

MARKETING AND ADVERTISING ETHICAL STANCE TOWARD CUSTOMERS

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ABSTRACT: *Marketing ethics is a well-established area of marketing research. Following the marketing ethics is important and a key factor for a firm to survive and succeed. Research has shown that it is critical to focus on the accuracy of promotional messages provided to the customers. Giving the customer inaccurate information is known as misleading advertisements. This action is unethical due to leading the customer to buy a product which the customer thinks like what has been sawed in the Ad. Unfortunately, unethical advertisements are not directed just towered adult, however, children involved too. Moreover, many studies state that there is a growing number of marketers who are attracting the customers to buy unneeded products by using psychological and emotional appeals. I believe these appeals are the driving force would excite quick responses from the customers. This study aims to identify marketing ethics by reviewing past studies and discover some unethical practices in marketing.*

KEYWORDS: Marketing, Ethics, Advertising, Customers, Deceptive Advertisements, Appeals.

INTRODUCTION

The issue of ethical stance in marketing and advertisement towards customers has long been in debate. Akhter, Sattar and Umar (2011) asserted that domestic and international marketers and advertisers have excessively been using psychological and emotional appeals to sell their products. Mostly, intention of using these appeals is to attract customers who have no need to purchase these products. In the contemporary business environment, firms are involved in conducting such promotional activities that are raising questions on the ethical stances of marketers. On the other hand, elements such as sexist images, adventures, false information and languages are increasingly used for attracting and luring customers nowadays (Akhter Satter & Umar, 2011). The purpose of this paper is to review past studies to explore how and to what extent ethics is needed in the field of marketing. This paper will cover issues such as unethical advertisement, deceptions, inappropriate appeals and psychological impact on minds of customers. The conclusion will be drawn on the basis of the discussion.

LITERATURE REVIEW

The explosion of new and advanced technologies is changing the marketing and advertising landscape both domestically and internationally. New media, new concepts and ideas, new threats and challenges and greater opportunities are whirling around the industry and also impacting the ways of conducting business (Synder, 2011). There are extensive studies conducted on the issue of business ethics in general. There have been researches in business ethics that cover all the functions of business. This is research also extended into marketing field to some extent (Nooh, 2013). Due to the fact that marketing alone stirs ethical

controversies, the area of ethics in marketing should be studied alone in order to understand why marketers use deception and false advertisement in marketing activities.

Cunningham (1999) defined advertising ethics as “what is right or good in the conduct of the advertising function. It is concerned with questions of what ought to be done, not just what legally must be done.” Although ethics is considered as a main issue in the marketing literature, the historical research has largely stressed on the philosophical perspective of marketing (Drumwright & Murphy, 2004). But today the practical implications of these concepts can be seen, not just in terms of philosophy but in the area of ethics. It shows that advertising ethics has no longer remained merely a philosophical perspective. In the recent past, many studies have been carried out to figure out how unethical marketing activities damages the society and what can be done to construct ethical considerations into advertising practices. A review of some of the past studies carried out over last two decades have showed that the ethical issues in marketing were mostly found in advertisements directed towards children, women and promoting materialism. Moreover, the data suggested that ethical problems were identified in stereotypical advertisements, alcohol/tobacco advertisements, negative psychological effects of advertisements and deceptive advertisements (Singh & Sandhu, 2011). According to Schiffman & Wisenblit (2015), false or misleading advertising is providing the customers with inaccurate information in the promotional messages.

The analysis of ethical studies has revealed that much of the studies had been directed towards false and deceptive advertisements. These researches did not analyzed marketing ethics towards women and adults separately instead provided ethical issues for consumers as a whole. However, evidence has been found showing that a lot of work had been done for analyzing effects of unethical advertisement on children. Haefner (1991) found that effects of advertisement on children are particularly critical as these tactics modify their behaviors and views and lead them to adopt the values depicted in ads. Factors lead to change in behaviors and attitudes are, however, not discussed in the study. However, in this paper the issue of deception and false advertisement will be discussed as primary concern in the area of marketing for consumers. So it can be claimed that understanding the concept of deceptive advertisement is critical in this perspective.

Ethical issues

In the field of marketing, advertising has always received a lot of criticism from the public. A wide range of studies have been carried out mostly in the areas of impact of unethical advertising towards customers. Studies have demonstrated that consumers believe that most of the advertising activities often violate broad ethical norms. Some people believe that “ethical advertisement” is an oxymoron (Nooh, 2013). Nooh (2013) defined deception as “a false or misleading claim in advertising.” There are three important components of deception: belief, falsity and relevance. An advertising claim will be deemed as deceptive if it can be shown to encourage mistaken actions by consumers. An advertisement can be considered as misleading, false or deceptive if it is reasonable to expect that a person exposed to such advertisements will start holding false beliefs (Nooh, 2013).

Spence and Heekeren (2001) suggested that it is very important to determine marketing ethics towards consumers in all stages of marketing process. However, considering ethical stance during an advertising stage is perhaps the most important since it is directly concerned with changing behaviors and perceptions of consumers. The ethicality of advertising can be determined by the extent to which it may or will harm consumers. This can be defined as: 1)

violation of independence by control or manipulations, 2) invasion of privacy, and 3) the violation of the right to know by consumers (Spence & Heekeren, 2001). Snyder (2003) divides the definition of advertising ethics into three major components: truth, fairness and taste and decency. Snyder (2003) asserted that if any of these components are missing from the process of advertising that it would not be considered as ethical.

According to Nooh (2013), some scholars assume that marketers often do not take ethical stance into consideration while designing their marketing campaigns. These scholars assume advertising as fortifying materialism, selfishness, anxiety, sexual occupation and loss of self-respect. For example, during holidays or the festive seasons, airline companies tend to compete with one another by offering “cheapest” way to fly. In New Zealand, Qantas Airline was fined NZD 380,000 for the consumers had to pay more than the advertised price since there were lots of hidden charges that were not mentioned in the advertisements (Kessler, 1992).

Another past research conducted by Singh and Sandhu (2011) showed that ethical concerns have been raised on the use of sexual appeals in advertisement that is widely condemned by consumers. In the study’s results, it was found that excessive use of sexual appeals in ads is raising crime against women that is not only damaging morality but the society as a whole. It was suggested that advertisers need to recognize moral and ethical complexities involved in use of sexual appeals and incorporate that understanding when developing a marketing campaign (Singh & Sandhu, 2011).

Identifying deception

In order to identify misleading and deceitful advertisement, Nooh (2013) has presented three alternative views such as fraud, falsity and misleading because these three components are parallel to three major components of advertising communication that are: the advertiser, the message and the consumer beliefs about the advertised message. Agee (2006) found that misleading advertisements can always be seen during some festive seasons where retailers and marketers tend to offer a wide range of bargains. Another study emphasizes on the importance of ethics educators in instilling advertising ethics among consumers. The study has revealed that advertisers and marketers rarely talk about ethics in advertisement or it seems that they are suffering from “moral myopia.” Many past researches have also showed concerns with the cognitive, behavioral and attitudinal consequences of stereotypical advertising and showed that advertisement showing such elements tend to cause deception among consumers. It was pointed out that these advertisements become a reference point for young men and women as well as a standard of attractiveness that lower down their satisfaction with their own attractiveness (Singh & Sandhu, 2011).

One of the methods to help reduce the effect of deceptive advertisement is the use of corrective advertising (Agee, 2006). However, there is a huge gap in the relevant literature of corrective advertising. Most of the past studies are related to identifying methods of deceptive and unethical advertisements by marketers but methods of corrective advertisements are still unexplored and need to be discussed in a broader sense.

CONCLUSION AND FUTURE STUDIES

Based on the literature review of ethical stance in the field of marketing particularly advertisement, it is revealed that unethical marketing activities, false advertisement and

deceptive tools and tactics have major impact on changing human behavior. There are many studies in the past that focus on ethical advertisement in relation to cognitive, psychological and behavioral elements. However, the impact of false advertisement has not been done separately in the past. It is important to study deceptive advertisement and its effect separately on children, adults and women. It is important due to the difference in perception of advertisements in the mental developmental stages. Marketing and advertisement activities take more time in manipulating minds of adults as compared to children, thus studies on adults and children should be conducted separately. In addition to this, the area of corrective advertisement is also untouched so far. This area can bring into account several factors that marketers should consider while designing marketing campaign for the target market. By doing this, they would be able to ask themselves if the designed advertisements fulfill ethical obligations or not. Thus in order to resolve the issues of deceptive advertisement, future studies also need to address the solution through corrective advertisement.

Acknowledgment

This research project was supported by a grant from the “Research Center of the Female Scientific and Medical Colleges”, Deanship of Scientific Research, King Saud University.

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