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***The Relevance of Ethics within Marketing
decisions for contemporary business***

Social and Ethical Marketing

BMSP5003

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The relevance of Ethics within Marketing decisions for contemporary business.

What is Marketing?

"Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large."

(American Marketing Association, 2017)

Marketing can be misinterpreted for what companies simply do to gain sales, which in some sense is true but there is much more to marketing than sales. In the 1950s businesses main drive was to make profit by creating a high quality product that would make the money worth while for the consumer. As time has passed it came to the thought of businesses that by concentrating on products consumers actually want and desire that they would win customers attention and loyalty. Since the 1950s technology has taken over the business world making it easier for businesses to prioritise their customers first and conduct research to figure out the current trends and competition businesses have to face these days. Marketing has come a long way since the 1950s, as there is a lot more to it than creating a product or service and hoping to gain customers. Businesses now spend a vast amount of time and money on marketing, by keeping a close eye on society and current trends to create ideas for future products or services that will persuade customers to buy from the business.

"Marketing is the management process responsible for identifying, anticipating, and satisfying customers' requirements profitability".

(The Chartered Institute of Marketing, 2009)

Marketing is immensely customer focused and that's how marketing is therefore successful, but when businesses are less customer focused they can face many issues as to being unsuccessful. Take a restaurant for example, people go to restaurants for many different occasions. It could be an anniversary, birthday, or a date, either way the restaurant's job is to cater to customers' needs and wants. If a restaurant ignores the customer wants or needs it doesn't only make the experience unpleasant for the customer but they also might be so frustrated by the treatment they have experienced and leave a bad review on the internet warning other possible future customers about the restaurant and possibly stray customers away. Therefore businesses that are focused on their customers will reel in not only more money but ideas to expand future products or services unlike business that are not focused on customer satisfaction.

The 4P's is a plan in marketing to target the consumer, the 4P's stand for *Product, Place, Promotion*, and *price*. When thinking of a brand the first thing to consider is the *product* going to be a physical product such as soap or clothes, or is it going to be a service for example hairdressers or electrical companies.

Place is where the company decides where should the product be purchased, in this day of age nearly everyone has some type of technology that connects to the internet in their homes making it possible to purchase online. Although purchasing online is in high demand because of its simple and effortless process, people do also enjoy going to their town center to the local mall where all the high brand shops

are placed. Beginning companies will not be able to afford to place their store in local malls but they might be able to locate their stores on highstreets. It's crucial that companies do research on the town or city they are planning to place their store, such as is the population high or low? On average how many people walk past that building everyday? And more.

Businesses use promotion methods to get a message out to not only consumers about their product but to retailers also. Retailers stock and sell the products, therefore it's important for companies to persuade retailers or they won't have anyone to sell their products for them. There are a variety of promotion methods businesses can use to promote their product, such as television, radio, newspaper, give out discounts or loyalty cards. Some businesses use PR (public relations) as a promoting technique by inviting celebrities to events celebrating the release of a certain product. This method is clever because celebrities will share the event on their social media where they have millions of followers.

Every product has to come with a price to earn profit. Other than production cost companies have to think about other factors such as competition, quality, image, and pricing strategies to gain customers.

The Marketing Journey



Marketing physical products is exactly what it entails, marketing a product that you can see and hold. Examples of physical products are cosmetics, clothes, and video games.

Marketing services is what a business offers by building its own brand to provide a service to customers that is useful such as cutting hair, dry cleaning, or tutoring.

Marketing messages are made for making a behavioural change through advertisement by conveying a message. The government usually markets messages concerning products, for example smoking, wearing your seatbelt while driving, and alcohol.

Customers are aware when they are marketed to and sometimes lose taste in the businesses they have been marketed from, for example you could be scrolling through Facebook searching for a particular item once you have typed what you are looking for in the search bar marketers will realise your searching for a product that they specialise in and do their best to advertise that product to you. There have been a couple of issues where customers feel unsettled because sometimes they are advertised a product that they haven't searched for but maybe spoke about purchasing to friends and family over social media and suddenly they are advertised that product, many customers find being marketed to an invasion of privacy while others find it useful.

What is Ethics?

Ethics are based around moral principles. Ethics is about the choices people make in their life such as what is right and what is wrong. Businesses face several issues within marketing about what is ethically right and wrong.

"Ethics is concerned with what is good for individuals and society and is also described as moral philosophy. The term is derived from the Greek word ethos which can mean custom, habit, character or disposition."

(BBC, 2014)

When a business concentrates on being ethical towards how they market and make their product, consumers tend to respond positively towards the business and the products it sells. Therefore it's important for businesses to behave ethically when creating and marketing their products, because consumers will repay businesses by buying their products.

Companies usually tackle many issues with the public for ethics in advertising, sustainability, and labour practices. When a business creates an advert on television to promote their product it is easy to offend an audience, if the idea for the advert is not carefully thought of. Issues adverts may face might be misrepresentation, the use of stereotypes, or even using offensive language which is inappropriate for the audience. Make-up companies tend to face a lot of criticism because their adverts are quite deceiving. The reasoning behind this is because in the adverts the models will look tired and aged, but once they use an advertised make-up product they will have no wrinkles whatsoever. This is deception as the company has used photoshop in their advert to make the models look irresistible, this leads to the audience believing that all their flaws will disappear by using the advertised product which then leads to their disappointment when using the product for the first time and realising it's not performing the way the advert had shown. Food chains are also known to make deceiving adverts about the look of their food such as McDonalds and Burger King, The businesses poster and adverts include a perfect, drooling burger with fresh lettuce and tomatoes but when you actually go to the take outs you receive a squashed burger that looks nothing like the adverts.

"A stereotype is a fixed general image or set of characteristics that a lot of people believe represent a particular type of person or thing."

(Collins Dictionary, 2020)

Businesses have also had the history of stereotyping in their adverts, for instance when a company whose target audience is children they tend to advertise to kids on children television. Children are easily persuaded which comes to businesses advantage when a child watches an advertised toy and wants it because the child will pester their parents until they buy it. A topic of gender stereotyping has been brought up recently because some adverts will show girls playing with dolls in pink dresses, while other adverts will show boys playing with race cars. Last year in 2019 The Advertising Standards Authority banned gender stereotyping in adverts, because it can be seen harmful and offensive to viewers at home.

"The Advertising Standards Authority (ASA) - the group that makes sure the UK's advertising is fair - introduced the ban because it found some adverts could play a part in limiting people's potential".

(ASA, 2019)

Controversial advertisements

An example of a controversial advert is in 2017 when Pepsi made an advert featuring popular model Kendall Jenner. The advert included a protest against racism with the police monitoring the protest. Kendall Jenner then leaves in the middle of a photoshoot to join the protests and hand one of the police officers a can of Pepsi, this somehow stops the protesting and brings the protesters and police officers together. It's completely understandable why this advert is controversial, the advert shined over the protest against racism and instead applied that a can of Pepsi will bring justice. Pepsi has apologised for creating an advert that brought light to a serious issue, and has retracted the advert from television. But it makes you think did Pepsi do this on purpose as it brought a lot of attention to their brand although there was negative feedback.

Dove is another example of a company creating a controversial advert when in 2017 they created an advert for their new body wash. The advert showed a black woman pulling her t-shirt off to reveal a white woman underneath, this outraged the public as they saw it to be a racist advert. Dove then apologised to the public and explained that the meaning of the advert was to promote that the product was for all women of all ethnicities.

Although there have been many negative controversial adverts made in the past and are still being made now, there are brands who have made it their priority not to offend the public and instead respect everyone of their audience. For instance Airbnb released an advert in 2017, in the advert it displayed snapshots of several different people of all races and religions, the advert implied that they accept anyone and everyone, which received a very positive response from the public.

Businesses that make certain of their adverts being ethical tend to get the most positive feedback from the public, which then persuades customers to buy their product or service. Businesses that have made controversial and unethical advertisements usually become popular from debate. For instance, adverts that offend people will get more publicity because they spark a debate amongst people who believe the advert is offensive and people who believe that it is not offensive. It's important for businesses to respond to customer complaints in a professional manner especially when customers feel like they have been offended by a business, by responding to customers in a respectful tone there is a chance to reconcile and go back to good terms with them.

"Controversial:

Giving rise or likely to give rise to controversy or public disagreement."

(Oxford languages, 2020)

Sustainable marketing

There is an increased pressure to use ethical and sustainable practises in today's world because of the impact of Climate change and Global warming. Global warming is caused by humans, the reason for this is simply because to live easier and comfortably humans burn fossil fuels. Fossil fuels consist of natural fuel such as oil, coal, and gas. Businesses use fossil fuels to power their factories and stores, which is causing the earth temperature to rise. Animals are also dying from deforestation caused by humans also. Today's generation main focus is to save the planet by making or buying sustainable products that will not harm the environment.

Sustainable marketing is promoting environment friendly products and services. LEGO has made a great effort towards sustainable marketing by creating a section on their website that defines their goal to make all LEGO bricks sustainable by the year 2030.

"Our mission is to make all LEGO® bricks sustainably by 2030. Why? Because being sustainable is good for the planet! We want to make bricks out of things that we can grow again or are recycled. This is not easy as we want sustainable LEGO bricks to have the same high quality that you are used to, but what we know is this: big ideas may start small, but they will help us build a greener planet one brick at a time."

(LEGO, 2018)

Within sustainable marketing business can hire environmental managers to help with becoming sustainable. Environmental managers help businesses to reduce how they impact the planet. The role of environmental managers is to help create a scheme on waste management, recycling, and a reduction on how much pollution a business makes. The benefits of having a environmental manager is that they control the amount of energy, natural resources, and natural waste a business consumes to reduce their participation in global warming and climate change.

Sustainable marketing indeed makes a business look responsible on how they react towards climate change. If a business is doing their best to be sustainable and it shows, they will win customers attention by doing so. Businesses are in a place to promote sustainable living and to persuade the public to change their old fashion ways to save the planet. The BBC have done an outstanding job by making documentaries on how humans are negatively impacting the environment from using fossil fuels for their own needs.

Conclusion

"Not employing ethical marketing practices may lead to dissatisfied customers, bad publicity, a lack of trust, lost business, or, sometimes, legal action. Thus, most organizations are very sensitive to the needs and opinions of their customers and look for ways to protect their long-term interests."

(Encyclopedia, 2019)

To market products and gain public attention businesses must think and be ethical. Customers are top priority in marketing, therefore if a business is to offend the public through either how they promote their product or even on how they make the product, businesses will lose not only profit but the loyalty and relationship they have with their customers. Ethical businesses are made to look responsible and build a good reputation for themselves, this does not only attract customers but employers and stakeholders will also want to take part in the business. If a business is to be unethical towards customers or the way they treat staff they will not have a chance in today's business world and will most likely be unsuccessful and shut down. Therefore Ethics is important within marketing decisions within businesses.

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