Chapter 10

Ethics and E-Marketing

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ABSTRACT

The use of electronics has made old standards obsolete or at least “Passé.” Therefore, the question of ethics in the use of electronics has not been addressed very well. Common practices are forgotten as well as privacy and separation of work and down time. What this chapter entertains is to set up standards by which the entrepreneur can make best use of e-marketing, use of Internet, e-mails, and other electronic processes that can be used for commerce, while being sensitive to the standards that exist in differing societies and cultures. A starting point must be in distinguishing the needs and cultural standards between developed and developing countries. Another consideration must be the cultural norms of people who live in different places to include religions and moral/ethical standards.

INTRODUCTION

The first principle that needs to be discussed is that there are different cultures throughout the world that have different needs and ethical standards. Often, we think in terms of us vs. them - The “have” vs. the “have-nots.” Such a paradigm must change. Electronics are available to everyone everywhere as was demonstrated by the use of technology to advertise and entice people in the Middle East and North Africa to organize and throw off governments that they considered oppressive. Yet the culture, dominated by Islam, is much different than that of the Americas or even Europe. The same techniques used in the United States may be offensive in Yemen. Businesses must be sensitive to religious aspects of the cultures they will approach with their products. The social morays of different places will be different even though the access to technology will be similar.

Also with the rise of China and Brazil as an economic giants and the opening of new markets around the world businesses are faced with new challenges of how to tap into those markets in a way that will be the most productive while at the same time being the least offensive. We cannot afford to be the “ugly American” any more. We have been out priced and out sourced so that technology may be one answer to our economic woes.

That brings us to the discussion of religion. The Middle East is largely Islamic. India is Hindu. The Far East has a large Buddhist population,
and in Africa and other places, there has been resurgence in traditional tribal religions. Each of these has a different character and demands a different sensitivity. Where it would be tempting to use our same marketing techniques throughout the world business personnel must be aware of what will be an insult or a taboo and what would be acceptable.

We must not forget the fact that even though technology may be available throughout the world that other resources may not be so available. Such is the gap between developed and developing countries. Sometimes it just would not pay to advertise equipment that cannot be used. Other times it would be unjust to sell equipment that could not be repaired or would be too costly to get parts because of the distance or availability.

Specific topics traditional to ethics cannot be forgotten. Thus, they will need to be addressed. Issues such as honesty, integrity, and quality cannot be ignored. Specific reference to how the American business can maintain a good image will need to be addressed. When, where, how much must be questions that will be discussed. Ideals, often forgotten in America, such as aesthetics are not forgotten in other cultures. Trevino and Nelson (2010) stated, “Recent business history has proven beyond any doubt that divorcing business from ethics and values runs huge risks” (p. 3). On the positive side, they indicate that a benefit of ethical behavior is trust. Ethical behavior that includes such ideals as honesty, integrity, and quality products are those things that build trust and reduce risks.

As we approach the world we must understand its diversity and be prepared to learn and change so that we can make use of our technology as an economic tool. Thus we will be able to present our produce before a growing world market.

The objectives of this chapter are:

- That the reader is able to state problems that are caused by E-Marketing.
- That the reader is able to discuss the ethical issues that have to do with privacy and diverse populations both within our culture and around the world.
- That the reader would become sensitive to clients needs and beliefs so that they may be more effective at building a healthy marketing relationship between marketer and client.
- Also that the reader be able to explain ethical issues that are the result of E-marketing.

**BACKGROUND**

Ethics is that branch of philosophy that deals with how people behave. When it is applied to Marketing, it is how well we conform to professional standards of conduct. Whereas the idealist would be convinced that there should be an absolute standard, many would say that ethics is relative to where we are doing business, and some would even say that it is subjective to the beliefs of the individual. It would be wonderful to think that we could make everyone agree on the proper ethics but we can’t even make people agree on the same philosophy. Thus, this chapter will try to make the E-marketer think and become sensitive to the needs of his consumer and the reputation of his company.

The history of E-marketing has been short, but even before its advent there have been events that would affect its ethics. The following “Time Line” will attempt to give a brief history of those events:

- **1949:** George Orwell publishes his novel 1984 where he warns of the peril of technology changing ethics.
- **1980:** Microcomputers become common enough to be a school necessity.
- **1999:** Federal Communications Commission deregulation allows AT&T to control the American TV, phone, and internet franchises.
- **2001:** AOL and Time Warner merge.
- **2001:** September 11, 2001, the terrorist attack on United States demonstrates how