

Social and Ethical Marketing

BMSP5003

Essay

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Introduction

In this essay, I will consider and evaluate the relevance held by ethics within contemporary marketing decisions in the modern business world. A variety of sources will be drawn upon and evaluated critically in order to determine the level of importance that ethics - as both an idea or principle and in practice, across a variety of situations that may arise - holds in the modern marketing world.

Firstly - what is ethics?

Before we can evaluate the importance of ethics in the modern marketing environment, we must lay the groundwork for the topic; this means first reaching a consensus regarding the meaning of ethics and then gaining an understanding of how to measure whether ethics has been applied in a careful, careless or even malicious manner across a range of contemporary scenarios, and whether ethics played an important role in said scenarios. With this information, we possess the first half of the tools required to assess the relevance of ethics in the contemporary marketing world.

The field of ethics is very diverse as it covers many aspects of life and has been a topic of continual advancement for 2,500 years. (Encyclopedia.com, n.d.) An all-encompassing definition for the field would be “systematizing, defending, and recommending concepts of right and wrong behavior... [divided into] metaethics, normative ethics and applied ethics” from the Internet Encyclopedia of Philosophy. (n.d.) This quote is very non-specific; however, it can be narrowed down by acknowledging the fact that marketing ethics is itself an area of applied ethics - the analysis of “specific, controversial moral issues”. (Internet Encyclopedia of Philosophy, n.d.) This is because marketing ethics involves analysis of specific and often ‘morally grey’ situations to inform businesses as to the correct way to conduct their marketing.

A more specialised definition exists in the SAGE handbook of Marketing Ethics. It states that, until midway through the 2000s, emphasis was loosely placed on moral standards applied to the various facets of marketing - the definition has since increased in detail to place emphasis on “transparency, trustworthy, and responsible ... marketing policies and actions that exhibit integrity as well as fairness to consumers as well as other stakeholders”. (Eagle et al., 2021, p.3-19) This change means that the principles of responsibility and integrity have been placed at the forefront of marketing ethics in contemporary times. However, also very important to note is the shift from the lack of a subject focus towards a focus more inclusive of other stakeholders. This reflects the growing concern held by businesses for stakeholders such as staff, local communities and even society at large.

Another definition of business ethics in a broader sense is “the values, standards and principles that apply within both commercial and non-commercial business activity ... [including] the not-for-profit/charity sector, governmental sectors, cause-related marketing and social marketing”. (Dahl & Eagle, 2015, p.1-28) This definition raises the important point that, as nearly every facet of life is affected by ethics in some way, so too is every facet of the business world, including entities in other sectors that do not operate in a profit-maximising or even profit-seeking manner - the first of which being the default behaviour expected of a typical private sector business in classical economics. (Pettinger, 2019)

What is marketing and what is its scope?

We must now obtain an understanding of what modern marketing entails and what its scope is in the modern business world. With this, we will be able to identify instances of modern marketing where ethics may or may not be relevant, analyse the importance of ethics within these instances and arrive at a conclusion as to the general importance of ethics in these decisions.

At its core, the word 'marketing' represents an attempt to influence a potential customer into a purchase of the marketed product. (Monalisha, 2021) This is, however, an extremely simplistic view of the process because much of what can be described as marketing often amounts to and requires much more thought than what this definition implies. The definitions below give a more accurate insight into the process.

The SAGE Handbook of Marketing Ethics contains a brief segment detailing the evolution of modern marketing through its ever-expanding definitions. In 1985, the message sent by its definition was that only the basic elements of marketing mattered: getting to the customer in just the right way to make a profit. This definition changed in 2004 and once again in 2007 to firstly acknowledge the process of value creation and communication with the target market as well as relationship management with stakeholders, and to later acknowledge its role in creating value for society at large as well. These changes came amid a shift in business climate towards the acknowledgement of the importance of sustainable goals and ever-increasing awareness of the 'footprint' left behind by businesses. (Eagle et al., 2021, p.3-19)

As the process of value creation per its definition of making company and customer happy (Devilliers, 2021) is very vague, this naturally means that marketing has a huge scope. Marketing in the information age is very different to marketing of the past given that 59.5% of the global population uses the internet and 4.2 billion people are active social media users, creating massive markets for businesses to engage with customers. (Statista, n.d.) This has given businesses a monumental opportunity to engage in marketing as the ease of communication with markets has never been easier. This has also permanently changed the business environment with regards to marketing since a direct consequence of an expansion of markets to this degree is that competition is fierce in many of them; businesses must compete to create the most value where it counts in order to survive in an environment where potentially thousands of similar businesses are trying all the same, serving only to amplify the importance of ensuring that marketing is carried out correctly and ethically. Markets worth billions of dollars have even been created out of thin air by the internet revolution, giving rise to corporate behemoths such as Amazon, Facebook and Alphabet.

A common way to refer to the process of marketing is by making reference to the '4 Ps' of what is known as the marketing mix - product, price, place and promotion. Product refers to what the business is selling in an attempt to satisfy customer demand; price indicates the pricing level and pricing models for the product; place is where the product will be visible; lastly, promotion refers to the methods that a business will use to catch the attention of the target audience and persuade them that the product, price and place are attractive to them. (Twin, n.d.) Ensuring that proper thought is put into each element of the marketing mix is critical for a successful marketing campaign. The input that may be required into each 'P' of any one advertising campaign of today is likely very different from an advertising campaign of 50 years ago, for example. Customer needs are forever adapting to new products and innovation is constantly occurring; ever-increasing consumerism has given rise to pricing models such as 'Freemium' and purchases on credit to buy now and worry later; businesses are increasingly abandoning brick-and-mortar for an online presence as consumers in most markets rely on the internet overwhelmingly; and, regarding promotion, the spotlight has been placed on the PR element of promotion in recent years due to social developments which will be covered in the next sections, heightening the need for firms to be careful when engaging in marketing.

Marketing ethics - not black and white, but still important to have

Entrepreneurialism and initiative are in our nature and so businesses will often strive to innovate or break the norm when marketing to get ahead of the competition. However, this can cause situations to arise where reckless or negligent marketing falls foul of ethical norms or legal guidelines. Rarely, if at all, is a contemporary marketing situation able to be immediately labelled as ethical or unethical as this is a very nuanced topic. One thing that is always relied on to make an ethical judgement is context, which puts it into perspective in comparison with societal norms and values and thus helping to reach a conclusion as to whether it was a poor decision to make.

A suitable case study to cite for this point is H&M's 2018 marketing blunder involving a child model as an advertisement for an item of clothing. The first sentence seems innocuous by itself - child models advertise clothing all the time, so what could go wrong - but context is important here. Liam Mango, a black child with Kenyan parents, had his photo taken while wearing a hoodie with the text 'coolest monkey in the jungle' on it; 'monkey' has long been considered a derogatory word and stereotype towards those of African lineage. This almost comically (but likely unintentionally) racist image sent the internet into a frenzy as the blunder quickly went viral, leading to famous business partner 'The Weeknd' cutting ties with the firm and waves of blunt criticisms directed towards the company and its negligent marketing. Unfortunately for H&M, no amount of backpedalling and promising improvement (proclaiming their diverse nature, hiring a Taiwanese immigrant as the leader of diversity and inclusiveness and pledging a 2025 leadership diversity goal) could rectify this mistake, because the damage had already been done to the company's reputation. The lesson to be learnt from this marketing gaffe is that context matters and that ethics is not something to be taken lightly - especially in contemporary times with the spotlight being shone on race relations and reform. (The Arthur W. Page Center, n.d.)

The second case study dives into murkier territory. It involves an advertisement placed in the London underground by Protein World for its weight loss collection of products, with the main text being, 'Are you beach body ready?' featuring a scantily clad female model. The key point in this advert is that the model displayed on it is conventionally attractive and of an admirable physique, hence called a 'beach body' and implied as something for women to work towards. Opinions were divided over this advert and cases were made both for and against it. On the one hand, what is there to worry about? This advert for a weight loss collection of products is simply doing its job as intended by making the target customer want to purchase them in order to work towards a physique this admirable. On the other hand, a physique this toned would require lots of effort - some may argue that, through its advertisement of an ideal 'beach body' alongside a weight loss product, this has the potential to deceive a potential customer into the belief that it is achievable with no lifestyle change whatsoever, when, in reality, such a physique would require committal and significant lifestyle changes from that of the average, non-'beach body' person. Furthermore, there were cries from the body-positive movement that such a physique is generally unobtainable considering the average lifestyle and that it marginalises those with different body types due to one body type being made out to be the best. (Hackman, 2015) Ultimately, the verdict by the Advertising Standards Agency was that the advert was inappropriate and so it was removed. (Bearne, 2015)

The second case study is a sign that society is undergoing a rapid change - only 20 years ago, it is unlikely that the advert would have received the same verdict that it received in 2015, or even that it would have received many complaints in the first place. Body positivity and the addressing of unrealistic body standards as a movement gathered enough steam to enter the mainstream in the early 2010s, at which point society drew an unacceptable line to cross by promoting models with toned physiques as the norm. (Cherry, n.d.) Both cases also point towards the fact that ethics is indeed important within marketing decisions for contemporary business, as negligence or crossing metaphorical lines has the potential to lead to much more scrutiny now than ever before thanks to the viral nature of the internet.

Societal upheaval

As shown earlier, contemporary society requires careful application of ethics when marketing. Huge social movements such as Black Lives Matter and the LGBT lobby, funded by huge corporate donations and political lobbyists behind the scenes - take BLM for example: they have received millions in donations from large corporations - (Wellemayer, 2020) have penetrated the mainstream and become the norm. A proverbial spotlight is being shone on race relations by governments and groups everywhere; namely the perceived injustice against black people and others considered marginalised in society. Also now mainstream is the celebration of sexuality that comes with sexual liberation and freedom, due in part to the efforts of the LGBT lobby. 'Accountability culture', or cancel culture, has been adopted by many mainstream groups and serves as a way to root out 'problematic' public figures and businesses harming social progression. (Romano, 2021) Society is in the middle of perhaps its biggest upheaval to date and mainstream society has made it clear that

businesses that are not supportive of this change are to be rooted out and made way for those who are. Maintaining a clean ethics record when making marketing decisions in today's environment is of critical importance; anything falling foul of mainstream expectations will lead to severe repercussions - anything from being made an embarrassment on the world stage to complete alienation from the target market is possible in today's climate.

Amidst all of this social upheaval, one group of firms who have consistently won out are megacorporations - especially during the pandemic. Many internet-based megacorporations such as Facebook or Amazon gained their power either by being the first or the best in their markets. The pandemic has only multiplied their power as a rapid shift towards an online existence has played right into their hands as firms with significant internet operations. Take Amazon, for example - its stock market value has skyrocketed to \$1.5 trillion as of 2020 and it has cemented its position as the lead user-operated market, with anybody able to set up an account and sell on its site. (Semuels, 2020) However, one thing that even these winners of the pandemic still take care to engage in is marketing, with Amazon spending its highest ever amount on marketing in 2020 at over \$20 billion globally. These companies understood the importance of realising their advantage by marketing; (Chevalier, 2021) even to these behemoth corporations, ethics still plays an important role in their marketing decisions as these companies have taken care to produce adverts in line with society's ever-changing values; as shown earlier, marketing falling foul of societal expectations can really hit even a massive corporation where it hurts - its bottom line.

Conclusion

To answer the essay question, ethics is extremely relevant in marketing decisions for contemporary business. As demonstrated in the previous sections and case studies, the ethics behind a marketing campaign plays a significant role in today's society as to whether or not it will succeed. It has been shown that ethical negligence when marketing, or falling foul of society's expectations, can and will lead to serious ramifications for a company. Take the H&M case study, for example; negligence to consider context when dressing a Kenyan child in a hoodie saying 'coolest monkey in the jungle' put a major dent in its reputation that not even backpedalling or promising improvement could fix. Given the available-forever nature of the internet, one can still easily find documentation about this online and scrutinise H&M's decision - in short, poor ethical decisions in the contemporary world will come back to haunt you. This doesn't only apply to instances as brazen as the first, and as shown in the Protein World case study, something that would have passed the censors 20 years ago is no longer acceptable today amid movements calling for acceptance of all people and censorship of material promoting anything otherwise. This is why it is extremely important to consider ethics when making marketing decisions for contemporary business; lacking it or ignoring it will only lead to your downfall as you will inevitably fall foul of a scrutinising society's ever-stricter expectations of you.

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