

Ethical and social responsibility in advertising marketing essay



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Introduction

In the modern day society, advertisements have huge influence everywhere, especially those through the media. Advertising through the media is pervasive and powerful in shaping up attitudes and behaviors in the contemporary world. Advertisement does have profound impact on peoples' understanding of life, the world and themselves, particularly regarding values and choices in life. Today, there is increasing literature focusing on ethical and moral issues that advertisement can and does actually raise. Research reveal instances that advertisement violets the basic economic assumptions in the society each day and that the consumers are increasingly aware of it and its influences. This paper focuses on exploring the reasons why some businesses and advertising agents are opting for improvements in ethics and social responsibility to further enhance their image and perhaps as another way of building brand images acceptable in the modern competitive society.

Advertisement by definition refers to the structured, non-personal communication or information about products, services or a firm that is in most cases paid for. It is usually persuasive and about products by identified sponsors through the various channels of the media. Social responsibility as much as it may mean differently to different people, generally, it refers to the obligation on the part of the business to take deliberate actions that safeguards and improves the society's welfare as a whole. Ethics on the other hand, means conduct that is right in the society's view. What is ethical is that which receives a common consent of the society. The focus of

business in the 21st century should not be to earn profit alone, but to serve the society in the most ethical and socially responsible ways possible.

In this paper we address the topic of concern in terms of effect on the whole advertisement industry. That is, the paper examines how ethical and social responsibility practice of firms affects the advertisement industry today. In addition, the paper attempts to explore various ways in which the business managers use the practices in their advertisement campaigns to achieve business objectives. Besides looking at how ethical and social responsibility practices influence consumer behavior, the paper further examines the implementation of such practices in specific organizations.

Description of Ethical and Social responsibility in advertising

In today's competitive world, consumers are exposed to numerous commercial messages each day. They appear in the form of TV commercials, newspaper ads, billboards, coupons, event sponsorships, publicity, sales letters, emails, web ads or even telemarketing calls. These are only a few of the numerous communication tools used by companies and organizations in initiating and maintaining contact with clients, customers and prospects.

According to Wells et al., advertisement is defined as form of paid for unidirectional communication disseminating a product or a service (Wells, et al. 2007). In the words of Singh, advertisement simply means creating a need in the consumer's mind for a product, in an attempt to influence them to feel thrust for a product regardless of whether they really need it or not (Singh, 1998). Research reveals that companies spend heavily on

advertisement campaigns. Laczniack points out that in 2005 an estimated <https://assignbuster.com/ethical-and-social-responsibility-in-advertising-marketing-essay/>

\$300 billion was spent on advertisements around the world (Laczniack, 2008). The primary interest in advertisement is in the ability to enhance business profitability and therefore many of these companies tend to ignore the social aspects in designing these advertisement campaigns.

Ethics means conduct that is right in the society's view. An ethical practice is that which receives a common consent of the society. Business ethics forms applied ethics informing ethical principles, morals or ethical issues arising in the business environment. Business ethics applies in the confines of all aspects of business conduct relevant to the conduct of business organizations and individuals as a whole. In the modern times, it makes good sense for companies and individual businesses to be ethical in their operations. As a result of enhanced consumer awareness, companies cannot be competitive both at national or international levels without being ethical in their operations. Advertising ethics on the other hand is an applied philosophical analysis regarding the nature of advertisement and the ethical issues that arises from advertising.

A bulging literature pool concerning the morality of business processes indicates that, away from responsiveness to environmental issues and greater emphasis social responsibility, businesses, for the better part, continue to face ethical issues that were widespread in the 1960s (Pratt B, 1994). Ethics in business advertisement demand that businesses have the responsibility of what they say, how they say it, their selection of whom they speak to, when and where they speak. According to Pranee, ethical advertisements should bear honest messages that mark accurate impression, without manipulation or distortions (Pranee, 2010). The <https://assignbuster.com/ethical-and-social-responsibility-in-advertising-marketing-essay/>

businesses should pay close attention to responses and the feedback from the adverts. Advertising should reveal the facts, that is, they should restrain from inaccurate, false and misleading statements or claims.

The concept of social responsibility is concerned with provision of environmental benefits through the firm's marketing activities presented as a moral obligation or duty on the part of the firm. Greater opportunities unveil to business organizations that make themselves visible and accessible by involving with the public. There is a growing perception that business are not just sellers of their products and services but also bear an inherent responsibility to be more socially responsible for their actions as well as being more responsive to social concerns.

The effect of a firm's ethical and social responsibility on the advertising industry

Ethics and social responsibility means that businesses show concern for the people as well the environment in which they transact their businesses. It also means that the business organization communicates and enforces the values to everyone including the organizational practices as well as to the partners of the organization. As much as pursuing a social agenda does not translate into automatic increase in revenues or enhance public image at once: businesses that consistently pursue social responsibilities eventually earn a strong reputation with dividends in the form of consumer loyalty.

Today, advertisements from business entities that do not incorporate ethics and social responsibilities in their operations are not as effective with their advertisements as before. Research reveals that ethical practices and social

responsibilities by businesses have become a vital component of marketing strategy by businesses. The acceptability of business behavior is determined by the customers, government regulators, competitors, interest groups, and the public as well as personal values and morals principles. Consumers as well as social advocate groups hold that businesses should not only focus on making profit but should also consider the implications of their activities on the society. Therefore, main aim of social responsibilities as an obligation on the part of a business should be to maximize its positive outcomes while minimizing the negative outcomes on the society.

There is a growing pressure for the advertisement campaigns to be socially, culturally and morally ethical. As a result of consistent and seemingly unending string of ethical lapses across industries, businesses and in organizations, to greater extend has resulted in a crisis of trust in the market place. It is this numerous and highly publicized ethical breaches that have resulted into many firms and agents to be under constant public scrutiny (McKinney et al., 2010). In attempts to improve their image and their ethical performance, many of these firms have defined their ethical codes of conduct. The advertisement industry has come under constant frequent criticism for exaggerating and publishing misleading claims on products and services advertised. There is also an increasing perception on advertisements as being guilty of glorifying tendencies and habits regarded as undesirable and encouraging deviant culture in the society. However, as a result of increased consumer awareness concerning ethical and social responsibilities expected of the businesses entities, misleading or exaggerated advertisement claims tarnish the firm's credibility.

The role of ethical and social responsibility in achieving business objectives

Investing in the ethics and social responsibility practices is perceived as a long short-term investment with long-term benefits. The question then is whether firms will be willing to accept the short-term costs when their competitors in most cases are not. However, the vision of businesses in promoting ethical and social responsibility is to be accountable to a wide range of stakeholders, shareholders and investors. Key areas of focus, when it comes to Ethics and Social Responsibility, concerns environmental protection, employees' wellbeing, community as well as the civil society's welfare, both in the present and future.

Underpinning ethical and social responsibility practices for businesses is the idea that businesses can no longer act in isolation as economic entities detached from the broader society. Driving the issues of ethics and social responsibility is the shrinking role of the government, demand for more disclosure, increased customer interest and investor pressure, supplier relations and competitive labor markets. The benefits from adoption of ethical and social responsibility practices accrue not only to businesses but also to community and the general public as well as to the environment.

The benefits accruing to businesses from adoption of such ethical and social responsibility practices ultimately leads to the achievement of business objectives. By embracing ethical practices and engaging social responsibilities, the businesses will benefit from improved financial performance resulting from increased sales, reduced operating costs, enhanced reputation and brand image, greater ability to attract and retain

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employees as well as increased productivity by the workers. These businesses will have increased access to capital; enjoy customer loyalty as well as product safety with a decreased liability. The overall net effect of these benefits is that the ultimate goal of profitability of the firm will be attained with a lot of ease as compared to firms that depend on advertisements alone as a means of marketing their products and services.

Effect of ethical and social responsibility practices on consumer behavior

Research reveals that increased ethical awareness by consumers in the modern times influences the way consumers behave towards products and services of different firms. Over the last few decades, ethics and social responsibility have increasingly become so fundamental in the modern business realm. Researchers attribute the development on the heightened media attention, pressure from interest groups, and the demand from stakeholders and consumers (Barnes, 1983). Ethics and social responsibility practices of firms have significant influence on consumer purchase behavior. That is, consumer purchasing decisions are influenced by socially responsible initiatives on the side of the firm. However, further insights into this topic points out that the effect of such initiatives will depend on the level of consumer awareness of the firm's involvement in the initiative (Lois A. Mohr, 2001). Building awareness, as argued by Varadarajan and Menon, is arguably the main purpose behind cause-related marketing. Numerous researches on impact of ethics and social responsibility on consumers' purchasing behavior have revealed that, a significant number of consumers are influenced by ethical firms that are socially responsible for their actions (Speer, 1997; Ross

et al., 1992; Smith and Alcorn, 1991 and Creyer and Ross, 1997). It is undoubtedly clear that the impact of ethical and philanthropy business initiatives will influence consumer response towards the products or services of the said firm or business.

Development and implementation of ethical and social responsibility

A Case Study of Vodafone (Vodafone Group Plc, Newbury, England)

Vodafone is an international mobile carrier for both consumers and enterprise customers. The company enjoys a significant presence in Europe, Africa, Middle East, and in Asia, Pacific and the United States (Vodafone Group, 2007). The company has a strategic approach to business ethics and business decisions. This involves the company's management considering the long-term impact of important decisions. The company has 6 global goals, one of which states, 'to be a responsible business'. This specifically concerns the ethical issues. Vodafone, as a company, has eight key social responsibility programs. These forms part of the company's strategies to meet its global goal of becoming a responsible business.

The company has implemented various strategies one of which is responsible marketing. For instance, as part of the move in responsible marketing, the company decided not to be sending unsolicited SMS messages or emails to its customers, unless they choose to receive the communications. The employees of the company are expected to tactically implement the strategies in the fast changing and competitive environment.

To do this, the company's employees share a set of consistent values in form of a code of conduct.

The company in its social responsibility initiatives around the world, invests in both local and national charities through its Vodafone UK foundation. As a move to monitor and reduce the impact of its products on the environment, the company has in place measures of recycling mobile phones, energy reduction measures, and waste reduction activities among others. In order to facilitate the success of the initiatives, the company listens to the concerns raised by local communities, customers, pressure groups and any other interested parties. Besides, the Vodafone staff have been empowered ethically that they share common passions. This facilitates their decision making processes.

Conclusions

From the above predispositions, it appears that consumers in contemporary times are significantly influenced by ethical and social responsibility practices of businesses. It is evident also that businesses are increasingly investing in initiatives that endear them to the communities within which they operate. Therefore, in conclusion, ethical and social responsibilities should inform marketing strategies of businesses in the 21st century as a move to influence consumer behavior.