

# Marketing unethically of agoda

Business, Marketing



With the support of advanced customer database, Goad. Com could efficiently promote their "attractive prices" to individual customers according to their demands differently. For example, once a consumer has searched or booked some hotels within a target location, Goad. Com will send promotion email to those consumers with "special offers" according to the consumer's searching history. This promotion practices seems to be consistent with the customer-driven marketing strategy since this allows the company to explore differentiated market segmentations with different consumers' needs for different hotels (Woodruff, 1997).

However, behind the successful strategy, it is likely to be ignored that the contents of its promotion should be considered as unethical issues, which would violate the code of AMA. These controversial issues in those promotion emails mainly involve two aspects, misleading information and failure to disclose the full information. Firstly, Goad. Com will not disclose the full amount of charge in its promotion email. When one clicks the link in those emails to select a specific hotel, Goad is going to show you the original price after their "discount", which could be attractive enough to induce consumers to book.

However, it will show you the additional amount of charge when you decide to pay for the reservation. And the extra charges are less likely to be noticed by users since they are shown at the bottom of the website. Besides that, this additional amount is described by the company as a sum of "hotel taxes", "tips", and the "service fee" in percentage, but without any disclosure the proportion of each item. In most cases, Goad is going to charge different extra fees for hotels in different places. For example, the additional amount

in Beijing is 15 percentages, which is higher than the 10 percentages in Hong Kong.

But Tao and Lieu (2005) argue that most of the hotels in China do not have the additional service charges for reservations. Therefore, the 15 percentage of charge should be skeptical since Goad does not disclose any specific information about this difference in their Term of Use ([http://www. Goad. Com/info/ Goad-tremendous. HTML](http://www.Goad.Com/info/Goad-tremendous.HTML)). In the perspectives of marketing, Goad fail to bring reasonable notices to their customers of its additional charge, which is considered misleading. This practice leads Goad to the position of violating the ethical value of fairness published by AMA.

Goad's promotion involves misleading price communication, which could be considered as deceptive promotion. This unethical behavior probably results negative impacts on consumers including higher price and deceptive packaging. Also, when implementing the marketing strategy, Goad do not disclose the full information, which is inconsistent with the values of transparency stated in the AMA Code of Conducts. Goad fail to notify its list prices and specific terms in regard of transparency. As a result, a consumer who books on Goad. Mom will not be able to know how much he pay for Goad's agency service and the booking premiums that Goad charge could also be different worldwide due to Goad's equivocal Terms of Use. To conclude, the promotion strategy of Angola should be considered unethical in terms of violation of the marketing ethic value of fairness and trenchancy, which could result negative impact on their consumers and potential loss on

its business. While the legal issue of its promotion should also be examined and determined, its unethical marketing behaviors should be abandoned.