

# Ethical aspects of social media marketing

[Business](#), [Marketing](#)



This essay will focus on the topic ' Critically evaluating the ethical aspects of social media marketing in the United States' and the principal question assessed throughout this writing will be ' Have social media marketing acted ethical or not? ' According to Nielson Report (2013, p. 3), ' Social media marketing typically refers to two practices involving social media- the use free tools and paid media'.

According to Gaski (1999 cited Smith 2000, p8), marketing ethics is defined as " standards of conduct and moral judgements applied to marketing". In relation to social media, these ethics guide the operations of marketing on social media platforms such as Facebook, Twitter or Youtube (Eagle, 2009). With the rapid growth and adoption of social media, the ethical concerns on social media has also significantly increased. (Mutula, 2012).

The author further examines the following categories: 1. Social Media Research According to Smith, (2001), -" be truthful, protect privacy, don't model inappropriate behaviour, don't be offensive, be fair and balanced, avoid stereotyping and protect children" are the seven basic ethical standards for marketing, which are applicable to the present social media marketing. However, all businesses has a legal responsibility to comply with the legislation of their country.

In the United States it is the Federal Trade Commission which regulates advertising and marketing laws in the country. (Smith, 2001: Federal Trade Commission, 2013) Social media research is the initial stage of marketing; a technique or an approach used by the marketers to conduct market research on social media platforms. The foremost issue that has commenced is the

ethical aspect of using social media for market research purposes; the gathering of data and conducting research on consumers and competitors. (Patino et. al).

In addition, it is the fundamental responsibility of marketers to protect consumer personal data by ensuring that the data is only used for research purposes and makes sure that they adhere to the social network guidelines and regulations of the company. (Mareck M, 2011) However, companies violate these rules and steal customer information without their consent for research and marketing activities, which is unethical and against the FTC Act.

Evidently, it was reported by the FTC, in May 2011, 32 legal actions were taken against organisations that have failed to maintain protection for consumer sensitive data thus breached consumers' privacy rights. For example, in February 2013, a social networking app generated by Path. Inc. , acquired consumer personal information without their consent and settled FTC charges for infringing Consumer Privacy Act also in the meantime the same company was charged for violating the Children's Online Privacy Protection Act, from approximately 3000 children personal information was collected without getting parents' consent which was claimed to be highly unethical. (Federal Trade Commission 2013).

Moreover, social media has assisted companies to monitor their employees on social networks. Many reports and cases have been lodged against those companies for unethical practices, by involuntarily retrieving personal information of employees. Such cases involve companies use specialised softwares or access employees' user name and password of Facebook and <https://assignbuster.com/ethical-aspects-of-social-media-marketing/>

Twitter accounts, to trace tweets and posts of what employees post on social networks.

As a result, in regard to the newly imposed social media privacy legislation, companies were seized to make settlements on the charges of violating Employee Privacy Protection Act. (Eaglesham, J. and Rothfeld, M. , 2013) Furthermore, social media marketing has become a major threat to the competitors since the birth of social media, and with the aid of market research it has become a trend for brands to practice unethical and unlawful activities such as creating fake accounts, fake endorsements, fake blogs, fake community groups and tarnishing competitors' brand reputation on social platforms. (Ray, 2011)

1. 2 Viral Marketing and Advertising Viral marketing is the spreading of information between users on social media and it has become the defining marketing trend; techniques used to promote company product/ service and brand name on social media. For example, viral campaigns are marketing techniques widely used to spread the Word-Of-Mouth (WOM) and it can be in the form of viral videos via Youtube, Facebook statuses/posts, or blogs on social media.

Thus, viral campaigns build awareness and promotes the company product and image on social media. (Ferguson. R, 2008) For example, ASDA has effectively used this strategy for their promotional campaigns, like the Christmas doesn't just happen by magic Video 2012 which went viral on Youtube. However, viral marketing can be an adverse impact to the company and unethical too.

For example, Celeb Boutique thought of implementing the viral marketing technique of trending hash tag on Twitter, instead of a positive brand recognition it caused a negative impact to the company brand image and was humiliated virally. (Smeets, 2013) In terms of ethics, such cases include: companies that attack other companies indirectly, being dishonest unprofessional and disrespectful on their campaigns.

For example: As reported by The Economic Times, in April 2012, Nokia launched an aggressive viral campaign against Samsung, comparing its Lumia smart phone with Samsung's intentionally emphasizing that Nokia phones are invincible and can blow away other smart phones, this campaign was highly unethical and against the FTC Advertising and Marketing Act of being dishonest and deceptive to stakeholders such as competitors (Mukherjee, W, 2012) According to FTC (2013), " All businesses have a legal responsibility to ensure that advertising is truthful and not deceptive".

Advertising shouldn't target on vulnerable audiences such as children and should comply with the FTC standards regarding children privacy issues.

For example: Kelloggs company made false claims on social networks that its Frosted Mini-Wheats cereal benefits children and improves their immunity, this was done by giving false evidence that the attentiveness of children can be improved by 20percent clinically, this advertisement was unethical as it infringed the standards of FTC" (Federal Trade Commission, 2013) Furthermore, it was alleged that companies pay celebrities millions of dollars to advertise and promote their brand on Social networks.

Recently, Snickers was suspected in promoting their brand on Twitter in the form of tweets through prominent celebrities such as Rio Ferdinand and Katie Price in 2012. As a result, the Fair Trade officers advised celebrities that advertisements that doesn't reveal as a promotion or an endorsement is a 'deceptive advertising' and warned Snickers, it is against the FTC standards. However, the complaints accusing Snickers for deceptive advertising were forwarded to the Advertising Standards Authority to take further investigations on this unethical behavior. (Barnett, 2012: Federal Trade Commission, 2013)

1. 3 Engagement Process Social media enables companies to interact with customers more directly than any other forms. Engagement process is one of the major ethical challenge for companies as it involves the process of directly engaging with customers on social networks and has become a common practice for companies. Social media is used by employees on behalf of the company and it can endanger the company reputation via social media by using it unethically.

Even though, engagement process is an important component for marketing and public relations it can still be treacherous if used unethically. (Institute of Business Ethics, 2011) In a survey carried out by the Ethics Resource Centre, 45percent of U. S employees witnessed misconduct at work in which 65percent from those reported to be immoral behaviour, in consequence was alleged for violating the workplace ethics law. The study reveals that social media appears to be a major contributor to this issue. (Ethics Resource Centre, 2011)

In March 2010, Nestle Facebook fan page was hovered with negative remarks from its fans after the palm oil campaign, in response, the employee who controls the fan page posted offensive comments which violated the company policies hence, led to bad publicity and boycott activities from the public. (The Guardian, 2011) In 2012, many big brands faced serious catastrophes on social networks. Such circumstances follows; when McDonald tried to promote its brand via Twitter using hashtags, unfortunately the customers on Twitter posted unfavourable comments of consuming McDonald's food.

Other examples such as the American Apparel and The Gap faced a colossal destructive responses from its customers for posting disapproving ads at the time of Hurricane Sandy. (Anon, 2012) 1. 4 Ethical Social Media Marketing Vs. Unethical Social Media Marketing Conversely, a survey carried out by the IBE reveals, businesses that operate ethically on social media is significantly greater than the proportion of businesses that operate unethically.

The above pie chart illustrates that 48 percent of the respondents say that businesses operate very/fairly ethically. (Institute of Business Ethics, 2012) Nevertheless, IBE survey found that it was a decline from 58 percent to 48 percent of views that assumes businesses operate very/fairly ethical on social media. Therefore, the change in the percentage from 2011 to 2012 ascertains that the negative impressions on ethical business behavior have increased radically. (Institute of Business Ethics, 2012) Conclusion

Social media marketing has positive and negative effects: the importance for social media has increased tremendously due to the immense benefits such as the increase in awareness, promotion, engagement and research; if social  
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media is used unethically, may lead to lead to bad publicity and tarnish the company reputation. The varied arguments evidences of statistics and cases from different organisations strongly condemns that social media marketing is unethical; the unethical use of social media practiced by businesses outweighs the ethical use of social media marketing.

All in all, the author finds social media marketing unethical hence, may create a huge impact on the company and brand image negatively. However, if social media is properly used, it will result positive outcomes for the brand; if misused, the consequence will be a social abuse. Therefore, the author suggests to use social media vigilantly and consider the business ethics standards of their country before taking further steps