Consumer Boycott Experiment Results and Data Analysis

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Research Questions

Question 1:

- Are individuals more likely to buy from an expensive yet ethical seller compared to an unethical seller offering the same good at a cheaper price?

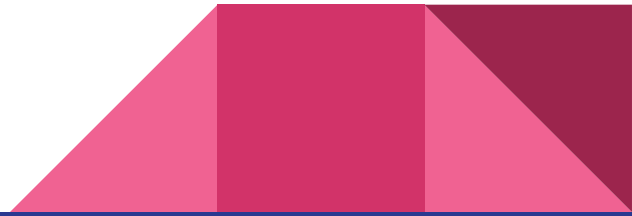
Question 2:

- Do individuals respond to the injunctive norm?

Injunctive Norm: a social standard that dictates what people believe others approve of/expect them to do

Exploratory Data Analysis Objective

Using data collected from an experimental pilot session hosted by LEEPS @ UC Santa Cruz on June 4th, 2025, we hope to identify early conclusions to our proposed research questions. Our sample size of 24 and the preliminary nature of this experiment prevent us from establishing causal claims, however, early conclusions to these research questions may guide later iterations of the Consumer Boycott experiment.



Hypothesis

RQ1:

We hypothesize that individuals will be more likely to shift their purchase decision from the cheaper, unethical seller (Employer A) to the more expensive, ethical seller (Employer B) when they are informed about Seller A's unfair labor practices - ethical concerns will probably override the consumer's purchasing demands.

RQ2:

We hypothesize that individuals will respond to the injunctive norm. Essentially, when participants are placed in a scenario where social expectations suggest they should avoid supporting unfair labor practices, we expect them to conform by choosing Seller/Employer B (social expectations hence influence decision making).

Experimental Design

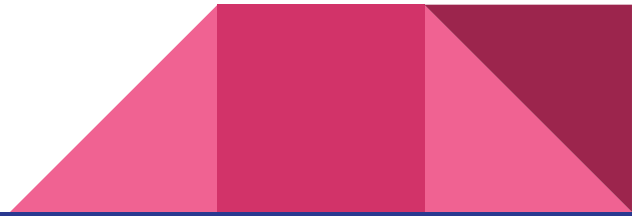
This experiment is divided into 2 distinct blocks to prime participants for an evaluation of their purchasing behavior.

Block 1: Simple Employer-Worker Task:

- Employers offer wages and send messages.
- Workers solve simple algebra problems.
- Employers pay a final wage based on effort, with seller A instructed to pay unfairly and B instructed to pay fairly.
- Workers rate fairness of the wage received

Block 2 (Multiple Phases): Consumer Market Task

- Buyers choose between two sellers (A, B).
- Sellers differ by their past observed behavior and fairness rating determined in Block 1.
- Randomly assigned treatments effect visibility and support for a boycott.
- Outcome variable: binary indicator for choosing ethical seller (B).



Block 2 Treatment vs Control

Block 2 is divided into 3 phases, each differing in the assignment of treatment and control.

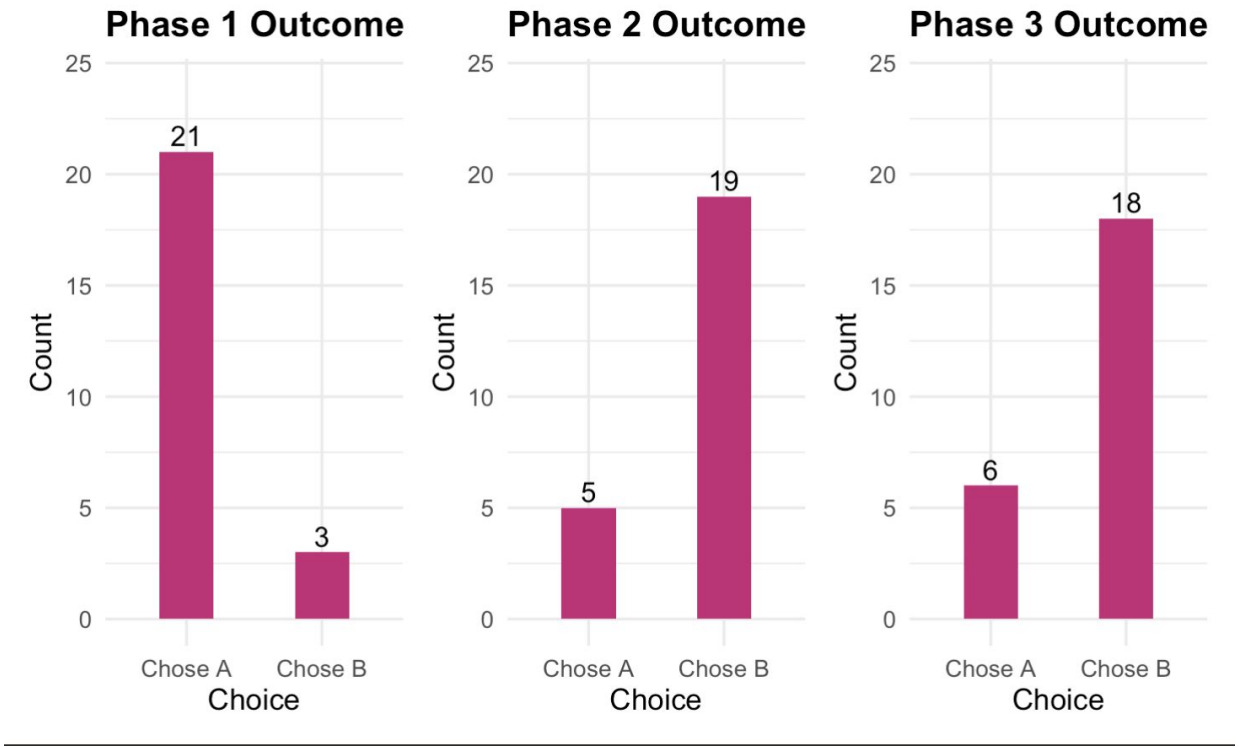
Phase 1: Baseline Phase

- All participants make an initial purchase decision between seller A and B without fairness information.

Phase 2 and 3:

- Participants are prompted asked if they'd like to boycott seller B.
- Participants are randomly assigned into either T1 (Being told about the fairness rating of each seller) and T2 (Being told about the fairness rating of each seller, and shown the results of the boycott poll)
- Participants are asked to choose between purchasing from an expensive seller A, and a cheap seller B, now provided with the treatment effects.

Experimental Outcomes



Phase 1:

- We observe that in the baseline, 21 out of 24 individuals choose the less expensive, unethical seller A.

Phase 2 & 3:

- We saw a very large shift toward the more expensive, ethical seller B, with 19 and 18 individuals from each phase choosing seller B respectively.

Treatment increases ethical purchasing by a factor of approximately 5-6x relative to baseline.

Logistic Regression Estimate

Preliminary results show there is a statistically significant increase in log-odds of an individual choosing B when placed into a treatment group.

The interpretable predicted probabilities suggest major increases in the number of B buyers in T1 & T2.

We see a predicted T1 effect of a 57.5 percentage point increase, and T2 effect of a 61.5 percentage point increase in probability of choosing Seller B over Seller A.

Table 1: Logistic Regression: Probability of Choosing Ethical Seller (B)

	Estimate	Std. Error	z-value	p-value
Intercept (T0)	-1.946**	0.630	-3.086	0.0020
Treatment T1	3.045***	0.705	4.319	1.57×10^{-5}
Treatment T2	3.281***	0.732	4.483	7.36×10^{-6}

Standard errors clustered at participant level.
$^{***}p < 0.001$, $^{**}p < 0.01$, $^{*}p < 0.05$.

Table 2: Predicted Probabilities of Choosing Seller B

Group	Predicted Probability
T0 (Control)	0.125
T1	0.700
T2	0.740

Conclusions

Individuals were significantly more likely to choose the ethical seller (Seller B) when reminded of unfair labor practices or exposed to injunctive norms.

Estimated Treatment Effects

- T0 (Control): 12.5% chose Seller B
- T1: 70% → +57.5 percentage points
- T2: 74% → +61.5 percentage points

Notes on Limitations

- Small sample size (n = 24)
- Results are suggestive, not conclusive
- Causality is assumed due to experimental design, but limited by scale