Morality and Psychosocial Factors Behind Fraudulent Return Practices

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Backgrounds

Retailers provide return policies to support consumers' rights to exchange or return products and enhance overall customer service and satisfaction. While retailers facilitate shopping convenience by offering lenient return policies, this practice has also encouraged opportunistic post-purchase behavior among consumers. Some individuals exploit these lenient return policies by engaging in fraudulent return activities known as wardrobing (Putra et al., 2025). Wardrobing refers to purchasing products to use them temporarily and then returning them, often after wearing them for a short period, to get a full refund (Mann, 2023). It leads to significant losses for retailers, such as decreasing sales, gross margins, inventory, and profitability, specifically in online settings (Phau et al., 2022). Thus, understanding the factors contributing to wardrobing is crucial for businesses.

Wardrobing is considered unethical behavior; thus, it is essential to incorporate morality into the analysis to understand the underlying motivations better. While prior studies have explored the individual and social aspects of wardrobing behavior (Phau et al., 2022), there remains a lack of comprehensive research particularly examining moral factors (i.e., moral disengagement, moral awareness, moral judgment, religiosity). This study addresses the following inquiry: What psychosocial and moral factors influence consumers' intentions to engage in wardrobing? By evaluating these multifaceted influences concurrently, this research aims to provide a more profound and integrative understanding of the determinants that shape unethical post-consumption behavior.

Literature Review

This study draws on Cognitive Dissonance Theory (Festinger, 1957), which explains how consumers justify unethical behaviors like wardrobing to resolve internal conflicts between their actions and moral values. The Theory of Consumer Decision-Making (Haines et al., 1970) also explains how psychological and social factors, such as impulsiveness and status, influence consumer choices. In addition, The Fraud Triangle Theory (Cressey, 1953) provides a framework for understanding unethical behavior, suggesting that pressure, opportunity, and rationalization drive wardrobing intentions. These three theories help explain the psychological, social, moral, and religious factors influencing wardrobing behavior.

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Drawing on these theoretical approaches, previous research on wardrobing has predominantly focused on its personal and social aspects (Phau et al., 2022). However, the morality and religiosity drivers of wardrobing have not been explored. Studies have shown that moral disengagement, a cognitive process where individuals justify unethical behavior (Bandura et al., 1999), can influence consumer behavior like wardrobing. Additionally, the role of religiosity in consumer ethics has been mixed; some studies suggest that stronger religious beliefs reduce unethical consumer behavior, while others have found counterintuitive relationships (e.g., low religiosity may correlate with higher impulsiveness and materialism, which may lead to more frequent wardrobing) (Saini & Kumar, 2023). Social factors, such as public self-consciousness and perceived social competitiveness, influence consumer decisions by shaping social comparison tendencies and the desire to maintain a certain status (Furinto et al., 2023). Finally, personality traits such as impulsiveness, self-control, materialism, price consciousness, and opportunism are significant predictors of consumer tendencies toward unethical consumption (Akturk et al., 2021; Holtfreter et al., 2010; Yue et al., 2024). After thoroughly reviewing existing literature, we present the following hypotheses: H1a-d suggests that moral disengagement, moral awareness, moral judgment, and religiosity significantly influence individuals' intentions to participate in wardrobing. Furthermore, H2a-b indicates that factors such as public self-consciousness and perceived competitiveness play a significant role in shaping the intentions behind the wardrobing intention. Lastly, H3a-e asserts that impulsiveness, self-control, materialism, price consciousness, and opportunism significantly determine individuals' intentions to engage in wardrobing activities.

Methods

This study employs a standard multiple regression analysis using SPSS 29.0 to examine the influence of three broad categories of factors, morality and religiosity, social factors, and personality factors, on wardrobing intention. A sample of 345 participants was collected via Amazon MTurk. The measurement items, i.e., moral disengagement, moral awareness, moral judgment, religiosity, public self-consciousness, competitiveness, impulsiveness, self-control, materialism, price consciousness, and opportunism, with Cronbach's alpha 0.7 were adopted from previous studies. Of the total respondents, 58.3% of the respondents were males, and 41.4% were females aged between 18 and 42 (91.1%). The majority of participants were Caucasian (90.1%), employed full-time (72.8%), and college graduates (69.6%).

Results

Assumption checks show positive results. Regression analysis reveals key factors affecting wardrobing intention. Moral Disengagement ($B = 0.125$, $p < 0.05$) was positively associated with wardrobing intention, suggesting that individuals who justify unethical behavior are likelier to engage in wardrobing. On the other hand, Moral Awareness ($B = -0.145$, $p < 0.001$) was negatively related to wardrobing intention, suggesting that greater moral awareness reduces the likelihood of such behavior. Unexpectedly, Consumer Religiosity ($B = 0.151$, $p < 0.05$) positively correlated with wardrobing intention. Impulsiveness and Price Consciousness ($B = 0.219$, $p < 0.01$; $B = 0.420$, $p < 0.001$) are the most significant contributors to wardrobing intention,

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highlighting that individuals with impulsive tendencies are more prone to engaging in fraudulent returns. However, other variables such as Public Self-Consciousness (p = 0.516), Perceived Competitiveness (p = 0.652), opportunism (p = 0.909), materialism (p = 0.113), Self-Control (p = 0.467), and Moral Judgment (p = 0.327) were not significant predictors in the model. R^2 is 0.529, indicating that predictors explain 52.9% of wardrobing intention.

Implications

This study advances theoretical understanding by emphasizing the role of price consciousness, impulsiveness, and moral disengagement in influencing wardrobing intention. It highlights the importance of moral awareness in reducing unethical behavior. Surprisingly, consumer religiosity positively influences wardrobing, indicating that regardless of their level of religiosity, individuals may still engage in wardrobing if given the opportunity. In practice, retailers should focus on managing price sensitivity and impulsive tendencies by refining return policies and promoting ethical consumption. Educating consumers on moral implications through campaigns could help reduce wardrobing behavior. The findings suggest a need for further exploration of personal values in consumer behavior.

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