
Extended Abstract

Ethical Behavior of Salesperson: The Impact of Consumer's Perception on Trust, Satisfaction and Repeat Purchasing Behavior^{*}

Banu Külter Demirgüneş^a

Abstract

One of the essential factors for the purpose of maintaining businesses' market shares is developing friendly, long-term relationships with the customer rather than short-term ones. One of the activities that best serves this purpose is actual sales. In particular, sales in the service sector are even more important. Since these services are abstract, customers need to trust the information presented to them by the salesperson. In this study, the evaluation of the behavior of salespeople in terms of ethics has been performed from the consumer's perspective. The purpose of this study is to reveal the effects of salespeople's ethical behavior in terms of consumer satisfaction with and trust in salespeople, consumer trust in the company, and finally consumer's repeat purchasing behavior. In applications where buyer-seller relationships are quite extensive, the financial services sector has been assessed. Structural equation modeling was used to test the model and hypotheses of the research. In the results of the study, a stronger effect from ethical sales behavior appeared with confidence in the salesperson and confidence in the business. Additionally, salesperson's ethical behavior (mediated by the business trust factor) was the most powerful predictor of repeat purchasing behavior.

Keywords: Ethics • Business ethics • Ethical sales behavior • Salesperson's ethical behavior • Repeat purchasing behavior

* This text is re-arranged from the paper presented to the 20th National Marketing Convention in Eskişehir from June 10-13, 2015.

a Assist. Prof. Banu Külter Demirgüneş (PhD), Business Administration Department, Ahi Evran University, Bağbaşı Campus, Kırşehir Turkey
Research areas: Consumer behavior; Social marketing; Marketing ethics; Political marketing
Email: banukulter2000@yahoo.com

The concept of ethics represents the principles and values that shape behavior. It is often said that ethics issues should not be mixed with business. Profit, which is necessary for the survival of business, is argued to be a higher priority than moral principles and values. The basis for this is that the cost of present ethical behavior is more than the benefits that arise from deceptive practices, and deceptive practices lead to higher short-term sales. This view, contrary to ethics, is a part of business social structure, and therefore moral constraints are not considered as a necessary topic. However, all purchasing behaviors are fundamentally ethical and include moral judgment (Viriyavidhayavong & Yothmontree, 2002, p. 2).

In marketing science, ethics evaluations have been taken into consideration from 1985 to the present. There is, however, no universally accepted definition for the concept of ethics (Chen & Mau, 2009; Ferrell, 2005; Hazrati, Zohdi, & Seyedi, 2012). In other words, there is no standard scale to measure the quantity, if any, of ethics in an event. As a concept, "business ethics" researches the moral justifications of individuals and their behaviors in economic and trade relations (Durif, Graf, & Chaut, 2009, p. 6). According to Murphy et al. (2005), business ethics emphasizes marketing activities that provide equity and honesty to customers and other stakeholders, including personal and organizational relationships that are transparent, reliable, and responsible. The concept describes the relationship of company members, as well as the standards and principles that manage the results of marketing decisions (Ferrell, 2005, p. 3). According to Beschorner (2006), the theory of business ethics consists of two dimensions, justification and implementation. Justification describes the structure of the rules and the principles that the business imposes. For its application, the ideology as accepted by the company is implemented. During the implementation phase, the salespeople take responsibility for a part of the company's load together with their ethical behavior. The concept of ethics brings ethical sales behavior to the agenda for companies, because of its intrinsic being behavior focused. At the same time, there is also a regular structure for ethical sales behavior (Hazrati et al., 2012, p. 5026).

Ethical behavior is defined as a format of activity in accordance with social norms such as fairness and honesty (Robertson & Anderson, 1993). When

considered in terms of the behaviors of the salesperson, the issue is ethical sales behavior. It involves behaviors such as the salesperson conveying a genuine message, only selling products and services that are beneficial to customers, being able to exclusively give one's word, and keeping the customer's information confidential. In contrast, unethical sales behavior includes behaviors such as the salesperson giving misleading messages to the customer, selling products that are not suited to the customer, and using pressuring sales techniques (Roman & Ruiz, 2005). Whether ethical or unethical, the salesperson is affected by their moral development, by inner and outer control mechanisms, and by the surrounding business (Hazrati et al., 2012, p. 5028).

The salesperson, in order to meet their sales targets, can many times act in a manner contrary to the code of ethics. Thus, unethical sales behavior can destroy the mutual relationship between buyer and seller; it can even result in the loss of customers (Lin, 2012, p. 35). In terms of business, therefore, whether or not customers recognize their salesperson as ethical is a matter that needs to be assessed.

Most studies about the ethical behavior of salespeople (Ramsey, Marshall, & Johnston, 2007; Strout, 2002) have been concerned about behavior, focusing on evaluations by sales managers (supervisors). However, evaluating the issue from the perspective of the customer will help further business on the topic of customers knowing what to expect from their salesperson, providing knowledge for acquiring experience on how long-term relationships can be developed with the customer, and knowing what kinds of behaviors will be monitored (Lin, 2012). In this study, therefore, the expression "salesperson's ethical behavior" is intended to be considered as the ethical aspects of salespeople from the perspective of the customer.

According to many researchers (Lagace, Dahlstrom, & Gassenheimer, 1991; Gundlach & Murphy, 1993), the ethical behavior of a salesperson is effective at creating the long-term relationship of the buyer and seller, and providing continuity to it. However, despite its importance, there have been few experimental studies in this field. According to Roman (2003), in addition to studies on salespersons' ethical behavior, the impact of their behavior on customer satisfaction based on retail and financial service companies is

an issue that has rarely been studied. In particular, financial institutions are fragile structures immediately affected by legal and ethical regulations. Their customers have difficulty understanding service fully because many cannot completely predict the benefits of future service, thus experiencing uncertainty. Therefore, these institutions have been characterized with a much greater factor of confidence compared to other institutions (Chen & Mau, 2009, p. 59). In this regard, particularly in the financial sector, an important task falls to the salesperson to specify prospective benefits in the future and to achieve the sale.

The purpose of this study, from the perspective of the consumer, is to reveal whether or not the salespersons' ethical behavior affects the satisfaction, trust, and ultimately the repeat purchasing behavior of the customer. In addition, the element of trust is addressed through the dimensions of both trust in the business and trust in the salesperson to reveal the role the two dimensions play in providing repeat purchases with the company. Another objective of the study is to determine the relative significance of sense of satisfaction and trust associated with ethical sales behavior on repeat purchasing behavior.

In this study, banks reveal the way to be able to create a sense of trust and satisfaction through the ethical behavior of their customer representatives. Furthermore, the perception in terms of the customer that the financial sector is uncertain and riskier is a reminder of the necessity of the nature of ethical evaluations and their requirements. The implementation of this code of ethics will be able to provide improvement to the results such as preference, loyalty, repeat purchasing, and as a consequence, profitability. Along with these results, it will be able to provide more secure, long-term relationships to customers. This situation, especially the customer having little information about financial transactions, obligations, and so on, is also important to our country, which is just emerging into this sector. According to many researchers (Chen & Mau, 2009; Lin, 2012; Roman & Ruiz, 2005), concepts such as trust, preference, and ethical sales behaviors have been discussed mostly in the retail sector; there are a lack of evaluations on institutions that provide financial services, such as banks and insurance companies, concerning this concept. In this regard, the nature of the current study is to cover this deficit.

In context with the purpose of this research, the hypotheses to be tested are presented below.

H1: The perceived ethical behavior of the salesperson has a positive, statistically significant effect on the sense of satisfaction with the salesperson.

H2: A salesperson's perceived ethical behavior has a positive, statistically significant effect on trust in the salesperson.

H3: The perceived ethical behavior of a salesperson has a positive, statistically significant effect on trust in the company.

H4: The perceived ethical behavior of a salesperson has a positive, significant effect on repeat purchasing behavior.

H5: The sense of satisfaction with the salesperson has a positive, significant effect on repeat purchasing behavior.

H6: The sense of trust in the salesperson has a positive, statistically significant effect on repeat buying behavior.

H7: The sense of trust in the company has a positive, statistically significant effect on repeat purchasing behavior.

Review of the Literature

The intention of marketing is to influence purchasing habits due to competition being more intense in modern economy. One of the most significant problems that can arise in achieving this goal is unethical behavior. For marketers, questions about what is morally right contain many dilemmas. Even within a given country, ethical standards cannot be fully identified. From this perspective, marketing requires greater social responsibility, theory, and practice to be able to explain the basic problems of unethical behavior, such as the economics of long-term contact and its social effects (Durif et al., 2009, p. 6). From the perspective of the consumer, performing the action of purchasing occurs from their need to avoid practices which are contrary to the morality

and responsibilities of marketing. At the same time, consumers have been found to need to act within the framework of social and moral responsibility as related to consumption and its outcomes (Torlak & Özdemir, 2008, p. 94).

Lately, the concept of ethics in the context of social responsibility has drawn too much attention from businesses, marketers, and even academics. However, while many studies have focused on marketing activities (Ferrell, Gresham, & Fraedrich, 1989; Hunt & Vitell, 1992), experimental studies on consumer perceptions of ethics still remain limited in number (Uusitalo & Oksanen, 2004). Similarly, consumer perceptions of ethics have remained in the background despite the rapid increase in interest in these issues. Very few studies from those which have researched consumer responses to unethical behaviors examined the relationship between the buyer and the seller, according to Ingram, Steven, Skinner, and Taylor (2005, p. 239).

According to Kavak and Alkibay (2007), studies evaluating salespeople who have face-to-face communications with the buyer are numerous. However, few evaluational studies from the perspective of sales ethics are available. Yet in situations where buyers have face-to-face communication, the role of the salesperson is very important (Kavak & Alkibay, 2007, p. 75).

One of the elements that salespeoples' ethical behavior can lead to is customer satisfaction. Customer satisfaction is an indicator of the buyer's future relationship with the salesperson (Lin, 2012, p. 31; Roman & Ruiz, 2005). A salesperson who acts ethically establishes good relations with customers and gains their satisfaction. This result is particularly important in the pharmaceutical industry and financial services sector (Roman & Ruiz, 2005).

The salesperson's perceived ethical behavior can lead to feelings such as satisfaction and confidence, as well as attitudinal factors such as a positive attitude, loyalty, and purchase to intent; it even can lead to behavioral results. Accordingly, in some studies in the literature, ethical sales behavior had effects on the subjects of trust in the salesperson, trust in the company, loyalty (Chen & Mau, 2009; Hazrati et al., 2012; Roman & Ruiz, 2005) satisfaction with the salesperson (Ingram et al., 2005; Roman, 2003; Roman & Ruiz, 2005) and

behavioral intention (Ingram et al., 2005). In these studies, the salesperson's perceived ethical behavior was discussed as an estimator of results such as trust, satisfaction, loyalty, and behavioral intention. Similar to those studies, the hypotheses in this study were also presented to test the effect of the salesperson's ethical behavior on repeat purchasing behavior through satisfaction with the salesperson, and sense of trust in the salesperson and the company.

Customer satisfaction is a personal event and a subjective assessment. It can be defined as an interpersonal effect when looking at the interactive experiences between the two parties (Lin, 2012, p. 34). In this study, therefore, customer satisfaction represents an evaluation of the customer's mutual experience with the salesperson. According to Futrell (2006), a sense of satisfaction arises from the difference between either the company's product or service performance and the customer's expectations. The customer's experiences related to the product and service contribute to form the customer's basic expectations and also affect their reactions, which is their sense of satisfaction with the company. As much as the customer perceives the salesperson as fair, their satisfaction with the salesperson increases.

Repeat purchasing, customer retention, customer loyalty, and long-term customer relationships are important, especially in institutions that provide financial services. This is because the constant change in these institutions is in question; for consumers, such uncertainty is a major purchase. For this reason, consumers rely on the sales staff to provide accurate information and proper guidance (Chen & Mau, 2009, p. 59).

A salesperson's ethical behavior has an impact on the customer's trust in both the company and the sales staff. A sense of trust in the salesperson is the belief that the salesperson will be able to provide long-term profitability to the customer (Hazrati et al., 2012). This trust increases in the case of the salesperson being perceived as honest, responsible, and helpful, which can result in recurring bilateral relations (Chen & Mau, 2009; Morgan & Hunt, 1994).

Similarly, according to many researchers (Kennedy, Ferrell, & Leclair, 2001; Roman & Ruiz, 2005; Wray, Palmer, & Bejou, 1994), trust in the salesperson is made plain

through the salesperson's honest, consistent, fair, sufficient, and sincere behavior as well as non-pressuring sales techniques. The customer's trust in the business represents their long-term interests being fulfilled; at the same time, it represents being satisfied with the quality and reliability of service that is offered (Chen & Mau, 2009). In this study, sense of trust in the company were discussed in terms of the reliability of services offered and company keeping to its word.

The customer is more inclined to trust the salesperson in sales where the customer experiences intense conversation with the salesperson. The customer feels a strong sense of confidence regarding future performance especially when they have been satisfied with the salesperson's previous performances (Chen & Mau, 2009). Customers, however, work to separate the assessment of the service provided by the company and their assessment of the salesperson's relationship with themselves. Customers who are quite trusting towards the company can be less trusting towards the salesperson. This difference is due to the elements of both assessments being different. Assessments about the salesperson are related to the behaviors encountered during service and how the customer detects them. Assessments relevant to the company are related to the customer's experience with policies and practices involving financial processes. Therefore, the customer's sense of trust requires consideration in two dimensions: trust in the salesperson and trust in the company (Chen & Mau, 2009; Kennedy et al., 2001). Also similar in this study is the practice being monitored; the factor of trust is dealt with in two dimensions: sense of trust in the salesperson and sense of trust in the business. The effect of the salesperson's perceived ethical behavior is assessed over these two dimensions separately.

The most important objective of businesses that offer services in a competitive environment is maintaining or increasing their market shares. In order to provide a sustainable competitive advantage, the customer's return and repeat purchasing behavior needs to be ensured (Lin, 2012, p. 31). Repeat purchasing behavior indicates a wish to develop a long-term relationship with a business. In modern marketing, in fact, these continued relationships mean long-term profitability (Babakus, Bienstock, & Scotter, 2004, p. 714).

Repeat purchasing behavior is a situation of purchasing a said product or service and choosing to become a regular user as a result of assessments regarding the consumer's purchase history. A customer with the intention of repeating a purchase desires to be an associate of the company as long as they desire to maintain a long-term relationship (Ingram et al., 2005, p. 241).

Sirohi, McLaughlin, and Wittink (1998) determined the intention of future purchases and repeat purchase behavior as factors used to measure store loyalty. A customer has two reasons for wanting to repeat a purchase of a product or service. The first one is more related to its financial aspect, to the benefits gained in terms of quality and price; another one is the emotional attachment to a product or service. This second reason is related to loyalty. Hence, repeat purchases show the more behavioral aspect of loyalty. Many researchers define the trend of repeat purchasing as behavioral loyalty (Hançer, 2003, p. 40). Similarly, according to Zeithaml, Berry, and Parasuraman (1996), repeat purchasing behavior is a part of loyalty.

According to Ganesh et al. (2000) trust is a complement to all of these feelings. Ethical sales behavior is an investment for trust development. If customers realize that the salesperson acts unfairly or dishonestly, this will decrease their perception of trust, which may result in them wanting to leave the relationship (Kelly & Sine, 1992; Roman & Ruiz, 2005, p. 441). Therefore, the level of trust can affect the severity of feelings such as loyalty, desire to develop long-term relations, and desire to talk positively about the company. Similarly, sense of satisfaction may also impact behavioral outcomes (Oliver, 1997; Oliver & Swan, 1989). One of the customer's most important behavioral outcomes is the likelihood of repeat purchasing. If the customer remains pleased with the relationship, they will very likely want to continue the relationship (Ingram, 2005, p. 242).

The customer is the final decision maker in maintaining long-term relationships with a business. Customers expect to be provided with certain benefits like service exclusive to the individual and robust communication from their relationship with the salesperson (Gwinner, Gremler, & Bitner, 1998). Positive ethical sales behavior hopes to increase these benefits, thereby forming consistent and lasting customer relationships with the company. According to Lin (2012), many studies (Yen & Gwinner, 2003) have focused on results that might reveal trust, not paying much

attention to the determinants of trust (Lin, 2012, p. 32). In this study, two dimensions have been considered; these dimensions are discussed in terms of ethical sales behavior as the determining factor of trust and repeat purchasing behavior as the behavioral outcome. Similarly, the determinant for sense of satisfaction towards the salesperson has been evaluated as ethical sales behavior and repeat purchasing behavior as its behavioral result. In this case, ethical sales behavior has been tested on repeat purchasing behavior indirectly through the feelings of trust and satisfaction. At the same time, whether or not ethical behavior has a direct impact on repeat purchasing behavior was also evaluated.

Method

In this section, information on the research design, sample method, data collection methods, and lastly analytical method are presented.

Research Model

The model of the research reflects the effects of the perception of ethical behavior on trust, sense of satisfaction with the salesperson and repeat purchasing behavior. The causality between these variables was tested in the study. In scope with the aim of the research, the developed model is presented in Figure 1.

In this research, the impact of ethical sales behavior through the customer's sense of trust and satisfaction was considered over their repeat purchasing behavior. Indirect relationships such as those which can be examined as well as direct relationships were included in the hypotheses of the research.

Research Population and Sampling Process

The population of the research was comprised of state-owned commercial banks operating in the Kırşehir's city center. There are 11 banks in Kırşehir city center, three of which are state-owned banks. However, due to time and cost constraints,

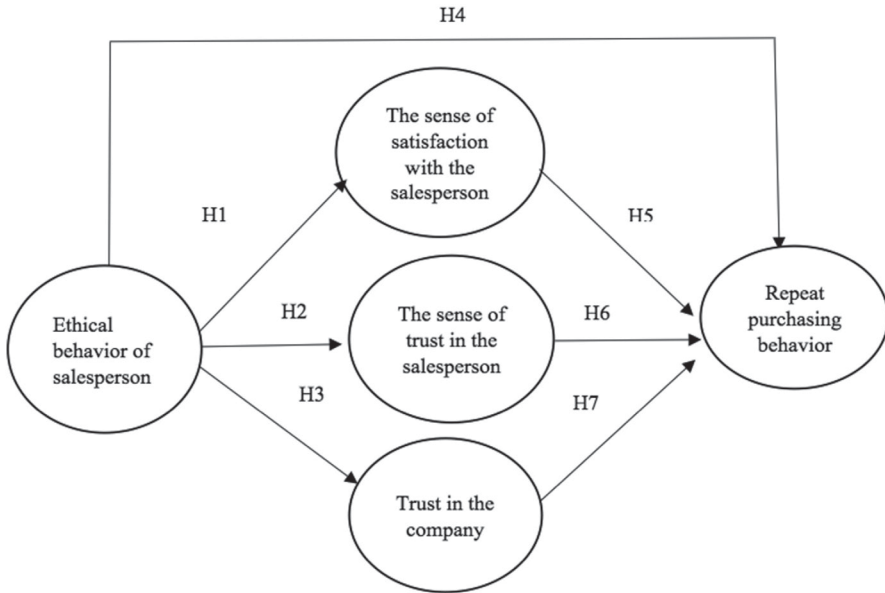


Figure 1: Model tested in the scope of the research.

only customers from state-owned banks were included in the study, even though the number of privately-owned commercial banks was much higher. Hoelter 0.05 index and Hoelter 0.01 index values reveal the minimum required sample size according to the confidence interval that the research hypotheses have been tested. In order to test any hypothesis at a 95% confidence interval, a minimum sample size of 351 is required. The required sample size is 374 for a 99% confidence interval (Kurtuluş & Okumuş, 2006, p. 12). The sample size was determined to be 400, exceeding the minimum requirement for a 99% confidence interval; with this sample size, a statistical significance of 1% was also found for the study. The sample of the research was comprised of 400 customers who perform their transactions in these banks. Taking erroneous surveys into account, 420 people (140 from each bank) were administered surveys in the scope of the study.

The criterion sampling method from the purposeful sampling techniques was used in the study. The research covers customers who have made financial transactions at least once from these banks by means of a customer service representative (sales consultant). Determining this kind of condition was considered essential for the opportunity of the customer to observe and

evaluate the ethical behaviors of sales staff. In fact, the customer has an opportunity to be able to observe the actions of the person with whom they are in communication with, and the duration is longer in transactions that are made through an individual sales representative (Roman & Ruiz, 2005, p. 442). Implementation was carried out with bank customers at the banks' exit door in compliance with the specified conditions.

Data Collection Method and Tools

The survey method was used as the data collection method in the research. Accordingly, the survey method was applied to customers who had completed their transactions in the three specified banks during working hours between January 1 and February 10, 2015.

The questionnaire used as the data collection tool consisted of two parts. In the first part of the survey, a total of 19 statements were respectively measured on customer perception of ethical behavior of the salesperson, satisfaction with the salesperson, trust in the salesperson and business, and lastly, the customer's repeat purchase behavior. The specified variables were measured through statements that had been used in the literature. For example, statements such as "the salesperson is telling a lie about convenience of service," "they answer the question even though they don't really know the answer," "they pressure the sale even though they know the service is not suitable for me," "they tell lies about their opponents," and "only struggling to make a sale, thinking about their interests," were used in the literature to measure the salesperson's perceived ethical behavior (Ingram et al., 2005; Chen & Mau, 2009; Roman & Ruiz, 2005). The customer's satisfaction with the salesperson was measured using expressions like "I was pleased with the service salesperson," "I am happy because they worked hard for me" (Ingram et al., 2005), and "I've enjoyed their personal touch," (Chen & Mau, 2009).

Expressions such as "the salesperson was adequate and professional," "they were respectful," "I did not feel that I was taking a risk while communicating," and "they were honest," were used to measure trust in the salesperson (Chen &

Mau, 2009; Roman & Ruiz, 2005). Trust in the company was measured through the expressions “I think that the company protects my interests,” “I think the company is reliable,” “I trust the services that are offered by the company,” and “the company has the ability to provide good service,” (Chen & Mau, 2009).

Repeat purchase behavior was represented through the scale developed by Nguen and Leblanc (2001) and Ranaweera and Prabhu (2003). Accordingly, expressions such as “this company will be my first choice,” “I will buy from this company again even if other businesses offer the same opportunities,” and “I will continue to come to this company,” were used. In addition to the scale, a 5-point Likert type scale was used where 1 = “strongly disagree,” and 5 = “totally agree.”

Questions relating to the survey respondents’ demographics were located in the second part of the questionnaire. In this section, questions related to gender, age, education level, and average monthly income were included.

Method of Data Analysis

Structural equation modeling (SEM), which is a multivariate analysis method, was used from among the methods in causality analysis in the study. SEM is used to develop form in multiple regression models for examining the causal relationships between observed variables and latent variables, or amongst latent variables (Hair, Anderson, Tatham, & Black, 1998). Relationships between variables and causal relationships are identified using these models. Relationships in the model were tested through path analysis, and their significance was evaluated. SEM also shows, at the same time, the conceptual model’s compliance with the data sets (Hoyle, 1995).

The reliability of the scale used in the study was tested through exploratory factor analysis before applying SEM to the research. Statistical reliability of the study was tested using Cronbach’s alpha. After testing the reliability of the scale used in the study, its structural validity was tested using confirmatory factor analysis (CFA). As set forth in exploratory factor analysis with this method, CFA tests whether or not theoretical models are valid as a measurement model

(Carpenter, 2003; Fornell & Larcker, 1981). After reliability and validity of the measurement model was tested, the model's relevance to the observed data was evaluated. The suitability of the research model with the data set and research hypotheses was tested using structural equation modeling after the CFA.

Findings

Of the participants who responded to the survey, approximately 60% of them were male. 60% of the respondents were married, and about 80% of them were between the ages of 41 and 45. Forty percent of respondents had gone to a university, and 35% of them stated that they had been in high school. The average monthly income of 62% of respondents was stated to be between 1,000 and 3,000 Turkish Lira, and 48% of them were salaried with fixed monthly incomes. Of the respondents, 58% stated that they had been a customer of the bank for at least two years, and 55% of them had performed transactions with other banks.

In the research, exploratory factor analysis was first used to determine the variables of the scale. For this analysis, the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy was calculated at 0.93 and Bartlett's test of sphericity calculated the level of significance at ($p = .000$). Accordingly, the data set can be said to be appropriate for factor analysis (Hair et al., 1998). Factor reduction was achieved using basic factor analysis and the varimax rotation technique and factors whose loadings were over 50% were taken into account (Lee, 2009). Accordingly, a total of 19 variables were determined with factor loadings over 50% and eigenvalues greater than 1. Also, a total of 5 factors were determined, each represented by at least 3 variables.

The reliability of the scale (coefficient of internal consistency) used in the study was tested via Cronbach's alpha coefficient. An alpha coefficient greater than or equal to .70 is considered a sufficient indicator of reliability (Fornell & Larcker, 1981; Hair et al., 1998). The alpha coefficient for each factor was calculated to be above the recommended value of 70%. Accordingly, the scale used can be said to be reliable.

After testing the reliability of the scale used in the study, confirmatory factor analysis was used to test its structural validity.

The extent to which the variables represented their related factors was determined with regard to each factor through CFA (Fornell & Larcker, 1981). The coefficients of composite reliability that are used to determine convergent validity show the internal reliability loading of a specific factor. The composite reliability value of each factor was greater than 70% (Fornell & Larcker, 1981; Hair et al., 2006). The significance of the standardized *t*-values for factor loadings was confirmed, and all agents that sufficiently explain the factors have emerged. Accordingly, all *t*-values were positive and significant ($p < .001$). Estimates of the average variance extracted shows the total variance that explains every factor in each observed variable. The average variance extracted for the factors was determined to be above 50%, which is calculated as acceptable according to standard predictive values (Fornell & Larcker, 1981). Therefore, the measurement model can be said to be reliable and valid.

In this study, a two-stage approach for testing the measurement model and structural model separately was adopted (Chau, 1997); the measurement model was tested first.¹ Statistical values showing model fit offer acceptable values about whether or not the model could be considered. Accordingly, the measurement model's goodness-of-fit indices were within acceptable values. Therefore, the measurement model can be said to fit the observed data.

In the results of CFA, after achieving satisfactory results with the structural model (research model), the hypotheses of the research were tested using structural equation modeling analysis.

The results suggest acceptability of the structural model when looking at the statistics for goodness-of-fit of the structural model ($\chi^2 = 358,32$; $df = 213$; $p = .000$); $\chi^2/df = 1.68$; $GFI = .91$; $AGFI = .920$; $NFI = .95$; $CFI = .97$; $IFI = .98$; $TLI = .99$; $RMSEA = .04$). All goodness-of-fit indices were within acceptable limits with χ^2/df demonstrating the adequacy of the sample size (Schumacker

¹ In structural equation modeling studies, the model results for both structure and measurement, in addition to being able to be obtained at the same time, can also use a two-stage approach to analyze the structure and measurement of the model separately (Chau, 1997, p. 316; Şimşek, 2007, p. 61). This study adopted the two-stage approach, first testing the measurement model, then the structural model.

& Lomax, 2004, p. 82). Accordingly, when the current data set was considered, good correspondence between data and the structural model was seen.

The results related to the research hypothesis verify that there are positive and meaningful relationships amongst the latent variables.

The hypotheses of the research H2, H3, H6, and H7 were statistically significant with the level of $p < .01$. Accordingly, the ethical behavior of the salesperson ($\Gamma_1 = .74$); ($t = 13.91$) has a very powerful impact on trust in the salesperson. At the same time, ethical behavior ($\Gamma_1 = .51$), ($T_1 = .37$) appeared to also be significantly effective with trust in the company. Thus, the ethical behavior of the salesperson can be said to be an important determinant of the trust factor. This result of the research supports the studies of Roman and Ruiz (2005) and Chen and Mau (2009).

The two other hypothesis (H6 and H7), also concerning the element of trust, were found significant in the research with $p < .01$. Trust in the company and the salesperson had a positive and significant impact on repeat purchasing behavior. Furthermore, these two elements of trust, especially trust in the business ($\Gamma_1 = 0.43$; $t = 8.47$), were the most powerful predictors of repeat purchasing behavior.

Hypothesis H4 tested the “direct” effect of the salesperson’s ethical behavior on repeat purchasing behavior. Accordingly, the level of direct effect for ethical behavior on repeat purchasing behavior was greater than zero ($\Gamma_1 = .32$) and statistically significant at the level of $p < .05$. However, although ethical behavior had a direct impact on repeat purchasing behavior, this relationship was at a lower level than the relationship that the factor of trust mediates.

Satisfaction with the salesperson was the dimension that was least effected ($\Gamma_1 = .22$; $t = 1.68$; $p < .10$) by the salesperson’s ethical behavior. These results support the research of Lin (2012). Accordingly, the salesperson’s ethical behavior can be said to have a much stronger effect on the dimension of trust, compared to satisfaction.

Similarly, a significant effect on repeat purchasing behavior from satisfaction with the salesperson could not be found ($\Gamma_1 = .15$) ($t = 1.06$); therefore,

hypothesis H5 was rejected. Accordingly, as Roman (2003) indicated in his study, ethical sales behavior heads directly to satisfaction with the salesperson and service, but for this satisfaction to give behaviorally stronger results, there needs to be an intermediation of factors such as trust in the company and satisfaction with the company (Roman, 2003, p. 928).

The strongest predictor of repeat purchasing behavior in the research emerged as trust in the company. Trust was the most important determinant of behavioral consequences in studies of a similar nature which had taken note of the impact of trust and sense of satisfaction as shaped by ethical sales behavior on behavioral consequences (Hazrati et al., 2012; Roman & Ruiz, 2005).

Discussion

According to the results of the study, both dimensions from the element of trust were most affected by the salesperson's ethical behavior. In addition, both dimensions were the most powerful predictors of repeat purchasing behavior. Thus, this study reveals the importance of ethical behavior for creating an element of trust, and the strong influence on repeat purchasing behavior by the trust generated from this ethical behavior. In this way, the salesperson's ethical behavior, by means of trust in the company, is the strongest predictor of repeat purchasing behavior. Accordingly, the ethical perception of salesperson's behavior emerges as being able to create a strong sense of trust in the company, and ultimately to create positive behavioral consequences. Moreover, that the salesperson's ethical behavior directly effects repeat purchasing behavior is more evidence supporting the importance of the salesperson's ethical behavior for businesses.

The strong effect on trust in business by salesperson's behavior shows that communication between buyers and sellers can reflect onto the business and can be distributed at the business level. This finding of the study supports the studies of Westbrook (1981), Kelly and Sine (1992), and Chen and Mau (2009). Also, the strong effect on repeat purchasing behavior by the salesperson's ethical behavior supports the studies of Lagace et al. (1991), Roman and Ruiz (2005), and Hansen and Riggle (2009).

Satisfaction was the dimension that had been least affected by ethical sales behavior. In other words, the effect level of ethical sales behavior on creating satisfaction was lower than other dimensions (trust in the company, trust in the salesperson). The conclusions drawn here are that satisfaction can sometimes be independent of elements such as business loyalty or allegiance. These findings are supported by the research of Jayasankaraprasad, Venkate, and Kumar (2012).

As stated in many studies (Lin, 2012; Roman, 2003; Roman & Ruiz, 2005), the financial sector holds the most uncertainty for consumer purchases, as well as the most uncertainty experienced after purchase. Therefore, marketers in this sector should attach special importance to the salesperson, since they play a major role in the realization of sales. Marketers should give importance to customer perception of the salesperson and to the reflection of these perceptions on behavior. In accordance with the importance of this issue, businesses are essentially forced to emphasize responsible communication and ethics in order to increase their activities. This topic has become a social responsibility for businesses with increasing consumer demands on ethics issues.

The salesperson's ethical behaviors, as assessed by customers on the business level and turned into a behavioral result, requires that businesses take certain measures. Businesses should adopt ethical guidelines, develop control systems, and add social understanding to their practices in order to prevent unethical behavior in their employees. Thus, they would be able to make consistent ethical decisions. In addition, directors and controllers of companies should be required to first evaluate employees in their own departments and businesses to increase ethical and socially responsible practices. In fact, the service sector is a sector where standardization is very important, in accordance with its nature.

In this study, customer perception of ethical behavior and its reflection on repeat purchasing behavior was considered as the topic. According to Uusitalo and Oksanen (2004), many consumers, although collectively often finding ethical issues important, by not reflecting this preference in their behaviors are able to assess different requirements such as materialistic dimensions. Thus, in future studies, cost can be evaluated with the financial opportunities offered by a company or with topics such as a company's reputation alongside ethical

behavior. Thus, the relative importance of the perception of ethical behavior can be laid against other issues. Also, demographic characteristics such as age, gender, income level, and education level, which may affect customer perceptions of ethical behavior, can also be considered.

Moreover, in future studies, the salesperson's ethical behavior can be put together in terms of business and customer evaluation. Such an assessment could reveal the perspective of both sides of the issue and may be important in the sense of meeting customer expectations.

Kaynakça/References

- Babakus, E., Bienstock, C. C., & Scotter, J. R. V. (2004). Linking perceived quality and customer satisfaction to store traffic and revenue growth. *Decision Sciences*, 35(4), 713–734.
- Beschorner, T. (2006). Ethical theory and business practices: The case of discourse ethics. *Journal of Business Ethics*, 66, 127–139.
- Carpenter, J. M. (2003). *An examination of the relationships between consumer benefits, satisfaction and loyalty in the purchase of retail store branded products* (A Dissertation presented for the Doctor of Philosophy Degree). The University of Tennessee, Knoxville.
- Chau, P. Y. (1997). Reexamining a model for evaluating information center success using a structural equation modeling approach. *Decision Sciences*, 28(2), 309–334.
- Chen, M., & Mau, L. (2009). The impacts of ethical sales behavior on customer loyalty in the life insurance industry. *The Service Industries Journal*, 29(1), 59–74.
- Durif, F., Graf, R., Chaut, M., Ducharme, R., & Elbakkali, A. (2009). Do ethics have a place in marketing? An overview of the last 20 years. *Innovative Marketing*, 5(1), 6–15.
- Ferrell, O. C. (2005). *A framework for understanding organizational ethics: New challenges for business schools and corporate leaders*. New York, NY: M.E. Sharpe.
- Ferrell, O. C., Gresham, L., & Fraedrich, J. (1989). A synthesis of ethical decision models for marketing. *Journal of Micromarketing*, 9(Fall), 55–64.
- Fornell, C., & Larcker, D. F. (1981). Evaluating structural equation models with unobservable variables and measurement error. *Journal of Marketing Research*, 18(1), 39–50.
- Futrell, C. M. (2006). *Fundamentals of selling: Customers for life through service*: Irwin. New York, NY: McGraw-Hill.
- Ganesh, J., Arnold, M. J., & Reynolds, K. E. (2000). Understanding the customer base of service providers: An examination of the differences between switchers and stayers. *Journal of Marketing*, 64(3), 65–87.
- Gundlach, G. T., & Murphy, P. E. (1993). Ethical and legal foundations of relational marketing. *Journal of Marketing*, 57(October), 35–46.
- Gwinner, K. P., Gremler, D. D., & Bitner, M. J. (1998). Relational benefits in services industries: The customer's perspective. *Journal of Academy of Marketing Science*, 26(2), 101–114.
- Hair, J., Anderson, E., Tatham, R. L., & Black, W. C. (1998). *Multivariate data analysis* (5th ed.). New York, NY: Prentice-Hall.
- Hair, J. F., Black, W. C., Babin, B. J., Anderson, R. E., & Tatham, R. L. (2006). *Multivariate data analysis*. New Jersey, NJ: Pearson Education.

- Hançer, M. (2003). Konaklama endüstrisinde müşteri sadakati: Anlam, önem, etki ve sonuçlar. *Seyahat ve Turizm Araştırmalar Dergisi*, 3, 1-2.
- Hansen, J. D., & Riggle, R. J. (2009). Ethical salesperson behavior in sales relationships. *Journal of Personal Selling and Sales Management*, 29(2), 151-166.
- Hazrati, S. S., Zohdi, M., Zohdi, M. H., Seyedi, S. M., & Dalvand, M. R. (2012). Examining impacts of salesperson's ethical behavior on the customer's satisfaction, trust and commitment. *African Journal of Business Management*, 6(14), 5026-5033.
- Hoyle, R. H. (1995). *Structural equation modeling: Concepts, issues and applications*. London, UK: Sage.
- Hunt, S. D., & Vitell, S. J. (1986). A general theory of marketing ethics. *Journal of Macromarketing*, 6(1), 5-16.
- Ingram, R., Steven, J., Skinner, V., & Taylor, A. (2005). Consumers' evaluation of unethical marketing behaviors: The role of customer commitment. *Journal of Business Ethics*, 62, 237-252.
- Jayasankaraprasad, C., Venkate, P., & Kumar, V. (2012). Antecedents and consequences of customer satisfaction in food & grocery retailing: An empirical analysis. *Decision*, 39(3), 101-140.
- Kavak, B., Alkibay, S., & Arslan, M. (2007). Direct selling ethics: An exploratory investigation on Turkish direct sellers. *Boğaziçi Journal*, 21(1-2), 73-92.
- Kelly, K., & Schine, E. (1992). How did sears blow this gasket? *Business Week*, (June 29), 38.
- Kennedy, M. S., Ferrell, L. K., & Leclair, D. T. (2001). Consumers' trust of salesperson and manufacturer: An empirical study. *Journal of Business Research*, 51(1), 73-86.
- Kurtuluş, K. ve Okumuş, A. (2006). Fiyat algılamasının boyutları arasındaki ilişkilerin yapısal eşitlik modeli ile incelenmesi. *Yönetim*, 17(53), 3-17.
- Lagace, R. R., Dahlstrom, R., & Gassenheimer, J. B. (1991). The relevance of ethical sales behavior on relationship quality: The pharmaceutical industry. *Journal of Personal Selling and Sales Management*, 11(Fall), 39-47.
- Lee, M. (2009). Factors influencing the adoption of internet banking: An integration of TAM and TPB with perceived risk and perceived benefit. *Electronic Commerce Research and Applications*, 8, 130-141.
- Lin, S. (2012). Effects of ethical sales behavior considered through transaction cost theory: To whom is the customer loyal? *The Journal of International Management Studies*, 7(1), 31-40.
- Morgan, R. M., & Hunt, S. D. (1994). The commitment-trust theory of relationship marketing. *Journal of Marketing*, 58(39), 20-38.
- Murphy, B., Maguiness, P., Pescott, C., & Wislang, S. (2005). Stakeholder perceptions presage holistic stakeholder relationship marketing performance. *European Journal of Marketing*, 39(9/10), 1049-1059.
- Nguen, N., & Leblana, G. (2001). Corporate image and corporate reputation in customers' retention decision in services. *Journal of Retailing and Consumer Services*, 8, 227-236.
- Oliver, R. L. (1997). *Satisfaction: A behavioral perspective on the consumer*. New York, NY: McGraw-Hill.
- Oliver, R. L., & Swan, J. E. (1989). Consumer perceptions of interpersonal equity and satisfaction in transactions: A field of survey approach. *Journal of Marketing*, 53, 21-35.
- Ramsey, R., Marshall, G. W, Johnston, M., & Deeter-Smelz, D. R. (2007). Ethical ideologies and older consumer perceptions of unethical sales tactics. *Journal of Business Ethics*, 70(2), 191-207.
- Ranaweera, C., & Prabhu, J. (2003). The influence of satisfaction, trust and switching barriers on customer retention in a continuous purchasing setting. *International Journal of Service Industry Management*, 14(4), 374-385.
- Robertson, D. C., & Anderson, E. (1993). Control system and task environment effects of ethical judgment: An exploratory study of industrial sales people. *Organization Science*, 4(4), 617-644.
- Roman, S. (2003). The impact of ethical sales behavior on customer satisfaction, trust and loyalty to the company: An empirical study in the financial services industry. *Journal of Marketing Management*, 19, 915-939.
- Roman, S., & Ruiz, S. (2005). Relationship outcomes of perceived ethical sales behaviour: The customer's perspective. *Journal of Business Research*, 58, 439-445.
- Schumacker, R. E., & Lomax, R. G. (2004). *Beginner's guide to structural equation modeling*. New Jersey, NJ: Erlbaum Associates.

- Sirohi, N., McLaughlin, E. W., & Wittink, D. R. (1998). A model of consumer perceptions and store loyalty intentions for a supermarket retailer. *Journal of Reliability*, 74(2), 223–245.
- Strout, E. (2002). To tell the truth. *Sales and Marketing Management*, 157(7), 40–47.
- Şimşek, Ö. F. (2007). *Yapısal eşitlik modellemesine giriş: Temel ilkeler ve LISREL uygulamaları*. Ankara: Siyasal.
- Taher, A., Leigh, T. W., & French, W. A. (1996). Augmented retail services: The lifetime value of affection. *Journal of Business Research*, 35(3), 217–228.
- Torlak, Ö. ve Özdemir, Ş. (2008). İş ahlakı raporu. İstanbul: İGİAD.
- Uusitalo, O., & Oksanen, R. (2004). Ethical consumerism- a view from Finland. *International Journal of Consumer Studies*, 28(3), 214–221.
- Viriyavidhavayong, V., & Yothmontree, S. (2002). The impact of ethical considerations in purchase behavior: A propaedeutic to further research. *ABAC Journal*, 22(3), 1–15.
- Westbrook, R. A. (1981). Sources of consumer satisfaction with retail outlets. *Journal of Retailing*, 57(3), 68–85.
- Wray, B., Palmer, A., & Bejou, D. (1994). Using neural network analysis to evaluate buyer-seller relationship. *European Journal of Marketing*, 28(10), 32–48.
- Yen, H., & Gwinner, K. P. (2003). International retail customer loyalty: The mediating role of relational benefits. *International Journal of Service Industry Management*, 14(5), 483–500.
- Zeithaml, V. A., Berry, L. L., & Parasuraman, A. (1996). The behavioral consequences of service quality. *Journal of Marketing*, 60(12), 31–46.