

Marketing MIX: An Area of Unethical Practices?

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Abstract: In this paper we intend to develop the model of ethics in marketing. The first part of the article is concerned with presentation of the components of marketing and how they can be subject of unethical practices. In the second section we emphasis on empirical study in order to show that many unethical marketing practices may be occurred especially which are related to pricing and advertising practices.

Key words: Ethics : Product Decisions • Pricing Decisions • Promotion Decisions

INTRODUCTION

The field of marketing mix and ethic has stimulated many academic studies and this concern has come because of two main reasons. First, if the organization behaves ethically, customers will develop more positive attitudes about it, its products and its services. This means that if marketing practices are in harmony with standards and social conventions, the products/services of that firm will be acceptable. however if the firm do not employ ethical marketing practices, this may lead to disappointed customers, wrong publicity, no trust, more worst sometimes, legal action.

Research Problem: "Behaving ethically is doing what is morally right" (Gaski, 1999).

Many companies have damage their image when their customers discover their unethical marketing practices and they hum the moral commitment to their customers. Unfortunately, many unethical strategies were developed to make a company appear ethical but in reality their practices are different to what was revealed eventually the strategy of "GreenWashing".

Hence, we have also to explain which areas can be more concerned by this practice?

Research Objectives and Hypothesis Development: We intend mainly in this work

- To define the concept of ethics in marketing
- To present several areas concerned in marketing mix ethics

- To explore marketing practices and demonstrate, eventually, which area showing such unethical practices
- So our main hypothesis of empirical study is as follow
- Some practices of marketing mix may be seen as unethical

Section.1 Conceptual Framework of Marketing Ethics

Definition of Marketing Ethics: Ethics in Marketing "is a moral judgment and behavior standards in marketing practice in marketing area" (Gaski, 1999). Moreover, marketing ethics is to search the base and structure of rules of conduct, standards and moral decisions relating to marketing decisions and practices.

Ethics in Product Decisions: There are a lot of ethical problems related to product strategies. Some companies do not consider and pay attention to ethics and legal subjects in new products that's why defective products can be put on the market and these products can damage consumers. Moreover, some information on labels can be misleading (Chonko, 1995),

Ethics in Pricing Decisions: Pricing practices are always doubtful according to potential probability that prices will be managed in favor of the seller. In ethical view, the consumer should receive benefit proportional to the price that he gave (Kehoe, 1985). In case of monopolistic power, we notice always irrational price raise (Ortmeyer, 1993). The Promotion prices can be dishonest and not accurate. In addition many strategies are developed in this

area can hurt not only the consumer but also the competitors through price fixing strategy, or that of predatory pricing which aims to have monopolistic position, we can add also discriminatory pricing strategy among others unethical pricing practices

Ethics in Distribution Decisions: Unethical practices in this area result from discrimination in the distribution and the main unethical problem is direct marketing when the seller forces the consumer to buy the product, intrusion problem (Chonko,1995)...

Ethics in Promotion Decisions: An advertisement is going more and more the most persuasive means of inciting the consumer to buy the product. Unethical problems in advertising can be result when customers suffer from deception when they realize that the content of the advertisement was not true. Other ethical issues related to advertising include advertising to children (violence), to woman (harassment), (Drumwright, 1993)...

**Section.2 Empirical Framework for the Study
Presentation of the Study**

Sample: In order to detect unethical practices, we addressed a questionnaire to our target sample, (students). We describe this questionnaire as follows.

Questionnaire: 400 students are responding the questionnaire Questionnaire forms were filled with students.

RESULTS

In Table 1, it is clear that pricing practices are considered the most unethical area in marketing, 37.5%. Decisions related to advertising are in the second range.

Table 1: Importance of Unethical Marketing Mix Decisions in Marketing.

	Product	Price	Distribution	Advertisement	Sales	Total
1	30	76	3	75	20	204
2	7	38	2	36	13	96
3	3	15	2	19	11	50
4	9	17	1	3	1	31
5	11	4	2	1	1	19
	60	150	10	134	46	400

Table 2: Summary and percentage

	Product	Price	Distribution	Advertisement	Sales
400	60	150	10	134	46
%	15	37,5	2.5	33,5	11.5

CONCLUSIONS

It is clear that advertising and price policies seem to be the most areas in which an unethical practices may often occur.

One lesson that we should understand is that most companies seem to be engaged in unethical practices and can therefore misleading the consumer. Many firms even they are assigned to behave ethically but their practices show irregularities and frauds.

We have demonstrated by here some areas in marketing that marketer may develop unethical strategies such in pricing and in advertizing

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