



## CONSUMER-BRAND RELATIONSHIPS UNDER THE EFFECT OF CONSUMER DISHONEST BEHAVIOR

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### ABSTRACT

**Purpose-** This study aims to investigate the relationship between consumers' feeling of befooled and their relationship with the brand. It argues that when consumers react back to the wrongdoing brand by behaving dishonestly, they feel guilty so that they need to compensate for the post feelings of guilt by establishing stronger relationships with the brand.

**Methodology-** This paper adopts a 2 (befooled) X 2 (ambiguity) factorial experimental design and moderated mediation (Hayes' (2013) PROCESS macro) to test causal relationships. It conveniently gathers 257 responses via Amazon Mechanical Turk (MTurk).

**Findings-** This study reveals that when a brand does wrong to its customers, they engage in punitive behaviors. However, post feelings of guilty turn their brand attachment into positive and repair their commitment. Moreover, situational ambiguity nurtures consumers' dishonesty and hence increases feelings of guilt, which work in favor of consumer-brand relationship reparation.

**Conclusion-** Overall, this paper reveals that negative instances may lead to repairing consequences for the consumer-brand relationships.

**Keywords:** Dishonest behavior, guilt, consumer-brand relationship, ambiguity, moderated mediation

**JEL Codes:** M31, D91, C90

## 1. INTRODUCTION

In addition to functional benefits of brands, consumers care about relational aspects of brands (Fournier, 2009) along with the emotional makeup of brand relationships (Ahuvia, 2005; Thomson, MacInnis, and Park, 2005). Consumers engage in a relationship with a brand as they would do with a person (Park, Kim, and Kim, 2002). Similar to human relationships, consumer and brand actions mutually determine the consumer-brand relationship quality (Fournier, 1998). As Rusbult's (1980) investment model of commitment implies people are more likely to stay in relationships when they have made considerable investments such as time, effort, emotion, and money. Even their partners betrayed them, people have a tendency to tolerate the betrayal and forgive their partners on the basis of reward/cost calculation. In other words, as long as rewards of the relationship are greater than the costs for the people in the relationship; individuals tend to make an exception. (Ferrara, 2002). Similarly, if consumers are involved in affective and social relationships with brands, they are more likely to show greater tolerance for the failures of these brands (Berry, 1995). In other words, prior positive brand experiences have a buffering effect on poor service with regard to consumers' commitment and trust toward brands (Tax, Brown, and Chandrashekar, 1998). Accordingly, as brands, building and maintaining our relationships as strong as possible with our customers is important, especially for achieving sustainable and profitable businesses in competitive market conditions.

Since consumer-brand relationships are dynamic and interdependent (Fournier, 2009), some variations in consumer, brand, and situational factors may influence the evolution of relationships or pave the way for a breakdown of relationships. According to Aaker, Fournier, and Brasel (2004), the commission of a transgression has a place among these factors. Transgression refers to a violation of the implicit or explicit rules guiding relationship performance and its evaluation (Metts, 1994), and it distinguishes from other factors with its determinant influence on consumer-brand relationships (Aaker, Fournier, and Brasel, 2004).

Compared to consumer transgressions, brand transgressions get greater attention on press and social media [e.g., Samsung was accused of copying Apple's iconic designs and intuitive user interface (*Los Angeles Times*, 2012), Starbucks was accused of racism after a staff call to police to arrest two black men 'who didn't order anything' (*The Guardian*, 2018)]. However, consumer transgressions are more common in daily life (Shalvi et al., 2015). Seeing a profit from dishonest behavior (Shalvi et al., 2015) or having a desire to protect their self-interests or self-concepts increases consumers' tendencies to cheat or lie (Ariely and Jones, 2012).

This paper investigates reciprocal transgressions in the relationships between consumers and brands. It asks why consumers cheat against brands; under which circumstances they tend to show more dishonest behavior; which situational factors trigger their dark side; what the emotional consequences of dishonest behavior are, thereby how they deal with post behavior outcomes regarding the consumer-brand relationship. The major claim of this study is that, befooled consumers (i.e. the stimuli that triggers dishonest behavior) may not feel a sense of guilt in ambiguous situations while engaging in dishonest acts (Pittarello et al., 2015), but when this ambiguity disappears, s/he may realize what just happened therefore the consumer may feel guilty about his/her act. This contradiction may cause a psychological imbalance, which activates a general desire to improve the self (Allard and White, 2015). Accordingly, this paper posits that guilt-based desire to self-improvement may lead consumers to develop a stronger relationship with the brand that was initially in the wrong to them.

Previous research (e.g. Malhotra and Miller, 1998; Vitell, Nwachukwu and Barnes, 1993; Wines and Napier, 1992) have proposed several models for understanding practices of ethical decision-making that mainly examine the influence of managers' moral value sets, professional environments, and industrial and organizational environments on ethical decision-making and consequent behavior. So, even though the seller side is examined in several ways, the investigation of consumer side of ethics in a buyer-seller dyad is limited (e.g. Al-Khatib, Vitell and Rawwas, 1997; Mitchell and Ka Lun Chan, 2002; Muncy and Vitell, 1992). Accordingly, this study attempts to contribute to an under-researched area in ethical decision-making literature by focusing on consumers and their potential dishonest behaviors under situational ambiguity which may implications for consumer-brand relationships.

## **2. CONCEPTUAL FRAMEWORK**

Adams' (1965) equity theory posits that people evaluate the fairness of their situations by comparing the ratio of their own inputs and outcomes with the ratio of referent's inputs and outcomes. An inequity in this input-output equation causes emotional distress. Since individuals are driven by a desire to relieve distress so that they can reestablish inner harmony (Heider, 1958), they resort to various mechanisms such as modifying their inputs and outcomes, changing their referent others, distorting their perceptions, and quitting the task at hand (Gino and Pierce, 2009).

This study mainly focuses on modifying inputs and outcomes as a way to recover emotional distress from inequity. Individuals care about fairness and reciprocity (e.g. Camerer, 2003; Fehr and Schmidt, 1999) when building relationships with brands. Consumers try to restore fairness when there is a perceived betrayal (Grégoire and Fisher, 2008). Their attempts to restore fairness include retaliation by punishing and causing inconvenience for a brand (Bechwati and Morrin, 2003; Grégoire and Fisher, 2006). If fairness is violated by a brand, it leads to an increased sense of betrayal (Elangovan and Shapiro, 1998; Grégoire and Fisher, 2008; Koehler and Gershoff, 2003). The broken fairness perception makes customers to reinstate fairness by two major mechanisms; either by demanding reparations or by engaging in acts of retaliation (Walster, Berscheid and Walster, 1973).

Sometimes these two defending mechanisms may be on board simultaneously. To this respect, this research claims that a third mechanism, *self-compensatory behavior*, lies between the former two mechanisms and has characteristics common to both of them. More precisely, when consumers aim to both restore fairness and improve their situation by modifying their inputs and outcomes, they may engage in self-compensatory act. The motives underlying a desire for reparation and compensation may lead consumers to engage in dishonest behavior with the aim of administering justice by themselves, so it is important to understand consumers' intentional dishonest behaviors, which are seen as major challenges for firms from different sectors and industries (Fisk, Grove, Harris, Keeffe, Daunt, Russell-Bennett, and Wirtz, 2010; Fullerton and Punj 2004).

Research in the organizational behavior (Colquitt, Scott, Judge and Shaw, 2006; Jones, 2009) show that when employees perceive workplace-related injustice, they are more likely to engage in deviant behavior targeting the perpetrator of injustice. Similarly, in consumer behavior, consumers' desires to get even with an initial transgressor may cause inadequate decision outcomes (i.e. dishonest behavior) (Bechwati and Morrin, 2003) in order to secure the justice in their own way. In this way, perceived injustice would be harmful for both parties with its negative effect on judgment and decision-making process, and hence it may damage the consumer-brand relationship in the long run. Similarly, injustice perception of befooled consumers, who think that they are cheated or deliberately ignored by the firm (Kasnakoglu, Yilmaz and Varnali,

2016), may distort their judgment and decision-making process, and this feeling of being fooled may lead them to behave dishonestly as a part of self-compensation. Therefore, this paper proposes;

*H<sub>1</sub>: Befeeted consumer, who feels cheated, will be more likely to behave dishonestly than a consumer who does not feel cheated.*

Dishonest behavior may stem from internal incentives and show character-based features or from external incentives and hence show situation-based characteristics. The study of Zhong, Bohns and Gino (2010) shows that darkness increases dishonesty (e.g. being in a slightly dimmed lighting room causes more cheating behavior than those in a well-lit room) and selfish behavior (e.g. individuals behave more selfishly when they wear sunglasses rather than wearing clear glasses since their eyes are not overtly seen). Gino, Ayal and Ariely (2009) also assert that presence of an obvious cheater increases the possibility of behaving dishonestly (e.g. if a student sees a peer cheating on an exam and getting away with it, s/he is more likely to cheat). This study aims to focus on another situational incentive: situational ambiguity. If there are two specific yet distinct meanings or if there is uncertainty or doubt, there is ambiguity, which provides conditions for varying interpretations of the same act or information (Onifer and Swinney, 1981) (e.g. encountering with a different prices for the same product that is higher on the shelf and lower at the till). Therefore, it may serve as a justification mechanism for consumer dishonesty. Drawing on the arguments above, this study hypothesizes that;

*H<sub>2</sub>: A consumer in an ambiguous situation will be more likely to behave dishonestly than a consumer who is in a non-ambiguous situation.*

According to equity theory of Adams (1965), individuals make comparisons between what they receive (output) as opposed to what they pay out (input). The result of this comparison influences their fairness perceptions towards a decision or a situation. From this point of view, when a purchase does not fulfill consumers' expectations, they may feel disappointed or angry. In such cases, consumers may try to compensate for those negative feelings by engaging in dishonest behavior, which can cause problems for both the brand and the consumer, and also for their relationship.

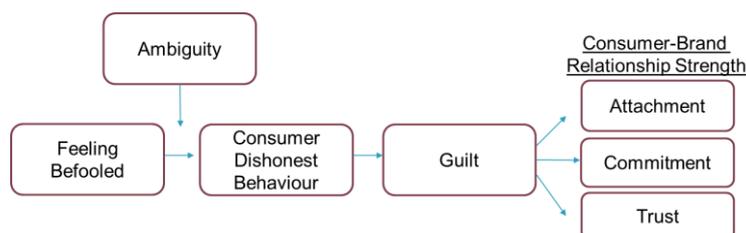
If a consumer chooses to behave dishonestly, that may lead to another type of imbalance in which the consumer becomes unfairly advantaged side of an equation. The skewed inequity towards consumer's favor causes emergent emotions, that are feelings of guilt or regret out of what s/he did. These new emotions may replace the initial feeling of being fooled. That transformation may cause distress to be rebalanced (Heider, 1958). According to Festinger's cognitive dissonance theory (1975), when individuals feel distress about their actions or decisions, they try to engage actions or make new decisions to eliminate this psychological discomfort (Argo and Shiv, 2012).

Feelings of guilt are considered as one of the primary negative emotional states associated with brand-damaging actions. When one believes that s/he has done something wrong, guilt becomes in charge of her/his affective status. That belief and accordingly, the feelings of guilt trigger a general desire to improve the self (Allard and White, 2015). Even though both sides of the consumer-brand relationship have damaged the bond, the recent harm belongs to the consumer and that causes distressed for that consumer. This negative emotional state spoils his/her inner harmony since the actor feels that he/she did what he/she should not do so. Thereby a consumer who acts out of line will seek out an opportunity to repair that relationship with the aim of restoring his/her inner balance (Argo and Shiv, 2012). Consumer's desire for compensation and recovery of his/her fault may result in higher attachment, commitment, and trust toward the brand as a sign of reparation.

Accordingly, feelings of guilt, an outcome of dishonest consumer behavior, serve as a mediator between consumer dishonesty and self-improvement in the relationship between the consumer and the brand. Interestingly this paper claims that a negative outcome of dishonesty, i.e. feeling guilty, may lead consumers to strengthen their relationships with the brand as to decrease feelings of unease and to increase a desire for self-improvement. Accordingly, the hypothesis is that;

*H<sub>3</sub>: When consumers act dishonestly against a brand, they feel guilt and hence engage in an effort to repair the consumer-brand relationship in terms of a) brand attachment, b) brand commitment, and c) brand trust.*

Figure 1: Conceptual Model of the Study



The conceptual argumentation that is illustrated in Figure 1 can be exemplified with the following case: For instance, when a consumer realizes a defect on a product after a while s/he has bought it; s/he returns the defected product to the store. After an inspection process, the brand unjustly decides that the fault is originated by consumer misuse and refuses to compensate. Then the consumer who feels fooled by the brand may start seeking for an opportunity to get even. In one of the future shopping instances, consumer may cheat back the initial wrongdoer (the brand) by switching a higher price tag of the same branded product with a cheaper one. However, after some time of that incident, s/he may feel guilty of violating the social norm, that is “do not treat others the way you do not want to be treated”. The cheating act of consumer (i.e. consumer dishonest behavior) may damage his/her inner balance so that s/her may start looking for ways in order to recover from that unpleasant emotional state. Expressing higher attachment, commitment, and trust toward the brand as a sign of reparation may be one of these means as to restore his/her inner balance.

Accordingly, an experimental study is designed with the aim of understanding the impact of dishonest behavior’s antecedents on consumer-brand relationship. The study mainly aims to understand consumer dishonesty under situational ambiguity in case of feeling befooled, and it asks the following research questions: whether being fooled by the brand with whom the consumer had a prior relationship with leads him/her to cheat back the brand; whether the likelihood of consumer dishonest behavior is higher under situational ambiguity; whether there are negative emotional outcomes (i.e. feelings of guilt) of consumer dishonest behavior; whether consumer dishonest behavior damages consumer-brand relationship in terms of attachment, commitment and trust.

### 3. DATA AND METHODOLOGY

This paper adopts a 2 (feeling befooled vs. not befooled) X 2 (ambiguous vs. non ambiguous situation) factorial experimental design in order to test whether feeling befooled may lead to higher (lower) dishonest consumer behavior under the presence (absence) of situational ambiguity. It also assesses the potential emotional consequence of dishonest consumer behavior, that is feelings of guilt, and tests whether the latter mediates the former’s impact on the consumer-brand relationship. A scenario that is built upon a case of a favorite clothing brand by which the reader has a relationship with is provided to the participants. The study starts with an initial consumer-brand relationship strength questionnaire, which queries the present relationship with the favorite clothing brand. Then the participants were asked to think about their favorite brand while reading the scenario and answering the following questions. The respondents were randomly assigned to one of the four scenarios that manipulate feeling of having been fooled (feeling befooled vs. not befooled) and situational ambiguity (non-ambiguity vs. ambiguity). The scenario starts with a situation in which the reader as a customer learns that the product s/he bought earlier was cheaper in the online store of the brand, so that later s/he goes and asks for payback for the price difference. Whereas the refused consumers feel befooled, the refunded consumers do not.

After the manipulation of the feeling of having been fooled (i.e. recovering or rejecting consumer’s financial loss), the study introduces a situational ambiguity that serves as a fertile environment for dishonest behavior. Thereby, the scenario continues with the situational ambiguity manipulation. In the scenario the participant reads a case in which he/she is given an opportunity to get even with the brand by keeping quiet about a lower price tag at the till (e.g. \$10) than its original value (e.g. \$15), and the cashier does not notice the situation. Whereas the ambiguous participants are uncertain about which is the real price they should pay, unambiguous participants know that they should pay the original higher price. After screening scenario, respondents were given a questionnaire that assesses dishonest consumer behavior, and then feelings of guilt by adapting the scales of consumption emotional scale (CES) (Richins, 1997), differential emotional scale (DES) (Izard, 1977), and manual for the positive and negative affect schedule - expanded form (PANAS-X) (Watson and Clark, 1999). Although the study aims to measure feelings of guilt as an emotional outcome, the questionnaire consists of feelings of joy and relief questions in order to prevent demand effect, which is a bias stemming from participants’ inference of the purpose of an experiment. The study starts and ends with same questioning their relationships with their favorite brands to see how they are affected by dishonesty. Consumer-brand relationship strength scale was derived from Ashworth, Dacin and Thomson (2009). Subsequently, a path analysis was conducted using Hayes’ (2013) PROCESS macro to test the relationships between the variables in a serial multiple mediation model. SPSS 22 was used for descriptive analysis and

exploratory factor analysis (EFA). A total of 257 people were conveniently recruited from Amazon Mechanical Turk (MTurk) to the study in exchange for payment. A link of the questionnaire was posted for a week in MTurk as a human intelligence test (HIT) on March 2017.

#### 4. FINDINGS AND DISCUSSIONS

This study aims to understand whether or not the consumer has a tendency to behave dishonestly when they feel befooled in an ambiguous situation setting and to investigate whether the negative emergent feelings, that is feelings of guilt, after the act is mediating the effect of the dishonest behavior on the ongoing relationship between the consumer and the brand.

Item refinement, scale validation and the model testing stages of the data analysis were carried out on the basis of the 257 participants' answers. The sample composition was 48 per cent female, 40 per cent 26-35 years of age, and 24 per cent 36-49 years of age. The participants were randomly assigned to one of four scenarios in which feeling befooled (feeling befooled vs. not befooled) and ambiguous situations (non-ambiguous vs. ambiguous) were manipulated. A series of exploratory factor analyses (EFA) indicated the expected construct structures and all constructs demonstrated high reliabilities (all  $\alpha > 0.70$ ). The results of EFA and reliabilities are presented in detailed below in Table 1, Table 2, Table 3 and Table 4.

**Table 1: Exploratory Factor Analysis Results: Factor Loadings and Cronbach's Alpha for Situational Ambiguity.**

Items for Situational Ambiguity	Factor Loadings	Cronbach's Alpha
In the case stated in the scenario, the behavior that consumer should do is <i>non-predictable – predictable</i>	.870	
In the case stated in the scenario, the behavior that consumer should do <i>varies from a person to another - does not vary from a person to another</i>	.922	.872
In the case stated in the scenario, the behavior that consumer should do is <i>not obvious - obvious</i>	.887	

*Kaiser-Meyer-Olkin Measure of Sampling Adequacy (KMO)= .719; Bartlett's Test of Sphericity=.000 p<0.01; Total variance explained= 79.7*

**Table 2: Exploratory Factor Analysis Results: Factor Loadings and Cronbach's Alpha for Dishonest Consumer Behavior.**

Items for Consumer Dishonest Behavior	Factor Loadings	Cronbach's Alpha
I keep it low, pay the lower price, and leave the store	.907	
I keep it low, go and grab another one and leave the store by paying the lower price for both of them	.784	.799
I warn the cashier about the real price tag and take the risk of paying more	.774	

*Kaiser-Meyer-Olkin Measure of Sampling Adequacy (KMO)= .595; Bartlett's Test of Sphericity=.000 p<0.01; Total variance explained= 67.8*

**Table 3: Exploratory Factor Analysis Results: Factor Loadings and Cronbach's Alphas for Emotion Scale.**

Items for Emotion Scale	Factor Loadings	Cronbach's Alpha
<b>Guilt</b>		
Repentant	.753	
Angry at self	.842	
Dissatisfied with self	.877	
Disgusted with self	.830	.937
Ashamed	.860	
Guilty	.875	
Blameworthy	.871	
<b>Joy&amp;Relief</b>		
Good	.876	
Calm	.781	
Joyful	.875	.951
Relieved	.753	

Glad	.898
Pleased	.848
At ease	.791
Peaceful	.814
Happy	.899
Delighted at self	.827
Contented	.805
Fulfilled	.834
Relaxed	.817
Cheerful	.884

Overall Cronbach's Alpha: .898; Kaiser-Meyer-Olkin Measure of Sampling Adequacy (KMO)= .951; Bartlett's Test= .000  $p<0.01$ ; Total variance explained= 72.3 (Guilt= 25.3; Joy & Relief =46.8).

All of the scales used to measure the constructs have acceptable reliabilities (situational ambiguity  $\alpha_{AMB}=0.85$ ; consumer dishonest behavior  $\alpha_{DB}=0.80$ ; guilt  $\alpha_G=0.93$ ) (Nunnally, 1978). An independent sample t-test conducted for a manipulation check of ambiguity ( $M_A=2.93$  vs.  $M_{NA}=5.64$ ;  $F=32.77$ ,  $p<0.05$ ), and feeling befooled ( $M_C=1.32$  vs.  $M_{NC}=1.74$ ;  $F=5.32$ ,  $p<0.05$ ), and both manipulation check results were statistically significant. Scenario believability across conditions was also found significantly above the critical value of 4 ( $M=5.96$ ,  $p<0.05$ ).

**Table 4: EFA Results: Factor Loadings and Cronbach's Alpha for Consumer-Brand Relationship.**

Items for Consumer- Brand Relationship Strength	Pre-Test Factor Loadings	Cronbach's Alpha	Post-test Factor Loadings	Cronbach's Alpha
<b>Commitment</b>				
I am dedicated to this brand.	.842		.723	
I am committed to this brand.	.846		.746	
I am devoted to this brand.	.841		.739	
I consider myself to be highly loyal to this brand.	.817		.776	
I am very loyal to this brand.	.822		.763	
I am willing to make small sacrifices in order to keep using this brand.	.750	.955	.681	.940
I would be willing to postpone my purchase of this brand if it was temporarily unavailable.	.668		.687	
I would stick with this brand if it let me down once or twice.	.594		.570	
I am so happy with this brand that I no longer feel the need to watch out the competitors' alternatives.	.692		.616	

**Table 4: EFA results: Factor Loadings and Cronbach's Alpha for Consumer-Brand Relationship (contd.)**

Items for Consumer- Brand Relationship Strength	Pre-Test Factor Loadings	Cronbach's Alpha	Post-test Factor Loadings	Cronbach's Alpha
<b>Trust</b>				
This brand is trustworthy.	.882		.851	
I can count on this brand.	.880		.817	
This brand is dependable.	.905	.975	.883	.974
This brand is reliable.	.898		.875	
This brand is credible.	.883		.837	
<b>Attachment</b>				
Affective	.648		.731	
Loved	.797		.826	
Friendly	.749	.958	.764	.971
Peaceful	.761		.747	
Attached	.680		.798	
Connected	.761		.829	

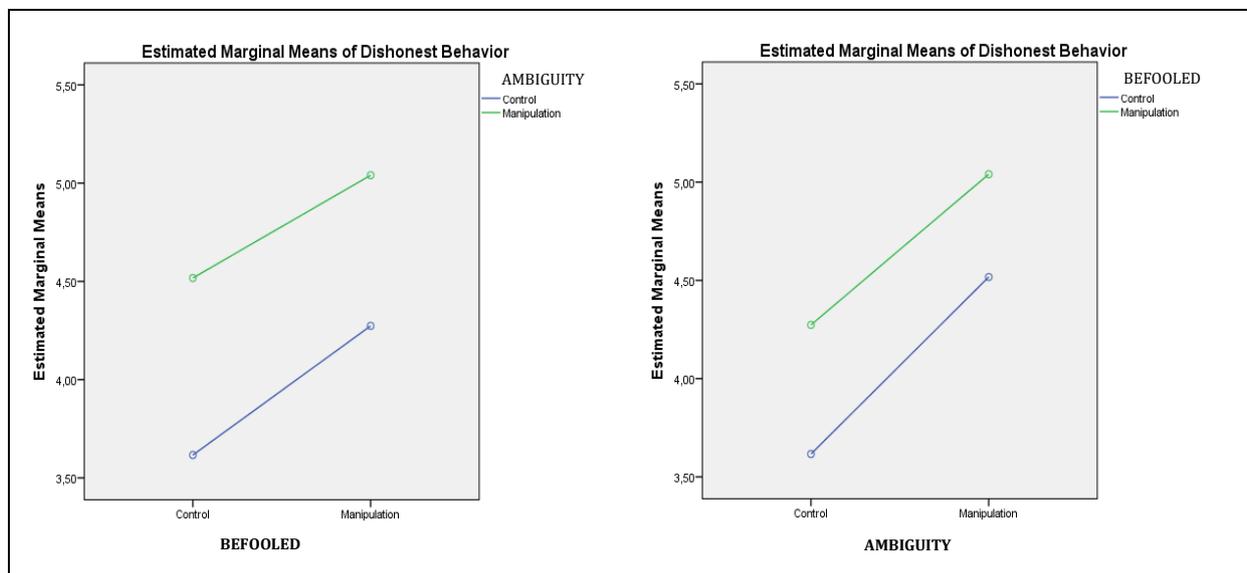
Bonded	.798	.841
Captivating	.824	.822
Passionate	.769	.854
Delighted	.758	.797

**Pre-test:** Overall Cronbach's Alpha= .969; Kaiser-Meyer-Olkin Measure of Sampling Adequacy (KMO)= .949; Bartlett's Test= .000  $p < 0.01$ ; Total variance explained= 77.8 (Commitment= 28.6; Trust= 20.6; Attachment= 28.6)

**Post-test:** Overall Cronbach's Alpha= .973; Kaiser-Meyer-Olkin Measure of Sampling Adequacy (KMO)= .955; Bartlett's Test= .000  $p < 0.01$ ; Total variance explained= 79 (Commitment= 24.8; Trust= 21.9; Attachment= 32.1).

After significant manipulation check results, researchers employed the PROCESS macro bootstrapping procedure (Model 1: 10,000) with the aim of testing the interaction of feeling befooled (vs. not befooled)  $\times$  situational ambiguity (vs. non-ambiguity) condition as a predictor of the outcome of consumer dishonest behavior. The significant main effect results showed that while feeling of befooled ( $\beta = 0.65$ ;  $t(253) = 2.23$ ;  $p < 0.05$ ) (H1 supported) and ambiguity ( $\beta = 0.90$ ;  $t(253) = 2.98$ ;  $p < 0.01$ ) (H2 supported) have influence on consumer dishonest behavior individually, they do not interact with each other ( $\beta = -0.13$ ;  $t(253) = -0.31$ ;  $p > 0.05$ ). The significant main effects and non-significant interaction effect demonstrates that consumers tend to behave dishonestly in ambiguous situations regardless of whether or not they have felt fooled ( $M_{\text{NoCh-NoAm}} = 3.61$  &  $M_{\text{Ch-NoAm}} = 4.27$  vs.  $M_{\text{NoCh-Am}} = 4.51$  &  $M_{\text{Ch-Am}} = 5.04$ ) (See Figure 2).

**Figure 2: Mean Values of the Interaction of Feeling Befooled (vs. not befooled) and Situational Ambiguity (vs. non-ambiguity) on Consumer Dishonest Behavior**



Subsequently, the serial mediation model was tested by using maximum-likelihood-based bootstrapping. In the line with proposed hypotheses, researchers were expecting the following serial relationships between variables: a feeling of being fooled will increase the tendency of consumers to engage in dishonest behavior and in turn that will create feelings of guilt, which affects the subsequent behavior regarding the target brand in a positive way. Hayes (2013) PROCESS macro Model 6 (10,000 bootstraps) enables to test the serial relationship between feeling fooled by a favorite brand and the subsequent impact on the consumer-brand relationship.

At the end of Hayes's statistical package designed for complex analyses of models that have two mediators, the step by step results of a serial path indicate that the feeling of being fooled increases dishonest consumer behavior ( $\beta = 0.63$ ;  $t(255) = 2.89$ ;  $p < 0.05$ ), but right after the dishonest act has been committed consumer guilt increases accordingly ( $\beta = 0.10$ ;  $t(254) = 2.23$ ;  $p < 0.05$ ), so that feelings of guilt impinge upon the indirect effect of consumer dishonest behavior. Consequently, in the final step of the relationship, feelings of guilt affect the consumer-brand relationship by causing increase in attachment ( $\beta = 0.24$ ;  $t(253) = 3.22$ ;  $p < 0.05$ ) (H3a supported), and decrease in trust ( $\beta = -0.11$ ;  $t(253) = -2.04$ ;  $p < 0.05$ ) (H3c not supported). Even though the direct impact of feelings of guilt causes increase in commitment, its slight effect remains non-significant ( $\beta = 0.03$ ;  $t(253) = -0.93$ ;  $p > 0.05$ ) (H3b not supported). Thereby, the total indirect effects demonstrate that the serial mediation model with consumer attachment ( $\beta = 0.0168$ ; lower CI = 0.0034 and upper CI = 0.0507) and trust ( $\beta = -0.0077$ ; lower CI = -0.0281 and upper CI = -0.0009) was verified by the 95% bootstrap CI that does not include 0, whereas the model with consumer commitment ( $\beta = -0.0023$ ; lower CI = -0.0046 and upper CI = 0.0162) was

not verified with the “0” including confidence interval (Zhao, Lynch and Chen, 2010).

## **5. CONCLUSION**

As equity theory highlights, people care for fairness by comparing the balance between their outputs (what they receive) and their inputs (what they pay, in both financial and non-financial terms). That comparison determines their fairness perceptions toward a situation or decision (Walsh, 2003). An imbalance in this input/output comparison has emotional outcomes which vary according to being on the disadvantaged or advantaged side of the inequity. If the inequity is to their disadvantage, they may feel disappointed or angry (i.e. after feeling befooled). If the imbalance is to their advantage, they may feel guilt or regret (i.e. after behaving dishonestly). On the basis of equity theory (Adams, 1965), both cases may push the individual to take action in order to bring about a state of equilibrium through various mechanisms.

Consumers consider companies as social actors (Pioch, Gerhard, Fernie and Arnold, 2009) and individuals are motivated to maintain a balance in social exchanges (Adams, 1965). If they feel victimized by an unfair social exchange during consumer-company interactions, they will be driven to restore a sense of balance in the relationship (Kidder, 2007). The desire to restore the balance may lead them to engage in dishonest behavior. Furthermore, previous research underlines the importance of situational factors by suggesting that when situational factors allow self-compensation in order to maintain inner balance (Argo and Shiv, 2012), consumers may have a greater tendency to cheat or lie (Mazar et al., 2008). In line with the former theoretical discussions, this research shows that situational ambiguity drives consumers to engage in deceitful behavior by enabling numerous interpretations or doubt about an environment.

On the other hand, this study suggests that regardless of whether or not they feel befooled, consumers tend to express dishonest behavior when it is easy to justify their acts (i.e. being in an ambiguous situation). It can be inferred from these results, consumers may see situational ambiguity—a gray area—as a justification for their acts (Shalvi et al., 2015). Nevertheless, they still feel guilty about their behavior and interestingly feelings of guilt promote consumers’ attachment toward a brand. Researchers find out that even if the brand is perceived as an initial wrongdoer in the eyes of the consumer, guilt arises from the posterior wrongdoing (i.e. consumer dishonest behavior) and increases the desire to self-improve in the form of increased attachment to the victim (the brand). Even though the consumer-brand relationship may be significantly damaged in the eye of befooled consumers after they feel cheated, the initial negative effect on consumer attachment is repaired with the effect of feelings of guilt and hence it turns into something positive. Moreover, the initial decrease in commitment gets lighter.

According to cognitive dissonance theory, the perception of incongruent relevant cognitions of an individual causes an uncomfortable sense of tension (Sharma, Borna and Stearns, 2009) (i.e. feelings of guilt). Balance theory (Heider, 1958) also says that individuals are motivated to seek out balanced psychological states over imbalanced ones. The findings of this current study support these views by showing that engaging in dishonest behavior causes feelings of guilt, which spoils inner harmony, so that consumers tend to have a desire to restore the balance in their relationship with the brand and hence they express more attachment and a slighter decrease in commitment.

Attachment is a relationship-based construct. It reflects the emotional bond connecting an individual with a specific target object (i.e. brand). As an outcome of attachment, commitment is the next step in consumer-brand relationship (Fedorikhin, Park and Thomson, 2008). Even though, the serial path on commitment was found non-significant, its positive effect size can be considered as a sign of potential improvement on consumer-brand relationship. Accordingly, the results show that consumer guilt has a higher significant impact on brand attachment. Even though there is a slightly positive effect on commitment as a reflection of attachment, the effect is found non-significant. On the other hand, when it comes to trust, the model becomes significantly negative because trust is a vulnerable zone in consumer-brand relationships (Xie and Peng, 2009). Repairing trust requires specific efforts at the brand-consumer level (Xie and Peng, 2009). Since trust develops and builds over time, such efforts should spread over time (Doney and Cannon, 1997). In this way, this study shows that feelings of guilt are not enough to recover the trust damaged.

Accordingly, there are two compensation processes. First need for compensation stems from befooled consumers’ feeling toward the brand and it leads them to engage in dishonest behavior to compensate their loss (Krishnan, 2008). Second need for compensation is a form of emotional recovery. It makes them to attempt to reestablish the consumer-brand relationship as a consequence of the desire to make up for the negative feelings, which arise from consumers’ dishonesty and cause inner imbalance.

This study deals with participants’ favorite clothing brands and tests their relationships with those brands at the beginning and at the end of the experiments to see how they are affected by dishonesty. Since customer acquisition is more costly than maintaining existing ones, it is more important to preserve the ones who label the brand as their favorite. The study reveals that if befooled customers do not get any opportunity (i.e. situational ambiguity) to compensate their negative emotional state (i.e. feeling cheated or fooled) by fooling the firm back (i.e. dishonest consumer behavior), this act leads

them to a new emotional state that is feelings of guilt. Consequently, consumer develops a to desire to repair this negativity by keeping their emotional attachment to the brand and reevaluating their reduction of commitment to the brand. In other words, they rebalance their emotional state by recovering the relationship with their favorite brand.

All the assertions and points discussed above should be evaluated within certain limitations. Firstly, just one study was carried out which only examined the consumers' responses in the case of feeling befooled. Future research could overcome this limitation by measuring the same effects in the absence of befooled condition to see the variance in feelings of guilt. Secondly, even though this study examines dishonest consumer behavior under two different situational factors feeling cheated and situational ambiguity, consumer behavior may also be confounded by several different variables such as personal moral standards, length of relationship, intent, and locus of causality. Future research should consider measuring other determinants as a control variable.

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