

## **E-crimes: An Application of Neutralization Theory**

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**Abstract :** *Studies have argued that misbehavior of consumers is becoming increasingly prevalent in certain sectors. However, online consumer misbehavior is comparatively under-researched. The focus of the current study is peer-to-peer activities, including copying music, movies, software or video games: a phenomenon which affects the entertainment sector as a whole and costs the industry billions of pounds each year. Neutralization theory provides a potentially fruitful perspective from which to explore consumer justifications and rationalizations for their online misbehavior.*

*The aim of this paper is to explore the extent to which peer-to-peer users employ techniques of neutralization to justify prior-to behavior or rationalize their activities post behavior. First, a review of online customer misbehavior is provided, followed by an overview of existing research into the techniques of neutralization. Following a discussion of the research methods employed, findings regarding the peer-to-peer online misbehaviors and neutralization techniques are presented. Data analysis reveals that peer-to-peer file-sharers employ (often multiple) techniques of neutralization in order to pre-justify or post-event rationalize their activities, including: denial of victim; denial of injury; denial of responsibility; claim of normality; claim of relative acceptability; justification by comparison; and appeal to higher loyalties. The paper concludes with a series of implications for both theory and practice.*

**Key Words:** *neutralization theory, consumer misbehavior, e-crimes, digital piracy, neutralization theory techniques, dysfunctional consumer behavior, peer-to-peer interaction.*

### **I. Introduction**

The widespread use of personal computers has created new opportunities for criminal activity. One of the most pervasive forms of computer crime is *digital piracy* (Gopal, Sanders, Bhattacharjee, Agrawal, & Wagner, 2004). Digital piracy is defined as the illegal act of copying digital goods, software, documents, audio (including music and voice), and video for any reason other than to back up without explicit permission from and compensation to the copyright holder (Gopal et al., 2004; Higgins, Fell, & Wilson, 2006).

The Internet has facilitated an increase in digital piracy in recent years. Wall (2005) noted four characteristics of the Internet that have enabled individuals to easily commit criminal activity; It allows anonymous communication, it is transnational, it has created a shift in thinking from the ownership of physical property to the ownership of ideas, and it is relatively easy. In addition, Wall contended that the Internet facilitates piracy because it allows the offense to take place detached from the copyright holder, which provides the offender with the perception that the act is victimless.

The battle over online music in the US turned ugly in the summer of 2003 when the Recording Industry Association of America (RIAA) initiated lawsuits against its own consumers. Beginning in July, the RIAA issued subpoenas to internet service providers demanding disclosure of the identities of computer users suspected of sharing copyrighted music files online. By March 2004, the RIAA had initiated close to 2000 lawsuits, and thousands of music fans will face lawyer fees, possible court cases, and out-of-court settlements that are likely to cost thousands of dollars. Music is one of the key battlegrounds for power in the media, in part because what happens with music businesses is likely to influence other publishing and entertainment industries.

The stakes are high not only because the record companies are suffering, but because the impasse between the file-sharers and the recording industry is only one aspect of larger transformations underway, shifts which highlight the conflicting demands of civil society, where information and ideas should be freely exchanged, and an information economy, where cultural goods play an increasingly important role in the marketplace.

The problem is cultural and the consequences are economic. Little analysis has been devoted to the links between the presumed culture of piracy and the activities that create conditions of growth in the entertainment world in the first place. Can the industry association teach (or enforce) 'respect for property' while building a healthy music market in the digital age? It is naive to think that such changes can take place without careful looks at *what fans (customers) are doing and why.*

The following study concerns digital piracy (DP), as a major type of the e-crimes. Digital piracy, defined here as the consumption of illegal copies of digital services. Lovelock and Wirtz (2007) asserted that

early definitions of *services* contrasted them against goods in definitions such as “deeds, processes, and performances.” Subsequent definitions of *services* have expanded the domain of services to include the application of specialized competencies, knowledge, and skills by emphasizing key concepts such as economic activities characterized as performances involving the transfer of value. Digitized products (for example, a DVD movie), are not merely the output of writers, directors, and actors. In consumption, they represent the delivery of those very activities, including the skills required for the service product’s creation and the value experienced by its customer (Vargo and Lusch 2004). As such, digitized products fall within the domain of service marketing. However, digital service products also often share an important feature with significant service marketing implications: While they require considerable skill to produce (thus creating their value proposition), they are simple and easy to duplicate (Van Kranenburg and Hogenbirk 2005; Sinha and Mandel 2008), rendering them vulnerable to DP. Therefore, issues related to DP also fall within the purview of service marketing. Several researchers have acknowledged sub forms of digital piracy (i.e., audio and video piracy) as being increasingly pervasive (Gopal et al., 2004; Hinduja, 2003). Higgins et al. (2006) defined audio and video piracy as the “illegal act of uploading or downloading digital sound or video without explicit permission from and compensation to the copyright holder” (p. 4). Technological advancements are partly responsible for the increased ease and accessibility of digital piracy. The International Federation of Phonographic Industries (IFPI; 2006) estimated that one in three music discs purchased around the world are an illegal copy. The IFPI further estimated that 37% of all CDs purchased in 2005 were pirated, resulting in 1.2 billion illegal copies purchased worldwide. In fact, the IFPI concluded that pirated CD sales outnumbered legitimate CD sales in 30 markets across the world and resulted in a loss of US\$4.5 billion from the music industry.

DP represents a significant threat to service industries producing digital products, particularly those producing software (Gopal et al. 2004), music (Kalakota and Robinson 2001), and movies (Klein 2007). For example, 35% of the packaged software installed on personal computers worldwide in 2005 was pirated, amounting to \$34 billion in global losses (Business Software Alliance 2007). Hennig-Thurau, Henning, and Sattler (2007) found that movie file sharing costs \$300 million annually in Germany alone. Worldwide, movie piracy is suspected to account for approximately \$6 billion in losses annually (Klein 2007). Some 37% of all music CDs purchased in 2005 were pirated, representing a \$4.5 billion loss, while an additional 20 billion songs were illegally downloaded (International Federation of the Phonographic Industry 2006). In addition, peer-to-peer file sharing reduces the probability of buying music by 30%, negatively impacting music sales in 2002 by approximately 7.8% (Zentner 2006). Consequently, the very viability of these important service industries is being challenged as they continue to lose paying customers. Unfortunately, in spite of the severity of the threat, efforts to attenuate DP have fallen short of desired results (Bhattacharjee et al. 2006a, 2006b). We suggest that one reason for these poor results involves how little is known about the social psychological foundations underlying DP, thus attenuating the development of effective marketing-based models of persuasion that influence the underlying psychology supporting the practice of DP.

While a number of studies have explored online customer misbehavior, typically focusing on a particular type of activity (see Hinduja, 2007), to date, broader theories regarding deviant human behavior, such as neutralization theory (Sykes and Matza, 1957) have been neglected (see Cohn and Vaccaro, 2006; Hinduja, 2007). Sykes and Matza (1957) cover five “techniques of neutralization” which individuals employ to justify or rationalize their deviant behaviors. The application of the theory within criminology and broader sociology has subsequently extended these techniques and found strong support for cognitive deviance-neutralization as a justification or rationalization mechanism (e.g. Cromwell and Thurman, 2003; Fritsche, 2005). In marketing (consumer-focused) studies, neutralization theory has been somewhat neglected, with the notable exceptions of small number of research into neutralization techniques and shoplifting (Strutton et al, 1994), consumer fraud (Rosenbaum and Kuntze, 2003), and generalization differences (Strutton et al, 1997), all within offline retailing. This leads both Cohn and Vaccaro (2006) and Hinduja (2007) to argue that neutralization theory provides an insightful but neglected perspective from which to explore online deviance and peer-to-peer deviance in particular.

The aim of this study is to explore the extent to which peer-to-peer users employ techniques of *neutralization theory* to justify their behavior of *digital piracy*. This study is also intended to provide a better understanding of a phenomenon which increasingly troubles the entertainment industry. Indeed, digital piracy, more than any other dysfunctional consumer behavior, has significantly impacted on companies’ business models.

This paper is structured as follows; **first**, a review of the term “online consumer misbehavior”; **second**, an overview of the existing research into the techniques of neutralization; and **finally**, a discussion of the research methods and findings. The paper concludes with a series of implications for both theory and practice.

## II. Online Consumer Misbehavior.

There are a number of studies that have examined such misbehavior in offline, “real-life” contexts. For example, Fullerton and Punj (1997) highlighted consumer misbehavior as “behavioral acts which violate the generally accepted norms of conduct in consumption situations” (p. 239) and encompass activities ranging from jumping queues to verbal abuse of shop staff. Similarly, Vardi and Weiner (1996) defined organizational misbehavior in the workplace as “any intentional action that violates core organizational and/or societal norms” (p. 151), citing intrapersonal misbehaviors such as substance abuse while working or production misbehavior such as absenteeism.

Although a coherent literature on the occurrence of such misbehavior in online contexts has not been established, a number of different terms and concepts have occurred throughout academic writing on new media that relate to such dishonest, disruptive, or deviant online activities and actions as opposed to more serious instances of cybercrime.

Freestone and Mitchell (2004: 126) claim that the internet is the ‘new environment for unethical behavior’. Similarly to offline customers, who misbehave in a wide variety of ways (see Harris and Reynolds, 2003), online misbehaviors vary from digital piracy to fraud. These and other behaviors cost some industries billions of dollars in lost sales every year. For instance, in the music industry, the Recording Industry Association of America (RIAA) states ‘global music piracy causes \$12.5 billion of economic losses every year’, while the Motion Picture Association of America (MPAA) declares: ‘the worldwide motion picture industry [...] lost \$18.2 billion in 2005 as a result of piracy’. There are various types of online customer misbehavior. Chatzidakis and Mitussis (2007: 306) state: ‘Internet enables the proliferation of various ethically questionable consumer activities.’ With the development of the internet, new kinds of dysfunctional consumer behavior appear, taking advantage of this new technology: ‘Love bug’, a virus sent in May 2000 via an e-mail entitled ‘I love you’ and which infected tens of millions of computers (Foremski and Kehoe, 2000), software piracy, fraud (including Nigerian email fraud, check fraud, investment fraud, confidence fraud, auction fraud, non-delivery and credit/debit card fraud – see Mazur, 2007); piracy, illegal forms of pornography, cyber stalking, online pharmacies, organ sales and identity theft (Freestone and Mitchell, 2004). Indeed, in 2006, there were 207,492 internet crimes (or e-crimes) reported (Mazur, 2007). Simpson (2006: 14) defines ‘e-crimes’ as covering many different areas, including phishing, hacking, extortion, denial of service attacks, advanced fee fraud, money laundering; virus writing, distributing malicious code, bot-herding, grooming, distributing pedophile material, internet abuse in the work place, intellectual property theft, online piracy of copyright material, and spamming. In terms of academic misuse of the Internet, the activity of online plagiarism, or “cyber-cheating,” has also garnered some attention of late—from students inserting a few unattributed sentences or paragraphs into an assignment to purchasing a ghost-written essay from an online service (e.g., McMurtry, 2001; Park, 2003; Scanlon & Neumann, 2002). Similarly, online misrepresentation of self has emerged as a prevalent Internet-based malpractice, from the relatively benign misreporting of one’s personal details in a social

networking site to the more serious misuse of the Internet to utilize someone else’s credit information without authorization (Finch, 2003; Rogers et al., 2006). Freestone and Mitchell (2004) suggest a complete typology of deviant internet behavior regarding five main activities. First are *illegal activities* such as using credit card numbers discovered on the internet or a stolen credit card; downloading child pornography; spreading viruses; selling counterfeit goods over the Internet; or sending malicious e-mail, to name but a few (Freestone and Mitchell, 2004). Second are *questionable activities* which are not necessarily illegal and are usually victimless (for example purchasing potentially offensive products over the internet; online gambling; or accessing distasteful websites). Third is illegal *hacking related activities* such as changing hardware or software products. Fourth is human internet *trading activities* such as purchasing human organs. Finally is the issue of *downloading material*. This is related to the downloading of movies, music, games or software from the internet for free. These activities are found to be extremely common among young internet users and not necessarily perceived as being unethical.

The focus of current paper is the final category of online consumer misbehavior. Whether it is software piracy, also named ‘softlifting’ (for example Logsdon et al., 1994; Simpson et al., 1994; Gupta et al., 2004; Goles et al., 2008); peer-to-peer (P2P) file-sharing or music piracy (Gopal et al., 2004; Levin et al., 2004; Chiou et al., 2005; Chen et al., 2008); or digital piracy in general (Al-Rafee and Cronan, 2006; Hill, 2007; Cronan and Al-Rafee, 2008), this type of crime has been found to be widespread and, arguably, endemic to the internet. Researchers have generated some insights into the drivers of illegal downloading. Ingram and Hinduja (2008) determine that illegal downloaders are likely to be males, under 21 and white. Group influence, especially through online communities, is also significant (see for example Chiou et al., 2005; Sandulli, 2007). Simpson (2006: 14) defines ‘e-crimes’ as covering many different areas, including phishing, hacking, extortion, denial of

service attacks, advanced fee fraud, money laundering; virus writing, distributing malicious code, bot-herding, grooming, distributing paedophile material, internet abuse in the work place, intellectual property theft, online piracy of copyright material, and spamming.

Chatzidakis and Mitussis (2007) highlight the importance of the internet's scope on unethical internet behavior. The Internet permits the accomplishment of deviant consumer behavior anonymously and it also makes it more difficult to identify unethical activities. First, individuals can remain 'faceless'. This makes the choice to engage in aberrant internet behavior easier (Freestone and Mitchell, 2004; Rombel, 2004), while the impersonal side of the internet alleviates the guilt created by misconduct (Logsdon et al., 1994). This theory is also supported by the work of Reynolds and Harris (2005: 328), in which one of the informants declares: 'there is no face-to-face contact so you don't feel guilty ...it definitely gives me more nerve'. Second, since individuals remain anonymous, deviant internet behaviors are difficult to detect and are more likely to go unpunished (Freestone and Mitchell, 2004; Chiou et al., 2005; Al-Rafee and Cronan, 2006). As Albers-Miller (1999: 275) highlights, 'when there is a lack of fear of punishment, people do engage in inappropriate behavior'. The ability to use virtual person influences unethical internet behavior and moreover the internet's reproducibility makes deviant internet activities even more attractive. It is convenient and permits the reproduction of CDs, software or DVDs very cheaply. In the case of music piracy for instance, illegally downloading enables individuals both to save money (Gopal et al., 2004; Cronan and Al-Rafee, 2008) and to end up with a 'burned' CD of virtually the same quality as a copyrighted CD (Sherman, 2000; Bhattacharjee et al., 2003).

In some regards, the internet offers an unprecedented opportunity to engage in aberrant behavior. Ease of engaging (Gupta et al., 2004), ease of use (Sherman, 2000), access (Levin et al., 2004), flexibility (Sandulli, 2007), situational events (Simpson et al., 1994), internet speed and proficiency (Bhattacharjee et al., 2003; Levin et al., 2004; Rombel, 2004; Cronan and Al-Rafee, 2008; Ingram and Hinduja, 2008), the possibility to customize CDs or discover new talents (Gopal et al., 2004; Sandulli, 2007) are some of the reasons affecting internet users' behavior.

Numerous studies suggest that some consumers believe that illegal downloading is ethically acceptable. Vitell and Muncy's (1992) study reveals that 46% of the 569 US heads of households interviewed believe that it is not wrong to record an album instead of buying it. Among the 71 informants of Fukukawa's (2002) research, 58% think that copying computer software or using unauthorized software is acceptable and 32% actively softlift; furthermore, 71% claim that recording a tape or CD instead of buying a new copy in a shop is acceptable, with 52% already engaging in this deviant behavior. Vitell and Muncy's (2005) survey discloses that 26% of informants strongly believe that downloading music from the internet instead of buying it is not wrong, against 11% who strongly believe that it is. Finally, Ingram and Hinduja (2008) unveil that 90% of their sample believes that downloading music illegally was an *appropriate* behavior. These conclude that individuals do not give the same value to music, words or ideas that they confer to physical objects. These results illustrate the problem intellectual property faces. Individuals do not give the same value to music, words or ideas that they confer to physical objects. This conclusion is significantly supported within the literature (Vitell and Muncy, 1992; Logsdon et al., 1994; Cheng et al., 1997; Kearns, 2001). Vitell and Muncy's (1992: 303) findings highlight that whereas 99% of informants (71% strongly) consider 'drinking a can of soda in a supermarket without paying for it' as wrong, only 34% (12% strongly) believe that 'recording an album instead of buying it' is unethical.

These results are confirmed by Cheng et al. (1997: 56), who state: 'stealing a candy bar would not be tolerated while pirating software worth hundreds of dollars is generally condoned'. 303) findings highlight that whereas 99% of informants (71% strongly) consider 'drinking a can of soda in a supermarket without paying for it' as wrong, only 34% (12% strongly) believe that 'recording an album instead of buying it' is unethical.

In summary, illegal downloading by consumers is widespread and the nature of the internet greatly facilitates these behaviors. Moreover, many consumers appear tolerant and accepting of this misbehavior and seem to rationalize or justify their illegal activities in some way. Given these insights, neutralization theory appears to provide an interesting perspective from which to analyze how online consumers reduce guilt or justify their actions (Cohn and Vaccaro, 2006; Hinduja, 2007).

### **III. Techniques of neutralization.**

The term 'techniques of neutralization' was first used in 1957 by Sykes and Matza in their article 'Techniques of neutralization: A theory of delinquency'. At that time, one of the main interests in criminology was the analysis of delinquency in order to understand such a deviant behavior, especially among adolescents (Cromwell and Thurman, 2003). An investigation of juvenile delinquency led Sykes and Matza (1957) to propose five techniques of neutralization as an explanation of this misbehavior (denial of responsibility, denial of injury, denial of victim, condemning the condemners and appealing to higher loyalties). Subsequently,

Cohn and Vaccaro (2006: 71) note that techniques of neutralization have been employed to explain activities as diverse and numerous as shoplifting (Strutton et al., 1994; Cromwell and Thurman, 2003); marketing (Vitell and Grove, 1987); deer poaching (Eliason and Dodder, 2000); abortion (Brennan, 1974); genocide (Alvarez, 1997); religious dissonance (Dunford and Kunz, 1973); cheating in exams (Smith et al., 2004, Atmeh and Al-Khadash, 2008); hired killing (Levi, 1981); white-collar criminality (Piquero et al., 2005); and finally, music piracy (Cohn and Vaccaro, 2006; Ingram and Hinduja, 2008). According to Sykes and Matza (1957: 666), techniques of neutralization are used in order to 'protect [...] the individual from self-blame and the blame of others after the act'. They can be linked to what Mills (1940) names 'vocabularies of motive'. They enable individuals engaging in dysfunctional consumer behavior to diminish the impact of their misconduct in their own eyes and those of others. As Chatzidakis et al. (2004: 528) state, the techniques of neutralization are 'ways in which consumers rationalize their behavior in order to deal with the consequences of acting in ways that are not consistent with their core ethical values and beliefs'. Individuals use techniques of neutralization as 'guilt-reducing mechanisms' (Mitchell and Dodder, 1980: 241) in order to explain their misbehavior and reduce both the consequences of their acts and their feelings of guilt.

In the context of digital piracy, studies suggest that many (but far from all) illegal downloaders self-report their belief that their actions are ethically acceptable. This suggests five possible scenarios. *First*, such downloaders have rationalized or neutralized their actions to the extent that the ethical issues that were (presumably) initially encountered have been resolved (that is, neutralization has occurred and/or is occurring). *Second*, the psychological costs of norm violation in the form of social or legal chastisement are viewed as so improbably low as to be worth the cost/risk (a risk/cost which requires some neutralization). *Third*, self-reports of a belief that such actions are ethically acceptable may be reinforcing rationalizations in themselves (that is, denial of ethical issue as a neutralization technique); or *fourth*, the public espousal of an ethical norm does not equate to cognitive acceptance (leading to the need for neutralization/justification); or *fifth*, such behaviors are (and always have been) genuinely viewed as unethically unproblematic and that no neutralization or rationalization is required. Given the findings of Cohn and Vaccaro (2006) and Hinduja (2007), the first four scenarios seem eminently more probable than the fifth.

The first authors who tried to find out the techniques were two American sociologists, Sykes and Matza (1957). Their theoretical effort was driven by their disagreement with Cohen's subculture theory (1955), which understands delinquency as a working-class youth reaction to perceived deprivation. Sykes and Matza's starting point was the simple observation that many delinquents have a middle-class background and moral beliefs as well as basic normative orientations no different to those of non-delinquents. This led them to seek the cognitive processes necessary to overcome the incongruence between internalized norms and beliefs and delinquent behavior. Such processes are viewed as *preceding* a particular delinquent act (Sykes and Matza 1957, 666) and are therefore conceived as being proximally involved in the causation of crime and violence. These processes correspond to the five techniques of neutralization: *Denial of responsibility* denotes a technique by which "the delinquent can define himself as lacking responsibility for his deviant actions" (667), i.e., the delinquent externalizes the locus of control. For example, a violent interaction might be framed as an accident, as provoked by the victim, or as the product of peer pressure.

Through *denial of injury* perpetrators rationalize the consequences of their acts as not really harmful to the victim. For example, the psychological consequences of verbal bullying might be discounted. *Denial of the victim* occurs when "the delinquent accepts the responsibility for his deviant actions and is willing to admit that his actions involve injury" (668). Here, the role of the victim is redefined, for example conceiving the victim as a wrongdoer who deserved a lesson. *Condemnation of the condemners* involves shifting attention from the delinquent act to the motives and behavior of those who disapprove such acts (668), for example, portraying authorities as hypocritical or corrupt. Finally, Sykes and Matza describe the *appeal to higher loyalties* as follows. "Fifth and last, internal and external social controls may be neutralized by sacrificing the demands of the larger society for the demands of the smaller social groups to which the delinquent belongs such as the sibling pair, the gang, or the friendship clique" (669).

Originally, Sykes and Matza (1957) proposed five techniques of neutralization that can explain juvenile delinquency: denial of responsibility, denial of injury, denial of victim, condemning the condemners and appealing to higher loyalties.

- 1- '*Denial of responsibility*' enables individuals to cast the responsibility of their aberrant behavior on someone else or on the circumstances. They are not really guilty since 'factors beyond their control' (Vitell and Grove, 1987: 434) cause their misbehavior.
- 2- '*Denial of injury*' lessens the consequences of misconducts, emphasizing the lack of direct harm and therefore making the behavior more acceptable.
- 3- '*Denial of victim*' is not used to refute the unethical side of the behavior. It helps individuals to explain their motives by claiming that 'the violated party deserved whatever happened' (Vitell and Grove, 1987: 434).

- 4- 'Condemning the condemners' enables individuals to shift the attention towards those who criticize them 'by pointing out that they engage in similar disapproved behavior' (Vitell and Grove, 1987: 434).
- 5- 'Appealing to higher loyalties' is used by individuals to explain that their aberrant behavior is 'the by-product of their attempt to actualize a higher order ideal or value' (Vitell and Grove, 1987: 434). Subsequently, researchers have identified other techniques, including: defence of necessity and metaphor of the ledger (Klockars, 1974; Minor, 1981); claim of normalcy, denial of negative intent and claim of relative acceptability (Henry, 1990); denial of the necessity of the law and the claim that everybody else is doing it (Coleman, 1994); and justification by comparison and postponement (Cromwell and Thurman, 2003).
- 1- 'Defence of necessity' is argued by Minor (1981: 298) to mean that 'if an act is perceived as necessary, then one need not feel guilty about its commission, even if it is considered morally wrong in the abstract'. This technique corresponds to Coleman's (1994) denial of the necessity of the law.
- 2- 'Metaphor of the ledger' implicates counterbalancing all the good and bad behaviors, thereby tolerating the aberrant behavior in question.
- 3- 'Claim of normalcy' insists that everybody engages in such activities, and thereby being commonplace, such behavior cannot really be perceived as wrong (Coleman, 1994).
- 4- 'Denial of negative intent' diminishes responsibility, since the behavior was not supposed to cause any harm.
- 5- 'Claims of relative acceptability' or 'justification by comparison' intend to minimize the consequences of the aberrant behavior by drawing a comparison with other perpetrators or with more questionable forms of behavior.
- 6- 'Postponement' enables individuals to 'simply put the incident out of their mind' (Cromwell and Thurman, 2003: 547). Cromwell and Thurman (2003) observed that during the interviews, participants often use this technique in order to explain why they engage in shoplifting.

In summary, neutralization theory provides an insightful perspective from which to elucidate how aberrant human behaviors are justified or rationalized by participants. In the case of online customer misbehavior and illegal downloading in particular, both Cohn and Vaccaro (2006) and Hinduja (2007) argue that focusing on online consumers' use of such techniques generates useful insights into how such consumers justify their illegal activities.

#### **IV. Research methods.**

In this research, I am trying to explore the extent to which the peer-to-peer users apply the different techniques of neutralization theory to justify their misbehaviors. Also, the aim of this research is to understand which techniques they use before and after the occurrence of those deviant behaviors. While previous studies have generated insights into online misbehavior the nature and dynamics of online consumers' application of neutralization techniques remains understudied (Cohn and Vaccaro, 2006; Hinduja, 2007). In particular, empirical insights into the sequencing of neutralizations are limited. While experimental or longitudinal studies are needed definitely to establish causality between cognitions and acts, in the current study an exploratory research design was deemed appropriate to generate insights into the sequencing of online consumer misbehavior.

In order to develop a greater understanding of the core concepts within this area a qualitative interview-based approach was adopted, as in-depth interviews are particularly useful in generating 'rich' and 'deep' insights into complex phenomena (see Miller, 1991; Bryman, 2004). Depth interviews can be effectively employed in situations require discussion of confidential, sensitive, or embarrassing topics. Also when detailed understanding of complicated behavior is needed (Naresh K.Malhotra, 2007). An advantage of in-depth interviews is the capture of the informant's perspective on key issues, using their own jargon and language; characteristics which are of particular value when the issues under research are sensitive or ethically questionable (Stainback and Stainback, 1988; Iacobucci and Churchill, 2006).

In order to achieve these goals, a central issue was identifying and gaining access to suitable informants (Crimp and White, 2000). As a result, this study adopted a 'discovery-oriented' design. To produce a knowledgeable sample, a purposive sampling plan was utilized comparable to that used and recommended by Harris and Reynolds (2003) in their study of dysfunctional customer behavior. Informants were selected because of their participation in online downloading and their knowledge of online service dynamics. All informants had participated in peer-to-peer downloading within the last 6 months. In total, 50 informants were interviewed, of which 36 were male. The ages of informants (school students, American Section) ranged from 15 to 17 years (Grades 10, 11, and 12). Males are more represented than females in the sample, since they download more through peer-to-peer networks, and informants are all relatively young since peer-to-peer file-sharers are composed mainly of teenagers (Gopal et al., 2004; Sandulli, 2007; Ingram and Hinduja, 2008). All 50 informants have at least once illegally downloaded music or movies; 17 of them have

also pirated software and 36 of them have illegally copied video games. The informants engaged in illegal downloading activities four times a week on average (varying from twice a month-during the quarter exams to several times each day). All the interviews were conducted individually and typically lasted 20 minutes (although some lasted for as long as 45 minutes). Given the potentially illegal nature of the activities studied, and to reduce potential social desirability bias, informant confidentiality and anonymity were guaranteed. To ensure the accuracy of data collection, notes were taken during the interview by the researcher, since the interviewers refused to be audio or video recorded. Interviews began with explicit confidentiality assurances in order to aid open discussion on the part of the informant. Particular emphasis was placed on noting informants' comments regarding the timing of neutralizations (pre-, during or post behavior) and on critically exploring timing claims. Data collection was terminated at the point which Strauss and Corbin (1998) label 'theoretical saturation' (the point at which no new insights are divulged).

Subsequent data analysis followed a systematic process of transcript-based analysis following a form of the iterative stage process summarized by Turner (1981) and advocated by Reynolds and Harris (2005) as especially beneficial in the study of customer misbehavior. The approach of Turner (1981) entails seven separate phases of analysis (generating categories, category saturation, abstract definition development, use of definitions, category explanation, category linkage and linkage evaluation) complemented by the iterative evaluation of the analysis after each phase.

The analytical approach adopted is consistent with the suggestion of Dey (1993), in that the context of action and the social actors are described in such a way that facilitated the task of classifying and assessing the interconnectedness of themes. This approach has also been described as 'abductive reasoning' (Coffey and Atkinson, 1996). Nevertheless, it should be acknowledged that the method employed (in part) evaluates an existing theoretical framework and therefore has a deductive element. To improve the reliability and validity of the data collection, a systematic approach to data collection and analysis was adopted (Yin, 2003). Further, internal and external veracity checks of analyses were undertaken (see Price et al., 2000).

Internally, coding procedures were reviewed by an experienced researcher, while externally; preliminary and final analyses were reviewed by experts in "Computers and Information College" during ex-post interviews. To maintain the anonymity of individuals and schools, details encompassing informants' names and locations have been changed.

## **V. Findings.**

Data analysis reveals that peer-to-peer file-sharers employ up to seven different techniques of neutralization in order to rationalize or justify their activities: *denial of victim*, *denial of injury*, *denial of responsibility*, *claim of normality*, *claim of relative acceptability*, *justification by comparison* and *appeal to higher loyalties*.

The remainder of this section is devoted to the discussion of each of these neutralization techniques.

## **VI. Denial of victim.**

This technique of neutralization is one of the most exploited by peer-to-peer File-sharers to pre-justify their illegal activities. Informants often blame entertainment companies for their misbehavior. It is mainly the case for record labels, in particular the Big Four (Warner Music, Universal Music Group, EMI Recorded Music, Sony/BMG Entertainment), since informants mostly illegally download music from the internet, but was also used against major software companies. Interestingly, this technique of neutralization appeared to be used mainly *prior* to the behavior. Throughout the interviews, participants raised two main arguments to insist on denial of victim: unjustifiably high prices; and perceived exploitation by multinational firms.

None of the interviews were conducted without the informant reproaching the excessive prices set by the software, video game, DVD and music industries. For instance, one informant confesses:

I recently wanted to buy an album in a shop. The album is quite old so I expected it to be at a reduced price but it was actually more expensive than some brand new albums! If it had been in the shop for around 10 Egyptian Pounds, I would have bought it there but they set such a high price that they just encourage people to download. (Male, 16).

These findings confirm what has been previously highlighted in the literature review section: price can lead people to misbehave (see Levin et al., 2004; Al-Rafee and Cronan, 2006; Sandulli, 2007). All the participants believe that in setting high prices, companies deserve what happens with the development of peer-to-peer networks. One informant claims:

Prices are exorbitant. Companies just try to take advantage of us. If a lot of people are downloading today, they've only got themselves to blame. (Male, 17)

Microsoft Office costs \$499.95, Photoshop costs \$649; how can they really believe that people in underdeveloped countries won't try to obtain them freely if possible. I don't use Photoshop very often, but sometimes I enjoy using it to change or customize some pictures. There's no way I will spend so much money on software. I can't afford it. They should give it for free for individual use since they make so much profit with businesses. (Male, 18)

This opinion seems to be widely shared among peer-to-peer users, especially among the informants who download. According to them, the price of software is excessive, especially for individual use. Indeed, 60% of those interviewed believe that software should be free for personal use, since software companies can make their profits through their sales to businesses.

Some of the peer-to-peer file-sharers expressed feelings of being deceived by entertainment companies in order to justify their misconduct. This echoes the comments of both Levin et al. (2004) and Chen et al. (2008). Informants argue:

The music companies think that we're dumb. I mean 99 cents per song but twelve bucks a CD? They're just trying to bleed us dry. They deserve all they get! (Male, 17)

In this regard, informants hold profitable multinationals responsible for their deviant behavior. It is interesting to notice that all participants at one point during the interviews differentiated big labels from new and small ones, big and lucrative multinationals from small and medium companies, or famous and rich artists from new and unknown ones. A number of them mentioned the high tuition they pay to justify their behavior. Three of them said:

In American Section we pay a lot of money "tuition", and most of that goes to American education system. I believe that it is OK to download from any American companies, since we paid in advance.

These results confirm Fullerton and Punj's (2004) observation where they highlight 'pathological socialization' as a cause of dysfunctional behavior. Indeed, informants engage in illegal activities when they consider companies deserving of it (see Wilkes, 1978).

## **VII. Denial of injury.**

Denial of injury is the second most common technique of neutralization used by informants to rationalize their deviant behavior. However, in contrast to neutralization of guilt via denial of victim prior to acting, the denial of injury rationalization appeared most frequently to occur *post* behavior. Of the 50 informants, 43 claim that their peer-to-peer activities do not harm anybody and that there is no direct financial impact on businesses involved. In order to illustrate their point of view, informants underline the wealth of multinationals. Moreover, they stress the non-lucrative side of their actions; they equate their downloading with a complementary product and not a substitute one, and finally, they highlight the positive impact peer-to-peer networks may have on businesses.

The major argument used in such cases revolves around the idea that multinational companies already make such a huge profit that several dollars fewer do not really matter or make a difference. These findings correspond to the 'attitude toward big businesses' cause observed by Fullerton and Punj (1993). One of the informants declares:

I'm sure the development of peer-to-peer networks doesn't have any impact on entertainment industries. They make a lot of money anyway. I also think artists could do without their huge profits. (Male, 17)

These views support Sykes and Matza's (1957) findings, where the latter noticed that delinquents distinguish between acceptable and unacceptable victims. This observation seems to apply to peer-to-peer users too. File-sharers mainly use peer-to-peer networks to download music from famous and wealthy artists (like Eminem), and Hollywood movies, and in that case, they did not believe that their behavior had negative consequences. Some of the informants even highlight the fact that businesses seem to cope extremely well with the situation:

Some big CEOs from multinationals are complaining about peer-to-peer files sharing but I don't think they have really anything to worry about. Considering share prices of Universal, Fox, Lionsgate, Infogramme and Ubisoft, and their gigantic advertising they don't seem very miserable. (Male, 16)

It is interesting to notice that in the course of the interviews, participants often use denial of victim to reinforce their denial of injury. This finding supports Cromwell and Thurman (2003), who argue that customers may use more than one technique of neutralization to justify their deviant behavior.

To justify their illegal behavior, 85% of informants insist that they wouldn't have bought the product (CD, DVD, software, or video game) anyway.

Downloading through peer-to-peer networks does not represent a menace for companies since the latter cannot lose money on something they cannot sell in the first place, irrespective of peer-to-peer platforms. Some of the file-sharers thus rationalize their activities:



I wouldn't have bought them [CDs and DVDs] anyway. [...] If I never intended to buy something in the first place there is no real loss to anyone. (Female, 16)

I tend to download stuff that I would buy. If it is that good, I'd buy a copy but mostly I get programs that I'll use every now and again. (Male, 17)

Some of the informants also insist that their downloading activities do not affect their consumption habits. Even if they do use peer-to-peer platforms to download some music or films, that does not diminish their purchasing. These findings corroborate those of Azeez (2002), who claims that downloading does not impact on purchasing behavior

### **VIII. Claim of normalcy**

Data analysis reveals that three-quarters of informants seem to lessen their guilt *post* behavior through the claim of normality. 'Everybody is doing it' seems to be a logical justification for peer-to-peer file sharers to engage in their illegal behavior.

This technique pivots on claims that such actions are common to many other consumers and is distinct from the 'condemning the condemners' approach, wherein individuals accuse the other party in the conservation of undertaking similar or greater acts of deviance. Claims of normality appeared to be described by informants as occurring after the misbehavior, enabling peer-to-peer users to rationalize the consequences of their activities. Piracy, whether of music, films, software or more commonly video games, is often argued to be becoming commonplace. The significant number of people engaging in illegal downloading makes it easier for others to follow suit, confirming previous results (Cohn and Vaccaro, 2006; Hinduja, 2007; Bhal and Leekha, 2008). Since so many people use peer-to-peer networks in order to obtain the files they want, piracy does not seem so wrong, thereby assuaging the guilt of those using these platforms and offering them an excuse for their misbehavior. Two informants' state:

Everybody is downloading. I mean if it was so wrong many people I know would never dare doing it. I would be an idiot not to do the same. (Female, 17)

The world gets free stuff from the Internet! I really doubt that anybody doesn't do it every now and again! (Male, 19)

These answers highlight the influence others can have on their close circle of acquaintances. Peer groups, as often observed within the literature (see Logsdon et al., 1994; Ingram and Hinduja, 2008), can influence their members, leading them to misbehave.

### **IX. Claim of relative acceptability and justification by comparison**

Individuals who engage in deviant behavior may rationalize their misconduct by drawing a comparison with a more ethically questionable act (justification by comparison) or with other perpetrators whose behaviors are viewed as less acceptable (claiming relative acceptability). In this study, informants most commonly described incidents of these techniques after the online act of misbehavior. Analysis of interviews revealed that nearly half of informants employed these techniques of neutralization in order to justify their illegal activities, each claiming that using peer-to-peer networks is nothing compared to crimes such as homicide, rape, or marital violence. Consistent with Hinduja (2007), comparing a crime against one much more serious, even if there is no connection between them, seems a sufficient excuse for many informants to justify their illegal downloading. Indeed, when compared to homicide downloading becomes a rather insignificant crime. A serial soft lifter argues:

Peer-to-peer networks have become one of the main sensitive issues today. Even governments get involved. Downloading won't kill anyone. Maybe they should concentrate their effort on something more important. I mean, violence is everywhere; why lose time with irrelevant stuff. (Female, 17) Justification by comparison enables peer-to-peer file-sharers to make their activities almost acceptable to others, since they believe they do not really harm anyone. It is interesting to notice that a small (but significant) minority of informants draw a comparison between online piracy and shoplifting in order to rationalize their deviant behavior. Those against online piracy often associate it with shoplifting. However, peer-to-peer file-sharers claim that they are completely different. This last justification reinforces what has been previously highlighted in the literature review: intellectual property is not regarded as a physical good, thereby diminishing the guilt of illegally obtaining a copy of files (Vitell and Muncy, 1992; Logsdon et al., 1994; Cheng et al., 1997; Kearns, 2001). An informant explains:

That gets on my nerves when people say that downloading and shoplifting is the same thing. There is a huge difference. For example, to make a laptop you need raw material and man-hours to make it. While two laptops need twice as much material and twice as many man-hours, two copies of software don't. The cost could be covered by purchases made by companies and professionals, and there are lots of them, while clubs, radio

stations, television etc. could cover the cost for music. Everybody downloads; maybe it's time now for companies to adapt themselves.

(Male, 19)

The finding that peer-to-peer users do not believe that downloading is unethical is concurrent with a number of earlier studies (see Ingram and Hinduja, 2008). Other participants use justification by comparison by claiming that they download much less than many other peer-to-peer users. They claimed they only download files occasionally, whereas some individuals pirate every day. This appears to be sufficient reason for them to continue downloading occasionally without feeling guilty about it. Those who engage in this behavior much more than they do are the ones to blame for the possible harmful consequences. Informants declare:

I'm not one of the big downloaders. I just download two or three items a month. It's not a big deal and compared to others, it's nothing. (Female, 17)

I don't download night and day with several computers as some people do. (Female, 15) As long as others are engaged in these activities much more than they themselves are, informants believe their behavior can be forgiven.

### **X. Appeal to higher loyalties**

The appeal to higher loyalties technique was most often described by informants as something they considered to occur *before* the downloading activity. Throughout the coding process, two main values stood out: discovery, and individual's rights and freedom (partly supporting similar findings in Cohn and Vaccaro, 2006). In order to explain one of the reasons behind their illicit activities, 25 informants refer to the value of discovery. Peer-to-peer networks enable them to discover new songs, new artists, or new movies. For instance:

When I use peer-to-peer networks I often discover new bands that I had no idea existed. (Male, 18)

You can find some great new stuff online that you'd never hear about otherwise. (Female, 17)

The 'discovery' factor is especially important where music is concerned, confirming observations made in the literature (Gopal et al., 2004; Cohn and Vaccaro, 2006; Sandulli, 2007). Peer-to-peer networks allow informants to listen to new songs they would never have had the chance to do otherwise. When they have to pay for a CD, they are more cautious about their choice and usually go for the band or artist they know and are sure to enjoy. The safer way is then not to try anything new, thereby not discovering anything new. Even if the radio plays a significant role in the uncovering of novel bands, not every artist or song is broadcast. Moreover, sometimes one or two good songs do not justify the purchase of a CD:

When I really like an album I would rather buy it instead of downloading it. However when I want only one or two songs on the CD I don't want to spend my money for nothing so I just download the tracks. (Female, 16)

The importance attached to the discovery value strengthens the last argument used by informants in order to deny injury as highlighted earlier. Peer-to-peer networks allow people to discover new things but they also help artists and companies to promote their products. File-sharing in this way is a novel way of sampling before buying the product. Peer-to-peer network advocates have mainly used this argument in order to justify their activities; however, some researches have questioned its accuracy (Blackburn, 2004; Michel, 2004; Liebowitz, 2005). These results echo those of Jupiter Research's survey evoked in Azeez (2002: 14), who notes that peer-to-peer networks are just another way to '*try-before-you-buy*'.

Concordant with Cohn and Vaccaro (2006), consumer rights and freedom is the second value which a minority (20%) of informants mentioned in order to defend their actions, especially in the cases of music and film downloading. Informants associated music and film with culture and believe culture should be free and available to everybody:

Music and movies are some kind of arts and should be free whoever the spectator. (Female, 17)

Peer-to-peer networks enable individuals to criticize and fight against the system. Thus, those employing this technique of neutralization argue that their engagement in such illegal behavior is in order to defend their rights and those of others:

It's the first time that culture and entertainment is available to everybody. Every civilization has dreamt about it. It has happened and now everybody is outraged. Thanks to peer-to-peer networks, every individual, rich, and more importantly poor, have the ability to access liberally and free everything related to culture and entertainment. Why would someone, who is for equality between humans, want to prohibit it? (Male, 17)

Moreover, informants point out that usually they download files they were able to obtain freely. This is particularly the case for movies and television shows. When a film or program is on television, it is easy to record it with a video tape and video player. Informants observed that they paid for the television, the tape and the video-tape recorder and that furthermore; multinational companies sell all the products necessary for this, thus facilitating consumers in recording what is transmitted on television. Thus, many informants argued that as long as a television show or movie has been broadcast on television, they believe they are entitled to use peer-to-peer networks to acquire them:

If a television show or a movie has been broadcast, I don't know why I can't download it since I was able to record it on television. If not, just explain to me why we can buy blank tapes and a video player? (Female, 16)

I like downloading series and even films already broadcast on television. I then consider that I don't have to pay for them since they have been already televised and I could have made a copy of them. (Female, 17)

Peer-to-peer networks are also a way to criticize the system as a whole and fight against an entertainment industry which is attracted more by profit than the will to promote the Arts. An informant contends:

The system for distributing artist's work to consumers is so backwards that I actually resent putting any money at all into it. Paying £35 for a television series that was just on television, when I know that most of that goes straight to the fat cat at the top, who uses it to fund terrorism like Israel; I just can't believe it. (Male, 19)

Consumer rights and freedom are hence a value which peer-to-peer users endorse to neutralize guilt and rationalize their behavior.

## **XI. Denial of responsibility**

Denial of responsibility was depicted as a post-action process and was expressed by only 30% of informants, echoing Cohn and Vaccaro's (2006) findings. However, the informants who did use this technique of neutralization often brought up the argument of availability of peer-to-peer networks and their accessibility and ease of use.

Seven informants highlight the availability of peer-to-peer networks and the facility in engaging in illegal downloading due to the internet, its access and its ease of use, and thus neutralize their online misbehavior by claiming that the conditions for illegal peer-to-peer are so favorable that their actions are justifiable. Interestingly, numerous informants argued that they do not create, develop or maintain these networks. Indeed, many informants did not share their own files with other peer-to-peer downloaders. However, since peer-to-peer file trading is available to them, they argue there is no reason for them not to use it and they cannot be held responsible for their behavior since they have nothing to do with the creation and development of these networks. An informant declares:

Peer-to-peer networks exist and they're free. What should I do? Not use them because some people think it's wrong? I didn't create them. I don't even make my own files available for others. I just use peer-to-peer platforms, which are easily available to me. It's not as if I was the one at the origin of these networks. (Male, 18)

These answers are consistent with previous findings which contend that opportunity can cause aberrant behavior (see Fukukawa, 2002; Levin et al., 2004). Accessibility and ease of use are interlinked justifications employed by other informants to deny the responsibility of their behavior. As highlighted earlier (see Cronan and Al-Rafee, 2008; Ingram and Hinduja, 2008), the internet has made deviant behavior easier. People have ready access to the internet and it has become increasingly less difficult to use, therefore peer-to-peer file-sharers do not understand why they should not take advantage of peer-to-peer networks. An informant stresses:

With my broadband connection I can have access to the Internet whenever I want. In a few clicks, I can download music, films, software, and even video games. There is nothing difficult to do for that, it's available and free. It's the age of the Internet, you can't fight against it. (Male, 19)

This echoes Sherman's (2000) proposition concerning the ease of use of the internet facilitating dysfunctional behavior.

## **XII. Implications**

This paper attempts to explore the extent to which peer-to-peer users employ techniques of neutralization to justify their actions of prior-to behavior or rationalize their activities post behavior. Relatively few studies have taken an interest in both piracy and the justifications given by downloaders for engaging in such actions, at the same time (see Cohn and Vaccaro, 2006; Hinduja, 2007; Ingram and Hinduja, 2008; Bhal and Leekha, 2008). However, piracy has become a sensitive issue. Every day, billions of files are illegally downloaded throughout the world and despite the actions taken by entertainment companies and governments the movement does not seem to be slowing down.

The main contribution of this study lies not only in the finding of neutralization techniques that added to the theory during online consumer misbehavior, but also this study was applied on school students rather than college students which is very rare in the literature. While marketers may be surprised by such a statement (*neutralization theory having received little attention by the marketing academy* – see Harris, 2008b), other academics (*such as criminologists*) have long accepted neutralization of deviant actions to the extent that Maruna and Copes (2005) in their (already) seminal review note that such findings are not interesting in themselves. In contrast, the main contribution of the current study lies in the insights gained into the sequencing of neutralizations. This contentious aspect of neutralization theory finds many theorists divided into those that believe that neutralization occurs either pre- or post-event (see Sykes and Matza, 1957; Hindelang, 1970); although Maruna and Copes (2005) extend Hirschi's (1969) 'hardening' conception into a theory of desistance.

The current study contributes insights into these issues through finding evidence to support the view that both pre-event neutralizing justifications, as well as post-event ones, occur. Moreover, in this context, particular techniques appear linked to either pre- or post-event neutralization. Specifically, the denial of victims and appeal to higher loyalties techniques were found to be predominately used to justify actions prior to an event. In contrast, the denial of injury claims of normalcy claims of relative acceptability, justification by comparison and denial of responsibility techniques were found to be rationalizations of behavior post-event. While the research design and methodology of this study prohibits definitive causal claims and precludes empirical generalizability, theoretical generalizability is possible and certainly the insights gained provide a good starting point for future studies (see below).

It is also worthwhile here the differences between the techniques found in the current study and those found in similar studies. Hinduja (2007) observed that students engaging in Softlifting particularly use denial of injury, appeal to higher loyalties, claim of relative acceptability and denial of negative intent to justify their behavior; Bhal and Leekha (2008) state that their informants mainly employed appeal to higher loyalties and claim of normalcy. In contrast, the current study reveals that none of the participants use denial of negative intent to justify their activities, while only 30% employ claims of relative acceptability. As Cromwell and Thurman (2003) observed, individuals engaging in misconduct tend to use more than one technique of neutralization to justify their behavior; participants' answers confirm peer-to-peer users do the same. Moreover, in a similar way those delinquents differentiate acceptable from unacceptable victims (Sykes and Matza, 1957), peer-to-peer users distinguish multinationals from small and independent companies. Informants in the current study believe that multinational companies such as Universal, Fox and Microsoft cope perfectly with peer-to-peer networks and thus deserve the development and popularity of these platforms. However, as soon as downloading affects an entity other than a big corporate, piracy becomes not-so-acceptable behavior. This last point has never really been mentioned in previous literature on digital piracy and it may be interesting to investigate further in future research. Furthermore, contrary to Hinduja's (2007) findings, the 50 participants often use techniques of neutralization during the interviews. All of them used at least three of the techniques. The fact that piracy becomes unacceptable behavior when dealing with small and independent companies deserves particular attention. Many studies have found that piracy was not necessarily regarded as illegal or unethical (Vitell and Muncy, 1992; Logsdon et al., 1994; Simpson et al., 1994; Glass and Wood, 1996; Cheng et al., 1997; Kearns, 2001; Fukukawa, 2002; Cronan and Al-Rafee, 2008). However, the problem appears to be deeper than that. During the 50 interviews, peer-to-peer users claim that their downloading is acceptable and justified. Yet 61% of them are against legal and free downloading. They claim that if peer-to-peer networks are legalized, the entertainment industry will disappear, since artists and creators will not be compensated for their work.

This is in total contradiction to the 'culture should be available and free to everybody' dogma. Informants, therefore, do not seem truly to question the illegal and unethical side of peer-to-peer networks, thereby acknowledging the social and conventional norms. However, they feel that these norms should not apply to their cases, echoing Sykes and Matza's (1957) findings. Even if participants, at least this 61%, do not consider piracy to be as unethical as shoplifting for instance, they do not deny the fact that some people can perceive peer-to-peer activities as morally wrong.

It may be particularly interesting and useful for the entertainment industry to further explore this last observation. Piracy is a real phenomenon, which will not disappear easily. On the contrary, the next generation is born with the internet and all the opportunities related to it. Some teenagers download on a daily basis but they have never bought a CD or a DVD in their life. As Sandulli (2007: 325) declares.

The movie, software and video games industries, one after the other, face the same crisis. New technologies will become ever more efficient; the next generation will become even more at ease with the internet; peer-to-peer systems will be increasingly expanded and difficult to control. There is no doubt multinationals will have to come up with a new business model (as suggested by some of the informants) if they

want to face up to the situation. New strategies have already been adopted. Free game samples seem to reduce, if not eliminate, illegal downloading of video games. Free software such as Open Office seems to offer an alternative to expensive ones such as Microsoft Office. However, as long as no solution is recommended, the price of some software will continue to drive some individuals into Softlifting. Online purchasing of digital media is getting closer to how it should be, and eventually will become the norm. More and more individuals consider CD and DVD support as obsolete and prefer mp3 files, since they take up less space and are more convenient both to download and to keep. Laptops, mp3 players or iPods, to name but a few, have become commonplace in many people's lives, especially those of the next generation. However, before then, companies need to be realistic.

The price they propose is too excessive for many people. Peer-to-peer users do not want to pay for extra 'hosting costs' because they buy a digital as opposed to a physical product. Companies will have to be very careful regarding the new business model and strategy they will adopt. Companies need to rethink their strategy and find new ways to make profits. Instead of considering peer-to-peer networks as opponents, multinationals should maybe try to use these networks to their advantage. The fact that so many people are willing to download illegally may suggest an ignorance of the law by some consumers; or that legal loopholes may need tightening. Reinforced copyright of the products affected could be one solution. However, this may have unforeseen consequences. Consumers who actually buy the product (CD, DVD, software or videogame) may complain that they cannot make a copy of the product that they legally own. Moreover, there will always be hackers skilled enough to succeed in cracking the copyright. The legalization of such activities is likely to be infeasible. Thus, as noted by Fullerton and Punj (1997), potential solutions are likely to pivot on deterrence to reduce (but not eliminate) such behaviors. Consequently, a prospective solution for policymakers could be to reinforce the law and implement tougher and stricter penalties. However, this does not ensure the problem will stop, as stricter laws will not convince people that engaging in digital piracy are truly wrong. This may only deter those individuals having the least impact on the problem. Staggering penalties and prison terms could really impact on digital piracy; however, these kinds of sentences would be quite improper for this type of crime. Furthermore, peer-to-peer users would create other sharing networks, which are less easily identified and devoid of proxies and data encoding.

This study highlights that the issue of software and music piracy is rooted deeper than was thought, whether digital piracy is illegal or not. The root causes of downloading should be analyzed in depth by the policymakers rather than their just hoping that increasing legal restrictions will solve the problem. Digital piracy is a sensitive issue which necessitates the generation of new ideas to tackle it. Policymakers have to rethink their strategy. However, peer-to-peer networks will not be easy to prevent or properly to legalize. As with all studies of this nature, the findings and contributions of this study are constrained by the research design and methodology adopted; limitations which, in turn, suggest potentially fruitful avenues for future research. In particular, three issues appear especially important. First, this study explores an illegal activity. As such, interviews involve discussions of issues which could result in hefty fines or even imprisonment. These issues could constrain informant responses and interpretations.

A virtual ethnography on forums related to file-sharing may allow researchers to gain more insights on the situation. Unlike face-to-face interviews, this method could show anonymous responses and may generate interesting insights. Second, while the exploratory design and qualitative methods employed facilitate rich insights, the nature of the research design and methods limit the empirical (but not the theoretical) generalizability of the findings and contributions. In this regard, while the method adopted provides insights into the ordering of neutralization techniques (pre- or post-actions), only experimental or longitudinal studies can definitively address the causal ordering question. Third, additional research could generate interesting insights through focusing on the conditions in which neutralizations are employed and on interpersonal differences during technique application.

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