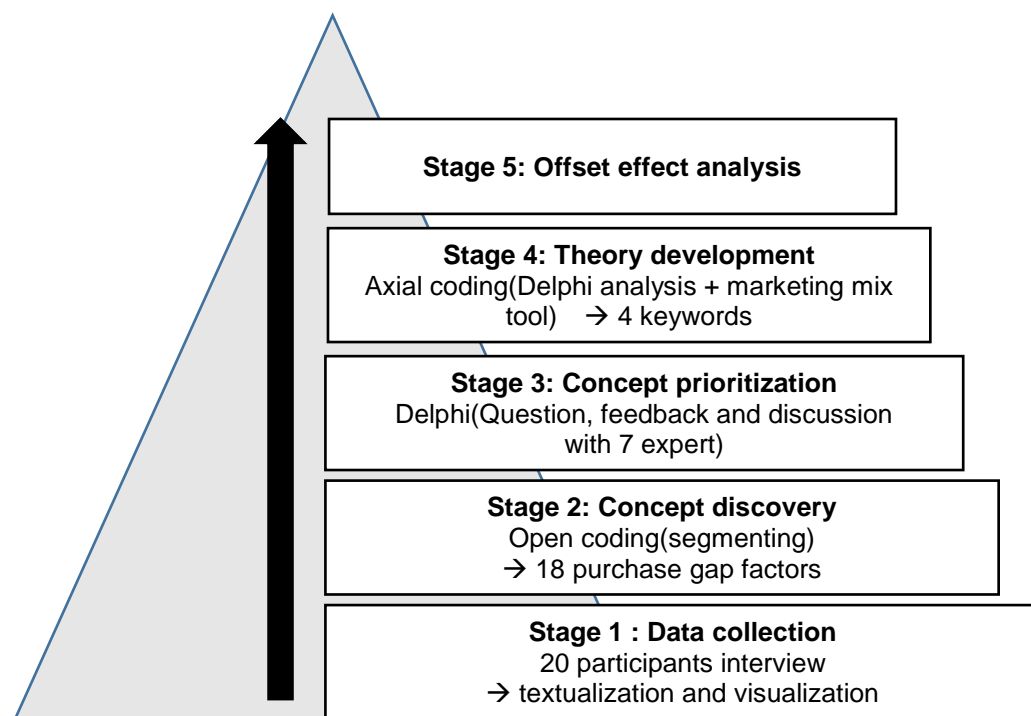


Figure 4. Analysis Pyramid of this study

We transformed and applied the 5 stage analysis frame of Päivärinta and Moe (2011) to this study. At the first stage, we collected interview data based on grounded theory without using Delphi method. Both Delphi method and grounded theory were applied to stage 2 to stage 4. 18 gap factors were found by open coding using mind map (stage 2), and they were shown to the panel experts for categorization (stage 3). Given their opinion, 18 gap factors were categorized into four categories of marketing mix tool (stage 4). Finally, the counterbalancing effect between categories was explained (stage 5).

4. Data Analysis

4.1 First Step Analysis: Identifying gap factors of ethical consumption purchase

4.1.1 Gap factors of ethical consumption purchase

4.1.1 Gap factors of ethical consumption purchase

In accordance with open coding procedure (Strauss and Corbin, 1998; Creswell 2013), the textualized interview data were categorized. The mind map was applied in two stages for primary coding. In first step, we arranged the segmented data for each interviewee. For the next step, the arranged mind maps were reconstructed focusing on purchase disturbing elements. Regarding the properties of the elements, we discovered 18 concepts as gap factors of ethical consumption, and named for each of them as seen in Table 4 (primary coding).

	Gap factor	N	Rate (N/20)		Gap factor	N	rate (N/20)
A	High price	17	85%	J	Lack of time	5	25%
B	Low accessibility	13	65%	K	Lack of information	4	20%
C	Bad taste	10	50%	L	Lack of inventory	4	20%
D	Lack of product diversity	7	35%	M	Doubt for trust	3	15%
E	Additional cost	6	30%	N	additives more than expected	2	10%
F	Low quality	6	30%	O	Product weight	2	10%
G	System problem	6	30%	P	Shopping convenience	2	10%
H	Unkindness of employee	5	25%	Q	Discomfort to use	2	10%
I	Unfamiliar atmosphere	5	25%	R	Don't know recipe	1	5%

Table 4. 18 ethical consumption purchase gap factors

a. High price

There are several researches which insist that high price serves as an ethical consumption purchase gap (Bray et al.,2010; Carrington et al.,2014; Nicholls, 2002;2004; Padel and Foster, 2005; Young et al.,2010). The participants of this study also associated with 'high price' when they remind eco-friendly/organic products.

"I feel hard to approach to 'organic' or 'eco-friendly' things because of its high price."

– Participant S –

"It's expensive because it's organic. People believe that those products are expensive pesticide-free or HACCP label." – Participant B –

b. Low accessibility

This factor is also presented as a disturbing element of ethical consumption in the previous researches (Vermeir and Verbeke, 2005 ; De Pelsmacker et al., 2005). We could find the gap factor from the interviews as well.

"There are not many organic store. It hard to go without a car."

– Participant N –

c. A bad taste

The participants said that the taste of organic food is not as good as ordinary food or even worse. Some said they gave up repurchasing organic food due to the unsatisfied taste.

"If the taste is bad, I couldn't eat them even though they are organic. One time, I returned a watermelon. My family doesn't want to eat them, so I have to buy those products from another store." – Participant B –

Above these three factors, there are other gap factors as below.

- d. Lack of diversity: A few kinds of products. Not many options to choose.
- e. Additional cost: the cost besides the price of product. (e.g. Monthly membership fee)
- f. Low quality: low consistency of quality and freshness
- g. Systemic problem: unfamiliar order system (impossible to cancel, pre-order product only)
- h. Unkind employee: inconsiderate and closed attitude
- i. Unfamiliar atmosphere: uncomfortable and messy environment
- j. Lack of time: not enough time to search information
- k. Lack of information: not enough information about eco-friendly/organic products (brand, product information, eco-friendly/organic label, etc.)
- l. Lack of stock: empty stand or discontinuance of supply without specific reason
- m. Doubt about reliability: anxiety. Not sure of whether the product is real organic or not.
- n. Unexpected additives: feeling of being deceived
- o. Weight of product: no option for small weight.
- p. Shopping convenience: impossible for one-stop shopping (insufficient parking and shopping facilities)
- q. Inconvenience to use: unfamiliar with eco-friendly/organic products
- r. Ignorance of recipe: unfamiliar with not cleaned or unseen food ingredients.

We reconfirmed the gap factors discovered in the previous researches such as price, accessibility, information, and product related factors. However, we additionally found 9 new factors from interviews; additional cost, systemic problem, unkind employee, unfamiliar atmosphere, lack of stock, doubt about reliability, unexpected additives, shopping convenience, and inconvenience to use.

4.1.2. Categorization

To categorize 18 gap factors discovered by open coding, we asked a panel of experts to freely categorize these factors. Checking the panel division, we found that some factors are grouped. The traits emerged from these factors tended to correspond to marketing mix tool. Thus we adjusted the opinion from the panel by several feedback processes applying marketing mix tool. As a result, the 18 gap factors are categorized into four groups. The four categories are named as 'price sensitivity', 'convenience for purchase and accessibility', 'quality perception', and 'information/reliability' with reference to '4C' to empathize the value of social economy (see Figure. 5).

Marketing mix tool(4C)	Categories	Included gap factors
C1 (Customer benefit/value)	Perception of quality and service	c. Bad taste / d. Lack of diversity / f. Low quality / h. Unkind of employee / i. Unfamiliar atmosphere / n. Unexpected additives / o. Weight of product / q. Inconvenience to use
C2 (Cost to customer)	Price sensibility	a. High price / e. Additional cost
C3 (Convenience)	Convenience for purchase and accessibility	b. Low accessibility/ g. Systemic problem / j. Lack of time / l. Lack of stock / p. Shopping convenience
C4 (Communication)	Information and trust	k. Lack of information / m. Doubt about reliability / r. Ignorance of recipe

Table 5. 4 categories with marketing mix tool

'Perception of quality and service' category presents the properties related to the level of products and service quality that consumer experiences, and their traits for benefit. Among 18 gap factors, 8 factors are included in this category; bad taste, lack of product diversity, low quality, unkind employee, unfamiliar atmosphere, unexpected additives, and weight of product and discomfort to use. 'Price sensitivity' category represents the properties of factors related to price of product or burden on consumers (return, problem solving, maintenance, etc.). 'Price' and 'additional cost' factors are included. 'Convenience for purchase and accessibility' category is related to the factors associated with physical accessibility and consumer's convenience to purchase ethical products. Low accessibility (distance to the store), systemic problem, lack of time, lack of inventory and shopping convenience factors belong to this keyword. 'Information and trust' category means information delivery and verification of the product's social value and trustworthiness. Lack of information, doubt for trust and unawareness of recipe factors among 18 factors are included.

4.2 Second step analysis: The possibility to convert purchase intention into purchasing behavior of ethical product

4.2.1 The possibility of intention-behavior conversion for each gap factor

We drew 18 gap factors from 20 participants. Based on the interview data, we figured out the conditions under which the gap can be resolved and the possibility to convert consumer's attitude toward purchase into actual buying (see Table 6.). In some factors, such as price, we could find specific condition of attitude-behavior conversion.

Purchase gap factor	Condition to turn into real buying	Additional findings
a. High price	·WTP to premium: 120%~150%(average), MAX 200% and less	They think that it is not expensive if they purchase only the necessary quantity.
b. Low accessibility j. Lack of time k. Lack of information	·To go to the store, take 15minutes(or more) by car or it is near to public transportation station ·'j. Lack of Information' and 'k. lack of time' were not found conditions that individuals could solve	·Avoid the store too close to go by car ·'j. Lack of information' relates to the 'k. Lack of time' required to collect information
c. Bad taste	·Ingredient that make taste better (ex. meats, vegetables) ·If there is a perception that flavor is getting better than before	·It is not a problem that consumers can solve themselves (ex. Family do not favor)

d. Lack of diversity l. Lack of stock	·If there is a perception that the category of products are becoming increasingly diverse	·Some participants(high purchasing rate) solved the problems by using several stores (two or more)
e. Additional cost	·When the perception of additional cost is reduced momentarily (ex. Event for new member, the benefits of point)	·The effect does not last long, eventually withdraw the membership
f. Low quality	·Agricultural products (including marine, forest) are not a problem (understand, endure) ·Manufactured foods and industrial products should be maintained the same quality and supply	·They have a positive response to ethical products but low quality of goods was pointed out a lot than expected
g. Systemic problem h. Unkind employee	·These factors are only for participants with low purchase ratios ·When unfamiliar order method and the description of products are complemented	·Participants with high purchase ratios are not a problem (understand, endure, already familiar)
i. Unfamiliar atmosphere p. Shopping convenience	·In a comfortable and clean atmosphere ·When parking and delivery services are available	·If these factors are resolved, the probability of re-purchase will be much higher
m. Doubt about reliability n. Unexpected additives	·It is very important to maintain reliability ·Need to provide additional and accurate information to refute negative information	·Maintaining the trust of products, including ethical values, is even more important than the trust building
o. Weight of product	Not found the condition to turn into real buying	·Some of big units will eventually throw away, therefore need a small weight of unit
q. Inconvenience to use r. Ignorance of recipe	·Need to provide more information (ex. detailed description of the product, how to use it, etc.)	·Unfamiliar ethical products require more time and effort to consumers (ex. Slowly changing habits, new products to the consumers)

Table 6. The condition level of convert to purchase behavior

4.2.2 Counterbalancing effects between categories

In the process of analysis, we found counterbalancing relationships between these categories. The meaning of 'counterbalance' is to 'neutralize or cancel by exerting an opposite influence'. There are various researches presenting counterbalancing effect between service quality and customer satisfaction (Cho and Kang, 2008; Heskett et al., 1990; Zeithaml, 1988; Lee and Ulgado, 1997; Ettinger, 1998; Cronin et al., 1997). In this study, counterbalancing effects between categories are revealed as well (Figure. 5).

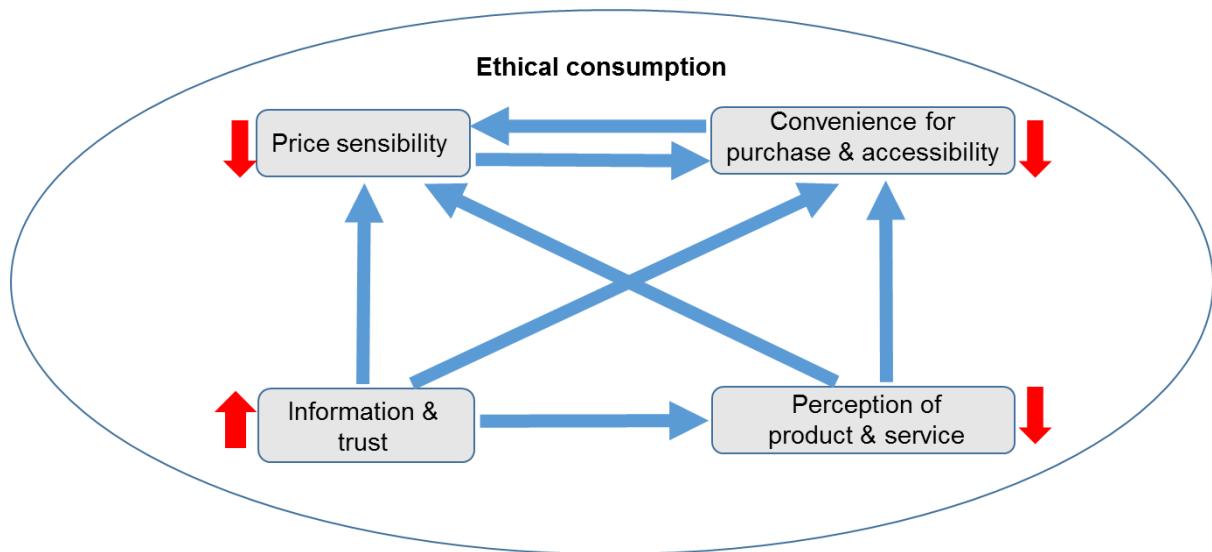


Figure 5. Counterbalancing effect between 4 categories

4.2.2.1 Counterbalancing effect to 'Perception of quality and service' category

It is shown that low perception of quality and service is only counterbalanced by information and trust category. If the ethical consumers have a lot of information or high level of trust in the value of ethical products or services, they tend to understand low quality and continue to purchase.

[Cases: When high trust counterbalances to low quality perception]

"The taste of organic food is not familiar. But I think it's getting better than before. They are trying to make better taste with minimum food additives." – Participant H -

"In case of agricultural products, the quality is changed according to the climate and weather. Sometimes, too small sizes of vegetables are sold but same price. But I tend to buy them with understanding the reasons." – Participant D -

"The store of consumer coop is a little bit messy. This makes an amateurish image. The staffs seem unkind to consumers and are not active to promote new products. At the first time, I feel awkward for that. But now, it doesn't matter. When many people buy the products from this store more and more, farmers and consumers can live together well. Isn't that the most important thing?" – Participant N -

4.2.2.2 Counterbalancing effect to 'price sensitivity' category

High price sensitivity that prevents ethical buying is counterbalanced by other three categories. The higher accessibility and more convenient, the higher perception of quality and service, and the higher information and trust, the lower the price sensitivity is. Especially, in terms of perception of quality and service, consumers tend to afford twice more of maximum WTP when the products are fresh or of superior quality.

[Cases: When high accessibility counterbalances to 'high price sensitivity']

"I think the price is quite high, but if the store is near or if I can order the products by phone call and deliver them home, I will use the store immediately." - Participant K -

"Olga is very expensive. However, it's easy to park and one-stop shopping is possible, so I go there often." - Participant B -

[Cases: When high perception of quality and service counterbalances to high price sensitivity]

"I usually buy citron marmalade directly from producer for my mother. The ingredients are almost 100% pure citron without any additives. It costs twice more than the product sold in supermarket, but the taste is definitely better." - Participant S -

"I think organic is good, but I don't know the remarkable difference between pesticide-free things and the organic even though the organic is much more expensive than pesticide-free things. But when I perceive the quality of organic products as superior, I have willing to pay for them 10% more than pesticide-free things." - Participant I -

[Cases: When high level of information and trust counterbalance to high price sensitivity]

"I used to buy detergent and tooth paste at the consumer coop. But recently, I got to know a new toothpaste brand and switched to it. It is made by social enterprise, and they reveal the producing process and all other information. Though it's little expensive and not a coop product, but I am using it because I can trust it." - Participant H -

"I almost use the products from consumer coop except clothes. At first I regard to buy safe food only, but later, I got to know the farmers could be paid a fair price for their labor if I buy the products." - Participant R -

4.2.2.3 Counterbalancing effect to convenience for purchase and accessibility category

Convenience for purchase and accessibility category includes the gap factors of low accessibility, systemic problem, lack of time, lack of stock, and shopping convenience. This category is also counterbalanced by other three categories. The lower price sensitivity, the higher perception of quality and service, and the higher information and trust, the higher willingness to endure inconvenience is. Regarding information and trust category, we could find the consumer's high trust in food safety and recognition of ethics in supply system.

[Cases: When low price sensitivity counterbalances to low convenience for purchase and accessibility]

"Direct distribution is very inconvenient. I have to search by myself and cannot choose various amount options. In some case, I have to go pick products due to no delivery system. So I gathered several people like me to buy vegetables. We buy them in a bulk or boxes and share. This lower the price burden." - Participant S -

"Olga has fast delivery system and more convenient order system than others. Its homepage is even tidy. But it's quite expensive. So I usually go to the coop store 20 minute away by car" - Participant N -

[Cases: When high quality perception counterbalance to low accessibility and convenience for purchase]

"Hansalim store is far from my house. But I know vegetables are very fresh and good, so I just keep buying the products there" - Participant G -

"I have to visit more than two store every month even though I am busy and uncomfortable to go multiple stores" - Participant H -

[Cases: When enough information and high trust level counterbalance to low accessibility and convenience for purchase]

"I have memberships of three different co-operatives. The shortage of products at the coop store is quite often. That's not comfortable, but I understand that. It's because their products are reliable. I believe it" - Participant D -

"I'm very interested in environmental issues. It is directly connected with health. But

now I know it's closely related to the labors' right to live, as well as environmental problem. So I use consumer coop as possible as I can rather than Olga or Chorocmaeul whose delivery is fast and stores are near.”
- Participant N -

4.2.2.4 Counterbalancing effect to information and trust

This category counterbalances opposite influence of other three categories. However, we cannot find any counterbalancing effect to low level of information and trust.

“Even it's very small difference, I think it's good to consider the better food for family. Eco-friendly/organic store is good to buy without worries about ingredients, radioactivity, and/or so forth.”
- Participant A -

“I prefer seasonal food, so I use consumer cooperative. I can trust them. Of course it's inconvenient and sometimes my complaints are solved. But I understand. If the stock is not enough, I can find alternatives. I started to use the coop store for my kids, I will continue to use it after they are grown up.”
- Participants D -

“In some products, certain additives have to be contained inevitably. I have come to trust that the taste can be improved without any additives due to technical development. If I wait and see those processes, I will be able to buy better organic products in the future.”
- Participant R -

As seen the result of counterbalancing effect analysis, price sensibility, perception of quality and service, and convenience for purchase and accessibility categories are counterbalanced by the influence of other categories. Information and trust category, especially, has a counterbalancing effect to all other three categories. On the other hand, it is notable that any other categories don't have a counterbalancing effect to information and trust category. It means that information and trust can be served as an important prerequisite to form attitude toward ethical consumption. Once purchasing intention for ethical products formed, consumers would gladly endure high price or cost, inconvenience and low quality. We can explain this phenomenon in terms of ethical consumption. That is, information and trust have a crucial influence to ethical consumption compared with general products. Thus, when the level of information and trust is high, gap factors in other categories are more likely to be converted into behavior.

5. Discussion and Implication

Ethical consumption emphasizes ethical values in consuming process and their contents. However, no matter how the ethical value is significant and positive, the inferior quality of the ethical product to consumer's expectation hinders actual buying (Boulstridge & Carrigan, 2000). It is reaffirmed in this study. Nevertheless, ethical value is still a core that makes a difference from well-being or luxurious consumption which regards individual preference and satisfaction. The participants of this study mentioned in common 'the value of product' as something 'beneficial for health', 'friendly to environment', and 'paid fair price'. Ethical consumers use their time and money for the valuable products and realize the value by actual purchasing. Thus, it is important to make ethical consumption settled in a natural and daily routine for vitalizing ethical consumption market and spreading the value.

In this context, this study tried to make contributes to the research area of ethical consumption. First, this study is an empirical research interviewing consumers who purchase eco-friendly/organic products. Especially, we focused on discovering gap between attitude toward purchase and actual buying as a part of whole decision making process. Through qualitative method, we tried to make closer approach to real phenomena, and this could help to understand ethical consumer's behavior. Second, we used more systemic and reliable method to analyze data. GDM we used has advantages of increasing validity and reliability of qualitative analysis. Also, applying marketing mix tool for categorization could support the validity of the result. Third, by suggesting the conditions promoting ethical purchasing behavior, we could contribute to expand market for ethical consumption and social economy. The conditions would be a basis for a specific guide to promote actual ethical purchase.

Fourth, the discovery of counterbalancing effect between categories implies that the disturbing effect of gap factors can be reduced or removed by trade-off between them. This relationship would provide some strategic implications for practitioners who deal with ethical products.

The limitations of this study are as follows. Above all, we concentrated on external gap factors among numerous variables which affect ethical consumption decision making. In addition, it is hard to generalize because the number of participants is quite small and the geographical context is limited to South Korea. Lastly, we considered only eco-friendly/organic product consumption among various area related to ethical consumption.

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