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The role of normative marketing ethics

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ABSTRACT

This essay highlights the importance of normative thinking in marketing ethics and proposes avenues for future research. It begins with contrasting positive and normative ethics. Then, a brief discussion of the literature in the field is included. Arguments offered by those who tend to avoid normative analysis are examined. Four types of normative ethical theories are presented: consequentialism, duty-based ethics, contract-based morality, and virtue ethics. The essay concludes with seven future research directions for normative marketing ethics and customer-brand relationships.

1. Introduction

Some of the world's best known and historically respected brands have suffered serious ethical (and legal) lapses in just the past three years. Among the long list with their transgression in parentheses are: Apple (supply chain), Best Buy (data breach), Chipotle (tainted food), CVS (ad photo doctoring), Facebook (privacy and data protection), FIFA (bribery), Teva (price gouging), Uber (fares and corporate culture), United Airlines (customer abuse), Volkswagen (engine tampering), and Wells Fargo (consumer deception). This list could go on but the reason for beginning this essay with the designated issues is that these companies and others have not followed the accepted norms for business in dealing with their stakeholders. One problem common to all these cases appears to be a lack of strong moral grounding.

In the paragraphs below, normative perspectives are offered for both scholars and practitioners who desire higher standards that will raise, rather than lower, consumer and societal expectations for brand marketers throughout the world. In this essay, we unapologetically advocate the importance of normative ethical viewpoints because the fundamental purpose of normative frameworks in moral philosophy is to espouse moral *ideals*. During this commentary, we also *intentionally* draw heavily on our own writings since we have been proponents of a greater focus on normative ethical marketing for nearly 45 years.

Marketing ethics as a field of study is nested into a larger context that begins with applied ethics which encompasses engineering, law and medicine. Within applied ethics, the marketing domain is a subset of business ethics that deals with human resources, accounting, finance and analytics questions. We in marketing have long dealt with ethical issues in selling, advertising and product safety but in this century the other business disciplines, especially accounting and finance, have discovered that there are a host of ethical concerns facing them after the Enron/Arthur Andersen fiasco and the financial meltdown of a decade ago. The focus here, however, is exclusively on marketing ethics and the challenges faced by its practitioners and scholars.

We begin with a definition of marketing ethics (ME): ME is defined as *the systematic study of how moral standards are applied to marketing decisions*, *behaviors and institutions* (Laczniak & Murphy, 1993). It draws on two distinct fields: (a) *Philosophy* which is normative and values focused, and, (b) *Social Science*, which is positive/descriptive and, often empirical. Both dimensions—normative philosophy and positive social science–are necessary to the understanding and improvement of ethical marketing practice—an end-goal presumably all academics and managers share.

The normative/descriptive distinction goes back to classical Greek philosophy. **Positive ethics** *describes* what actually seems to occur in morally charged situations [often] based on observation or data. **Normative ethics** concerns *justifying* why a particular ethical standard might apply to a given practice and *articulating* the reasons for upholding such an ideal. Normative ethics (like the methods of positivism), when applied to marketing issues, is part of *a scripted analytical process*. It is not about pithy aphorisms such as “the customer is always right” or “good corporate citizens obey the law.” Such simplifications are illustrative of 1950s era business/marketing ethics and the caricatures perpetrated by misguided critics of ethical relevance (Gaski, 1999; Smith, 2001).

Since our views on this topic are articulated throughout this essay,

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we briefly supplement them here by drawing on two pragmatic conclusions of Smith (2001, p. 16) that advocate the advantage of taking normative perspectives in addition to purely positive ones. First, normative marketing ethics informs the practice of marketing by helping decision makers to make more socially responsible judgments. Second, marketing practices are easier to justify to social critics when grounded in ethical theory. Below we briefly elaborate normative marketing frameworks after first examining some relevant marketing ethics literature.

2. Marketing ethics literature

There is a rich history of scholarship in *marketing* ethics going back over fifty years. As documented in our earliest *review* article (Murphy & Laczniak, 1981), the marketing ethics literature prior to about 1970 was characterized as largely descriptive and anecdotal. Since then, several updated review articles have appeared in the *Journal of Business Ethics* and *Journal of Macromarketing* (discussed below). Currently, research and analysis of marketing ethics issues remains moderately robust. In 2012, a five-volume set of ninety (previously published) journal articles in marketing ethics was assembled (Smith & Murphy, 2012). A recent anthology of analysis of marketing ethics featured eighteen novel contributions (Nill, 2015).

Most published academic research in marketing ethics today is 'positive' and empirical— it charts statistical tendencies and uncovers empirical regularities among variables of concern. *This approach is essential*. The assorted 'empirical tests' of dimensions postulated in the Hunt and Vitell (1986) or Ferrell and Gresham (1985) models of ethical decision-making would be examples. To be sure, marketing academics concerned with improving ethics *require* robust empirical information such as the *percentage* of contented customers in various industry sectors, the violation *rate* of assorted regulations that protect consumers and competition, and the *intensity* of negative externalities borne by society resulting from marketing actions.

Without question, the dedicated work of various marketing scholars (Ferrell, Ferrell, & Sawayda, 2015; Fritzsche, 2005; Singhapakdi, Vitell, & Kraft, 1996) has also provided considerable empirical support for assorted (social-science derived) ethical *generalities* such as: (a) marketing managers select their ethical decision-making rules depending upon the situation they encounter; (b) moral decision-making varies substantially across cultures; (c) female marketing managers typically espouse higher ethical dispositions than their male counter-parts; (d) the strict *enforcement* of institutional norms helps shape a pro-active ethical climate in an organization, and so forth.

Comprehensive inventories of the *marketing* ethics literature published in the *Journal of Macromarketing* (Nill & Schibrowsky, 2007) and *Journal of Business Ethics* (Schlegelmich & Oberseder, 2009) have been collected. These dyads of authors each catalogued over 500 publications (many in common) concerning marketing ethics. One conclusion from these reviews is that positive ethics dominates the published research. All in all, we should be pleased about this growing corpus of work. Yet an apprehension of this essay is that the decline of normative ethical analysis is detrimental to informed marketing practice, a viewpoint we explore below.

To an extent, the current state-of-affairs is understandable. Most marketing academics are trained as social scientists *not* philosophers and strive to determine the facts independent of value judgments. Reputable social science academics 'sift and winnow' for truth, whatever it is and wherever it can be found. In social-science world, moral judgments about outcomes are often seen as best left to others (e.g., "Don't discuss issues that extend beyond your immediate data set"—our academic mentors often advise).

3. Why normative marketing is avoided

We see problems with this restricted perspective. It derives from *beliefs* about social science research that are not sufficiently nuanced. Some contend that studying normative ethics is not a fruitful use of time because people's ethical beliefs are set before adulthood. We know differently as numerous case studies in business illustrate that managers and organizations can change their ethical behaviors for better or for worse (Klein, Laczniak, & Murphy, 2006). If we disarm these notions, we can better appreciate the critical role of the *normative* ethics for marketing. So, let's briefly examine three arguments offered by those who cleave to normative avoidance.

1. Some marketing academics argue that the content and process of *marketing science* is objective and value-neutral

Leaving aside the question of whether marketing is a science (it likely does not fit most technical definitions), researchers (i.e., social scientists) *routinely* make a myriad of value choices that are neither objective nor neutral in their influence. For example, deciding 'what to study' and/or 'what not to investigate' is an important value choice. To illustrate: Marketing academics in public policy spend substantial assessing of the communication *efficiency* of various product-labeling schemes, but far less effort identifying how prevalent industry practices (requiring warning labels) impose negative costs upon society. Such decisions reflect *value* determinations–and they influence the nature and scope of knowledge available to learning communities. As a result, we know a great deal about the nature of the "black-box warnings" that might be placed on prescription opiates but far less about the unethical and sometimes illegal supply channels used to fuel the current drug addiction epidemic.

Similarly, "defining" the variables that marketing academics study also has implications because it shapes social science outcomes. For instance, how do we operationalize *brand loyalty*? Is it a *willingness to pay* a premium for a comparable product? Is it stated *intention to repurchase* one's most recent choice? Is it holding an articulated *preference* for a particular brand? Is it *buying* the same product in successive purchase cycles? Such choices matter; different definitions may yield dissimilar research outcomes—each, possibly, with its own normative implications.

2. Some academics contend that interjecting ethical judgments into the dissection of research outcomes becomes inherently relative and arbitrary

Therefore [they aver], *normative discussions are best avoided or minimized.* Yet, AACSB accreditation standards for B-schools *require* that ethics and social responsibility be sufficiently covered in the management curriculum. The Principles for Responsible Management Education (PRME) are one response to this necessity (see https://www.unprme.org). Presumably, some articulation of normative moral values must be embedded in the educational requirements for business professionals. And, indeed, most disciplines of business (Accounting, IT, HR) have defined codes of professional conduct comprised of specific ethical values. For example, the *American Marketing Association* statement of ethics (see https://www.ama.org/AboutAMA/Pages/Statement-of-Ethics.aspx) includes the ethical norms of "not inflicting harm" via marketing practice and always "avoiding deception" so that *trust* in the marketing system is fostered. (incidentally, the AMA statement also embraces six ethical virtues—including detailed *marketing* examples of what those virtues imply)

While global cultural values are truly diverse, (*as anyone who has taught executive education knows full well*), multinational *corporations* have espoused remarkably consistent business ideals in their mission statements, (typically) endorsing virtues like integrity, fairness and good citizenship. Analyses of global codes for business conduct promulgated by diverse parties (executives, regulators, academics, activists) seem to uncover universal *hyper-norms* for socially responsible business practice (Laczniak & Kennedy, 2011). These moral obligations include a pro-active adherence to the law, the recognition of stakeholders (along with a process for giving them voice concerning corporate effects), and a commitment to socially and environmentally sustainable practices.

3. Some marketing professors, since they are trainers of future *managers*, conceive their primary role as fostering competence in “accepted” micro-economic doctrine, such as maximizing shareholder returns

Again, this view is itself a value-laden choice. It represents a subscription to a certain ideology regarding what best motivates the effectiveness of business practice. Of course, in numerous industry sectors, the profit-motivated ‘free market’ is an amazing and seldom questioned wealth creator. But we should admit that the components of this ideology—an unfettered market, transparent information, rational-person calculations, equilibrium seeking, ROI-maximization—are each built on its own *debatable* assumptions, each with enormous ethical implications. The brilliant economic philosopher Kenneth Boulding, cofounder of systems theory, once characterized neo-classical micro economics as “the celestial mechanics of a non-existent universe” (quoted in Mittlestaedt, Kilbourne, & Mittlestaedt, 2006). For academics, when we refuse to think more expansively (*and normatively*) about the impact of conventional business doctrine on society, that itself, is an assertion of values, one that degrades the exercise of a key academic role—professors serving as a moral checkpoint for their disciplines.

Our essential message here is twofold: First, that positive and normative ethics, while purposefully distinct, are necessarily and symbiotically entangled. The normative perspective requires positive, empirical information in order to properly take stock of where deficiencies in professional ethical behavior stand. One conceptual example: The eminent 20th century philosopher John Rawls (1971), in formulating his famous justice as fairness' normative theory, drew on the positive (i.e., empirically validated) moral-development scales of (his Harvard colleague) psychologist Kohlberg (1984). Second, positive ethics requires the normative because, by the very nature of ethical inquiry, moral claims are being *assessed* about presumptively practiced marketing ideals—like honesty, trust and transparency. A clear illustration of this normative/positive “entanglement” is *stakeholder theory*, which descriptively specifies organizational constituencies influenced by business, but also has normative dimensions, rooted in the *moral* “rights claims” of affected parties (Laczniak & Murphy, 2012). Another example of normative/positive entanglement is the variable of Quality-of-Life (QoL). Often QoL, typically a complex, index-type variable, is used to (descriptively) measure societal development, but at other times, QoL becomes a normative standard to which societies and communities can aspire.

4. Normative marketing ethics

Since the essay focuses on normative ethics, we begin this section with a normative definition of ethical marketing that involves the *ideal* to which marketers should aspire.

> *Ethical marketing* refers to the practices that emphasize transparent, trustworthy, and responsible personal and/or organizational marketing policies and actions that exhibit integrity as well as fairness to consumers and other stakeholders.
>
> (Murphy, Laczniak, & Harris, 2017, p. 5)

Although this definition provides general guidance for marketing practitioners, at a deeper level, the specification contains difficult to operationalize terms such as trust, integrity transparency and fairness. Thus, particular instances of questionable marketing practice, in their unique complexity, can undermine the straightforwardness of ethical marketing. For example, if airlines adjust their prices hourly depending on shifting customer demand, is this fair? If a large bank brands its subprime (and ultra-high interest rate) lending arm under a different name and logo, but the corporate relationship is publicly registered, is that transparent? If the “terms of use” by an internet seller disclose “in the fine print” that user personal information may be sold, is that responsible? Questions such as these show some of the intricacy of establishing the true nature of ethical marketing.

As noted above, the foundation of normative marketing ethics draws primarily from philosophy but sometimes from law and religion. Four types of normative ethical theories are briefly presented: consequentialism, duty-based ethics, contract-based morality, and virtue ethics. They are highlighted to remind marketing analysts that these normative frameworks have very different formulations and ethical implications. These theories are briefly recounted below to remind readers of the scope of normative ideals. However, like all complex treatments, there are many nuances in the application of moral standards; thus, other more comprehensive descriptions of the theories should be consulted.

All of them have benefits and drawbacks but only the advantages and comparisons are discussed here. (For a more complete view on these matters, see Murphy et al., 2017). The four theories have a common focus—making better ethical decisions—yet they arrive at their conclusions from different assumptions and premises as discussed below. Some observers logically argue that applying different normative theories will lead to divergent “ethical” decisions. This is sometimes so, but our experience in studying problematic marketing practices is that the similarities of ethical conclusions deriving from the approaches far outweigh the differences.

Consequences based ethical theories state that a marketing decision is ethical or unethical based exclusively on its *outcome*. That is, if a decision results in more good consequences than bad ones, it is ethical. The major consequences-based ethical paradigm is utilitarianism which stipulates that the greatest good should be done for the greatest number of individuals. The “fathers” of utilitarianism are two nineteenth century British philosophers—Jeremy Bentham (1984) and John Stuart Mill (1979). There are two types of utilitarianism—act and rule. A good example of act utilitarianism is Facebook's response to criticisms of its privacy policy, where the company changes its policies only when significant pushback occurs. The firm has revised its privacy policy several times in recent years based on criticism and is currently under fire for even more egregious lack of privacy protection based on information misuse by its client, Cambridge Analytica (Bump, 2018). Rule utilitarianism follows a principle such as ‘never discriminate in hiring before examining the consequences.’ Many companies are presently reviewing hiring policies based on such a principle to give greater consideration to female and minority candidates.

The aforementioned comprehensive models of marketing ethics (Ferrell & Gresham, 1985; Hunt & Vitell, 1986) use utilitarian thinking as one of their central foundations. In an attempt to synthesize these models, Ferrell, Gresham, and Fraedrich (1989) concluded their analysis with four major propositions. One spoke directly to the impact of consequence-based thinking in marketing: *Consequences* and intentions related to expected *outcomes* will affect the cognitive processes in selecting moral philosophies in ethical decision making. Another set of writers (Robin & Reidenbach, 1987) used deontology (discussed next) and utilitarianism as major philosophical traditions influencing the creation of ethical marketing strategy. The example they used to illustrate specific utilitarian thinking was the famous Nestle infant formula case where the company felt that the benefits of its brand to third world mothers and children outweighed the negative consequences. (This later proved to be a very inaccurate assessment.)

The second major philosophical foundation for normative marketing ethics is *deontology* or **duty-based ethics.** This theory stipulates that intentions and motivations, not consequences, are what should drive ethical decision making. The philosopher most closely associated with this theory is Immanuel Kant (1981) and its best known contemporary proponent is business ethicist Norman Bowie (1999). Kant proposed three formulations of his categorical imperative. The first is the *universality principle* which advocates that there are universal laws that should apply to all people in all situations (e.g., never bribe). The second variant of the categorical imperative is to 'treat people always as ends and never as means merely' (e.g., the dignity of all persons). The third is the "moral community" formulation which argues for fairness in a society—adopting rules as if an individual does not know his/her role in any dispute. (For marketing examples, see: Murphy et al., 2017, 32–33).

Several scholars have advanced duty-based theoretical premises in their marketing writings. For instance, decades ago, Laczniak (1983) applied Ross' (1930) prima facie (at first sight/self-evident) *duties* to marketing questions. Therein, six major duties from Ross with implications for marketing are discussed. Rallapalli (1999) proposed a "global code of marketing ethics" which is a marketing application of Kant's first formulation. An extensive application of duty-based thinking in marketing scholarship is Laczniak and Murphy (2006), which formulates seven normative basic perspectives for ethical and socially responsible marketing. They are: ethical marketing puts people first; ethical responsibility exceeds legal requirements; ethical marketing considers intent, means and ends; ethical marketers try to inspire moral imagination; ethical marketers embrace core values; ethical marketers accept the stakeholder concept; and, ethical marketers embrace a process of moral reasoning (Laczniak & Murphy, 2011).

The third major theoretical foundation for normative marketing ethics is **contract-based morality.** Such approaches have both philosophical and legal underpinnings. The best-known proponent of contract-based ethical thinking was the late Harvard philosopher, John Rawls (1971). He advocated two principles—the liberty and justice principles that are never to be violated. He also introduced the *veil of ignorance*, a thought experiment that fair-minded individuals would use to create the rules of morality to be formulated as if they did not know their position in society. Two contemporary scholars, one a philosopher and one a lawyer, (Donaldson & Dunfee, 1999) developed a more business-centric *social contract theory* that proposed basic ethical rules to govern marketplace transactions. Two important principles that are central to the understanding of their theory are "moral free space" (which allows for a degree of relativity in developing the rules) and "hypernorms" (fundamental religious, cultural, philosophical and legal norms that are universal).

Within the marketing literature, Rawlsian justice theory was first addressed by Laczniak (1983) and then expanded upon more recently (Laczniak & Murphy, 2008). Although Rawls did not conceive of his theory being applied to marketing or even business, his two principles do have implications for marketing. The *liberty principle* implies that consumers have the right to be equitably treated by all other stakeholders while the *difference principle* suggests that disadvantaged parties be granted pathways to improve their position in society when public policies about markets are formulated (Laczniak, 1983). In applying a Rawlsian analysis to distributive justice questions, Laczniak and Murphy (2008) conclude with a "call to action" that focuses on normative ideals such as justice in market exchange, fairness within the supply channel and more emphasis on vulnerable consumer segments. And, perhaps the best-known work on social contracts in marketing ethics was written by Thomas Dunfee and two coauthors (Dunfee, Smith, & Ross Jr., 1999). They outlined the applicability of Dunfee's co-formulated theory to ethical questions in marketing, including an extensive example featuring bribery and ending with a number of implications for the field of marketing.

The fourth foundation of normative marketing ethics is the **ethics of virtue**. This theory is different from utilitarianism and duty-based ethics in that it focuses on the decider (manager) not the decision. That is, the person and the quality of his/her character are most important in ethics, not simply an analysis of the decision to be made. Aristotle (1962, 1976 and many editions), the ancient Greek philosopher, is credited with originating this theory; it was re-popularized in the late 20th century by Alasdair MacIntyre (1984). According to these writers, virtues are good habits that must be practiced and are learned by witnessing and imitating the behavior of admirable mentors and role models. Aristotle further argued that *balance*, not perfection, was the mark of a virtuous life as embodied by the *ethic of the mean*. He said, for example, that the excess of truth is boastfulness and the deficiency of truth is lying; in this, and in all actions, a person of good character will normally strive for the mean or middle ground.

Virtue ethics also has been examined in the marketing literature. Williams and Murphy (1990), early to the debate, were the first to indicate that the ethics of virtue holds promise for guiding behavior of marketers. In a further extension, Murphy (1999) proposed five virtues as being central to marketing—integrity, trust, fairness, respect and empathy—and discussed how these applied to managers from several countries and companies. Another refinement of virtue ethics in marketing focused on applying this normative theory to "relationship marketing" (Murphy, Laczniak, & Wood, 2007). Herein, the three stages of relationship marketing—establishing, sustaining and reinforcing—were paired with three corresponding virtues of trust, commitment and diligence. Similarly, Abela and Murphy (2008) used the virtue of integrity as synonymous with ethical behavior and described how it might guide service-dominant logic perspective on marketing.

These four foundations for normative marketing ethics cover a swath of the normative literature but it is far from comprehensive. Several other scholars have offered additional theories for normative marketing ethics including a contextual approach (Thompson, 1995), communicative ethics, based on Habermas (Nill, 2003), Goolsby and Hunt's (1992) cognitive moral development from Kohlberg, and Smith's (1995) consumer sovereignty test. This discussion also leaves aside the knotty question of religious values in guiding ethical decisions (see, for example, Klein & Laczniak, 2009). This omission (of a substantial normative body of work) is intentional as many moral philosophers feel that religious values are different from ethics because the derivation of religious doctrine is not rooted in logic but rather comes from Faith traditions. (For a discussion of major world religions and their ethical norms related marketing, see Murphy et al., 2017, pp. 39–41 and 51–54). Our own view is that such foundations are both helpful and are relied upon by many managers in making ethical judgments; we encourage readers to also explore religion-based normative frameworks if they are so inclined.

To summarize, the purpose of this section has been to briefly highlight the many and varied theories that can serve as the underpinning for the scholarly examination of brand marketing from a normative marketing ethics standpoint. The complexity and diversity of normative ethical viewpoints has hopefully been emphasized. The normative analysis of ethical behavior in marketing can focus on outcomes, intentions, agreed to conventions, the character of the manager or any combination thereof. When several ethical perspectives are applied to complicated marketing situations, the investigation becomes deep and multifarious. Typically, however, it is enlightening.

5. Future research directions for normative marketing ethics and customer-brand relationships

Several emerging and ongoing ethical challenges for researchers to investigate are discussed in this section. The areas discussed are merely illustrative of the mega-topics that seem to beg for additional marketing analysis. The position taken here is that normative questions should be considered and integrated into future conceptual and empirical research, including discussions that address or involve aspects of brand marketing and ethics.

5.1. Relationship marketing

Since our commentary over a decade ago regarding relationship marketing and virtue ethics (Murphy et al., 2007), consumers now have fewer interactions with brick and mortar stores. Online marketing has greatly influenced buyer-seller relationships. The virtue of trust is still central to moving consumers from a transaction-oriented mindset to a more relational one. The Edelman Trust Barometer recently revealed that trust in institutions has declined broadly in the US. Over 80% of consumers say that trust is important but only 28% believe that companies are more trustworthy today than in the past (Stephens, 2018). With this backdrop, we advocate that firms and scholars return to the virtue of trust—a promise that has been bedrock of relationship marketing for some time (Gundlach & Murphy, 1993; Morgan & Hunt, 1994; Garbarino & Johnson, 1999). Besides building trust, other virtues, like transparency and integrity, need further clarification so that their benefits to brand success are more fully understood.

5.2. Sustainable consumption and marketing

Although environmental issues in marketing were studied in the 1970s and 1980s, the term "sustainability" as it relates to ecology was not coined until the late 1980s (Bruntland Commission, 1987). Research on these topics did not 'take off' until early this century with investigations of energy consumption, climate change and green product attributes. Marketing guru, Philip Kotler (2011), proposed 'reinventing' marketing to respond to the environmental imperative. In taking a more normative stance, Murphy (2005) advanced several existing ethical bases for sustainable marketing including the precautionary principle, power-responsibility equilibrium, ethic of the mean, the environment as stakeholder and planetary ethics. For an even broader, macro perspective regarding sustainability in marketing, we refer readers to a special issue on this topic published in the *Journal of Macromarketing* (September 2014). Regarding future research, we advocate that scholars apply normative theories to environmental questions as well as examining companies like Unilever that appear to be taking more of a duty-based than strictly utilitarian stance on environmental questions (Murphy & Murphy, 2018).

5.3. Digital marketing and privacy

The growth of big data and the corresponding privacy issues associated are hallmarks of the 21st Century. Marketers risk being on the wrong side of [ethical] history with their unreflective exploitation of consumers' information. Recent marketing ethics scholarship has examined controversial tactics such as online behavioral targeting. This strategy "has the technological potential to violate consumers' privacy rights to an unprecedented degree…and is often nontransparent and deceptive" (Nill & Alberts, 2014, 126). In a review article on the current state of privacy scholarship in marketing and related disciplines, Martin and Murphy (2017) propose transcending narrow disciplinary boundaries toward a more multidimensional approach to studying privacy. And as we wrote (Laczniak & Murphy, 2015, p.10), the picture regarding consumer privacy rights is deeply troubling:

> …increasingly we learn that consumer data bases are poorly protected; that personal information is sold and shared in networks far beyond consumer comprehension… Even more troubling is that these consumer profiles are endlessly copied and resold such that any data inaccuracies will persist without the possibility of correction.

In the future, we see the need for companies like *Facebook* and *Google* to go beyond the narrow utilitarian calculus of monetizing consumer data to one highlighting greater transparency. Scholars should draw on normative or behavioral decision theories to understand more fully the notion of "informed consumer choice" and reasonable expectations for corporate use of personal information. Marketers seem to have done little investigation into the question of to what extent consumers have the ethical right to control the use of their personal information by sellers.

5.4. The interface between CSR and marketing ethics

One issue that has persisted in the marketing and society area for many years is the linkage between corporate social responsibility (CSR) in marketing and marketing ethics. Are these distinct fields of research inquiry? The easy answer is that the former (CSR-marketing) is more external (e.g., society-focused) and organization-centered while the latter (marketing ethics) is more internal (e.g., customer-focused) and managerial. However, there are elements of both that are ever-present and need to be better understood. We (Laczniak & Murphy, 2014) have previously taken a position on this question. Two concepts that pervade *both* of these areas (marketing ethics and CSR in marketing) are *stakeholders* (discussed below) as well as *the common good*. Regarding aspects of the common good, both CSR and marketing ethics take a long-term rather than a short-term perspective. But the common good involves questions that exceed simply the firm and its immediate stakeholders. The ethics-common good interface, at minimum, expects marketing organizations to provide a social accounting that considers the role of the firm as a societal citizen rather than as a profit-maximizer. Extending these ideas, Murphy, Oberseder, and Laczniak (2013) proposed a *corporate* ***societal*** *responsibility* (new CSR) that goes beyond typical CSR. A detailed model incorporating *corporate societal responsibilities*, including fundamental principles of marketing ethics, is demarcated in that publication. Also concerning the common good, an anthology (Murphy & Sherry Jr., 2014) has elaborated on many facets that might constitute "marketing and the common good." Interestingly, the well-known commentator, Robert Reich (2018), has recently noted the troubling diminution of the common good principle in both business and politics. For the future, we would advocate a greater analysis by marketing scholars of societally-centered normative models.

5.5. Stakeholder orientation

Since being introduced by Freeman (1984), stakeholders have been a central topic of research in both marketing ethics and CSR in marketing. Such work focuses on "publics" that either affect or [more typically] are affected by firm's actions. Relative to the management discipline, *marketing* has been relatively late to adopt a stakeholder orientation with only sporadic treatment of it until this decade. An excellent effort to rectify this situation was undertaken by the *Journal of Public Policy & Marketing* in 2010 when ten articles on stakeholder applications in marketing were published. We (Laczniak & Murphy, 2012) built on and extended these helpful perspectives by pointing out that much of the existing stakeholder literature in marketing is primarily pragmatic and company centric. Our view of stakeholder theory is (unsurprisingly) a normative one; it is more collaborative, macro/societal and network-focused than the stakeholder interpretations advocated in many marketing writings. It embraces the "pro-society" and "pro-environment" viewpoints that are now more prevalent globally in judging whether marketers have acted appropriately and ethically. We call this a 'hard form' of stakeholder theory which "sometimes requires sacrificing maximum profits to mitigate outcomes that would inflict major damage on other stakeholders, especially society" (284). In the future, we envision further development of such normative approaches to stakeholders rather than the prevailing instrumental methods, which seem conditional on placating stakeholders *only when* it benefits the bottom line.

5.6. Power and responsibility in the channel

Many years ago, Keith Davis (1960) originated the term *iron law of responsibility* which stipulated that the social responsibility of a company should be proportional to its economic power. For example, multinational corporations like Amazon, General Electric, Samsung and

Volkswagen should be leaders in CSR. If they and other similar companies do not accept ethical responsibility, they will lose economic and political power. Today's global channels of distribution, with their far-flung operations, provide an apropos example. For instance, in the garment and technology industries where most suppliers are based in developing countries, increased publicity about production-worker abuse in the supply chain is regularly harming the reputation of the contracting (and branding) company, typically located in a developed country. The following quote captures this situation: "Since the 1990s, the debate on corporate responsibility has started to concentrate on human rights problems in global supply chains and in particular on the violation of worker rights in mines, in the fields and in factories" (Smith, Palazzo, & Bhattacharya, 2010, 621). In the future, a discernable normative ethical imperative should be for corporations to consider the iron law of responsibility when formulating and implementing marketing strategies. For researchers, investigations into whether the arc of history bends toward justice in various industries should be examined; alternatively, has corporate cash and lobbying short-circuited the idealized "iron law of responsibility."

5.7. Base of the Pyramid (BOP) Issues

Global economic integration should produce billions of new consumers and tens of thousands of new market segments. Most of that development will take place in developing countries with numerous poor people. Santos and Laczniak (2009) outlined a novel conceptual approach to dealing with the impoverished market and extended that thinking to consider transformative justice for BOP populations (Santos, Laczniak, & Facca-Miess, 2015). They advance specific cases, including brand-centric examples, illustrating ethical marketing to this segment (Santos & Laczniak, 2012). In a similar vein, Vachani and Smith (2008) identify several precepts that should exist in 'socially responsible distribution' such as improving the financial and educational position of BOP consumers in order to enhance market effectiveness. The work of Viswanathan, Rosa, and Harris (2005); Viswanathan, Rosa, and Ruth (2010) created an action-based method for serving the BOP in fair and life-altering ways. Such collective research insights about dealing with BOP consumers in a just and ethical manner are only beginning to be understood by global marketers. Given increasing inequality in many countries, along with development opportunities across the vast sectors of global poverty, normative research opportunities for marketers will abound in the near future.

In thinking normatively about these seven trends, two themes emerge. First, business practitioners seem to be applying a utilitarian calculus to most of these issues while we argue for a virtue inspired or duty-based approach in meeting the challenges associated with them (see AMA Statement on Ethics). Second, observers may prioritize some of these emerging trends as being more important than others but the ranking appears to be less important than addressing the normative questions emanating from them.

6. Conclusion

This essay has briefly touched on the vast literature of marketing ethics in general and normative marketing ethics in particular. In addition, some areas that need further analysis in terms of their ethical implications are underscored. In the future, we see a need for comprehensive frameworks that incorporate normative theories of marketing ethics. Several promising proposals, which beg for greater refinement, have been suggested including Robin and Reidenbach's (1993) 'workable' theory, Nill's (2003, p. 102) dialogic approach for agreeing on ethical rules and our hard-form stakeholder theory (Laczniak & Murphy, 2012). One grand conclusion should be also drawn: The evasion or neglect of normative content in the field of marketing ethics is untenable, because ethics as a discipline, by definition, advances moral claims about the rightness of marketing actions that have occurred or are being contemplated.

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