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RESEARCH ARTICLE

MARKETING MIX: An Area of Unethical Practices?

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Abstract

In this paper we intend to develop the concept of ethic in marketing so the first section is concerned with presentation of the components of marketing and how they can be subject of unethical practices. We try also to discuss some relevant issues related to the same. In the second section we focus on empirical study in order to show that many unethical marketing practices may be occurred especially which are related to pricing and advertizing practices.

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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".

So In this research we attempt to get response for our main question: marketing can be an area of unethical practices?

Hens, 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

H: Some practices of marketing mix may be seen as unethical

CONTRIBUTION TO LITERATURE

We hope contribute to literature through

1. Theoretical side: to present the concept of ethics in marketing and the ethics related to each components of the marketing mix.
2. Explorative side addressed through: an inquiry about unethical marketing practices in different component of marketing mix in order to detect which one may be seen more unethical than others components.

STUDY PLAN

In the first section we introduce marketing ethics based on review literature. Then a questionnaire on marketing practices to collect viewpoints of consumers regarding components of marketing mix are developed in the second.

SECTION.1 CONCEPTUAL FRAMEWORK OF MARKETING ETHICS

1.1 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.

1.2 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), problem added to these issues related to packing (Menezes, 1993)...

1.3 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

1.4 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)...

1.1.5 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)...

2.1 EXAMPLES OF ETHICAL ISSUES IN MARKETING

Market research:

- Invasion of privacy (obtaining research data without permission)
- Stereotyping – drawing inappropriate conclusions:

Target customers and market:

- Targeting the vulnerable (children)
- discouraging demand from undesirable market sectors

Pricing

- Price fixing: Price fixing is illegal. It is considered to be anti-competitive as well as unethical.
- Price collusion (agreeing with other competitors to set prices in a market to the detriment of competition and consumers)

Advertising and promotion

- Advertising content: violence, sex and profanity.
- Negative advertising techniques, when the advertiser highlights the disadvantages of competitor products rather than the advantages of their own.

SECTION.2 EMPIRICAL FRAMEWORK FOR THE STUDY

2.1 PRESENTATION OF THE STUDY

2.1.1 SAMPLE

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

3.1.2 Questionnaire

400 students are responding the questionnaire

Questionnaire forms were filled with students.

In the questionnaire, the students are asked in general to range the five decisions areas, in which the unethical practices are the most seen.

3.2 FINDINGS

The data that is collected according to the objective of the study is analyzed under headings in the below table

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

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

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.

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

Recommendations

Ethical behavior should be enforced throughout company culture and through company practices. So an ethical business should not Agree prices with its competitors or share markets or limit production to raise prices.

As the advertising (promotion) should be regulated in order to deter unethical practice.

Marketing to children should be closely controlled

To act ethically, marketers must perceive ethics and social responsibility as important components of marketing.

LIMITATIONS OF STUDY AND FUTURE DIRECTION

-The empirical study was based on students who their age may impact their perception which may differ to other social categories

- As future study, we can investigate ethics marketing related to specific product, and choose mixed social categories as sample

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