

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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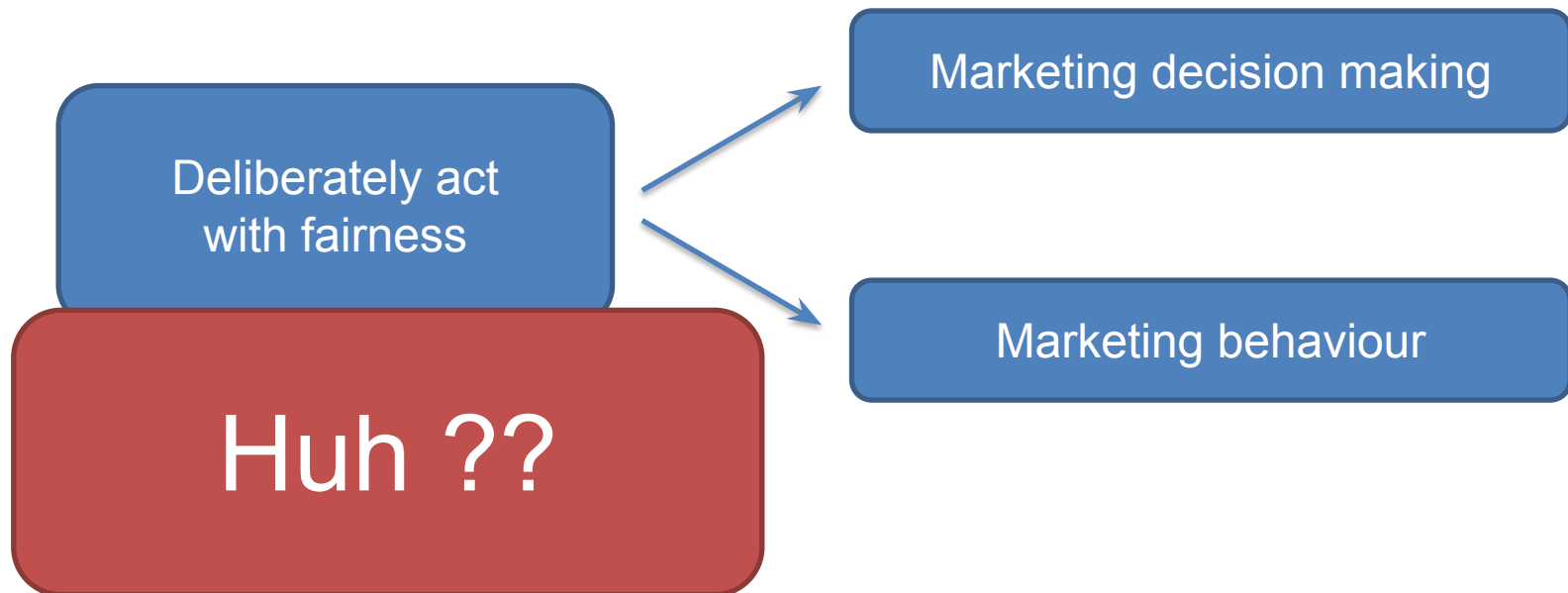
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Lecture

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)

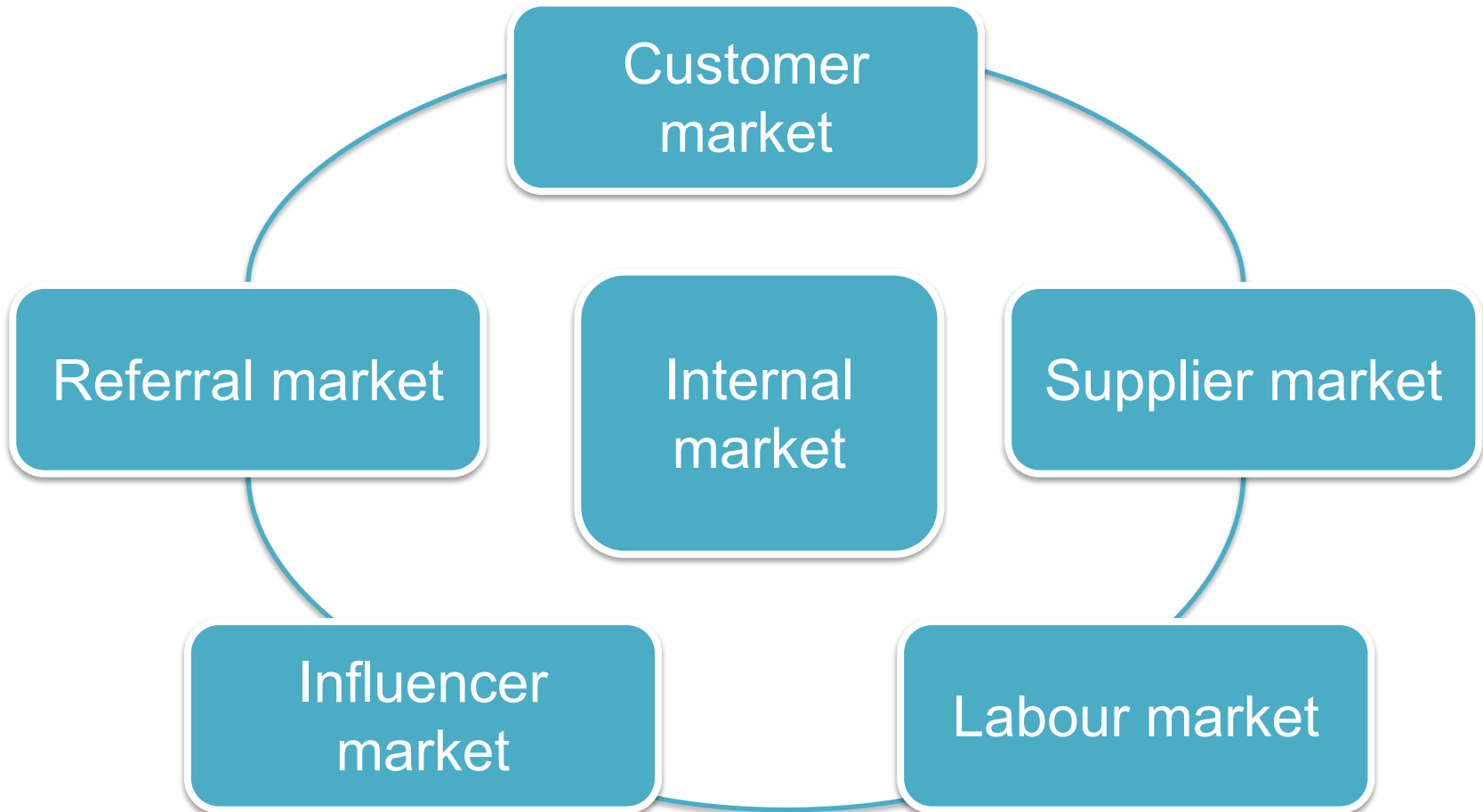
Greenwashing is not a smart move,
because

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!