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RESEARCH ARTICLE

REDISCOVERING THE IMPACT OF ETHICS IN DIGITALISED MARKETING: ENVISAGING THROUGH MO-CE-SA-PU-EM SCALE

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Abstract

Amidst fluctuating, turbulent and ever-changing market environment across the globe the market concepts have transformed drastically. The leaps and bounds of digital marketing encompass the global marketing scenario. The cut-throat competition and massive pace with changing business practices has compelled to redesign ethical connotation of present marketing houses. The present study focuses the broad domains viz. morality, word-of-mouth practices, value based advertisements, decision making phenomenon and unethical constraints as the proponent in the digital marketing platform with ethical considerations. The aim of the paper is to identify the items that may be considered to design the MO-CE-SA-PU-EM Scale. The main source of conceptualizing the domains is formulated with related literature and experts' opinions comprising both academicians and practicing market executives in the industry in Kolkata as well as across the country through primary and secondary collection methods. A scale would be created involving essential considerations of the paper with the identifiable domains. These would be considered as independent variables and the notion of ethics in digitalized marketing as dependent variable. The implication of the study is that it throws considerable light about the role of ethics in marketing domains and has the potentials to significantly impact marketing business for 21st century digitalized business enterprises.

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Introduction:-

The Notion of Ethical Marketing in Digitalized Marketplace:

The ever-changing market scenario and cut throat completion across the globe has amplified the market concept. Marketing plays a pivotal role in the growth and development of a nation irrespective of size, population and has always kept pace with economic growth of the country. The digital marketing and progressive use of internet has revolutionized every aspect of life including economy and marketing. Amidst waves of unpredictable scandalous behavior, turbulent business environment and fragrant illegal activities the content and context of ethics literature need to be re-oriented, redesigned and reframed for ethical consumerism in general and ethical marketing of product in particular. The cut-throat competition and massive pace in the present globalized world with wealth disparities coupled with lack of accountability has the put forward the today's world to confront the phases of financial crisis one after another. Amidst rising customer expectation, stringent government legislation, relentless media monitoring and changing business practices has compelled marketing corporations to take utmost care in implementing value based marketing and thereby contributing towards a habitable environment. The connotation of "selling good" has replaced "good selling"- the holistic phenomenon of ethics for public good has become catchphrase of 21st century

digitalized marketing. This broadened view of marketing helps every ranging from design team to sale forces to work with an upcoming agenda of “think customer” under the protective shield built with fairness-transparency-accountability of ethical marketing. The study represents an initial initiative in analyzing the role of ethical marketing and the impact of ethical decisions and global marketing in the days to come. Therefore, it is found highly desirable, imperative, pertinent and necessary to conduct a study on ethical marketing practices in the digitalized era of management and that would be useful for every stakeholders of the marketing sector for better service delivery at all every level. The study is based on research instrument “MO-DE-SA-PU-EM” in the name of ‘Morality – Decision Making – Satisfaction – Publicity - in Ethical Marketing’ scale as the findings of the study.

Objectives of the Study:-

The specific objectives of the current study comprise identification and defining a set of select domains and items within in tune with generations of marketing ethics for global business development. In this paper the essential objective is to delineate the notion and rational of ethical marketing in digitalized platform along the lines of specific considerations. These considerations would be in the line with Understanding Morality in Marketing; The Notion of Words-of-Mouth Practices in Digitalized Marketing Business; Building Value-based Advertisement in Ethical Marketing; Nurturing Appropriate Decision Making in Ethical Marketing & The Unethical Constraints of Marketing. The idea of the paper is to connect these elemental considerations to rationalize their criticality towards building visualized ethical marketing within organisations. The aim of the paper is to identify the items that may be considered to design the MO-CE-SA-PU-EM Scale.

Understanding Morality in Marketing:

The history of marketing dates back to the days of Adam Smith who thought that trade and public good was “fundamentally surversive” for effective marketing creating essence of ethics, values and responsibility. Through ages the idea of buying, selling, sharing, gifting and bartering has transformed into the today’s concept of marketing which all are oriented towards survival and fulfill existence. The value of money transformed from simple to complex, normal to spontaneous and scattered to organize with the changing times. The foundations of public good - public trust- public utilities are the rudimentary pillars constituting the institution of faith and morality. Through times the world has witnessed two world wars with laissez faire industries which became the popular slogan of free market capitalism of the present century. Twentieth century witnessed the scenario of prosperity, freedom and liberalism with the changing title of public good concentrating “logic of buying and selling applied to the whole of life” as a holistic approach. The world of price wages interested with stocks and bonds replaced by online cashless and swift transaction mode, canvassing human behaviour to the world of virtual practices. The evolution of marketing ideas put the new norms of values and qualitative aspect replacing the product concept of marketing towards innovations and clever marketing practices. The age-old convention of oldest tricks in marketing transformed into welfare marketing where the notion of customer satisfaction with evolution of trust, responsibility and brand consciousness drives into holistic marketing concept in today’s 21st century marketing concept arena. The holistic marketing phenomenon gives priority through acknowledgement and personality of the customers with common values and merits for all the stake holders. The evolution of new technique of marketing imbibes between different forces of marketing domains to introduce “think customers” in order to inculcate cultural and ethical values in all respect. The new wings of marketing concept enlarge into “societal marketing concept” emphasizing accountability and social responsibility towards market society. The emerging trends of sustainable marketing confront competition and competitiveness to cater customers, employees, marketing partners, shareholders and investors. Amidst a newly evolved and good governing corporate practices transparency and accountability has been the key words for revising sustainable initiative in marketing. It can be agreed that a good company delivers best products and services and functions all that for striving and existence and it is the right time to move from business with collateral damage to ethical business with collateral benefits.

The Notion of Words-of-Mouth Practices in Digitalized Marketing Business: An Overview:

Consumers are the lifeline of marketing hemisphere. Harnessing consumer emotions, sentiments, behaviour, attitude represent an ethical image imperative on marketing business. Studies reveal that dialect, communication and behaviour influences credibility in marketing business and activities. The bell tone of marketing functions rests on the notion of word-of-mouth communication by enlisting consumers who talk about brands products and services in their sphere networks. It is a communication acting as a powerful force in the market place. In spite of having online information filtered through varied media’s the corporate entity of organisation is characterised through Word-Of-Mouth phenomenon to attract public attention and critique. As per the guidelines of Word-Of-Mouth Marketing Association (WOMMA), considering stealth marketing to be unethical as it is seen to undermine of effectiveness of

tactic. The immediate outcome of word-of-mouth episode results in the credibility of information which provides likelihood of purchases and feeling about the products and services all contributing towards raising the ethical standards of marketing business. As per WOMMA terminology 'Word-Of-Mouth has been defined as "the act of a consumer creating and / or distributing relevant information to another consumer"'. Word-Of-Mouth can be segregated into two broad arenas namely - every day or organic and institutional or amplified. Everyday Word-Of-Mouth occurs when there is no corporate evolution in any of the people involved whereas in the contrary institutional Word-Of-Mouth involve any attempt to manage measure and activities in the marketing programmes. The prominent avenues of ethical marketing include that participation in Word-Of-Mouth programme that does not undermine the Word-Of-Mouth communication. Disclosure has practical business that does not necessarily affect the flow of communication in clear enforceable word. Education should be one strategy for ensuing compliance with disclosure policies; enforcement should be another and many more. The impact of word-of-mouth communication practices poses questions whether disclosure agencies go far enough, do brands, products and services from fast samples fall under the disclosure policies; status regarding the issues with word-of-mouth marketing organisations in the present business climate. Studies reveal that nearly 80% knew that agents report back to the marketing organisations about the word-of-mouth episode and 45% knew that the marketing organization participated in the given venture. Thus, it can be rightly connoted that any marketing organization or company that enlists the support of customers to spread the word-of-mouth as part of their organizational venture and revisit their business practices for upgrading ethical norms in digitalized marketing business in the present business environment.

Building Value-based Advertisement in Ethical Marketing:

Ethical behavior & value-oriented activities are of prime concerns in today's marketing scenario. Business houses across the globe are building agendas on how ethical standards should govern corporations as they expand globally and how ethical principles affect the moral standards which impact ethical decisions in global marketing. The rise of marketing ethics can be visualized which confronts unethical activities signifying major complains about advertisement in marketing domains. Such unethical proponents in advertising include the areas where advertising over emphasizes materialism, perpetuates advertising focuses on children, advertisement is offensive, advertising dangerous products resulting unethical outcome. Global advertisement is on first phase while running global trade offensive advertising and illegal phenomenon should be avoided as they violate cultural norms and diminish positive spirit between group of people in marketing business. The footsteps of ethical marketing can be looked from the point of view of value-oriented functions which include ethical decision making, developing ethical standards, utilitarianism, distributing justice, human rights and gerontology perspective. Decision making in global marketing addresses common ethical issues which includes cultural relativism and cultural sensitivity on one hand and justice approach which postulates to treat everybody fairly and consistently while making decisions. Global marketing ethics should include agendas of improving the standard and quality of life by providing good and services that fulfill consumer need. Moreover, business houses must pay attention in managing ethical environment, creating avenues for open line of communication at all levels of the organisation, active participation of all organizational members in forefront activities – all contributing towards upliftment and excellence of ethical standards in the long run. Managing global ethical behaviour affords ethical organisations with varied competitive advantages enhancing human development and ethical operations simultaneously.

To build the foundation of ethical movement moral principles like utilitarianism, justice, human rights and caring for others comes into limelight for wider development of ethical revolution. Utilitarianism can be defined as the right or acceptable actions that maximize total utility bringing greatest good for greatest number of people resulting pleasure at large. The basic principles of utilitarianism are constitutive of marketing ethics commanded by distributive justice projecting the proper distribution of justice and burden. People at large are the ultimate beneficiaries of marketing needs where justice and fairness are to be considered as the prime consideration in determining ethical behaviour. Equal opportunity, equality and universal degree of liberty are the trio element of human rights governing ethical marketing scenario. At the same time gerontology comes into action defining moral philosophy that focus on right on individuals and the rightness of individual persons in determining ethical values. Amidst present day uncertain business environment, recognizing cultural and ethical differences is of prime concern. It is the duty of marketing executives to recognize their own perspective and the tendency to view one's own tradition and culture in the international area to justify the norms in ethical marketing. The international stage of marketing faces issues in international markets which includes gifts, bribery, corruption and promotion of controversial product. In spite of all the hindrances and obstacles that the marketeers face, the drive for pursuing policies to promote ethical marketing and to sensitize marketers and consumers to recognize moral issues is the call of the hour. Marketeers and the marketing bodies should initiate positive drive to inculcate in the minds of everybody the ethics of good

marketing. The united effort collaboration spirit of both the marketers and consumers will pave the way in fostering marketing ethics in the days to come.

Nurturing Appropriate Decision Making in Ethical Marketing:

Consumer decision-making is considered as one of the largely cognitive and sensual activity. The essence of emotional component plays a vital role in the decision-making process and the nature of emotions either bad, good or negative dictate the decision-making phenomenon in marketing arena. Traditional decision-making models are governed with varied steps viz. recognizing problems or opportunities, consumer search for the available alternative, evaluation of the alternative occur – all play a vital role in purchase decisions resulting in purchase acts. The view of the role of emotions in consumer decision making has evolved with an understanding of an array of components ranging from impact of negative emotions, consumer and ambivalence, consumer conflict, openness to feelings and consumer emotional intelligence. Various models analyses the consumer decision making process which recognizes the evaluation of marketing with emotional judgement in the decision-making process. Studies reveal that negative emotions play a prominent role in consumer decision making due to emotional factors like anticipated regrets, confidence, space, impulsiveness and negative brand attitude.

A wider integration between emotional player and satisfaction leads to desirable decision outcomes emerging the relevance of consumer emotional intelligence in the marketing domain. It has been witnessed that emotional intelligence can be taught and individuals can learn to control their emotions to become better decision makers and leaders. In the functional hemisphere emotional intelligence is “based on the notion that the ability of managers to understand and manage their own emotions and these of people they work with is the key to better business performance” (Crainer, 2006). As cited by Kidwel et al (2008), consumer emotional intelligence can be defined as “a person’s ability to skillfully use emotional information to achieve a desired consumer outcome”. With the increase in understanding of emotions in consumer decision making, it has produced new framework for building a balance between marketing and marketeers in the business planet. Consumer decision making process appeals judgmental component on one hand and focus on integral emotions on other hand resulting to convince consumers to feel “happier” on the purchasing activity holistically. Ethical implications of the role of emotions and emotional intelligence in consumer decision making rests on the ground that it gives an opportunity for the individuals who are at least using their emotions to make good consumption decisions. Ethical responsibility is an integral component which helps individuals to make effective consumption decisions. In the present-day competitive business environment ethical marketers should encourage consumer emotional intelligence as a news to drive positive behaviour in consumers for effective marketing activities.

The Unethical Constraints of Marketing: The Legal Perspective:

As per the reports of the Law School of Officials existence of misleading marketing is perhaps the easiest way to disseminate mis-reporting acts leading to falsifying results. The simple truth of marketing is being hidden with deceptive ideas violating the minimum standards of ethical marketing. Perhaps in many contexts the fact of intention and non-intentional action raises question whether chances of keeping are being admitted willfully due to the domain of mis-conduct. Moreover, highly misleading speeches governed by misleading communications in the marketing field sometimes creates anomalies and complexities in the marketing scenario. Misleading information backed by deceptive advertising campaigns creates confusion and commotion among the customers at large. Specifically, as per rule 8.4% of the model’s rules of professional conduct prohibits professionals from engaging in “dishonesty, fraud, deceit and mis-representation.

” The law interprets that any dishonest conduct is subject to disciplinary action in the eyes of law as per marketing climate. The rules of professional conduct pose a value commitment towards marketing fraternity in terms of honesty, trust worthiness, discipline and genuine professional duties. Violations of the rules of professional conducts raises substantial question and acts like dishonesty and misrepresentation to be regulated and prohibited in marketing activities. The law of marketing governed by the rule of law implements professional discipline to curb misleading marketing and dishonest marketing behaviour. The intention and the implication of misleading marketing results in professional mis-conduct and such complains need to be addressed with proper disciplinary action. The most convenient means and ways of ethical marketing is sublimed within the responsibilities of the marketing professionals which would help to improve the level of marketing standards with reliability and the responsibility to bring hidden mis-conduct to light and to expose the clear and transparent marketing information for the customers at large.

Research Methodology:-

A study has been based on the primary literature survey. Based on the literature survey and understanding the aim of the study is focused on creating a research scale in the name of 'MO-DE-SA-PU-EM' scale. The comprehensive 'MO-DE-SA-PU-EM' scale has five broad areas of ethical digitalized marketing. The five broad domains viz. Domain A: Understanding Morality in Ethical Marketing; Domain B: Exploring Behavioral Aspect in Ethical Marketing; Domain C: Building Value-based Advertisement in Ethical Marketing; Domain D: Nurturing Appropriate Decision Making in Ethical Marketing; Domain E: Upholding Marketing Legal Norms in Ethical Marketing would be considered as independent variables and the notion of ethical marketing as dependent variable. The scale design thus is an attempt in this paper which revolves around identification of whether the independent variables (broad domains) effect the dependent variable i.e whether $Y = \text{function of } X$ and if so what extent Y implies ethical marketing and X signifies the broad domains drafted in the scale. In this paper the author considered Domain A to Domain E to scale for ethical marketing in the digitalized platform. The scale has multiple sub domains with each of the domains A – E. In this study we focus on Domain A to C with six Sub Domains within each Domain and Domain D to E with five Sub Domains within each Domain. This has been done to focus on the study in a concise form. The structured scale would be the research instrument with a clear nomenclature of 'MO-DE-SA-PU-EM' scale to a connection of primary data and has the potential feedback for future scope of study. Moreover 'MO' meaning morality in marketing, 'DE' meaning decision making marketing activities, 'SA' meaning customer satisfaction, 'PU' meaning publicity and advertising activities in marketing for upliftment of ethical marketing platform.

Findings/Results:-

From the literature explicated in the paper, a modest attempt has been made to identify the items underlying the proposed 'MO-DE-SA-PU-EM' scale. The five broad domains identified are Understanding Morality in Ethical Marketing, Exploring Behavioral Aspect in Ethical Marketing, Building Value-Based Advertisement in Ethical Marketing, Nurturing Appropriate Decision Making in Ethical Marketing and Upholding Marketing Legal Norms in Ethical Marketing.

The scale may be considered to have five broad domains-

- A. Understanding Morality in Ethical Marketing
- B. Exploring Behavioral Aspect in Ethical Marketing
- C. Building Value-Based Advertisement in Ethical Marketing
- D. Nurturing Appropriate Decision Making in Ethical Marketing
- E. Upholding Marketing Legal Norms in Ethical Marketing

Each of the above domains can be independently considered to arrive at a handful of items for the scale. The items have been generated from an extensive literature survey which has been a significant part of this paper.

The following items can be comprehended as-

Domain A: Understanding Morality in Ethical Marketing:

- A.1 Understanding Morality as the core concept of value for survival and fulfill existence.
- A.2 International marketing concept centered around sense and response philosophy
- A.3 Innovative upholding of holistic marketing concept
- A.4 Designing the theme, customers, promotes moral ethical marketing
- A.5 Creating linkage between societal marketing and commercialization effect for ethical marketing
- A.6 The prominence of social responsibility with sustainable green marketing initiatives accelerates ethical marketing sensitivity.

Domain B: Exploring Behavioral Aspect in Ethical Marketing:

- B.1 Conversational pattern as word-of-mouth communication induces ethical activities.
- B.2 Learning & educational pattern of consumers promote ethical behaviour.
- B.3 Transparency & disclosure of fact in product, service and communication builds ethical behaviour.
- B.4 Organisational credibility about the product generates ethical belief validity message.
- B.5 Relationship pattern among consumers influences ethical marketing behaviour.
- B.6 Participative inclination ensures effective ethical marketing behaviour.

Domain C: Building Value-Based Advertisement in Ethical Marketing:

- C.1 The 5 P's of marketing – Product, Price, Promotion, Place, People promotes value-based advertising.
- C.2 Gender, age and degree of affection influences advertisement perspective.
- C.3 Value-based Advertising appeal ensures targeted audience to receive their message.
- C.4 Immoral advertising with sexual content diminishes marketing value.
- C.5 Advertising with Societal marketing agenda supports credibility & market of the product.
- C.6 Advertisement supported by fairness induces consumer buying decisions.

Domain D: Nurturing Appropriate Decision Making in Ethical Marketing:

- D.1 Emotional influences promote ethical decision-making process.
- D.2 Satisfaction layer amplify decision making behaviour for ethical marketing environment.
- D.3 Openness to feeling, mood and control decision promotes decision making behaviour in ethical marketing.
- D.4 Consumer intelligence enhances ethical decision-making process in marketing.
- D.5 Ethical implications induce decision making activities for ethical marketing.

Domain E: Upholding Marketing Legal Norms in Ethical Marketing:

- E.1 Devoid of falsehood enhances ethical marketing norms.
- E.2 Non- misleading pitches and communication broadens ethical marketing arena.
- E.3 Elimination of dishonesty, fraud and misrepresentative brings best possible ethical marketing outcomes.
- E.4 Eliminating misconduct and unethical behaviour upholds pro-active ethical marketing practices.
- E.5 The code bar of marketing discipline creates avenues for new ethical marketing reforms.

Implications of the Study:

The rise of marketing ethics can be visualized in the perspectives of global marketing impact. Marketing ethics in international arena focuses a growing concern for ethics in general. The paper thus upholds and attempts to create a 'MO-DE-SA-PU-EM' scale within its domains and items within. The five domains identified in the area of ethical marketing in digitalized platform reveals trust and reliability upon marketing practices of the organizations worldwide. The life-line behind any organisation rests on economy and economy in turn vests on marketing – the driving force for present day organizations. The paper therefore, humbly unleashes proposal of a scale in the process of a kind in order to assess ethical marketing vis-a-vis five identified broad independent domains. The paper examines contemporary research that challenges traditional assumption about the role of ethics in marketing domains and introduces the dynamic and sustainable role of ethics and truthfulness into the marketing journey of the present day digitalized business houses. The essentiality of the study lies in the fact that ethical marketing within organization has the potentials to significantly impact important organisational outcomes and thereby build the strong business agenda pertinent for the 21st century technology driven business enterprises.

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