



For the Change Makers

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Ethics and sustainability in marketing

Session aims

- To define what is meant by 'ethics' and 'sustainability' within the context of marketing
- To discuss the different approaches to ethics and sustainability
- To reflect upon the challenging questions facing organisations seeking to take an ethical and sustainable approach
- To consider the implications for organisations who fail to take an ethical and/or sustainable approach

Evil marketing?

Are we trying to persuade people to buy things they don't need?

By pursuing a growth agenda are we simply contributing to pollution of our land, air and water and creating mounds of landfill waste?



WEEKEND SALE

**BLACK
FRIDAY**

UP TO

70%



Pretty Little Thing's Black Friday Deals – how ethical and how sustainable are they?

The screenshot shows the Pretty Little Thing website during a Black Friday sale. The header features a search bar, a UK flag, and navigation links. A prominent pink banner announces 'PINK FRIDAY! - UP TO 99% OFF ABSOLUTELY EVERYTHING* - HURRY! WHILE STOCKS LAST'. Below this, four product tiles are displayed, each with a model wearing the item, the product name, the original price (crossed out), and the sale price with the discount percentage.

Product	Original Price	Sale Price	Discount
Basic Black Jersey Strappy Cross Front Crop Top	£6.00	£4.00	33% OFF
Black Basic Jersey Skater Skirt	£8.00	£7.00	
Basic Black Jersey V Plunge Sleeveless Shift Dress	£5.00	£0.08	99% OFF
Black Basic Jersey 2 Pack Cycle Shorts	£9.00	£8.00	

The case of 'fast fashion' (Arrigo 2020)



- Fast fashion is “the retail strategy of adapting merchandise assortments to current and emerging trends as quickly and effectively as possible” (Sull, D.; Turconi, S. 2008)
 - Production usually takes place offshore using contracted suppliers
- Sourcing decisions have historically been based upon price and timing
- The sustainability challenge for organisations: to achieve a balance between social, environmental, and economic goals to satisfy stakeholders' requirements

Sustainability issues in the fashion industry (Earth.org 2023)

- 92 million tonnes of textiles waste are produced every year
 - Of the 100 billion garments produced each year, 92 million tonnes end up in landfills.
- If nothing changes, the apparel industry's global emissions will increase by 50% by 2030
- The number of times a garment is worn has declined by around 36% in 15 years
- Nearly 10% of microplastics dispersed in the ocean each year come from textiles
- The fashion industry is responsible for 20% of global waste water. It takes 20,000 litres of water to produce one kilogram of cotton.
- 2.6 million tonnes of returned clothes ended up in landfills in 2020 in the US alone.



Concerns over marketing – not a new thing

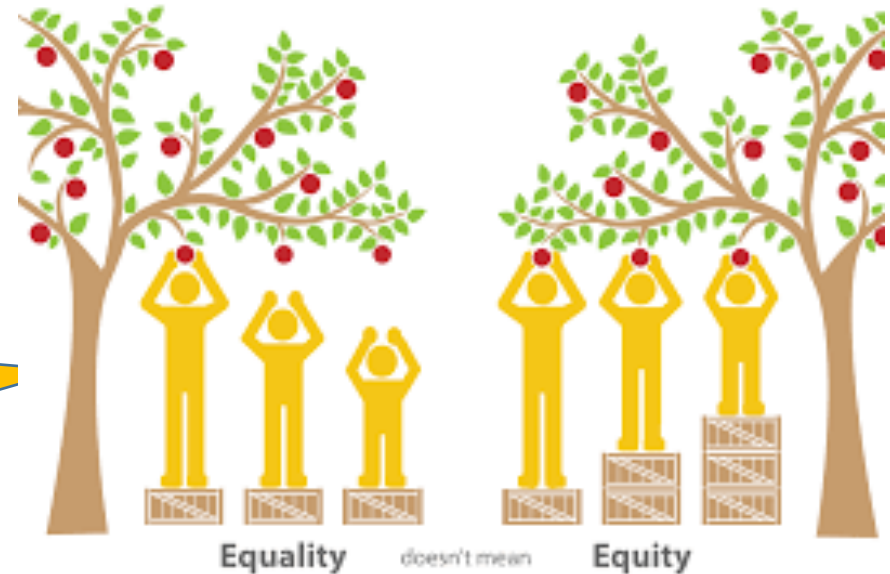
“Although the modern marketing concept emphasises its mission to satisfy consumer needs and wants, that promise, in reality, is sometimes lost or misplaced, resulting in outcomes that are not in the best interests of either the customers or society.

Rotfeld (2001)

The challenge of sustainability in marketing (Bridges and Wilhelm 2008)

- Often coined the 'Three Es' or The Triple Bottom Line (Savitz and Weber 2006)
 - (Ecological) Environmental
 - (Social) Equity
 - (Financial) Economic

How do you minimize environmental impact and support social equity without a negative impact on finances?



Sustainability Marketing (Lunde 2018)

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Sustainability marketing is the strategic creation, communication, delivery and exchange of offerings that produce value through consumption behaviours, business practices, and the marketplace, while lowering harm to the environment and ethically and equably increasing the quality of life and well being of consumers, global stakeholders, presently and for future generations



SUSTAINABLE DEVELOPMENT GOALS

17 GOALS TO TRANSFORM OUR WORLD



'Sustainability' in marketing is found under a number of labels (Adapted from Wilhelm 2007)

- Sustainable marketing
- Sustainability marketing
- Green marketing
- Corporate Social Responsibility
- Cause-related marketing
- Social marketing



Sustainable marketing decisions

	Marketing mix component	Sustainability questions to be addressed
McCarthy's 4 Ps (1964)	Products/services	Sourcing, components, production processes?
	Pricing	How 'fair' is the price – to the consumer and the stakeholders?
	Promotion:	What form do promotional materials take? What are you asking consumers to do?
	Place	Supply chain, transport methods?
Boom and Bitner's 7Ps (1981)	People	Fair and humane treatment, fair pay, sustainability training, minimization of churn?
	Processes	Efficient delivery, minimization of waste, potential for recycling?
	Physical evidence	Energy efficiency, use of recycled materials, care and maintenance to extend life

ADOPTION OF A SUSTAINABILITY PERSPECTIVE AND EXAMPLES OF CHANGES TO TRADITIONAL MARKETING PRACTICES (ADAPTED FROM PEATTIE & CRANE, 2005)

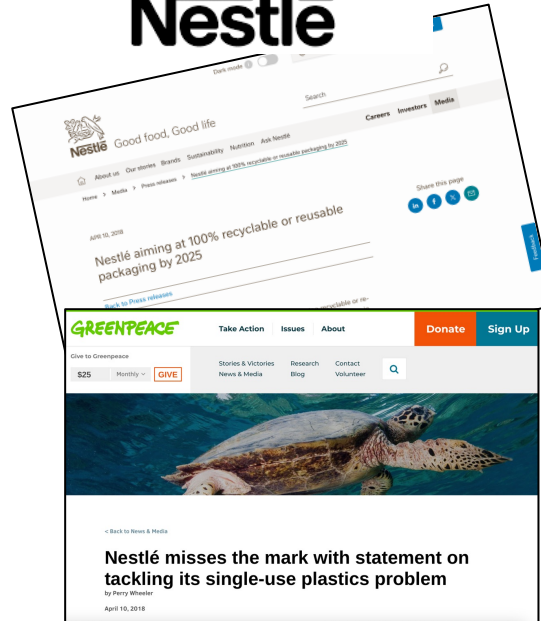
<i>Marketing Practice Change</i>	<i>Description/Examples</i>
Redefinition of “product” concept	Greater focus on how products are made, distributed, and sold Product development strategies must encompass means of production and producer activities (e.g., no child labor)
Willingness to change markets	New types of markets in which material flows become more circular through product take-back and recycling Alternative forms of product and consumption must be considered (e.g., farmers’ markets) Recognition of the poor as a market (base-of-the-pyramid considerations)
Emphasis on benefits from product use versus joys of ownership	Marketers produce the service and retain ownership and maintenance of products (e.g., Interface provides a floor covering service and retains ownership of the actual carpet)
Marketing communication that aims to inform rather than just impress/persuade	Must educate customers about what makes a product sustainable Use of third-party product standards/labels to legitimize sustainability
Focus beyond current customer needs	Production and consumption have impacts on noncustomers and future generations of customers Recognized overarching objective of alleviating poverty worldwide
Willingness to manage demand and expectations downward	Demarketing (e.g., use less electricity; Kotler & Levy, 1971) Continuity (financial subsistence and stability) valued over profit/growth
Emphasis on cost instead of price	Competition based on overall costs of production, ownership, use, and disposal Full cost accounting to take into account environmental and social costs of marketing activities
Taking more responsibility; educate	Consider customer and societal welfare Take some responsibility for guiding customers and employees and suppliers toward more sustainable behavior Consumer eco-illiteracy means individuals cannot make informed decisions themselves

‘Greenwashing’ (Westerveld 1986)

- Greenwashing is when an organization spends more time and money on positioning themselves as environmentally friendly than on actually minimizing its environmental impact.
- It is intended to mislead consumers who prefer to buy goods and services from environmentally conscious brands.
- Inspired by the irony of the “save the towel” movement in hotels that had little impact beyond saving hotels money in laundry costs.



Examples of 'Greenwashing'





What do we mean by 'ethics'...?



Defining ethics...



Ethics is the study of morality: those practices and activities that are importantly right and wrong (De George 1999)

Ethics are the moral principles and values that govern the actions and decisions of an individual or group (Jobber 2007)

The growth of the ethical organisation...

Business Ethics:

The moral principles and values that guide a firm's behaviour.

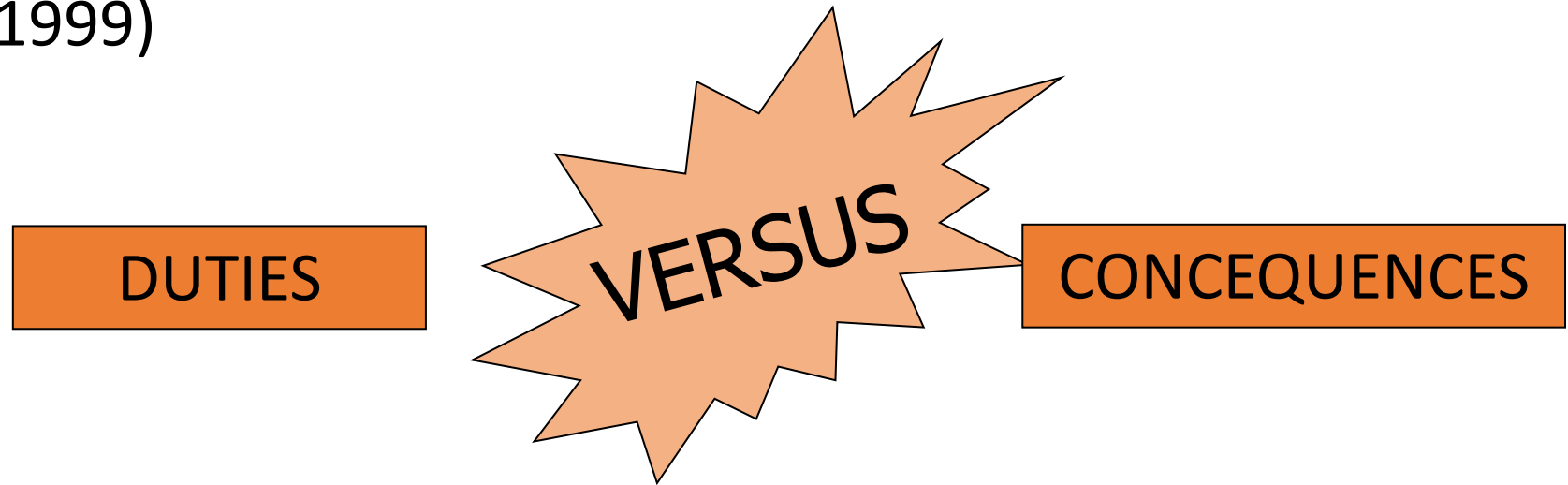
Thirty years ago, businesses considered themselves 'ethical' if they complied with legal standards and industry guidelines.

Increasingly companies are creating values-based programmes that are globally consistent across their organisation.



Marketing Ethics

Marketing ethics considers the application of ethics to the field of marketing and communication (De George 1999)



Duties vs consequences...

DUTIES

Certain things are
always bad or always
good...

Examples?

CONSEQUENCES

The extent to which
something might be
considered ethical
depends upon the
eventual outcome...

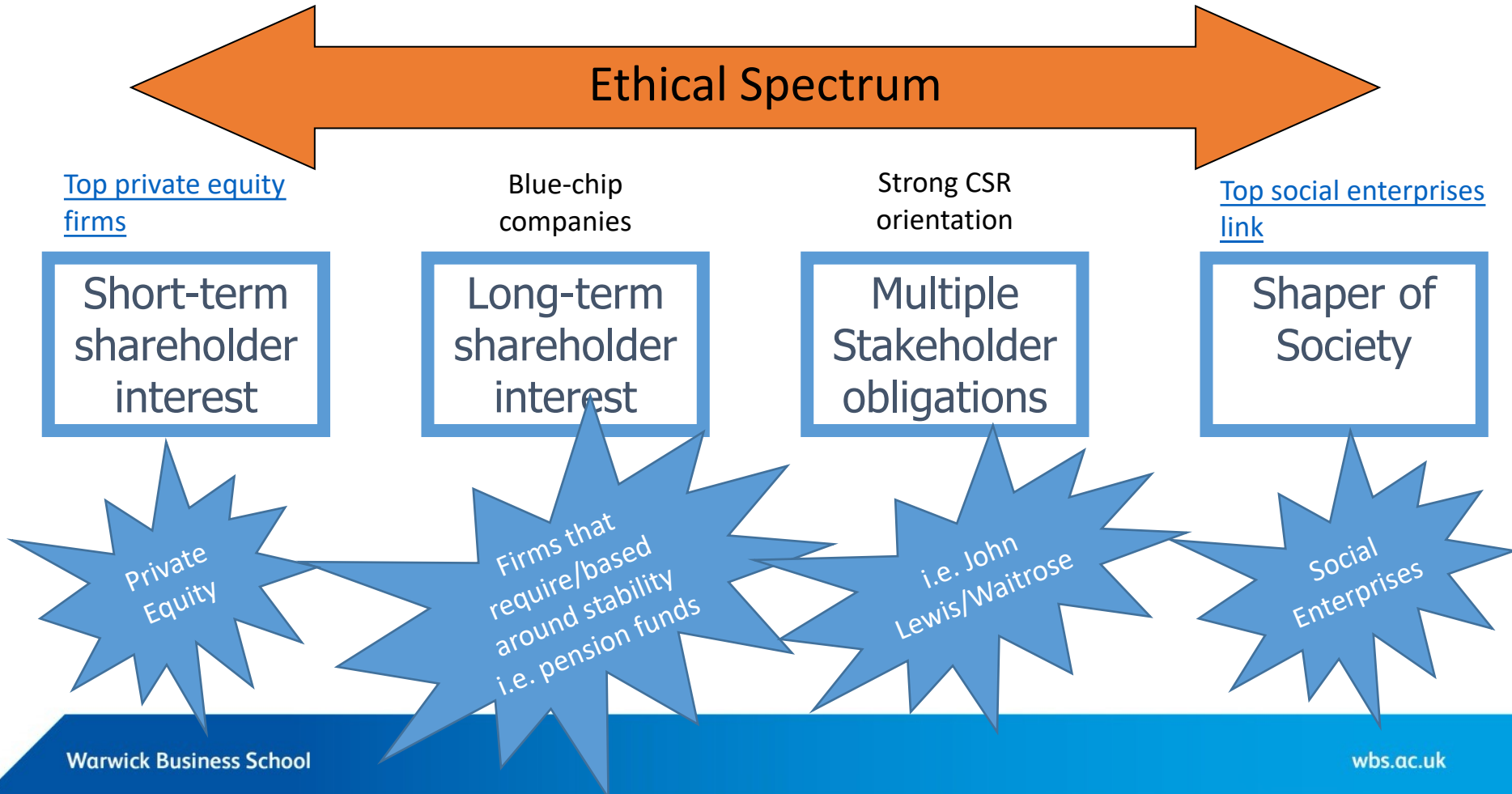
Examples?

“Do no harm”...now or later?



[Flintstones and cigarettes](#)

Scope of Ethics (De George 1999)



Approaches to managing ethics

Reactive

Programmes put in place to diffuse criticism

Ie. Nike, Gap and Levi's attempt to diffuse 'sweat shop' allegations

Vs

Proactive

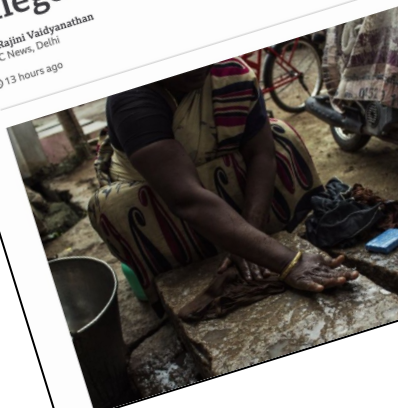
Strategic initiatives that respond to environmental concerns

Pro-actively promote positive links and positive brand values

I.e. Communication of Co-op's ethical investment programmes and B&Q's involvement with forest stewardship programme

Indian factory workers supplying major brands allege routine exploitation

By Rajini Vaidyanathan
BBC News, Delhi
13 hours ago



[Exploitation of factory workers in India](#)

De George (1999)

Approaches to managing ethics

Compliance-based approach

Vs

Integrity-based approach

Designed to ensure that the company acts within the letter of the law

- ✓ Compliance procedures to detect misconduct
- ✓ Audits of contracts
- ✓ Systems for whistleblowers
- ✓ Disciplinary procedures for transgressions

Combine a respect for law with an emphasis on managerial responsibility in which ethics becomes central to the organisation's culture.

- ✓ Identification of defining values
- ✓ Creation of an environment that supports ethically sound behaviour
- ✓ Instill a sense of shared accountability

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Communication of defining values

Creation of an environment that supports morally sound behaviour

Sense of shared accountability

ONE RELATES TO
THE LETTER OF THE
LAW AND ONE
RELATES TO THE
SPIRIT OF THE LAW

The Societal Marketing Concept

The societal marketing concept is a management orientation that holds that the key task of the organisation is to determine the needs and wants of target markets and to adapt the organisation to delivering the desired satisfactions more effectively and efficiently than its competitors *in a way that preserves or enhances the consumers' and/or society's well being.*

Kotler (2002)

Summary

- Ultimately, ethical and sustainable marketing actively seeks to ‘do no harm’ – now or in the future.
- Returns on ethical and/or sustainable marketing can take longer than traditional marketing approaches.
- Profit/benefits are often difficult to measure or attribute to a single campaign or brand
- However, whilst organisations and brands have suffered major reputational damage from being unethical, it is rare (if ever) to be castigated for being ethical.