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Generation Y Attitudes Towards E-ethics and Internet-related Misbehaviours

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ABSTRACT. Aberrant consumer behaviour costs firms millions of pounds a year, and the Internet has provided young techno-literate consumers with a new medium to exploit businesses. This paper addresses Internet related ethics and describes the ways in which young consumers misdemean on the Internet and their attitudes towards these. Using a sample of 219 generation Y consumers, the study identified 24 aberrant behaviours which grouped into five factors; illegal, questionable activities, hacking related, human Internet trade and downloading. Those perceived as least wrong were; "Downloading movie and music files from the Internet for free". The consequences of these behaviours have implications for educators, consumer policy and marketers.

KEY WORDS: generation Y, internet, consumers, UK

Introduction

Internet aberrant behaviour such as the "Love Bug", which caused over £8 billion worth of damage,[1] and software piracy, which rose from 37% of all software in 2000 to 40% in 2001, costs the industry nearly $11 billion (The New York Times, 2002). In some countries, 78% of companies have suffered from hacking with the average cost of each attack estimated at £30,000.[2] Other misdemeanours include: fraud, piracy, pornography, cyberstalking, online pharmacies, organ sales and identity theft; the latter of which insurance firm PromiseMark, estimated affects 700,000 people annually and costs $4 billion in the U.S. alone.[3]

Access to computers and the Internet is growing rapidly[4] with the latest conservative estimate that the worldwide Internet population is nearly 445.9 million and is projected to reach 709.1 million by 2004.[5] The greatest Internet penetration is achieved in the young and almost two thirds of U.S. Generation Ys with Internet access buy or research products online (Cravatta, 1997). In 2002, it was estimated that the e-commerce dollar impact of Generation Y was $1.3 billion and that there will be 38.5 million young Internet users (Cravatta, 1997; Heckman, 1999). Generation theorists propose that, as the macro-environment changes, there are concomitant and distinctive changes in patterns of consumer behaviour (Strauss and Howe, 1999). Saatchi and Saatchi (1999) found that digital media have given older Generation Ys unprecedented means to connect with each other and the world; allowing this generation to recognise more the importance and power of knowledge. Despite this, there have been very few studies that have considered Generation Y consumers' ethical attitudes towards Internet related misdemeanors. Since the Internet transcends physical barriers like no other interactive medium before it, aberrant behaviours are multinational. The Internet offers the "advantages" of anonymity, a reduced chance of being detected owing to the difficulty of procuring damning tangible evidence, and convenience to perpetrators, allowing

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aberrant behaviour to remain somewhat "faceless" and perpetrators to remain in their home. Albers-Miller (1999) notes that, "when there is a lack of fear of punishment, people do engage in inappropriate behaviour" and the Internet has paved the way for many new forms of aberrant behaviour, of which some are entirely new and others are technologically updated versions of long standing ethical debates. Take for example music downloading. Deontologists may say that given the outlawing of Napster, this behaviour is unethical and illegal, and therefore wrong despite the possible positive consequences. A deontological ethical perspective focuses not on the consequences of such actions or behaviours, but on the intentions behind these actions, and subsequently, the inherent rightness or wrongness of the decision to pursue a particular course of action. However, teleologists may look upon music piracy as justified if it has an overall beneficial impact on society as a whole, for example, by providing people with greater access to artists' music, thus benefiting the majority of consumers by delivering free music and listening pleasure. This utilitarian view takes the decision that results in the greatest amount of good for all stakeholder groups and the maximum amount of happiness for the greatest number of people (Forester and Morrison, 1994), irrespective of the fact that this good may not be "equally distributed" (Malhotra and Miller, 1998).

Given the potential importance of Internet ethics, the research objectives were: to describe the methods by which young consumers seek to exploit organisations via the Internet and related technologies; and to assess generation Y consumers' ethical attitudes towards these.

Methodology

The research began by conducting 12 focus groups designed to gather young consumers' opinions on Web-related ethical issues. Each focus group consisted of 6 undergraduate students of mixed gender aged between 18 and 21 who were also familiar with the Internet and were regular users. Homogeneity amongst focus groups participants helps to avoid major conflict among group members. Questions asked included, "What behaviours have you heard about or seen on the Internet that you think are wrong or ethically controversial?", "How do you

think that the Internet makes it easier to behave in a deviant way?". Opinions were also garnered from several e-industry managers, and from those who had participated in aberrant behaviour themselves using chat rooms which are devoted to the topics of potential aberrant behaviour, e.g., "Hackers Lounge" in Yahoo chat. Chat-rooms allowed opinions to be canvassed from all over the world and provided anonymity so that people could be more forthcoming. However, the problem of not being able to control those that left and entered the discussion was noticed. Statements such as: "I was recently the victim of hacking and was appalled to find it is commonplace these days, and that it is extremely hard to control", were put to chat groups and their responses noted.

Past studies have utilised ethical dilemmas as a method of measuring consumer's ethical standpoints (Wilkes, 1978; Vitell and Muncy, 1992; Rallapalli et al., 1994; Fullerton et al., 1996, 1997; Al-Khatib et al., 1997) and after collating opinions from the focus groups, chat room discussions, and studying the literature on aberrant Internet behaviour, a list of 24 ethical items was developed. Each scenario was worded in the third person in an attempt to ensure that respondents were addressing others' behaviour and not their own (Fullerton et al., 1996). Items were randomised in the structure of the questionnaire and rated on a 1–5 Likert scale from "strongly believe it is wrong", to "strongly believe it is not wrong". One benefit of this type of scale is that it gives respondents adequate alternatives if their response does not lie at one extreme or the other, or if they are unwilling to commit to an issue (Sherif et al., 1967).

After piloting on 16 respondents, the questionnaire was administered via the Internet to improve the context validity of the questions which required knowledge and use of the Internet. The method also has the advantages of; being a simple and immediate mechanism for sending questionnaires (Kent and Lee, 1999); lower cost; being unconstrained by national borders and geographical constraints and offering anonymity for respondents.

The Sample

The sample for the exploratory study was a convenience sample of 219 generation Y consumers from

the United Kingdom. In general, the generation cohorts can be described as: "Matures" (1929–1945) age 56–72; "Baby Boomers" (1946–1964) age 37–55; "Generation X" (1965–1976) age 25–36 and "Generation Y" (1977–1993) age 8–24. Generation Y are the children of the "Baby Boomers" generation or "Generation X" (Herbig et al., 1993). There is some discussion about the exact years that encompass Generation Y and the Teenage Research Unlimited defines the generation as those born between 1979 and 1995 (TRU, 1998), while others claim that the generation encompasses all those born after 1977 (Bainbridge, 1999; Saatchi and Saatchi, 1999; Walker et al., 1999). Although cohort generations are argued to share a common and distinct social character shaped by their experiences through time (Schewe and Noble, 2000), the choice of older Generation Ys was due to: their greater experience of being Generation Y and the changing retail environment; their increased purchasing power and their ability to purchase in their own right and to express themselves relatively free of parental control; them having had a relatively open access to computers and the Internet for most of their lives; their familiarity with all the relevant ethical items; their greater appropriateness for the questionnaire methodology employed and their relative homogeneity which reduced the potential for random errors compared with a sample from the general public (Calder et al., 1981). The questionnaire was administered via a specifically constructed website and the initial group of respondents selected from a list of undergraduate students. Respondents were emailed the link to the website and asked to refer others belonging to the target population to the website.

We now consider the findings of the e-survey. Table I provides a description of the items, and the factor loadings from a rotated component matrix of the scenarios. The method of extraction used was Principal Component Analysis with Varimax Rotation and Kaiser Normalisation. Values below 0.5 were suppressed.

Results

Five dimensions emerged from the factor analysis which accounted for 58% of the total variance and can be described as follows:

Illegal activities: The items in this dimension are clearly illegal and unethical and the severity of these activities is born out by high percentages of people who thought the activities were wrong. In addition, each has a victim, be it a business entity as in the case of "Selling counterfeit goods over the Internet", or an individual, as in the case of "Impersonating someone else by using their credit cards to purchase goods".

Questionable activities: These items are in the main not illegal and are generally victimless and cause little or no harm to firms or individuals. Whilst some might argue that these activities are ethically questionable, they are likely to be more common amongst Generation Y's because activities such as "Accessing sites with bad taste subject matter" (38%) and "Online gambling" (18%) showed low percentages of respondents agreeing that these behaviours were wrong.

Hacking related activities: The results appear to isolate hacking as a separate activity to gain access to systems with the intention to either damage the system or participate in terrorist activities which were two related items present in the first dimension. Whilst hacking is illegal, young Internet users seem to draw a distinction between the outcomes of these activities as respondents felt that they were less wrong than similar scenarios in dimension 1. There was sometimes a strong sense of peer group support with hacker's chat rooms having an almost "gang-like" atmosphere with their own language and codes of communication. This creates a deviant social influence without immediate fear of the embarrassment of being caught or reprimanded and being subjected to social exclusion.

Human Internet Trade: Young Internet users thought the three items in this factor, e.g., "Purchasing organs for transplant over the Internet" (65%), "Adopting children using payment via the Internet" (77%) and "Purchasing eggs via the Internet for the "DIY" IVF treatment" (68%) were viewed as much less wrong than the first dimension items because they were seen to relate to basic human needs of maintaining health and having children.

Downloading material: The two items in this dimension, "Downloading music files" (6%) and "Downloading movie files" (5%) for free from the Internet have an obvious connection in that they both relate to downloading copyright material

TABLE I

Factor loadings for rotated component matrix for Internet related aberrant scenarios

	Illegal activities α = 0.88	Questionable activities α = 0.72	Hacking related activities α = 0.71	Human Internet trade α = 0.71	Downloading α = 0.78	% Agree it is wrong	% Neutral
Using credit card numbers that you haven't stolen but have "discovered" yourself, e.g., from websites	0.675					96	2
Accessing and downloading child pornography	0.763					95	2
Gaining unauthorised access with intention to plant viruses aimed at causing damage to the system	0.651					94	5
Gaining unauthorised access to systems with intention to participate in terrorist activity	0.758					92	5
Selling counterfeit goods over the Internet	0.678					89	7
Selling unknowingly made footage of peoples' personal lives over the Internet, e.g., photos or films	0.636					90	6
Sending malicious emails	0.588					89	8
Impersonating someone else by using their credit card to purchase goods, e.g., family members	0.600					84	8
Setting up medical websites for commercial gain via exploitation of gullible people	0.526					84	11
Using stolen credit cards to order goods over the Internet	0.732					96	1
Buying potential offensive products over the Internet, e.g., Nazi memorabilia		0.740				73	18
Arranging to "meet" people for paid company with the likelihood that it will lead to sex		0.737				60	25

Online gambling, e.g., casinos	0.540					18	34
Accessing sites with bad taste subject matter, e.g., rotten.com	0.762					38	30
Using the Internet as a meeting point for questionable subject, e.g., religious cults, anti-social groups	0.642					62	22
Gaining unauthorised access to systems to "crack" them and find system flaws for fund/as a hobby		0.720				79	13
Gaining unauthorised access to computer systems (hacking) in the knowledge that it is illegal		0.717				77	16
Hacking into phone lines to make calls for which you won't be billed			0.618			76	14
Adopting children using payment via the Internet				0.777		77	9
Purchased eggs via the Internet for the "DIY" IVF treatment				0.482		68	23
Purchasing organs for transplant over the Internet				0.782		65	19
Downloading movie files from the Internet for free					0.853	6	12
Downloading music files from the Internet for free, e.g., Napster sites or similar					0.849	5	7

without paying for it. These activities are likely to be very prevalent among young Internet users.

Discussion

Apart from the downloading factor, which could be interpreted as being part of the "nor harm, no foul" dimension, the results of the factor analysis indicate that the items do not appear to match Vitell and Muncy's (1992) four ethical dimensions. This is likely to be because many of the items are exclusive to the Internet and we can consider the possibility that the Internet represents a new environment for unethical behaviour, and should perhaps be treated as distinct to the physical world in terms of understanding of ethical issues. The idea is that cyberspace exists as a separate realm to the physical world, and may have developed an ethical culture of its own, or "Netiquette" (Johnston and Johal, 1999, p. 183) and has a set of beliefs or standards, shared by a group of people, which help the individual decide what is, what can be, how to feel, what to do and how to go about doing unethical things on the net. The false sense of reality, lower potential levels of detection, less severe punishment for potential miscreants, the ability to adopt a virtual persona, not to mention the added convenience of being able to surf the Internet in the comfort of your own home are, bound to affect ethical attitudes. Central to this culture issue is the concern surrounding the depersonalisation of human contact and the fact that the Internet provides relative anonymity.

In particular, Generation Y consumers seem more permissive of software piracy and many commented they feel that they are doing no direct harm to sellers as they cannot see the direct economic consequences of their actions, and said that they are the victim of inflated software, music or movie prices, blaming the industry for keeping prices artificially high. Forester and Morrison (1994) have noted that there is a strong suggestion that crime within IT is looked upon in a less serious manner, both from an ethical and legal perspective, than other crimes. One contributory factor here is the launch of a European Commission investigation into price fixing of CDs in Europe where CD prices are notably higher than elsewhere, e.g., Canada. It has been commented that

"Piracy is the tool that allows consumers to drive down prices ... they're realising they have no power to punish companies for unfair pricing, price fixing [and] limited distribution for DVDs".[6]

Implications

One major implication is the need for consumer education which focuses on the costs and consequences of these activities. Consumers need to be educated about why prices are structured as they are, for instance, as a result of the high costs of software development and to know about the potential damage to the future quality of products and services. In the meantime, firms will need remain proactive in employing encryption techniques to software, DVD's and CD's, such CPRM (copy right protection for recordable media).

Given the difficulties in policing the Internet, self-regulation might offer some additional way forward. A world hotline or 'hot site' for unethical activities might be established, such as Spamnet, whereby fellow net users could report any knowledge of misuse of the Internet. However, some of these unethical actions require changes in legislation. For example, Spammers, malicious emailers and cyberstalkers could be open to penalties such as restricted access or confiscation of equipment to reduce these activities. Other activities require industry codes of conduct which could be policed by an industry association or Internet watchdog. Codes of Intenet conduct already exist for various institutions such as schools, universities, and libraries, but in order to be adopted and followed we need social consensus regarding the guidelines that should apply to the Internet, and the technology must achieve a "critical level of social diffusion sufficient to engender popular controversy" (Marshall, 1999, p. 84). To solve some problems, the U.S. Better Business Bureau (BBB) and two leading European business organisations are developing a "trustmark" program to provide international standards for Internet transactions[7]. Meanwhile, specialist Internet police which are becoming established in the U.K. and North America, need establishing elsewhere too and appropriate versions of the U.K. government's "Safe Surfing" campaign,

which provides information for parents on how to ensure safe Internet browsing for their children, could be disseminated in other countries. However, the pace of regulation is slow, particularly if we think of an Internet year being much faster than a standard year. Ogburn's (1964) cultural lag thesis, which proposes that material culture advances more rapidly than non-material culture, helps explain why social consensus, law provision and subsequent ethical guidelines are playing a game of "catch-up".

Conclusion

The Internet enhances temptation, opportunity, and anonymity and reduces the perceived illegality of unethical behaviours which is likely to worsen as access increases. This study identified 24 unethical activities, some of which generation Ys use to exploit business via the Internet and related technologies, and despite the fact that these activities are costly to business and society, many were not seen as wrong. It would appear that the Internet provides the aberrant consumer with a "cloak" under which they can partially hide their identity and protect themselves from the scrutiny of both the law and society.

The study is however limited by the sample specific nature of the results and further research might use young and older respondents to discover how generalisable these findings are to the wider Internet population, especially since Internet culture

Appendix A
Sample demographics

Age	
15 or below	2
16–24	217
Gender	
Male	106
Female	113
Marital status	
Married	1
Divorced	
Single	218

Appendix A. (Continued)

Education level	
Attained or currently studying for:	
Post degree	5
1st degree	205
A level/equivalent	5
Other	2
GCSE/equivalent	2
Profession	
Professional/managerial	0
Intermediate/junior non-manual	0
Employer	0
Unskilled	0
Manual	0
Employee/skilled manual	0
Student	219
Total	219

can be considered global, transcending national and cultural boundaries (Johnston and Johal, 1999). Given the easy attitudes towards some behaviours, future research might investigate whether consumers have actually participated in these behaviours, or been a victim of them. Since Kiesler et al. (1969) noted that if an individual has experienced a certain behaviour they are more likely to assume a more definitive position by accepting or rejecting the rightness of a given situation, it would be interested to see if participation affects their ethical viewpoints.

Notes

[1] http://news.bbc.co.uk/hi/english/s...ranscripts/transcript _03_07_00.txt 16/10/00 15.00.
[2] http://uk.news.yahoo.com/021015/175/dbva2.html 15/10/02 17.19.
[3] http://uk.news.yahoo.com/010321/117/be0wg.html 13/04/01 15.23.
[4] http://www.nua.ie/surveys/how_many_online/world.html 12/04/01 23.04.
[5] http://cyberatlas.Internet.com/big_picture/geographics/article/0,1323,5911_151151,00.html 15/10/02 18.32.
[6] Donald Moore, of Arizona Software, remark in an interview with DZNet's Marilynn Wheeler that, http://www.zdnet.co.uk/news/specials.html 21/11/00 10.17.
[7] www.EcommerceTimes.com 25/04/01 17.17.

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www.napster.com – Online community for music file sharing.

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