Investigating the Moderating Role of Anticipatory Guilt on the Consumption of Luxury Brands

Joe Soo Chuah

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DECLARATION

This thesis contains no material which has been accepted for the award of any other degree or diploma in any university.

To the best of my knowledge and belief this thesis contains no material previously published by any other person except where due acknowledgement has been made.

JOE SOO CHUAH
Signature: ...........................................

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ABSTRACT

The aim of the study seeks to examine if consumers will buy luxury branded apparel made in sweatshops and if they are willing to pay more for luxury branded apparel not made in sweatshops. The theory of planned behaviour is applied to measure the relationship between attitudes towards luxury brands made in sweatshops, social norms (normative susceptibility, information susceptibility, integrity), perceived behavioural control (self-efficacy), towards intention to purchase luxury branded apparel made in sweatshops, and willingness to pay more for luxury branded apparel not made in sweatshops. In addition, anticipatory guilt is tested as a moderator to examine the relationship between intention not to purchase luxury branded apparel made in sweatshops and the willingness to pay more for luxury apparel not made in sweatshops. The sample size of the study was set to be 600 general consumers. A self-administered questionnaire was used as survey instrument. Data collection was conducted in Perth, Western Australia using a mall-intercept. The findings of the study are made valuable to practitioners, academics and policy makers in generating feasible branding strategies. Further discussions regarding conceptual, methodological and managerial contributions will be discussed later in the thesis.
CHAPTER ONE
INTRODUCTION

OVERVIEW

The focus of the study is to examine consumer perceptions towards luxury branded products made in sweatshops. The theory of planned behaviour is applied to measure the relationship between attitudes towards luxury brands made in sweatshops, social norms (normative susceptibility, information susceptibility, integrity), perceived behavioural control (self-efficacy) towards intention to purchase luxury branded apparel made in sweatshops, and willingness to pay more for luxury branded apparel not made in sweatshops. Anticipatory guilt is also tested as a moderator to examine the relationship between intention not to purchase luxury branded apparel made in sweatshops and the willingness to pay more for luxury apparel not made in sweatshops.

The chapter starts with the background to the study, which is specifically about sweatshops around the world. Next, the research gaps are presented. Based on the research gaps, the purpose of the study and research objectives is presented. This is followed by the scope and delimitations of the study. Key theories and concepts are then outlined and key constructs and variables are defined. The methodology used and the significance of the study are also underlined. Finally, the chapter concludes with the organisation of the thesis.
BACKGROUND

Due to the ongoing increase in globalisation, doors have been opened for many foreign investors to tap into new markets (Coakley and Kates 2013; Marcellot 2013; Miller 2004; Powell 2012; Powell 2014). Numerous studies have highlighted that globalisation has helped companies, particularly from developed countries such as the United States and in Europe; to be able to set up production facilities in countries that are less developed (Watch 2011). In addition, many multinational companies have stated that, due to globalisation, it is possible for them to expand and increase their capacity more rapidly. Through globalisation, companies are able to utilise resources of different countries to produce goods and services at the lowest cost, so that an overall reduction in costs is achieved (Marcellot 2013; Powell 2012, 2014).

On the other hand, specialisation is also a key factor in globalisation; through utilising resources from other countries, companies are able to properly market their products by utilising specialised skills or equipment that they do not have in-house, from less-developed countries at a much lower cost. As a result, globalisation allows companies to receive maximum output for minimal investment. Through this, companies are able to offer greater production capacity, focus on specialisation through utilising resources of others, reduce costs, and ultimately achieve economies of scale (Armbruster-Sandoval 2003; Esbenshade 2004; Greenberg and Knight 2004; Locke 2003; Miller 2004; Watch 2011; Wolny and Mueller 2013).

Previous studies have found that, although outsourcing has always been popular amongst consumer products, particularly in the apparel industry, it is often associated with sweatshops (Alden et al. 2013, Esbenshade 2004; Greenberg and Knight 2004;
Locke 2003). Much of the literature has also noted that profits have caused many companies to exploit sweatshops, whereby they are putting their workers hired from less-developed countries to work in extremely poor environments (Alden et al. 2013, Armbruster-Sandoval 2003; Esbenshade 2004; Greenberg and Knight 2004; Locke 2003; Ross 2004; Rudell 2006; Wolny and Mueller 2013; Zwolinski 2007). Studies have found that over 50% of US garment factories have violated labour law on minimum wages and overtime laws as well as health and safety laws (Belzer 2000; Bernstein 2000; Bhagwati 2008; Brown 2006; Emmelhainz and Adams 1999).

Research has evidenced that many big brand multinational companies such as Nike, Adidas, Cotton On and Puma, who are making millions annually, have been aggressively involved with sweatshops (Miller 2004; Powell 2014; Ross 2004; Rudell, 2006; Wolny and Mueller 2013; Zwolinski 2007). A number of cases on human rights have also reported that children as young as 13 to adults aged 25 were found to be working in so-called sweatshop environments, and many of them were found to be female workers (Arnold and Bowie 2003; Armbruster-Sandoval 2003; Esbenshade 2004; Greenberg and Knight 2004). In addition, similar findings have given support to this, revealing that approximately 80% of sweatshop workers were found to be female workers aged 13 to 25 (Arnold 2003; Armbruster-Sandoval 2003; Esbenshade 2004; Greenberg and Knight 2004; Miller 2004; Moran 2004; Ross 2004; Rudell, 2006).

Findings have shown that these workers are often put to work long hours (e.g. a minimum of 12 hours a day) in factories with poor conditions such as lack of light, electricity and even necessities such as water supply, clean drinking water and personal space, while earning a wage as low as $2 per hour (Alden et al. 2013; Belzer

Due to the ongoing issues which lie beneath the exploitation of sweatshops in garment factories, there has been much heated debate within the apparel industry (Alden et al. 2013; Arnold 2003; Armbruster-Sandoval 2003; Esbenshade 2004; Wang and Snell 2013). A report stated that many apparel firms in the US who have been heavily involved in sweatshop productions were questioned by the general public including the media, student groups, union leaders, government officials and even environmentalists (Esbenshade 2004; Harrison and Scorse 2010; Moran 2004; Ross 2004; Rosen 2002; Powell and Zwolinski 2012). In addition, recent findings examining consumers’ purchasing behaviour have indicated that there is a change in consumer buying trends, whereby there is an increase in consumers concerned with ethical conduct when it comes to making purchasing decisions (Bray, Johns and Kilburn 2011; Cherrier 2007; Coakley and Kates 2013; Davies, Lee and Akhonhai 2012; Floyd et al. 2013). More importantly, studies have found that consumers tend to engage with ethical factors especially when making purchases for luxury brands (Davies, Lee and Akhonhai 2012; McGoldrick and Freestone 2008; Scheibel 2010; Shaw and Tomolillo 2004).

Recent findings have found that, due to the recent investigation on Gucci’s exploitation of sweatshops in China, consumers are starting to question ethical issues in luxury brands (Davies, Lee and Akhonhai 2012; Floyd 2013; Molly 2014; Shen et al. 2012; Shukla 2012; Wang and Snell 2013). Interestingly, the recent tragic collapse of a garment factory in Bangladesh has sparked renewed media attention on luxury
brands manufacturers which have been involved in using sweatshops to manufacture their luxury goods. This has resulted in further questioning of not only the poor working conditions for sweatshop workers, but also the consumption of ethical products in the luxury context (Coakley and Kates 2013; Powell and Zwolinski 2012; Snyder 2010). These findings have contributed to the main motivation behind this research.

**RESEARCH GAPS**

A number of gaps are inherent in the literature as reviewed:

- There is an inherent need to investigate the influence of attitudes towards purchasing behaviour of luxury branded apparel made in sweatshops. Davies, Lee and Ahonkhai (2012) have cited that while research is extensive in other contexts, no studies to date have looked specifically at luxury branded products made in sweatshops. More importantly, as highlighted by many researchers (Zemguliene 2013; Barber 2012; Shen et al. 2012; Sweetin et al. 2013), the question arises of whether the ethical stance of consumers may lead to a willingness to pay more for luxury branded products that are not made in sweatshops.

- In the context of the purchase of luxury branded apparel made in sweatshops, there has been very little research with respect to social norms. In particular, recent studies such as Fuchs et al. (2013) have highlighted that susceptibility to interpersonal influence on purchase intent may very well be highly influential in boycotting products made in sweatshops (Khare et al. 2011). Furthermore, in terms of ethics, integrity is also perceived to be related to
social norms and can be a significant negative influence to purchase intent (Hamelin, Nwankwo and Hadouchi 2013).

- Mukhopadhyay and Johar (2005) have found that self-efficacy may have a significant effect on purchase intention. In the context of sweatshops, there is still a need to investigate if this could be a potential influence on purchase intent as well as the willingness to pay more for luxury branded apparel not made in a sweatshop. As a result, as stated by Kang, Liu and Kim (2013), consumers will be more likely to purchase luxury branded apparel that is not made in sweatshops, but no empirical research to date has shown evidence of this.

- Many studies have examined purchase intention with regard to willingness to pay more. However, there is still a lack of studies that have looked at potential moderators or mediators (Lwin and Phau 2008).

As discussed, studies on apparel made in sweatshops, particularly in the luxury context, are still limited in extent. The review will conclude by investigating the relationship between the intention not to purchase luxury branded apparel made in sweatshops and the willingness to pay more for luxury branded apparel not made in sweatshops (Shen et al. 2012).

**PURPOSE, RESEARCH QUESTIONS AND OBJECTIVES**

Addressing the criticism voiced by some researchers, there is a lack of theoretical or conceptual framework-driven studies regarding the use of sweatshops in the apparel

The main purpose of the study is to develop and empirically test a conceptual model to study the role of guilt on consumer purchase intention towards luxury branded apparel made in sweatshops, and hence how it would influence consumers’ willingness to pay more for luxury branded apparel that is not made in sweatshops. Based on the gaps identified, two research questions are derived.

- **Research Question 1**: Will consumers buy luxury branded apparel made in sweatshops?

- **Research Question 2**: Are consumers willing to pay more for luxury branded apparel not made in sweatshops?

Furthermore, the following objectives are defined.

a. To investigate the influence of attitudes towards social consequences, attitudes towards luxury branded apparel and attitudes towards purchasing behaviour for luxury branded apparel made in sweatshops, on the intention to purchase luxury branded apparel made in sweatshops.

b. To investigate the influence of susceptibility to interpersonal influence and integrity on the intention to purchase luxury branded apparel made in sweatshops.
c. To investigate the influence of perceived behavioural control on the intention to purchase luxury apparel made in sweatshops.

d. To investigate the influence of intention not to purchase luxury branded apparel made in sweatshops on the willingness to pay more for luxury branded apparel not made in sweatshops.

e. To examine the moderating role of anticipatory guilt on the relationship between intention not to purchase luxury branded apparel made in sweatshops and the willingness to pay more for luxury branded apparel not made in sweatshops.

SCOPE AND DELIMITATIONS
The study is mainly examining apparel that is made in sweatshops, particularly in the context of luxury brands. The study was conducted within metropolitan areas of Perth in Western Australia, where most of the luxury shops are located, which was an appropriate context for studies regarding sweatshops and luxury brands (Arnold and Bowie 2003; Belzer 2000; Bernstein, Shari and Malkin 2000; Bendell and Kleantous 2007; Davies, Lee and Akhonhai 2012; Husic and Cicic 2009).

Limitations associated with sample selection should also be noted. Due to resource limitations, the study was conducted in only one country, one state and one city, which is within the Perth metropolitan region. The generalisability of the findings of this study to other states and/or countries is limited. In addition, the study was conducted in the metropolitan region of Perth (Western Australia) and thus
respondents from other areas in Western Australia or other countries might have responded differently to the sample from the study (Steenkamp and Baumgartner 1998; Orth, Koenig and Firbasova 2007).

On the other hand, it is important to note that in the context of this study, region refers to a geographical area, for instance a state within a country (Krugman 1999; Ittersum 2002). However, the findings of this study can be generalised to other contexts such as city, town or community level.

OVERARCHING THEORY

Theory of Planned Behaviour

The underlying foundation of this study is based upon the theory of planned behaviour, which has its roots in sociology (Ajzen 1985). The authors’ explanation of the theory suggests that attitude towards behaviour, subjective norms, and perceived behavioural control, together shape an individual's behavioural intentions. Therefore, these intentions are perceived to be the immediate indicators to performing behaviour (Ajzen 1985, 1991, 2011; Fishbein and Ajzen 1975; Madden, Ellen and Ajzen 1992). Extant literature has shown evidence that the theory of planned behaviour model (Ajzen 1991) is widely used by market researchers to investigate consumers’ purchase intention towards a particular product or service. The framework is largely adopted by researchers today in various fields such as advertising, public relations, and advertising campaigns to examine consumers’ behavioural intentions (Ajzen 1985; Fishbein and Ajzen 1975; Southey 2011).
KEY CONSTRUCTS AND VARIABLES

The key constructs are defined as follows:

**Attitudes**: Three dimensions of attitudes are used in the study. They are:


b. Attitude towards behaviour: refers to an individual's positive evaluation of self-performance of a particular behaviour, and such evaluation is often valuated positively or negatively (Ajzen 1985, 1991; Christian 2003).

c. Attitude towards purchasing behaviour: refers to consumers’ purchasing behaviour towards products that are made in sweatshops (Ajzen 1985, 1991; Christian 2003; Sommer 2011; Terry and O’ Leary 1995).

**Susceptibility to interpersonal influence**: This has two dimensions. They are:

a. Informational susceptibility: refers to the tendency to perceive or to obtain information from others. Individuals tend to be more susceptible to information if they often seek advice from others or observe how they behave (Ajzen 1985, Ajzen 1991; D'Rozario and Guang 2012; Horng, Su and So 2013; Spector 1983).
b. Normative susceptibility: refers to the tendency to conform to the expectations of others and is often concerned with how people wish to impress others (Ajzen 1985, 1991; D'Rozario and Guang 2012; Horng, Su and So 2013; Spector 1983; Pickett et al. 2012).

**Integrity**: Individuals’ integrity regarding purchasing behaviour (Hamelin, Nwankwo and Hadouchi 2012; Laeequddin and Sardana 2010; Lewick and Bunker 1996; Nguyen, Melewar and Chen 2013).

**Status consumption**: Signals that symbolise a person’s personal and social identity, such as self-perception. Luxury goods are often consumed by status consumers to show well-being and self-pleasure (Davies, Lee and Ahonkhai 2012; Fuchs et al. 2013; Goldsmith, Flynn and Kim 2010; Haderspeck 2013; Husic and Cicic 2008; O’Cass and Frost 2002).

**Self-efficacy**: An individual’s beliefs about their capabilities to actually produce or perform the particular behaviour (Ajzen 1985, 1991; Kang et al. 2006; Spector 1983; Terry and O’Leary 1995; Pickett et al. 2012).

**Anticipatory Guilt**: The feeling of guilt when an individual foresees the violating of standards. This prevents individuals from committing the action that will make them feel guilty (Basil, Ridgway and Basil 2006; Cotte, Coulter and Moore 2005; Ghorbani et al. 2013; Hibbert et al. 2007; Huhmann and Brotherton 1997; Lindsey 2005; Lindsey et al. 2007; Lwin and Phau 2008).
Purchase intention to willingness to pay more: A plan to pay more to purchase a particular good or service. Past literature suggests that stated intentions are perhaps the best predictors of actual behaviour (Ajzen 1985, 1991; Fishbein and Ajzen 1975).

METHODOLOGY

Self-administered surveys were the chosen method for data collection (Bellfield et al. 2011; Bradlow and Fitzsimons 2001; Berinsky, Margolis and Sances 2014; Dilman 1991; Dunning and Cahalan 1973; Willett et al. 1988; Wright, Aquilino and Supple 1998; Yun and Trumbo 2000; Zawawi 2007).

The population for the current study was the general Australian population residing in the Perth metropolitan area. Several researchers have highlighted that the use of probability sampling is crucial for the validity of empirical studies that are of a quantitative nature examining consumers’ purchase intention (Armstrong and Overton 1977; De Bourdeaudhuij et al. 2005; Etter and Perneger 2000; Freimer, Linderoth and Thomas 2012; Hansen 2005; Juster 1966; Krysan et al. 1994; Sandelowski 1995).

The sample was selected randomly at a major shopping complex in the city of Perth, Western Australia. Every fifth person to cross a designated spot was approached to participate. In total, 600 samples were surveyed over a four-week period.
SIGNIFICANCE OF STUDY

This study has theoretical, methodological and managerial significance.

**Theoretical significance** – this study extends current literature on sweatshops by applying the Theory of Planned Behaviour to examine how attitudes towards sweatshops, social norms and perceived behavioural factors influence consumers’ perceptions towards sweatshops, particularly in the luxury context.

**Methodological significance** – this study contributes by adopting and revalidating scales by Wang et al. (2005) to the sweatshop context to test for attitudes towards luxury-branded apparel made in sweatshops. Furthermore, the study also seeks to build a conceptual model for luxury brands that can be empirically tested by adopting and replicating Ajzen’s theory of planned behaviour (Ajzen 1991). The study is tested using actual consumers of products, therefore improving the empirical validity of this study.

**Managerial significance** – this study contributes by providing academics, luxury-brand owners and managers and, more importantly, policymakers, with insights into consumer perceptions towards luxury-branded apparel made in sweatshops. It will indicate how they can manage the negative impact of sweatshops on brand image as well as generate feasible branding strategies.
CONCLUSION

This thesis has six chapters and the structure is as follows. Chapter 1 provided a brief overview of this study, specifically background, research gaps, purpose of the study, research objectives, key theories and constructs, methodology and unit of analysis, and significance of the study. Chapter 2 provides a brief review of the parent literature on sweatshops, followed by an extensive literature review of the field of consumers’ perception towards luxury branded apparel made in sweatshops. The chapter concludes with identification of the research gaps. Chapter 3 provides an overview of the research objectives and presents the theoretical framework. It also reviews the relevant literature and theories leading to the development of the hypotheses. The research methodology is outlined in Chapter 4. The findings of this study are reported and discussed in Chapter 5. Chapter 6 concludes the study with the contributions and implications of the findings together with limitations and future directions.
CHAPTER TWO
LITERATURE REVIEW

INTRODUCTION
This chapter consists of two major sections. The first section briefly reviews the parent literature of this study: sweatshops and their existence as well as the issues around sweatshops such as attitude towards sweatshops, social norms and perceived behavioural control. While empirical studies are reviewed, special attention is given to luxury brands, which form the crux of this research. The second section will conclude with the identification and justification of research gaps. This will form the skeleton of the proposed theoretical framework and hypotheses for this study.
PARENT LITERATURE: THE WORLD OF SWEATSHOPS

Sweatshops and Their Existence

We often hear objections being raised against sweatshops and debate about the defence of sweatshop activities (Bernstein, Shari and Malkin 2000; Coakley and Kates 2013; Powell 2012, 2014). However, how much do we actually know about what is happening behind the scenes of a sweatshop? Sweatshops have always been associated with extreme exploitation of workers, who are put to work in extremely poor working environments (Bhagwati 2008; Snyder 2010; Powell 2012). Such poor working environments are often associated with poor working conditions whereby employees are being forced to work long hours, being paid below minimum wage and working in an environment where employees’ health and safety are not taken care of (e.g. basic needs such as food, shelter and health cover are not given to employees) (Coakley and Kates 2013; Moran 2004; Smith 2005; Powell 2012, 2014; Zwolinski 2007).

According to the literature, sweatshops are associated with inhumane working conditions that are exploitative, coercive and harmful to workers (Harrison and Scorse 2006; Powell 2012, 2014). Workers who are exposed to such treatment often work more than 60 hours per week without receiving a reasonable wage. Surviving with such low wages has led them to severe poverty whereby they do not have enough money for food. In addition, the constant exposure to an unhealthy environment including being harassed or threatened, exposed to harmful chemicals and even having to work while being sick, have caused these workers to face severe health and mental problems (e.g. diseases and mental issues) (Bernstein et al. 2000; Coakley and Kates 2013; Harrison and Scorse 2006, 2010; Judith 2011; Moran 2004; Smith 2005;
issues around sweatshops

To better understand the issues surrounding sweatshops and whether they should be continued or discontinued, there is a need to understand why they exist. According to the literature, sweatshops are basically part of a free trading system which allows developed countries (e.g. USA) to negotiate trading agreements with less-developed countries in order to increase profits in their production by cutting any possible costs (Powell 2012; Watch 2007; Zwolinski 2007).

With such a system, many companies are able to have access to more international markets as trade laws have relaxed. Thus, with such a slack trade system, trading barriers such as taxes or tariffs are removed enabling companies to minimise their cost of production by having their products manufactured and produced in extremely low-cost factories that can be set up in poorer countries (Brown 2006; Radin and Calkins 2006; Watch 2007; Zwolinski 2007). However, due to such a loosely enforced system, there is very little accountability between retailers, manufacturers and workers. Therefore, retailers and manufacturers do not have control over the actual production chain. As a result, many of them do not know who are the actual workers being employed. So apart from ensuring investments are turning into profit, little attention is given to the workers who actually work in these factories (Coakley and Kates 2013; Harrison and Scorse 2006, 2010; Judith 2011; Powell 2012; Radin
and Calkins 2006). The literature has indicated that sweatshops were once mainly found in the Western World, especially USA and Great Britain. However, more recent findings have found that sweatshops are no longer associated with these countries but many of them can be found across the globe including Asia and Europe. More importantly, many of these companies were found to be in the garment industry manufacturing clothing in a sweatshop environment (Coakley and Kates 2013; Harrison and Scorse 2006, 2010; Judith 2011; Powell 2012, 2014; Radin and Calkins 2006).

Findings have highlighted that the exploitation of sweatshops should be given more attention. Past literature has also noted that many textile and apparel companies in the USA and Europe are rapidly shifting their production to Asian countries where wages are much lower (Rivoli 2003; Radin and Calkins 2006; Watch 2007). A recent report stated that most US apparel manufacturers and retailers who are heavily involved in international sourcing receive their imports from approximately 150 undeveloped countries, where sweatshops are commonly found (Harrison and Scorse 2010; Judith 2011; Powell 2006). Furthermore, it was found that large major brands such as H&M, Nike, Ralph Lauren, DKNY and Adidas were utilising sweatshops to manufacture their apparel (Snyder 2010; Coakley and Kates 2013; Powell 2014). Studies have found that many of these major brands are leveraging their power through cheap labour in Asia, particularly China (Harrison and Scorse 2010; Judith 2011; Powell 2006; Radin and Calkins 2006). These labels were said to have been violating overtime rules whereby their workers are constantly being forced to work long hours for very minimal wages (Bernstein, Shari and Malkin 2000; Bhagwati 2008; Marcellot 2013).
Furthermore, news reports have also stated that fire safety issues have become a major concern in sweatshop factories. A number of cases of garment factories in Asia have been reported where due to poor fire safety, many of the fire exits have been blocked which has caused deaths and many injuries (Bernstein 2000; Coakley and Kates 2013; Powell 2012).

Apart from the apparel industry, similar studies regarding health and safety issues have also repeatedly reported that workers particularly in shoe or toy factories have constantly been exposed to toxic chemicals and gases, and also polluted water has resulted in serious health issues (Harrison and Scorse 2006, 2010; Judith 2011). In addition, due to the ongoing exposure to excessive pressure (e.g. constantly being abused at work, humiliation by employers, working long hours and even sexual harassment), many workers have become prone to severe mental illness such as depression (Snyder 2010; Powell 2012, 2014; Rivoli 2003).

Child labour is found to be another issue in sweatshop exploitation. While child labour laws are designed to provide protection from abuse for children, reports from the US labour department have stated that children nine to 15 years old were largely found to be exploited as slave workers in sweatshop factories (Golodner 1990; Harrison and Scorse 2006, 2010). It was added that many of these young children are forced to work in a hazardous environment for long hours and are only making a maximum of one US dollar per hour. In addition, due to working in such a poor environment, many are facing various illnesses, for which proper health care is still not provided (Echikson 1999; Golodner 1990; Harrison and Scorse 2010). A report
from *Business Week* on the topic of workplace safety has highlighted that the violation of human rights involves women as well as children. Girls from as young as 14 to adult women were found to be forced to work a minimum of 70 hours per week with only limited toilet breaks. In addition, these girls are frequently abused and harassed by their employers. Again, many of these companies were found to be shoe and clothing manufacturers (Bernstein, Shari and Malkin 2000; Echikson 1999; Golodner 1990).

Another important factor that has once again reminded many people about sweatshop exploitation is the factory that recently collapsed in Bangladesh (Marcellot 2013; Miller 2013; Powell 2014). Bangladesh has always been known as a country renowned in the retail industry for low-cost production. However, findings have indicated that the cause of the collapse was irregular maintenance (Miller 2013). As mentioned, major brands such as Nike, Adidas, Cotton On, Puma, etc. have always been a subject of debate when it comes to ethical conduct, as many of these labels are making vast amounts of money through mass production from sweatshops. However, very little is known about luxury brands. Due to the increasing demand for luxury goods, it was found that some luxury apparel manufacturers are seeking cheaper alternatives in less-developed countries where proper assessment, inspection and control processes are less strict or not required (Nigam 2014; Scheibel 2010; Shukla 2012). More importantly, the recent investigation of Gucci’s involvement in sweatshop exploitation in China has caught the attention of luxury consumers, governments, and social activists (Wang and Snell 2013; Molly 2014; Nigam 2014; Scheibel 2010).
Attitudes towards Sweatshops

According to the literature that has examined consumers’ attitudes towards sweatshops (Arnold and Bowie 2003; Belzer 2000; Bernstein 2000; Harrison and Scorse 2010; Judith 2011), it has been found that there is a change in consumers’ purchasing trends. Many studies have confirmed that, due to an increasing awareness of ethical issues in the clothing industry, particularly in sweatshop production, consumers are starting to care about the products they purchase (Beard 2008; Carrington, Neville and Whitwell 2011; Dickson 2000; Shaw and Tomolillo 2004; Smith 2005). Several philosophers have also stated that due to the ongoing problems in our society (e.g. sweatshops), there is a growing demand from the general public showing their interest in social responsibility (Dickson 2000, 2001; Shaw et al. 2007; Shaw and Tomolillo 2004; Shen et al. 2002).

Firstly, technology is found to be the greatest influencer of consumers’ purchasing behaviour (Dickson 2000, 2001; Wang and Snell 2013). Studies have found that the advancement of technology has helped many parts of the world to have easy access to information (Dickson 2000, 2001; Floyd et al. 2013; Man Kit 1998). With such advanced technology today, many people do not only have free and easy access through local media, but also many international media (Evans 2012; Gillin 2009; Mangold and Faulds 2009). Studies have indicated that due to improved technology, media have been able to expose the presence of sweatshops in many different parts of the world (Beard 2008; Evans 2012; Gillin 2009). In addition, due to the rise of social media, many social media users are able to have immediate access to information at their convenience. As a result, people from developed countries as well as countries that are less developed are able to have extremely fast access to information. Recent
findings have shown that due to the strong publicity of sweatshop incidents through media and social media, there is an increase in consumers’ awareness towards sweatshop production around the world (Dickson 2000, 2001; Dickson and Eckman 2008; Islam and Deegan 2010).

Secondly, as sweatshops are constantly being put into the media spotlight, it has become a topic of interest for the government (Beard 2008; Dickson and Eckman 2008; Islam and Deegan 2010; Mangold and Faulds 2009). The ongoing battle with sweatshops has become not only a social issue, but also a political problem to the government as it affects a country’s image and also creates various economic problems (Greenberg and Knight 2004; Islam and Deegan 2010; When and Respond 2004). Studies have found that government bodies are not only encouraging companies to devote and contribute greater energy and resources to CSR initiatives (e.g. be compelled to produce ethically-sound products or be more involved in charity work), but policies regarding trading and human rights laws to cover sweatshop activities are said to be tightening, especially towards global apparel companies such as Nike, where production is often found to include the exploitation of sweatshops (Greenberg and Knight 2004; Islam and Deegan 2010; Li-Wen 2010; Maloni and Brown 2006; Micheletti et al. 2006).

Thirdly, there is still very little research being conducted to thoroughly examine consumers’ knowledge about sweatshops and their concern with social responsibility in the apparel industry (Dickson and Eckman 2008; Hargreaves 2003; Meiners and Quinn 2012; Snyder 2010). However, literature has evidenced that over the years, education has significantly influenced consumers’ purchasing behaviour towards
sweatshop products (Brown and Lauder 1996; Dickson 2000, 2001; Dickson and Eckman 2008; Hargreaves 2003; Meiners and Quinn 2012). As many countries are putting their focus on improving education systems, many less-privileged people are now able to have a better education (Dickson 1999; Emmelhainz and Adams 1999; Floyd 2013). Studies have found that schools and universities in some countries are placing emphasis on educating students about social issues (e.g. social justice around the issues of sweatshops such as human trafficking and child labour) (Floyd 2013; Hargreaves 2003; Meiners and Quinn 2012). Nevertheless, the issue of sweatshops not only catches the attention of the general public, but also the anti-consumerists (Man Kit 1998; Scheibel 2010; Shaw et al. 2007; Powell 2012).

Due to the ongoing issues of sweatshops, the anti-sweatshop movement is said to be on the rise. Earlier findings have found that anti-consumerist activists are not only urging companies, particularly apparel companies, to be more involved in CSR activity; more importantly, many of them are starting to reveal the darker side of sweatshops through various anti-sweatshop campaigns to spur consumers to boycott products that are made in sweatshops (Bigelow 1997; Coakley and Kates 2013; Dickson 2001; Shen et al. 2012; Powell 2012). Similar studies have reported that student activists are also protesting against sweatshops to raise ethical issues amongst other students as well as to show their support for the anti-sweatshop movement (Featherstone 2002; Hargreaves 2003; He and Phillion 2008; Van Der Werf 2001). Retrospectively, literature has highlighted that all this information is not only creating awareness about sweatshops amongst consumers but, more importantly, it has the tendency to shape consumers’ behaviour towards products that are made in sweatshops (Cai and Shannon 2012; Christian 2003; Dickson 1999, 2000; De

Attitudes towards luxury brands and sweatshops

Research on sweatshops has not only helped fast retailing apparel companies to realise the importance of sustainability and ethical conduct in fashion (Davies, Lee and Akhonhai 2012; Finn 2011; Joy et al. 2012); more specifically, it also raises questions amongst status consumers and consumers who generally care about sustainability as well as luxury brands, which typically command high selling prices and high turnover (Beard 2008; Davies, Lee and Akhonhai 2012; Kapferer 2010; Husic and Cicic 2009; Shukla 2012; Scheibel 2010).

Recent studies have reported that, due to the growing concern for ethical factors amongst consumers, particularly towards luxury goods, luxury brands are urged to consider changing their business strategies to fit the notion of ‘responsible luxury’ and this has become a heated discussion lately in the fashion industry (Davies, Lee and Akhondai 2012; Hennigs et al. 2013; Janssen et al. 2014; Kapferer 2010; Phau and Min 2009). Nevertheless, there are research findings reporting that luxury brands such as Armani, Louis Vuitton and Prada have recently taken part in CSR initiatives to justify that their products are actually designed to maximise the positive impact on the environment as well as stakeholders, after the incident of Gucci being accused of sweatshop exploitation (Fuchs et al. 2013; Hennigs et al. 2013; Janssen et al. 2014; Joy et al. 2012; Kapferer 2010). Though literature has stated that the definition of ‘luxury’ varies from person to person, the term has always been referred to as a
symbol of wealth (Husic and Cicic 2009; Kapferer 2010; Scheibel 2010). However, the term has changed over the years according to literature.

In the past, luxury was the consequence of social stratification, whereby only certain people of higher hierarchy (e.g. people with higher status, power and wealth than others) would acquire luxury goods. Recent findings have shown that there is a shift today in consumers’ perception towards the concept of luxury whereby many people consider it more as an individual lifestyle satisfaction experience (Bendell and Kleanthous 2007; Davies, Lee and Akhonhai 2012; Kapferer 2010). Social conformity has found to be one of the influencers of consumers buying luxury brands (Feldman 2003; Heinemann 2008; Turner et al. 1994). According to Bearden et al. (1989), an individual’s behaviour is strongly influenced by information that they are exposed to, or the knowledge that they receive based on the observation of the behaviour of others. Studies have found that consumers today do not buy luxury goods just to show how successful they are; rather they possess luxury goods because all their peers have luxury goods. Thus, in order to feel a sense of belonging or to be accepted by their peers, they tend to conform to how the group behaves (Bendell and Kleanthous 2007; Feldman 2003; Shukla 2012; Spector 1983).

In studies on conformity, psychologists have confirmed that the behaviour of others often becomes a depiction of a person’s behaviour. In other words, how individuals behave is often based on the observation of how their peers behave (Claidiere and Whiten 2012; Davies, Lee and Akhonhai 2012; Feldman 2003). Social comparison is said to be another important factor that influences consumers to purchase luxury goods. Several research studies have found that consumers who often purchase luxury
goods are either wealthy, highly educated or concerned about social and environmental issues. As a result, through possession of luxury goods, they are able to show that they are of a better socio-class or more successful than others (Bendell and Kleanthous 2007; Brickman and Bulman 1977; Festinger 1954; Kapferer 2010; Tajfel 1978).

Past literature has also highlighted that status consumption is perhaps the main reason why people buy luxury goods (Barnett 2005; Eastman, Goldsmith and Flynn 1999; Janssen et al. 2014; Joy et al. 2012). According to luxury goods market experts, most status consumers tend to buy things they do not need, thus paying a price that is far above what purchases are actually worth, regardless of whether it is a product or service, just to pamper or reward themselves (Barnett 2005; Eastman, Goldsmith and Flynn 1999; Goldsmith, Flynn and Kim 2010; Janssen et al. 2014). Furthermore, it was added that status consumers tend to purchase luxury goods just because they are expensive and branded. As a result, by possessing these goods, their status can be recognised (Bendell and Kleanthous 2007; Husic and Cicic 2009; Kapferer 2010; Phau and Min 2009; Tajfel 1978).

**Luxury brands and ethical consumption**

Recent findings have indicated that the sustainable movement is the primary direction in which businesses should be striving to go in the twenty-first century (Janssen 2014; Joy et al. 2012). As consumers are more educated these days, many people are more knowledgeable when it comes to making purchasing decisions. Studies have shown that consumers today are becoming more aware of the products they purchase due to their ongoing disappointment of making frivolous purchases (e.g. paying a price that
is far beyond what the product is actually worth or purchasing products that create 
negative impact on society such as sweatshop products) (Beard 2008; Bray, Johns and 
suggested companies which consider sustainability as their business strategy should 
be focusing on three aspects: creating an environment that is sustainable without 
causings any harm; doing good unto others as they would do unto us; and creating an 
environment that meets and satisfies the current generation’s needs without 
compromising those of future generations (Finn 2011; Joy et al. 2012; Kang, Liu and 

Research studies have found that though ethical fashion, or eco-fashion, has become 
increasingly popular within the media as well as with consumers, some luxury apparel 
companies are still stating that it is hard for retailers or manufacturers to sell their 
products at low prices yet maintain good quality (Janssen 2014; Joy et al. 2012; 
Kapferer 2010). In fact, several car companies such as Mercedes and Rolls Royce 
have reported that consumers may be less responsive to sustainability as ethical 
considerations carry little weight in their purchasing of luxury goods (Eckhardt, Belk 
and Devinney 2010). It was added that people who can afford to drive such expensive 
cars tend to only care about social status and do not pay attention to what impact the 
product will have on society in the long run (Eckhardt, Belk and Devinney 2010; 

To better understand the relation between sustainability and luxury and how they can 
both be incorporated, there is a need to understand the concept of luxury. Past 
literature has evidenced that luxury is defined as excellence in quality and creativity.
Also, luxury goods should be considered as credence goods whereby every aspect including quality, craftsmanship, materials and timelessness as well as art and creativity are hard to assess (Hennigs et al. 2013; Janssen 2014; Joy et al. 2012; Kapferer 2010). Literature has stated that scarcity is often associated with luxury goods, as luxury products are often perceived by consumers as rare products. As a result, these products are usually sold at a very high price with the highest quality. Therefore, it is important that these goods should not be over-diffused as when they are, they lose their luxury characteristics (Janssen 2014; Joy et al. 2012). The concept of sustainability development focuses on changing the environmental dynamics by ways such as improving human livelihoods and well-being as well as protecting and contributing positive inputs to the ecosystem (Eckhardt, Belk and Devinney 2010; Hennigs et al. 2013). Studies have found that any company should be generating profits based on a sustainable policy that focuses on principles such as having respect for people regardless of their status and for their supply chain, as well as recognising that resources are limited (Beard 2008; Bray, Johns and Kilburn 2011; Cherrier 2007; Janssen 2014; Joy et al. 2012).

Scholars have highlighted that luxury products symbolise an elite experience or a sense of prestige. Luxury brands, on the other hand, have the power to influence consumers’ perception and behaviour towards ethical fashion through product design, distribution and marketing. Thus, they should be responsible for promoting sustainable consumption (Bendell and Kleanthous 2007; Kapferer 2010; Kang, Liu and Kim 2013). Studies have indicated that there is a growing demand for ethical consumerism, whereby consumers are seeking goods that are made in ways or places
that do not harm the environment or put workers at risk (Eckhardt, Belk and Devinney 2010; Kang, Liu and Kim 2013; Pookulangara and Shephard 2013; Shaw et al. 2004).

Interestingly, studies that examined consumers’ perception towards ethical consumption have found that consumers who support the concept of sustainability tend to be willing to pay more for ‘ethically-sound’ or ‘sweat-free’ products (Hassan et al. 2013; Kapferer 2010; Pookulangara and Shephard 2013; Shaw et al. 2004). Many studies have indicated that consumers today are showing great interest in ethical conduct. However, empirical studies have highlighted that though consumers may have shown their desire to change the marketplace through their behaviour (e.g. boycotting sweatshop products), they are often blinded by the seduction of cheaper goods, and thus continue their usual purchases by ignoring the existing social issues (Davies, Lee and Akhonhai 2012; Eckhardt, Belk and Devinney 2010; Floyd et al. 2013; Man Kit 1998). Earlier findings have suggested that consumers who are concerned about environmental issues, and are always showing support for socially responsible practices, are often not equipped with appropriate knowledge or do not have the accessibility to make ethical purchases (e.g. the lack of availability of ethical products or the lack of knowledge regarding where to purchase these products). Thus, this tends to result in consumers repeating their regular purchases (Eckhardt, Belk and Devinney 2010; Hassan 2013; Janssen 2014; Joy et al. 2012; Kapferer 2010; Pookulangara and Shephard 2013).
RESEARCH GAPS IN THE LITERATURE

The following section will conclude this chapter with the identification and justification of the research gaps that will form the foundation for the theoretical framework and hypotheses for this study. Based on the preceding discussion, four key areas are identified as research gaps.

Lack of a theoretical and conceptual framework within the context of luxury branded apparel

- There is an inherent need to investigate the influence of attitudes towards the purchasing behaviour for luxury branded apparel made in sweatshops. Davies, Lee and Ahonkhai (2012) have cited that while research is plentiful in other contexts, no studies to date have looked specifically at luxury branded products made in sweatshops. More importantly, as highlighted by many researchers (Žemgulienė 2013; Barber et al. 2012; Shen et al. 2012; Sweetin et al. 2013), the question arises of whether the ethical stance of the consumers may lead to the willingness to pay more for luxury branded products that are not made in sweatshops.

- In the context of the purchase of luxury branded apparel made in sweatshops, there is very little work done with respect to social norms. In particular, recent studies such as Fuchs et al. (2013) have highlighted that susceptibility to interpersonal influence on purchase intent may very well be highly influential on boycotting products made in sweatshops (Khare et al. 2011). Furthermore, in terms of ethics, integrity is also perceived to be related to social norms and
can be a significant negative influence to purchase intent (Hamelin, Nwankwo and Hadouchi 2012).

- Mukhopadhyay and Johar (2005) have found that self-efficacy may have a significant effect on purchase intention. In the context of sweatshops, there is still a need to investigate if this could be a potential influence on purchase intent as well as the willingness to pay more for luxury branded apparel not made in a sweatshop. As a result, as stated by Kang, Liu and Kim (2013), consumers will be more likely to purchase luxury branded apparel that is not made in sweatshops, but little empirical research to date has shown evidence of this.

- Many studies have examined purchase intention to willingness to pay more. However, there is still a lack of studies that have looked at potential moderators or mediators (Lwin and Phau 2008).

This thesis strives to respond to the call for research to better understand consumer purchase intentions towards products made in sweatshops, particularly among consumers who like to purchase luxury goods (Hung et al. 2011). The theory of planned behaviour (TPB) is also applied to test the relationship between attitudes, social norms, and perceived behavioural control on consumer intention to purchase luxury branded fashion products made in sweatshops. Secondly, it examines the relationship between intention not to purchase luxury branded fashion products made in sweatshops and the willingness to purchase luxury branded fashion products not made in sweatshops.
CONCLUSION

This chapter reviewed the literature on the theory of planned behaviour. Drawing on relevant literature, research gaps were identified and discussed, providing the backdrop to this study. From the gaps identified in the literature, the theoretical framework and hypotheses formulated to address these gaps are further discussed in the following chapter.
CHAPTER THREE
THEORETICAL FRAMEWORK

INTRODUCTION
Deriving from the research gaps identified in the literature review, the objectives of study, the research questions and the theoretically driven conceptual framework examining how attitudes towards sweatshops, social norms and perceived behavioural factors influence consumers’ purchase intention and their willingness to pay more, and how its moderator enhances the two relationships, are presented in this chapter. Consequently, drawing on relevant literature and theoretical foundations the hypotheses are formulated and presented.

OBJECTIVES OF STUDY
Criticism is voiced by some researchers, that there is lack of theoretical or conceptual framework driven studies regarding the use of sweatshops in the apparel industry, particularly in the luxury context (Barber et al. 2012; Beard 2008; Hamelin, Nwankwo and Hadouchi 2012; Shen et al. 2012; Sweetin et al. 2013; Zemgulienė 2013).

In addition, the following two research questions are proposed:

- **Research Question 1**: Will consumers buy luxury branded apparel made in sweatshops?

- **Research Question 2**: Are consumers willing to pay more for luxury branded apparel not made in sweatshops?
Additionally, the following objectives are defined.

a. To investigate the influence of attitudes towards social consequences, attitudes towards luxury branded apparel and attitudes towards purchasing behaviour of luxury branded apparel made in sweatshops, on the intention to purchase luxury branded apparel made in sweatshops.

b. To investigate the influence of susceptibility to interpersonal influence and integrity on the intention to purchase luxury branded apparel made in sweatshops.

c. To investigate the influence of perceived behavioural control on the intention to purchase luxury apparel made in sweatshops.

d. To investigate the influence of intention not to purchase luxury branded apparel made in sweatshops on the willingness to pay more for luxury branded apparel not made in sweatshops.

e. To examine the moderating role of anticipatory guilt on the relationship between the intention not to purchase luxury branded apparel made in sweatshops and the willingness to pay more for luxury branded apparel not made in sweatshops.
RESEARCH FRAMEWORK

Building on the research gaps identified in the previous chapter, a theoretical model of this study is presented in Figure 1.

Table 3-1

Theory of Planned Behaviour

As a summary, it is proposed that attitudes, social norms and perceived behavioural control will positively influence intention not to purchase luxury branded apparel made in sweatshops. Intention not to purchase luxury branded apparel made in sweatshops is expected to positively influence consumers’ willingness to purchase luxury branded apparel not made in sweatshops. Furthermore, attitudes, social norms and perceived behavioural control are also expected to positively influence consumers’ willingness to pay more for luxury branded apparel that is not made in
sweatshops. Based on this, it is proposed that intention not to purchase luxury branded apparel made in sweatshops will be a mediator between the three antecedents and the willingness to pay more for luxury branded apparel not made in sweatshops. Finally, anticipatory guilt is expected to moderate the relationship between intention not to purchase luxury branded apparel made in sweatshops and willingness to pay more for luxury branded apparel not made in sweatshops.

THEORETICAL FRAMEWORK

Overarching Theory:

The Theory of Planned Behaviour (TPB)

The Theory of Planned Behaviour is often adopted and commonly used by market researchers in various contexts of studies examining attitudes, beliefs and their behavioural intentions (Ajzen 1985, 1991, 2011; Madden, Ellen and Ajzen 1992; Christian 2003; Conner and Armitage 1998; Fishbein and Ajzen 1975; Man Kit 1998; Mishra 2014; Shaw, Shiu and Clarke 2000). Psychologists have found that we are always finding ways to understand or explain our behaviour (Ajzen 1985, 1991; Man Kit 1998; Thorbjornsen, Pedersen and Nysveen 2007). Earlier findings have stated that our behaviour is often influenced by how we think and feel. Therefore, these thoughts and feelings that we have often shape the way we behave (Ajzen 1985, 1991, 2011; Ajzen and Madden 1986; Christian 2003; Conner and Armitage 1998; Fishbein and Ajzen 1975; Man Kit 1998; Sommer 2011; Pickett et al. 2011). The Theory of Reasoned Action (TRA) was first designed by Ajzen and Fishbein to better understand and predict behavioural intention. The authors’ explanation of the theory suggests that behavioural intentions are the immediate indicators to performing behaviour. These indicators, which consist of information and beliefs that we
understand from a particular subject matter, are likely to have an influence on us showing a particular behaviour, and such behaviour is intended to lead to a specific outcome (Ajzen 1985, 1991, 2011; Fishbein and Ajzen 1975; Man Kit 1998). The theory was originally divided between two concepts, namely behavioural and normative beliefs. Behavioural beliefs were postulated to be the underlying factors that influence an individual’s attitude towards performing behaviour; normative beliefs, on the other hand, rely on the opinion or perception of others regarding what an individual should do about performing the behaviour. As a result, the information or beliefs form the base for decision-making and subsequently the behavioural outcome (Ajzen 1985, 1991, 2011; Ajzen and Madden 1986; Bang et al. 2000; Christian 2003; Conner and Armitage 1998; Fishbein and Ajzen 1975; Madden et al. 1992; Man Kit 1998; Sommer 2011; Pickett et al. 2011). This approach was later extended by the author by adding perceived behavioural control to the model as another determinant of behavioural intentions and behavioural outcome (Ajzen 1985, 1991, 2011; Madden 1992).

The theory of planned behaviour is a theory designed by Ajzen to understand the linkage between beliefs and behaviour in order to better understand human behaviour (Ajzen 1985, 1991; Ajzen and Fishbein 1980; Ajzen and Madden 1986; Fishbein and Ajzen 1981). In fact, psychologists understand and agree that explaining what influences human behaviour is somehow very complex and difficult to comprehend (Ajzen 1985, 1991; Ajzen and Madden 1986; Fishbein and Ajzen 1981; Man Kit 1998; Pickett et al. 2012).
Extant literature has shown evidence that the theory of planned behaviour model is widely used by market researchers to investigate consumers’ purchase intention towards a particular product or service (Ajzen 1985, 1991; Fishbein and Ajzen 1975). More so, it is also commonly used by market strategists, particularly in the areas of advertising, public relations and communications, to develop relevant marketing strategies for their companies (Armitage and Conner 2001; Feldman 2003; Melanie and Avril 1999; Pickett et al. 2012). Based on the outcome of behaviour and attitude (Horng, Su and So 2013), the framework is largely adopted by market researchers today to evaluate decision-making of individuals; for instance, what triggers a person to behave in a certain way (Horng, Su and So 2013; Southey 2011). It was added that the adoption of the theory would allow researchers to better understand consumers’ buying behaviour. As a result, knowing how consumers behave would allow them to be able to offer what the market wants (Conner and Armitage 1998; Horng, Su and So 2013; Pickett et al. 2012). Studying why humans behave in a certain way is rather hard to comprehend. Therefore, researchers have been employing different ways to test the different factors influencing human behaviour (Ajzen 1985, 1991; Ajzen and Madden 1986; Fishbein and Ajzen 1981).

TPB states that an individual’s behavioural intention is often determined by their behavioural decisions, which are in turn influenced by their own attitude, subjective norms and perceived behavioural control towards performing a particular behaviour (Ajzen 1985, 1991; Ajzen and Madden 1986; Conner and Armitage 1998; Fishbein and Ajzen 1981; Krueger and Carsrud 1993; Southey 2011;). More specifically, according to Ajzen’s explanation of his own theory, the three factors mentioned above that are assumed to shape an individual’s behavioural intentions are referred to: (1)
behavioural beliefs – a person’s subjective beliefs towards a behaviour (e.g. an individual’s beliefs about performing a particular behaviour will lead to either a positive or negative outcome); (2) subjective norms – a person’s beliefs towards a behaviour is determined by the judgement of others (e.g. an individual’s beliefs towards a behaviour is influenced by the perceptions of how the behaviour is perceived by social factors such as friends, family, trend or even society); (3) perceived behavioural control – describes a person’s perception towards the level of difficulty in performing a particular behaviour (e.g. the behaviour of a person is determined by their ability to perform that behaviour) (Ajzen 1985, 1991; Ajzen and Madden 1986; Conner and Armitage 1998; Fishbein and Ajzen 1981; Sommer 2011).

In this study, the theory of planned behaviour will be used as a framework to examine consumers’ attitudes towards luxury branded apparel made in sweatshops, social norms which describe the social pressure a person receives while performing certain behaviour, followed by the perceived behavioural control which implies a person’s perception towards the ability of performing the behaviour. Consequently, the consideration of these factors will provide a better understanding of consumers’ perceptions of luxury branded apparel made in sweatshops. In turn, it will also provide an understanding of the relationship between consumers’ intention to purchase luxury branded apparel made in sweatshops and their willingness to pay more for luxury branded apparel not made in sweatshops (Ajzen 1985, 1991; Fishbein and Ajzen 1981; Fuchs et al. 2013; Pickett et al. 2012).
HYPOTHESES DEVELOPMENT AND THEORETICAL UNDERPINNING

Attitudes towards sweatshops

A sweatshop is often referred to as a factory with poor working conditions where workers are exploited to work long working hours with low wages, child labour and abusive treatment at work (Alden et al. 2013; Emmelhainz and Adams 1999; Esbenshade 2004; Rudell 2006; Shaw et al. 2007). Research stated that these issues are more likely to happen in countries that are less developed, where labour laws are less strict and there are few workers’ rights (Fuchs et al. 2013; Shaw et al. 2007). Due to such a phenomenon, consumers today are more aware of the impact of sweatshop issues on health, safety and human rights. Empirical studies have demonstrated that attitude towards sweatshops affects: (a) an individual's attitudes and beliefs towards products that are made in sweatshops; (b) the importance of buying sweatshop products; (c) purchase intentions of luxury branded apparel made in sweatshops and willingness to pay more for luxury branded apparel not made in sweatshops; (d) actual purchase behaviour of luxury apparel not made in sweatshops (Chang 1998; Christian 2003; Dickson 2000, 2001; Shaw and Tomolillo 2004; Shaw et al. 2007; Pollin, Burns and Heintz 2004).

The issue of sweatshops does not only spark the interest of consumers who are aware what they cause. In fact, due to the call for fair trade, many clothing companies are slowly acting and responding to fair trade concerns that are related to the apparel industry (Auger et al. 2008; Marcketti et al. 2009; Shaw and Tomolillo 2004; Shaw et al. 2007; Shen et al. 2012). Several studies have found that consumers today are more aware of the impact of sweatshop issues on health, safety and human rights (Auger et al. 2008; Moran 2004; Shaw and Tomolillo 2004; Ross 2004).
Recent findings have shown that consumers today are not only becoming more aware of the issue of sweatshops: interestingly, it was found that there is a growing number of consumers trying to boycott products that are made in sweatshops (Cummings 2009; Micheletti 2006; Zwolinski 2007). There is a substantial amount of literature that has discussed the anti-sweatshop movement, particularly in the apparel industry (Auger et al. 2008; Cummings 2009; Micheletti 2006).

It was found that not only are consumers aware of sweatshops; there is also an increase in consumers making ethical purchases. Some ethical consumer magazines have also mentioned that consumers’ purchase intentions have now changed due to the increasing awareness of ethical issues in the clothing industry, particularly sweatshop production (Auger et al. 2008; Marcketti 2009; Shaw and Tomolillo 2004; Shen et al. 2012). Businesses were also found to be practising ‘the green movement’.

According to Synder’s (2012) statement regarding boycotting sweatshop products, the anti-consumerism movement is also changing consumers’ consumption culture. Anti-consumerists such as environmental, social and humanitarian activists are forcing companies to act in accordance with CSR (corporate social responsibility) (Andorfer et al. 2012; Auger et al. 2008; Coakley and Kates 2013; Harrison and Scorse 2010; Marcketti 2009; Shaw and Tomolillo 2004; Shen et al. 2012; Synder 2010; Powell 2012). Although many corporations today have claimed to be acting in socially responsible ways, doubts still arise within consumers when it comes to purchasing a product as there is still limited information being released to the public regarding
how, when and for whom CSR works are conducted (Andorfer 2012; Auger et al. 2008; Marcketti 2009; Shaw and Tomolillo 2004; Shen et al. 2012).

As discussed in the last section on attitudes towards purchase intention and willingness to pay more in the TPB, it can be postulated that:

H$_{1a}$ Attitudes towards social consequences will have a positive relationship towards the intention _NOT_ to purchase luxury branded apparel made in sweatshops.

H$_{1b}$ Attitudes towards social consequences will have a positive relationship towards the willingness to pay more for luxury branded apparel _NOT_ made in sweatshops.

H$_{2a}$ Attitudes towards apparel made in sweatshops will have a positive relationship towards the intention _NOT_ to purchase luxury branded apparel made in sweatshops.

H$_{2b}$ Attitudes towards sweatshops will have a positive relationship towards the willingness to pay more for luxury branded apparel _NOT_ made in sweatshops.

H$_{3a}$ Attitudes towards purchasing behaviour of products made in sweatshops will have a positive relationship towards the intention _NOT_ to purchase luxury branded apparel made in sweatshops.

H$_{3b}$ Attitudes towards purchasing behaviour of products made in sweatshops will have a positive relationship towards the willingness to pay more for luxury branded apparel _NOT_ made in sweatshops.
SOCIAL NORMS

Subjective norms refer to the perception or opinions of others about how one should behave; social norms, on the other hand, refer to the social pressure an individual receives while behaving in certain ways. They are the degree of influence based on how important opinions of others are to them (Ajzen 1985, 1991; Ajzen and Madden 1986; Conner and Armitage 1998; Fishbein and Ajzen 1981; Sommer 2011; Horng, Su and So 2013). Psychologists described them as habitual or routine human actions that are performed naturally to attain certain goals (Manning 2011).

Social norms are exemplified as the beliefs and values a person draws from the perceptions they get from different people or social groups (Ajzen 1991; Fishbein and Ajzen 1981; Pickett et al. 2012). Put simply, social norms are the social characteristics or attributes that we often learn or follow in our own social group. Previous studies have stated that social norms do not only provide information about how we should behave in a particular situation, but also help us to better understand what is considered to be normal in a particular social group (Manning 2011). Four variables in social norm will be examined. They are: (a) susceptibility to interpersonal influence; (b) integrity; (c) status consumption; and (d) self-efficacy.

In the literature, consumers’ susceptibility to interpersonal influence is often discussed interchangeably with social influence. Bearden, Netemeyer, and Teel (1989, 772) stated that a person’s susceptibility is often influenced by the characteristics or personalities of others. In a nutshell, social norms indicate the appropriate or approved ways of doing things in particular social groups or social classes (Sherif 1936; Thombs and Hamilton 2002); susceptibility to interpersonal influence, on the other
hand, refers to the drivers or determinants that influence us to behave in a certain way (Bearden, Netemeyer and Teel 1989; Hoffmann and Broekhuizen 2009; Khare et al. 2011). Many of the existing studies that discussed consumers’ susceptibility to interpersonal influence were also found to be focusing on socially visible products such as apparel (Liskey-Fitzwater, Moore and Gurel 1993; Hyllegard et al. 2012; Teah and Phau 2007).

Past literature has indicated that how a person behaves is strongly influenced by the information that they are exposed to, or the knowledge that they receive based on the observation of the behaviour of others (informational influence), as well as normative influence which refers to how well they can conform to the expectations of what would impress others (Bearden, Netemeyer and Teel 1989; Hoffmann and Broekhuizen 2009; Khare et al. 2011; Sherif 1936; Thombs 2002; Teah and Phau 2007).

a) Susceptibility to interpersonal influence

Informational susceptibility is the tendency to perceive or to obtain information from others. This means that individuals tend to be more susceptible to information if they often seek advice from others or observe how they behave (Spector 1983). Research also highlights that a person may seem to be more susceptible to information when they actively seek information from others who they perceive to be knowledgeable about the product (d'Rozario 2012). As such their opinions are essential as they help consumers to make better decisions by setting a point of reference when consumers have little knowledge about the product (Dodd et al. 2000. Several researchers also
found that consumers’ decision-making is affected particularly in product evaluations to better understand consumers’ purchasing behaviour (Gupta 2011; Shukla 2012).

*Normative susceptibility* refers to the tendency to conform to the expectations of others and is often concerned about how people would impress others (Bearden, Netemeyer and Teel 1989; Clark and Goldsmith 2006; Spector 1983). Such influence takes place when a person is motivated by their desire to fit into a particular group. In order to reflect self-identification in the associated group, one may tend to observe how other people behave (Gupta 2011). For instance, a person may subconsciously follow what others do by observing their behaviour because they believe that is what reflects the reality (e.g. a person may purchase a certain clothing brand that their friends believe to be an expensive brand without even knowing the actual product). Recent studies regarding the media today indicate that, due to the increased usage of social networks, such prevalence has become a powerful tool to many clothing manufacturers. Most of the clothing companies today are increasingly using social networks as a platform for commercial purposes as they are the easiest and quickest way to reach out to potential consumers (Wolny and Mueller 2013). The majority of people tend to signify fashion as how individuals portray themselves in a society. In order to show their belonging to a certain society, they tend to acquire possessions related to the values, qualities, cultures, and interests of the society. Based on earlier discussion, a person is more susceptible to normative influence when they try to gain acceptance from others by possessing their behaviours. As a result, individuals believe that responding to such possessions would then provide them with affirmation of their identity (Khare 2011). As a result, the more consumers are being exposed to the severity of sweatshops, the less likely are they to buy products that are made in
sweatshops. Hence, the more consumers who are against products that are made in sweatshops, the more likely are they to be willing to pay more to support ethically sound products. As discussed in the last section on susceptibility to interpersonal influence towards purchase intention and willingness to pay in the TPB, it can be postulated that:

\( H_{4a} \) Informational susceptibility to interpersonal influence will have a positive relationship towards the intention *NOT* to purchase luxury branded apparel made in sweatshops.

\( H_{4b} \) Informational susceptibility to interpersonal influence will have a positive relationship towards the willingness to pay more for luxury branded apparel *NOT* made in sweatshops.

\( H_{5a} \) Normative susceptibility to interpersonal influence will have a positive relationship towards the intention *NOT* to purchase luxury branded apparel made in sweatshops.

\( H_{5b} \) Normative susceptibility to interpersonal influence will have a positive relationship towards the willingness to pay more for luxury branded apparel *NOT* made in sweatshops.

b) Integrity

There have been findings by market researchers regarding how integrity affects purchasing behaviour (Laeequddin and Sardana 2010). Researchers found that what is believed to be influencing consumers’ purchasing intentions is often affected by their level of integrity towards the particular product. Therefore, psychologists believed that people who have high integrity are more likely to respond to ethical conduct by
making ethical purchase decisions as compared to people who have low integrity 
(Lewick and Bunker 1996).

Integrity is defined as the tendency to be honest or the state of having strong moral 
values. It is often discussed interchangeably with the subject of trust (Nguyen, 
Melewar and Chen 2013). On the other hand, market researchers also believe that 
trust is sometimes the predominant influencer of what builds a person’s integrity, as 
people tend to react more proactively when they have trust in a particular thing or 
person (Lu, Zhao and Wang 2010). Psychologists found that factors such as cultural, 
psychographic and product attributes are the main influencers of purchasing 
behaviour. First of all, culture shapes one’s personality, value, characteristics, 
belongings, etc. (Hamelin, Nwankwo and Hadouchi 2012). Trust develops when one 
puts oneself in an uncertain situation expecting a favourable return (e.g. consumers’ 
integrity towards a product increases when they believe that buying the product will 
in turn benefit them) (Juster 1966. As result, when trust develops, it increases a 
person’s integrity towards the product, which will ultimately lead them to purchase 
intention.

Therefore, consumers who have a high level of awareness about the issues of 
sweatshops will be less likely to purchase luxury branded apparel made in 
sweatshops. In fact, as their level of integrity increases, it would ultimately influence 
them to be willing to pay more for luxury branded apparel that is not made in 
sweatshops (Hamelin, Nwankwo and Hadouchi 2012). As discussed in the last section 
on integrity towards purchase intention and willingness to pay more in the TPB, it can 
be postulated that:
H$_{6a}$ Integrity will have a positive relationship towards the intention *NOT* to purchase luxury branded apparel made in sweatshops.

H$_{6b}$ Integrity will have a positive relationship towards the willingness to pay more for luxury branded apparel *NOT* made in sweatshops.

c) **Status Consumption**

Status consumption refers to signals that symbolise a person’s personal and social identity, such as self-perception. Luxury goods are often consumed by status consumers to show their well-being and self-pleasure (Davies, Lee and Ahonkhai 2012; Fuchs et al. 2013; Goldsmith, Flynn and Kim 2010; Haderspeck 2013). The term luxury can be defined as signals that symbolise a person’s personal and social identity, such as self-perception. Many believe that self-identification can be identified through brand identity. Therefore, luxury goods are often consumed to show one’s well-being and self-pleasure such as status-seeking (Fuchs et al. 2013). Apart from seeking uniqueness and quality, luxury goods experts argued that luxury-seeking consumers are also seeking conspicuousness and hedonism (Finn 2011).

Davies, Lee and Ahonkhai (2012,38) stated that the consumption of luxury goods is to increase one’s hedonism. Thus, taking ethical aspects into consideration when purchasing luxury goods is essential (e.g. ethical concern such as whether to purchase luxury apparel made in sweatshops). Upon further elaboration, consumers who can afford luxury goods should pay even more attention to ethics as the key motivation behind luxury consumption is to present one’s high living standard.
In hindsight, consumers often buy things or follow a particular lifestyle that they believe has some symbolical image of the society that they are living in or the culture that they belong to (e.g. having the perception that a person who wants to live in Beverly Hills must be a celebrity or someone who has higher social status) (Husic and Cicic 2008). Value is the key to the argument, whereby consumers will only purchase something that will in turn benefit them (e.g. a person would purchase a certain clothing brand just to show their social status to others) (Haderspeck 2013).

Lastly, brand familiarity is said to have influence on consumers’ integrity towards purchasing behaviour; consumers with a low level of awareness about a product are less likely to purchase the product than those who have a higher level of awareness, because of the uncertainty of the value the product will offer (Nica 2013).

As a result, status consumers are more conscious about their achievements, hence showing their accomplishment to others is important. Therefore, consumers who often seek status will most likely purchase luxury branded apparel regardless of whether it is made in sweatshops or not. As discussed in the last section on status consumption towards purchase intention and willingness to pay more in the TPB, it can be postulated that:

$H_{7a}$ Status consumption will have a positive relationship towards the intention NOT to purchase luxury branded apparel made in sweatshops.

$H_{7b}$ Status consumption will have a positive relationship towards the willingness to pay more for luxury branded apparel NOT made in sweatshops.
d) Self-Efficacy

Perceived behavioural control refers to a person’s ability to perform certain behaviour; it is often said to have a direct effect on self-efficacy (Kang et al. 2006). Subsequently, self-efficacy is a person’s self-belief in their own ability to perform a task. The two are always discussed interchangeably as in Ajzen’s theory; the author believes that self-efficacy often has a direct relation to perceived behavioural control, which may affect a person’s attitudes or behaviour (Ajzen 1991). In other words, a person’s self-efficacy towards performing a task is determined by how well they can have control over the behaviour towards the completion of the task. These roles are created when an action is carried out to perform a particular task. Every task performed has its success and failure, and self-efficacy takes place to examine if one is actually capable of performing the task (e.g. a social smoker would easily say that he is not addicted to smoking or it is easy for him to quit smoking because he is not addicted to smoking) (McKee, Simmers and Licata 2006).

Similarly, in another context, self-efficacy is said to have an influence on gamers. Gaming experts stated that the major influence on consumers’ self-efficacy in purchasing a particular game is measured by its levels of technicality. Consumers who have higher self-efficacy in a game would feel that the completion of the game is achievable; therefore, it is worth purchasing the game (Mukhopadhyay and Johar 2005).

Consequently, consumers who have high self-efficacy would truly believe that they could make a change to minimise the issue of sweatshops through boycotting luxury branded apparel that is made in sweatshops, thus supporting sweatshop-free luxury
brands. As discussed in the last section on self-efficacy towards purchase intention and willingness to pay more in the TPB, it can be postulated that:

**H₈a** Self-efficacy will have positive relationship towards the intention *NOT* to purchase luxury branded apparel made in sweatshops.

**H₈b** Self-efficacy will have positive relationship towards the willingness to pay more for luxury branded apparel *NOT* made in sweatshops.

**Purchase intention to willingness to pay more**

Past literature suggests that stated intentions are perhaps the best predictors of actual behaviour (Fishbein and Ajzen 1975). However, the study on consumers’ willingness to pay may vary depending on their perception of quality and cost. In order to better measure consumers’ willingness to pay, it is postulated that the more consumers understand about the ethical dimensions of the product, the more likely they are to purchase the product. Therefore, the higher the degree of favourableness on purchase intention would increase their willingness to pay a higher price (Zemgulienė 2013; Barber et al. 2012; Shen et al. 2012). Recent studies have reported that there is an ample amount of findings regarding ethical purchasing.

Due to the increasing concerns surrounding issues about environmentalism such as the issue of sweatshops, consumers today are becoming more conscious about the products they buy (Barber 2012, Dean, Raats and Shepherd 2012; Sweetin et al. 2013). This means that they tend to respond to these concerns by purchasing products that would minimise the environmental issues (Sweetin et al. 2013). Similar studies were also tested in the wine industry. It was found that average wine consumers were willing to pay more for organic wine. However, uncertainty still exists within the
premium wine consumers as they claimed that they will not pay more for environmentally friendly wine if there is an issue with quality.

In addition, this shows that consumers who strongly value quality may not be as environmentally conscious as others (Barber 2012). Self-identity refers to how individuals represent themselves in different social settings (e.g. a person would think of themselves as someone who is concerned about the environment if they are surrounded by peers who are green consumers) (Dean, Raats and Shepherd 2012). Brand researchers suggest that consumers who often associate themselves with a particular brand community tend to be influenced by the people within the community.

Nevertheless, social influence is less likely to influence consumers who predominantly rely heavily on psychographic influence such as personal beliefs, feelings, values and character (e.g. a green consumer’s purchasing behaviour will not be affected by what others think) (Keh and Xie 2009). Consumers’ purchase intentions are the signal of actual purchasing. Therefore, it is important to take into consideration how purchase intention affects actual buying behaviour.

On the other hand, willingness to pay for a product takes place when there is assurance about what the product can offer, hence paying a price for the product shows the value of the product. In addition to that, willingness to pay more occurs when the value of the product exceeds the consumers’ perceived value towards the product (Dean, Raats and Shepherd 2012; Keh and Xie 2009). As such, it can be postulated that:
$H_9$ Intention NOT to purchase luxury branded apparel made in sweatshops will have a positive impact towards the willingness to pay more for luxury branded apparel NOT made in sweatshops.

MODERATING VARIABLE

Guilt – *Anticipatory Guilt*

Guilt has been defined as a form of emotional distress that motivates and encourages pro-social behaviour (Lindsey 2005; Lindsey et al. 2007). Guilt arises when one experiences unpleasant feelings that one might be in the wrong, considering objections to action, an action or even intentions (Prot et al. 2014; Lindsey 2005; Lindsey et al. 2007). Guilt is often described by researchers as the most common negative emotional experience. The occurrence of this experience is often associated with an emotional state that involves feelings such as remorse, self-blame or self-punishment, when a person realises or believes that their action has opposed or violated their own moral standards or their own standards of conduct (e.g. guilt plays as an indicator when we have failed acting or behaving in accordance to our own moral standards) (Cotte, Coulter and Moore 2005; Ghorbani et al. 2013; Huhman and Brotheron 1997; Higbee 1969; Lindsey 2005; Hibbert et al. 2007; Kugler and Jones 1992; Massi et al. 2007; Ozhan Dedeoglu and Kazançoglu 2010).

Furthermore, some studies have also mentioned that the feeling of guilt does not only occur to someone who has done something wrong, but it may also create a negative impact on the people around them (Cotte, Coulter and Moore 2005; Ghorbani et al. 2013; Huhman and Brotheron 1997; Lindsey 2005; Lindsey et al. 2007). There were studies that mentioned that although guilt produces a negative emotional state when
we do something wrong, it also serves as a forewarning to us and provides us with information about how we should behave in order to avoid such feelings from occurring (Bozinoff and Ghingold 1983; Lindsey 2005; Lindsey et al. 2007; Steenhaut and Van Kenhove 2006).

According to past literature, guilt has been categorised in several forms, which have been referred to as anticipatory, existential, and reactive guilt. However, this study will be examining specifically anticipatory guilt and how it affects consumers’ purchase intentions (Cotte, Coulter and Moore 2005; Huhmann and Brotherton 1997).

Anticipatory guilt is referred to as the feeling of guiltiness that one faces from contemplating an outcome that would potentially violate a person’s own standards (Lindsey 2005; Lindsey et al. 2007; Cotte, Coulter and Moore 2005; Hibbert et al. 2007; Steenhaut and Van Kenhove 2006). As mentioned earlier, the feeling of guilt can also serve as a forewarning to us and also teaches us how to behave appropriately; some scholars have also referred to this type of guilt as a relationship that involves obligation and obedience (e.g. if a person can foresee that their behaviour would create a negative outcome, hence making them feel guilty, retrospectively they will be motivated to behave in such a way that their behaviour or action would, in one way or another, create or increase a positive effect that would reduce the feelings of guilt) (Burnett and Lunsford 1994; Cotte, Coulter and Moore 2005; Hibbert et al. 2007; Huhmann and Brotherton 1997; Lindsey and Lisa 2005; Lindsey 2007; Steenhaut and Van Kenhove 2006).
Though research has shown that there are many studies being examined on the topic of guilt, studies on anticipatory guilt on the other hand are still very limited (Lindsey, Yun and Hill 2007; Lindsey 2005; Lindsey et al. 2007; Cotte, Coulter and Moore 2005). However, there have been many studies which mention the use of guilt in advertising (Coulter and Pinto 1995; Huhmann and Brotherton 1997; Steenhaut and Van Kenhove 2006). It was found that market researchers tend to use different guilt appeals through different advertising campaigns to examine the effect that guilt has on the consumer through the advertisements (Bozinoff and Ghingold 1983; Coulter and Pinto 1995; Hibbert et al. 2007; Huhmann and Brotherton 1997; Steenhaut and Van Kenhove 2006).

Companies who manufacture or promote nondurable goods such as textiles, clothing, footwear and so forth often apply different types of guilt appeals in their advertisements to examine consumers’ attitudes towards the advertisements, attitudes towards the brand and their purchase intentions (e.g. consumers’ purchase intentions towards products made in sweatshops) (Cotte, Coulter and Moore 2005; Coulter and Pinto 1995; Huhmann and Brotherton 1997; Lindsey 2005; Lindsey et al. 2007; Peloza, White and Jingzhi 2013; Richard, Van der Pligt and De Vries 1996; Venkatraman 2004). More importantly, most studies indicated that companies that heavily use guilt appeals in their advertising are often companies offering products with ethical attributes (e.g. ads about smoking, drugs and alcohol, go green and authentic products) (Lindsey 2005; Lindsey et al. 2007; Jiménez and Yang 2008; Peloza, White and Jingzhi 2013; Richard, Van der Pligt and De Vries 1996; Smith et al. 1995; Venkatraman 2004).
Though there is little research being done to study how anticipatory guilt can have an influence on consumers’ purchase intentions particularly in the luxury branded apparel context, studies regarding health issues have evidenced that there have been cases of people trying to change the way they live in order to avoid risky health issues (Birkimer, Johnston and Berry 1993; Birkimer et al. 1996; Lindsey, Yun and Hill 2007).

Given that anticipatory guilt serves to provide information for people to be extra cautious about how they should behave, this study seeks to examine if consumers will feel guilty about buying luxury branded apparel made in sweatshops. On the other hand, if purchasing products that are made in sweatshops does evoke guilt, will it moderate consumers’ willingness to pay more for luxury branded apparel that are not made in sweatshops? As discussed in the last section on the moderation of guilt towards purchase intention and willingness to pay more in the TPB, it can be postulated that:

H₁₀ Anticipatory guilt moderates the relationship between intention NOT to purchase luxury branded apparel made in sweatshops and the willingness to pay more for luxury branded NOT made in sweatshops.
CONCLUSION

In this chapter, the research objectives and research questions were specified and the theoretical conceptual framework was delineated. The hypotheses were presented preceded by a discussion of the relevant literature and theoretical foundations. The following chapter outlines the methodology used to conduct this study.
CHAPTER FOUR
RESEARCH METHODOLOGY

INTRODUCTION
This chapter describes the methodology used in this study. The methodology used was selected to address methodological concerns of previous country of origin studies. First, the sample and mode of data collection are discussed. Following that, the measures used in the study are delineated. Finally, the procedural issues associated with data collection are discussed.

SAMPLE AND MODE OF DATA COLLECTION
The sample population of this study was targeting the adults who are currently residing in the Perth metropolitan area. The sample was selected randomly from the shopping malls in the city of Perth, particularly busy metropolitan areas such as King Street, Hay Street, St Georges Terrace and Murray Street, where most of the luxury shops are located.

Self-administered surveys were the chosen method for data collection (Bellfield et al. 2011; Berinsky, Margolis and Sances 2014; Cai and Shannon 2012; Creyer 1997; Dunning and Cahalan 1973; Fon Sim et al. 2014; Hansen, Jensen and Solgaard 2004; Wright, Aquilino and Supple 1998). Shoppers were approached to participate in a self-administered questionnaire by trained interviewers. Every fifth individual that crossed a designated spot outside the main entrance of the mall was approached to participate. Prior to the data collection, interviewers were given instructions on how to
administer the survey instrument and to ensure demographic profiles of respondents are included.

Though self-administered surveys are often associated with low response rates, there are a number of strengths (Armstrong and Overton 1977; Dillman 1991; Krosnick 1999; Mehta and Sivadas 1995; Rainey 2011). Firstly, self-administered surveys provide a more cost-effective way of collecting large amounts of data in a relatively short period of time (Kaplowitz, Hadlock and Levine 2004; Etter and Perneger 2000; Pearl and Fairley 1985). Secondly, since the subject of this research may be susceptible to social desirability bias, gathering data through self-administration may reduce some of this bias as respondents can complete the surveys without verbal interviews (Hebert et al. 1995; Kaplowitz, Hadlock and Levine 2004; Yun and Trumbo 2000).

Data collection was conducted over a four-week period including both weekdays and weekends. 600 self-administered questionnaires were distributed. Of the 600 targeted self-administered questionnaires, 194 were unusable primarily due to incomplete or missing data, or failure to pass the screening questions, providing a total of 406 usable questionnaires with a response rate of 32.3%. It would seem that measuring consumers’ attitudes and perceptions towards apparel made in sweatshops in a mall or shopping-related environment would allow the population of interest to relate to what the research intends to investigate (Hornik and Ellis 1988), which in this case are the attitudes and consumer purchase intention towards luxury branded apparel made in sweatshops, hence their willingness to pay more for luxury branded apparel that are not made in sweatshops (Wang et al. 2005; Sweetin et al. 2013).
PRODUCT STIMULUS

Content analysis of media such as press releases about sweatshops in developing countries was added to help respondents to better understand the scope of the study. Real scenarios of the life-threatening working conditions of sweatshops, such as the involvement of child labour, the poor working environment of garment factories and the incident of the collapsed Bangladeshi garment factory, were shown in photographs along with descriptions reported in the media described in the stimulus. The purpose of the stimulus is to help respondents to understand the background and issues revolving around sweatshops as well as to examine the effect of guilt on the respondents. The stimulus was also tested through a group of 20 respondents.

Pre-test

Pre-test of the survey was conducted prior to the commencement of data collection. Pre-testing involved 20 general male and female consumers including university and high school students, and business people as well as academics, from the city of Perth, Western Australia. The purpose of having such diverse groups of people was to capture a wider range of consumers. Each participant was given a questionnaire and asked to rate their perception about luxury branded apparel that is made in sweatshops. Based on this, all products were deemed appropriate for inclusion in the study.
MAIN SURVEY INSTRUMENT

The survey instrument was developed in English. The eleven sections of the survey consist of established scales and demographics. The description of scale items and their reliabilities are reflected in Table 1. Sections A and B measured consumers’ susceptibility towards interpersonal influence, integrity and status consumption. Section C measured the attitudes and purchase intentions towards luxury branded apparel made in sweatshops. Section D measured consumers’ self-efficacy towards luxury branded apparel made in sweatshops. Section E measured consumers’ intention towards purchasing behaviour of apparel made in sweatshops. Section F comprised demographic information of respondents. All items were measured on a seven-point Likert scale with 1 representing ‘strongly disagree’ and 7 ‘strongly agree’.

Section A

This section is to determine consumers’ purchasing behaviour. Respondents were asked to rate eight seven-point Likert scale statements (1=Strongly disagree and 7=Strongly agree).

Section B

This section is to determine consumers’ purchasing habits in terms of their integrity and their interest in products with status. Respondents were asked to rate eight seven-point Likert scale statements (1=Strongly disagree and 7=Strongly agree).
Section C
This section is to measure consumers’ attitudes and opinions towards sweatshops. Respondents were asked to rate the extent to which they agree or disagree with the statements about issues regarding sweatshops on twelve seven-point Likert scale statements (1=Strongly disagree and 7=Strongly agree).

Section D
This section is to measure consumers’ attitudes and opinions towards sweatshops. Respondents were asked to rate the extent to which they agree or disagree with the statements about issues regarding sweatshops on four seven-point Likert scale statements (1=Strongly disagree and 7=Strongly agree).

Section E
This section is to measure consumers’ attitudes and opinions towards sweatshops. Respondents were asked to rate the extent to which they agree or disagree with the statements after understanding the issues about products that are made in sweatshops on four seven-point Likert scale statements (1=Strongly disagree and 7=Strongly agree).

Section F
This section is to measure consumers’ purchase intention about products made by sweatshops. Respondents were asked to rate the extent to which they agree or disagree with the statements after understanding the issues about sweatshops on four seven-point Likert scale statements (1=Strongly disagree and 7=Strongly agree).
Section G

This section is to measure consumers’ willingness to pay more for luxury apparel that are not made by sweatshops. Respondents were asked to rate the extent to which they agree or disagree on three seven-point Likert scale statements 1=Strongly disagree and 7=Strongly agree).

Section H

The last section of the survey gathered demographic information from the respondents, namely gender, age group, Australia residency, primary occupation, annual income level and level of education.

<table>
<thead>
<tr>
<th>Scale Measure</th>
<th>Source</th>
<th>Number of Items*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attitudes towards products made in sweatshops</td>
<td>Wang et al. (2005)</td>
<td>10 items</td>
</tr>
<tr>
<td>Information Susceptibility</td>
<td>Bearden, Netemeyer and Teel (1989)</td>
<td>4 items</td>
</tr>
<tr>
<td>Normative Susceptibility</td>
<td>Bearden, Netemeyer and Teel (1989)</td>
<td>4 items</td>
</tr>
<tr>
<td>Integrity</td>
<td>Ang et al. (2001)</td>
<td>4 items</td>
</tr>
<tr>
<td>Status Consumption</td>
<td>Eastman et al. (1999)</td>
<td>5 items</td>
</tr>
<tr>
<td>Self-Efficacy</td>
<td>Armitage and Connor (2001)</td>
<td>4 items</td>
</tr>
<tr>
<td>Purchase Intention</td>
<td>Wang et al. (2005)</td>
<td>4 items</td>
</tr>
<tr>
<td>Willingness to pay more for luxury branded apparel not made in sweatshops</td>
<td>Wang et al. (2005)</td>
<td>3 items</td>
</tr>
<tr>
<td>Guilt arousal</td>
<td>Lwin and Phau (2008)</td>
<td>4 items</td>
</tr>
</tbody>
</table>
* All scales rated on a seven-point Likert scale

DATA PROCEDURAL ISSUES

The data entry took about three weeks. Responses to the completed questionnaires received were coded and entered into the Statistical Package for the Social Sciences (SPSS) version 22.0 for further analysis, and the accuracy of data entry verified.

ETHICAL CONSIDERATIONS

The survey has been approved by the University’s Human Research Ethics Committee and the study was classified as a minimal risk study. The ethics form is found in Appendix C.
CONCLUSION

This chapter examined the methodology used for the execution of the research. By addressing the main methodological issues on studies regarding apparel that is made in sweatshops particularly in the luxury context, the methodology used in this study is expected to strengthen the external validity of the study and enhance the generalisability of the results. The following chapter discusses the analysis and results of the research. These results are discussed in relation to past findings.
CHAPTER FIVE

DATA ANALYSIS AND RESULTS

INTRODUCTION

The findings of this research are reported and discussed in this chapter. The demographic characteristics of the sample and dimensionality and reliability of the scales used in this study are first discussed. Next, the statistical analyses used to test $H_1 - H_{10}$ and research questions 1 to 2 are examined. The chapter concludes with a discussion of the results in relation to past findings and a summary of the results of the hypotheses and research questions is presented. All statistical data analyses were performed using the Statistical Package for the Social Sciences™ version 22.0.

SAMPLE

Demographic characteristics of the respondents are provided in Table 5-1. 600 questionnaires were collected and of these 194 responses were discarded due to incomplete and unreliable responses. The remaining 406 usable responses were then retained and analysed with SPSS software version 22. The sample distribution is shown in Table 5-1. 49% of the respondents were male, and 51% were female. According to Table 5-1, the majority of the respondents were 21–35 years old (42.9%). Respondents under 21 years old were the second largest participants (29.6%) followed by other smaller groups which consisted of participants aged 36 and above (27.5%). Out of the 406 respondents, 49.3% of the total respondents were residents of Australia, followed by 50.7% of non-residents. The majority of the respondents were students (55.7%). People who are in engineering and business were reported to be the second-largest participants after students, resulting in a total of 26.1%. Other participant
ranges from education, medical, science and retired, including participants who did not disclose their occupation, were reported to be 18.2%.

The majority of the respondents were earning below AUD $15,000 (53.9%). There were more respondents who earned AUD $15,001–$60,000 (33.4%) than respondents who earned AUD $60,001 and above (12.7%). As stated in Table 5-1, the majority of the respondents were reported to hold a bachelor degree (53.7%). The second-largest respondents were reported to have either a diploma or certificate (25.1%). On the other hand, 11.1% of the respondents were only high school graduates. However, postgraduates and respondents who did not disclose their education level specifically both showed (10.1%).
Table 5-1

Sample Characteristics

<table>
<thead>
<tr>
<th>Items</th>
<th>N</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>207</td>
<td>51.0 %</td>
</tr>
<tr>
<td>Male</td>
<td>199</td>
<td>49.0 %</td>
</tr>
<tr>
<td><strong>Age</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Under 21</td>
<td>120</td>
<td>29.6 %</td>
</tr>
<tr>
<td>21–35</td>
<td>174</td>
<td>42.9 %</td>
</tr>
<tr>
<td>36–55</td>
<td>65</td>
<td>16.0 %</td>
</tr>
<tr>
<td>55 and above</td>
<td>47</td>
<td>11.5 %</td>
</tr>
<tr>
<td><strong>Resident</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>200</td>
<td>49.3 %</td>
</tr>
<tr>
<td>No</td>
<td>206</td>
<td>50.7 %</td>
</tr>
<tr>
<td><strong>Occupation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Student</td>
<td>226</td>
<td>55.7 %</td>
</tr>
<tr>
<td>Engineering</td>
<td>50</td>
<td>12.3 %</td>
</tr>
<tr>
<td>Business</td>
<td>56</td>
<td>13.8 %</td>
</tr>
<tr>
<td>Education</td>
<td>29</td>
<td>7.1 %</td>
</tr>
<tr>
<td>Medical</td>
<td>8</td>
<td>2.0 %</td>
</tr>
<tr>
<td>Science</td>
<td>9</td>
<td>2.2 %</td>
</tr>
<tr>
<td>Retired</td>
<td>4</td>
<td>1.0 %</td>
</tr>
<tr>
<td>Others</td>
<td>24</td>
<td>5.9 %</td>
</tr>
<tr>
<td><strong>Income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Under $15,000</td>
<td>219</td>
<td>53.9 %</td>
</tr>
<tr>
<td>$15,001–$30,000</td>
<td>90</td>
<td>22.2 %</td>
</tr>
<tr>
<td>$30,001–$60,000</td>
<td>46</td>
<td>11.2 %</td>
</tr>
<tr>
<td>$60,001–90,000</td>
<td>33</td>
<td>8.2 %</td>
</tr>
<tr>
<td>$90,001 and above</td>
<td>18</td>
<td>4.5 %</td>
</tr>
<tr>
<td><strong>Education Level</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Secondary school</td>
<td>45</td>
<td>11.1 %</td>
</tr>
<tr>
<td>Diploma or certificate</td>
<td>102</td>
<td>25.1 %</td>
</tr>
<tr>
<td>Bachelor Degree</td>
<td>218</td>
<td>53.7 %</td>
</tr>
<tr>
<td>Postgraduate Level</td>
<td>31</td>
<td>7.6 %</td>
</tr>
<tr>
<td>Others</td>
<td>10</td>
<td>2.5 %</td>
</tr>
</tbody>
</table>
SCALES

This section reports the dimensionality and reliability of the scales used in this study.

**Attitudes towards luxury branded apparel made in sweatshops**

An exploratory factor analysis was conducted using principal component factoring and varimax rotation to explore the 12-item attitudes towards intention to purchase luxury branded apparel made in sweatshops scale. Through varimax rotation, three factors emerged and were named ‘Attitudes towards social consequences’, ‘Attitudes towards sweatshops’ and ’Attitudes towards purchase intention’. The Kaiser Meyer Olkin measure of sampling of .720 was well above the recommended cut off point of 0.5 (Dziuban and Shirkey 1974; Malhotra et al. 1996; Verbeke 2001; Verbeke and Viaene 1999) and Bartlett’s Test of Sphericity was significant (sig.=.000), suggesting that factor analysis is suitable for this scale. The 12 items were reduced to nine items due to low reliability. A total of nine items with an acceptable range of reliabilities are reflected in Table 5-2. The scale of attitudes towards intention to purchase luxury branded apparel made in sweatshops is clearly three-dimensional. As such, these three factors were used independently for all subsequent regression analysis.
<table>
<thead>
<tr>
<th>Items</th>
<th>Factor Loadings</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Attitude towards social consequences</td>
</tr>
<tr>
<td>Sweatshop violates labour law</td>
<td>0.650</td>
</tr>
<tr>
<td>Sweatshop damages interests and rights of sweatshop-free manufacturers in the long run</td>
<td>0.631</td>
</tr>
<tr>
<td>Sweatshop damages the apparel industry</td>
<td>0.700</td>
</tr>
<tr>
<td>Without luxury branded apparel made in sweatshops, many people will not be able to enjoy it</td>
<td>0.715</td>
</tr>
<tr>
<td>I am concerned with sweatshop issues affecting workers in the luxury branded apparel manufacturing business</td>
<td>0.652</td>
</tr>
<tr>
<td>Sweatshop products have similar quality as products not made in sweatshops</td>
<td></td>
</tr>
<tr>
<td>Sweatshop products provide similar functions as products not made in sweatshops</td>
<td></td>
</tr>
<tr>
<td>Purchasing sweatshop products is unethical</td>
<td></td>
</tr>
<tr>
<td>There is little chance of being caught when purchasing sweatshop products</td>
<td></td>
</tr>
<tr>
<td>% of Variance</td>
<td>78.757</td>
</tr>
<tr>
<td>Eigenvalue</td>
<td>2.888</td>
</tr>
<tr>
<td>Cronbach Alpha</td>
<td>0.715</td>
</tr>
<tr>
<td>Cronbach Alpha</td>
<td>0.700</td>
</tr>
<tr>
<td>KMO</td>
<td>0.720</td>
</tr>
<tr>
<td>Bartlett’s Test of Sphericity</td>
<td>.000</td>
</tr>
</tbody>
</table>
Reliability analysis was conducted to test the internal reliability of the scale. As shown in Table 5-3, reliability alpha coefficients vary from .70 to .87, which satisfies Nunnally’s (1978) guideline of .70.

Table 5-3
Summary of main constructs used in this study

<table>
<thead>
<tr>
<th>Scale Measure</th>
<th>Source</th>
<th>Number of Items*</th>
<th>α Coefficient</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attitudes towards products made in sweatshops</td>
<td>Wang et al. (2005)</td>
<td>12 items</td>
<td>0.705</td>
</tr>
<tr>
<td>Information Susceptibility</td>
<td>Bearden, Netemeyer and Teel (1989)</td>
<td>4 items</td>
<td>0.700</td>
</tr>
<tr>
<td>Normative Susceptibility</td>
<td>Bearden, Netemeyer and Teel (1989)</td>
<td>4 items</td>
<td>0.770</td>
</tr>
<tr>
<td>Integrity</td>
<td>Ang et al. (2001)</td>
<td>4 items</td>
<td>0.749</td>
</tr>
<tr>
<td>Status Consumption</td>
<td>Eastman et al. (1999)</td>
<td>5 items</td>
<td>0.832</td>
</tr>
<tr>
<td>Self-Efficacy</td>
<td>Armitage and Connor (2001)</td>
<td>4 items</td>
<td>0.813</td>
</tr>
<tr>
<td>Purchase Intention</td>
<td>Wang et al. (2005)</td>
<td>4 items</td>
<td>0.824</td>
</tr>
<tr>
<td>Willingness to pay more for luxury branded apparel not made in sweatshops</td>
<td>Wang et al. (2005)</td>
<td>3 items</td>
<td>0.700</td>
</tr>
<tr>
<td>Anticipatory Guilt</td>
<td>Lwin and Phau (2008)</td>
<td>4 items</td>
<td>0.877</td>
</tr>
</tbody>
</table>

Average summated mean is on seven-point Likert scale

In the following section, the analyses for $H_1$–$H_9$, mediation analysis ($H_{10}$) are reported and presented.
ANALYSIS

Influence of attitudes on ‘Intention not to purchase luxury branded apparel made in sweatshops’ (Hypotheses 1a, 2a and 3a)

Multiple linear regression analysis was conducted between ‘attitudes towards social consequences’, ‘attitudes towards sweatshops’, attitudes towards purchasing behaviour of product made in sweatshops’ and the ‘intention not to purchase luxury branded apparel not made in sweatshops’ to test H1a to H3a. Based on the results in Table 5-4, attitudes towards sweatshops (p<0.000, β=0.108) and attitudes towards social consequences (p<0.000, β=0.151) are found to be significant. However, attitudes towards purchasing behaviour (p<0.904, β=0.006) was found to be insignificant. This indicates that attitudes towards sweatshops and attitudes towards social consequences are a significant predictor of intention not to purchase luxury branded apparel made in sweatshops. The positive standardised beta indicates a positive relationship between attitudes towards sweatshops, attitudes towards social consequences and intention not to purchase luxury branded apparel made in sweatshops. As a result, this shows that consumers who are concerned about sweatshop issues are less likely to purchase luxury branded apparel that is made in sweatshops. Hence, H1a and H2a are supported and H3a is rejected.
Influence of social norms on ‘Intention not to purchase luxury branded apparel made in sweatshops’ (Hypotheses 4a, 5a, 6a and 7a)

Multiple linear regression analysis was conducted between social norms factors such as information susceptibility, normative susceptibility, status consumption and integrity and the ‘intention not to purchase luxury branded apparel made in sweatshops’ to test $H_{4a}$ to $H_{7a}$. Based on the results in Table 5-4, integrity (p<0.000, $\beta=0.180$) and status consumption (p<0.000, $\beta=0.229$) are found to be significant as compared to other factors such as information susceptibility (p<0.230, $\beta=-0.059$) and normative susceptibility (p<0.445, $\beta=0.040$). This indicates that integrity and status consumption are significant predictors of intention not to purchase luxury branded apparel made in sweatshops. The positive standardised beta indicates a positive relationship between integrity, status consumption and intention not to purchase luxury branded apparel made in sweatshops. As a result, this shows that status consumers and consumers with high integrity are less likely to purchase luxury branded apparel made in sweatshops. Thus, $H_{6a}$ and $H_{7a}$ are supported and $H_{4a}$ and $H_{5a}$ are rejected.

Influence of perceived behavioural control on ‘Intention not to purchase luxury branded apparel made in sweatshops’ (Hypothesis 8a)

Multiple linear regression analysis was conducted on ‘self-efficacy’ and the ‘intention not to purchase luxury branded apparel made in sweatshops’ to test $H_{8a}$. Based on the results in Table 5-4, self-efficacy is found to be significant (p<0.000, $\beta=0.414$, adjusted $R^2 = 0.216$). This indicates that integrity is a significant predictor of intention not to purchase luxury branded apparel made in sweatshops. The positive standardised beta indicates a positive
relationship between self-efficacy and intention not to purchase luxury branded apparel made in sweatshops. As a result, this shows that consumers with high self-efficacy will be more likely to not purchase luxury branded apparel made in sweatshops, hence boycotting products that are made in sweatshops. Thus, $H_{8a}$ is supported.

Table 5-4

Results of multiple linear regression analysis for $H_{fa}$ to $H_{8a}$

<table>
<thead>
<tr>
<th></th>
<th>B-Values</th>
<th>Standard Error</th>
<th>Beta</th>
<th>t-value</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Attitudes</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Attitudes towards sweatshops</td>
<td>0.118</td>
<td>0.045</td>
<td>0.108</td>
<td>1.753</td>
<td>.000</td>
</tr>
<tr>
<td>Attitudes towards social consequences</td>
<td>0.218</td>
<td>0.080</td>
<td>0.151</td>
<td>2.614</td>
<td>.000</td>
</tr>
<tr>
<td>Attitudes towards purchasing behaviour</td>
<td>0.007</td>
<td>0.057</td>
<td>0.006</td>
<td>0.121</td>
<td>.904</td>
</tr>
<tr>
<td><strong>Social norm</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Information susceptibility</td>
<td>-0.072</td>
<td>0.060</td>
<td>-0.059</td>
<td>-1.204</td>
<td>.230</td>
</tr>
<tr>
<td>Normative susceptibility</td>
<td>0.038</td>
<td>0.058</td>
<td>0.040</td>
<td>0.759</td>
<td>.445</td>
</tr>
<tr>
<td><strong>Integrity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Integrity</td>
<td>0.214</td>
<td>0.075</td>
<td>0.180</td>
<td>1.519</td>
<td>.000</td>
</tr>
<tr>
<td><strong>Status consumption</strong></td>
<td>0.127</td>
<td>0.055</td>
<td>0.229</td>
<td>4.500</td>
<td>.000</td>
</tr>
<tr>
<td><strong>Perceived behavioural control</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Self-efficacy</td>
<td>0.410</td>
<td>0.050</td>
<td>0.414</td>
<td>6.717</td>
<td>.000</td>
</tr>
</tbody>
</table>

*Predictors: Attitudes towards sweatshops, Attitudes towards social consequences, Attitudes towards purchasing behaviour, Information susceptibility, Normative susceptibility, Integrity, Status consumption, Self-efficacy
*Dependent Variable: Intention not to purchase luxury branded apparel made in sweatshops

$R^2 = 0.216$
Influence of attitudes on ‘Willingness to pay more for luxury branded apparel not made in sweatshops’ (Hypotheses 1b, 2b and 3b)

Multiple linear regression analysis was conducted between ‘attitudes towards social consequences’, ‘attitudes towards sweatshops’, ‘attitudes towards purchasing behaviour of product made in sweatshops’ and the ‘willingness to pay more for luxury branded apparel not made in sweatshops’ to test $H_{1b}$ to $H_{3b}$. Based on the results in Table 5-5, attitudes towards social consequences are found to be significant ($p<0.000$, $\beta=0.129$). However, attitudes towards sweatshops ($p<0.342$, $\beta=-0.054$) and attitudes towards purchasing behaviour ($p<0.045$, $\beta=-0.116$) were found to be insignificant. This indicates that attitudes towards social consequences are a significant predictor of willingness to pay more for luxury branded apparel not made in sweatshops. The positive standardised beta indicates a positive relationship between attitudes towards social consequences and willingness to pay more for luxury branded apparel not made in sweatshops. As a result, this shows that consumers concerned about sweatshop issues are more likely to pay more for luxury branded apparel that is not made in sweatshops. Hence, $H_{1b}$ is supported and $H_{2b}$ and $H_{3b}$ are rejected.

Influence of social norms on ‘Willingness to pay more for luxury branded apparel not made in sweatshops’ (Hypotheses 4b, 5b, 6b and 7b)

Multiple linear regression analysis was conducted between social norms factors such as information susceptibility, normative susceptibility, status consumption and integrity and the ‘willingness to pay more for luxury branded apparel not made in sweatshops’ to test $H_{4b}$ to $H_{7b}$. Based on the results in Table 5-5, integrity is found to be significant ($p<0.000$, $\beta=0.132$). Status consumption on the other hand is also found to be significant ($p<0.000$, $\beta=0.222$) as compared to other factors such as information susceptibility ($p<0.143$, $\beta=0.075$) and
normative susceptibility (p<0.623, β= 0.028). This indicates that integrity and status consumption are both significant predictors of willingness to pay more for luxury branded apparel not made in sweatshops. The positive standardised beta indicates a positive relationship between integrity and status consumption, and willingness to pay more for luxury branded apparel not made in sweatshops. As a result, this shows that consumers with high integrity and consumers who buy luxury goods are more likely to pay more for luxury branded apparel that is not made in sweatshops. Thus, H₆b and H₇b are supported. On the other hand, H₄b, H₅b and H₇b are rejected.

**Influence of perceived behavioural control on ‘Willingness to pay more for luxury branded apparel not made in sweatshops’ (Hypothesis 8b)**

Multiple linear regression analysis was conducted on ‘self-efficacy’ and the ‘willingness to pay more for luxury branded apparel not made in sweatshops’ to test H₈b. Based on the results in Table 5-5, self-efficacy is found to be significant (p<0.000, β=0.224). This indicates that integrity is a significant predictor of willingness to pay more for luxury branded apparel made in sweatshops. The positive standardised beta indicates a positive relationship between self-efficacy and willingness to pay more for luxury branded apparel made in sweatshops. As a result, this shows that consumers with high self-efficacy will be more likely to pay more for luxury branded apparel made in sweatshops, hence boycotting products that are made in sweatshops. Thus, H₈b is supported.
Table 5-5

Results of multiple linear regression analysis for H1b to H8b

<table>
<thead>
<tr>
<th></th>
<th>B-Values</th>
<th>Standard Error</th>
<th>Beta</th>
<th>t-value</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attitudes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Attitudes towards sweatshops</td>
<td>-0.047</td>
<td>0.040</td>
<td>-0.054</td>
<td>-1.175</td>
<td>.341</td>
</tr>
<tr>
<td>Attitudes towards social consequences</td>
<td>0.182</td>
<td>0.071</td>
<td>0.129</td>
<td>2.125</td>
<td>.000*</td>
</tr>
<tr>
<td>Attitudes towards purchasing behaviour</td>
<td>-0.103</td>
<td>0.051</td>
<td>-0.116</td>
<td>-2.112</td>
<td>.045</td>
</tr>
<tr>
<td>Social norm</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Information susceptibility</td>
<td>0.079</td>
<td>0.053</td>
<td>0.075</td>
<td>1.469</td>
<td>.143</td>
</tr>
<tr>
<td>Normative susceptibility</td>
<td>0.014</td>
<td>0.049</td>
<td>0.028</td>
<td>0.493</td>
<td>.623</td>
</tr>
<tr>
<td>Integrity</td>
<td>0.113</td>
<td>0.067</td>
<td>0.132</td>
<td>2.674</td>
<td>.000*</td>
</tr>
<tr>
<td>Status consumption</td>
<td>0.236</td>
<td>0.049</td>
<td>0.198</td>
<td>3.766</td>
<td>.000*</td>
</tr>
<tr>
<td>Perceived behavioural control</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Self efficacy</td>
<td>0.191</td>
<td>0.043</td>
<td>0.224</td>
<td>4.423</td>
<td>.000*</td>
</tr>
</tbody>
</table>

*Predictors: Attitudes towards sweatshops, Attitudes towards social consequences, Attitudes towards purchasing behaviour, Information susceptibility, Normative susceptibility, Integrity, Status consumption, Self-efficacy

*Dependent Variable: Willingness to pay more for luxury branded apparel made in sweatshops

$R^2 = 0.150$

Influence of purchase intention on ‘Willingness to pay more for luxury branded apparel not made in sweatshops’ (Hypothesis 9)

Linear regression analysis was conducted between ‘intention not to purchase luxury branded apparel made in sweatshops’ and the ‘willingness to pay more for luxury branded apparel not made in sweatshops’ to test $H_9$. Based on the results in Table 5-6, intention not to purchase luxury branded apparel made in sweatshops is found to be significant ($p<0.000$, $\beta=0.282$, adjusted $R^2 = 0.079$). This indicates that purchase intention is a significant predictor of
willingness to pay more for luxury branded apparel made in sweatshops. The positive standardised beta indicates a positive relationship between intention not to purchase luxury branded apparel made in sweatshops and willingness to pay more for luxury branded apparel made in sweatshops. As a result, this shows that consumers who do not purchase luxury branded apparel made in sweatshops will be likely to pay more for luxury branded apparel that are not made in sweatshops, hence boycotting products that are made in sweatshops. Thus, H9 is supported.

Table 5-6

<table>
<thead>
<tr>
<th>Purchase intention</th>
<th>B-Values</th>
<th>Standard Error</th>
<th>Beta</th>
<th>Adjusted R²</th>
<th>t-value</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intention not to purchase luxury branded apparel made in sweatshops</td>
<td>0.242</td>
<td>0.041</td>
<td>0.282</td>
<td>0.079</td>
<td>5.897</td>
<td>.000*</td>
</tr>
</tbody>
</table>

*Predictors: Intention not to purchase luxury branded apparel made in sweatshops

*Dependent variable: Willingness to pay more for luxury branded apparel made in sweatshops

Moderating effects of Anticipatory Guilt (Hypothesis 10)

To test for the proposed moderating relationship of ‘guilt’ on ‘intention not to purchase luxury branded apparel made in sweatshops’ and the ‘willingness to pay more for luxury branded apparel not made in sweatshops’. Hierarchical Moderated Regression was conducted to test H10 (Anderson 1986; Bang, Odio and Reio 2014; Gelman and Hill 2006; Huo and Kong 2014; Russell and Bobko 1992; O’Neill and Mone 1998). As shown in Table 5-7
results showed that guilt (p<0.233) is not a significant moderator of intention not to purchase luxury branded apparel made in sweatshops and the willingness to pay more for luxury branded apparel not made in sweatshops. More importantly, guilt recorded a $\Delta R^2$ of .003 respectively. The change of .003 in R square indicates that guilt does not moderate intention not to purchase luxury branded apparel made in sweatshops, nor did it moderate the willingness to pay more for luxury branded apparel not made in sweatshops. As a result, this shows that consumers do not feel guilty about purchasing luxury branded apparel that is made in sweatshops. Thus, it is less likely for them to be willing to pay more for luxury branded apparel that is not made in sweatshops. The results therefore do not support $H_{10}$.

Table 5-7
Results of Hierarchical Moderated Regression for $H_{10}$

<table>
<thead>
<tr>
<th>Independent Variables</th>
<th>Sig.</th>
<th>$R^2$</th>
<th>$F$</th>
<th>df</th>
<th>$\Delta R^2$</th>
<th>$F$ Change</th>
<th>df</th>
<th>$\beta$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase Intention</td>
<td>.000$^*$</td>
<td>0.079</td>
<td>34.777</td>
<td>1</td>
<td>0.079</td>
<td>34.777</td>
<td>404</td>
<td>0.282</td>
</tr>
<tr>
<td>Purchase Intention + Guilt</td>
<td>.000$^*$</td>
<td>0.134</td>
<td>25.302</td>
<td>1</td>
<td>0.054</td>
<td>25.302</td>
<td>403</td>
<td>0.292</td>
</tr>
<tr>
<td>Purchase Intention + Guilt + (Purchase Intention X Guilt)</td>
<td>.233</td>
<td>0.137</td>
<td>1.427</td>
<td>1</td>
<td>0.003</td>
<td>1.427</td>
<td>402</td>
<td>0.328</td>
</tr>
</tbody>
</table>

$^*$Predictors: Purchase Intention and Guilt
$^*$Dependent variable: willingness to pay more for luxury branded apparel made in sweatshops
DISCUSSION OF THE RESULTS

In this section, the results of the study are discussed in relation to the limited research in this area. Possible reasons for discrepant results are also offered. Finally, a summary of the results for the hypotheses and research questions examined is provided.

ANTECEDENTS TO PURCHASE INTENTION

Attitude towards sweatshops

Hypothesis 1a postulated that attitudes towards social consequences will have a positive relationship towards the intention not to purchase luxury branded apparel made in sweatshops. Hypothesis 2a, on the other hand, postulated that attitudes towards apparel made in sweatshops will have a positive relationship towards the intention not to purchase luxury branded apparel made in sweatshops. Thus, the results of this study lend support to hypotheses 1a and 2a. Many studies have shown that consumers today are not only aware of issues surrounding sweatshops but are also concerned about the damage it could cause to health, safety and human rights (Auger et al. 2008; Ballinger 2011; Marcketti 2009; Moran 2004; Shaw and Tomolillo 2004; Ross 2004). Furthermore, this result is supported by recent findings on sweatshops; these findings have found that consumers today are not only becoming aware about sweatshop products but, more importantly, there is an increasing number of consumers trying to boycott products that are made in sweatshops (Bernstein, Shari and Malkin 2000; Cummings 2009; Coakley and Kates 2013; Judith 2011; Micheletti 2006; Zwolinski 2007). However, hypothesis 3a postulated that attitudes towards purchasing behaviour of products made in sweatshops will have a positive relationship towards the intention not to purchase luxury branded apparel made in sweatshops. Based on the results,
hypothesis 3a is rejected. Thus, this shows that this hypothesis is an insignificant predictor to purchase intention. In general, the result is consistent with most studies conducted in this field which have generally found that there is a growing number of consumers making ethical purchases due to the increasing awareness of ethical issues in the clothing industry, particularly in sweatshop production (Auger et al. 2008; Coakley and Kates 2013; Judith 2011; Marcketti 2009; Ross 2004; Shaw and Tomolillo 2004; Shen et al. 2012).

**Social norms**

Hypothesis 4a postulated that informational susceptibility to interpersonal influence will have a positive relationship towards the intention not to purchase luxury branded apparel made in sweatshops. The results of this study did not support this hypothesis. Although many studies examining individuals’ susceptibility to interpersonal influence have continually highlighted that an individual tends to be more susceptible to information if they actively seek information from people whom they perceive to be knowledgeable about a particular product or subject matter (Bearden, Netemeyer and Teel 1989; Spector 1983), the findings seem to be inconsistent with the hypothesis. Further this finding is contrary to d'Rozario’s (2012) findings which have stated that consumers often seek opinions from others in order to help them to make better purchase decisions (Bearden, Netemeyer and Teel 1989; Clark and Goldsmith 2006; Gupta 2011).

There are a number of possible explanations for the findings obtained in this study. Bearden, Netemeyer and Teel (1989) mentioned that consumers often seek information (e.g. advice or opinions) from others when they have little knowledge of a product. Several researches have
also found that information affects consumers’ decision-making particularly in product evaluations (Gupta 2011; Hoffmann, Broekhuizen 2009; Khare et al. 2011; Teah and Phau 2007; Spector 1983). Firstly, it can be argued that there can be a lack of product knowledge (Hoch and Ha 1986; Reed and DeFillippi 1990). This can be explained by the fact that consumers may not have the information (e.g. knowledge) about the product’s true nature (e.g. whether the products are made or not made in sweatshops). As a result, the lack of knowledge in defining the product’s true nature will lead them to continue purchasing apparel that is made in sweatshops (Wooten and Reed 1998). Secondly, false information could be the reason behind the contradicted findings (Gilbert, Krull and Malone 1990). It can be argued that consumers may be implanted with false information (e.g. statement such as ‘it is fine to purchase products that are made in sweatshops’) by the people around them. As a result, what others think may have an influence on consumers’ purchasing decisions.

Hypothesis 5a postulated that normative susceptibility to interpersonal influence will have a positive relationship towards the intention not to purchase luxury branded apparel made in sweatshops. It was found that the results of this study did not support this hypothesis. Past literature has suggested that individuals’ susceptibility to normative information is dependent on the influence of other people that would lead them to conform in order to be like them or be accepted by them (Batra, Homer and Kahle 2001; Hoffmann and Broekhuizen 2009; Spector 1983; Teah and Phau 2007; Ryan 1982). Ryan (1982) stated that having a sense of belonging or finding self-identity is often the reason why a person conforms to a certain group. It was also added that one may also comply with certain behaviour just to meet others’ expectations (Bearden, Netemeyer and Teel 1989). A possible explanation can be made for
the findings obtained in this study. This can be justified by the fact that having a sense of belonging may be the main reason influencing consumers’ purchasing decisions. Such an assumption can be presumed that purchasing products that are made in sweatshops may not be perceived as something illegal or unethical amongst other people; thus, in order to be accepted by the groups that the consumers are associated with, they tend to behave like they do.

Hypothesis 6a postulated that integrity will have a positive relationship towards the intention not to purchase luxury branded apparel made in sweatshops. Several studies have found that people who have high integrity are more likely to respond to ethical conduct by making ethical purchase decisions, as compared to people who have low integrity (Lewick and Bunker 1996; Palanski, Kahai and Yammarino 2011; Teah and Phau 2009). The results of this study indicate that integrity is significant; on the other hand, it is also positively related to intention not to purchase luxury branded apparel that is made in sweatshops. As a result, this indicates that consumers are generally people who have strong moral values and are concerned about the issues of sweatshops, thus lending support to this hypothesis.

Hypothesis 7a postulated that status consumption will have a positive relationship towards the intention not to purchase luxury branded apparel made in sweatshops. Davies, Lee and Ahonkhai (2012) have stated that status consumers tend to take ethical aspects into consideration when it comes to purchasing luxury goods. This statement is also given support by previous studies regarding consumption in luxury brands; studies have found that consumers who can afford to buy luxury goods tend to pay more attention to ethics to show
their high standard of living (Shukla 2010, 2012; O'Cass and McEwen 2004; O’Cass and Frost 2002). The results of this study indicate that status consumption is a significant predictor, and has a positive relationship to intention not to purchase luxury branded apparel made in sweatshops. As a result, this indicates that consumers who buy luxury brands do take into consideration ethical aspects when it comes to purchasing luxury goods.

**Perceived behavioural control**

Hypothesis 8a postulated that self-efficacy will have a positive relationship towards the intention not to purchase luxury branded apparel made in sweatshops. There have been studies indicating that consumers are trying to boycott products that are made in sweatshops (Shaw et al. 2007; Smith 2005; Snyder 2010; Powell 2012; Ross 2004; Zwolinski 2007). However, the actual ability of consumers to boycott sweatshop products has not yet been properly examined. Nevertheless, research studies examining gamers’ attitudes have found that an individual’s self-efficacy is said to increase when one truly believes in their ability to achieve certain tasks (McKee, Simmers and Licata 2006; Mukhopadhyay and Johar 2005). In this study, it is postulated that consumers who have high self-efficacy would truly believe that they could make a change to minimise the issue of sweatshops through boycotting luxury branded apparel that is made in sweatshops, and thus supporting sweatshop-free luxury brands. The results of this study indicate that self-efficacy is a significant predictor, and has a positive relationship on intention not to purchase luxury branded apparel made in sweatshops. As a result, this indicates that consumers generally believe that they have the ability to boycott luxury branded apparel that is made in sweatshops. Thus, hypothesis 8a is supported.
ANTECEDENTS TO WILLINGNESS TO PAY MORE

Attitude towards sweatshops

Hypothesis 1b postulated that attitudes towards social consequences will have a positive relationship towards the willingness to pay more for luxury branded apparel not made in sweatshops. As mentioned, research studies have found that consumers are not only becoming aware and concerned about the issues of sweatshops, but there are also an increasing number of consumers wanting to boycott products that are made in sweatshops (Auger et al. 2008; Ballinger 2011; Bernstein, Shari and Malkin 2000; Cummings 2009; Coakley and Kates 2013; Judith 2011; Micheletti 2006; Zwolinski 2007). Other studies regarding consumers’ attitudes towards product authenticity have also indicated that consumers are starting to take into consideration the ethical aspects when purchasing a product; it has been added that many of them are willing to pay more for organic or fair trade products (Auger et al. 2008; De Pelsmacker, Driesen and Rayp 2005; Didier and Lucie 2008; McGoldrick and Freestone 2008; Vlosky, Ozanne and Fontenot 1999). The results of this study indicate that attitudes towards social consequences are a significant predictor, and have a positive relation to willingness to pay more for luxury branded apparel not made in sweatshops. Therefore, the findings have given support to hypothesis 1b.

However, hypotheses 2b and 3b were found to be inconsistent with studies conducted in this field. Hypothesis 2b postulated that attitudes towards sweatshops will have a positive relationship towards the willingness to pay more for luxury branded apparel not made in sweatshops. Hypothesis 3b postulated that attitudes towards purchasing behaviour will have a
positive relationship towards the willingness to pay more for luxury branded apparel not made in sweatshops. A possible explanation to such inconsistency can be assumed that social consequences of sweatshops are likely to influence consumers to pay more for luxury branded apparel not made in sweatshops as compared to attitudes towards sweatshops and purchasing behaviour of products made in sweatshops.

**Social norms**

Hypothesis 4b postulated that informational susceptibility to interpersonal influence will have a positive relationship towards the willingness to pay more for luxury branded apparel not made in sweatshops. The results of this study did not support this hypothesis, though not many studies have actually looked into examining how information can have an influence in willingness to pay more. However, studies related to willingness to pay more have found that generally consumers are willing to pay more for products of better quality (De Pelsmacker, Driesen and Rayp 2005; Hsu and Shiue 2008; Krystallis and Chryssohoidis 2005). A possible explanation can be made whereby it is assumed that product knowledge may be lacking amongst consumers. As a result, not knowing whether the products are ethically produced would not lead consumers to pay extra attention to product origin (Phau and Suntornnond 2006). It can also be argued that consumers may be influenced by the false information given by their peers or people around them (e.g. being told by peers or salespeople that a product is ethically produced when it is, in fact, made in a sweatshop).

Hypothesis 5b postulated that normative susceptibility to interpersonal influence will have a positive relationship towards the willingness to pay more for luxury branded apparel not
made in sweatshops. It was found that the results of this study did not support this hypothesis. Literature has suggested that individuals tend to behave like others when they want to find a sense of belonging or to be accepted by a particular group (Batra, Homer and Kahle 2001; Hoffmann and Broekhuizen 2009; Spector 1983; Teah and Phau 2007; Ryan 1982). Other studies have also evidenced that people tend to conform to the behaviour of others in order to meet their expectations (Bearden, Netemeyer and Teel 1989; Göckeritz et al. 2010; Ryan 1982). A possible explanation can be made for the findings obtained in this study. It can be assumed that peers of consumers are buyers of sweatshop products. Therefore, purchasing products that are made in sweatshops may not be perceived as something against the law or unethical. As a result, such behaviour may have had an influence on consumers’ purchasing decisions.

Hypothesis 6b postulated that integrity will have a positive relationship towards the willingness to pay more for luxury branded apparel not made in sweatshops. Many studies have indicated that consumers today are willing to pay a premium for ethical products (Beard 2008; Floyd et al. 2013; McGoldrick and Freestone 2008; Carrington, Neville and Whitwell 2011; Powell 2012). Further, it was found that people who have high integrity are more likely to respond to ethical conduct by making ethical purchasing decisions as compared to people who have low integrity (Lewick and Bunker 1996; Palanski, Kahai and Yammarino 2011; Teah and Phau 2009). More importantly, most studies relating to ethical issues in the fashion industry have found that consumers today are paying extra attention to genuineness of product, particularly when it comes to purchasing luxury brands (Davies, Lee and Akhonhai 2012; Koschat-Fischer, Diamantopoulos and Oldenkotte 2012; Shaw and
Tomolillo 2004). The results of this study indicate that integrity is significant; on the other hand, it is also positively related to the willingness to pay more for luxury branded apparel that is made in sweatshops. As a result, this indicates that consumers are generally people who have strong moral values and are concerned about the issues of sweatshops, and thus are willing to pay more for luxury branded apparel not made in sweatshops. This shows that the findings lend support to this hypothesis.

Hypothesis 7b postulated that status consumption will have a positive relationship towards the willingness to pay more for luxury branded apparel not made in sweatshops. Previous studies have evidenced that consumers are willing to pay more for products that are environmentally friendly (Koschate-Fischer Diamantopoulos and Oldenkotte 2012; Laroche, Bergeron and Barbaro-Forleo 2001; Carrington, Neville and Whitwell 2011; Powell 2012). This statement is also given support whereby other studies have found that status consumers tend to consider the ethical aspects of a product when it comes to purchasing luxury goods (Davies, Lee and Akhonhai 2012; Koschate-Fischer, Diamantopoulos and Oldenkotte 2012). The results of this study indicate that status consumption is a significant predictor, and has a positive relationship to intention not to purchase luxury branded apparel made in sweatshops. As a result, this indicates that consumers who buy luxury brands do take into consideration the ethical aspects when it comes to purchasing luxury goods. On the other hand, as mentioned earlier, studies have also found that consumers who can afford to buy luxury goods tend to pay more attention to ethics to show their high standard of living (Shukla 2010, 2012; Koschate-Fischer Diamantopoulos and Oldenkotte 2012; O'Cass and McEwen 2004;
O’Cass and Frost 2002). This also indicates that in order to portray a high standard of living, consumers are willing to pay more for luxury branded apparel that is not made in sweatshops.

**Perceived behavioural control**

Hypothesis 8b postulated that self-efficacy will have a positive relationship towards the willingness to pay more for luxury branded apparel not made in sweatshops. Numerous studies have indicated there has been evidence of consumers trying to boycott products that are made in sweatshops. (Bhagwati 2008; Shaw et al. 2007; Smith 2005; Snyder 2010; Powell 2012; Ross 2004; Zwolinski 2007). However not many studies to date have confirmed that consumers actually have the ability to boycott sweatshop products. In this study, it is intended to examine if consumers are willing to pay more for luxury branded apparel not made in sweatshops, given that they have a tendency to boycott luxury branded apparel that is not made in sweatshops. The results of this study indicate that self-efficacy is a significant predictor, and has a positive relationship to willingness to pay more for luxury branded apparel not made in sweatshops. As a result, this indicates that consumers who are against luxury branded apparel that is made in sweatshops would be willing to pay more for luxury branded apparel that is not made in sweatshops. Thus, this shows that hypothesis 8b is consistent with the findings.

**Purchase intention to willingness to pay more**

Hypothesis 9 postulated the intention not to purchase luxury branded apparel made in sweatshops. Research studies have evidenced that a high degree of favourableness on purchase intention would increase the willingness to pay more (Barber et al. 2012; Shen et al.
2012; Kuo, Wu and Deng 2009). Recent studies have found that due to the increasing concerns surrounding issues about environmentalism such as the issue of sweatshops, consumers today are becoming more conscious about the products they buy (Barber 2012, Dean, Raats and Shepherd 2012; Sweetin et al. 2013). In this study, it is assumed that consumers who are concerned about the environment and are against products that are made in sweatshops will be less likely to purchase luxury branded apparel that is made in sweatshops. The results of this study indicate that purchase intention is a significant predictor, and has a positive relationship to willingness to pay more for luxury branded apparel not made in sweatshops. As a result, this indicates that consumers who are against luxury branded apparel that is made in sweatshops would be willing to pay more for luxury branded apparel that is not made in sweatshops. Thus, this shows that hypothesis 9 is consistent with the findings.

**Moderating role of anticipatory guilt**

Hypothesis 10 postulated that anticipatory guilt moderates the effect of intention not to purchase luxury branded apparel made in sweatshops and the willingness to pay more for luxury branded not made in sweatshops. Studies have found that people tend to behave appropriately so that the feeling of guiltiness can be reduced. This occurs when they can foresee that their other action would make them feel guilty (Burnett and Lunsford 1994; Cotte, Coulter and Moore 2005; Hibbert et al. 2007; Huhmann and Brotherton 1997; Lindsey and Lisa 2005; Lindsey 2007; Steenhaut and Van Kenhove 2006).
More importantly, previous findings have also indicated that companies who use guilt in advertising have evidence that enhancing the anticipation of guilt in consumers by making the interpersonal consequences of the unethical act more salient actually increased their ethical intentions (Basil, Ridgway and Basil 2006, 2008; Burnett and Lunsford 1994; Cotte, Coulter and Moore 2005; Hibbert et al. 2007; Huhmann and Brotherton 1997).

In this study, it is assumed that consumers who are concerned about the environment and are against products that are made in sweatshops will feel guilty about purchasing luxury branded apparel that is made in sweatshops, and thus will be unlikely to purchase it. On the other hand, it is assumed that consumers who feel guilty about purchasing luxury branded apparel that is made in sweatshops will be willing to pay more for luxury branded apparel that is not made in sweatshops. The results of this study indicate that guilt is an insignificant predictor, and has a negative relationship to willingness to pay more for luxury branded apparel not made in sweatshops. As a result, this indicates that consumers are not guilty about purchasing luxury branded apparel that is made in sweatshops. Therefore, it is less likely that they will be willing to pay more for luxury branded apparel that is not made in sweatshops. Thus, this shows that hypothesis 10 is inconsistent with the findings.
Table 5-8

Summary of the results of H₁ to H₁₀

<table>
<thead>
<tr>
<th>HYPOTHESES</th>
<th>OUTCOME</th>
</tr>
</thead>
<tbody>
<tr>
<td>H₁ₐ: Attitudes towards social consequences will have a positive relationship towards the intention not to purchase luxury branded apparel made in sweatshops</td>
<td>Accepted</td>
</tr>
<tr>
<td>H₁₉: Attitudes towards social consequences will have a positive relationship towards the willingness to pay more for luxury branded apparel not made in sweatshops</td>
<td>Accepted</td>
</tr>
<tr>
<td>H₂ₐ: Attitudes towards sweatshops will have a positive relationship towards the intention not to purchase luxury branded apparel made in sweatshops</td>
<td>Accepted</td>
</tr>
<tr>
<td>H₂₉: Attitudes towards sweatshops will have a positive relationship towards the willingness to pay more for luxury branded apparel not made in sweatshops</td>
<td>Rejected</td>
</tr>
<tr>
<td>H₃ₐ: Attitudes towards purchasing behaviour of products made in sweatshops will have a positive relationship towards the intention not to purchase luxury branded apparel made in sweatshops</td>
<td>Rejected</td>
</tr>
<tr>
<td>H₃₉: Attitudes towards purchasing behaviour will have a positive relationship towards the willingness to pay more for luxury branded apparel not made in sweatshops</td>
<td>Accepted</td>
</tr>
<tr>
<td>H₄ₐ: Informational susceptibility to interpersonal influence will have a positive relationship towards the intention not to purchase luxury branded apparel made in sweatshops</td>
<td>Rejected</td>
</tr>
<tr>
<td>Hypothesis</td>
<td>Description</td>
</tr>
<tr>
<td>------------</td>
<td>-------------</td>
</tr>
<tr>
<td>H4b</td>
<td>Informational susceptibility to interpersonal influence will have a positive relationship towards the willingness to pay more for luxury branded apparel not made in sweatshops</td>
</tr>
<tr>
<td>H5a</td>
<td>Normative susceptibility to interpersonal influence will have a positive relationship towards the intention not to purchase luxury branded apparel made in sweatshops</td>
</tr>
<tr>
<td>H5b</td>
<td>Normative susceptibility to interpersonal influence will have a positive relationship towards the willingness to pay more for luxury branded apparel not made in sweatshops</td>
</tr>
<tr>
<td>H6a</td>
<td>Integrity will have a positive relationship towards the intention not to purchase luxury branded apparel made in sweatshops</td>
</tr>
<tr>
<td>H6b</td>
<td>Integrity will have a positive relationship towards the willingness to pay more for luxury branded apparel not made in sweatshops</td>
</tr>
<tr>
<td>H7a</td>
<td>Status consumption will have a positive relationship towards the intention not to purchase luxury branded apparel made in sweatshops</td>
</tr>
<tr>
<td>H7b</td>
<td>Status consumption will have a positive relationship towards the willingness to pay more for luxury branded apparel not made in sweatshops</td>
</tr>
<tr>
<td>H8a</td>
<td>Self-efficacy will have a positive relationship towards the intention not to purchase luxury branded apparel made in sweatshops</td>
</tr>
<tr>
<td>H8b</td>
<td>Self-efficacy will have a positive relationship towards the willingness to pay more for luxury branded apparel not made in sweatshops</td>
</tr>
<tr>
<td>Hypothesis</td>
<td>Status</td>
</tr>
<tr>
<td>------------------------------------------------</td>
<td>---------</td>
</tr>
<tr>
<td>H₉: Intention not to purchase luxury branded apparel made in sweatshops will have a positive impact towards the willingness to pay more for luxury branded apparel not made in sweatshops</td>
<td>Accepted</td>
</tr>
<tr>
<td>H₁₀: Anticipatory guilt moderates the effect of intention not to purchase luxury branded apparel made in sweatshops and the willingness to pay more for luxury branded not made in sweatshops</td>
<td>Rejected</td>
</tr>
</tbody>
</table>
CONCLUSION

In this chapter, statistical data analyses were conducted to test the proposed hypotheses and research questions. Four of the five main proposed hypotheses were supported. Specifically, the moderating effect of perceived personal/economic threat on consumers’ willingness to purchase products from our own region was not supported. The results of the study were discussed in relation to the limited research in this area and possible reasons for discrepant results were also offered. In the following chapter, conceptual, methodological and managerial implications are addressed. Limitations and avenues for future research are also discussed.
CHAPTER SIX
CONCLUSION

OVERVIEW
The purpose of this chapter is twofold. A review of the research questions is presented. This is followed by an outline of the conceptual, methodological and managerial contributions of the study. The chapter concludes with the research limitations, and avenues for future research are provided.

REVIEW OF RESEARCH QUESTIONS
i. Research Question 1: Will consumers buy luxury branded apparel made in sweatshops?

Results showed that attitudes towards sweatshops and attitudes towards social consequences are significantly and positively related to the intention not to purchase luxury branded apparel made in sweatshops. On the other hand, attitudes towards purchasing behaviour were not found to influence intention not to purchase luxury branded apparel made in sweatshops. Results also showed that integrity and status consumption are significantly and positively related to intention not to purchase luxury branded apparel made in sweatshops. Information and normative susceptibility on the other hand were not found to have influence on intention not to purchase luxury branded apparel made in sweatshops. Further, self-efficacy was found to be significantly and positively related to intention not to purchase luxury branded apparel made in sweatshops. Guilt was not found to influence intention not to purchase luxury branded apparel made in sweatshops.
ii. **Research Question 2: Are consumers willing to pay more for luxury branded apparel not made in sweatshops?**

Results showed that attitudes towards social consequences are significantly and positively related to the willingness to pay more for luxury branded apparel not made in sweatshops. However, attitudes towards sweatshops and attitudes towards purchasing behaviour were not found to influence willingness to pay more for luxury branded apparel not made in sweatshops. Results also showed that integrity and status consumption are significantly and positively related to the willingness to pay more for luxury branded apparel not made in sweatshops. Information and normative susceptibility on the other hand were not found to have influence on willingness to pay more for luxury branded apparel not made in sweatshops. Results showed that self-efficacy was found to be significantly and positively related to willingness to pay more for luxury branded apparel not made in sweatshops. Guilt was not found to influence willingness to pay more for luxury branded apparel not made in sweatshops.

**RESEARCH CONTRIBUTIONS**

**Conceptual contributions**

Addressing the criticism raised by researchers, there is a lack of a theoretical or conceptual framework that has specifically examined luxury branded products that are made in sweatshops (Bernstein, Shari and Malkin 2000; Brown 2006; Dickson 1999; Echikson 1999; Featherstone 2002; Greenberg and Knight 2004; Judith 2011; Joy 2012; Powell 2014; Watch 2011; Zwonlinski 2007). Therefore, based on the gaps
found in the sweatshop literature, the Theory of Planned Behaviour (TPB) is used to underpin the research to specifically examine consumers' perceptions towards luxury branded apparel that is made in sweatshops.

On the other hand, it extends current literature on research into sweatshops by examining the role of guilt as a moderator on consumers’ purchase intention not to buy luxury branded apparel made in sweatshops as well as their willingness to pay more for luxury branded apparel not made in sweatshops, though this study is only examining specifically based on anticipatory guilt. However, other types of guilt such as reactive and existential guilt have not yet been examined in the context of this study. Thus, this creates another avenue for future research.

METHODOLOGICAL CONTRIBUTIONS

The present study also addresses a number of past methodological concerns and offers some contributions.

As most studies that were conducted use mainly student samples. This particular study seeks to improve ecological validity whereby real consumers were being surveyed (Burgess et al. 1998; Chaytor and Schmitter-Edgecombe 2003).

The data collection method utilised in this study provided a reasonably representative randomly selected sample of Western Australian consumers, strengthening the external validity of the study and enhancing the generalisability of the results.
MANAGERIAL CONTRIBUTIONS

This study offers valuable implications for local and foreign luxury brands’ policymakers, brand managers and advertising and communications managers in generating feasible branding strategies. It also allows them to have an in-depth understanding of consumers’ attitudes towards luxury branded apparel made in sweatshops.

They are delineated as follows:

1. Attitudes towards sweatshops and attitudes towards social consequences were found to have influence on the intention not to purchase luxury branded apparel made in sweatshops and the willingness to pay more for luxury branded apparel not made in sweatshops. This indicates that consumers who are aware of the issues of sweatshops and are concerned about the negative impact that sweatshops will bring to society are less likely to purchase luxury branded apparel that is made in sweatshops. On the other hand, attitudes towards social consequences were found to be influencing willingness to pay more for luxury branded apparel not made in sweatshops. This indicates that only consumers who are aware and concerned about the social consequences of sweatshops would pay more for luxury branded apparel that is not made in sweatshops. The results highlighted that there is a need for luxury brand managers to be focusing on developing a strong branding on luxury products (Hojesjo et al. 1998; Mearns 2007; Nguyen, Melewar and Chen 2013; Spiggle, Nguyen and Caravella 2012). Research has evidenced that strong branding does not only set the blueprint for organisations, it also provides managers with clearer direction, and hence enables them to make better decisions on where the organisation should be heading. More importantly, a strong brand
allows managers to ensure that employees are working towards the same goal as the company; in addition, it enables customers to easily recognise and choose that company for a business relationship as well as creating a sense of trust towards the company (Campelo et al., 2013; Hojesjo et al. 1998; Mearns 2007; O’Loughlin, Szmigin and Turnbull 2004). Studies have found strong branding is the key to building trust in consumers’ purchase intention (Roy and Ghosh 2011). Trust increases in purchasing decisions when consumers believe that a company is able to deliver goods and services with the quality that they expect (Hojesjo et al. 1998; Roy and Ghosh 2011).

2. Past research studies have also highlighted that strong brands can positively influence consumers’ perceptions towards quality and value, thus willingness to buy (Beard 2008; Campelo et al. 2013; Ko and Megehee 2012). Considering the characteristics of luxury brands, luxury goods are supposed to be classified as superior goods encompassing characteristics such as highly priced, superior in quality, rare, and extraordinary, as well as symbolic (Finn 2011; Husic and Cicic 2009; Phau and Min 2009). However, many studies have highlighted that the consumption of luxury brands is often associated with the problem of counterfeit products (Finn 2011; Nia and Zaichkowsky 2000; Perez, Castano and Quintanilla 2010). As luxury brands are easy and inexpensive to reproduce, they often become the target for money-making schemes, for instance counterfeiting (Hamelin, Nwankwo and El Hadouchi 2013; Hilton, Ghong Ju and Stephen 2004). Studies have found that, due to the easy access to sweatshop production, many counterfeit goods are often being manufactured and mass-produced in a sweatshop environment, thus causing
many luxury brands to devalue (Hilton, Ghong Ju and Stephen 2004; Nia and Zaichkowsky 2000; Perez, Castano and Quintanilla 2010). As a result, the fact that luxury goods are sold at much lower prices compared to their retail pricing, and can also be easily found elsewhere apart from luxury brands outlets (e.g. flea market or black market), many consumers are often lured by their low prices, hence resulting in purchasing these goods intentionally. Similarly, this creates a misperception amongst consumers who are less educated about luxury brands (Hamelin, Nwankwo and El Hadouchi 2013; Strahilevitz 1999; Perez, Castano and Quintanilla 2010).

3. Considering that the current market is flooded with counterfeit goods, consumers who are less educated often misinterpret these products by assuming that they are luxury goods, thus resulting in purchasing these goods unintentionally. Based on the findings of this study, firstly there is a clear need for luxury brand managers to focus on strengthening brand prominence (Campelo et al. 2013; Han, Nunes and Dreze 2008). Since luxury branded products are meant to symbolise a sense of prestige or superiority, it is significantly important for luxury brand managers to strengthen their brand image, with the focus on making their brand stand out. This enables luxury brands to deliver a clear message to consumers that their products are not of the lower status of other generic brands, but are premium (Han, Nunes and Dreze 2008). More importantly, in order to successfully portray the distinction between luxury products and products that are made in sweatshops, luxury brand managers need to ensure that every aspect of their products is communicated properly. Several aspects should be taken into consideration in
building a strong brand image. There is a need for luxury brand managers to instil an impression in consumers that luxury goods are made solely to demonstrate high quality and aesthetics as compared to generic brands. Therefore, products of these characteristics cannot be found elsewhere. On the other hand, it is also important for luxury brands to incorporate strong brand values in their brand strategy, as this provides a uniform direction to customers as well as employees about the company’s objective and direction (Nia and Zaichkowsky 2000; Perez, Castano and Quintanilla 2010). Studies have found that consumers’ trust is lost when companies fail to convey their values and objectives to their customers (O'Loughlin, Szmigin and Turnbull 2004; Roy and Ghosh 2011; Truong, McColl and Kitchen 2010).

4. Based on the findings, status consumption was found to have an influence on both intention not to purchase luxury branded apparel made in sweatshops and willingness to pay more for luxury branded apparel not made in sweatshops. However, studies have indicated that status consumers tend to purchase counterfeit goods unintentionally as they recognise a luxury brand name but do not know how to identify if they are truly products encompassing luxury attributes (Ko and Megehee 2012; Nia and Zaichkowsky 2000; O'Loughlin, Szmigin and Turnbull 2004; Roy and Ghosh 2011; Truong, McColl and Kitchen 2010). This indicates that there is a lack of brand exclusivity within luxury brands. Luxury marketers have found that consumers who seek out luxury goods are usually the type of consumers who largely value uniqueness, therefore rarity is the key in marketing to this type of consumer (Bendell and Kleanthous 2007; Finn 2011; Hung et al. 2011). Secondly, it is suggested that
luxury brand managers should take into consideration the importance of brand exclusivity. Studies have found that exclusivity is an important determinant in branding strategies, particularly for luxury brands, as it helps build loyalty to the brand and product and, more importantly, it helps businesses to set themselves apart from their competitors (Bendell and Kleanthous 2007; Ko and Megehee 2012; Nia and Zaichkowsky 2000; Truong, McColl and Kitchen 2010). In the context of luxury branded apparel, an established brand exclusivity does not only refer to offering limited edition products tagged with high pricing, but more importantly the ability to deliver the message that all luxury products are being manufactured and produced in a humane environment with authentic material and genuine artisan skills, that is far different from what a sweatshop manufacturer would offer. In addition, trust is an important determinant to brand loyalty; therefore, it is an important factor that brand managers do not only persist in delivering exclusivity messages to consumers, but deliver on that promise, as at the end of the day consumers are not just buying the product but the experience (Bendell and Kleanthous 2007; Janssen et al. 2014; Ko and Megehee 2012; Phau and Min 2009).

5. As mentioned above that status consumption was found to have an influence on both intention not to purchase luxury branded apparel made in sweatshops and willingness to pay more for luxury branded apparel not made in sweatshops, different marketing appeals can be implemented to create more transparent brand-exclusiveness. One way that luxury brand managers could consider maintaining exclusivity within the industry is through the adoption of super-premium pricing. Through such adoption, products are set at a much
higher price than the market price so that the skilled work of the artisans who do not use sweatshops to manufacture their products can be accredited. More so, it is also a way to inform the public that their products are free from sweatshops (Bendell and Kleanthous 2007; Husic and Cicic 2009). Studies have found that consumers who are more knowledgeable or more concerned about environmental issues are more likely to pay a premium price for ethically sound products (De Pelsmacker, Driesen and Rayp 2005; Didier and Lucie 2008; Hsu and Shiue 2008). However, regarding introducing super-premium pricing, it is important that luxury brand managers are extra cautious with pricing the products so that they will not be overly charged. On the other hand, brand prominence and brand exclusivity can also be enhanced through incorporating the concept of country of origin.

Previous studies have indicated that consumers often make inferences about a product and its brand name based on the product’s country of origin (Bendell and Kleanthous 2007; Phau and Suntornnond 2006; Zain and Yasin 1997). Similar studies have also found that a product’s country of origin has the tendency to shape consumers’ perception towards the product, its brand as well as country image (Gurhan-Canli and Maheswaran 2000; Phau and Suntornnond 2006; Phau and Min 2009; Zain and Yasin 1997). It is suggested that country of origin should be made as clear as possible to consumers. Information regarding country of origin (e.g. country of manufacture, production or material use) should be provided to customers. Such information can be provided to consumers through different marketing appeals such as packaging or labelling. Information regarding country of manufacture,
material, production locations or even the manufacturing process, can be disclosed on price tags or brand tags. Studies have found that a product tends to be more appealing to consumers when brand stories are told (Ind 2001; Muniz Jr and O’Guinn 2001; Zain and Yasin 1997). Alternatively, this information can be incorporated in product certification.

6. Research has found that certification provides verification of genuineness as well as classification of quality (Dimara and Skuras 2003). As a result, with such information given, consumers are able to recognise the clear distinction between luxury goods and products that are made in sweatshops; thus, it allows them to be able to buy with much more confidence and value. Subsequently, brand managers should work closely with advertising and communications managers to develop luxury marketing plans that could enhance brand image as well as maintain exclusivity within the luxury apparel industry. Different marketing appeals such as hosting private events to honour VIP members, refusing to partake in discounted sales, or providing customers with custom alterations according to their specific needs, can help to maintain exclusivity within the industry, improving brand image as well as building loyalty amongst consumers and ultimately creating room for generating future business as brand prominence increases (Bendell and Kleanthous 2007; Janssen et al. 2014; Joy et al. 2012; Ind 2001; Muniz Jr and O’Guinn 2001).

7. Integrity and status consumption were found to have a huge influence on both intention not to purchase luxury branded apparel made in sweatshops and the
willingness to pay more for luxury branded apparel not made in sweatshops. This indicates that status consumers and consumers who value honesty are less likely to purchase luxury branded apparel that is made in sweatshops but are more willing to pay more for luxury branded apparel that is not made in sweatshops. From the social policy point of view, the emphasis here should be upon educating consumers about the importance of ethics and moral values. Firstly, integrity is something that needs to be educated and exercised at a young age when the learning phase is still developing at a fast rate. Therefore, educational programmes on integrity should not be limited to just schools, but also through television programmes and media. In fact, educational programmes should be introduced to the general public, through such as consumers and domestic businesses from different industries (Paul 2008).

8. As mentioned earlier, educational programmes have the tendency to increase a person’s integrity, therefore, it is important to understand that introducing educational programmes will not only change consumers’ purchasing behaviour but also manufacturers’ purchase and selling behaviour (Paul 2008). CSR (Corporate Social Responsibility) should be emphasised here. It is important that luxury brand manufacturers are showing goodwill by contributing something good that benefits society, such as supporting world vision or other charity work. It is evident that companies who show involvement in CSR will tend to have a better corporate reputation amongst the public and hence gain competitive advantage over competitors (Gatti, Caruana and Snehota 2012; Keh and Xie 2009; Li-Wen 2010; Maloni and Brown 2006). As a result, when luxury brand companies are also taking
ethical aspects into consideration, it builds an image in consumers’ minds whereby these companies are helping to minimise social issues to create a more sustainable environment. Therefore, as consumers, they should also show contribution to society by supporting these luxury products, for example by paying more for luxury branded products that are not made in sweatshops. In the long run, luxury brand companies should consider building an image of strong ethical values and social responsibility to win consumers over.

Studies have indicated that the slow fashion concept is found to be on the rise, whereby many apparel companies within the fashion and design industry are incorporating high quality, small lines as well as fair labour in their production, due to the growing demand from consumers for ethical products (Beard 2008; Shen et al. 2012; Pookulangara and Shephard 2013). Policymakers (e.g. governments or social activists) should encourage not only luxury brands to partake in this movement by using greener fibres or utilising technology that could reduce waste and pollution in their production, but more importantly encourage the general public to show their support for ethical products, and boycott products that are made in sweatshops (Coakley and Kates 2013; Dickson 2008; Floyd 2013; Shaw, Shiu and Clarke 2000; Powell 2012).

9. Self-efficacy was found to also have an influence on the intention not to purchase luxury branded apparel made in sweatshops and the willingness to pay more for luxury branded apparel not made in sweatshops. Thus,
consumers who have higher self-efficacy will not intend to purchase luxury branded apparel made in sweatshops, and hence will be willing to pay more for luxury branded apparel not made in sweatshops. To better increase consumers’ level of self-efficacy, it is important to educate them about sweatshop issues and their negative impact to society (Armitage and Connor 2001). What is actually happening in countries where sweatshops are commonly found (e.g. life stories of people who are caught in sweatshops in less-developed countries, pictures of how sweatshop products are made, or even information regarding natural resources such as forests and ecosystems that are in jeopardy) should be disclosed to the general public through media such as the radio, television or Internet (Paul 2008). More so, other social policy initiatives can also be implemented. Policymakers should work closely with governments to constrict laws on trading so that any unlawful trading within the country can be prohibited. On the other hand, penalties should also be given to businesses that are found guilty of unlawful trade. Through media disclosure and strict laws being implemented, unlawful business operations such as sweatshops will be better controlled (Kang, Liu and Kim 2013).

Exposure to what sweatshops are like and knowing that the government is doing its best to minimise social issues would ultimately increase consumers’ self-efficacy to boycott luxury brands that use sweatshops to manufacture their products, or to boycott buying products, consequently increasing their willingness to support luxury branded apparel that is not made in sweatshops.
10. Though anticipatory guilt was not found to have influence on the intention not to purchase luxury branded apparel made in sweatshops and the willingness to pay more for luxury branded apparel not made in sweatshops, policymakers should not disregard this issue as guilt is still potentially an important determinant in consumers’ purchasing decisions. Studies have indicated that consumers who are concerned about environmental issues are more likely to purchase sustainable products (Cotte, Coulter and Moore 2005; Jimenez and Yang 2008; Peloza, White and Jingzhi 2013). Moreover, guilt appeals have long been tested and applied by marketers in advertisements to persuade consumers to do more good (Basil, Ridgway and Basil 2006; Burnett and Lunsford 1994; Coulter and Pinto 1995). Meanwhile, recent findings have indicated that the Sri Lankan government is also encouraging local textile and garment industries to be a part of the ‘garment without guilt’ campaign to ensure that garments that are sold in the country are produced and manufactured in an environmentally friendly environment, as well as to show their support and concern for ethical business (Hibbert et al. 2007; Lwin and Phau 2008; Wickramasinghe 2009). Therefore, it is suggested that advertising and communications managers should consider building a brand that is based on emotions. Building a brand that can successfully create emotions of guilt can be done by sending different marketing messages through advertisements that can effectively make consumers feel guilty (e.g. incorporating messages such as ‘to save starving children then ignore sweatshops’ or ‘are you willing to pay a premium to fight child abuse’) (Birkimer, Johnston and Berry 1993; Massi, Kimo Ah and Hill 2007; Venkatraman 2004; Wickramasinghe 2009).
LIMITATIONS AND FUTURE DIRECTIONS

As in any other study there are a number of limitations in this study which lead to future research directions. The following section highlights the major limitations of this study and outlines future research directions.

Firstly, the questionnaire used for this study was to measure independent and dependent variables. Therefore, Common Method Variance (CMV) may exist through questions asked in the questionnaire. The study was conducted using mall intercept method, which may limit the populations that could be reached. Those who may purchase may not be regular shoppers at a shopping mall but may be at wholesale markets where sweatshop products are largely sold. As the study is a snapshot of the consumers in Perth, Western Australia, extensions to populations of other areas in Australia of different socioeconomic groups and to other countries may produce different results.

Secondly, due to having high student respondents, it can be assumed that students may have a less tendency to decline the invitation to participate in the survey than other groups of respondents. Therefore, if it is the latter, there will be a possibility of non-response bias. In the data collection of mall-intercept, non-response bias cannot be proved to exist or not, because it is not quite possible to use other means (e.g. bigger incentive) to re-invite the respondents who declined to participate in the survey in the first place and then compare their responses with the responses of the first-time participated respondents.
Thirdly, there may be issues regarding social desirability as the study did not measure and control for this. Thus, there may be biases in responses. Previous studies have found that social desirability has an effect on items or questions that deal with personal or socially sensitive topics such as sweatshops (Fisher 1993; Fisher and Katz 2000; Hebert et al. 1995; King and Bruner 2000; Paulhus 1991). Therefore, controlling for this bias could enhance the validity of the results and findings of this study (Fisher 1993; King and Bruner 2000; Nederhof 1985). However, due to the length constraints of the questionnaire, it was not possible to include this information. Another possible source of social desirability effect may be from the information about sweatshop issue provided to respondents. In future study, such effect can be avoided by asking qualifying questions to prevent unqualified respondents from participating the survey. In doing so, providing information about sweatshop issue to qualify respondents from being non-qualified respondents (e.g. respondents who know nothing about the issue) to qualified respondents (e.g. respondents who become informed of the issue after having information about the issue) is no longer needed.

There are possible extensions to this, for example to focus on studying the long-term effects of sweatshops for testing at a later stage to examine if the effects have changed. Further exploration using qualitative approaches to examine consumer purchase behaviour of luxury branded products may provide deeper insights. As this study is only looking at luxury brands in general, looking at other product categories can also be considered. On the other hand, authenticity can also be added as a moderator to test consumers’ perception towards authenticity of luxury brands. As this study is only examining the moderation of anticipatory guilt on intention not to purchase luxury branded apparel made in sweatshops and the willingness to pay more
for luxury branded apparel not made in sweatshops, other types of guilt such as reactive and existential guilt can be considered (Basil, Ridgway and Basil 2006; Coulter and Pinto 1995; Venkatraman 2004). Further studies regarding brand loyalty can also be tested in area such as ‘how sweatshops influence brand-loyal consumers’ (e.g. will sweatshops reduce consumers’ brand loyalty or have no effect?). Another potential study can be considered to examine the temporal effect of guilt (e.g. comparing the difference in outcome of the Bangladeshi incident from directly after the collapse to two years later). Therefore, a longitudinal study is proposed to compare the difference.
REFERENCES


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He, Ming Fang, and JoAnn Phillion. *Personal, Passionate, Participatory Inquiry into Social Justice in Education.* IAP, 2008.


Yun, Gi Woong, and Craig W Trumbo. "Comparative Response to a Survey Executed by Post, E-mail, & Web Form." *Journal of Computer - Mediated Communication* 6, no. 1 (2000): 0.


APPENDIX A

Main Survey Instrument
Study on consumers views about luxury branded apparel made in sweatshops

Dear Respondent,

I am a student from the School of Marketing undertaking my Masters Degree at Curtin University. The purpose of the study is to investigate consumers’ perception towards luxury branded apparel made in sweatshops. The findings will provide some insight for both academics and practitioners. We appreciate if you could take 10 minutes of your valuable time to answer all the survey questions.

You have a choice to participate in this study and you may end the survey at any time without giving a reason or justification. In this instance, your data will be deleted. Completion of the survey will be taken as evidence of consent to participate in this study.

In addition, the Curtin University Ethics Committee has cleared the survey instrument in line with the Curtin University of Technology policy on research with low risk involving human participants.

Please note that this is an experimental study and is not sponsored by any brands mentioned in the survey. The use of any brands mentioned in the survey is merely to evaluate consumer’s perception towards the brands.

Please answer all the questions in this survey form and give the response that most accurately reflects your views. There are no right or wrong answers. Please note that your answer will be treated in the strictest confidence. If you have any questions, please contact the undersigned.

Thank you for your participation.

Researcher: Joe Soo Chuah
Email: joesoochuah@gmail.com

Supervisor: Professor Ian Phau
Contact: +618 9266 1535
Email: ian.phau@cbs.curtin.edu.au
The following statements relate to how you see yourself as a consumer.

### A
Please rate the extent to which you agree to the following statements regarding your purchasing habits: (Please circle only one number for each statement).

<table>
<thead>
<tr>
<th></th>
<th></th>
<th>Strongly Disagree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>To make sure I buy the right product or brand, I often observe what others are buying and using.</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>If I have little experience with a product, I often ask my friends about the product.</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>I often consult other people to help choose the best alternative available from a product class.</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>I frequently gather information from friends or family about a product before I buy.</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>It is important that others like the products and brands I buy.</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>If other people can see me using a product, I often purchase the brand they expect me to buy.</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>I like to know what brands and products make good impressions on others.</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>If I want to be like someone, I often try to buy the same brands that they buy.</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
</tbody>
</table>

### B
Please rate the extent to which you agree to the following statements regarding your purchasing habits: (Please circle only one number for each statement).

<table>
<thead>
<tr>
<th></th>
<th></th>
<th>Strongly Disagree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>I value honesty.</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>I value politeness.</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>I value responsibility.</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>I value self-control.</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>I would buy a product just because it has status.</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>I am interested in new products with status.</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>I would pay more for a product if it had status.</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>The status of a product is irrelevant to me.</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>A product is more valuable to me if it has some snob appeal.</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
</tbody>
</table>
Before you answer the remaining questions in this questionnaire, we would like to ask you to read the following text in detail:

Reports on the working conditions in sweatshops in developing countries appear in the media on a daily basis. The working conditions prevailing in so-called sweatshops do not conform to Western standards at all. Collective agreements, dismissal protection, health and safety standards, or regulation of working hours are completely unknown in these circumstances. Moreover, garment manufacturers in developing countries often engage in exploitative child labor.

Bangladesh is one of the largest apparel exporters worldwide. Within the course of the last months several negative incidents took place in Bangladeshi sweatshops. For example there have been several fires in Bangladeshi garment factory facilities. The collapse of an eight-story building, which housed several textile mills, led to worldwide consternation in April 2013. More than 1,000 people were killed. Several well-known fashion companies distribute products that were manufactured in these illegally constructed buildings. There is also evidence of an Italian luxury brand GUCCI, which was also implicated in claims of sweatshops in Shenzhen China (this is true with backup from sources).

Besides the life-threatening working conditions in the factories the incident has brought the low pay of workers back in the focus. After violent protests, wages in the Bangladeshi garment industry were raised from ca. 16 E/month to ca. 29 e/month in 2010. However, according to consumer protection groups, most of the garments cannot be produced under fair conditions at the price for which they are sold in clothing stores. The term "fair" would mean here: fair
pay, reasonable working hours and existence of health and safety standards. Spokesmen of NGOs hold the opinion that t-shirts that have a price of round about 5 E cannot be regarded as being manufactured under fair conditions. Fair-trade t-shirt should at least have a price of 15 E.
This research is conducted to understand the severity of sweatshop issues within the industry. This is collaboration with the public to understand the issues associated with purchasing luxury brands that are made in sweatshops. In response to the collapse of the apparel factory in Bangladesh, the findings of this study will help the policy makers in developing countries to resolve sweatshop issues. In addition, this will help improve sustainable luxury brand apparel manufacturing and raise awareness for sweatshop issues around the world.

The reason for you to be involved in this project is that the policy makers have decided to understand the awareness and perception of sweatshops of the general public in Perth as a representation of Australian consumers. In fact, they have chosen you over all other consumers from other states in Australia. Therefore, you are one of the very first to be part of this research. As the sample is very small, your individual feedback will be taken into deep consideration. That is why your feedback is extremely critical and might be implemented into a strategy for curbing sweatshop issues around the world.

Your input can make a change.
The following statements relate to your attitudes and your opinions toward sweatshops.

<table>
<thead>
<tr>
<th></th>
<th>Please rate the extent to which you agree to the following statements about issues regarding sweatshops: (Please circle only one number for each statement).</th>
<th>Strongly Disagree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Sweatshops violate labor law.</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>In the long run, the use of sweatshops damages the interests and rights of luxury brands who do not use sweatshops to manufacture their products.</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Sweatshops damage the luxury branded apparel industry.</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Without luxury branded apparel made in sweatshops, many people will not be able to enjoy them.</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>I am concerned with sweatshop issues affecting workers in the luxury branded apparel manufacturing business.</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>I am knowledgeable about issues regarding luxury branded apparel made in sweatshops.</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Sweatshop issues should be actively discussed and confronted in society.</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Sweatshop products have similar quality as products not made in sweatshops.</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Sweatshop products provide similar functions as products not made in sweatshops.</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Purchasing luxury branded apparel made in sweatshops is illegal.</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Purchasing luxury branded apparel made in sweatshops is unethical.</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>There is little chance of being caught when purchasing luxury branded apparel made in sweatshops.</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
</tr>
</tbody>
</table>
Please rate the extent to which you agree to the following statements regarding issues about sweatshops: (Please circle only one number for each statement).

<table>
<thead>
<tr>
<th></th>
<th>Strongly Disagree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1 2 3 4 5 6 7</td>
<td>1 2 3 4 5 6 7</td>
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<tr>
<td>2</td>
<td>1 2 3 4 5 6 7</td>
<td>1 2 3 4 5 6 7</td>
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<tr>
<td>3</td>
<td>1 2 3 4 5 6 7</td>
<td>1 2 3 4 5 6 7</td>
</tr>
<tr>
<td>4</td>
<td>1 2 3 4 5 6 7</td>
<td>1 2 3 4 5 6 7</td>
</tr>
</tbody>
</table>

Please rate the extent to which you agree to the following statements after understanding the issues about sweatshop made products: (Please circle only one number for each statement).

<table>
<thead>
<tr>
<th></th>
<th>Strongly Disagree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1 2 3 4 5 6 7</td>
<td>1 2 3 4 5 6 7</td>
</tr>
<tr>
<td>2</td>
<td>1 2 3 4 5 6 7</td>
<td>1 2 3 4 5 6 7</td>
</tr>
<tr>
<td>3</td>
<td>1 2 3 4 5 6 7</td>
<td>1 2 3 4 5 6 7</td>
</tr>
<tr>
<td>4</td>
<td>1 2 3 4 5 6 7</td>
<td>1 2 3 4 5 6 7</td>
</tr>
</tbody>
</table>

Please rate the extent to which you agree to the following statements after understanding the issues about sweatshop made products: (Please circle only one number for each statement).

<table>
<thead>
<tr>
<th></th>
<th>Strongly Disagree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1 2 3 4 5 6 7</td>
<td>1 2 3 4 5 6 7</td>
</tr>
<tr>
<td>2</td>
<td>1 2 3 4 5 6 7</td>
<td>1 2 3 4 5 6 7</td>
</tr>
<tr>
<td>3</td>
<td>1 2 3 4 5 6 7</td>
<td>1 2 3 4 5 6 7</td>
</tr>
<tr>
<td>4</td>
<td>1 2 3 4 5 6 7</td>
<td>1 2 3 4 5 6 7</td>
</tr>
</tbody>
</table>
Please rate the extent to which you agree to the following statements after understanding the issues about sweatshop made products:
(Please circle only one number for each statement).

<table>
<thead>
<tr>
<th></th>
<th>Strongly Disagree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>I am willing to pay a premium for luxury apparel that is produced in accordance with sustainable garment production standard.</td>
<td>1 2 3 4 5 6 7</td>
</tr>
<tr>
<td>2</td>
<td>It is still worthwhile to support socially responsible luxury branded apparel even if I have to forgo some clothing options.</td>
<td>1 2 3 4 5 6 7</td>
</tr>
<tr>
<td>3</td>
<td>I planned to buy apparel from socially responsible luxury branded apparel merchandisers in the future.</td>
<td>1 2 3 4 5 6 7</td>
</tr>
</tbody>
</table>
SECTION H

The following section contains demographic questions that are used to help classify information. Your responses will not be linked to you in any way and will remain confidential. Please answer all questions by circling one number for each question.

<table>
<thead>
<tr>
<th></th>
<th>What is your gender?</th>
</tr>
</thead>
<tbody>
<tr>
<td>[1]</td>
<td>Male</td>
</tr>
<tr>
<td>[2]</td>
<td>Female</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>What is your age group?</th>
</tr>
</thead>
<tbody>
<tr>
<td>[1]</td>
<td>Under 21</td>
</tr>
<tr>
<td>[3]</td>
<td>36-45</td>
</tr>
<tr>
<td>[5]</td>
<td>55-65</td>
</tr>
<tr>
<td>[6]</td>
<td>76 and above</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Are you an Australian Resident?</th>
</tr>
</thead>
<tbody>
<tr>
<td>[1]</td>
<td>Yes</td>
</tr>
<tr>
<td>[2]</td>
<td>No</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>What is your field of occupation? (Please choose one only)</th>
</tr>
</thead>
<tbody>
<tr>
<td>[1]</td>
<td>Student</td>
</tr>
<tr>
<td>[2]</td>
<td>Engineering</td>
</tr>
<tr>
<td>[4]</td>
<td>Education</td>
</tr>
<tr>
<td>[5]</td>
<td>Medical</td>
</tr>
<tr>
<td>[6]</td>
<td>Science</td>
</tr>
<tr>
<td>[7]</td>
<td>Retired</td>
</tr>
<tr>
<td>[8]</td>
<td>Others</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>What is your annual income? (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>[1]</td>
<td>Under 15,000</td>
</tr>
<tr>
<td>[2]</td>
<td>15,001-30,000</td>
</tr>
<tr>
<td>[3]</td>
<td>30,001-45,000</td>
</tr>
<tr>
<td>[4]</td>
<td>45,001-60,000</td>
</tr>
<tr>
<td>[5]</td>
<td>60,001-75,000</td>
</tr>
<tr>
<td>[6]</td>
<td>75,001-90,000</td>
</tr>
<tr>
<td>[7]</td>
<td>90,001-105,000</td>
</tr>
<tr>
<td>[8]</td>
<td>105,001-120,000</td>
</tr>
<tr>
<td>[9]</td>
<td>120,001 and above</td>
</tr>
<tr>
<td>[10]</td>
<td>Others</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>What is the level of your education qualifications?</th>
</tr>
</thead>
<tbody>
<tr>
<td>[1]</td>
<td>Secondary School</td>
</tr>
<tr>
<td>[2]</td>
<td>Diploma or certificate</td>
</tr>
<tr>
<td>[3]</td>
<td>Bachelor degree</td>
</tr>
<tr>
<td>[4]</td>
<td>Postgraduate level</td>
</tr>
<tr>
<td>[5]</td>
<td>Others</td>
</tr>
</tbody>
</table>