Demographic and Ethnic Factors on Foreign and Local Consumer's Decision Making on Pirated Software in Bangkok in Case of Comparison between Western and Eastern People

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Demographic and Ethic Factors on Foreign and Local Consumer's Decision Making on Pirated Software in Bangkok in Case of Comparison between Western and Eastern People

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Abstract

The purpose of this research is to investigate the relationship of demographic and ethic factors on pirated software buying and difference on ethic about pirated software buying between eastern and western people. The sample size is 400 people who are divided into eastern and western people. The questionnaire is designed to examine demographic and ethical factors. Demographic factor consist of five elements as age, gender, nationality, education and income. Ethic factor include six elements as magnitude of consequence, social consensus, probability of effect, temporal immediacy, proximity and concentration of effect (Moral intensity). From the results, eastern and western people rarely concern on ethic or moral intensity when they buy pirated software or it can say that ethic or moral intensity can not affect to them.

Key Words: pirated software, eastern and western people
1. Introduction

In the present time, the one of unsolved problem around the world is piracy problem. The '1998 Global Software Piracy Report' released (in May 1999) by the BSA and the Software & Information Industry Association (SIIA), the two leading trade associations for the software industry estimates that, of the 615 million new business software applications installed worldwide during 1998, 231 million - or 38% - were pirated. In other words, one out of every three software applications installed worldwide in 1998 was pirated.

For Thailand, piracy problem is still unsolved especially software, as well. From BBC news website, mentioned that about 75% of all Bangkok's business software used is illegal, costing software makers more than $80 million a year in lost revenue in 2003. Moreover, another evidence from Department of Intellectual Property, it is table of statistics of suppression of intellectual property rights violation. The number of materials seized of offences under copyright act B.E. 2537 increase from 802,496 in 2004 to 1,036,020 on September, 2005. From all matter, it concludes that piracy problem is not remedied.

Consumers still buy it; this question is answered by many factors such as price, income, education and experience on software buying (Tan, 2002). Moreover, consumer ethical attitude has been widely expounded in the literature as a key factor influencing software piracy (Swinyard et al., 1990; Eining and Christensen, 1991; Logsdon et al., 1994; Taylor and Shim, 1993)

For this research paper, there is purpose on finding factors which motivate consumer buying pirate software and ethic is concerned, also. Besides, cross-culture between eastern and western is involved in this research paper, as well.

2. Literature Review

There are many definitions of ethic; this is one of them from Wikipedia website. Ethics (from Greek ethikos) is the branch of axiology – one of the four major branches of philosophy, alongside metaphysics, epistemology, and logic – which attempts to understand the nature of morality; to define that which is right from that which is wrong. The Western tradition of ethics is sometimes called moral philosophy.

Next, it is showed about the Jones' issue contingent model which is one of the important ethical models. Moral intensity is a construct that captures the extent of issue-related moral imperative in a situation. Jones (1991) identifies six
variables/characteristics of the ethical issue (i.e. moral issue itself (MI) factors) that will impact on the ethical decision making process. These are:

1. Magnitude of consequences is defined as the sum of the harms (or benefits) done to victims (or beneficiaries) of the moral act in question. For example: An act that causes 1,000 people to suffer a particular injury is of greater magnitude of consequence than an act that causes 10 people to suffer the same injury.

2. Social consensus is defined as the degree of social agreement that a proposed act is evil (or good). For example: The evil involved in discriminating against minority job candidate has greater social consensus than the evil involved in refusing to act affirmatively on behalf of minority job candidates.

3. Probability of effect is a joint function of the probability that the act in question will actually take place and the act in question will actually cause the harm (benefit) predicted. For example: Producing a vehicle that would be dangerous to occupants during routine driving maneuvers has greater probability of harm than producing a vehicle that endangers occupants only during rear-end collisions.

4. Temporal immediacy is the length of time between the present and the onset of consequences of the moral act in question (shorter length of time implies greater immediacy) For example: Releasing a drug that will cause 1 percent of the people who take it to have acute nervous reactions soon after they take it has greater temporal immediacy than releasing a drug that will cause 1 percent of those who take it to develop nervous disorders after 20 years.

5. Proximity is the feeling of nearness (social, cultural, psychological, or physical) that the moral agent has for victims (beneficiaries) of the evil (beneficial) act in question. For example: Layoffs in a person's work until have greater moral proximity (physical and psychological) than do layoffs in a remote plant.

6. Concentration of effect is an inverse function of the number of people affected by an act of given magnitude. For example: A change in a warranty policy denying coverage to 10 people with claims of $10,000 has a more concentrated effect than a change denying coverage to 10,000 people with claims of $10.00.

From previous research, Reidenbach et al. (1991) said that consumers' beliefs and attitudes concerning an ethical dilemma predict their intentions toward specific actions. Moreover, Jones (1991) said that the degree of moral intensity and the magnitude of consequences of act are thought to be influential drivers of ethically determined behavior.
Another significant element is cross-culture which is found in previous research. There are many past researches that compare among many cultures in aspect of ethical. Bartels (1976) stated that “contrasting cultures of different societies produce different expectations and become expressed in the dissimilar ethical standards of those societies”. For example, an act such as compact disc piracy is illegal and is likely to be considered unethical by consumers in most Western countries.

3. Methodology

The research paper use main sources of data from questionnaire which will be launched on the population of traveling foreign people in Bangkok. The questionnaire is designed to examine demographic and ethical factors that mentioned in the conceptual model. Demographic factor consist of five elements as age, gender, nationality, education and income. Ethic factor include six elements as magnitude of consequence, social consensus, probability of effect, temporal immediacy, proximity and concentration of effect (Moral intensity). Questionnaires with 5 point rating scale were used to measure respondents’ evaluation by asking them the degree of agreement with statements in the questionnaire that classified from 1 being strongly disagree to 5 being strongly agree. 5 point scales will be used to measure ethical factors in a way such that mean scores could be calculated to show how much ethic in them on pirating software.

4. Results

This part shows agreement about ethic when eastern and western people decide to buy pirated software. There are six factors on ethic; they are magnitude of consequences, probability of effect, temporal immediacy, social consensus, proximity and concentration of effect or they are called “moral intensity”.

For the result of research on the magnitude of consequences, it implies that both of eastern and western people feel that have impact on original software seller revenue and software programmer income when they buy pirated software.

For the probability of effect, it implies that both of eastern and western people feel that pirated software buying causes a loss of original software seller and software programmer revenue.
For the Temporal immediacy, it hints that both of eastern and western people feel neutral about that original software seller lose revenue immediately and software programmer incur loss of income immediately.

For the Social consensus, it indicates that both of eastern and western people feel neutral about social consensus or degree of social agreement about pirated software when they buy it.

For the Proximity, it implies that both of eastern and western people feel impartial about proximity when they buy pirated software.

For the Concentration of effect, it displays that both of eastern and western people feel impartial about concentration of effect or inverse function of the number of people affected when they buy pirated software.

5. Conclusion and Recommendation

From result of analyzing data in previous part, we can conclude that sample group of eastern and western people think the same on ethic or moral intensity when they buy pirated software. From all those results that both of eastern and western people agree with only two ethic factors from all of six, they rarely concern on ethic or moral intensity when they buy pirated software or it can say that ethic or moral intensity can not affect to them.

For recommendation, pirated software buyer should be concerned on magnitude of consequences and probability of effect more for reducing pirated software buying because result of this study found that eastern and western people is so influenced by them. Moreover, Jone (1991) said that the degree of moral intensity and the magnitude of consequences of act are thought to be influential drivers of ethically determined behavior.

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Bibliography


