

DEALING WITH THE DEVIANT CONSUMER

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Deviant consumer behavior may be defined as behavior within a consumer context that society considers inappropriate or in conflict with previously accepted societal norms. Such behavior, in its many forms, is rampant and is on the increase.

While much of this expensive behavior is, of course, directed at retailers, other businesses are also targets for consumer deviance. Insurance fraud in medical cases, for example, has been estimated to be about a billion dollar problem. Other examples of insurance fraud, such as property and auto claims, total in the millions. Vandalism and miscellaneous mischief directed at businesses may go as high as several million dollars annually.

Not only are the economic costs of deviant consumer behavior enormous, but, given the tremendous involvement of all sectors of the economy in these acts, such deviant consumer behavior must also be classified as a rising social problem. Indeed, deviant consumer behavior has reached such proportions that one authority states that "good" citizens are now distinguished from criminals only by the degree of violence used. (McCaghy 1976).

What Can Be Done? Implications For Business

Given the increasingly tougher economic climate, the definite restrictions on profit that the increasingly higher costs of deviant acts bring to the balance sheet, and the difficulty of simply passing these costs along to consumers, it seems imperative that affected businesses devote increasing time, energy, and resources to attacking and alleviating the deviant consumer thrust. In gearing up to meet this challenge, firms can borrow from the efforts of other establishments, as well as from tactics frequently employed by consumer activists to bring pressure to bear on the problem. For example, a coalition (a frequently employed consumer tactic) might be formed by the union of several affected establishments.

Another tactic may be the establishment of a deviant consumer task force or independent organization. For example, from its beginning in 1971, the Insurance Crime Prevention Institute now is backed by more than 350 member companies.

Of course, firms can often utilize existing cooperative frameworks for combating deviance. Agencies such as the National Retail Merchants Association and similar groups can be particularly effective in information dissemination, overall coordination, and in lobbying activities aimed at getting tough with deviant consumers.

There is much, of course, that can be done by individual firms. The increasing sophistication of electronic anti-shoplifting devices is a promising area for retail security control which is available to individual firms, and some insurance firms report good success with special, in-house "fraud squads" and internal awareness programs.

Much more can also be done, of course, in the way of coordinated research aimed at further profiling the deviant consumer as well as in attempts at understanding the motivation behind the behavior. Sources of quality research in this area may include that conducted and shared by individual firms, academic researchers, research conducted by independent or consulting agencies, and the like.

The Future

The future is likely to bring even more incidences of deviant consumer behavior due to rising rates of inflation and unemployment, and the increasing proliferation of self-service merchandising. For retailers, new developments in electronic technology and, particularly in electronic scanning equipment, are promising breakthroughs, yet they are not a panacea by any means. For other businesses the seemingly prevalent consumer attitude that indicates "It's all right to rip-off big business" suggests that consumer deviance may well continue to increase without coordinated business action. Only through increased effort and a willingness to get tough with deviant consumers can business hope to alleviate increased trauma and further financial losses in this area.

REFERENCES

McCaghy, C. (1976), Crime Conflict and Interest Groups (New York: Macmillan).