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**Breno de Paula Andrade Cruz  
Professor**

**Rural Federal University of Rio de Janeiro  
Brazil**

**Delane Botelho  
Professor**

**Sao Paulo School of Business Administration  
Brazil**

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Athens Institute for Education and Research  
8 Valaoritou Street, Kolonaki, 10671 Athens, Greece  
Tel: + 30 210 3634210 Fax: + 30 210 3634209 Email: info@atiner.gr  
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## **Relational Boycott**

**Breno de Paula Andrade Cruz**  
**Professor**  
**Rural Federal University of Rio de Janeiro**  
**Brazil**

**Delane Botelho**  
**Professor**  
**Sao Paulo School of Business Administration**  
**Brazil**

### **Abstract**

A boycott occurs when a consumer ceases to buy a product (FRIEDMAN, 1999). By means of grounded theory, netnography and non participant observation over the online environment, we present a new type of boycott: the Relational Boycott, which is the act by which a consumer ceases to buy from a company because of a frustrating experience in the pre or after sale process. The results make it evident that the relational boycott is deliberate and represents a primary act of the consumer resulting from the management problems of a company (poor service quality: delays in delivery, defective products and inefficient attendance) that generates backlash (other manifestations of the repudiation of a company) attitudes such as interaction, unity of the group and encouragement of third parties.

**Keywords:** Relational Boycott; Backlash; Types of Boycott.

## Introduction

Transformations in the perception of the consumer regarding the activity of companies reveal a phenomenon as yet little investigated in Marketing: the consumer boycott, defined as an act of repudiation by which the consumer ceases to buy a product or a service from a company (Klein et al. 2004). Although consumer boycott has been incorporated into the discussion of consumer behavior studies over recent years, the term was used for the first time in the 1880, to designate a retaliation organized by small tradesmen who were negotiating with a large American rancher, Mr. Charles Boycott. It has been used since when the group of small tradespeople realized that they could retaliate against the rancher by ceasing to buy his products due to his unreasonable demands (Soule, 2009).

The role consumers have today in virtual social networks (VSN) when co-creating value for companies may represent a rich field for study boycott in consumer behavior area (Kozinets And Handelman, 1998). Such networks are important *locus* for the analysis of political manifestations, acts of repudiation (either by consumers or citizens) and boycotts. In Brazil there are some evidences that those manifestations have gained importance through this *locus*, such as: (i) the repudiation by minorities, artists and intellectuals against a federal deputy for his presidency of the Human Rights Commission of the Brazilian Congress; (ii) the boycott directed at the Arezzo company for its using animals' skins in its footwear collection in 2011/2012 (Cruz, 2012).

Boycott as an act whereby the consumer ceases to buy a product or a service from a company because may be formed on the basis of a range of motivations, from economic to ideological reasons. Friedman (1999) and Koku (2011) discuss five types of empirically verified boycott: economic, religious, of minorities, ecological and the labor boycott. We argue that other types of boycott exist in the analysis of the virtual environment, so this study aims to identify other types of boycott which have not yet been addressed in the literature. In such case, we also intend to: i) relate the boycotts emerged on the VSNs with those found in the literature, and (ii) verify the existence of some motivation that must be unique to the environment of VSNs. The article is structured as follows: the next item discusses the types of boycott found in the international literature, then we present our methodological approach for this study, followed by the main results, conclusions, limitations and suggestions for future research, with possible implications for Transformative Consumer Research.

## Theory

Backlash is an act of repudiation and rupture of the relationship of a group (consumers or non consumers) with an organization on the basis of a context contrary to the expectations and motivations of that group (Klein et al 2004; Friedman, 1999; Koku, 2011). Thus the boycott is contained within the context of the backlash, since boycott is an act of repudiation related to buying.

Backlash also contains other manifestations not related to the act of consumer purchase (such as videos posted on VSNs and spreading negative information about an organization) or the manifestations of a group of activists fighting for a cause, for example. Thus backlash may include different manifestations, with different actors and means or means of communication, whereas the boycott involves only the consumer and the organization – rather than other actors.

Friedman (1985) defines a consumer boycott as an attempt by one or more parties to achieve certain objectives by urging individual consumers to refrain from making selected purchases in the marketplace . In some circumstances, pressure groups urge consumers not to buy specific products or the products of a particular country to pressure the latter to adopt ethical practices in its policy and behavior (Farah & Newman, 2010). Table 1 presents the types of boycott identified within the Brazilian context in the beginning of the XXI century on the basis of Friedman’s (1999) and Koku’s (2011) classification. According to Table 1, boycott is characterized by having both economic and ideological nature (ecological, religious, of minorities and the labor boycott).

**Table 1.** *Examples of Recent Boycotts in Brazil*

Type	Characteristics
<b>Economic</b>	Consumers cease to buy a product or service because they don’t agree with micro or macro economic variables (e.g., price monopoly).
<b>Religious</b>	Historically, religious groups try to dominate their faithful by means of their ideologies and beliefs. The boycott is a means whereby these groups attain their objectives. Examples include boycotts of films, soap operas or advertisements with inappropriate content for their members.
<b>Minorities’</b>	These are actions undertaken by a minority groups who have specific or circumstantial objectives as compared with the mainstream society or in favor of groups in a situation of vulnerability (e.g., context of racial or homosexual segregation).
<b>Ecological</b>	Is undertaken as from the moment when consumers realize that a company is acting in such a way as to harm or abuse the environment. Generally consumers are influenced by NGOs which act in the favor of the preservation of the planet.
<b>Social</b>	Occurs when the consumer ceases to buy from a company because the working conditions of the employees are considered of semi-slavery or to infringe human rights.

Source: Author’s table

The economic boycott occurs when the consumer ceases to buy a product because she understands that there exists a disloyal relationship of consumption and that the company exaggerates in its use of economic power on the consumer. This relationship may be constructed on the basis of market characteristics such as the monopolistic activity of a company or of variables related to the supply and demand of products to the consumer (FRIEDMAN, 1999). The religious boycott occurs when the action of a company runs counter to the religious values and beliefs of a group of consumer. The third type of

boycott is that of minorities and occurs when a group marginalized by society is disrespected or not taken into account by a company. Ecological boycott may occur when a company disrespects or abuses issues related to the environment. Labor boycott occurs when the consumer discovers that the working conditions of the employees are those of semi-slavery or slavery, or when a company disrespects clauses related to human rights (Friedman, 1999).

## Method

To verify the types of boycott that may emerge from the VSNs we decided for using grounded theory in triangulation with netnography and non-participant observation. *Grounded Theory* is a scientific method in which a researcher goes to the field without the formulation of preconceived hypotheses and uses the systematized analysis of the field data of the investigation to arrive at a new theory (GOULDING, 2001). Table 2 presents the steps proposed by Kozinets (2006) for netnography studies and the actions we took in this study.

**Table 2.** *Steps of the Netnography in the Investigation*

Step	Action (Kozinets 2016)	Action (this research)
1	Have the objectives of the research clear	Identified boycott information from consumers on VSNs in the search for other types of boycott
2	Identify virtual forums (blogs and VSNs)	<i>Orkut, Facebook, Twitter</i> and blogs listed as potential <i>online</i> platforms. The motivations in various communities were identified as being those already found in the literature, though the consumers of two companies presented boycott behavior related to frustrating experiences with the companies.
3	Choice of the virtual environment(s) for the data collection	<i>Facebook, Orkut</i> and the blog <i>ReclameAqui</i>
4	Choice of virtual communities	Fun page of company A
5	Insertion of the researcher(s) in the virtual environment(s)	Entry into the fun pages with no need of permission from an administrator of the pages (public content)
6	Choice or creation of a topic named "Boycott"	Interaction and registration of the topics related to boycotts on the basis of information related to the dissatisfaction of the customer with the company in a consumer relationship
7	Preparation of the field notes	
8	Closing of the field diary by means of field notes	End of data collection and of field notes (thus forming the field diary)
9	Reading, codification and interpretation of the data of the field diary	Search for main categories to codify elements found in the data collection process

Source: Kozinets (2006).

**Data Collection**

Data were collected at three different moments: (i) the official page of Company A for the Netnography; (ii) on the VSN Orkut and the blog ReclameAqui for the non participant observation; (iii) with 15 consumers in the real environment to verify the emergence of boycott motivation. Company A arose naturally in the empirical verification, i.e., when we verified that on the official page of Company A many customers presented their complaints and said that they would stop buying because of the delays, defective products and the difficulty of communicating with the company, it was found that this might be a type of boycott not yet analyzed in the literature (Friedman, 1999; Koku, 2011). Company B was chosen on the basis of a document from the Consumer Defence (PROCON-SP) which listed the firms with the highest number of consumer complaints in 2011. Table 3 presents the codification of the data.

**Table 3. Codification and Categorization of the Results**

Examples of consumers testimonials	Type of consumer repudiation			Emergent Concepts	Category
	BO	BA	BB		
Disillusioned with company A which did not deliver my product... I was left on the telephone the whole day and they only attended to me at nearly 4pm... Today I phoned and got into the chat room to confirm the delivery and they said that it was scheduled for the 19th...this after sale service is absurd... too disillusioned to buy from this company again.		X		'Never again' leading to boycott; disrespect; there's no solution for the problems; delays; failure to respect deadlines; attempts to communicate; new delays; deception at delay as the motive for the boycott	Inefficient Attendance
I'd like to know how many schedules are necessary to guarantee the delivery of my product, so I cannot loose my entire day next time, if "next time will happen".	X				
Don't buy at the company B's website, the attendance is really precarious, there is no even a phone number available for consumers to call..."			X	Delay in delivery; consumer treated like a fool; inefficient communication. Attempts at contact, frustration, defective products.	Delay in delivery and defective products
I bought a cabinet, and after several postponements the product was delivered with missing pieces. After this, company A never again!	X				

You are right Bruna! We must get together and show that we're not fools! We must claim our rights!		X		Union among consumers; consumers as clowns; rights and duties; boycott; delays; protests; union of consumers; retaliations.	Interaction, unity of the group and encouragement of third parties
I don't feel alone in the world, problems with delivery are standard practice with Company A. My delay is getting on for 15 days already... Never again shall I buy from you!			X		

Source: Author's table

BO – Boycott; BA – Backlash; and BB - simultaneously Boycott and other manifestations of backlash.

For the netnography we spent 25 days (April-May 2013) interacting with 183 customers on the VSN Facebook, in different postings, without their awareness that one of the authors of this article was collecting data besides being unhappy about the delay for the delivery of a product he had bought. Of these 183 customers, 47 showed indignation with the relationship established between the parts (customer and company). In 25 days of research, 823 comments were analyzed, 363 of which were commentaries repudiating the company (boycott or backlash). It was found that the peaks of interaction of the customers occurred before 9am and after 7pm. In the non participant observation the *locus* of investigation and data collection was the VSN *Orkut* and the website *ReclameAqui*. With no interaction between the researcher and users, 68 postings (from 2009 to 2012) on the *Orkut* and 47 complaints from *ReclameAqui* were analyzed. For *Orkut* it was not possible to ascertain the exact date of the posting seeing that in some cases the profiles of the customers were cancelled by virtue of the migration of the users to *Facebook*. In the in-depth interview, 15 consumers gave their motives for deciding not to buy and motives they would consider important in the after-sale phase for their decision to boycott the company, considering a relationship with the company.

Table 4 presents the sub-categories and their frequencies – which gave rise to the categories in Table 4. Considering frequencies in Table 5, subcategories do not appear individually in the consumers' comments and sometimes three or four categories appear in the same comment among the 477 analyzed both for companies A and B.



**Table 4 . Subcategories ascertained in the netnography and in the non participant observation.**

Sub-Category	Frequency	Category
<b>Cease to buy/boycott</b>	279 times	Category pulverized among the remaining
<b>Indignation with attendance</b>	187 times	Inefficient attendance
<b>Frustrated attempts at communication</b>	294 times	
<b>Disrespect with the consumer (channel of communication)</b>	219 times	
<b>Defective products</b>	169 times	Delay in delivery and defective products
<b>Delays in delivery</b>	307 times	
<b>Disrespect with the consumer (delays and defects)</b>	227 times	
<b>Union among consumers</b>	134 times	Interaction, unity of the group and encouragement of third parties
<b>Encouragement of third parties</b>	216 times	
<b>The consumer is fool</b>	89 times	
<b>Preparation of videos, images or blogs of retaliation</b>	39 times	
<b>Case in the Special Court as retaliation</b>	46 times	

Source: Author's table

## Discussion

We propose the concept of the relational boycott which emerged on the basis of three categories concerning service quality: (i) inefficient attendance, (ii) delays in delivery and defective products and (iii) interaction, unity of the group and encouragement of third parties. For the first two categories we divided into evidences of the boycott in the pre and after sale. The third category is related to backlash in the concept of relational boycott. The motivations for the relational boycott in the after-sales can be constructed by virtue (i) of inefficient service or (ii) of delays in delivery and defective products. The 15 interviews with consumers in the real situation brought out that the boycott can occur before a purchase is made, which is an evidence of the boycott in the pre-sale. The motivations generally relate to the poor attendance of a salesperson – lack of cordiality, courtesy or technical knowledge of a product/service.

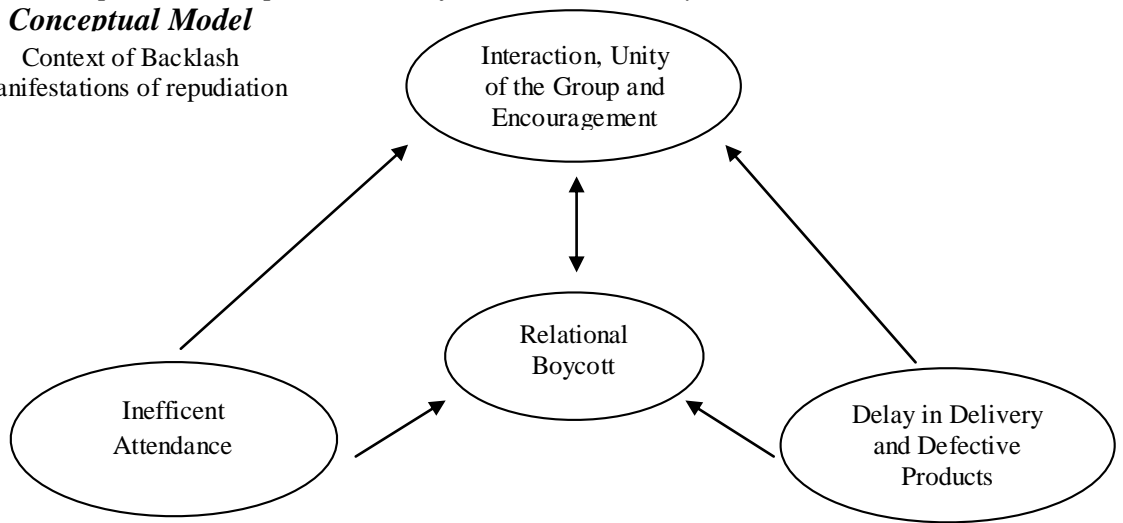
The relational boycott emerged here occurs in the after-sale when a customer discovers that the company does not offer the attention regarding the problems which arise from a purchase, or in the pre-sale when she feels a lack of attention, respect, cordiality or technical knowledge of the product or service from employees or those who represent the company. Thus, the relational boycott is a punishment administered by means of a manifestation of individual

repudiation on the part of a customer as a way of positioning herself with regard to a relationship (or attempt at a relationship) established between herself and the company. Both in the pre-sale as in the after-sale, the literature discusses the termination of a relationship. For example, Beloucif, Donaldson and Wadell (2005) discovered, within the company's search for new customers, that in the pre-sale phase a letter sent to the customers or personal contacts can help in the construction of a future relationship. On the other hand, when a customer seeks the relationship (whether it be at the recommendation of other customers or as a result of a need), the first contact is essential for a later relationship to materialize. The later effects of this initial relationship can lead to a purchase which will bring out the importance of the relationship for both the customer and the company. In the case of the relational boycott, the act of ceasing to buy may occur either in the after-sale or in the pre-sale, but this characteristic does not by itself differentiate the relational boycott from the termination of a relationship. Halinem (1995), for example, considers the initial process of the approximation of the parts (company and customer) also a part of a relationship. Thus, the customer's search for a product or a service, for example, could be associated with the initial phase of a relationship (which can have positive or negative effects for the parts). Thus, what differentiates the relational boycott from the termination of a relationship is the backlash – a characteristic found in the consumers' discourses in this study. That is to say, the relational boycott (generally) may be associated with other acts of repudiation such as activism, the spreading of negative information about a company and the encouragement of third parties.

The primary decision is, therefore, deliberate on the part of the customer. It consists of the act of the consumer in ceasing to buy by reason of the poor quality of the service delivered (pre and after-sale), of delay in delivery and defective products or both in the after-sale, for example – as Figure 1 indicates. In the former situation, the relational boycott can generate other acts of repudiation, such as interaction, unity of the group and encouragement of third parties. In the opposite sense, the relational boycott can be a reflection of the category interaction, unity of the group and encouragement of third parties; i.e., before deciding on the boycott the customers ascertain whether there are other customers in a similar situation, interact with them, feel united by the same frustration and individually or collectively disseminate negative information about a company.

**Figure 1. Proposed Conceptual Model of the Relational Boycott**  
**Conceptual Model**

Context of Backlash  
 Manifestations of repudiation



Source: Author's conceptual model

The first two characteristics analyzed are the customer interaction and unity of the group. Customers who decide to share information and feelings on the fun page of the companies experience similar situations of frustration. Another characteristic is the encouragement of third parties (present consumers, or potential consumers and customers). Beyond not agreeing, uniting forces and seeking a solution to their problems, the consumers who boycott because of a frustrating experience with a company end up by giving incentives to others to adopt the same action as themselves.

Relational boycott incorporates a consumer's previous or later experiences of a company, this being the kind of boycott generally accompanied by manifestations of a consumer's repudiation – especially when the consumer uses the VSNs to express her decision or intention to boycott a company. The VSNs also help consumers to unite in groups (by virtue of the fact that they have the same frustrations relating to the company) and to multiply to third parties their negative experiences, as a way of encouraging other customers.

### Final Remarks

The activism of the consumers shows to be an important characteristic in the classification of the relational boycott in the taxonomy of boycotts – a characteristic which distinguishes the relational boycott from the termination of relationships in customer relationship management theory. Figure 1 shows how the relational boycott is structured, being a deliberate, primary act of the consumer resulting from the management problems of a company (poor service quality: delays in delivery, defective products and inefficient attendance) generating backlash attitudes such as interaction, unity of the group and encouragement of third parties. Generally, the relational boycott is structured

within a context of backlash. Considering the consumers' manifestations of repudiation with regard to companies' positions, attitudes or strategies, the backlash in the context of the relational boycott (mainly in the analysis of the encouragement given by consumers to other consumers or potential consumers) strengthens Packer's (2011) argument when he considers that the consumer not only receives information, but also re-disseminates it among peers.

The relational boycott is an individual manifestation and its authenticity and legitimacy arise because it is a consumer manifestation, without the interference of activists (such as is seen in other types of boycott). In social boycotts or those of minorities, religious or ecological, for example, the action of the activists may influence consumers who might not have access to information, thus creating the possibility of greater visibility on the media. In a management perspective, relational boycott rises concern about how cautious companies must be about the whole sale process. VSNs may be a rich medium for consumers to disseminate their frustrations with a company, impacting the company's image and reputation.

Our study presents some limitations: i) analyzing data from VSNs Facebook and Orkut only may arise concerns about selectivity bias, and (ii) using netnography as a research method limit our analysis to only online interaction, so consumer behavior is verified only virtually. The mediation of the computer makes it impossible for expressions and gestures to be collected by the researcher.

This study may be important for the field of consumer behavior for several reasons, as follows: (i) the boycott theme is still little studied in the consumer behavior literature, despite its being extremely relevant and contemporary; (ii) the relational boycott emerged in our field study is coherent to the definition of boycott in the consumer behavior literature and makes evident the importance or VSNs, of the social media and service quality, and (iii) presents a new type of boycott that represents a contribution to the theory on anti consumption and transformative consumer research.

We present suggestion for future research. First, broadening the concept of the labor boycott to social boycott, when variables or situations related to Corporative Social Responsibility (CSR) are taken into consideration on the basis of the Stakeholder Theory. The concept of the labor boycott presented by Friedman (1999) only takes working conditions and human rights into consideration, whereas the concept of social boycott incorporates a context of CSR such as corruption, organizational climate, impact on society etc. Second, attempts are needed to develop measurements for consumer's intention to undertake a relational boycott. Third, future research should verify how the categories which have arisen during this study may be related to a testable model to undertake a relational boycott. Finally, future research should identify in which type of boycott (economic, of minorities, religious, ecological, relational and social) the consumer would present the greatest intention to boycott.

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