

IDFA Competition for Feature-Length Documentary idfa 2011

Dinasta Pool

Capitalizing on Hope

HOPE

Teaching Guide for Marketing Educators



ABOUT THE FILM

Breast cancer has become the target of cause-related marketing campaigns. Countless people walk, run and shop for the cure, believing they are doing "good." Each year, millions of dollars are raised in the name of breast cancer, but where does this money go, and what does this fundraising actually achieve in relation to finding a cure? Written and directed by Léa Pool and produced by Ravida Din, **Pink Ribbons, Inc.** is a feature documentary from the National Film Board of Canada that shows how the devastating reality of breast cancer, which marketing experts have labelled a "dream cause," becomes obfuscated by a shiny, pink story of success.

Pink Ribbons, Inc. focuses on the long-term results of partnerships between a variety of firms and non-profits dedicated to raising funds for breast cancer research and treatment. There is little doubt that much good has resulted from these campaigns. Significant funds have been raised for research, screening and treatment; there is higher awareness about the need for early detection; and survival rates have increased, especially for women who were diagnosed in the early stages of the disease.^a Nonetheless, breast cancer is second only to skin cancer as the most common cancer among women. Although men are considered to be at low risk for breast cancer, they do suffer from this disease as well. Women aged 20–24 have the lowest incidence of the disease, while women aged 75–79 have the highest incidence. The median age for diagnosis is 61 years.

Although the benefits of the campaigns are alluded to in **Pink Ribbons**, **Inc.**, the documentary raises many questions about the unintended, negative consequences of these partnerships and campaigns. Before assessing the stakeholders affected by Pink Ribbon campaigns, the various responsibilities of these stakeholders, and the ethical issues embedded in the campaigns, it is first important to understand what marketing is and the role it plays in business. Some marketers partner with breast cancer fundraising initiatives as part of their promotional efforts, but promotion is only one aspect of the marketing function.

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MARKETING – A BRIEF OVERVIEW

Marketing is often misunderstood and seen solely as advertising and promotion, but it is much more than this. By examining the revised definition of marketing put forth by the American Marketing Association (AMA) in 2007^b, one can better understand what it is. The definition reads, "Marketing is the activity, set of institutions, and processes for creating, communicating, delivering and exchanging offerings that have value for customers, clients, partners and society at large." Stated another way, marketing is about "satisfying customer needs in a socially responsible and ethical manner."¹ Customers may be end consumers like you and me who purchase goods and services for their personal use. Customers may also be other businesses that purchase goods and services for their own operations.

All types of organizations use marketing, not just businesses. Non-profits, like the Heart and Stroke Foundation, use marketing to understand donors and raise funds. Universities use marketing to attract students and provide them with the programs they value. Governments use marketing to create awareness of travel opportunities or to attract new immigrants to their countries. Even individual people use marketing—just think of how celebrities like actors and singers create an aura around themselves that appeals to certain groups of fans.

The primary role of marketers within a firm is to understand and respond to the needs of their customers, creating and maintaining strong relationships with them and offering them value, while at the same time generating a profit for the firm. Firms that practise marketing do not aim their goods or services at the marketplace indiscriminately; through sophisticated marketing research, they work to understand the needs of various customer groups, and then they target their offerings to those they can best serve. The group of customers served by the firm is labelled its "target market." For example, The Running Room doesn't target all people who might purchase an athletic shoe; it serves people who want high-quality products and are willing to pay prices commensurate with that quality. They are people who want knowledgeable service, not just for shoes and running clothing, but for everything a runner needs, from nutrition to training for different types of races. They are also individuals who want to be involved with an active community of people who run or walk. The Running Room organizes promotions to attract these customers to their stores across North America and inform them of events and offerings that might be of interest to them.

In other words, marketers have a lot of input into the design and features of the products they believe customers will value. Products and services are tools that customers use to satisfy needs and wants and to solve basic problems. People don't buy cars—they buy a means of transportation that gets them to work and to the grocery store. Instead of a car, some people may select public transportation or taxis; others may walk. Thus, there are usually many alternative ways that customers can address their needs.

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a Women with breast cancer are diagnosed according to the size and type of tumour and the stage of progression of the disease (i.e., is it in situ and contained within the ducts of the breast, or has it spread to the lymph nodes and other organs?). According to statistics provided by the American Cancer Society (see <u>cancer.org/cancer/breastcancer/detailedguide/breast-cancer-survival-by-stage</u>), survival rates for women at Stage 0 are 93 per cent; Stage 1, 88 per cent; Stage 2, from 74 to 81 per cent; Stage 3, from 49 to 67 per cent; and Stage 4, 15 per cent. Because more and more women are getting mammograms, by 1990 there was increased detection and more breast cancers began to be diagnosed at the in situ stage. Breast cancer rates, therefore, were noted to be increasing up until 2002-03, when there was a sharp decline due to decreased use of menopausal hormone therapy. Another encouraging sign is that mortality rates from breast cancer decreased by 2.2 per cent a year from 1990 to 2007 (see Breast Cancer Facts & Figures 2011-12, American Cancer Society, <u>cancer.org/cancer/breastcancer/detailedguide/breast-cancer-survival-by-stage</u>).

b The American Marketing Association is a professional association made up of 30,000 members who teach or practise marketing. First founded in 1937, it provides training, holds conferences and establishes ethical guidelines for the practice of marketing. For more information on the AMA, visit its website: <u>marketingpower.com/</u> AboutAMA/Paaes/default.aspx.

Marketers use brands—the names and symbols used to identify products and services—to help consumers differentiate one product or service from another. Brands have images and promises associated with them. As Kotler et al. note, a brand stands for the "benefits or values it promises to deliver to customers to satisfy their needs."² Just think about computers. Consumers have often associated Apple computers with their distinct colours or sleek design, the bright Apple logo on their backs and their ease of use. PCs, by contrast, have been known for their functionality, reliability and versatility.

Marketers are also responsible for setting prices that reflect the value of the product and what the customer can and will pay. They work with distributors and retailers so that the products are made available at convenient places and at times aligned with the shopping habits of their customers. They also develop advertisements and other promotional materials to inform, remind and persuade customers to buy their products instead of those of their competitors. If marketers do not create the right products or services to meet customer needs, people will purchase elsewhere. Keeping an existing customer is more cost-effective than finding a new one, so marketers work to satisfy customers and build long-term relationships with them.

The tools that marketers use are sometimes termed the 4 Ps: Product, Price, Place (distribution) and Promotion. The Pink Ribbon campaigns fall under the last P in the marketers' tool kit: Promotion.

As the AMA definition of marketing indicates, marketers have to balance a number of interests. They have to create a profit for their firm. They have to satisfy customers' wants and needs. They also have to act in society's overall interests. When one set of interests overwhelms others, questions about the ethics of marketing practice come to the fore. Thus, the AMA dictates that its members embrace the highest professional ethical norms and the ethical values implied by their responsibility toward multiple stakeholders (e.g., customers, employees, investors, peers, channel members, regulators and the host community). The AMA's Statement of Ethics is included here as Appendix I. All marketers are expected to make decisions in line with three key norms: not knowingly doing harm; undertaking their roles so that people continue to have trust in the marketing system, which is fundamental to the efficient exchange of goods and services between firms that create them and customers that buy them; and acting with integrity, which means adhering to the core values of honesty, responsibility, fairness, respect, transparency and good citizenship. The Statement of Ethics elaborates on the types of behaviours that manifest these values in practice.

CAUSE-RELATED MARKETING

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Pink Ribbon campaigns are a form of promotion known as "cause-related marketing," which is defined as a "public association of a for-profit company with a non-profit organization, intended to promote the company's product or service and to raise money for the non-profit."³ This is sometimes also called "facilitated giving," particularly when a company teams up with a specific charity, like the Breast Cancer Foundation. During the time frame over which the cause-related marketing campaign occurs, the firm promises to donate a specific proportion of the sales price of a product or service sold to the charity (i.e., the firm facilitates the giving by the consumer to the cause). For example, in a 2012 campaign titled Drive to End Hunger, the firm Quaker State promised to donate 25 cents for each

specially marked bottle of motor oil it sold through Walmart stores from February 1 to March 31. The company stipulated a maximum amount that would be donated: \$50,000.⁴

Cause-related marketing has a long history. An early campaign, run in 1976, was a partnership between the Marriott Corporation and the March of Dimes.⁵ One of the most famous and successful early cause-related marketing campaigns was run by American Express in 1983. It donated funds to the restoration of the Statue of Liberty: one cent each time one of its existing cards was used, and \$1 for each new card issued during the last quarter of 1983. Both parties, the charity and the company, regarded the campaign as highly successful. Over \$1.7 million was raised toward the restoration effort, and there was a 28 per cent increase in use of American Express credit cards, not to mention the massive press coverage and free publicity the campaign generated.⁶ This campaign became a template for other such campaigns created by businesses for their own cause-related marketing efforts.

An early academic paper that contributed to the definition and understanding of cause-related marketing, written by P. Rajan Varadarajan and Anil Menon,⁷ saw the practice as a means to align a firm's marketing strategy with its corporate philanthropy program. A more recent paper describes the practice as a form of "brand leveraging" in which a forprofit firm partners with a not-for-profit organization that is relevant to a segment of consumers in an attempt to "connect with the consuming public beyond traditional point-of-purchase and to form long-lasting and emotional ties with consumers."⁸

Famous cause-related campaigns include the Product Red campaign, launched in 2006 by U2 singer Bono.⁹ Companies like Gap Inc., Apple Inc., Dell Inc. and Starbucks Corp. created Red-branded products that consumers could purchase knowing that a portion of the purchase price went to support non-profits like the Global Fund to Fight AIDS, Tuberculosis and Malaria. Millions of dollars have been raised. Unilever created the Dove Campaign for Real Beauty and aligned it with the Dove Self-Esteem Fund, which worked with non-profits like the Girl Scouts and the Boys & Girls Clubs of America. A portion of consumers' purchases of Dove products went to support numerous charities that worked to improve women's and children's self-esteem.

Breast cancer has attracted a lot of attention from cause-related marketers. The Susan G. Komen Foundation has been one of the leaders in this regard. As the Komen website notes, "Nancy G. Brinker promised her dying sister, Susan G. Komen, she would do everything in her power to end breast cancer forever. In 1982, that promise became Susan G. Komen for the Cure® and launched the global breast cancer movement."¹⁰ Its famous Race for the Cure is one of the largest fundraising events in North America. The foundation has been very proactive in marketing this initiative to potential corporate sponsors, which pay a fee of \$1 million.¹¹ The event currently has over 20 such sponsors, including American Airlines, Ford Motor Company, New Balance Athletic Shoe, Inc., RE/MAX, SELF Magazine, Stanley Steemer, Walgreens and Yoplait USA/General Mills. The foundation has raised over \$2 billion since its inception. It has also contributed to efforts to encourage women to get mammograms so earlier detection of breast cancer is possible, and it has funded research into causes and more effective treatment.

The Komen Foundation is only one of many that work to raise funds for breast cancer. Avon Foundation's Breast Cancer Crusade is another famous initiative that has a long affiliation with cause-related marketing in support of early detection and breast cancer screening.

SPLIT OPINIONS – SUPPORTERS AND CRITICS OF CAUSE-RELATED MARKETING

Cause-related marketing has generated a lot of controversy.¹² Supporters of the practice believe that it generates significant financial support for many non-profit organizations that would not otherwise be viable. It helps to educate people about important social issues and causes. It draws public attention to charitable causes that would not otherwise be able to generate such publicity. It builds the brand reputation of both the not-for-profit and the for-profit organization. It empowers consumers and enables them to make a difference in the world while satisfying their consumption needs. It allows them to support those brands and corporations that they believe are doing good works for their communities, and causes they care about.¹³

Some critics of the practice, in contrast, claim that using a disease or the suffering of people who have a disease as a means of marketing a product is never ethical (i.e., they believe using people as a means to an end-profit-is never ethical). One of the tenets of ethical theory is that human beings have inherent rights and that they are valued in and of themselves. People should never be used as means to an end. One of the concerns featured in **Pink Ribbons, Inc.** is that the basic humanity of people with breast cancer may be forgotten, as is made clear in the sections featuring the support group with women with Stage 4 breast cancer. These women do not want to be viewed as a statistic or number. They want people to "see their faces" and know that breast cancer can be a devastating, ugly and life-threatening disease. In contrast, the campaigns may lead people to see only the imagery, the ribbons, the lovely colour pink and the sentimentality associated with the campaigns.

Other critics feel that cause-related marketing as a practice is deceptive because consumers believe that more funds are donated to the charity than is actually the case. They also feel that it links consumption with philanthropy. Some go so far as to claim that cause-related marketing encourages over-consumption and the purchase of products or services that consumers neither want nor need. Others claim that it promotes only "attractive" causes and neglects ones related to more troubling social issues. For example, breast cancer may be given more attention than cancers like colorectal cancer. Others damn the practice because there may be more spent promoting the products and the campaign than is donated to the charity. Other critics worry that cause-related marketing may take away from traditional giving and philanthropy. Another group claims that the practice taints charities and ties them to materialistic, commercial entities. When breast cancer is the focal cause, some critics have called it "pinkwashing," the cancer-related equivalent to what "greenwashing" is in the sphere of environmental causes.¹⁴

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UNDERSTANDING THE ETHICAL DECISION-MAKING PROCESS

Determining whether a practice is ethical or not should be more than just a matter of intuition or opinion. There is vast literature on moral philosophy, and understanding its tenets helps people make more informed decisions about the ethics of practices like cause-related marketing. An in-depth presentation of moral philosophies is beyond the scope of this note, but some of the basic premises are outlined in this section. When facing an ethical dilemma, people tend to (1) consider ethical principles, (2) consider the consequences of the decision, and (3) consider who the decision will most help or harm—themselves and/or other stakeholders. People combine and weigh these three factors differently, and this explains much of the variance in ethical decision-making. The context and situational factors help explain the rest of the variance.

ETHICAL DUTIES, RIGHTS AND PRINCIPLES

When making ethical choices, many people believe they have the duty to "do the right thing." People should consider key ethical duties, such as the duty to avoid causing harm to others through one's own actions.^c This is often referred to as the duty of care. Such duties have special force when the decision maker is dealing with an issue affecting a vulnerable group, such as children, those suffering from an illness, the elderly or those with compromised cognitive abilities. Other duties include the duty of truthfulness and the duty to keep promises. In addition to duties, people who put significant weight on doing the right thing turn to universal principles as a guide. Such principles include notions that it is wrong to take a life, to lie or to steal. Human-rights theory is closely tied to this way of ethical thinking. Rights like protection under the law, freedom from discrimination or freedom of choice are derived from this theory. While this is a powerful way of thinking, the decision maker often has to deal with a lot of complexity, since one principle or duty may conflict with another.

Particular principles helpful in the assessment of marketing practices were put forward as part of the consumerism movement that began in the 1930s and became powerful in the 1950s. In a famous 1962 speech, U.S. President John F. Kennedy crystallized these principles as basic consumer rights that marketers should consider. These rights are still used to assess the ethics of marketing practices today. The President believed that such rights needed to be stressed, since modern marketing has very powerful tools in its arsenal, and products and services are often so complex that consumers cannot judge for themselves whether they are fairly priced, of high quality or effective solutions to their needs. Over time, President Kennedy's list of rights has been expanded and today includes the following:¹⁵

+ The right to safety: The products and services that marketers sell should not result in injury or harm to the consumer if they are used in the fashion prescribed. Marketers have the duty to ensure that products meet safety standards before they are made available to the public. If defects in products emerge after they are launched, marketers have a duty to recall such products and compensate consumers if required. Since some essential products may not be inherently safe (e.g., some drugs or chemicals), marketers are also required to provide clear warning labels about their dangers and provide directions for safe operation.

c Duty-based ethics come from the moral philosophy of deontology. Deontology comes from the Greek word meaning "duty."

- + The right to be informed: Consumers have the right to clear, accurate, understandable information about the products and services they are contemplating to purchase. There should be no misleading information in the firm's advertisements, on product packaging or labels, on financing terms or in warranties.
- + The right to choose: Our society believes that competitive marketplaces serve customers best. Thus, consumers have the right to choose among competitive offerings, and they should not be coerced into purchasing products or services or continuing relationships with companies they no longer wish to do business with.
- + The right to be heard: Consumers have the right to voice complaints about products, services or marketing practices. Companies have a duty to listen openly and empathetically to consumer concerns and input. Such input may help the firm and its marketers improve their products and increase customer satisfaction.
- + The right to redress: If consumers have legitimate claims with regard to a faulty product or service, they are entitled to fair compensation or settlement of their claim. If firms do not address consumer concerns, the consumer may seek redress from regulatory bodies, such as the Competition Bureau, or industry bodies, like the Advertising Standards Association.
- + The right to privacy: In the current era of advanced consumer research combined with mass and tailored communication technologies, the consumer's right to privacy must be honoured. Privacy is defined as the right to be left alone, to enjoy one's private space, to expect confidentiality and to control access to personal information. Canada's Personal Information Protection and Electronic Documents Act (PIPEDA) provides the regulatory framework to ensure that consumers' privacy is protected in the online environment.

CONSEQUENCES

Some people judge an action to be right or wrong depending on the outcomes or potential consequences. The moral philosophy teleology (consequentialism) posits that the more good consequences a decision produces, the more ethical it is. People often use the phrase "creating the greatest good for the greatest number" to capture the thinking underpinning this style of ethical judgment. It is sometimes referred to as "results-based ethics," and an action is criticized if it is only the ends that are considered and not the means of achieving those ends.

STAKEHOLDERS

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The third facet of any choice involving the making of an ethical versus unethical choice is the person or people affected by or having a "stake" in the decision. People have to consider to whom they owe a duty of care and the rights that should be respected—is it to themselves, their families, their firm, their community or other body? R. Edward Freeman¹⁶ developed stakeholder theory as a framework to guide ethical decision-making in organizations. For many years, business people believed that their primary duty was to serve the interests of the owners, or stockholders, of the firm through profit maximization. Today, more and more business people understand that this is a very limited view and that they must consider outcomes for many stakeholder groups in addition to stockholders, including the firm's employees, its customers, its suppliers and the community in which the firm operates.

Stakeholder groups tend to coalesce around key issues. They form a network of relationships. Some stakeholders have more power and credibility than others, and they tend to influence the opinions of others in the network more than do other groups. The network of stakeholders around the issue of breast cancer is a complex one. It includes people suffering from the disease, their children, family and friends; the medical practitioners treating the disease and those conducting research about the disease; government organizations responsible for health and welfare (including environmental quality and toxins); not-for-profit organizations that provide support for people with the disease and/or raise funds to support patients and research; marketers within various sponsoring firms; people who purchase the products featured in the cause-related marketing campaigns; people who participate in fundraising events like runs and walks; the media; the academic community, which may examine the social impacts of the disease or the marketing-related sponsorships; and various activist groups.

Figure 1 provides an illustration of how the three aspects of ethical decision-making can be integrated.

FIGURE 1



ASSESSING PINK RIBBONS, INC.

Before undertaking either of the exercises suggested below, a discussion of **Pink Ribbons, Inc.** could begin by asking the question, Why is breast cancer a particularly attractive cause for marketers? Breast cancer has drawn a lot of attention from marketers because women are the primary shoppers and buyers for many categories of products and services. Since breast cancer is the second most prevalent cancer, it is highly relevant to most women. As the film points out, Pink Ribbon marketing may give women hope that they can make a difference with regard to this disease through their purchase choices. It may give them a sense of control over a disease no one can control—the highest risk factor for breast cancer is simply being female. Some critics featured in the film also suggest that advertisers may be creating false hope. While this may be the case, there is countervailing evidence that cause-related sponsorship has increased awareness and that its promotion of screening and funding of research has improved survival rates.

EXERCISE 1 – USING THE THREE-FACTOR METHOD OF ETHICAL ANALYSIS (CONSEQUENCES, DUTIES AND STAKEHOLDERS)

Ask students to play the role of a marketing manager who may be considering a cause-related marketing campaign associated with breast cancer. What they are marketing could be an everyday product like breakfast cereal, or it could be a more controversial product like a video game with some violent content, or a skin-whitening cosmetic cream. Explain Figure 1, and ask students to use it to conduct their analysis to determine whether they will or will not undertake the cause-related marketing campaign.

Ask the students to begin the exercise by selecting one stakeholder group and developing a list of the consequences (both positive and negative) that might occur as a result of the Pink Ribbon campaign. Next, have them list the duties they might have toward the stakeholder group they have selected (as a minimum, they should include the duty of care and the duty not to do harm). They can then move on to determine the ethical principles that should be considered (e.g., being truthful, being fair) and the rights that the stakeholder group may have (e.g., the right to be informed about the disease and the amount of funds going to support the cause, the right to be heard if they have concerns, the right to privacy about having the disease).

To support students in their analysis, the list of consumer rights provided in this teaching guide, or the American Marketing Association's code of ethics (attached as Appendix I), could be given to them.

Selecting sufferers of breast cancer as the stakeholder group to analyze may help students quickly realize the complexity of this issue. The film makes it clear that people diagnosed with breast cancer do not form one homogeneous group. They are young and old, male and female, highly likely to survive or highly likely to die. Some are enthusiastic supporters of breast cancer-related causes. Others resent being defined by their disease instead of being viewed as people who just happen to have breast cancer. This group may highly resent marketers who use the cause to sell products or services (even though these marketers themselves may be very authentic in their concern about the cause and/or have suffered from the disease themselves or have had family members affected by it). As students get deeper into the

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discussion and realize that there are subgroups that have to be considered, each of which may experience different consequences or may perceive their rights as somewhat different, they will begin to understand the complexity and difficulty associated with a full ethical analysis of a practice.

In conducting this exercise, care must be used. Students may have parents who have suffered from this disease, and some students may be more uncomfortable with this discussion than others. Older students are often more comfortable talking about the impact of the disease on them. (Author's note: My daughter was more stressed about my diagnosis than I was, but none of the organizations seem to realize the impact that the disease can have on other members of the family.)

Variations of this exercise can be used. For example, you might ask students to play the role of a potential sponsor of an alternative cause-related marketing campaign, like Product Red, before undertaking the breast cancer exercise (video footage of Bono and this campaign is available on YouTube: <u>youtube.com/watch?v=ch 91M eM6U</u>). This would help to address questions of whether or not cause-related marketing itself is inherently unethical or only considered unethical when certain principles and duties are violated. If you push students to play the role of a stakeholder (like an AIDS sufferer in Africa), you can also push them to think more deeply about how their perceptions may change depending on the role they are asked to play.

Alternatively, you could ask half of your students to play the role of a potential Product Red sponsor, and the other half to play the role of a potential breast cancer sponsor, and then have them compare the results of their analysis.

EXERCISE 2 – DEBATE: LET IT BE RESOLVED THAT CAUSE-RELATED MARKETING CAMPAIGNS FOCUSED ON BREAST CANCER ARE UNETHICAL

This can be a compelling and dynamic exercise. Divide students into two groups and have them prepare points for a debate on the above-noted issue. After watching the documentary, students are usually able to see both sides of the cause-related marketing debate outlined earlier in this teaching guide.

Instructors may want to focus the debate on more specialized issues. For example, it could be focused on evidence-based decision-making versus emotion and image-based decision-making. In other words, consumers may believe that they are doing a good thing based on the imagery around "pink" rather than the actual facts about the impact their actions are having. Focusing on this issue helps students realize that many of the ethical concerns in Pink Ribbons, Inc. centre on issues of "truth in advertising." For example, the film refers to the Yoplait Save Lids to Save Lives campaign. It is noted that many consumers follow the directions of the marketer and faithfully save and submit the lids of the product containers. It is pointed out, however, that the donation made to the cause as the result of this behaviour is often very small (and perhaps is only a trivial amount), but this fact may not be brought home to consumers, even though information about the campaign is very explicit. For example, if you look at the 2013 website that explains the Save Lids campaign, it states, "Starting in September, more than 20 General Mills brands will carry pink Save Lids to Save Lives® lids. For each pink lid received and each code redeemed online from select Yoplait products by June 30, 2013, General Mills will donate 10 cents to Susan G. Komen for the Cure®, up to \$2.5 million.*" At the bottom of the page, in bold font, there is a further explanation: "General Mills will donate 10 cents to

Susan G. Komen for each lid received and also for each code entered by 6/30/2013. Maximum total donation of \$2.5 million. We have already donated \$500,000. We will donate up to an additional \$2 million based on lids submitted, codes entered and other consumer actions."

In this exercise, it is important to get students to understand that, even though the relevant information may be present, they should consider the question of whether or not consumers will seek out this information, or whether they can process it and understand its implications. Consumers' perceptions may be driven by the powerful imagery more than by the actual facts.

Is it inherently unethical to associate any product with the cause of raising funds for research and treating those with breast cancer?

APPENDIX I

American Marketing Association's

STATEMENT OF ETHICS

marketingpower.com/AboutAMA/Pages/Statement%20of%20 Ethics.aspx

ETHICAL NORMS AND VALUES FOR MARKETERS

PREAMBLE

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The American Marketing Association commits itself to promoting the highest standard of professional ethical norms and values for its members (practitioners, academics and students). Norms are established standards of conduct that are expected and maintained by society and/or professional organizations. Values represent the collective conception of what communities find desirable, important and morally proper. Values also serve as the criteria for evaluating our own personal actions and the actions of others. As marketers, we recognize that we not only serve our organizations but also act as stewards of society in creating, facilitating and executing the transactions that are part of the greater economy. In this role, marketers are expected to embrace the highest professional ethical norms and the ethical values implied by our responsibility toward multiple stakeholders (e.g., customers, employees, investors, peers, channel members, regulators and the host community).

ETHICAL NORMS

As marketers, we must:

- **1 Do no harm.** This means consciously avoiding harmful actions or omissions by embodying high ethical standards and adhering to all applicable laws and regulations in the choices we make.
- 2 Foster trust in the marketing system. This means striving for good faith and fair dealing so as to contribute toward the efficacy of the exchange process, as well as avoiding deception in product design, pricing, communication and delivery of distribution.
- **3 Embrace ethical values.** This means building relationships and enhancing consumer confidence in the integrity of marketing by affirming these core values: honesty, responsibility, fairness, respect, transparency and citizenship.

ETHICAL VALUES

Honesty – to be forthright in dealings with customers and stakeholders. To this end, we will:

- + Strive to be truthful in all situations and at all times.
- + Offer products of value that do what we claim in our communications.
- + Stand behind our products if they fail to deliver their claimed benefits.
- + Honour our explicit and implicit commitments and promises.

Responsibility – to accept the consequences of our marketing decisions and strategies. To this end, we will:

- + Strive to serve the needs of customers.
- + Avoid using coercion with all stakeholders.
- + Acknowledge the social obligations to stakeholders that come with increased marketing and economic power.
- Recognize our special commitments to vulnerable market segments, such as children, seniors, the economically impoverished, market illiterates and others who may be substantially disadvantaged.
- + Consider environmental stewardship in our decision-making.

Fairness – to balance justly the needs of the buyer with the interests of the seller. To this end, we will:

- + Represent products in a clear way in selling, advertising and other forms of communication; this includes the avoidance of false, misleading and deceptive promotion.
- + Reject manipulations and sales tactics that harm customer trust. Refuse to engage in price-fixing, predatory pricing, price gouging or "bait and switch" tactics.
- + Avoid knowing participation in conflicts of interest. Seek to protect the private information of customers, employees and partners.

Respect – to acknowledge the basic human dignity of all stakeholders. To this end, we will:

- + Value individual differences and avoid stereotyping customers or depicting demographic groups (e.g., gender, race, sexual orientation) in a negative or dehumanizing way.
- + Listen to the needs of customers and make all reasonable efforts to monitor and improve their satisfaction on an ongoing basis.
- + Make every effort to understand and respectfully treat buyers, suppliers, intermediaries and distributors from all cultures.
- + Acknowledge the contributions of others, such as consultants, employees and co-workers, to marketing endeavours.
- + Treat everyone, including our competitors, as we would wish to be treated.

Transparency – to create a spirit of openness in marketing operations. To this end, we will:

- + Strive to communicate clearly with all constituencies.
- Accept constructive criticism from customers and other stakeholders.
- + Explain and take appropriate action regarding significant product or service risks, component substitutions or other foreseeable eventualities that could affect customers or their perception of the purchase decision.
- + Disclose list prices and terms of financing, as well as available price deals and adjustments.

Citizenship – to fulfill the economic, legal, philanthropic and societal responsibilities that serve stakeholders. To this end, we will:

- + Strive to protect the ecological environment in the execution of marketing campaigns.
- + Give back to the community through volunteerism and charitable donations. Contribute to the overall betterment of marketing and its reputation.
- + Urge supply-chain members to ensure that trade is fair for all participants, including producers in developing countries.

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IMPLEMENTATION

We expect AMA members to be courageous and proactive in leading and/or aiding their organizations in the fulfillment of the explicit and implicit promises made to those stakeholders. We recognize that every industry sector and marketing subdiscipline (e.g., marketing research, ecommerce, Internet selling, direct marketing and advertising) has its own specific ethical issues that require policies and commentary. An array of such codes can be accessed through links on the AMA website. Consistent with the principle of subsidiarity (solving issues at the level where the expertise resides), we encourage all such groups to develop and/or refine their industry and discipline-specific codes of ethics to supplement these guiding ethical norms and values.

REFERENCES

ENDNOTES

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GLOSSARY OF TERMS FOR PINK RIBBONS, INC.

AstraZeneca – a global biopharmaceutical company that provides medicine for some of the world's most serious diseases.

Avon – the world's leading direct seller of beauty and related products, with a global annual turnover of \$11 billion, marketing to women in over 100 countries. Avon's product line includes beauty products, fashion jewellery and apparel, and features such well-recognized brand names as Avon Color, Anew, Skin-So-Soft, Advance Techniques, Footworks, Avon Naturals and Mark.

Biology – a natural science concerned with the study of life and living organisms, including their structure, function, growth, origin, evolution and distribution.

Biopsy – the surgical removal and microscopic examination of tissue to see if cancer cells are present. The removal and examination of tissue, cells or fluids from the living body.

Breast cancer – a type of cancer originating in breast tissue. Worldwide, breast cancer accounts for 22.9 per cent of all cancers (excluding nonmelanoma skin cancers) in women.

Breast Cancer Awareness Month – takes place annually in October to increase awareness about breast cancer and to raise money for research.

Breast cancer culture – the activities, attitudes and values that surround and shape the fight against breast cancer in public. The dominant values are selflessness, cheerfulness, unity and optimism.

Cancer activism – has become a fixture in the United States, where fundraising events are abundant and government financing of research into the disease has skyrocketed.

Cancer risk clinics – clinics that act in studying cancer, some providing aid to cancer patients, survivors, etc.

Capitalism – an economic system that is based on private ownership of the means of production and the creation of goods or services for profit.

Cause – a person or thing that acts, happens or exists in such a way that some specific thing happens as a result; the producer of an effect.

Ribbo

Cause marketing – a type of marketing involving the co-operative efforts of a for-profit business and a non-profit organization for mutual benefit. The term is sometimes used more broadly and generally to refer to any type of marketing effort for social and other charitable causes, including in-house marketing efforts by non-profit organizations. Cause marketing differs from corporate giving (philanthropy), as the latter generally involves a specific donation that is tax-deductible, while cause marketing is a marketing relationship not necessarily based on a donation.

Cell – the basic structural and functional unit of all known living organisms. It is the smallest unit of life that is classified as a living thing, and is often called the building block of life.

Chemical – a form of matter that has constant composition and characteristic properties. Can be in solid, liquid or gas form.

Chemical industry – composed of the companies that produce industrial chemicals, converting raw materials (oil, natural gas, air, water, metals and minerals) into more than 70,000 different products worldwide.

Chemotherapy – the treatment of cancer with an antineoplastic drug or with a combination of such drugs into a standardized treatment regimen.

Cingenta - a pesticide production company.

Convenient sample – a sampling technique where subjects are selected because of their convenient accessibility and proximity to the researcher, disregarding the proper representation of an entire population.

Corporate philanthropy – charitable donations of money and resources given by corporations to non-profit organizations.

Cosmetics – in the United States, the Food and Drug Administration (FDA), which regulates cosmetics, defines them as "intended to be applied to the human body for cleansing, beautifying, promoting attractiveness or altering the appearance without affecting the body's structure or functions."

Cure – the state of being healed; the end of a medical condition; the substance or procedure that ends the medical condition.

Diagnosis – the identification of the nature and cause of anything, used to determine cause-and-effect relationships.

Diplomacy – the art and practice of conducting negotiations between representatives of groups or countries; the conduct of relations with regard to issues of peacemaking, trade, war, economics, culture, environment, health and human rights.

Early detection – the act of discovering a disorder or disease before it has fully developed.

E-mail-based campaign – involving individuals who write e-mails to companies to spur change.

Energy industry – the totality of all the industries involved in the production and sale of energy, including fuel extraction, manufacturing, refining and distribution. Modern society consumes large amounts of fuel, and the energy industry is a crucial part of the infrastructure and maintenance of society in almost all countries.

Environmental justice groups - organizations participating in a

social movement in North America whose focus is on the fair distribution of environmental benefits and burdens, based on theories of the environment, justice, environmental law and governance, environmental policy and planning, development, sustainability and political ecology.

Epidemic – a widespread occurrence of an infectious disease in a community at a particular time.

Estée Lauder – the first cosmetics company to use the pink ribbon as a symbol for breast cancer awareness.

Estrogen - the primary female sex hormone.

Etiology - the study of causation, or origination.

Federal standards – standards for products and services that are regulated at a nationwide level.

Focus groups – a form of research in which a group of people are asked about their perceptions, opinions, beliefs and attitudes toward a product, service, concept, advertisement or idea. Questions are asked in an interactive group setting where participants are free to talk with other group members.

Ford Motor Company – has been active in the fight against breast cancer since 1993, with 100 per cent of the net proceeds from all Ford Warriors in Pink merchandise sales donated to a range of charities.

Formaldehyde – a gas (at room temperature) that is known to be a human carcinogen and has a pungent odour.

Globalization of the breast cancer movement – producing the culture of breast cancer risk perceptions, taking problematic messaging and spreading it throughout the world.

Grassroots movement – often found at the local level and volunteer-run, driven by the politics of a community. The term implies that the creation of the movement and the groups supporting it is natural and spontaneous, which highlights the differences between it and a movement that is orchestrated by traditional power structures.

Growth hormones – hormones that stimulate growth, cell reproduction and regeneration in humans and animals; often used in farming production and have been linked to causing cancer.

Hypocrisy – the state of promoting or administering moral principles, religious beliefs or standards that one does not actually have or is guilty of violating; considered a lie or contradictory behaviour.

Infrastructure – organizational structures needed for the operation of a society or enterprise, including the services and facilities necessary for an economy to function.

Ingestion - the consumption of a substance by an organism.

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IV League – a breast cancer support group in Austin, Texas, for women with metastatic breast cancer. They meet on a regular basis and help each other cope with the rigours of the disease and the realities of dying.

Lead – a chemical element in the carbon group, counted as one of the heavy metals. Excessive levels of lead are poisonous to human beings, as they can damage the nervous system and cause brain and blood disorders.

Lumpectomy – a surgical operation in which a lump is removed from the breast.

Mammography – the process of using low-energy X-rays to examine the human breast, used as a diagnostic and screening tool. The goal of mammography is the early detection of breast cancer.

Mastectomy – the surgical removal of one or both breasts, partially or completely, usually done to treat breast cancer.

Metastasis – the spread of a disease from one organ or part to another nonadjacent organ or part.

Militaristic metaphors – cancer is often portrayed and discussed through the use of military metaphors: as a "battle," "fight" or "struggle."

Misinformation – false or inaccurate information that is spread unintentionally.

Mitosis – a medical term referring to a process whereby a single cell is converted from a normal cell to a cancerous cell.

Mortality - the condition of being mortal, or susceptible to death.

Mythology – a sacred narrative usually explaining how the world or humankind came to be in its present form; often used to convey idealized experience, to establish behavioural models and to teach.

Non-profit organization – an organization that uses surplus revenues to achieve its goals rather than distributing them as profit or dividends.

Oncology – the study and medical treatment of tumours.

Outcomes research – research that investigates the outcomes of health-care practices. It has been defined as the study of the results of health services, taking patients' experiences, preferences and values into account. It aims to provide scientific evidence relating to decisions made by all who participate in health care.

Palliative care – an area of health care that focuses on relieving and preventing the suffering of terminally ill patients.

Pathology report – a medical test detailing, in the case of breast cancer patients, the health of the patient's breasts.

Petroleum – a chemical substance found in a variety of cosmetic and personal care products that is suspected of being a carcinogen. Long-term damage to health and side effects from impurities in the manufacturing process are suggested to be cancer-causing.

Pinkwasher – a company or organization that claims to care about breast cancer by promoting a Pink Ribbon product, but at the same time produces, manufactures and/or sells products that are linked to the disease.

Pinkwashing – Breast Cancer Action coined the term "pinkwashing" as part of their Think Before You Pink campaign.

Planned Parenthood – a non-profit organization providing reproductive health and maternal and child-health services.

The Plastics Focus Group – a support group composed of a handful of women who worked in the automotive plastics industry, moulding car parts for the Big Three.

Precautionary principles – used when taking action against suspected risks.

Prevention – measures taken to prevent disease or injury rather than curing them or treating their symptoms after the fact.

Prognosis – a medical term for predicting the likely outcome of an illness.

Radiation – the medical use of ionizing radiation, generally as part of cancer treatment to control or kill malignant cells. Radiation therapy may be curative in a number of types of cancer if they are localized to one area of the body.

Radiologist – a medical professional who employs imaging to both diagnose and treat disease visualized within the human body.

Remission – the state of absence of disease activity in patients with a chronic illness, with the possibility of return of disease activity.

Research – creative work undertaken systematically to increase the stock of knowledge, including knowledge of humanity, culture and society.

Revion Walk – The Revion Run/Walk is held in New York City and Los Angeles to benefit women's cancer charities. The event features a five-kilometre (three-mile) course that can be run or walked, plus a Health Expo. Celebrities often attend. The aim is to raise awareness and critical funds for women's cancer research, counselling and outreach programs.

Risk factor – a variable associated with an increased risk of disease or infection.

Saturation point – the stage beyond which no more of something can be absorbed or accepted, often relating to consumerism, advertising and media.

"Slash, burn and poison" – a remark used in the film referring to the medical treatment of cancer, where doctors operate on, sanitize and medicate the cancerous area; it is considered a crude way of dealing with a disease.

Stage 1 breast cancer – invasive breast cancer; cancer cells are breaking through to or invading normal surrounding breast tissue.

Stage 2 breast cancer – invasive breast cancer in which no tumour can be found in the breast, but cancer cells are found in the lymph nodes under the arm; or a breast tumour measures two centimetres or less and has spread to the axillary lymph nodes; or a breast tumour is larger than two centimetres but smaller than five centimetres and has not spread to the axillary lymph nodes.

Ribbo

Stage 3 breast cancer – invasive breast cancer in which the cancer may be any size and has spread to the chest wall and/or skin of the breast; or no tumour is found, but cancer is found in axillary lymph nodes, which are clumped together or sticking to other structures; or cancer may have spread to lymph nodes near the breastbone.

Stage 4 breast cancer – the most advanced stage of invasive breast cancer, in which cancer has spread beyond the breast and nearby lymph nodes to other organs of the body, such as the lungs, distant lymph nodes, skin, bones, liver or brain.

Survivorship - the state or membership of being a survivor.

Tomoxifen – is currently used for the treatment of both early and advanced estrogen-receptor-positive breast cancer in pre- and postmenopausal women. It is also approved by the FDA for the prevention of breast cancer in women at high risk of developing the disease.

Toxin – a poisonous substance introduced to or produced within living cells or organisms.

Uncoordinated spending – results in the overlap of studies and gaps in research by philanthropists and organizations that are not in proper communication with one another.

Virus – a small infectious agent that can replicate only inside the living cells of an organism.

Yoplait – a brand of yogourt produced by a company owned by General Mills, which participates in the annual program Save Lids to Save Lives, which raises money for breast cancer research in the United States. Yoplait donates 10 cents per pink foil lid that is mailed to the company, but they state in fine print on all promotional materials that their donations will be capped at \$2.5 million a year. This money is donated to the Susan G. Komen Breast Cancer Foundation.

SOURCE LIST FOR THE GLOSSARY

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CREDITS

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