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(Im)morality of luxury business travel: Aligning or prioritizing moral values

Carl A. Boger Jr.[1*], Minjung Shin[2], Mahima Hingoraney[3], Jaewook Kim[4]
Conrad N. Hilton College, University of Houston.

***Corresponding Author**
Carl A. Boger Jr.
Conrad N. Hilton College, University of Houston.

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Abstract: The global luxury market, particularly in business travel, garners diverse ethical views from consumers. This research investigates how customers' moral attitudes toward luxury consumption and distributive fairness affect their perception of a business's morality, especially in terms of luxury travel offered to employees. Employing a quasi-experimental design, the study assesses how distributing luxury travel benefits (exclusively vs. inclusively) influences consumer attitudes based on their views of luxury and fairness. The findings indicate that while some view luxury travel as inherently immoral, inclusive distribution of these benefits by businesses can shift this perception positively. This suggests that businesses can enhance their moral image by aligning luxury travel benefits with broader inclusivity, thereby addressing varied consumer attitudes, and improving their ethical standing.

Keywords: Business Morality, Distributive Fairness, Luxury Travel, Moral particularism, organizational justice.

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Introduction

In 2022, the global luxury business represented US1.2 trillion dollars annually and within the United States represented US144 billion dollars of the global luxury business travel market (Statista, 2023). This significant monetary impact on the hospitality and tourism sector is attributed to the extravagant spending habits of luxury business travelers. Companies strategically offer luxury travel opportunities to their employees to attract top talent (Hammermann & Mohnen, 2012), enhancing workforce motivation (Sood et al., 2023), and recognizing their contributions (Kaminski, 2014), particularly in highly competitive labor markets (Embree, 2003). Research has proven that providing such opportunities to employees can yield positive social outcomes, including increased morale, a stronger sense of belonging, and greater motivation for improved job performance (Nelissen & Meijers, 2011). However, it's important to note that a sizable portion of consumers view this corporate practice of promoting luxury consumption as ethically questionable because of the adverse environmental effects (Cannon & Rucker, 2019) and promoting social disparities within the corporate sphere and society (Makarem & Jae, 2016).

When consumers perceive a business activity as morally objectionable, they view the actions as a damaging reflection of the business's moral integrity (Wang et al., 2023). This concept of consumers assessing business morality, also known as business ethics or corporate ethics, encompasses their evaluation of the principles, values, standards, and actions of the business (Conrad, 2022). Consumers often opt to abstain from supporting or boycotting businesses they consider morally objectionable (English, 2023). For instance, in recent times, many consumers have avoided well-known brands, e.g., Bud Light and Target, because of their moral evaluations of the brands' actions or desire to disassociate themselves from brands that others considered morally objectionable (Yurcaba & Arkin, 2023). Therefore, it is of paramount importance to understand how a business offers luxury travel to its employees while increasing or minimizing the adverse impact on the business's moral reputation. Specifically, when do consumers view luxury business travel as a positive or negative moral reflection of a business?

Organizational Justice Theory (OJT), also known as justice theory or fairness theory, offers a conceptual framework for understanding how a business can distribute luxury travel benefits morally that safeguards the business's ethical reputation (Colquitt & Greenberg, 2003; Greenberg, 1990; Lather & Kaur, 2015). According to OJT, individuals gauge the moral "fairness" of a business based on its resource allocation, communication practices, and decision-making at various organizational levels. However, external actors like consumers only observe the distribution fairness (i.e., seeing employees participating in luxury travel) rather than the business communication practices and decision-making process of deciding how to distribute luxury employee travel (Walker & Kent, 2009). Distribution fairness is cultural, group, or individual specific rather than being viewed as a one-size-fits-all concept (Skarlicki, 2001). When a company's actions of distributing luxury travel benefits to its employees match consumers' perspective of distribution fairness, they have a higher feeling of the business's morality (Colquitt et al., 2005). For example, when consumers view exclusivity as distribution fairness, consumers have a higher sense of business morality when the business distributes benefits to a few employees (Killen et al., 2016). Comparatively, when consumers view inclusivity as distribution fairness, they have a higher sense of the business's

***Corresponding Author: Carl A. Boger Jr**

morality when the business distributes benefits to as many employees as possible (Baldwin et al., 2018).

A tenet of OJT, which is rarely explored, is how other moral values of consumers affect their sense of distribution fairness on the evaluation of a business morality (Fein et al., 2021; Tsalikis & Nwachukwu, 1989). In this study, a moral value that is strongly associated with luxury is the consumers' attitude toward the morality (i.e., immoral vs. moral) of luxury consumption, which interacts with their attitude toward distribution fairness to decide the consumers' perspective of the business morality. Thus, this moral interaction between a consumers' feelings toward luxury consumption and distribution fairness affect the relationship between how a business distributes luxury travel employee benefits and consumers' attitude toward the business's morality (Leiva et al., 2016). This interaction represents a "double" moral dilemma, which creates a concern for a business when assessing the impact of their luxury travel policy on the business's moral reputation.

Consumers' moral attitude toward luxury consumption and distributive fairness can either be in harmony or in conflict when a business offering luxury employee travel benefits (Vanhamme et al., 2021). Congruency theory suggested that when consumers' moral values align with business practices, it should have a positive impact on the consumers' attitude toward the business's morality (Tunç, 2022). For instance, if consumers perceive luxury consumption as ethical and their perspective of the business distribution fairness matches the dispersion practice of a business offering luxury travel to its employees, consumers should have a higher sense of the business morality because of the harmonious relationship between consumers' moral values and the business practice of offering luxury employee travel. In contrast, when consumers hold conflicting moral values toward a business practice, it poses a dilemma: which moral value(s) takes precedence when consumers judge the business's morality? Moral particularism theory suggested that when consumers hold conflicting moral values toward a decision, these conflicting moral values become fluid or different values take precedence, rather than relying on a rigid set of moral principles when judging a business morality (Väyrynen, 2023). However, this theory also suggested that the final moral judgment of consumers depends on the specific situation, groups, or individuals, which requires testing to decide which moral judgment(s) takes precedence. Therefore, it's essential to understand how different consumers' attitudes toward luxury consumption and distributive fairness interplay on the relationship between a business offering luxury employee travel and consumers' evaluation of the business's morality.

This study's objectives include determining (1) how a business distributes luxury employees travel benefits affects consumers' attitude toward the business's morality, (2) how the alignment of distribution fairness between consumers' attitude and business practice of offering luxury employee travel benefits affect the consumers' attitude toward the business's morality given that consumers have a positive moral feeling towards luxury consumption, and (3) how consumers conflicting moral values between their perspective of luxury consumption and distribution fairness with the business offering luxury employee benefits affect consumers' attitude toward the business's morality.

Literature Review

Luxury Business Travel

Luxury business travel, characterized as a premium and sophisticated mode of travel for business, boasts a rich historical lineage that spans centuries. In ancient civilizations like the Roman Empire, business officials and merchants embarked on their journeys in style, seeking opulent accommodations and using well-maintained roads for efficient transportation (Matthews, 2006). During the Middle Ages and the Renaissance, wealthy merchants and diplomats often relied on well-appointed carriages and inns, occasionally accompanied by personal couriers (Livingstone, 2021). Luxury train travel appeared in the 19th century, epitomized by the Orient Express, which catered to discerning passengers with opulent services (Moore, 1914). In the early 20th century, airlines such as Pan American World Airways introduced luxury cabins on long-haul flights (Hoffman, 2015). Post-World War II, the hospitality and aviation industries began specifically catering to luxury business travelers, with companies like Hilton (Allegrini, 2005) and American Airlines offering premium services (Smith, 1954). In the current digital age, luxury business travel has evolved to become more personalized and tech-savvy, featuring commercial flights with private suites, exclusive airport lounges, and high-end hotels equipped with advanced technological amenities (Olsen & Connolly, 2000).

Moreover, the lure of luxury business travel has become a critical employee benefit, as perceived by business leaders and participating employees to enhance employee well-being, self-esteem, and overall happiness (Atkinson, 2020). This perspective aligns with Wilcox et al. (2009) assertion that luxury consumption serves as a medium for self-expression, allowing individuals to communicate their identity and social standing, leading to heightened self-esteem and contentment (Nwankwo et al., 2014; Wang et al., 2022). Businesses and employees often regard luxury business travel as a mean to attract new talent (Gibbs et al., 2015), acknowledge and reward staff members, and provide incentives for those engaged in the luxury travel program to maintain their performance (Jamgade, 2018).

Business Morality and Luxury Consumption

A business's morality refers to the ethical principles and values that guide the decision-making and behavior of its leaders (Milne, 2024). It entails leaders' commitment to honesty, transparency, and fairness in all aspects of business activities. In addition, consumers' feeling toward a business's morality is that the business has a moral obligation to contribute positively to society (Agahi, 2023). Today's consumer landscape, which is socially conscious, enhances this perspective, causing many consumers to actively engage with a business that aligns with their moral values (Michel et al., 2022). Therefore, a business must consider the moral lens of consumers when deciding to allow employee participation in a luxury travel program.

However, a challenge with luxury business travel is that many consumers view luxury consumption as immoral because of its stark contrast with the global disparities in wealth and access to necessities, which perpetuates social inequality and exacerbates economic disparities, deepening the divide between the privileged few and the marginalized many (Vidoje et al., 2013). Beyond the social inequities of luxury business travel, many consumers feel that luxury business travel is immoral because of its environmental impact (Keinan et al., 2020). This is because luxury business travel involves excessive resource use and waste generation, contributes to the degradation of our planet, and worsens climate change, disproportionately affecting vulnerable communities.

Many consumers believe that a business has a moral disconnect when allowing employees to indulge in luxury travel without consideration for the broader social and environmental consequences (Sorinel, 2012). Therefore, the more extensive that a business allows employees to participate in a luxury travel program, the more damaging it is to the consumers' feeling of the business's morality. This suggests that a business allowing all (vs. executive) employees to participate in a luxury travel program is more damaging to the consumers' feeling of the business's morality.

H1: Inclusive luxury business travel policy (allowing all employees to participate in luxury business travel) has a negative impact on the business's morality than exclusive luxury business travel policy (allowing only executives to participate in luxury business travel).

Organizational Justice

Examining only the consumers' attitude of business morality when a business offers luxury travel to employees is naïve because consumers also use other moral values when judging the business morality. Organizational justice theory (OJT) suggested that consumers also evaluate a business morality on whether the business distributes luxury travel benefits to employees in a just, equitable, and impartial manner based on the consumers' ethical principles, values, or standards (Nagel, 2003; Rawls, 1975). This distribution fairness involves a business making decisions and taking actions that consumers perceive as morally right and free from bias, discrimination, or favoritism toward employees. The root of organizational justice theory is equity theory, which centers on the fundamental concept of distributive fairness in terms of an individual effort versus the rewards they receive (Adams & Freedman, 1976). Moreover, an employee's contribution to a business should decide the resources and benefits they receive from the business.

However, consumers possess different attitudes toward distribution fairness based on their societies, group memberships, or themselves (Yan et al., 2023). This is because distributive fairness is extremely subjective, rooted in cultural and individual viewpoints, rather than a universal set of ethical standards (Greenberg, 2001). This concept underscores the importance of recognizing that distributive fairness is not a one-size-fits-all concept (Schwartz, 2014). For example, earlier studies have found that it is morally fair to allow only executive employees to participate in luxury travel (exclusive distribution fairness) because they handle making critical decisions within a business and can reward and motivate them for their leadership and dedication (Cravens, 1991). These travel experiences enable executive employees to network and establish important business connections, potentially benefiting the business. Conversely, other studies have argued inclusive distribution fairness from an egalitarian approach, emphasizing that all employees contribute to a company's success and should have access to similar benefits (Bassi, 2011). This egalitarian approach holds that luxury business travel should be more inclusive by offering high-quality travel opportunities accessible to all employees. Thus, consumers' moral evaluation of distribution fairness depends on consumers' restrictive (vs. inclusive) moral attitude of distributive fairness. Hence, consistent to prior research, we propose that consumers' evaluation on business morality based on luxury travel program depends on their distribution fairness value.

H2: Distribution fairness (exclusive vs. Inclusive) moderates the effect of luxury travel program on business morality such that when a consumer holds inclusive distributive fairness value, the inclusive luxury travel program (allowing all employees) has a larger impact on business morality than exclusive luxury travel program (allowing only executives).

Congruent versus Conflicting Moral Values

Several studies have explored how consumers' attitude toward distribution fairness affected their attitude toward a business's morality (Li et al., 2023). However, surprising the literature lacks a robust investigation on how different consumers' moral values, including distribution fairness, interact to affect their attitude toward a business morality. The impact of diverse moral values on consumers' attitude towards business morality is complex and multifaceted (Ferrell et al., 2019). Understanding these nuanced relationships can provide valuable insights for a business aiming to align their practices with the ethical expectations of their diverse customer base, influencing their moral reputation. Congruence theory suggested that, when consumers' moral values positively align toward a business activity, they will have a more positive attitude toward the business's morality (Baskentli et al., 2019). This is because when consumers' moral values and business activities align, this creates a synergetic effect on consumers' attitude toward the business's morality (Watkins et al., 2016). This fosters a deeper emotional connection as consumers feel their personal ethics reflected in the business activities (Sudhir et al., 2001).

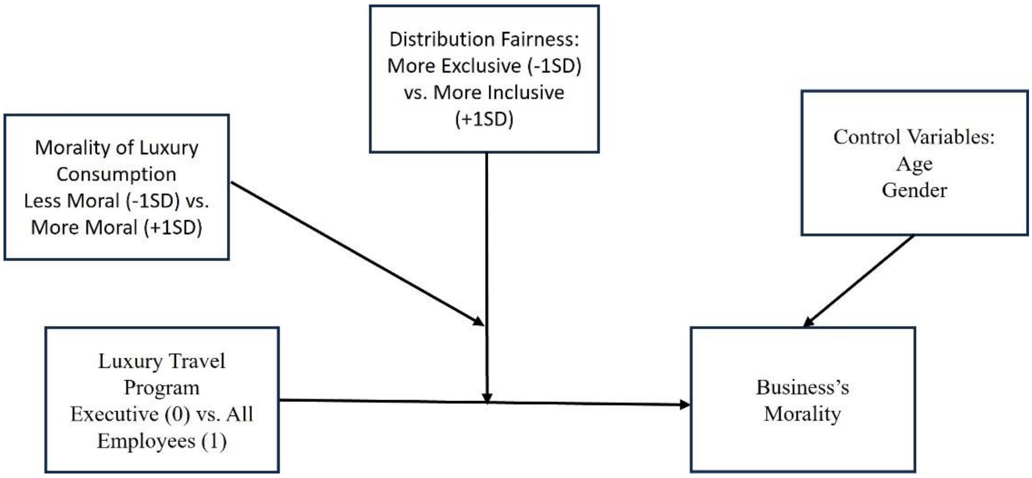
However, what happens if consumers believe that luxury consumption is immoral? This creates a moral conflict between the consumers' belief of luxury consumption with the distribution fairness alignment between consumers' attitude and a business action of distributing luxury travel benefits. Will the consumers view the moral fairness of distributive fairness more important than their perspective of the immorality of luxury consumption? Which moral value takes precedence? Moral Particularism theory provides the theoretical underpinning to understand how consumers prioritize their moral values when judging a business activity and morality. This theory argued against the existence of fixed, universal moral principles that apply in all situations. Instead, this theory suggests that the specific context of each situation determines the morality of an action. According to this theory, an action that is morally right in one circumstance may not be in another because different contexts can change the moral relevance of various moral factors.

Moral particularism theory emphasizes the importance of practical wisdom and the ability to discern the moral aspects of complex, real-world scenarios. It challenges the traditional notion of ethical systems based on rigid moral principles, suggesting a more fluid and context-dependent approach to moral decision-making. This theory suggested that, in different scenarios, different moral principles take precedence or blend, which allows for resolving conflicting moral principles. Thus, when consumers consider luxury consumption as immoral but their attitude toward distributive fairness matches how the business distribute luxury travel benefits to its employees (inclusive policy aligning with their inclusive distributive fairness value), it may cause consumers to have a higher moral attitude toward the business because of focusing on the moral value of distributive fairness rather than the immorality of luxury consumption. This assumes consumers prioritize their attitude of distributive justice over their attitude of the immorality of luxury consumption. Moral particularism theory argues that you must test a condition to decide which moral value takes precedence over another moral value. Therefore, based on the congruence theory and moral particularism theory, we assert that consumers evaluate the business to be moral when the luxury travel policy, their distribution fairness, and luxury consumption moral values are all in alignment, and propose the following hypothesis.

H3: The impact of inclusive luxury travel policy (vs. Exclusive luxury travel policy) on business morality is higher when consumers believe that distributive fairness should be inclusive (vs. Exclusive) and view luxury consumption as immoral (vs. Moral).

Finally, gender and age will be used as control variables for the business's morality. Women's attitude toward a business's morality is often shaped by their attitude about a business social value of promoting inclusivity comparative with men that prioritize rewarding on individual behaviors (Ambrose & Schminke, 1999). In addition, consumer age often plays a significant role in how individuals evaluate a business's level of morality. Younger consumers, particularly millennials and Gen Z, place a heightened emphasis on corporate social responsibility and ethical business practices (Gower, 2020). In contrast, older consumers, while still valuing morality, prioritize factors like company's history, success, and the business reputation. Below is the conceptual model proposed in this study (Figure 1):

Figure 1: *Congruent and Prioritizing Moral Values Effect on Business's Morality Model*



Method

Participants

In March 2023, the study enlisted a sample of 501 participants sourced exclusively from Amazon's Mechanical Turk, with all participants aged 18 or older and based in the United States. To ensure the robustness and credibility of our data, we conducted a series of data cleaning procedures. These procedures involved eliminating incomplete responses (N=29), filtering out participants who consistently provided uniform answers across over 95% of the questions (N=22), and excluding those who did not pass at least one of two attention or scenario checks (N=140). These types of checks are strongly suggested to ensure that the participants stay engaged and understood the scenario during the survey's completion (Jarrett, 2021).

Consequently, we used a refined dataset forming 310 participants for our analysis, which were 7.4% (n = 23) Native Americans or Alaskan Natives, 3.5% (n = 11) Asians, 3.2% (n = 10) Blacks, 1.0% (n = 3) Latinx, 84.5% (n = 262) White, and 0.3% (n = 1) prefer not to say. In terms of gender, 66.8% (n = 207) males and 33.2% (n = 103) females. In terms of age, education, and income, on average they were 35.75 (SD = 10.94) years old, 13.45 (SD = 4.52) years of education, and $51,163 (SD = $30,991) annual income.

Study Design and Data Analysis

An online quasi-experiment was conducted with participants being randomly exposed to one of two scenarios (i.e., only executive vs. all employees participating in luxury business travel). The participants were then asked their attitudes toward distribution fairness, moral evaluation of luxury consumption, and their feeling of the business's morality that was represented in the scenario. The participants' attitudes toward distribution fairness and morality of luxury consumptions were used as moderators and business morality as the outcome. These questions were followed by demographic questions, engagement, and validity checks.

Data analysis in this study involved multiple software tools: Excel for data cleaning and preparation, SPSS (Statistical Package for Social Sciences) Version 26 for exploratory factor analysis to ensure measurement robustness, AMOS Version 26 for confirmatory factor analysis (CFA), and the Process macro developed by Hayes in 2013 for SPSS to test hypotheses. Process, a powerful tool, facilitates path analysis and accommodated multiple independent variables, simultaneous calculation of three-way moderation effects conditional effects, and provide coefficients and standard errors equivalent to SEM (Structural Equation Modeling) approaches, ensuring rigorous statistical analysis. When dealing with continuous variables, Process estimated outcomes using ordinary least square (OLS) estimations.

Stimulus

Figure 2 shows the scenario of only executive employees participated in the luxury travel program reads, *"Only executive employees will be given a luxury business travel credit card that pays for them to (a) fly first class, (b) stay in 4/5 star approved hotels, (c) dine within the hotel, and (d) rent luxury cars."* Comparatively for all employees participating in the luxury travel program, it reads, *"Executive and non-executive employees will be given a luxury business travel credit card that pays for them to (a) fly first class, (b) stay in 4/5 star approved hotels, (c) dine within the hotel, and (d) rent luxury cars."* Moreover, the study explored the participants' perspective of the scenarios' realism and clarity.

The scenario's realism check used a 7-point Likert scale ranges from (1) "very unrealistic" to (7) "very realistic" (Cedeño Bustos, 2019). For clarity, the 7-item Likert scale ranged from (1) "very unclear" to "very clear" (Murdoch et al., 2014). The mean scores for the executive members scenario were 5.64 (SD = 1.28) for realism and 6.22 (SD = .780) for clarity compared with the means for all employees' scenario were 5.78 (SD = 1.26) and 6.09 (SD = 1.04). While differences exist between the two scenarios' realism and clarity, these differences were insignificant (Realism: f = .397, α = .529, t = -1.01, df = 308, p = 0.31); Clarity: f = .906, α = .342, t = 1.23, df = 308, p = 0.22).

Figure 2: Two Scenarios of a Business Distributing Luxury Travel to Employees

(a) Only executives

(b) All employees

Measurements

Business morality was assessed with three items (Ellemers et al., 2011), adapted from the measure of perceived group morality developed by (Leach et al., 2007). These items asked participants to indicate the extent to which they considered their organization to be "honest", "sincere" and "trustworthy." These items were measured on a 7-point Likert scale from (1) strongly disagree to (7) strongly agree (α = .860). Distributive fairness was assessed with three items (Curry et al., 2019), adapted from (Graham et al., 2009). The three items included "everyone should be treated the same", "everyone's rights are equally important", and "the current levels of inequality in society are unfair". These items were measured on a 6-point Likert scale from (1) strongly disagree to (6) strongly agree (α = .834). Morality of luxury consumption was accessed with three items on a 7-point bi-polar scale ranging from "immoral/moral", "unacceptable/acceptable", and "wrong/right" (α = .840), which was adapted from (Ellemers & van den Bos, 2012).

Results

Preliminary Analysis

An exploratory factor analysis (EFA) was performed on the three factors of organizational morality, distribution fairness, and morality of luxury consumption to ensure the constructs' validity. These factors explained 65.29% of the total variance. No cross loadings above .200, which suggests that the three factors were significantly independent. The Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy was 0.821. A KMO close to one suggests data that is well-suited for factor analysis, showing strong relationships among variables. Bartlett's Test, typically set at a significance level of 0.05, shows that the data depart significantly from the null hypothesis and supports the use of factor analysis. In this study, p < .001 was observed, signifying a departure from sphericity, and providing evidence for the suitability of the data for subsequent factor analysis.

Table 1 shows the composite reliability ranged from 0.836 to 0.862 and the average variance extracted (AVE) was above the .50 threshold proving convergent reliability (Hair et al., 2018). The square root of AVE for all variables was found to be higher than the inter-correlations between the two constructs of interest, providing support for discriminant validity. Podsakoff et al. (2012) offer procedures to reduce common method bias by ensuring respondents' confidentiality, counterbalancing the order of the items, and by using different rating anchors, which were implemented in the study. In addition, common method bias was tested using the common latent factor method (Serrano Archimi et al., 2018). This method adds a latent factor to the AMOS confirmatory factor analysis (CFA) model and then connects it to all observed items. Afterwards, the standardized regression weights from this model are compared against the model without the CLF (Common Latent Factor). If the differences are less than 0.200, then the model does not possess a significant common bias, which we found in this study (i.e., the largest difference was .089). Finally, the conceptual model was assessed through confirmatory factor analysis (CFA) using AMOS 26. The measurement model fit the data (χ^2 = 90.618, *df* = 42, $\chi^2/42$ = 2.158 [Good]; CFI (Comparative Fit Index) = .965 [Great]; GFI = .953 [Acceptable]; RMSEA = .061 [Moderate]; TLI = .945[Good]) according to Hu and Bentler (1999). Factor loadings ranged from 0.741 to 0.881 (p < 0.001).

Table 1: *Descriptive Statistics and Model Measurement*

	M(SD)	CR	AVE	1	2	3
Distribution Fairness (1)	3.91(.804)	0.836	0.630	**0.794**		
Organization Morality (2)	5.77(1.05)	0.862	0.677	0.493	**0.823**	
Morality of Luxury Consumption (3)	5.59(1.07)	0.840	0.636	0.405	0.626	**0.797**

Main and Control Effects

PROCESS (Model 3) was used to test the conceptual model. This study used a bootstrap function to extract 5,000 samples for analysis (95% CI). The overall model had an R^2 = .409, f = 23.039, p = .000. Table 2 shows that when participants were exposed to a scenario of all (vs. executive) employees being allowed to participate in a luxury travel program, participants had a lower image of the business morality when the business allowed all (vs. executive) employees to participate in the program (β = -6.930, p < .000, CI [-10.180, -3.681]; H1: Supported). In addition, the control variables of age (β = -.001, p = .831, CI [-.009, 008]) and gender (β = -.164, p < .108, CI [-.365, .036]) were found to have an insignificant effect on the business morality. Moreover, a significant positive interaction between luxury travel program type and distribution fairness on business morality was found (β = 2.052, p < .000, CI [1.223, 2.880]). Thus, H2 was supported.

Table 2: *Regression Analysis Results*

Variables	β	*SE*	*t*	*p*	Boot LLCI	Boot ULCI	Note
constant	6.219	1.332	4.670	0.000	3.598	8.840	
Executive [0] vs. All employees [1] (X)	-6.930	1.651	-4.197	0.000	-10.180	-3.681	H1: Supported
Distribution Fairness (W)	-0.773	0.320	-2.417	0.016	-1.402	-0.144	
Int_1 (X * W)	2.052	0.421	4.875	0.000	1.223	2.880	H2: Supported
Morality of Luxury Consumption (Z)	-0.332	0.255	-1.304	0.193	-0.834	0.169	
Int_2 (X * Z)	1.277	0.324	3.946	0.000	0.640	1.914	
Int_3 (W * Z)	0.199	0.061	3.253	0.001	0.078	0.319	
Int_4 (X * W * Z)	-0.359	0.080	-4.512	0.000	-0.516	-0.203	
Control Variables							
Age	-0.001	0.004	-0.213	0.831	-0.009	0.008	
Gender	-0.164	0.102	-1.612	0.108	-0.365	0.036	

Moderated Moderation (Conditional) Effect

A significant three-way interaction (β = -.359, p < .000, CI [-0.516, -0.203]; R^2 = 0.040, f = 20.357, and p = .000) occurred among a business offering luxury travel to its executive (vs. all) employees, consumers' attitudes toward distributive fairness exclusivity (vs. inclusivity), and morality of luxury consumption immorality (vs. morality) on the consumers' attitude toward the business morality. Table 3 shows that consumers who believed that distribution fairness should be inclusive and viewed luxury consumption as more immoral (-1SD) positively evaluated a business morality when observing the business offering luxury travel to all (vs. executive) employees (β = 0.854, *SE* = 0.199, CI

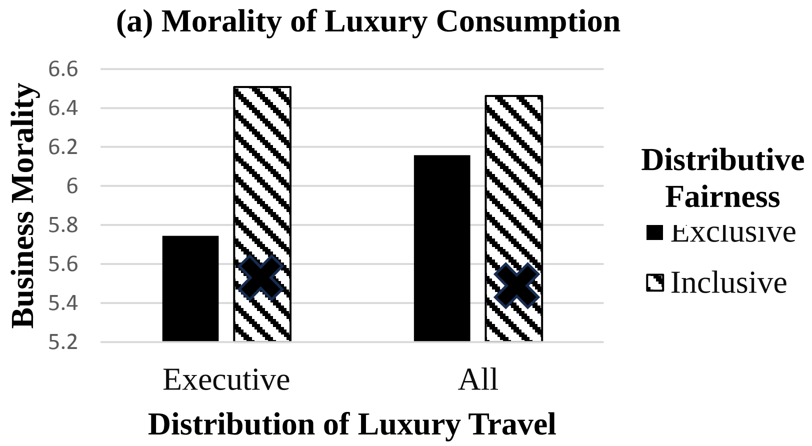
[0.462, 1.246]). Consumers also positively evaluated the morality of the business with inclusive luxury travel program positively when they believed distribution fairness should be exclusive and viewed luxury consumption to be moral β = 0.510, *SE* = 0.224, CI [0.069, 0.951]). However, the coefficient is higher (β = 0.854) when consumers' distribution fairness is inclusive and their view on luxury consumption is immoral. Therefore, H3 was supported.

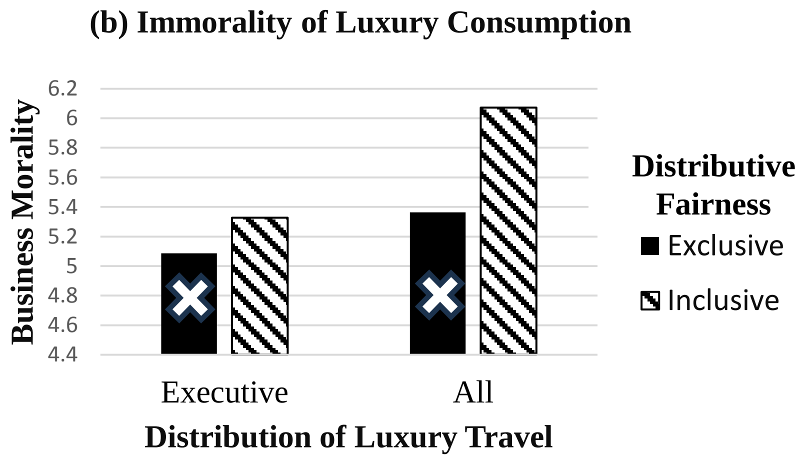
Table 3: *Conditional Effects of a Moderated Moderation Model (Process Model 3)*

Distribution Fairness (More)	Morality of Luxury Consumption (More)	β	Boot *SE*	Boot LLCI 95%	Boot ULCI 95%	Note
3.110 Exclusive (-1SD)	4.524 Immoral (-1 SD)	0.170	0.151	-0.127	0.467	
3.110 Exclusive (-1SD)	5.594 (Average)	0.340	0.148	0.049	0.631	
3.110 Exclusive (-1SD)	6.663 Moral (+1 SD)	0.510	0.224	0.069	0.951	
3.914 (Average)	4.524 Immoral (-1 SD)	0.512	0.142	0.233	0.791	
3.914 (Average)	5.594 (Average)	0.373	0.096	0.184	0.563	
3.914 (Average)	6.663 Moral (+1 SD)	0.235	0.138	-0.037	0.506	
4.718 Inclusive (+1 SD)	4.524 Immoral (-1 SD)	0.854	0.199	0.462	1.246	H3: supported
4.718 Inclusive (+1 SD)	5.594 (Average)	0.407	0.139	0.134	0.679	
4.718 Inclusive (+1 SD)	6.663 Moral (+1 SD)	-0.041	0.171	-0.378	0.296	

Table 4 visually shows that when consumers believed in immorality of luxury consumption and felt that distributive fairness should be inclusive, they had a significantly higher level of business morality when the business offered luxury business travel benefits to all (vs. executive) employees.

Table 4: *Luxury Consumption and Distributive Fairness on Business Morality of Luxury Travel*





Discussion

This study, in line with earlier research (Makarem & Jae, 2016), discovered that when a business's increase their involvement in luxury consumption (such as allowing more employees to experience luxury travel), consumers perceive these companies as less morally upright (H1). This is thought to be due to the negative societal and environmental impacts of luxury consumption, its reinforcement of social inequalities, and perceived wastefulness of business resources. Surprisingly, consumers viewed a business's morality more favorably when they believed in the morality of luxury consumption and the nonalignment of distribution fairness in terms of the consumers' attitude of exclusivity and business behavior of inclusivity when distributing luxury travel benefits ($H2_a$). This suggests that consumers' moral values can be incongruent with a business but will prioritize another moral value when making the final judgment toward the business's morality. What is unknown in this study is why consumers' conflicting distribution fairness moral values had a higher moral value toward the business when the business allowed all (vs. executive) employees to participate in the luxury travel benefit despite their belief in exclusivity of distribution fairness. Another significant finding is that despite consumers considering luxury consumption immoral, when their attitude of inclusivity of distribution fairness aligns with the business behavior of allowing all (vs. executive) employees to participate, they had an increase in the business morality ($H3_b$). This shows that, under moral particularism theory, consumers may weigh certain moral values more heavily than others when forming opinions about a business's morality.

Theoretical implications

This study highlights several important insights. First, it underscores the diversity of distribution fairness perspectives of consumers and a business, ranging from favoring a selective approach to benefiting the masses. Second, OJT has primarily focused on the viewpoints of internal stakeholders like employees and management, often overlooking the perspectives of external actors, such as consumers. Moreover, when consumers assess how a business treats its employees, they typically rely on observable external behaviors, rather than delving into the intricacies of the organization's processes or interpersonal relationships. This underscores the significance of a business actions when consumers evaluate the business's moral standing. Third, the study highlights the importance of considering how other moral values can influence consumers' feelings of organizational justice on a business's morality.

Specifically, consumers' distribution fairness moral values and luxury consumption can shape their attitudes toward a business's morality, particularly concerning how the business provides luxury travel benefits to its employees. Fourth, the study introduces the concept of moral particularism theory, which is often overlooked but offers valuable insights. This theory explains how consumers prioritize different moral values, especially when these values conflict, to rationalize their evaluations or actions. It sheds light on how consumers may, for instance, set aside concerns about the morality of luxury consumption when assessing the business's morality of offering luxury travel benefits to its employees. In fact, this study shows that consumers might even have a higher level of a business's morality despite the conflicting moral values.

Practical Implications

One crucial aspect for businesses making decisions that are visible to the public is to understand how these decisions impact consumers' feelings of the business's morality. This study highlights the variation in moral values among different consumer groups, leading to varying judgments of the business' actions based on the moral values each group prioritizes when forming their moral assessments of the business. A significant challenge arises from the fact that consumers often hold conflicting moral values and may blend these values together to construct their moral framework for evaluating the business. This complexity underscores the need for businesses to recognize that consumers may not adhere to a single, uniform set of moral values when assessing the morality of business decisions. The study emphasizes the importance of businesses actively testing and understanding which moral values various consumer groups are likely to employ when forming their moral judgments. Relying on assumptions about specific moral values can be a pitfall, as exemplified by cases like Bud Light and Target. These companies assumed that their perspective on inclusion would universally resonate with their consumers, but they failed to realize that different consumer groups might use diverse and sometimes conflicting moral values when evaluating the morality of their actions. Therefore, it is crucial for businesses to engage in proactive research and engagement to better align their actions with the moral values of their diverse consumer base. Thus, this research clearly demonstrates the importance of testing possible business actions to determine its impact on the moral perceptions and reactions of consumers toward the business.

Limitations and Future Research

This study has a notable limitation in that it only considered two specific consumer moral values when assessing consumer attitudes toward a business's morality that provides luxury travel benefits to its employees. A multitude of other consumers' moral values probably influences consumers' moral evaluations and requires a broader spectrum of these values to be tested in future studies. This recognition underscores the need for a more nuanced examination of how various moral values interact in shaping congruent and conflicting consumers' moral feelings. Looking ahead to future research, the researchers intend to explore how different congruent and conflicting moral values among employees and managers can influence their attitudes toward organizational fairness. Future studies will delve into how various demographic groups, such as different age groups and genders, hold distinct sets of congruent and conflicting moral values that can affect their satisfaction with an organization. These research directions aim to provide a more comprehensive understanding of the complex dynamics between moral values and organizational behavior.

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