

In this essay I will be writing about ethical marketing, the concepts of ethical marketing, what ethics means to me and the advantages and disadvantages of ethics marketing in businesses. I will also be speaking about the four philosophies in ethical marketing and the four P's – product, price, place and promotion. As well as these I will also be speaking and writing about what ethics is and my understanding of ethics.

What is marketing and ethical marketing?

The marketing concept was created in 1950's. (5) Peter Ferdinand Drucker was who created the marketing concept. (Drucker, 1954, pp. 35-6) "Marketing is not only much broader than selling, it is not a specialized activity at all. It is the whole business seen from... the customer's point of view. This is why by the 1960's marketing had been made in to what the customer needs not about selling the product, they figured if they make what customers need then they would make more profit. (6) We use marketing to gain customers and sell our products or services but also to make strong relationships with our customers. (7)

Ethical marketing is more of a philosophy that includes all marketing efforts not just the marketing strategy. The aim of ethical marketing is to achieve fairness, honesty and responsibility when advertising your business. All companies/ businesses no matter how big or small can do ethical marketing. Ethical marketing is a guide for marketing and how to bring out the best in your business/company. (1) Marketing is advertising your business / product in hope to sell or promote your business / products and gain customers. As well as trying to gain customers we also want to try make our existing customers feel part of the journey and feel part of the business. Marketing is more about seeing what customers want / need rather than selling what you make, you want to make what customers will buy.

According to Dan Shewen 92% of the early 21st century consumers would more likely buy from ethical companies than non – ethical companies.

Here are ten principles of how to become an ethical marketing business, the first is opportunities for disadvantaged products, second is transparency and accountability, the third is fair trade practices, fourth is fair payment, fifth is no child labour, no forced labour, sixth is no discrimination, gender equity, freedom of association, seventh is good working conditions, eighth is capacity building, ninth is to promote fair trade and lastly the tenth is respect for the environment. All these are ways to become the best ethical business you can be. When thinking about ethical marketing businesses should consider how their products and services benefit their customers/ buyers not just how many they are going to sell, it is building relationships with their buyers/ customers in the loop of their business. (2)

By thinking ethical you ensure trust and honesty with your customers/ buyers. To be ethical your business must be transparent – include all the key information about the product. Emphasise to your customers / buyers that their personal data is private and safe. Commit to sustainability and human rights – be honest about how sustainable your product is and ensure your product actually is as sustainable as you say it is. Respond meaningfully to concerns – investigate any complaints and deal with them appropriately. Minimise benefits and minimise risk – try benefit as many customers / buyers as possible with minimum risk and costs. (3)

What not to do when thinking about ethical marketing.

- Don't exaggerate the benefits, don't lie about it
- Don't make false comparisons
- Don't make unverified claims without any scientific evidence
- Don't stereotype
- Don't exploit emotions (3)

The advantages of ethical marketing

The advantages of ethical marketing is avoiding punishment, we do this by ensuring any customers / buyer is treated fairly and is respected and their opinions are respected. Another advantage is we create a good workplace culture by ensuring all employees are given equal access. We ensure customers get the best customer loyalty. As well as customer loyalty we need to ensure that the employees get the best employee loyalty too. (4)

The disadvantages of ethical marketing

The disadvantages of ethical marketing are that it can be expensive, it requires a lot of time so it is very time – consuming. (4)

What is ethics?

Ethics studies the rightness or/ and wrongness of a human action. It is the values and how you expect to be treated and how you act to the people or/ and the world. In the simplest way, ethics is a system of moral principles. This is the same as moral philosophy. Ethics covers 4 dilemmas, these are: how to live a good life, our rights and responsibilities, the language of right and wrong and moral decisions – what is good, what is bad?. Philosophers offer us an ethical rules and principles which makes us or helps us take a calmer approach to moral problems. (12) Ethics has a lot of elements in, these include moral, principles, honesty, right, fairness, responsibility, conscience, choice, honour, value and integrity. Ethics is a guide that guides our behaviour to make the best choices and guides us to speak the truth and make good deeds such as helping others. Businesses have an important role when it comes to ethics, this is making a good ethical culture for their business and services. Businesses are under extreme pressure to become as ethical as possible. (13) Ethics is a tool that helps us make a decision between a good decision and a bad decision. it determines the acceptable ways of getting the things we value. (14)

The seven era's to marketing

There are seven era's to marketing, these are simple trade era, mass production era, sales era, marketing department era, marketing company era, relationship marketing era and social / mobile marketing era. The Simple Trade Era was when everything was harvested or hand made by hand and was only a limited of stock. Households would only produce what they consumed. (15) The mass production era was in the 1860's right through to 1920's, this started in the industrial revolution, products were made at a low cost, businesses would typically produce only one product at a time, this is when businesses didn't think about what customers wanted or needed they thought that if they produce the product then someone will eventually buy it. (15) Then in the 1920's – 1940's the sales era came, because of the previous era's businesses were very competitive, this made businesses needing marketing, everything in this era was about the price. Following on from the industrial revolution there was now lots of mass produced products to sell, the main focus was to get rid of the products and sell as many as they can, they would convince customers to buy their products just to sell the most not considering the needs of that customer. The supply was starting to become greater than the demand. Due to the competition between businesses, the businesses had

to now work a lot harder than before to sell their products. Then we had the marketing department era in the 1940`s – 1960`s, this is when anything marketing related such as advertising, sales and promotion was all put under one department, I.e `marketing department`. In 1960`s – 1990`s the Marketing Company Era came, this is when businesses took it seriously on how they created their products and took their customers needs into perspective. This is when customers become the main priority and they were using `the customer is king`. Whole companies set up to create marketing campaigns this could be for companies or products, even governments in some cases. From the 1990`s – 2010 the Relationship Marketing Era came out; this was a very important one because this determined whether or not your customers came back to you. This brought more customers to the businesses or services, the con to this is it does take extra time but it is worth it. Customers would share their experience whether it was good or bad. This was brought out to create and build long – term relationships with your customers, ensuring they come back to you. Lastly we had the Social / mobile Marketing Era from 2010 – present, this is when businesses want to connect with their customers 24/7, a good example is Natwest, any questions you may have regarding your account or anything to do with the business you can now message them 24/7 and you will have a reply, this gives every customer a chance to ask what they want, especially those that work late and have no free time. Businesses wanted to be able to communicate with their customers whenever the customer needs and wants to, this is all due to modern technology. (15)

The four P`s

There is an essential mix to marketing, these are also known as the four P`s... Product, Price, Place and Promotion. Product is the product or service that a company is aiming to sell or promote to customers. Before businesses are selling a product or service, they need to consider and research if there are any products or services like that out there and how are they going to make their product better and less costly, they are in competition with other businesses to be able to sell their product and make sure it is as sustainable as they say. Some things they need to consider when thinking about a new product or service is what are the features the customers want from the product/ service? How and where will the buyer use it? What is the product or service going to look like? What is the name of the product or service going to be? The size, the colours, who is going to use it? How is the product going to be different to similar products that are already selling by other companies? Price is for the company to decide how much they will sell the product or service for, they will also need to consider whether customers are willing to pay that amount for their products or services, again the product needs to meet high expectations the customers would expect. Not only do they need to consider how much they are going to sell the product, but they also need to consider how much it is going to cost them to manufacture each individual product. The price will impact the profit margins, supply, demand and marketing strategy. (9) Place is where the company is thinking of selling/ promoting their products or services. Whether it is going to be online, in a store or both? They need to think about what age group they are aiming to sell the service or product to... younger generation may be more beneficial for online selling the older generation may benefit from the in store. Lastly promotion, this depends on what stage in the product life the product is in. This includes a variety of things such as advertising, selling and sponsorship. (7) when is the best time to promote your service or product? And how do other companies promote their service or product and how well is it doing for them? How can you compete against that? (8)

The four philosophies of marketing

There are four philosophies in marketing, these are production orientation, sales orientation, marketing orientation and societal orientation. These came in full swing in early 19th century and continues to grow each day. The Production orientation is the first in the four philosophies and it

concentrates on the amount of products they make rather than the amount the customers need or want, it is mainly about making the highest selling product as quickly and cheaply as possible. (10) The production concept explains the importance of production in marketing. The sales orientation is the most vital out of the four philosophies, this is because every single businesses end goal is to sell their product or service and increase their sales every single day. The marketing orientation plays a strong part in all four philosophies. This is where all businesses should show their creativity within their product or service. Then lastly we have the societal orientation, this is an extension to the marketing concept, this is also important as it keeps in mind the importance of the well being of the businesses customers and growth of the public. (11) You may also know these as the customer orientation, integrated effort, profit direction and competitor orientation. The customer orientation is the understanding of customer needs, wants and behaviour. The integrated effort is the marketing function must be integrated into all areas of business, the profit direction focusses efforts on profit rather than sales volumes. The competitor orientation has tools to assist with the implementation, these include: Marketing mix (four p's), product planning and pricing. The goal for all businesses should be to make products that will sell instead of selling products what is made. They should realise that the customer is more important than the product.

The four E's

Experience, Engagement, Exclusivity and Emotion are the four E's in marketing, these consider why a customer would connect with a service or product. Experience is where your customers get to share their experience with others and that's when experience will help sell your products or services, the customers get to know you as well as getting to know your business and product, statistics show that 85% of customers are more likely to buy your product or service through experience with pop up shops or interaction from the company. Engagement is when your business engages with their customers, 74% of customers said they are likely to buy a product or service if the business is engaging with them. Engaging with your customers can be asking them for feedback, do some free classes to give them a taster on your service, do 'how-to' videos on how to use your product, or donating a product or a small amount of money towards a charity after every time a customer purchases a product / service. Exclusivity is things like creating exclusive offers for your customers, invite your customers to the new products launches so they can also learn about the new product and again this is another way of engaging with your customers. And then the last E is emotion, this is to make your customers feel a part of our business/ service, share with your customers why you created this product or service. (16)

What are my thoughts on ethics?

From my research I think ethics is about the respect or value you have for people and the world. It is about treating others how you'd expect to be treated, so equality, fairness, the principles, understanding the rightness or wrongness of something and making sure you abide by these. It also involves Quality, Integrity, Accountability, Responsibility, Dedication, Loyalty and Impartiality.

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