



Chapter 11: CURRENT ISSUES IN MARKETING



Learning outcomes

After reading this chapter, you should be able to:
Understand the importance and impact of the following contemporary issues on strategic marketing:

- Marketing ethics
- Marketing and corporate sustainability
- Green marketing
- Consumer activism
- Marketing regulations
- Marketing 2.0.



Opening case study

The day in the life of a Head of Marketing

- 7:00 Radio interview on privacy of information
- 8:00 Customer complaints via e-mail
- 10:00 Presentation on corporate sustainability.



Introduction

- Purpose: Focus on current issues that marketers face on daily basis in workplace
- Challenge: Impact of external factors and changes on the way a marketer strategically manage and implement the work at hand.



Marketing ethics

- Understand impact internally and externally
- Ethics defined: “behaving in accordance with the values or standards that are in place...” (Walker & Marr, 2001:73)
- Marketing ethics:
 - “let the buyer beware”
 - “let the seller beware”
- Marketing plays key role in establishing, internalizing and implementing ethics in an organization.




Areas of concern in marketing ethics

- Unfair or deceptive marketing practices
- Offensive materials and objectivable marketing practices
- Ethical product and distribution practices
- Ethical issues in marketing to children.



Green marketing

- Stakeholders play significant role in influencing organizations and markets in environment related issues
- Green market places
- Green producers and retailers
- Green brand positioning
- Green marketing – opportunities for companies.



Marketing and corporate sustainability

- Marketing ethics integral part of corporate sustainability
- Corporate sustainability: environmental, social and economic impacts of business
- Plays important role in lives of employees and corporate position of an organization
- 5 stages when embracing a sustainable strategy (Davies, 2007:1):
 - Desire; Pride; Satisfaction; Depression; Collaboration.



Consumer activism

- Outcome of marketing ethics
- Increase in consumer activism in SA due to:
 - o SA unique – 1st and 3rd World mix
 - o Strong middle class emerging
 - o Information technology increasing focus (i.e. HelloPeter)
 - o Services industry increasing.



Consumer rights

- **Consumer Protection Bill:**
 - **Promote a fair, assessable and sustainable marketplace for consumer products and services**
 - **Promote responsible consumer behaviour**
 - **Promote a consistent enforcement framework for consumer transactions and agreements**
 - **Prohibit certain unfair marketing and business practices**
 - **Provide for improved standards of consumer information**
 - **Provide for harmonisation of laws relating to consumer transactions and agreements**
 - **Provide for the establishment of the National Consumer Commission.**

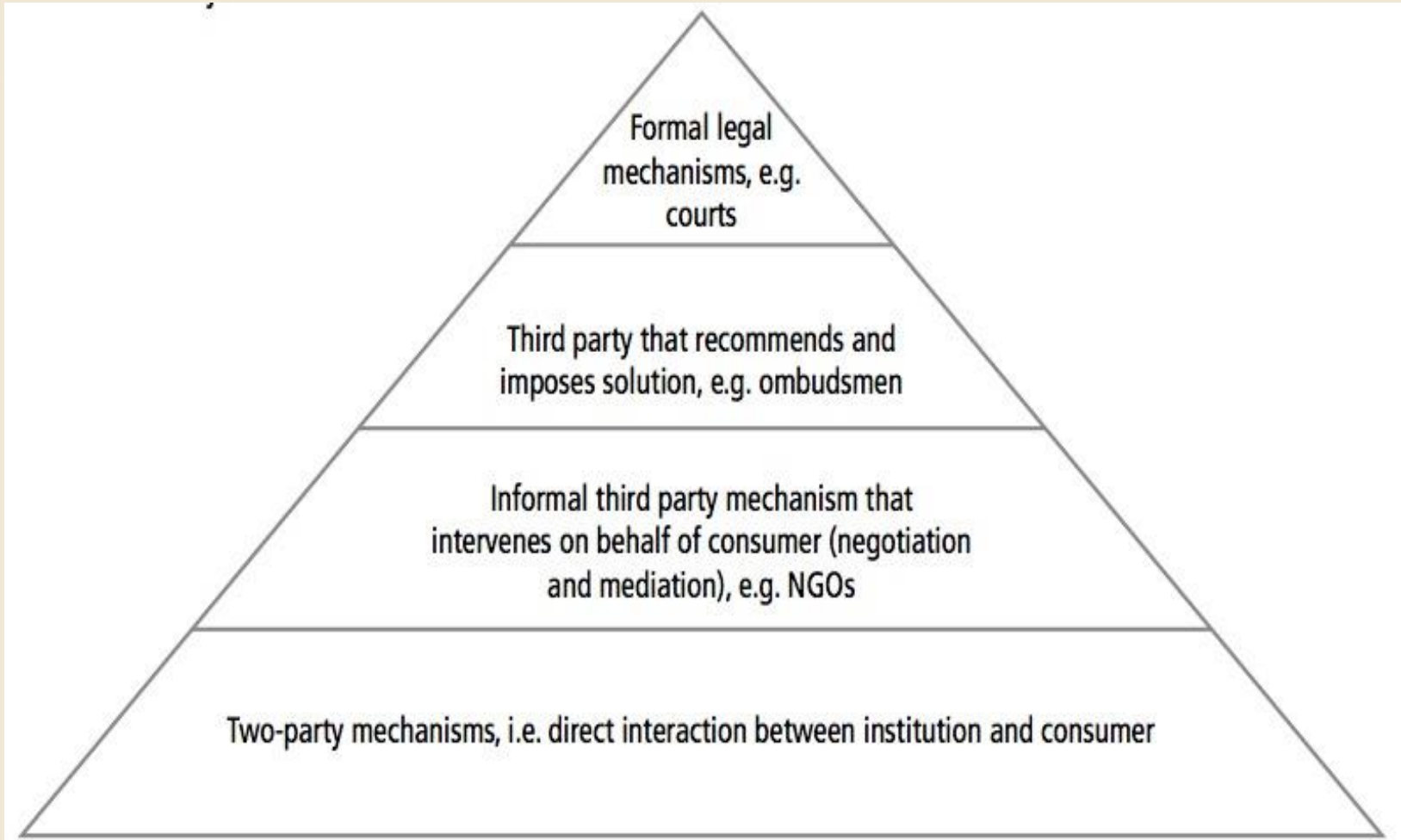


Consumer rights (cont.)

8 basic consumer rights (United Nations, 2003):

- Right to satisfaction of basic needs
- Right of safety
- Right to be informed
- Right to choose
- Right to be heard
- Right to redress
- Right to consumer education
- Right to a healthy and sustainable environment.

Consumer recourse channels



Source: Adapted from OECD Report, 2006.



Marketing and regulation

- SA – regulatory framework controlling marketing regulations mixture of common law and legislation
- Substantial reliance placed on self-regulatory systems based on codes of advertising and sponsorship
- Advertising Standards Authority of South Africa.



Current marketing and regulation issues

- Copy advice
- Validating substantiation
- Utilization of intellectual property
- Challenging and defending marketing communication
- SA: 2 Codes in place:
 - Code of Advertising practice
 - Sponsorship Code.



Social media

- Not about technology – about people and customers
- Get the message across to the right people and harnessing the impact that people and influences create
- Social media optimization > customer relationships.