

# EXAMINING MARKETING MIX FROM AN ETHICAL VIEW: A FIELD RESEARCH ON MARKETING EXECUTIVES

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## *Pazarlama Karmasının Etik Açısından İncelenmesi: Pazarlama Yöneticileri Üzerinde Bir Alan Araştırması*

### Özet

İşletmelerin dışa açılan en önemli işlevi olan pazarlama, etik olmayan uygulamaların da en çok yaşandığı işletme işlevlerinden biridir. Pazarlama yöneticilerinin pazarlama karmasının ürün, fiyat, dağıtım ve tutundurma öğeleri ile ilgili alacağı kararlar ve yerine getireceği faaliyetler pazarlama bölümünün ve dolayısıyla işletmenin etik açıdan değerlendirilmesini etkileyecektir. Bu çalışmanın amacı pazarlama yöneticilerinin pazarlama karması karar ve faaliyetleriyle ilgili etik bakış açılarını araştırmak ve sektör karşılaştırması yapmaktır. Çalışmada ilk olarak pazarlama etiği ile ilgili literatür incelenmiştir. Daha sonra pazarlama yöneticilerinin pazarlamayla ilgili etik bakış açılarının ve sektörel bir karşılaştırmanın ortaya konması için farklı işletmelerde çalışan pazarlama yöneticileri üzerinde bir anket çalışması tasarlanmış ve pazarlama karmasının öğelerine göre pazarlama yöneticileri üzerinde bir alan araştırması yapılmıştır.

**Anahtar Kelimeler:** Pazarlama karması, etik, pazarlama etiği, pazarlama yöneticileri, alan araştırması.

### Abstract

Marketing is the most significant function of enterprises in which unethical practices are experienced. Marketing executives' decisions relating to product, price, place and promotion items of marketing mix and actions that they will perform for it affect the department of marketing and consequently marketing will affect the evaluation of the enterprise from an ethical point of view. The aim of the study is to investigate the ethical perspective of marketing executives regarding the marketing mix decisions and practices, and make a sector comparison. First, the literature on the marketing ethics are reviewed. Then a questionnaire on marketing executives who serve in different enterprises is designed to display marketing executives' ethics view points about marketing and make a sector comparison, and a field study is done on marketing executives according to elements of the marketing mix.

**Keywords:** Marketing mix, ethics, marketing ethics, marketing executives, field research.

## Examining Marketing Mix from an Ethical View: A Field Research on Marketing Executives

### I- INTRODUCTION

Ethics is defined as an “inquiry into the nature and grounds of morality where morality means moral judgments, standards, and rules of conduct” (Tsalikis/Fritzsche, 1989: 696). In other words, ethics which is a discipline that deals with what true and false is or ethical duty and engagement is a system of determined theory or moral values (Shea, 1988: 17). On the other hand, business ethics is the total of rules of conduct and principles of conduct that is based on ideas relating to which business attitude is correct and which one is false (Scholl/Dessler/ Reinecke, 1993: 46), This might be moral code or system of a person, a group or business. However, ethical behavior is related to fair or correct standards of the interaction between sides in a situation (Coppett/Staples, 1994: 423).

However, ethics in marketing transpire from marketing executives' relationships with organizational members, consumers, rivals, and the sides, which include public opinion, in exchange process. Disagreement in performing responsibilities and obligations which each sides have cause ethical problems (Lund, 2000: 331). In other words, ethical conflict occurs when people perceive that their duties toward one group are inconsistent with their duties and responsibilities toward some other group including one's self (Chonko/Hunt, 1985: 340). On the other hand, ethics are also tied closely to social responsibility. The concept as called social responsibility relating to ethics includes social relationships between society, in which enterprises work, and enterprises (Goolsby/Hunt, 1992: 58).

The pressure between the difficulties of economic life in competitive market of the today and ethics is one of the inevitable facts for many executives and enterprises (Camenisch, 1991: 245). For this reason, when executives' point of views to affairs plan on reasonable profitability instead of maximizing profit of enterprises, executives' point of views to affairs ease taking ethical decision (Chonko, 1995: 10). Irrespective of the cost to environment, society or consumer, enterprises' activities to maximize their profit are not ethical decision (Ergeneli, 1996: 103). One of the subjects which causes problems in an ethical decision making is short timed reasoning (Chonko, 1995: 10). The dilemmas presented by unethical behaviors of managers are particularly problematic

for employees because of the nature of hierarchy in organizations (Uhk-Bien/Carsten, 2007: 188). For this reason, development of the enterprise culture to prompt ethical behaviour and prevent unethical behaviour must be an important mission of marketing management (Hunt/Vasquez-Parraga, 1993: 78). Because unethical actions of enterprises not only cause negative public opinion, but also cause disapproval of other interest groups (Ingram/Skinner/Taylor, 2005: 249).

The aim of the study is to investigate the ethical perspective of marketing executives regarding the marketing mix decisions and practices, and make a sector comparison. The remainder of the article is structured as follows: First, the literature on the marketing ethics are reviewed. This is followed by a description of the research methods and procedures used in the study. The findings of the study are then presented. The article concludes with a summary of the study's research contributions and directions for future research.

## II- CONCEPTUAL FRAMEWORK

### Marketing Ethics

Marketing ethics concerns the application of ethical considerations to marketing decision making (Smith, 1993: 10). Marketing ethics can be considered as moral judgement and behaviour standards in marketing practice or moral code or system in marketing area (Gaski, 1999: 316). In other words, marketing ethics is the research of the base and structure of rules of conduct, standards, and moral decisions relating to marketing decisions and practices (Lu/Rose/Blodgett, 1999: 91). Marketing executives who take strategic decisions often face with ethical conditions and their decisions is related to all sides of marketing mix as product, price, place and promotion (Rallapalli/Vitell/Szeinbach, 2000: 65). Marketing executives' ethical decision making process related to these decisions is affected by miscellaneous ways as

philosophical, economical, sociological, psychological, religious. Consequently, all of these present valid point of views (McCabe/Ingram/Dato-On, 2006: 102 ). In this study, marketing ethics is studied according to elements of marketing mix as product, price, place and promotion.

### Ethics and Product Decisions

Marketing executives face with a lot of ethical problems related to planning and application of product strategies. For example, in new product development process, since ethics and legal subjects are discussed less than it is needed, faulty products are put on the market and so these products damage consumers (Morgan, 1993: 350-351). This grows out of seeing product security as engineering problem in most cases (Meel/Saat, 2002: 21). Similarly, some product areas such as especially toys for children are sensitive to the ethical problems (Chonko, 1995: 188-189). For this reason, ethical way of thinking should come into all levels of marketing from engineering to customer support (Rotfeld, 1999: 313). Other ethical issues related to product decisions, information on labels can sometimes be used as deceptive although it is technically true (Chonko, 1995:192), rubbish problem which packing cause after its usage (Menezes, 1993: 289), decline of recalling of product although it is problematic, failing in terms of guarantee related to product (Chonko, 1995: 195-197) and performing planned product obsolescence (Kaya, 1991: 3) to shorten product life cycle (Migliore, 2000: 1). The ethical problems which exist in international areas grow out of different laws of countries (Schlegelmilch, 1998: 81-82).

### Ethics and Pricing Decisions

Pricing is probably one of the most difficult areas of marketing when it is analyzed from the ethical point of view. Ethically, price should be equal or proportional to benefit which is taken by the consumers (Kehoe, 1985: 71-72). However, when monopolistic power is had, it is seen that unreasonable price increase is set (Ortmeyer, 1993: 401). Other ethical issues related to pricing include non-price price increases, misleading price reduction, price advertisements which can be misleading or considered as deceitful and their limits are not explained well, the practices of price fixing that affect the structure of competition, predatory pricing which aims to have monopolistic position, discriminatory pricing, pricing applications of products according to the products' unit or quantity basis and practicing of misleading pricing methods (Chonko, 1995: 210-217).

### Ethics and Distribution Decisions

Ethical issues related to place grow out of enterprises, which form channel of distribution, have different needs and goals. At power relationship in the channel, if channel members to put their power which they have into bad use, this may cause an ethical problem (Laczniak/Murphy, 1993: 111). For example, a powerful manufacturer may force retailer to conduct in different ways in subjects such as choice of retailer locations, minimum order size, product mix selection, restriction on alternative supply resources and arrangement of physical condition in retailer's location (Chonko, 1995: 273), pricing of intermediary enterprise, advertisement number, procurement credits to the consumers, and with their sales policy in subjects as regional and customer restrictions (Cespedes, 1993: 486).

Other ethical issues result in subjects as retailing decisions, direct marketing, supply and channel management. Ethical issues related to retailing decisions eventuate in areas such as buying, product assortment, pricing, selling, forward buying and slotting allowances. Ethical issues in direct marketing are the subjects which are privacy, confidentiality and intrusion (Chonko, 1995: 271-280). Ethical problems which are faced while using of internet for marketing are reliability of operations, illegal activities, privacy, accuracy, pornographic, product guarantees, burglary, aiming at children, spams, deceptive advertisements (Bush/Venable/J.Bush, 2000: 242).

### Ethics and Promotion Decisions

Ethical issues related to promotion can be analysed under two headings as advertising and personal selling. Advertisements are one of the ways of marketing which is criticised most from an ethical point of view. Unilateral advertising message, preconceived advertising messages, advertisements' breaking programmes are criticized (Chonko, 1995: 225-226). Whether advertisements are ethics or not is determined according to the extent of loss of advertisements to consumers. Loss can be defined in three ways: breach of the autonomy with control or manipulation, aggression to privacy, and breach of right to know (Nebenzahl/Jaffe, 1998: 806-807). Ethical problems in advertising can be analysed under two main headings: the content of advertising message and agent/customer relationships (Dunn/Barban/Krugman/Reid, 1990: 78). The relationship between advertising and ethics can be analysed from the point of view of persuasive trait of advertising, deception, puffery and making promises that cannot be kept. Other ethical issues related to advertising include advertising to children, demonstrations, mock-ups, endorsements and testimonials (Drumwright, 1993: 610).

One of the marketing fields in which there are faulty behaviour from the ethical point of view is selling. For example, in one study, it is found that unethical behaviour is positively related to the performance of salesperson. In other study, % 39 of participants feel that salesperson deceive them. This grows out of ethical conflict peculiar to selling (Dubinsky/Natarajan/ Huang, 2004: 298). Selling ethics presents a morality framework which guides salespeople in daily routine relation with their customers. Salespeople face with ethical problems because they work in the area (Dalrymple/Cron, 1995: 278). For example, salespeople and advertisers take place in bottom lines on the scale of honesty and ethical standards in Gallup's study in which ethical condition of various occupations were analyzed in 1983 (Laczniak/Murphy, 1991: 261). Some features which grows out of position of salespeople may cause repression on salesperson from the ethical point of view in enterprises. For example, the purchasing representatives of enterprises supplicate from entertainment to gifts which are obviously gravy. These kind of ethical problems cause stress, nerve defect and anxiety (Robertson/Anderson, 1993: 593). Salespeople are similar to an independent enterprising because they clear off from supervision and enterprise culture and they have power to take decision. However, this creates chance for salespeople for unethical practices. Similarly, salespeople feel pressure on arriving at a determined totality and closing sales in competitive markets (Kopp, 1993: 539-540). This pressure make them close sales in a pressurized way. However, when individual characteristics and characteristics related to organization overlap, performance and satisfaction head up and stress related to sales fall off. On the other hand, deficiency of balance results in low performance, dissatisfaction and increasing incompatibility. Ethical conflict may increase when ethical judgements of a salesperson is different from the ethical judgements of executives. For this reason, organizational climate of an enterprise or organizational culture can be an additional factor for ethical conflict (Schwepker/Ferrell/Ingram, 1997: 99).

Salespeople can have problems with customers. These problems are high-pressure persuasion, customer discrimination, misrepresentation, giving and receiving gifts (Chonko, 1995: 251-255). Bribery is the ethical problem which is seen most frequently in international area. The aim of bribery is doing the work, which is aimed to do, faster and having a work, which can not be done, done (Dunfee/Smith/Ross, 1999: 22). Gifts and other benefits are often provided in a business to business context as one way to develop the relationship between suppliers and their business customers yet, at the same time, giving and receiving gifts and benefits is cited as one of the most ethically problematic issues in purchasing and sales (Fisher, 2007: 99). According to the research on Australian managers, giving and receiving gifts, and favour are the

ethical problems which are seen most frequently. Actually, these problems are related to the culture of the place in which international enterprises are governed (Armstrong, 1992: 170). Consequently, different cultures reveal different expectations and these different expectations may reveal different attitudes and ethical standards against bribery (Armstrong, 1996: 1200). For example, it is predicted that the enterprises in USA spend 100-150 million \$ for bribery although bribery is forbidden in USA (Chan/Armstrong, 1999: 3). However, in some countries, bribery is tolerated more. For example, it is withheld a tax from bribery in Germany (Pitta/Fung/Isberg, 1999: 242). For this reason, when international enterprises are chiefly emphasized in the current marketing conception, understanding ethical decision making process of executives who are from different cultures rather well is basic for effective marketing management (Singhapakdi/Salyachivın/Virakul/Veerayangkur, 2000: 272).

Salespeople may be face with ethical problems as excluding rivals related to rival enterprises, interfering with rival presentations, criticizing rivalry, using unethical spying tactics about rivals (Chonko, 1995:258). Additionally, when a sales manager changes business quarter, desiring of taking important customers or giving important information to new employer is other ethical problem (Stanton/Buskirk/Spiro, 1991: 625). Ethical problems related to salesperson's own organizations are related to the subjects which are engagement, promotion and evaluation, control, distribution of sales region, usage of enterprise assets (Chonko, 1995: 261). It is seen that whether unethical practices affect consumers or not, ethical standards must be basic factor in all measurement and analysis stages which are in evaluation process (Wotruba/Simpson, 1989: 602). For this reason, the ethical way of decisions that will be taken must be considered.

According to the study, moral philosophy of sales managers is not too different from other sales managers (Bass/Barnett/Brown, 1998: 11). However, according to a different research, sales managers who work in the field give importance to evaluation according to the result or activity in their moral evaluation more than sales managers, who work in the enterprise, do. They think that true decision is situational based, it is not rule or obligation based. On the contrary, sales managers who work in enterprises are inclined to focus on rules during taking ethical decisions (Cherry/Fraedrich, 2000: 180-181). According to the study on Turkish sales managers, when sales managers assess whether a salesperson's behaviour is ethical or unethical, they firstly assess the intention of the salesperson. However, it is seen that sales managers assess according to result or activity (Mengüç, 1998: 346).

### III- METHODOLOGY

#### Sampling

The target population for this study consisted of enterprises, which are in the report of The Chamber of Commerce and Industry of Bursa “250 major firms research in Bursa” (the report of The Chamber of Commerce and Industry of Bursa, 2000: 4), in machine-metal, food agriculture and livestock, automotive industry and automotive supply industry and textile sectors. The criterion which is used to select four sectors in 16 sectors, is that the number of enterprises is 25 or more in each of these four sectors. Because it is thought that the characteristics of sectors can be displayed as a result of large number of enterprises. The number of enterprises, which are not the participants of the study, in other sectors is considerably low. 183 enterprises are included in the study.

In this study, stratified sampling is used because the participants of the study include the groups which have important differences among them, another reason of using stratified sampling in this study is to compare the characteristics of each sector. The enterprises from each group which are included in the sample were chosen randomly.

#### Method and Questionnaire

Questionnaire method was used to collect data in this study. In order to examine the ethical perspective of marketing executives regarding the marketing mix decisions and practices, a survey instrument was developed from literature review. Reliability assessment was conducted for the purpose of this study. The Cronbach’s alpha value for the scale was 0.72. Likert scale with 5 options, grading and marking questions were used in the questionnaire. Questionnaire forms were filled with marketing executives by face to face interview. One marketing manager from each enterprise filled the questionnaire form. 183 enterprises are included in the study. 54 usable questionnaires were returned which represents a 30% response rate.

### IV- FINDINGS

The data that is collected according to the objective of the study is analysed under headings in the below part.



### Socio-Demographic Profile of the Respondents

Table 1 provides a socio-demographic profile of the respondents who participated in the study. The sample was dominated by male respondents (83%) and majority of the respondents fell in the 20–40 (84%) age group. 82% of the respondents had graduates education, with 6% having earned a post graduate degree. 61% of the executives have business experience of 8 years and over.

*Table 1: Socio-demographic profile of the respondents*

	n	%
<b>Gender</b>		
Male	45	83%
Female	9	17%
<b>Age</b>		
20-30 years	17	32 %
31-40 years	28	52 %
41-50 years	7	13%
51 years or older	2	3%
<b>Education</b>		
Post Graduate	3	6%
Graduate	41	76%
Vocational/Technical	5	9%
High School	5	9%
<b>Experience</b>		
0 - 1 year	2	4%
2 – 3 years	2	4%
4 – 5 years	7	13%
6 – 7 years	10	18%
8 Years and over	33	61%
<b>Total</b>	54	100%

### Unethical Decision Areas in Marketing

In the questionnaire, the executives are asked to range the six decision areas, in which the unethical practices are seen, according to rank of

significance by taking their enterprises into consideration. The data is collected is shown in table 2.

*Table 2: Importance of Unethical Marketing Mix Decisions in Marketing.*

Importance rank	Product	Price	Distribution	Advertisement	Selling	Sales promotions	Total
	%						
1	13%	48%	2%	19%	9%	9%	54
2	22%	15%	11%	13%	17%	17%	
3	13%	5%	20%	20%	24%	24%	
4	11%	11%	26%	11%	18%	18%	
5	9%	17%	22%	28%	15%	15%	
6	32%	4%	19%	9%	17%	17%	

In table 2, it is seen that decision area-price, in which unethical practices are seen as the most significant ones, are 48% in marketing. Decisions related to product are on the second and sixth rank and this can be commented as some enterprises have quality policies and the customers of products that they sold are professional customers. In table 2, it is also seen that unethical decisions related to the distribution have significance which is in middle rank. Similarly, the executives considered advertisement as significant in nearly all importance ranks. Selling and sales promotions have usually the third significance rank.

### Responsible Positions in Unethical Marketing Practices

According to the executives, the percentage of answers for offices which will be responsible if unethical marketing practices exist is shown in table 3.

*Table 3: Responsible Positions in Unethical Marketing Practices*

Responsible position	Marketing Manager	Marketing Dep. Chief	Salesperson	Purchaser	General Manager	All people	Boss
n	45	21	20	10	5	4	1
%	83%	39%	37%	19%	9%	7%	2%
Total	54						

According to 83% of the executives who work in all sectors, marketing manager should be responsible from unethical marketing practices. According

to these responses, it is also seen that marketing managers have the responsibility for unethical marketing practices. The significant point in the table 3 is that marketing department chiefs and salespeople are responsible from unethical marketing practices in nearly equal ratio.

### The Degree of Agreement of Respondents to the Statements Related Marketing Decision and Practices

In the questionnaire form, the statements related to the elements of marketing mix were given to the respondents and the degree of agreement of the respondents to these statements were scaled to determine the ethical point of views of the respondents. In table 4, the agreements means of respondents to marketing decision and practices are shown as general and sectoral.

*Table 4: The Agreements Means of Respondents to Marketing Decision and Practices as General and Sectoral.*

The statements related marketing and ethics	All sector means	SD	Machine Metal Sector	Food Agri. and Livest. Sector	Auto. Industry and Auto. Supply Industry	Textile Sector
1. Keeping the interests of partner or owner should be preferential.	3,87	1,133	4,00	3,57	3,68	4,05
2. Product should provide maximum benefit for many consumers.	4,57	,661	4,72	4,85	4,62	4,35
3. Although consumers do not desire, enterprises should have the responsibility of producing beneficial and good products.	3,83	1,270	3,81	3,42	4,12	3,75
4. Misleading information can be written on etiquettes for competition.	1,53	,745	1,27	1,42	1,43	1,80
5. Faulty products are not withdrawn from market if they are high-cost.	2,00	1,243	1,63	2,00	1,62	2,50
6. New product is not presented to market until the existing product reaches its margin of consumption or the present stocks fall off.	2,83	1,177	3,09	3,14	3,00	2,45

7. Price should be proportional with the presented benefit not profit-making.	3,90	1,137	4,27	3,71	4,31	3,45
8. Quality, quantity or size of product is decreased for price competition.	1,92	1,179	1,36	1,57	2,18	2,15
9. Gentleman's agreements towards fixing price are unethical.	3,35	1,151	3,09	2,57	3,62	3,55
10. Selling a product under its cost because of the competition is unethical.	3,79	1,122	4,36	3,00	3,50	4,00
11. Enterprise that is a strong member of distribution channel may force other enterprises for unethical activities.	2,62	1,202	2,54	2,85	2,50	2,70
12. Having a relationship that is based on lie and deceive with enterprises in distribution channel is unethical.	4,00	,951	4,36	3,28	4,12	3,95
13. Purchasers may tend to unethical practices more than other workers.	3,40	1,090	3,09	3,85	2,93	3,80
14. If purchasers take present from customers, this is unethical.	3,88	1,160	4,18	3,85	4,18	3,50
15. Giving misleading information in advertisements is unethical.	4,12	1,010	4,36	3,85	4,18	4,05
16. Salespeople have to lie and deceive their customers to be successful.	1,79	1,139	1,45	2,14	1,75	1,90
17. Using wearing statements about rivals or rivals' products is unethical.	4,12	1,082	4,27	3,42	4,50	4,00
18. If salespeople give present to customers in active marketing, this is unethical.	2,87	1,346	2,90	3,00	3,00	2,70
19. If the executive who starts to work in rival enterprise gives strategic information about the enterprise in which s/he works before, this is unethical.	3,57	1,340	3,36	3,00	4,00	3,55
20. Workers should abide by top management's decision which is unethical.	2,70	1,191	2,36	2,85	2,75	2,80

According to table 4, it is seen that keeping the interests of partners is preferential in all sectors. The way of thinking that is not wrong in the business field, indicates that consumers are also an important interest group according to the mean of the second statement. According to the median of third statement, managers are ambivalent about the subject of responsibility of producing useful products for consumers. The median of response that is given to this statement is high in only automotive industry and automotive supply industry. The relatively low in other sectors is discussed. This may grow out of seeing human life as relatively more significant in this sector. The agreement on the thought that is related to writting misleading information on label is low which is desirable. This situation may be commented as an indicator of the modern marketing concept. However, legal conditions may have been considered. From this point of view, there is no tendency towards illegal or unethical activities. Similarly, all executives agree on the statement that faulty products should be drawn back from market, this agreement is suitable for the point of view of long term and consumer oriented. However, the median of responses of managers in textile is relatively higher than other sectors. Some automobile firms recall their faulty automobiles in spite of their high cost in the past and this situation can be indicated as a proof of this finding. The indecision of the managers in the statement which investigates whether new products are put on the market or not until the existing product reaches its margin of consumption or the stocks are consumed can be commented as the indecision between the market conditions in which hightened competition is experienced and the thought in which innovations should be presented to consumers at once.

Mean of the respondents of the participants who think that prices should be proportional with the presented benefit is high in machine-metal and automative main and supply industry but it is relatively low in other two sectors. This situation may grow out of characteristics of sectors, other elements in which benefit is related with other elements except price and/or perceiving price as variable in which price is independent from the benefit that is determined by its own or rivals. The executives disagree on the statement that quality, quantity and size of the product should be decreased because of price competition. However, the agreement rate in automobile and textile sectors is relatively higher than other two sectors. Indecisions of enterprises in sectors about whether making gentlemen's agreement is ethical or not is interesting. This result displays the thought that these kind of agreements is possible among enterprises and prices or different agreement subjects may be determined according to implied conditions in market not competition. Needless to say that these kind of agreements that may cause negative results on consumers and other related sides are not ethical. The opinions of executives on the statement

that price of a product should not be lower than its cost with the aim of competition supports the result that predatory pricing is unethical. However, the reason of not too high median of the responses is that the participants believe that life of enterprise should continue.

In analysis of distribution channel, the marketing managers in sectors disagree on thought that a powerful enterprise may direct other enterprises in distribution channel toward unethical activities; and this result indicates that there is no such a kind of activity in the market. This situation may grow out of making relationship, which is based on mutual understanding and good intention, of the enterprises in distribution channel. Because the responses, which indicate making misleading relationships with the enterprises in distribution channel is wrong, support this thought. According to the responses on the statements that are related to purchasing department that is one of the departments in which unethical activities may occur, it is interesting to point out the fact that especially the executives in textile sector agree that purchasers can do unethical activities more easily and the executives also disagree more than the executives of other three sectors do that taking present of purchaser is unethical. The responses that are given to these two statements can be sign of occurrence of such infracts in textile sector.

Most of the executives in all sectors believe that advertisements which are an important ethical area should not be deceptive. Because median of all sectors is high except agriculture and food sector. This result can be commented as there is the possibility of deception in the advertisements of enterprises in agriculture and food sector. The marketing executives in sectors agree that salespeople should not be deceptive. This is commented as unethical when it is combined with the next statement. However, there is relatively deficiency in agriculture and food sector. This situation indicates that salespeople in sector may lie, deceptive consumers, make false or disparaging claims about competitors. On the other hand, although the median of the responses of the statement in which salespeople should not do unethical activities is high, the statement in which active salespeople can give some presents to their consumers is not commented as unethical. Because median of all the responses is generally low. In other words, giving present is possible according to the results. The argument in the literature that whether a present is bribe or not according to its value may grow out of economic condition of our country, competition conditions in the market, and/or thought in which giving a present is accepted as a part of the system. Consequently, marketing executives do not consider as unethical and they see it as a necessity.

Lastly, marketing executives in sectors do not agree on the thought that the executives who have been transferred to a new company can give strategic

information about their prior enterprises although marketing executives agree on it. This may grow out of the press of market or top management. However, marketing executives in sectors have got different thoughts about complying about unethical decisions of top management. When the median of responses are analysed, unethical behaviours of top management are not usually complied but a complete determination is not seen on the responses.

### Correlation Analysis

Correlation analysis have been applied to the scale used in the questionnaire to find the relationships among the statements related marketing and ethics. In the study, spearman rank correlation coefficient was used because Likert scales are presumed as an ordinal data. To do this, the statements that have the relationship matrix as 0.70 and over, and their significance are  $p=0,01$  and  $p=0.05$  level have been analysed.

### Machine Metal Sector Correlation Analysis Results

Four relationships that have been over 0.70 in machine-metal sectors. These relations are analysed in table 5.

*Table 5: Machine Metal Sector Correlation Analysis Results.*

THE RELATIONS RELATED TO MACHINE METAL SECTOR	Spearman R Value (Correlation)	p	Calculated t Value
1. The relationship between 10th and 12th statement.	.79	.003	3.90
2. The relationship between 5th and 16th statement.	.75	.01	3.38
3 The relationship between 5th and 17th statement.	-.79	.003	-3.85
4. The relationship between 6th and 16th statement	.76	.006	3.47

*Degree of freedom (n-2) = 9*

The first relationship related to the machine-metal sector is the same-directed and powerful, and this indicates that unethical activities in setting prices is related to unethical activities related to the distributors. According to the second relationship, the executives believe that faulty products should not be withdrawn and salespeople need to deceive their customers and tell lie to them to be successful; this belief of the executives is unethical. There is a reverse directed and strong (-0,79) relationship in the third relationship. According to this, if withdrawing faulty products cause high costs, the

executives, who do not withdraw these faulty products, believe that using wearisome expressions about rivals or the products of rivals is not ethical. Lastly, the executives, who do not present the developed product to the market until the product is sold in a certain level or decumulation of total stocks, agree that salespeople have to tell lie to their customers and deceive them to be successful. According to this, salespeople can try all ways to sell their products. The objective is sell more product not customer satisfaction.

### Food, Agriculture and Livestock Sector Correlation Analysis Results

According to the food, agriculture and livestock sector correlation matrix results, 10 relationships which is 0.70 and over have been found. These relationships are shown in below table 6.

*Table 6: Food, Agriculture and Livestock Sector Correlation Analysis Results*

THE RELATIONS RELATED TO FOOD, AGRICULTURE AND LIVESTOCK SECTOR	Spearman R Value (Correlation)	p	Calculated t Value
1. The relationship between 1st and 2nd statement.	1.00	-	-
2. The relationship between 9th and 10th statement.	.81	.03	3.13
3. The relationship between 7th and 9th statement.	.81	.03	3.07
4. The relationship between 12th and 15th statement.	.84	.02	3.41
5. The relationship between 10th and 16th statement.	.78	.04	2.81
6. The relationship between 5th and 17th statement.	-.82	.02	-3.25
7. The relationship between 14th and 17th statement.	.88	.01	4.24
8. The relationship between 12th and 18th statement.	.84	.02	3.44
9. The relationship between 9th and 19th statement	.79	.03	2.92
10. The relationship between 19th and 20th statement.	-.77	.04	-2.73

*Degree of freedom (n-2)=5*

According to the first relationship, the executives think about their responsibilities to their consumers when they think about partners' interests. The second relationship is also the same directed and powerful and the possible reason of this is that these activities are forbidden by the laws. The reason in which whether these activities are ethical or not is not seen a possible reason for the relationship between the two pricing variables in the second relationship. The third relationship indicates that the executives, who do not accept any



agreements that are harmful for the consumers, believe that the price should be equal with the benefit that consumers perceive. According to the fourth relationship, the executives are extremely sensitive about telling lie and they believe that using lie in all kinds of communication such as advertisement and distribution is unethical. There is a same directed and strong relationship in the fifth relationship. In the fifth relationship, it is seen that the executives, who think that salespeople may deceive their customers and lie them to be successful, believe that selling a product under its cost because of the competition is an activity that should not be done. This is not seen as an economical decision because the executives consider the enterprise benefits beyond this decision is ethical or not.

According to the sixth relationship, the executives, who agree on the statement that faulty products should not be withdrawn from market if they are high-cost, believe that using wearing statements about rivals or rivals' products is ethical. The desired result is that faulty productions should be withdrawn without hesitation and wearing statements about rivals should not be used. According to the seventh relationship, purchasers' taking present from customers, and despising rival enterprises or rival products is accepted as unethical by the executives. For this reason, the marketing managers in the enterprises of this sector, see taking present and criticizing rivals maliciously as unethical behaviour. Similarly, having a relationship that is based on lie and cheat with enterprises in distribution channel and salespeople's giving present to customers is not ethical in the eight relationship. This situation indicates that there is a connection between forming deceptive relationships and giving present. The executives in this sector also agree on the thesis that lie and presents do not provide long termed relationships. According to the ninth relationship, the executives who don't think that making agreement that cause unfair competition among enterprises, do not want to give strategic information about the enterprise in which s/he works before, and they believe that the desire of this is not ethical. According to the last relationship, the executives, who see giving strategic information about the enterprise in which an executive works before as unethical, state that they will not obey the unethical decisions that top management take.

### Automotive Industry and Automotive Supply Industry Correlation Analysis Results

According to the automotive industry and automotive supply industry correlation matrix results, two relationships which are 0.70 and over are shown in below table 7.

*Table 7: Automotive Industry and Automotive Supply Industry Correlation Analysis Results.*

THE RELATIONS RELATED TO AUTOMOTIVE INDUSTRY AND AUTOMOTIVE SUPPLY INDUSTRY	Spearman R Value (Correlation)	p	Calculated <i>t</i> Value
1. The relationship between 11th and 12th statement.	-.70	.002	-3.68
2. The relationship between 6th and 18th statement.	-.71	.001	-3.80

*Degree of freedom (n-2) = 14*

According to the first relationship, the executives, who believe that the enterprise that is a strong member of distribution channel may force other enterprises for unethical activities, see having a relationship that is based on lie and cheat with intermediary enterprises as unethical. According to the second relationship, the executives, who state that the new product is not presented to market until the product reaches its margin of consumption or the present stocks fall off, see salespeople's giving various presents to their customers as normal.

### Textile Sector Correlation Analysis Results

According to the textile sector correlation matrix results, two relationships which are 0.70 and over are shown in below table 8.

*Table 8: Textile Sector Correlation Analysis Results.*

THE RELATIONS RELATED TO TEXTILE SECTOR	Spearman R Value (Correlation)	p	Calculated <i>t</i> Value
1. The relationship between 12th and 15th statement.	.79	.000	5.38
2. The relationship between 14th and 18th statement.	.71	.000	4.32

*Degree of freedom (n-2) = 18*

According to the first relationship, having a relationship that is based on lie and cheat is considered as unethical by the executives in this sector. This relationship have been found stronger in food agriculture and livestock sector than other sectors. According to the second relationship, purchaser' taking presents and salespeople's giving various presents to their customers are seen as unethical by the executives of this sector.

## V- CONCLUSION

When the sectors are analysed in general, it is seen that pricing is the area in which an unethical practice may often occur. Pricing is the most important marketing variable in significantly food agriculture and livestock and textile sectors from the ethical point of view. In addition to this, according to the responses of the executives who work in the same sector, the ethical thoughts related to marketing mix of the marketing executives, who work in food, agriculture and livestock and textile sectors, are lower than the ethical thoughts of executives in other two sectors. Another result is that when unethical practices related to marketing occur, marketing managers should take the responsibility. This result indicates that the workers are affected by their marketing managers and marketing managers are role models. For this reason, the efforts of marketing managers in creating an ethical climate in the enterprise is important.

Marketing executives defend to keep the interests of the owner and/or partners, and they also state that they have the responsibility of producing the products that provides the highest benefit for their customers. They also believe that misleading information should not be written on etiquettes although it provides advantage against rivals; and if the products are faulty, they need to be withdrawn from market. However, the managers explain that new products should not be presented to market until the product reaches its margin of consumption. It is seen that planned product obsolescence method can be used with it. However, the point of view of this point for textile sector should be thought differently apart from other sectors because of intensive competition and fashion.

Although the managers are not in the desired level in distribution area, they state opinion in ethical way. Although the managers see purchasers' taking presents from their customers and salespeople's giving presents to their customers as unethical, they agree salespeople's giving presents to their customers. Taking present is seen as natural and this has a significant role on it. The managers also state that they may agree on an unethical decision of the top management. This indicates that marketing managers consider their own benefits and they may agree on the top management's unethical decision that may damage to customers. This result indicates that the managers could not reach ethical maturity level perfectly. In addition to this, life conditions of Turkey may have an effect on this result.

In this study, how much the customers behave ethically is not explained. In future studies, this point need to be studied with a larger sampling.

Additionally, a study which will include more sectors in Turkey will help a more detailed comparison of among regions and sectors.

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