



COMM 338/438
MARKETING ETHICS - WINTER 2005
Section A - Slot 45 - Goodes Hall Room 302
Section B - Slot 55 - Goodes Hall Room 302

Course Web Site: <http://commerce.queensu.ca/comm338>

Instructor: Dr. Peggy Cunningham
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Office Hours: Tuesday 2:30 – 3:30
Thursday 1:00 - 2:30; 4:00 to 5:00
Other Times by Appointment

A liar is not believed even when he tells the truth. (Chinese Proverb)

Choice, not chance, determines human destiny (God's Little Instruction Book II)

I INTRODUCTION

Ethical behaviour is one of the most important concerns of business people today, yet many business decisions are made without thinking about their ethical implications. A myopic focus on 'winning the game,' on 'beating the competition,' or on 'achieving the bottom line' often precludes consideration of the impact decisions have on the well-being of the firm's stakeholders. Marketing is the business function that draws the majority of public scrutiny and concern with regard to unethical behaviour. Marketing is also the most visible of all business functions, and this explains part of the attention paid to the ethics of the discipline. However, the power of the marketing function is also recognised, and with this power comes the responsibility to use it wisely and ethically.

The purpose of this course is to help you better understand three ethical concepts that managers must comprehend:

- First, know **why** doing the right thing is important as a ***principle***.
- Second, know **how** to incorporate ethics as part of a daily decision-making ***practice and processes***.
- Third, know **what** constitutes an ethical issue as well as the legal responsibilities relative to corporate ***policy***.

In addition, the marketing ethics course is designed to 'open your eyes' to the ethical implications of marketing decisions and to give you 'new angles' from which to view behaviour you may have taken for granted. Materials presented in the course should stimulate you to step outside your unquestioned habits of thought and action. Ethical perspectives should act as a prism on behaviour allowing you to think about the value systems you use to make decisions. You should also come to understand how and why your value systems may differ from those of your fellow workers and how your decisions will be judged by others. The course should also give you a sense of the complexity of ethical decision making as well as provide you with frameworks to help you make ethical decisions. Finally, the course should leave you with the belief that ethical behaviour is an important management problem that deserves as much time and attention as does all the other marketing functions.

The 338/448 course can be taken to satisfy your ethics course requirement. It is structured into two main

parts: in the first half of the course we discuss the ethical basis for decision making, the relationship between ethics and social responsibility and ethical issues associated with Marketing Strategy and the Marketing Mix. In the second half of the course, we concentrate on issues associated with managing ethics in the marketing organisation and application into a group research project of the concepts you have learned.

The course is intended for marketing majors but is open to anyone interested in ethical issues in business. Class size is limited so that there can be meaningful discussion of the issues. The course is not intended as a course in moral philosophy; instead, it is a pragmatic course in applied ethics designed to deal with the everyday issues associated with marketing and ethical management.

II COURSE MATERIALS

The course uses a variety of teaching methods and materials: discussion of readings, cases and videos, individual and group discussions, debates and role plays as well as lecture material. Class discussions will aid students in interpreting materials and assessing their own value systems. Case analyses place students in the role of the decision maker thereby providing them with experience in dealing with ethical dilemmas, arriving at choices under conflicting value systems, and considering the consequences of the choices they make. Case discussions encourage students to clearly articulate their own points of view. They also encourage students to listen carefully to gain an understanding of the values and positions of others. Lectures will be designed to provide focus and structure to the various discussions and to aid in interpretation of the more difficult material.

Readings:

- (i) **Required:** Readings/case packages for these courses are available from the case room (4th Floor, Goodes Hall). Every student taking the courses *MUST* purchase a package.

On-Line Resources: A list of on-line resources is provided in Appendix A.

III GRADE ALLOCATION

In the table below you will find the components making up the assessment scheme for the course. Each component of the course is marked with an indication of whether or not the task is an individual or a group assignment. Individual work is just that -- work that reflects your own research, learning and analysis. Therefore, you are not to collaborate with other students on these assignments. Violations of this stipulation will be dealt with under the School of Business's Rules of Academic Honesty.

You are responsible for preparing material as indicated on the daily schedule. *Please review it carefully.* If any of the assignment dates do not fit with your other work or social schedules, tell me now! If notified early in the course, I can make the necessary changes. Furthermore, if, for any reason, you find the assignments outlined below unreasonable or uninteresting, you may design a reasonable substitute by applying to the instructor, *in writing*. Give a description of what you would like to do and state why the substituted project will better contribute to your personal learning. In accordance with ethical practice, you also have the following rights:

- ◆ The right to be heard
- ◆ The right to redress
- ◆ The right to diversity of opinion
- ◆ The right to choose.

Components of Course Grade

(i)	Participation (in-class and/or on-line)	20
(ii)	Short Paper (individual assignment)	15
(iii)	Ethics Debate (group project)	15
(iv)	Group Research Project & Presentation	
	▪ Ethics Clearance	5
	▪ Presentation (group/individual)	15
	▪ Summary Report (group)	15
(v)	Final In Class Quiz	15

(i) **Participation (In-class and/or On-Line)**

The success of this class will depend largely on the willingness of everyone to prepare thoroughly for class and to share ideas. Each of us wants to be respected, to be heard, to have voice, to acquire skills and learning. I hope that no one feels they are unable to openly express their opinion in class. Each student who is silent loses the chance to explore ideas, to test concepts, to share experiences, to find commonalities, and to explore differences. Furthermore, those who are unable to express their ideas and concerns deny others around them the possibility of learning from them.

Although the class size is capped at 42 students, not everyone will be able to participate verbally in every discussion - we all need to listen at times and think about what we have heard. You may also contribute to everyone's learning, however, by expressing your opinions using the **course web site's discussion page**. Please note: the discussion page isn't the place just to re-hash the in-class discussion. It provides an opportunity to add a new perspective or to further the classroom debate. You may also tell your fellow students about issues, articles or web sites you think might be of interest to the class members. I will monitor the discussion page on a regular basis, sometimes join the discussion and grade your contribution as part of your participation grade.

Since participation in class discussions, small group discussions, on-line discussions and case analyses helps us all to learn, it will be rewarded and, thus it forms part of the grade allotment. The participation grade is allocated as follows: one third is based on regular class attendance, one third for participation in the discussion, one third for the quality of that participation (in- class and/or on-line). Students are expected to read the assigned material prior to class. Advance preparation enables students to better participate in class and group discussions. Students who come to class unprepared or those who have excessive unexcused absences will have points deducted from their participation grade.

Please fill out a Personal Information Card: As part of your participation grade, you are requested to turn in a personal information card. You will be given a 3" x 5" card. On it please put a small photo (large enough so I can recognise you), your name and e-mail address. You may also add any personal interests/information that will help me remember you (career plans, hobbies, likes/dislikes, special professional areas of interest). If you turn in a card on time, 5 points will be allocated towards your participation grade (the equivalent to participation in one class). **Cards are due January 18th. Remember, only you can draw attention to yourself.** I try very hard to learn your names, but you must remember that it is your responsibility to ensure that I can put your name and face together. Please bring your name card to each class! This is especially important when we have a guest speaker.

(ii) **Short Essay Paper**

In this paper, you are requested to analyze a topic using background research and/or your own insights and personal opinion. Papers are to be 3-5 pages in length (typed, 12-point font, double spaced) Please use titles and subtitles to help organise your essay. When using published research or information, be sure to carefully cite all your sources -- failure to do this is plagiarism. Cite material as follows -- in the report, give the author's name and the article year and the page number after the quoted or paraphrased material.

"Business ethics is as national, international, or global as business itself, and no arbitrary geographical boundaries limit it." (De George, 1987, p. 204)

At the end of the report, fully cite the source as follows:

De George, Richard T., "The Status of Business Ethics: Past and Future", Journal of Business Ethics, 6, (1987), 201-11.

Suggested topics for the short paper are presented below. You may also select another topic for your short paper. It must be approved by the instructor. Write a one paragraph memo describing the topic and why it is of interest to you.

Suggested Topics -- Short Essay Paper (Due February 15th)

Advertising Ethics Report

Find any type of advertising material (TV or radio commercial, print ad, Internet ad, billboard ad, transit ad, etc.) and use it as the basis of your memo. You can select a modern ad or an historical ad (please do not cut out ads from magazines in the archives -- a photocopy of the ad is sufficient!) Another option is to choose two ads from the same product category -- one ethical, one unethical instead of focussing on a single ad. You can then compare the ethics of the two. You must turn in a copy of the material with your report or a photograph of the material (it's hard to bring a billboard to class) identifying the ethical issues depicted by the ad. In your paper, explain why you think the material is ethical or unethical (i.e., what standard did you use to make your claim). Thoroughly analyse all of the advertising elements shown in the material (visual images, headlines, taglines, logos, music, voiceovers, etc.) Report how the advertisement compares to other advertisements within the industry (i.e., how does the ad compare with other ads in the same product category). Describe the context in which you found the advertisement(s) and how the context affected your judgement of the material (e.g., what type of magazine was it placed in? what types of articles does it contain? what is the intended/unintended readership?) If you chose an unethical ad, comment on how you could change the material to make it more ethical as well as to ensure that it was an effective piece of promotional material. If you can't make it ethical, suggest regulations and/or policies that should be put in place to control such practices. If you are examining an ethical ad, comment on how the principles you learned from this ad can be used to establish standards of ethical advertising practice. You might also want to consider the strategies you would use to continue to keep the material ethical and differentiated. There are two readings in your package (February 15th: Hollbrook 1987; Pollay 1986) that may help you complete this assignment.

Packaging Report

Find one or two examples of ethical/unethical packaging. Turn in your sample with your assignment. Explain why you think the material is ethical or unethical (i.e., what standard are you using to make this claim, whose perspective are you using to make the claim -- the firm's, the consumer's, the regulator's, the lobby group's). Thoroughly analyse all of the packaging elements (shape, colour, materials, inner/outer package, visual images, labels, warnings, ingredients, etc.) Describe how the package compares to others within the same category. Report on the context in which you found the package (what type of retail outlet - full service, self-service, mail order, etc.) and explain how the context affected your judgement of the material. A number of articles have been written about the ethics of packaging -- you should use these to supplement your analysis. If you chose an unethical package, comment on how you could change the package to make it more ethical. If you can't make it ethical, suggest regulations and/or policies that should be put in place to control such unethical packaging. If you chose an ethical package, comment on the strategies you would use to improve the package further and continue to keep the material ethical and differentiated. You could also comment on how the principles you learned from examining this package can be used to establish standards of ethical packaging practice.

Analysis of an Internet Site

Select an Internet site (or part of an Internet site) that you think is ethical or unethical (Note: Internet sites are used to promote ideas as well as to promote products and services). Print and turn in copies of the relevant pages from the site. Explain why you think the material is ethical or unethical (i.e., what standard are you using to make this claim, whose perspective are you using to make the claim -- the firm's or the users'). Describe who you think is the intended and unintended audience and the likely behaviour of viewers as they scroll through the site (i.e., are they confronted with the material or do they have to search for it?) Where possible, compare the Internet site with others in the same industry - explain why it is more ethical/unethical. Thoroughly analyse the elements found at the site (ads, offers, contests, company information, privacy policy, viewer information requested, surveys, registration forms, usage restrictions, etc.) If you chose an unethical site, comment on how you could change it to make it more ethical (if you can't make it ethical, suggest regulations and/or policies that should be put in place to control such sites). If you choose an ethical site, comment on the strategies you would use to improve the site and continue to keep the material ethical and differentiated. Use your analysis to provide insight on the issue of whether or not the Internet should be regulated. There are many recent articles on this topic that you may use to supplement your analysis.

Developing a Marketing Ethics Game

Develop an ethics game that can be used as a teaching tool for university students or managers. You may use the Ethics Game that we discussed in class as a model for your own game or you may develop an original game, role playing exercise or simulation that can be used as a training tool to help marketers understand how they make ethical/unethical choices. In previous courses, students have used popular TV games shows (The Millionaire, Survivor, Jeopardy, The Weakest Link) or Board Games (Monopoly, Trivial Pursuit) as models. Write a short memo explaining how you developed the material, the issues you thought it was important to include, what factors you think influence ethical choices in marketing, and what principles the game illustrates. In addition to the game we played in class, you might also like to try the 'Gray Matters Ethics Game' training tool developed by Lockheed Martin (go to www.e-businessethics.com and look under the 'Resources' tab).

Analysis of An Individual Ethical Dilemma

"The unexamined life is one not truly lived." Everyone has had to make choices or has faced situations with ethical implications. Write a one to two page case describing a situation you faced in an organisational setting (preferably a job setting, but any social setting acceptable such as a team, club, business school event, etc.) Your case can outline either a situation where you think you behaved unethically, or one in which you acted ethically (note: you are not graded on the behaviour you report, only on your skills in describing the situation and analysis of the case). Your case should contain a concise description of the ethical dilemma, others involved in the decision (no names please), and the circumstances surrounding the situation. Your main task is to write a 3 to 5 page analysis (typed, double-spaced) of your own case. Explain the conflicts you faced, the pressures you experienced, the principles/values you used in making the decision, the tradeoffs you experienced, and all the situational factors you think were relevant when making your decision. Analyse which factors had the most influence on your decision. Describe why you think your actions were ethical/unethical. Conclude your report with recommendations of how such a situation could be managed to improve the likelihood of more ethical behaviour taking place or the situation could be avoided or managed better.

Development of a Personal Code of Ethics

Develop a code of ethics that you will use as a guide to your marketing career (or career in another area) and your personal life (i.e., include some thoughts on work-life balance). When developing your code, think specifically about some of the management and ethical challenges you will face in your chosen profession. Consider the stakeholders whose interests your decisions will impact. Your code should address these challenges in some fashion. You could begin your code with a brief mission statement that describes the type of career you hope to have, the perspective you bring to it and the means by which you will develop your career. You might also think about how you will define and measure success. After you have developed your mission statement, think about your personal goals and then develop a set of

principles, rules or guidelines that will guide you as you strive to achieve these goals throughout your career. Be sure to think about the different moral philosophies we have discussed in the course as they relate to areas of accountability and responsibility. Also consider how you will keep your code a 'living document' that can serve as a guide throughout your career. Your code of ethics can be modelled on the examples given in the reading package or can be a design uniquely your own. A student in a previous course (Daniela Andrews) recommended two web sites when undertaking this assignment: (1) The Franklin Covey site (www.franklincover.com/missionbuilder/), and (2) the Tom Peters site "The Brand Called You." (www.fastcompany.com/online/10/brandyou.html). In addition to the code itself, write a brief description of how you developed this code, what challenges or problems you wrestled with in developing it, what foundation you used to develop it (values-based, rules-based or hybrid) and what you learned about yourself while undertaking this assignment.

Practitioners' Perspectives on Ethical Issues in Marketing

Interview two or three marketing practitioners. Former Queen's students currently employed in marketing have been very helpful respondents in the past. If either of parents are business people, it might be interesting to uncover their views and experiences. You might also want to interview people in the organisation where you plan to work. You can conduct personal interviews, telephone interviews, or on-line interviews. Develop an interview protocol (a form that you will use to structure your interview and ensure that you ask the same questions to each respondent). Design questions that will help you learn about the ethical issues or concerns your respondents have experienced during their careers. You may ask them their views of the most important ethical issues facing practitioners in their field. Your paper should contain a copy of your interview protocol, a brief summary outlining what was said in each interview, and an analysis of what you learned about marketing and ethics by talking to your subjects.

(iii) Ethics Debate and Summary Memo

Throughout their careers, marketing professionals and ethics leaders often have to defend a position taken by their firms on controversial issues. In heated discussions, you have to make your points clearly and succinctly. Debating is one means to help you gain these skills as well as the confidence and poise required to articulate and defend your position. When debating, you will be graded on three main criteria: content of the presentation, whether the argument is convincing, and the confidence, energy and style with which the material is presented.

This is a team project. People will be assigned to teams for this exercise. Teams will draw for roles and topics. Each team should research their topic in preparation for the debate. The first team (labelled the 'F' team) will argue in favour of the resolution; the second team (labelled the 'C' team) will argue against (counter) the resolution.

The debate will be organised as follows:

Team F: 2 minutes	Prepared statement of why the resolution should be supported.
Team C: 2 minutes	Prepared statement of why the resolution should be defeated.

Team F: 3 minutes	Semi-prepared argument to further support the resolution.
Team C: 3 minutes	Semi-prepared argument to further defeat the resolution.

Preparation Break: 3 minutes

Team F: 2 minutes	Rebuttal: reasons why Team B's position is flawed.
Team C: 2 minutes	Rebuttal: reasons why Team A's position is flawed.

Team F: 2 minute	Argument wrap-up.
Team C: 2 minute	Argument wrap-up.

A two-page summary memo outlining your arguments for or against the issue is to be written. The memo should also list the reference material you utilised to prepare for the debate. It is to be turned in on the day of your

debate.

Suggested debate topics (others will be developed during class discussions)

Let it be resolved that:

- Consumerism is ethical and beneficial to society.
- The involvement of non-profits in gambling is ethical (see the Canada West Foundation reports on "Gambling in Canada" (www.cwf.ca/abcalcwf/doc.nsf/doc/Projects))
- Codes of Ethics are effective means of improving ethical behaviour in organisations.
- Bribery should be allowed if necessary to secure contracts in foreign markets.
- Canadian Internet pharmacies are an ethical means of reducing drug prices in the US.
- Price controls should be mandatory for pharmaceutical products.
- Sponsorship of collegiate events by alcoholic beverage manufacturers is ethical.
- The use of sexual stereotypes in advertising is ethical.
- Discriminatory pricing based on gender is ethical (i.e., it is just an application of market segmentation).
- Marketing practices that create needs are as ethical as marketing practices focused on responding to needs.
- Violent prime-time TV programming (such as WWF matches) should be regulated.
- Sale of violent video games to children should be banned.
- Genetically modified food products should be labelled as such.
- Slotting allowances are ethical.
- Product liability claims should be subject to maximum judgements.
- The only social responsibility of business firms is to make a profit.
- Charities should be allowed to use 'shock' tactics to maximize promotion effectiveness.
- Clothing retailers should be required to label their goods according to place of manufacture (i.e., are they are produced in sweatshops (see www.maquilasolidarity.org/campaigns/nosweat/disclosure/retailers.htm))

(iv) Group Research Project: Ethics Clearance, Presentation and Report

Groups are to select and research a marketing ethics topic. A list of suggested topics is attached as **Appendix B** (note: you don't have to stick to the topics listed; you are welcome to develop your own topic). Students must gather secondary and PRIMARY research data. Secondary data is research or information gathered for another purpose (newspaper articles, essays, research papers). Primary data is original data you generate yourself to answer a research question (content analysis of marketing material, analysis of observed consumer behaviour, interviews, responses to questionnaires). Research/Presentation topics and dates are allocated on a first come basis. Send me an e-mail to secure your topic and date. (See the course schedule for available dates.)

Students are responsible for forming their own groups. Each group should consist of 5 to 6 members and there must be an international student in each group (if numbers of international students enrolled in the course permit) (8 groups, 5/6 members per group = 42-48 students).

Each group will fully research the ethical issues and management challenges associated with a marketing practice. A one page memo that briefly outlines the research topic, the sources of information you plan to use, the names of the group members, and the presentation date preferred. The memo is **due February 10th**. You are welcome to meet with me to discuss your topic and the types of research you might conduct.

Ethics Clearance: Students conducting primary research that involves *human subjects* must obtain ethics clearance to conduct their research. See the School of Business regulations (<http://business.queensu.ca/>). The professor hopes to obtain general permission for projects within this class. If this is accomplished, students will submit their ethics clearance request to the professor (versus the Research Office). Click on 'Research and Faculty' and then click on the 'Ethics' tab. You must complete the paperwork that is provided and described on this site:

- the Research Ethics Checklist,
- a one-page summary of the research project that includes your course number, title of the project, name of your instructor, purpose of the research, data collection method, description of the research participants, description of the context in which the data will be collected (place, time), description of any benefits or risks to the participants.

You must also prepare:

- a letter of information which describes the project to the participant,
- a copy of the form you will use to get consent from the participant,
- a copy of the research instrument you will use.

While there is no specific due date for this material, remember, you cannot conduct your research without this approval. Thus, it is strongly suggested that you complete your ethics clearance materials *prior to reading week*.

In-Class Presentation: The group will present their research to the class. Presentations are to be a maximum of 20 minutes in length. The presentation will be followed by a 10 minute question and answer session (i.e., total presentation length = 30 minutes). The time limit will be strictly enforced. The presentation can take any form that the students believe will interest their fellow students and improve the understanding of the class members about the issue (e.g., role playing or re-enactments, talk-shows, demonstrations, debates, guest speakers, case analysis, or traditional presentations). Students may assign readings as background to their presentations.

There are two components to the presentation grade: (i) the individual's presentation skills, and (ii) the substance, overall clarity and organisation of the presentation including the quality and depth of the research that went into the development of the presentation, the ethical analysis of the issue, the ability to create interest about the topic, and the ability to convey knowledge about the issue to the audience. Copies of any visual aids (i.e., power point slides to be used during the presentation are to be sent to me in advance of the presentation by e-mail. A copy of my grading guide for the presentations is provided in **Appendix C**.

Summary Report. A summary report of your presentation is to be prepared (typed, double spaced, 12-point font, 1" margins). The body of the report should be 10 pages in length. This does not include your executive summary, title page, or appendices (5 pages maximum). The report should briefly document the research that went into the formulation of your presentation. It should clearly identify the issue(s), state why it is an important area of consideration in marketing practice, examine standards used to judge the ethics of the issue, and make recommendations/suggestions about what could be done to manage/regulate/or resolve the issue. Your report should be organised as follows:

Research Report Format

1. Title Page (name of project, student numbers of authors, date submitted)
2. Executive Summary
3. Table of Contents
4. Body of the Report (10 pages)
5. List of References (example reference: Cunningham, Peggy H., (1992), "Ethical Behaviour in International Organisations, A Management Task," Proceedings of the First International Conference on Expatriate Management, Hong Kong, November, p. 89-92.)
6. Exhibits and Appendices (if required).

Reports are due March 31st.

Peer Evaluation. A peer evaluation will be used as part of the grading process for all group projects. The scale that is to be used in the peer evaluation is provided in **Appendix C**. Students who receive a grade of 1 will be allocated a 5 to 10 point bonus depending on the consistency of the scores. All members of the group will receive the same grade on the project if each member receives a grade of 2 on the scale. Students who are given a grade of 3 will have their grades reduced by 5 to 10 points depending on score consistency. If the student consistently receives a score of 4, their grade will be reduced by 20 -25 points. Students who receive a grade of 5 will **not be given any**

credit for the written project. However, students who believe that a member of their group is not contributing to the project must advise me as soon as possible so that the student can be counselled and the problem rectified if at all possible.

Students are reminded that the peer evaluation is a formal academic document. Any reporting of false information on the peer evaluations will be considered a case of academic dishonesty and penalties, as outlined in the policies of the Business School, will be applied.

Evaluations are due **March 31st**.

v. **Quiz**

Students will write an in-class quiz during class (**April 7th, 2005**). Part I of the quiz will be composed of several short answer questions based on the materials covered in the course. Part II will be the analysis of a short case study. (Note: classes on April 5th will be cancelled so that you can prepare for this quiz.)

V COURSE SCHEDULE

PART I - ETHICAL AND SOCIALLY RESPONSIBLE DECISIONS

Class 1 **Jan 11 - Course Overview**
Ethics and Marketing – Why Now?

Video Case: Guerilla Branding; The Importance of Ethics Post Enron

Class 2 **Jan 13 - Ethics and Social Responsibility**

Readings:

The Social Responsibility of Business Is To Increase Its Profits (Milton Freedman)
Fiduciary Duties and the Shareholder Management Relationship: Or, What's so Special about Shareholders? (John R. Boatright)
"With Power Comes Corporate Responsibility," *Globe and Mail*, 2000
"Air Canada Adopts 'Customer Bill of Rights'", *Globe and Mail*, 2000
"Why Now? Corporate Social Responsibility," *Globe and Mail*, Feb 2004
"What do the CEO's Know about CSR?", Jan 2003
"The corporate call for integrity seems little more than lip service," *Globe and Mail*, Jul 2004
"Canada's 50 Best Corporate Citizens (2004)"
"From trademarks to trustmarks," Paul Welsh, *Strategy Magazine*, February 24, 2003
"Does Trust Impact Consumer Behaviour?" Reader's Digest Poll, February 2003

Class 3 **Jan 18 - An Ethics Game – Understanding Ethical Decision Making**

STUDENT INFORMATION CARDS DUE

PART II -- ETHICAL ISSUES IN MARKETING PRACTICE

Class 4 **Jan 20 - Ethics and Strategic Planning - Segmentation, Targeting and Positioning**

Readings:

Social Responsibility, Ethics, and Marketing Strategy: Closing the Gap Between Concept and Application (Robin & Reidenbach)
"Class Warfare: A plan to bring TV to schools unleashes battle," *Canadian Business*
The Whole World is Watching, *Marketing Magazine*, 2001
The Push to Drop Quebec's Ad Ban," *Marketing Magazine*, 1999
"The Lolita Syndrome," *Marketing Magazine*, 2001
"Our Ivy-covered seats of drinking," *Globe and Mail*, 2000
"Lessons Learned," *Marketing Magazine*, 2001
Students ignorant of Canada's racist history
Agency quits after client's ad decision
Teen girls fight fat with fire
Poor left behind in computer revolution
The ultimate taboo
Women pay more for identical items
Are auto dealers biased?

Video Case: The Colour of Your Money

Class 5 Jan 25 - Marketing Research and Competitive Intelligence Gathering

Readings:

Chapter 3.1 - Ethical Issues in Researching and Targeting Consumers

"I've been sugged!" *Strategy Magazine*, 2001

They Snoop to Conquer

Video: Halcion

Class 6 Jan 27 - Ethics and Product Policy I

Readings:

Product Policy

"Yes, we'll have no bananas," Robert Alison, *Globe and Mail*, July 19, 2003

"A Tide of Abuse," *P&G Kills web site*

P&G *About Us* web site page

Product Safety

"Chemical OK in cosmetics: industry review panel," Nov 28, 2002 CBC

"Not Too Pretty: the High Price of Beauty"

"Food agency launches probe into power bars..." *Globe and Mail*, Nov 17, 2003

Herbs linked to fertility risk

Herbal remedy rifts unsettle industry

"Maybe We're Disinfecting Ourselves too Much," *Fortune*, 1999

"Hockey's Worst Injuries are in the Stands," *Globe and Mail*, 2000

Case: Black & Decker Corporation: Spacemaker Plus Coffeemaker

Class 7 Feb 01 – Guest Speaker – Sandra Diaz (confirmed)

Class 8 Feb 03 - Ethics and Sales Management

Video: 'Tin Men'

Readings:

Personal Selling Ethics

Case: Petite Playthings Inc.

Class 9 Feb 08 - Debates 1 and 2: Teams 1-4

Class 10 Feb 10 - Debates 3 and 4: Teams 5-8

Memo. due: membership of research project team, topic and preferred presentation date

Class 11 Feb 15- Advertising and Promotion or Guest Speaker (Lynn Brewer (formerly of Enron) "Confessions of an Enron Executive")

Readings:

"The Distorted Mirror: Reflections on the Unintended Consequences.... (Richard W. Pollay)

"Mirror, Mirror, on the Wall, What's Unfair in the Reflections on Advertising? (Morris B.

Holbrook)

“Contest offers free ‘boob job,’” *Globe and Mail*, July 19, 2003
 “Bait and switch advertising – Holiday season,” Competition Bureau, Nov 27, 2003
 “Work-At-Home Business Opportunities:” Competition Bureau, May 2004
 “Beware of bogus Jewellery Appraisal Values” Competition Bureau, February 2004
 “Promotional Contests Made Clearer to Consumers Through Competition Bureau Investigation,”
 Competition Bureau, December 2, 2003
 “Research on the Effects of Media Violence,” Media Awareness Network
 "Subtle ad images threaten girls more," *Marketing News*
 "Smart Pharma Tricks," , *Marketing Magazine*, 2000
 "Bell Ads cashes in on their identity, angry pair says," *Globe and Mail*, 2000

Video: Still Killing Me Softly

Short Paper Due

Class 12 Feb 17 - Ethics and Pricing

Readings:

“Competition Bureau Investigation Leads to \$1-Million Settlement with Suzy Shier Inc.,” June 13, 2003
 “Competition Bureau Investigation in International Price Fixing Conspiracy Leads to \$100,000, December 18, 2002
 “Competition Bureau Actively Preventing Deceptive ‘Sales Prices’ in the Jewellery Industry,” April 24, 2003
 “Competition Bureau Seeks Order Against Sears – Alleges Tire Prices Inflated,” July 23, 2003
 Same contact lens priced differently

Case: Amalgamated Aluminium Alloy Division

Feb 21-25 Reading Week - No Classes

Class 13

**Mar 01 – Marketing with Technology
Direct Marketing, Customer Relationship Management (CRM)**

Readings:

“Scrap yard receiving bank clients’ private data, David Atkin, CTV.ca, Nov 25, 2004
 “CIBC bans faxes after scrapyards get more, David Atkin, *Globe and Mail*, Nov 27, 2004
 “MP3s not source of music industry woes: Study,” *Globe and Mail*, July 20, 2003
 “Raising an RFID Ruckus,” *TechNewsWorld*, October 8, 2003
 “JetBlue Gave Defense Firm Files on Passengers,” *The New York Times*, September 20, 2003
 "Telemarketing's Bad Apples," *Marketing Magazine* (2001)
 Telemarketers jailed, in a Canadian first
 Credit card numbers stolen from e-mail
 Hackers crack Toronto e-commerce site

Video Case: Firing Your Customers!

Class 14 **Mar 03 -Class 15 Mar 08 - Ethics and Supply Chain Management**

Readings:

"Silence is Golden: The record industry sees big bucks", *Canadian Business*, 2000

"Booze bamboozle," *Marketing Magazine*, 2000

The \$600 million cigarette scam

The vast pay gaps in Nike's world

Mattel introduces labour, wage code for its suppliers

Canadian clothing industry's seamy side

Suppliers say bribes a thing of the past

Only Wal-Mart has walked the walk

How franchises seduce those with the most to lose

De Beers to Overhaul its role in market

Case: Starbucks

PART III - MANAGING ETHICS & SOCIAL RESPONSIBILITY

Class 15 **Mar 08 – Managing the Ethical Organisation – Leadership**

Readings:

Linda Trevino, Laura P. Hartman, Michael Brown (2000), "Moral Person and Moral Manager: How Executives Develop a Reputation for Ethical Leadership," *California Management Review*

Video: [Glen Gerry Glen Ross](#)

Class 16 **Mar 10 - Factors Affecting Ethical Decision Making In Organisations
The Interaction Between Organisational Factors & Individual Factors**

Readings:

KPMG Ethics Survey: Do Ethical Issues Really Matter to Canadian Organisations? (2000)

A company's conscience

Implementing and Auditing Marketing Ethics

Case: RT Capital Management.

Class 17 **Mar 15 - Managing the Ethical Organisation – The Ethical Management System**

Readings:

The Ethics Code of Johnson and Johnson "Our Credo"

American Marketing Association Code of Ethics

Corporations not likely to have codes of conduct

Survey finds few firms act on code of conduct

Global Ethics code put to the test

Whose ethics?

Video: [Venture 861: Whistleblowers](#)

Class 18 Mar 17 Managing Ethics in International Markets

Readings:

Wesley Cragg, "Canada's credibility is slipping," *Globe and Mail*, Mar 2004
"How Bribery and Other Types of Corruption Threaten the Global Marketplace,"
Knowledge@Wharton, May 2003
"Acres' partners in crime," *National Post*, August 24, 2003
"Acres Responds to Appeal Verdict in Lesotho Trial,"
"How Universal are ethics?"
"Can Marketers adapt to the protest generation?" , *Strategy Magazine*, 2001
When is a gift a bribe?
Canada, U.S. agree to share deceptive marketing info
"Would You Want Your Granddaughter to Marry a Taiwanese Marketing Man?"

RESEARCH PRESENTATIONS

Class 19	Mar 22	Group Presentations 1 & 2
Class 20	Mar 24	Group Presentations 3 & 4
Class 21	Mar 29	Group Presentations 5 & 6
Class 22	Mar 31	Group Presentations 7 & 8
April 05	NO CLASS -	QUIZ PREPARATION DAY <i>PRESENTATION REPORTS DUE</i> <i>PEER EVALUATIONS DUE</i>
Class 23	Apr 07	In Class Quiz
Class 24	Apr 12	Summing Up – Developing Social Responsibility Programs

APPENDIX A ON-LINE RESOURCES

Association of Ethical Internet Professionals (Code of Ethics)	www.aeip.com/ethics-f.html
Business in the Community:	www.bitc.org.uk
Business for Social Responsibility	www.bsr.org
Canadian Broadcasting Standards Council (Codes)	www.cbsc.ca/english/codes/ethics.htm
Canadian Business for Social Responsibility	www.cbsr.bc.ca
Canadian Centre for Ethics and Corporate Policy	www.ethicscentre.com
Canadian Centre for Philanthropy	www.ccp.ca
Centre for Applied Ethics (UBC)	www.ethics.ubc.ca
Centre for Business Ethics (Bentley College)	http://ecampus.bentley.edu/dept/cbe/
Centre for Corporate Citizenship (Boston College)	www.bc.edu/corporatecitizenship
Centre for E-Business Ethics (Colorado State U)	www.e-businessethics.com
Center for Media Education	www.cme.org/teenstudy/
Clarkson Centre for Business Ethics (U of T)	www.mgmt.utoronto.ca/~stake/CCBE/index.htm
Conference Board of Canada	www.conferenceboard.ca
Corporate Social Responsibility Europe	www.ebnsc.org
Corporate Watchdog	www.corpwatch.org
Ethics in Action Awards	www.ethicsinaction.com
Ethics Links on the Internet	http://carbon.cudenver.edu/%7Ejjjuhasz/ethiclinks.html
EthicScan Canada	www.ethicscan.on.ca
Ethics Resource Centre	www.ethics.org/businessethics.html
Franklin Covey Mission Statement Builder	http://www.franklincovey.com/missionbuilder/index.html?c=Home_Center_TopRight_MissionBuilder
Greenbiz	www.GreenBiz.com
Institute for Global Ethics	www.globalethics.org
KPMG Ethics Survey: Do Ethical Issues Really Matter to Canadian Companies:	www.kpmg.ca/english/about/press/pr20000217.html
Media Watch	www.mediawatch.ca
Ministry of Consumer and Commercial Relations	www.ccr.gov.on.ca/mccr/consindex.htm
Office of the Ethics Counsellor (Govt Canada)	http://strategis.ic.gc.ca/SSG/oe00001e.html
PubZone-Quebec Ad Regulations	www.pubzone.com/fc/child-que/index.cfm
Reputation Institute	www.reputationinstitute.com
Responsible Shopper	www.responsibleshopper.org
Shell Corporation (Report on bribery see p. 24)	www2.shell.com/home/royal-en/downloads/shell_report_2001.pdf
Social Marketing Institute	www.social-marketing.org
Transparency International	www.transparency.org
Ethics Quiz	http://www.nucifora.com/newsletter/0503-0603/ethics_quiz.html

APPENDIX B

SUGGESTED TOPICS GROUP RESEARCH PROJECT

Raising Funds or Other Support for Disaster Relief

- There have been a number of natural disasters in 2004 – hurricanes that have devastated the Caribbean, tsunami in the Indian Ocean. Rather than doing an ‘abstract’ research project, you can design and implement a project to raise funds or other support for a charity of your choice. You must develop a project plan with clearly outlined goals, your target market and positioning strategy, and an execution strategy. Your project presentation and report may outline (but doesn’t have to be restricted to) the ethical challenges you faced in making your choice of project to support, your action plan and the reasons why you chose this approach, the hurdles you faced when undertaking this project, what you learned about marketing and ethics while undertaking the project, the results of your efforts, and the marketing principles you employed to raise funds for a non-profit entity.

Case Study - Managing Ethical Behaviour

- A number of companies are recognized as leaders in ethics and social responsibility. For example, in 2002 (Harvey Schacter article, *Globe and Mail*, November 29, C1) 5 companies were named "the Top Five Corporate Citizens:" Zenon Environment Inc., Husky Injection Molding Systems Ltd., Manitoba Telecom Services Inc., and Royal Bank of Canada. The Corporate Knights annually rank companies on their corporate social responsibility (see their web site). Research one of these leading companies (or another one known for its high standard of ethical behaviour) to uncover the factors that drive its ability to excel with regard to these behaviours.

Community Involvement Project

- Some organizations become very involved in supporting their local communities through the provision of pro bono services or the secondment of key personnel. Select a Kingston charity or student cause and work with them to resolve a key problem. For example, a US ethics class developed a promotion campaign for their local humane society to help them raise funds to support their shelter. Your report on this project would include not only what you did to help the organization, but also what you learned by working with the non-profit sector.

Managing Unethical customers

- shoplifting
- product piracy

Market Selection and Segmentation Issues

- Non-Profit Marketing and Fundraising (telemarketing, lotteries, guilt appeals)
- Marketing to Special Groups (Children, Poor, Elderly, disabled)
- Bar / beer marketing to students
- Fashion marketing to tweens
- Profiling

Marketing & Industry Practice

- In-depth of industry or product category (Direct Marketing industry, pharmaceutical industry; ethical issues associated with laundry detergents, Agri-Chemicals, weight loss industry)
- Sin products/services (Tobacco, Alcohol, Crime, Armaments)

Marketing Research Issues

- Privacy
- Competitive Intelligence Gathering
- Use of Research Information
- Data Base Sharing
- Research Disguised as sales (sugging)

Product-Related Issues

- product safety and/or unintended use (genetically altered foods, herbal products, cosmetics, over-the-counter drugs (prozac, viagra), firearms)
- "Green" marketing
- Packaging Issues, Over-packaging, Misleading labelling (light, green, cholesterol free, nutritional claims, warnings), graphics & sizing, Disposal, Branding, Product Logos and Symbols

- Product liability and recalls / crisis management
- Ethics of sports marketing or reality TV (commodification of sport)
- Entertainment products (video games, psychic hotlines, music videos, South Park)
- Herbal medicines, weight loss products
- Products with questionable safety or value (recreational products: ski-doo's; ATVs)

Pricing Policy

- Gender differences in pricing (especially negotiated prices: cars, computers)
- Pricing of essential products (e.g., health care items)
- Bait and Switch Price Promotions
- 'Sale' Pricing
- Collusion

Marketing Communications & Promotion Policy

- Permission-based marketing versus spam or junk e-mail
- Lobbying
- Fear Campaigns & shock advertising (for profit or non-profit campaigns)
- Political Advertising
- 'Junk' Mail
- Pay Per Call Promotions (900 numbers)
- Subliminal Communications
- Sales promotions/contests
- Advertising Stereotypes (gender /sexism, children, ethnic groups, disabled, disadvantaged)
- Lotteries and sweepstakes
- Advertising and body image
- International advertising

Distribution Issues

- Grey markets and unauthorised channels
- Management of channel power
- Relationship marketing (when your customer is your competitor)

Ethics and the Internet

- 'inappropriate' web sites (racism, questionable products)
- on-line tracking of behaviour
- security, encryption

International marketing practice

- Bribery (Note: Acres International, one of Canada's oldest and most respected consulting engineering firms received a record fine for bribing an official in Lesoto, Africa in 2002. They are appealing the verdict)
- Protection of Intellectual Property
- Dumping
- Marketing Obsolete Technologies
- Cultural Bias & Women In International Marketing
- Product sourcing / child labour and other exploitive labour practices
- DeBoers & Blood Diamonds

Special Topics in Marketing Practice

- Commodification of sports, people as products
- Sponsorship / Cause-related marketing / sports marketing
- 'Ethical' Mutual Funds
- Perceptions of Business (Students, Public School, High School, Other University Faculties general public), derived from film or news coverage and the Implications for the Marketing Business Programs / ethical action within business
- Political campaigns
- Exemplars of 'good' marketing ethics (case studies of firms who 'walk the talk' in terms of establishing a socially responsible marketing program)
- The marketing of the Olympics and/or ethics of the International Olympic Committee

APPENDIX C
Sample Presentation Evaluation Form

Group #: _____ Date _____

I. CONTENT (____ / 40)

A. INTRODUCTION AND AGENDA (10)

- 1 No introduction provided - went directly into presentation.
- 2 Introduced self and team members.
- 3 Fulfilled item 2, and established the purpose of the presentation and an agenda.
- 4 Fulfilled item 3, and opened presentation in a manner that captured the interest of the audience.
- 5 Fulfilled item 4 in a particularly effective manner.

B. BODY OF THE PRESENTATION (10)

- 1 Content lacked substance and didn't provide insight into the issue.
- 2 Content inappropriate / too many irrelevant facts or too few relevant facts.
- 3 Content appropriate, topic researched, most key areas covered, but inadequate to fully understand the topic chosen.
- 4 Fulfilled item 3. Topic thoroughly researched, original data gathered, and all key areas covered.
- 5 Fulfilled item 4 in a strong and convincing manner.

C. THEORY INTEGRATION (10)

- 1 No relevant strategic theory applied to the content.
- 2 Some theory applied, but incomplete.
- 3 Relevant theory from discipline integrated into the presentation
- 4 Fulfilled item 3 in a thorough and effective manner.
- 5 Fulfilled item 4 and integrated theory from other disciplines as well.

D. CONCLUSIONS / RECOMMENDATIONS (10)

- 1 Recommendations were seriously flawed.
- 2 Some recommendations were correct.
- 3 General recommendations, but not specific and actionable.
- 4 Viable, specific, actionable recommendations.
- 5 Creative and innovative conclusions / recommendations presented.

II. DELIVERY AND EXECUTION (____/40)

A. FLOW AND SEQUENCE (5)

- 1 Sequence of presentation was random and confusing.
- 2 Presentation flowed but speakers did not note important relationships or make transitions between sections.
- 3 Presentation flowed, relationships were indicated and transitions were made between topics.
- 4 Clear, logical sequence with strong internal summaries to link sections and relationships.
- 5 Fulfilled item 4 in a particularly effective manner.

B. ABILITY TO CONVEY KNOWLEDGE / TRANSFER KNOWLEDGE (5)

- 1 Ideas were poorly formulated and weren't conveyed effectively to the audience.
- 2 Ideas were sound, but presenters had difficulty conveying their ideas to the audience.
- 3 Ideas were sound and most were conveyed in an effective manner to the audience.
- 4 Ideas were sound, they were conveyed in an effective and balanced manner to the audience.
- 5 Fulfilled item 4 in a particularly effective manner.

C. VISUAL AIDS (5)

- 1 Visual aids inappropriate and ineffective (too much/too little info)
- 2 Visual aids were appropriate but not entirely effective.
- 3 Visual aids clearly enhanced the presentation.
- 4 Visual aids were imaginative and creative and enhanced the presentation.
- 5 Highly effective visual aids that creatively supported the presentation.

D. EFFECTIVE USE OF TIME (5)

- 1 Timing problems / ineffective use of time: too much time spent reporting (vs analyzing situation), not enough time spent explaining visuals, rushing through key sections, finishing late or early, etc.
- 2 More effective use of time, but still some problems.
- 3 Time generally used constructively (not under or over allotted time by more than 10%).
- 4 Effective and efficient use of time.
- 5 Highly effective and efficient use of time.

E. CREATIVITY, EXCITEMENT AND INSIGHT (10)

- 1 Presentation was boring, flat and uninteresting.
2. Presentation had some compelling points but failed to capture and retain the interest of the audience.
3. Presentation engaged the audience most of the time.
4. Presentation was compelling, insightful and interesting. It captured interested and illuminated the topic in an insightful and creative way.
5. Presentation excelled in its creativity, excitement and insights.

F. AUDIENCE DISCUSSION / QUESTIONS (10)

- 1 No moderator, no evidence of team work (one or two members dominated the floor), questions taken from one part of the room only, questions answered poorly – long, rambling answers, defensive responses, poor understanding of the issues underlying the questions.
- 2 Some improvement over 1 above.
- 3 Good ability to handle questions, use of a moderator, evidence of team work (all group members used their expertise to provide responses), questions taken from around the room, questions answered confidently, answers concise and to the point, no overly defensive responses, good understanding of issues underlying the questions.
- 4 Fulfilled item 3 in an insightful and meaningful way.
- 5 Fulfilled item 4 in a particularly effective manner.

III INDIVIDUAL PRESENTATION SKILLS AND SPEAKING ABILITY

(____ / 20)

- 1 Nervous, voice was monotonic; little eye contact with the audience; read notes verbatim, paralanguage & crutch words (uhs, ahs, ums), wooden - no animation or gestures to add energy to presentation.
- 2 Nervous; voice and gestures need improvement; too much reliance on notes, little eye contact with the audience, some paralanguage/ crutch words.
- 3 Effective use of voice and gestures, spoke professionally, confidently and directly to the audience with little use of notes.
- 4 Spoke professionally, confidently and directly to the audience using enthusiasm and energy to retain audience interest with no use of notes.
- 5 Especially strong presentation skills fulfilling item 4 in a particularly effective manner.

TOTAL

APPENDIX D

PEER EVALUATION - GROUP PROJECTS

Using the above 5-point scale, rate your contribution to the debate and group research project and that of the other members of your group. Please remember that these documents form part of the evaluation for the course, and standards of academic honesty must be strictly adhered to.

- 5 Made an above average contribution to the projects, i.e. expended more effort than other members of the group, did additional research, spent more time, took on a leadership role, etc.
- 4 Contributed to the projects in a quality manner expected of a Queen's Commerce student, i.e., came to scheduled group meetings, did their share of the tasks in a 'quality fashion', contributed suggestions, completed tasks on time.
- 3 Made a lower than average contribution to the projects, i.e. came to meetings but offered few suggestions, put limited effort into assigned tasks or performed tasks to a lower standard than did other members of the group, failed to meet group deadlines.
- 2 Made a minimal contribution to the projects. Attended some meetings, but missed many others. Failed to do the research they had agreed to perform, failed to meet deadlines, or failed to offer helpful suggestions.
- 1 Made no contribution to either project.

Names and Rating of Group Members (alphabetical order please):
(Remember to rate your yourself)

<u>Rating</u>	<u>Name</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Your Signature