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The ethics of marketing

Jean-Luc Ambrosi | 05 November, 2013 11:39 | Comments | ✉ | 🔖 | Share this post

Marketing as an art and as a quasi-science has reached a new level of maturity and efficacy, driven in a large part by the increased ability to gather, manipulate and analyse data to study consumer behaviours.

Good marketing enables organisations to communicate their messages efficiently and compellingly. While as a whole, marketing supports the efficient functioning of our economic activity, we know all too well that it can also be used to communicate ideas, concepts and products that do not contribute to the well-being of consumers.

Marketing's increased technology sophistication has enabled the development of communication models generating tangible impacts on their selected audiences. While the effectiveness of these techniques can sometimes be questioned on a case-by-case basis, there is no uncertainty about their overall effectiveness.

I have no doubt that with the right budget and the right tools at my disposal as a marketer, I can convince portions of the population about the benefits of many ideas, brands or products no matter how good they are. But with this 'ability to influence' comes responsibility.

Jean-Luc Ambrosi

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Having at our disposal the means to influence audiences in one direction or another comes with the responsibility of ensuring the direction we are promoting does not conflict with our intimate ethical standards. I use the word 'intimate' purposefully, because this is not about standards dictated by the internal communication department, a code of ethics, or the advertising agency. I also use the words 'does not conflict with our ethical standards' as opposed to 'agrees with our ethical standards' as this is about everyday reality and not a philosophical debate.

We do not always agree with everything we must do in our daily work, and this we must live with. The question is rather whether we are fundamentally conflicted with an aspect of our work from an ethical point of view. This is about what you, what I, truly believe in. It is too easy to hide behind corporate standards; they are not ours, they're someone else's, as good and well-intended as they may be.

While you may argue that personal ethical standards may be biased (and they are), they are the only ones by which you and I can be held accountable upon. Why? Because standards need to have true and deep personal meanings. Just like the marketing communications that we generate, they must resonate within both rationally and emotionally. They are the ones we are personally responsible for.

A few years ago, while I was marketing unsecured lending products, our head of risk came with an interesting suggestion to boost profitability. The idea was to offer increased credit limits with lower approval requirements for a very specific group of customers who were not normally targeted due to their higher than average credit risk. The only issue was that by doing so, the percentage of default rates from these customers would increase as well.

From a profitability point of view, increased revenue would more than offset the credit default losses, so it was a 'good' idea. The head of risk was a really nice guy, caring, engaging and by all accounts ethical. What he was doing was simply his job, finding ways to treat risk to increase profitability. What followed however, was a deep and heated discussion about the negative effects this would have on a number of customers who would end up defaulting on their credit, unable to service the additional debt burden.

The idea was 'good' for profitability and 'bad' for customers at the fringe of financial equilibrium. It wasn't illegal, it wasn't breaking any corporate guidelines, it wasn't even an issue with the legal department, it was just... unethical. Once we started to appreciate the impact of this potential action, the 'good' idea became a 'bad' idea even for its originator. It was going against our personal values, the only ones that really, and I mean really, hold us accountable and empower us to draw the line. Yes, empower.

Of course the reality is not always that clear cut and we more often than not find ourselves swimming in murky waters. It is difficult to fully understand the potential impact of some of our ideas and actions. One particular line of conduct may be acceptable in isolation but what about the aggregate effect? This is compounded by the fact that we frequently need to deal with contradictory objectives added to a fair amount of pressure to perform.

But pausing from time to time, to look around and take a close look at what we do and how we impact others may not be such a bad idea.

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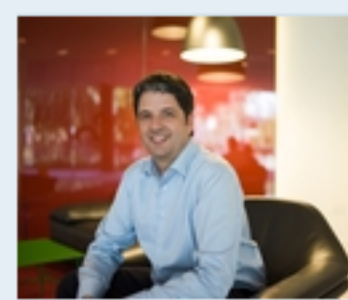Name

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