

# Business Ethics

## BUSI 1314



# Lecture 10 – Marketing Ethics

After this lecture you will:

- have been introduced to ethical issues in marketing
- have been introduced to the importance of marketing for business ethics

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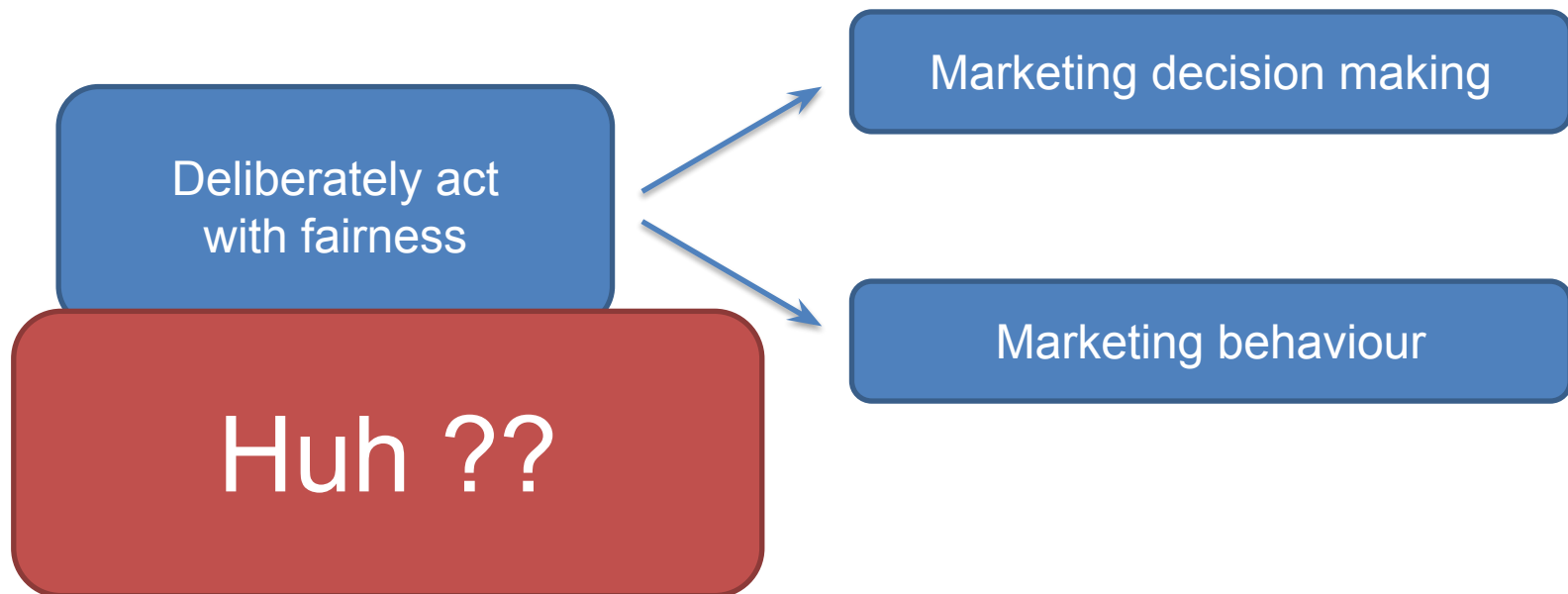
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# Lecture

1. The ethics of marketing – issues
2. The ethics of marketing – code
3. Ethics as marketing
  - Further reading:

# 1. The ethics of marketing - issues



## Getting Competitive Advantage

Doing a better job than your competitors  
At satisfying product and service requirements of the  
market.

You satisfy needs of both customers and organisation

Lets assume we didn't give a toss ...

Dissatisfied customers

Bad publicity

Lack of trust

Lost business

Legal action



Market  
inefficiency

Marketing ethically is in the long-term  
interest

## What is unethical marketing?

### Deceptive marketing practices:

Customers believe they will get more value from a product or service than they actually receive

misrepresentation

omission

Misleading practice

### Deceptive pricing practices:

Customers believe that the price they pay for some unit of value in a product or service is lower than it really is

False price  
comparisons

Misleading prices

Omitting conditions



Other issues

Offensive

Or just fun?  
It gets you the  
attention.

Too frequent updates:  
Making previous  
versions obsolete

But you've got  
to be first.



Even more issues !

Pushing your products on vendors

Bribing vendors

Gathering information about  
your customers

Marketing to children through psychological appeals or strong  
images



## 2. The ethics of marketing - codes

American Marketing Association

<http://www.helleniccomserve.com/marketingcodeofethics.html>

Direct Marketing Association

<http://www.dmaresponsibility.org/Guidelines/>

Canadian Marketing Association

<http://www.the-cma.org/?WCE=C=47|K=225849>

### 3. Ethics as Marketing



Also known as Greenwashing  
What you tell the outside world (customers)  
Is not what you tell the inside folks  
(employees)

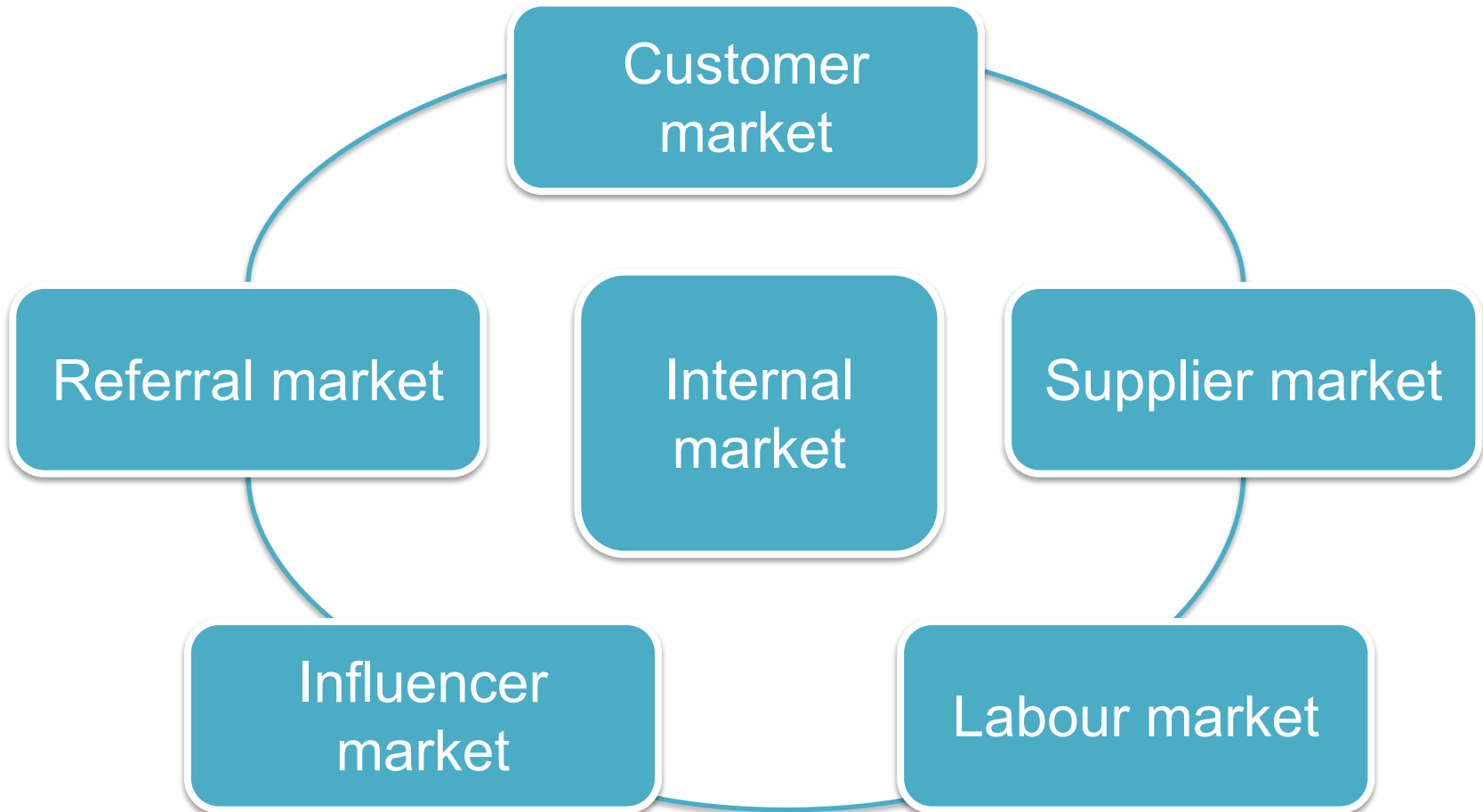
Greenwashing is not a smart move,  
because

Corporate strategy is not  
in line with marketing  
strategy

The customers you attract  
are interested in more  
than just your product

The market is  
not just 'out there'  
but everywhere

# Six Markets Model (Christopher et al)



# Take away

Good business requires good marketing

Long term risky practices

The market is everywhere!