Social Implications and Criticisms of Marketing: Concerns, Strategies, and Initiatives

Pratap Chandra Mandal, Indian Institute of Management, Shillong, India*

ABSTRACT

Companies adopt marketing practices to delight their customers, generate revenues and profits, and to create customer relationships. However, companies may focus on their selfish motives of growth and may ignore consumer welfare and social welfare. Marketers are criticized for such practices and for the negative impact created on the society. The practices include high prices of products, deceptive practices, high pressure selling, harmful or unsafe products, planned obsolescence, poor service to disadvantaged customers, and negative impact of celebrities in marketing communications. Adverse impact on society includes false wants and materialism, too few social goods, and cultural pollution. Marketers are accused of harming and reducing competition. In the era of social marketing, companies should respect social concerns of various stakeholders and should maintain a balance between their own objective of growth and long-term social requirements. This will result in mutual trust and in sustaining the society.

KEYWORDS

Cultural Pollution, Deceptive Practices, High Pressure Selling, Planned Obsolescence, Social Criticism, Social Goods, Societal Marketing

1. INTRODUCTION

Companies should analyze and understand customer requirements and preferences and provide them with offerings which deliver value both for customers and for themselves (Madhani, 2021). Companies should also build and develop customer relationships which are mutually beneficial (Arora & Sharma, 2018). They focus on satisfying the many and changing needs of millions of customers (Du & Wang, 2022).

The marketing activities adopted by companies benefit customers. However, many companies focus on transactional marketing and do not focus on relationship marketing. They also adopt questionable marketing practices that serve their selfish motives rather than serving the interests of customers and of the society at large (Mills & Groening, 2021). Again, there are some actions by

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marketers which may appear to be beneficial in the short run. However, a closer inspection will reveal that in the long run, such actions are harmful for customers and for the society at large. Marketing receives criticisms because of such activities (Sharma, Kaur, & Syan, 2021). Some of this criticism is justified, much is not. Experts and critics are of the opinion that certain marketing practices of companies cause harm to customers, other business firms, and the society at large (Mandal, 2019). The sustainability of the practices adopted by marketing and consequently, the sustainability of the society becomes questionable. The malpractices adopted by marketing may lead to depleting sustainability.

The discussions indicate that marketing activities may not be always beneficial for customers and the society at large. The harmful aspects and the impact of marketing activities should be studied and analyzed properly so that corrective actions may be taken. The malpractices adopted by marketing should be analyzed. Although the topic is important, few studies have addressed the issue. Consequently, the issue has not been analyzed properly. The study aims to address this research gap.

The objective of the study is to conduct a conceptual analysis of the various marketing activities of companies. The study aims to understand the issues related to marketing activities. Such issues may be of concern to customers and to the society at large.

The methodology adopted is a conceptual analysis of the various marketing activities adopted by companies. The latest and relevant literature related to social criticisms of marketing is analyzed to understand the current situation. Reputed and international academic journals on sustainability are studied and reviewed to select the various malpractices adopted by marketing. Primary data is not collected and empirical analysis is not done.

The novelty and the contributions of the study lie in the fact that an in-depth discussion about the various aspects related to marketing practices adopted by companies is done. Various malpractices adopted by marketing are discussed. The impact of such practices on consumers, other stakeholders, and the society at large is done. Laws and regulations governing such practices are highlighted. Based on the discussions presented, both academicians and practitioners will understand the importance of controlling the adverse effects of such practices. Companies should implement those marketing practices which have a positive impact and discard those practices which have a negative impact. Efforts are made to include the relevant and the latest literature related to the social impact of different marketing practices adopted by companies and the regulations enforced by authorities to ensure that marketing creates a positive impact on the society.

The study is structured as follows:

Section 2 discusses the impact of marketing on individual customers. The issue of high prices of products is highlighted in sub-section 2.1 with sub-sections 2.1.1, 2.1.2, and 2.1.3 highlighting the causes of high prices – high distribution costs, high advertising and promotion costs, and high mark-ups respectively. The other aspects through which marketing creates impact on individual customers include deceptive practices (discussed in sub-section 2.2), high pressure selling (discussed in sub-section 2.3), harmful or unsafe products (discussed in sub-section 2.4), planned obsolescence (discussed in sub-section 2.5), poor service to disadvantaged customers (discussed in sub-section 2.6), and impact of celebrities in marketing communication (discussed in sub-section 2.7). The impact of marketing on society includes false wants and materialism (discussed in sub-section 3.1), too few social goods (discussed in sub-section 3.2), and cultural pollution (discussed in sub-section 3.3). The impact of marketing on other businesses is highlighted in section 4. Section 5 discusses the salient points of the study with sub-sections 5.1 and 5.2 highlighting the theoretical implications and the managerial implications of the study respectively. Section 6 concludes the study with sub-sections 6.1 and 6.2 highlighting the limitations of the study and the avenues of future research respectively.

2. IMPACT OF MARKETING ON INDIVIDUAL CUSTOMERS

Customers all over the world are concerned deeply about the marketing intentions of companies and how well the companies serve the interests of customers (Mandal, 2020). Surveys reveal that

customers hold mixed or even slightly unfavorable attitudes toward marketing practices (Irwin & Naylor, 2009). Critics, advocates, government agencies, and regulatory bodies accuse marketing of harming consumers through high prices of products, deceptive practices, high-pressure selling, shoddy, harmful, or unsafe products, planned obsolescence, and poor service to disadvantaged consumers. Such questionable marketing practices are not sustainable for business in the long run and creates a bad reputation for companies.

2.1. High Prices of Products

Many critics believe that marketers charge higher prices than they would charge under more *sensible* systems. Critics accuse that such high prices are unacceptable especially when there is an economic crisis (Andronic, 2021). Critics believe that marketers charge higher prices because of three factors – high distribution costs, high advertising and promotion costs, and high mark-ups (Cheeseman, 2013).

2.1.1. High Distribution Costs

Marketing channel members are greedy and mark up prices beyond the value of the services provided by them (Guissoni, Rodrigues, Zambaldi, & Neves, 2021). The distribution costs rise and these costs are transferred to customers in the form of more convenience, larger stores and assortments, more service, longer store hours, return policies, and others. Retailers argue that competition in the retail industry is so high that margins are quite low. Discounters such as Aldi, Lidl, and Costco pressure their competitors to operate efficiently and to keep their prices down.

2.1.2. High Advertising and Promotion Costs

Critics believe that marketers charge higher prices from customers to finance advertising, sales promotion, and packaging. Much of these types of promotion are not needed and not justified (Turker, 2018). For example, a heavily promoted national brand sells for much more than a virtually identical store-branded product. It is believed by critics that promotion and packaging done by brands add only psychological, and not functional value (Mandal, 2022). Marketers, on the contrary, argue that advertising adds to product costs. It also informs potential buyers of the availability and merits of a brand. Consequently, it adds value to buyers. Branded products may cost more. However, buyers are assured of consistent quality by brands (Gupta, Czinkota, & Ozdemir, 2019). Again, although customers can usually buy functional versions of products at lower prices, they want products which offer psychological benefits. They are willing to pay more for products and brands that make them feel wealthy, attractive, or special (Su, 2021).

2.1.3. High Mark-Ups

Marketers are accused by critics of marking up goods excessively (De Geest, 2018). They argue that in drug industry, where a pill costing a few pence to make, may cost the consumer £2 to buy (Xia, Monroe, & Cox, 2004), Similarly, car repairs and services have high charges. Marketers respond that it is always the primary aim of businesses to try to price fairly. Companies want to build relationships with customers and do repeat business with them (Gelb, Rangarajan, Hochstein, & Blaisdell, 2020). Companies argue that customers do not understand the reasons for high mark-ups. For example, pharmaceutical mark-ups help cover the costs of making and distributing existing medicines plus the high costs of developing and testing new medicines (Green, 2006). Reputed pharmaceutical company, GlaxoSmithKline states in its advertisements, "Today's medicines finance tomorrow's miracles" (Green, 2006).

2.2. Deceptive Practices

Marketers communicate about their offerings to target markets in a way that lead customers to believe that they will get more value than they do (Caldwell, 2011). Deceptive practices may be related to promotion, packaging, and pricing. Deceptive promotion may include practices such as misrepresenting

the features or performances of products. Promotions may also try to lure customers to the store for a bargain that is out of stock. Companies may exaggerate their package contents through subtle design, using misleading labelling or describing size in misleading terms. Such practices fall under deceptive packaging (Weinrich, Overbeck, Zuehlsdorf, & Spiller, 2018). Deceptive pricing includes practices such as falsely advertising *factory* or *wholesale* prices or a larger price reduction from a phony high retail *list price* (Chu & Chintagunta, 2009).

Consumer protection actions and legislation may be required to protect consumers against deceptive practices (Karabas, Kareklas, Weber, & Muehling, 2021). Different countries adopt different approaches to deceptive practices through laws, regulations, and voluntary codes of practice. Although there are expanding bodies of laws and regulations, critics argue that deceptive practices still exist even for well-known brands. In the UK, retailers have been accused of misleading consumers in pricing, sales promotions, and discounts. For example, few years back, a study by the BBC's panorama program found that all four major UK supermarkets were guilty of making erroneous or untrue assertions regarding product prices, including bogus price drops, promotions offering no savings, and larger value packs which were even more expensive than smaller packs (Botterill & Daugbjerg, 2011). Also, there were high-street furniture and carpet retailers from UK who were accused of misleading customers with fake prices. For example, advertised price cuts were not genuine and were inflated with the use of reference pricing (a false claim such as that the price was £500 and is now £300) (Botterill & Daugbjerg, 2011).

Overstock.com is an American online retailer claiming to be specialized in selling surplus, returned and closeout merchandise with a deep discount (Duan & Bachelor III, 2006). The retailer was fined 46.8 million by a California court. The attorneys general of eight California counties filed a fraudulent pricing lawsuit. The lawsuit claimed that the retailer routinely advertised its prices as lower than fabricated *list prices*. In one instance, Overstock sold a piano set for \$449. The company claimed that the list price was \$999. After delivery, it was revealed that the product had a Walmart sticker stating a price of \$247 (Poon, Yang, & Lin, 2014).

Volkswagen was involved in an infamous emissions scandal. The car maker cheated on emissions tests (Jung & Sharon, 2019). A *cheat* software was installed in diesel engines and intentionally programmed to activate emission controls. The controls were activated only during laboratory emission testing to meet nitrogen oxide emission regulations (Cavico & Mujtaba, 2016). It was revealed that the emissions from the engines are 40 times more in a real-world driving. The scandal became known globally. Volkswagen was charged by the US Federal Trade Commission for deceiving customers with the advertising campaign it used to promote its supposedly *clean diesel* cars with false environmental claims. A court order was issued which instructed Volkswagen to compensate affected customers (Danas, Drouyor, & Hong, 2017). In 2017, Volkswagen agreed to a plea deal and was ordered by a US federal judge to pay a \$2.8 billion criminal fine (Van Loo, 2022).

It is difficult to define the term *deceptive* appropriately. For example, the advertisement of a chewing gum claiming it will "rock your world" should not be taken literally. Instead, when the advertiser claims that it is *puffery*, then it is an innocent exaggeration for effect. However, it is believed by critics that consumers may be harmed in subtle ways by puffery and alluring imagery (Corcoran, 2011). The popular and long-running MasterCard *priceless* commercials painted pictures of consumers fulfilling their priceless dreams despite the costs (Leondis & Plungis, 2010). The advertisements suggested that the credit card can do anything for consumers. However, critics charge that such imagery encouraged a *spend-now-pay-later* attitude that caused many consumers to over use their cards (Leondis & Plungis, 2010).

Companies claim that they strive to avoid deceptive practices. Such practices harm the reputation of companies and are not sustainable in the long run. Profitable customer relationships are developed when there are mutual trust and value. Customers will switch to competitive and reliable products and brands if they do not get what they expect. In addition, consumers usually protect themselves from

deception. Consumers are aware about the intentions of companies and are careful when they buy. They are careful even to the point of not believing completely the true product claims.

2.3. High-Pressure Selling

Salespeople are under pressure from companies to achieve sales targets. Salespeople transfer this high pressure in the form of high-pressure selling to individuals. They persuade or force individuals directly or indirectly to buy products they had no intention of buying. Critics are of the opinion that push products like insurance, property, and used cars are sold, and not bought (Bialik, Holmes, & Smith, 2010). Salespeople are trained to deliver smooth, scripted talks to attract purchasers. Salespeople try to sell products forcefully because their incentives are directly linked to whether they can achieve their sales targets or not. Similarly, TV infomercial pitchmen use *yell and sell* presentations that create a sense of consumer urgency that only those with strong willpower can resist (Corcoran, 2011).

In the long run, hard selling generates more issues than benefits for companies. Although such high-pressure selling tactics may work in one-time selling situations for short-term gain, most selling involves building and developing long-term relationships with valued customers. Deceptive or high-pressure selling can seriously damage such relationships. For example, a P&G account manager may try to pressure a Tesco or Carrefour buyer or an IBM salesperson may try to browbeat an information technology manager at GE (Leondis & Plungis, 2010). It is difficult to make such tactics work.

2.4. Harmful or Unsafe Products

Marketers are criticized for selling products of poor quality and poor function (Varey, 2010). One complaint is that, too often, products and services are not made well or do not perform well. Critics and customers are concerned about product safety and complain about it. Product safety is a major concern because it is related to indifferent attitude of companies, increased product complexity, and poor-quality control (Russell & Kellershohn, 2018). There are also complaints regarding harmful effects of products. It is also felt that many products deliver little benefits (Varey, 2010).

The soft drinks industry has been blamed for its harmful effects. For years, industry critics have blamed the plentiful supply of sugar-laden, high-calorie soft drinks for the obesity epidemic and other health issues, such as diabetes (Cooper, 2012). Critics find fault when greedy beverage marketers take undue advantage of vulnerable consumers turning them into a nation of *big gulpers* (Mitchell, 2016). Consumers are aware of the negative effects of consumption of soft drinks. Many consumers in developed countries like the United States, have stopped consuming soft drinks. Beverage companies target emerging markets for growth. According to a report by the Washington, D.C. Centre for Science in the Public Interest (CSPI) titled "Carbonating the World," in 2008, emerging markets such as China, India, and Mexico accounted for just over half of global soft drinks consumption. In 2018, nearly 70 percent of soft drinks was sold in such markets (Gómez, 2019). The CSPI accuses that beverage companies behave much like the tobacco industry. Beverage companies market their harmful products to countries already struggling to provide health care to their citizens (Fleming-Milici & Harris, 2020).

It is debatable whether the soft drinks industry is behaving in a socially irresponsible way and whether it is aggressively promoting overindulgence to ill-informed or unwary consumers in emerging markets. Some critics argue that the soft drinks industry is simply serving the wants of customers by offering products that appeal to consumer tastes. They argue that consumers themselves should be responsible to make their own consumption choices (Ferretti, 2012). Some others argue that it is not the job of the industry to keep track of public tastes. In many matters of social responsibility, what is right or wrong may be a matter of opinion. While some analysts criticize the industry, others suggest that the responsibility lies with consumers. Companies may be should not sell *Big Gulps*. However, at the same time, nobody is forced to buy and drink one (Mitchell, 2016).

Companies always strive to produce quality offerings which satisfy the requirements and preferences of target markets. Reputation of companies might be at stake if they offer products with

poor quality or with safety issues. Companies selling poor-quality or unsafe products risk damaging conflicts with consumer groups and regulators. Unsafe products may result in product liability suits and large rewards for damages. Consumers who are unsatisfied or frustrated with the products offered by a firm may stop buying, may shift to the products and brands offered by competitive firms, and may spread bad word of mouth about the firm and its products. In today's age of social media and online review, word of poor-quality spreads like wildfire. Thus, quality missteps are not consistent with sustainable marketing. Superior quality will result in customer value, satisfaction, and delight. This in turn, will create sustainable customer relationships.

2.5. Planned Obsolescence

Critics and experts feel that many companies practice planned obsolescence. Companies cause their products to become obsolete before they should need replacement. Critics accuse that manufacturers use materials and components which are of inferior quality and which will break, wear, rust, or rot sooner than they should (Walker, 2011). Sometimes, the products themselves do not wear out fast enough. In such cases, companies are charged with perceived obsolescence. Companies aim at continuously changing consumer concepts of acceptable styles to encourage more and earlier buying. Clothing fashions change constantly in the fast-fashion industry (Leonard, 2010). Critics believe that it is a wasteful disposable clothing culture. One designer comments, "Too many garments end up in landfill sites. They are deemed aesthetically redundant and get discarded at the end of the season when they are often years of wear left" (Leonard, 2010).

Many companies introduce planned streams of new products. Such products make older models obsolete. Consumers become *serial replacers*. These types of replacements happen mainly in the consumer electronics industries. Individuals may have several hottest technological gadgets – from mobile phones and cameras to iPods and flash drives now reduced to the status of fossils, in their collection (Walker, 2011). Companies try to create an impression on customers that any product which is more than a year or two old is hopelessly out of date.

Marketers claim that consumers are always on the lookout for style changes. They are bored with old goods and want a new look in fashion (Leonard, 2010). Consumers also want products with latest high-tech innovations even when older models work. No one must buy a new product, and if too few people like it, it will simply fail. Products are not designed by companies to break down early. Companies do not want to lose their customers to competitive brands. On the contrary, companies strive for continual innovation to ensure that the products meet or even exceed customer expectations (Walker, 2011).

Companies can implement planned obsolescence because of the competitive forces and technological innovations. These forces result in ever-improving goods and services. For example, few buyers will buy an Apple iPhone or iPod if it lasted for 10 years. On the contrary, customers want the latest technical innovations. One analyst comments, "Obsolescence isn't something companies are forcing on us. It's progress, and it's something we pretty much demand. As usual, the market gives us exactly what we want" (Leonard, 2010).

2.6. Poor Service to Disadvantaged Customers

Marketers provide differential treatment when it comes to disadvantaged customers. For example, critics argue that the urban poor are often forced to buy from smaller stores that carry inferior goods. They are also charged higher prices (Auge, 2010). Prices of products are less when large national chain stores are present in low-income neighborhoods. However, the critics accuse major chain retailers of redlining. Such retailers draw a red line around disadvantaged neighborhoods and avoid placing stores there (Cooper, 2011).

In the United States, affluent areas have 30 percent more supermarkets than poor areas (Walker, Keane, & Burke, 2010). Consequently, many low-income consumers are unable to afford the high-priced food products. The supermarkets offer frozen pizzas, Cheetos, Moon Pies, and Cokes.

However, fruits and vegetables or fresh fish and chicken are out of reach of poor customers (Walker et al., 2010). The U.S. Department of Agriculture has identified more than 6500 food deserts in rural and urban areas of the United States. Low-income areas lack stores selling affordable and nutritious foods. Around 23.5 million Americans, including 6.5 million children reside in such areas (Walker et al., 2010). The lack of access to healthy, nutritious, and affordable fresh foods has a negative impact on the underserved consumers in these areas. Reputed natural retailing chains have taken the initiative and have started opening or expanding more stores that bring nutritious and fresh foods to underserved communities. Other retailers have also realized that they can generate profit margins by serving customers in low-income areas which are ignored by other companies.

Companies will be able to serve underserved and disadvantaged customers better if they build better marketing systems (Hossain, Levänen, & Wierenga, 2021). In fact, marketers in many industries profitably target such consumers with legitimate goods and services that create real value. Government intervention is there when companies do not step in to fulfill the requirements of disadvantaged customers. For example, the Federal Trade Commission (FTC) in the United States takes actions against sellers that communicate false values, wrongfully deny services, or charge disadvantaged customers too much. The Competition and Markets Authority in the United Kingdom ensures that business competition is strengthened and promoted properly. It also enforces consumer protection legislation (Vickerman, 2021). For specific industries, the UK government has set up Ofcom (The Office for Communication) as the regulatory and competition authority for the broadcasting, telecommunications, and postal industries. Ofcom ensures that vulnerable consumers, due to factors such as age, income, illness, life events, or geographical locations, are not disadvantaged in participating in communications markets and society. Rules are enforced upon communication services providers so that vulnerable consumers are protected. It is also ensured that vulnerable consumers receive equal accessibility to communication services (Peissl & Tremetzberger, 2010).

2.7. Impact of Celebrities in Marketing Communications

Celebrities are employed by companies and businesses to provide communications about products and to influence others (Apejoye, 2013). Individuals, now-a-days, experience marketing communications on social media or personalized websites. They also employ such communications to influence others. Endorsement on social media affects consumers' perception about the brand. Individuals may be attracted towards those products and brands which their favorite celebrities endorse (Gong & Li, 2017). Endorsement of brands by celebrities may result in impulsive buying for individuals. The endorsers' attractiveness, expertise, and trustworthiness along with their interactivity with followers may be positively related to consumers' attitudes towards the brand and merchandize. This, in turn may lead to impulse to purchase (Pradhan, Duraipandian, & Sethi, 2016).

3. MARKETING AND ITS IMPACT ON SOCIETY

Critics accuse that the marketing system has added several evils in the society at large. These evils include false wants and materialism, too few social goods, and cultural pollution.

3.1. False Wants and Materialism

Critics worry that companies do aggressive promotions which result in too much interest in material possessions. It is difficult to sustain love affair of consumers with worldly possessions. In the modern world, individuals are judged by what they *have* rather than by who they *are* (Varey, 2010). Critics feel that customers are attracted towards material things because of promotion by companies and false wants created by marketing. Critics argue that marketers stimulate people's desires for goods and create materialistic models of the good life. Based on all these, marketers are successful in creating an endless cycle of mass consumption. They can do this because customers have a distorted interpretation of the value of material and worldly possessions (Dougherty & Holmes, 2010).

The above viewpoint emphasizes that the main purpose of marketing is to promote consumption. However, although companies may be successful in marketing, such marketing is unsustainable over consumption in the long run. Critics feel that more is not always better. Some groups make the public aware about such concerns. For example, the Centre for a New American Dream is a non-profit organization founded on a mission to "help Americans to reduce and shift their consumption to improve quality of life, protect the environment, and promote social justice" (Gerzema, 2010). The organization educates the public through videos and marketing campaigns such as "More fun! Less stuff!." The organization works with individuals, institutions, communities, and businesses to help conserve natural resources, counter the commercialization of culture, and promote positive changes in the ways goods are produced and consumed (Leonard, 2010).

Marketers defend themselves against such criticisms stating that the criticisms overstate the power of business to create needs. They claim that the individuals targeted through advertising or other promotion tools have the liberty to ignore such messages. Marketers are most effective when they appeal to existing wants rather than when they attempt to create new ones. Again, individuals search for information from multiple sources rather than from one single source when making purchase decisions. Even minor purchases that may be affected by advertising messages lead to repeat purchases only if the product delivers the promised customer value (Oliver, 2010). It is evident that companies cannot control demand effectively. This is proved by the high failure rates of new products (Fairbrothers & Gorla, 2012).

The wants and values of individuals are not influenced only by marketers. The wants and values may be shaped by family, peer groups, education, cultural background, and religion (Oliver, 2010). For example, Europeans and Americans are highly individualistic and materialistic. These values are shaped by the socialization processes. Such processes are deeper than the values communicated by business and marketing. Consumption patterns and attitudes may also be shaped by economic situations and similar larger forces (Oliver, 2010). For example, the Great Recession put a damper on materialism and conspicuous spending (Fairbrothers & Gorla, 2012).

Now-a-days, consumers are aware and concerned about environmental and social sustainability. They encourage the offerings of those companies which support such environmental and social causes. Consequently, instead of encouraging today's more sensible and conscientious consumers to overspend or spend wastefully, companies strive hard to help consumers find greater value with less (Fairbrothers & Gorla, 2012). An example is the shwopping movement started by British retailing giant, Marks & Spencer (Saha & Mathew, 2022). In this movement, Marks & Spencer requests consumers to drop off an old item of clothing, even if it is not from Marks & Spencer. The shwopped items are sent to Oxfam International, a non-profit organization that results, recycles, or forwards them to raise money and help people around the world to fight with and to overcome poverty. "We hope to collect as many clothes as we sell and change the way we all shop forever," says Marks & Spencer (Saha & Mathew, 2022).

3.2. Too Few Social Goods

Critics accuse businesses of overselling private goods at the expense of public goods. The sales of private goods require more public services. Such public services are not easily available (Golder, Mitra, & Moorman, 2012). For example, private car ownership (private good) requires roads, traffic control, parking spaces, and police services (public goods). There are social implications and social costs are attached to the overselling of private goods. For cars, some of the social costs may include traffic congestion, fuel shortages, and air pollution (Texas Transportation Institute, 2011). For example, traffic congestion costs the European Union more than one percent of gross domestic product. This gets converted to more than €100 billion per year (Chang & Kalawsky, 2017). American travelers lose, on an average, 42 hours a year in traffic jams, costing the United States more than \$160 billion a year. This gets converted to \$960 per commuter. In the process, 3.1 billion gallons of fuel get

wasted. The fuel wasted is enough to fill the New Orleans Superdome more than four times (Vechan, El-Adaway, & Hassan, 2014).

Businesses and governments should restore a balance between private and public goods (Cabanatuan, 2011). One option may be to make producers bear the full social costs of their operations. For example, the government may instruct car manufacturers to develop cars with more efficient engines and better pollution-control systems. However, to cover the costs, car manufacturers may increase prices which will ultimately be charged from customers. Consequently, if car buyers find the prices of some car models to be too high then such models will disappear from the market. Demand will then move to those producers that can support the sum of the private and social costs.

A second opinion may be to ask the customers to pay for the social costs. For example, many cities around the world are now levying congestion tolls and other charges to reduce traffic congestion (Kirk, 2013). Singapore has adopted several measures to reduce traffic congestion (Cuellar, 2014). The government of Singapore makes car ownership very expensive to control traffic congestion and pollution. New car purchases are taxed at 100 percent or more of their market value. Buyers are also required to purchase a *certificate of entitlement*, which costs tens of thousands of dollars. Because of all these reasons, a Toyota Corolla purchased in Singapore may cost £74000 and a Toyota Prius may cost more than £118000. Fuel costs are high and *Electronic Road Pricing* tolls are collected automatically as cars are driven around the country. This makes car ownership prohibitively expensive for most Singaporeans. As a result, a small proportion of the entire population – only 15 percent – owns a car. Such initiatives allow the government to keep congestion, pollution, and other motoring evils to a minimum and to make Singapore one of the greenest urban areas in Asia (Cuellar, 2014).

The city of London levies a congestion charge of £11.50 per day per car to drive in an eight-square mile area of the city. This initiative is taken to unclog the streets of the city (Mao, Zhu, & Duan, 2012). The charge has not only stopped the growth in traffic congestion within the zone, and increased bicycling, but also raises money to shore up London's public transport system (Mao, Zhu, & Duan, 2012).

3.3. Cultural Pollution

Critics accuse that the marketing system results in cultural pollution. They feel that individuals and their thinking abilities are controlled to a large extent by marketing and advertising (Feinberg, Krishna, & Zhang, 2002). Commercials interrupt serious programs; pages of advertisements obscure magazines; advertising hoardings destroy beautiful scenery; spams fill our email inboxes; flashing display advertisements intrude on online and mobile screens. Critics claim that these interruptions not only cause irritation for consumers but they also pollute people's minds with messages of materialism, sex, power, or status. Some critics feel that sweeping changes should be incorporated in the ways marketers communicate with customers (Feinberg et al., 2002).

Marketers defend themselves and respond to the charges of commercial noise with several arguments. They claim that the advertisements are shown only to the intended target market. However, because of mass communication channels, some advertisements are bound to reach individuals who are not the intended recipients and who have no interest in the product. Consequently, such individuals are bored or annoyed. Individuals who buy magazines they like or who opt in to email, social media, or mobile marketing programs rarely complain about the advertisements because they involve products and services of interest (Bialik et al., 2010).

Secondly, because of advertisements, users have free access to many television, radio, online and social media sites (Feinberg et al., 2002). Companies are also able to keep the prices of magazines and newspapers low because of advertisements. Many individuals are of the opinion that viewing advertisements is a small price to pay for these benefits. Also, many consumers prefer to watch many television commercials; for example, the John Lewis Christmas advertisements (Bialik et al., 2010). Finally, consumers of today are empowered and have options. They can zip or zap TV commercials on recorded programs or avoid them altogether on many paid cable, satellite, and online

streaming channels. Consequently, advertisers are making their advertisements more entertaining and informative.

4. IMPACT OF MARKETING ON OTHER BUSINESSES

Critics accuse companies that marketing activities performed by them may harm other companies and may reduce the level of competition. They identify that three issues may exist – acquisitions of competitors, marketing practices that create barriers to entry, and unfair competitive marketing practices (MacCormack, Murray, & Wagner, 2013).

Research shows that companies cause harm to themselves and competition is reduced when they try to expand their businesses by acquiring competitors rather than by developing their own new products (Eikenberry, 2009). The number of acquisitions by firms and industry consolidation has increased drastically over the past several decades. These raise concerns that vigorous young competitors will be absorbed and consequently, competition may be reduced. The number of major competitors is reducing in virtually every major industry – health care, automotive, utilities, entertainment, retailing, financial services, transportation, and telecommunications.

The analysis of acquisitions is difficult to perform. In some cases, acquisitions may be beneficial for the society (Barnett, 2012). The acquiring company may gain economies of scale that lead to lower costs and lower prices. Also, an established and well-managed company may acquire a company which is managed poorly and may improve its efficiency. Acquisitions may result in making the industry more competitive. However, acquisitions can also be harmful and therefore, are closely regulated by the government (Fletcher, 2011).

Critics believe that new companies find it difficult to enter an industry because of the marketing practices adopted by big companies. Large marketing companies can use patents and heavy promotion spending, or tie up suppliers or dealers to keep out or drive out competitors (Barnett, 2012). Some critics are concerned about anti-trust. They recognize that some barriers are the natural results of the economic advantages of doing business on a large scale. Barriers can be challenged by existing and new laws. For example, some critics propose a progressive tax on advertising spending to reduce the role of selling costs as a major barrier to entry (Fletcher, 2011).

There are instances when firms use unfair competitive marketing practices. Such practices are adopted with the intention of hurting or destroying other firms (Nagle, Hogan, & Zale, 2011). Firms may adopt several tactics to achieve the purpose. They may set their prices below costs, threaten to cut off business with suppliers, discourage the buying of products sold by competitors, or use their size and market dominance to unfairly damage rivals. Various laws and regulations are formulated to prevent such unfair practices. However, it is difficult to prove that the intent or action was predatory. Moreover, it is difficult to distinguish between effective competitive strategies and tactics and predatory practices (Cheeseman, 2013).

Search engine, Google has been accused of employing predatory practices to eliminate competition from smaller firms (Newman, 2015). For example, the European Commission accused Google of abusing its web-search dominance, harming both competitors and consumers in European Union markets (Kanter & Scott, 2015). Anti-trust issues have surfaced related to the Android mobile operating system of Google. Google's web-search engine claims a commanding 95 percent European market share and the Android operating system dominates with an 80 percent market share (Scott, 2016).

The European Commission claimed that Google manipulated its search engine results to support its own shopping services at the expense of rivals (Kanter & Scott, 2015). The commission believes that such "conduct may therefore artificially divert traffic from rival comparison-shopping services and hinder their ability to compete, to the detriment of consumers, as well as stifling innovation" (Kanter & Scott, 2015). The anti-trust investigation against Google may extend beyond shopping services into areas such as online and mobile searches for travel services and restaurants (Scott, 2016). Google clarifies that it always serves the best interests of consumers. It claims that its web-search

and mobile operations constitute fair and effective competition. Nevertheless, in 2018, the European Commission fined Google €4.34 billion for breaching European Union anti-trust rules (Eben, 2018).

5. DISCUSSIONS

Marketing may have a major impact on individual customers, other businesses, and the society at large. Sustainable marketing requires socially, environmentally, and ethically responsible actions that bring value to not only present-day consumers and businesses but also to future generations and society. Companies can sustain in the competitive business environment when they act responsively to create value for customers in order to capture value from customers in return – now and in the future.

Marketing adopts various practices which results in depleting sustainability. Marketing faces criticisms because of its impact on consumer welfare and on welfare of the society at large. The adverse impact of marketing on individual consumers includes high prices of products, deceptive practices, high pressure selling, harmful or unsafe products, planned obsolescence, poor service to disadvantaged customers, and impact of celebrities in marketing communications. The adverse impact of marketing on society includes creation of false wants and materialism, too few social goods, and cultural pollution. Critics also denounce the adverse impact of marketing on other businesses for harming competitors and reducing competition through acquisitions, practices that create barriers to entry, and unfair competitive marketing practices. Some of these concerns are justified, while others are not.

The discussions done in the study focused on all these aspects. The discussions have both theoretical and managerial implications.

5.1. Theoretical Implications

Academicians may study and analyze the various malpractices adopted by marketing and their linkages with sustainability. They may study and analyze the impact of marketing on individual customers and society at large. They may analyze the impact on various stakeholders like customers, suppliers, distributors, competitors, and on the society. It is not necessary that the impact of marketing is always adverse. Academicians may analyze both the positive and negative effects. They should also analyze the impact of such activities in the short run and in the long run. They may understand the practical issues related to various marketing practices. They should suggest implementing those activities which create a positive impact and discourage those activities which create a negative impact.

5.2. Managerial Implications

Companies and practicing managers should analyze various marketing practices. They should analyze the various malpractices adopted by marketing. Among the various practices adopted, they should adopt those practices which are beneficial for consumers and society at large. They should also avoid those practices which are harmful to the stakeholders and to the society in the long run. Companies should abide by the laws, rules, and regulations implemented by authorities to keep track on various marketing activities. Such rules and restrictions will help marketers to develop strategies and to adopt initiatives in future. Finally, companies should adopt those marketing practices which keep customers satisfied, encourage competition, help them in ensuring long-term customer relationships, and which create a positive impact on the society.

6. CONCLUSION

Various marketing practices adopted by companies have social implications. Such activities may have impact both in the short run and in the long run. Marketing adopts various malpractices which result in depleting sustainability. Such malpractices should be avoided. Marketing practices may

have impact on individual customers, on the society, and on other businesses. All these aspects are discussed in the study.

The study discussed about the various marketing practices adopted by companies to generate revenues and profits and to grow their businesses. Some of those practices may be beneficial for the society while some of the practices may not be beneficial and may even be harmful for the society. Both customers and critics express concerns about such practices. They believe that many of the marketing practices do not serve the purpose of customers and of the society. Such practices are implemented to fulfill the selfish motives of companies. Although laws and regulations are created and enforced to restrict the selfish motives, it is difficult to implement them and to make companies and businesses abide by them. It is difficult to understand the intentions of marketers and to evaluate and determine the intensity of negative impact. Companies should realize that although generating revenues and profits is important to sustain and to grow, it cannot be done at the expense of consumer welfare and social welfare. Companies should create a positive impact on the society and should adopt fair marketing practices which are beneficial for consumers and which create a positive impact on the society.

6.1. Limitations

The study conducted a conceptual analysis of the various marketing practices adopted by companies and the social implications of such activities. Primary data is not collected and empirical analysis is not done. Also, the discussions are done with a focus on the markets of the United States and the United Kingdom.

6.2. Avenues of Future Research

Researchers in future may analyze the discussions presented and may suggest better and effective marketing practices which will benefit both consumers and society at large. They may investigate about the various malpractices adopted by marketing and the effects of such malpractices on depleting sustainability. They may collect primary data and conduct empirical analysis to generate findings which are actionable and implementable. They may also extend the study to markets other than that of the United States and the United Kingdom and investigate the issues in such markets. Both researchers and practicing managers require understanding the societal impact of marketing and its importance in developing customer relationships and creating a sustainable society.

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Pratap Chandra Mandal is an Assistant Professor (Marketing) at Indian Institute of Management, Shillong, India. He has completed graduate degree from the reputed Indian Institute of Technology, Kharagpur (IIT Kharagpur), India (Bachelor of Technology in Mechanical Engineering), post-graduate degree from Vinod Gupta School of Management, IIT Kharagpur (Masters in Business Administration), PhD (Marketing) from Vinod Gupta School of Management, IIT Kharagpur. His research concerns customer relationship management, customer satisfaction, services marketing, marketing intelligence, and qualitative methods in management. He is the editor-in-chief of two international journals and is on the editorial board of journals like Journal of Global Marketing. Pratap has won several prestigious scholarships and awards throughout his academic career.