Chapter 4

Marketing ethics
Today

- Conscious marketing
- Ethical marketing decision
Definition of conscious marketing

**Conscious marketing** → The purpose of a firm goes beyond making a profit

- Firm’s decisions should be ethical (business and marketing ethics)
Business ethics
– Concerned with distinguishing between right and wrong actions that arise in a firm or business settings

Marketing ethics
– Ethical situations that are specific to marketing (we will see examples in the next slides)
Conscious marketing

The future is private.

Privacy. That’s iPhone.
Conscious marketing

Believe in something. Even if it means sacrificing everything.

ADIDAS DRY-DYE
- Polyester fabric dyeing
- Use no water
- 50% fewer chemicals
- 50% less energy use
Firms must decide what is more important, e.g.,
- Profit vs user privacy
- Environment vs increase production
- Deceptive/unethical advertising vs real promotion

Research can help find alternative solutions!
- Adidas recyclable shoes
  - https://www.youtube.com/watch?v=6n0x3FIBgUc
Op-Ed Were the raw materials in your iPhone mined by children in inhumane conditions?

Vitaminwater

flu shots are so last year

more vitamin c
more immunity
less snotty tissues
More unethical Marketing Practices

• Making false, exaggerated, or unverified claims
• Distortion of facts to mislead or confuse potential buyers
• Concealing dark sides or side effects of products or services
• Bad-mouthing rival products
• Using women as sex symbols for advertising
• Plagiarism
• Demeaning references to races, age, sex, or religion of marketing messages
Creating an ethical climate in the workplace

• **Values**
  - Establish
  - Share
  - Understand

• **Rules**
  - Management commitment
  - Employee dedication

• **Controls**
  - Reward
  - Punishment
American Marketing Association code of ethics

- Generally accepted code in marketing
- Flows from general norms of conduct to specific values
- Subareas within marketing have their own code of ethics to deal with specific issues

AMA Website:
http://www.marketingpower.com/AboutAMA/Pages/Statement of Ethics.aspx
Ethical decision making

A Framework for Ethical Decision Making

- **Step 1**: Identify issues
- **Step 2**: Gather information and identify stakeholders
- **Step 3**: Brainstorm and evaluate alternatives
- **Step 4**: Choose a course of action

Critical in all situations that involve ethical decision making! Particularly in high-stress, high-pressure situations!