

## **Ethical Marketing Practices a Pivot for the Survival of Businesses and Consumers Satisfaction**

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### **Abstract**

This research work is an empirical study of ethical marketing practices as a pivot for the survival of businesses and consumers satisfaction. Ethical marketing entails making honest claims and satisfying the needs of potential and existing customers. Hence this research paper is anchored on re-emphasizing the need for marketers, companies and other businesses to be ethically oriented in their marketing practices for the benefits of all. To achieve the predetermined objectives, the researchers administered 362 questionnaires to respondents in order to solicit responses, and the model specification for testing all the hypotheses formulated was the Analysis of variance (ANOVA). The result of the findings indicated that marketers and other practitioners' products and services will not generate the desired profit if they refuse to practice and imbibe ethical marketing behaviour or culture and institutionalize it in their marketing offers. The result is in conformity with the scholarly research work of Osuagwu (2004), Siham (2013) and Agbonifoh, et.al. (1998). The other major exposition was that practitioners (marketers, businesses, organizations) may not survive the vulnerability and intense competition that exist in the marketing field and create the desired market share if they hesitate to embrace and inculcate ethical marketing practices in their marketing programmes. This finding also is in line with earlier work of Shelby (2006), that firms struggled to increase their market share and profitability but negative ethical marketing behaviour posed more problems. The last hypothesis substantiated the fact that ethical marketing does not encourage deceptive acts or behaviour, misleading and false information, to indulge in the sale of fake and adulterated products to mention but a few. The result gave credence to the prominent research work of Siham (2013), Laczniak (2008) and Osuagwu (2004) for all of them emphasized transparency, trustworthiness, honesty as against the above mentioned vices. In conclusion practitioners are encouraged to be more proactive in dealing with marketing issues that are premised on ethical standard and norms, especially as dictated by the society. This is one of the major ways businesses can continue to survive and function in a highly competitive market that different brands of products are seeking for consumers' attention and patronage.

**Keywords:** Ethical Marketing, Customers, Profitability, Market share, Unwholesome Behaviour, Marketer's Firms.

## **Introduction**

In every genuine business transaction both the seller and the customer buying the products are expected to mutually benefit from the exchange efforts. That is to say the company marketing the products makes profits from the sales while the customers' derive satisfaction after using the products, which of course is an ideal situation. It will be unfair if one party gains more especially the seller as a result of using unethical marketing manipulations to persuade, induce or deceive customer into buying the products. Definitely the customer will not gain maximum satisfaction. This of course leads to the contradiction between marketing principles, ethics, expectations and marketing practices or practical marketing.

For instance societal marketing concept require marketers, sellers, companies, etc, to first find out customers or buyers preferences or requirements in terms of products and services before making the products available for consumers purchases while taking into cognizance the general society's well welfare or the consequences of their productions or marketing on the society. Thus it is a decision approach that focuses on consumers' needs and societal consequences that integrates all activities of the company or marketer to satisfy customer wants and needs in a manner that is consistent with concern for broader society's well-being. But in practical marketing or field of selling, marketers and companies develop products and use all forms of selling weapons ranging from fake labels on products, deceptive advertisings, poor quality products, false information, to mentioned but a few and eventually sell the products to consumers. Consequently firms and businesses must strive to resolve seemingly conflicting objectives of firms' or marketers' profitability, total satisfaction of customers' want and protection of public interest.

This concept cautions the marketers and companies not to ignore the short and long-term run interest of the consumer nor short-term run and long-term impact of their actions on society in the pursuit of selling functions and profits objectives. This philosophy is adopted in the marketers' enlightened long-term interest, since in business environment that is characterized with intense competition, such that only the concept can ensure marketer's business long-term survival and profitability. Hence it represents one of the many ways marketers can stem the ever increasing wave of social pressure on business performance (Agbonifoh, et.al. 1998). As you can see contemporary marketing is conceptualized from a humanistic perspective. Prospective buyers interest is most special or important that the firm must be prepare to satisfy exceedingly in order to meet organizational bench mark and retain future market in the present competitive market. To achieve the laudable objectives requires marketers, firms and other businesses to adopt ethical marketing in every transaction they make.

Marketing practitioners and companies must recognize that they not only serve their business interest but also act as stewards of society in creating, facilitating and executing the efficient and effective transactions that are part of the greater economy. In this role, marketers, and companies should embrace the highest ethical norms of practicing professionals and the ethical values implied by their responsibility towards stakeholders. This is because marketing domain has the broadest interface with society and this same society comprises individuals and institutions who

stand to gain or lose depending on how efficiently and effectively marketers and companies perform their jobs. Thus irresponsible marketing has the possibility of causing dissatisfaction amongst consumers and the society at large. Consequent upon that, marketing malpractices tend to surface quickly and to have a substantial impact on many individuals. It is against this background that virtually everyone has something uncomplimentary to say about marketing (Agbonifoh, et.al. 1998). Therefore the increasing trend for fair trade or marketing is an agitation and example of the impact of ethical marketing. For instance the Ethical Shoppers Price Index Survey (2009), confirmed that fair trade was the most popular ethical badge products had, during the fair. This strengthen the believe that

When a firm behaves ethically, customers develop more positive attitudes about the firm, its products and services. A situation where a company's marketing practices depart from standards or norms that society consider acceptable, the market process becomes less efficient. This is because not employing ethical marketing practices may lead to dissatisfied customers, bad publicity, lack of trust, lost business or litigation (Siham, 2013).

This call for the need to emphasize more on ethical marketing behaviour or conduct when carrying out the functions of a marketers'. Thus prominent Scholars have stressed the importance of ethical marketing and the risk associated with blatant ethical failures and thus emphasizes the moral need for marketers and organizations to do what is correct or right for moral justification in business. It isn't business as usual, there is a dare need for today's marketers and organizations to serve customers not only with the ulterior motive of making profit but to meet standards of responsible marketing requirement that extend beyond what has been the order of the day. Especially in the present context of highly sophisticated consumers and competing firms struggling to increased their market share and profitability.

The more reason ethical marketing imperatively becomes an issue of concern for re-orientation more than ever envisaged. Consequently the major problem is that some practitioners tend to ignore this very important aspect of marketing, only to devise more sophisticated, unwholesome and unwelcome methods of makings sales at all possible cost. This very behaviour gave justification for this study.

### **Objectives of the Study**

1. To find out if marketers' ethical practices when doing business influences or affects profitability.
2. To find out if ethical marketing leads to the survival of a firm and increases its market share.
3. To find out if marketers are seriously involved in deceptive acts, misleading and false information, fake and adulterated products.

### **Research Questions**

1. Does ethical marketing offers contemporary marketers the prospects of maximizing profit?

2. Does ethical marketing leads to the survival of firms/brands and increases market share?
3. Are marketers and companies seriously engaged in deceptive acts, misleading and false information, fake adulterated products, etc.?

### **Research Hypotheses**

The three operational research hypotheses are stated both in the null (Ho) and alternative (H1) form

#### **Hypotheses One**

Ho: Marketers products will not generate the much desired profit if they do not imbibe and practice

ethical marketing in every transactions.

H1: Marketers brands will generate the much desired profit even when they do not imbibe and practice

ethical marketing, in every transactions.

#### **Hypotheses Two**

Ho: Marketers products or brands will not survive and generate the desired market share if they do not

Practice ethical marketing.

H1: Marketers products or brands will survive and generate the desired market share whether they

practice ethical marketing or not.

#### **Hypothesis Three**

Ho: Ethical marketing does not require marketers and organizations to engage in deceptive acts, misleading and false

information , fake and adulterated products etc.

H1: Ethical marketing require marketers and organizations to engage in deceptive acts, misleading and false information,

fake and adulterated products.

### **Review of Related Literature**

Ethical marketing refers to the application of marketing ethics into the marketing process. This is more or less the philosophical examination, from a moral stand point, of particular marketing issues and practices that are matters of moral judgment. Which often result in a more socially responsible and culturally sensitive business community. The establishment of ethical marketing has the potential to benefit society as a whole both in the short- run and long-run. Hence it should be part of marketers must comply behaviour in the sense that marketing contribute significantly to the survival of any organization.

Donaldson and Davis (1990) explained that managing ethical values in the workplace legitimizes managerial actions, strengthens the coherence and balance of the organization's culture, improves

trust in relationships between individuals and groups, supports greater consistency in standards and qualities of products and cultivates greater sensitivity to the impact of the enterprise's values and messages. According to Baron (1996) ethics in marketing can be examined at many levels. At the holistic level, it aims at contributing to mutually-beneficial forms of behaviour in a marketing sense, which may be alternative to prescriptions, rules, protocol and enforcement put in place by institutions and agencies. But at the corporate firm level it serves as a policy or guide to managerial decisions making and policy introduction. While at the individual perspective, it provides a guide or framework for justifying individual actions and to evaluate the actions of important others-buyers and further rationalize the moral conflict. Follow up from that, various scholars before now gave their contributions of what ethical marketing involves. Some of these scholars include; Lacznik, (2008) who discussed ethical marketing based on a normative perspective that lay emphasis on transparency, trustworthiness, and responsible personal and organizational marketing policies and actions that exhibit integrity and fairness to consumers, stakeholders, etc.

In the case of Pride and Ferrel (2012) they see ethical marketing as principles and standard that defined acceptable marketing conduct as determined by various stakeholders. Sage Publication (2011) define ethical marketing as the systematic study of how moral standards apply to marketing decisions, behaviours and institutions outburst or actions. Osuagwu (2004) on his part gave a brief narration of what ethical marketing implies as conceptualized by Foxman and Kilcoyn (1993) that it concerns actions which may be right and wrong or bad in marketing situations. In the views of Vermillion, et. al. (2002) ethical climate stresses company expectations regarding proper ways to deal with customer related ethical dilemmas so that misconduct or unethical customer related behaviours are less likely to occur. Consequently the effects of ethical behaviours in marketing practices are also apparent on customer loyalty in addition to customer satisfaction and trust. This assertion was confirmed when a study on the banking industry was conducted in Taiwan (Roman, 2003).

Generally ethical marketing is the process through which marketers and companies generate customer's interest in products and services, build strong customer relationships and create value for all stakeholders by incorporating social and environmental considerations in products and other marketing antics. This assertion encompasses the set of guidelines and the domain of applied ethics that act as a standard set for the operations and regulations of marketing as a whole. The main issue border on making honest claims and to satisfy the needs of potential and existing customers, and further boosts credibility and trust, develops brands loyalty, increases customer retention, and prompts customers to spread word about the products or services companies are marketing. (Murphy, 200). Thus ethical marketing behaviour or practices should conform to generally acceptable social norms regarding beneficial and harmful marketing behaviour or practices in exchange transactions and relationship.

### **Theoretical Postulations**

For the purpose of this study two major theories were exhaustively discussed in this study, in order to establish the theoretical underpinning, viz; consequentialist and deontological theory

- **Consequentialist Theory:** The theory is associated with the work and contributions of Ferrell, et.al. (2012), Trevino and Nelson (2011) who explained this theory as a moral philosophy in which an act taken as morally right or acceptable if it produces some desired result such as utility, wealth, pleasure, knowledge, career growth, realization of self interest or even fame. In other words consequentialist theory is sometimes referred to as teleological and when an individual is attempting to decide what is right or wrong, consequentialist school of thoughts focus attention on the ultimate result or the aftermath of the decision or action that was earlier carried out and triggered by some psychological disposition of the performer or actor. It is important to understand that the most noted consequentialist theories are utilitarian and egoism theories. There is need to differentiate between the two. First utilitarian theory seeks to make decisions that maximize group interest based on the principle of utility, an ethical marketing decisions should maximize the holistic benefits of the society and reduce unethical marketing practices. On the other hand egoists believe that they should make decisions that maximize their own self interest as defined differently by each individual or marketer. Using ethical marketing decision process, an egoist marketer will wish to choose the option that is most beneficial to his self interest or that contribute most to his market profit.

The end result is the net balance of good marketing conduct consequences over unwholesome marketing activities that bring dissatisfactions to the entire society consumers.

- **Deontological Theory:** This theory is anchored on the right of individuals and the purpose associated with a particular behaviour and not necessarily on the consequences of such acts. Thus the theory does not focus on the consequence of an issue or a marketer's action and decisions taken by a firm or marketers with deontological philosophy may not be appropriate in the sense of a consequentialist school of thought, because their view of ethical marketing or ethics generally differs. The deontologists regard certain firm's behaviour as inherently correct and the determination of this correctness focuses on the individual firm or marketer not the society. They have a non consequentialist thinking, which is an ethics based on respect for individuals (Trevino, et. al, 2011).

Fundamental to deontological theory is the idea that equal respect or treatment should be given to all individuals, even in the course of marketing products to prospective buyers. Avoid price discrimination, unwholesome marketing practices, etc. Unlike utilitarian idea and belief, deontologist are of the opinion that there are something people or marketers should not do, even to maximize utility. For example a marketer should not commit a serious injustice to his customer because he will profiteer based on the injustice or how much greater social utility might result from doing so. This is because such unfair treatment is not ethical marketing and thus infringes on the individual or customer's right.



### **Regulations and Enforcement of Ethical Marketing;**

In Nigeria different agencies and the Government regulate and enforce compliance to ethical marketing. Often Organizations, institutions and government agencies saddled with the responsibility try as much as possible to oversee and supervise the activities of marketers, firms, etc in this direction. Much is still expected of the law enforcement officers in order to wage a war against perpetrators and defaulters of ethical marketing conduct.

Relevant section of law comprises; consumer law which protects consumers and antitrust law which protect competitors in both cases against unethical marketing practices. Regulations extend beyond the law to lobbies, watchdog bodies and self regulatory industries bodies. The Federal Trade Commission (FTC) and other federal and state government agencies are charged both with enforcing the laws and creating policies to limit unfair marketing practices and alternate it with ethical marketing conducts.

For the mere fact that regulations may not be developed to cover all possible abuse, organizations, institutions, and industry groups develop codes of ethical conduct or rules to serve as a guide towards achieving the much desired positive outcome, ethical conduct amongst marketers and firms in the course of marketing their goods and services to prospective buyers. For example the Association of Advertising Practitioners of Nigeria (AAPN) developed a code of ethics that guide the operations of members and practitioners. Advertising in United Kingdom (UK) is regulated by the Advertising Standard Authority. American Marketing Association (AMA) has its code of conduct as well and which commits itself to promoting the highest standard of professional ethical norms and value for all. Standard Organization of Nigeria (SON) amongst other bodies are equally out to check the excesses of marketers. Nwokoye (1984) as enunciated by Nwodo, et. al. (2017) summarized the reasons for the emergence of ethical and social responsibility in marketing to include;

- Reverse the declining public confidence in business, resulting from a lot of bad unorthodox practices and lack of regard for the welfare of the larger society.
- Pay the price of economic freedom, which definitely leads to social problems which affects not only the firm and its customers but also the society at large. It is therefore in the interest of business to attend to the problems.
- Balance the power responsibility equation. Marketers wield and exert a great deal of influence on consumers and the economic policy of nations and are expected to show responsibility commensurate with the power
- Enable the marketing department represent the company very well and so resent a good corporate image before the customers and the public at large.

On a generate note marketers need ethics quality not only to prevent unhealthy behaviour but to inspire superior reasoning and performance in every transaction circumstances. It is only through human nature and ethical conduct that we can inspire greater levels of marketing innovations, teamwork and process breakthroughs that result in sustainable competitive advantages. Oliver Wendell Holms wrote, once an individual's mind is expanded by new idea, the mind can never

return to its original form” the same is true with marketing management and ethics. When marketing managers understand how ethical conduct makes them better in terms of creating corporate brand, their roles as marketing manager changes forever.

### **Importance of Ethical Marketing**

Arnold (2010) explained the following importance of ethical marketing to include the under-mentioned;

1. **Customer Loyalty:** The first and most crucial factor in the list of Importance of ethical Marketing is that it helps the company to win the trust and loyalty of its customers on the long-term basis. Customers are often prepared to purchase the same brand of products if they find out that everything about the products are genuine in its nature, and marketers products and services offered are authentic, and they sell the exact products and services that are shown during marketing campaigns and artworks.
2. **Build Credibility:** When companies and marketers follow the intricacies and nuances of ethical marketing on a consistent and continuous basis in all their marketing and promotional campaigns, they slowly and gradually build distinctive niche in the market as genuine and authentic brands that also results to credibility building for companies and marketers within the industry and in the minds of customers as well. Thus ethical value consistently applied are the cornerstones in building a commercially successful and socially responsible business, that will create and improve the firms profit level.
3. **Leadership:** When marketers and firms grasp and understand the salient benefits of ethical marketing and formulate same as one of their objective, definitely they will attain the status of leaders in the market with the competitive brands trying to benchmark their practices and strategies. This is because the companies and marketers have followed the rare path of ethical marketing that results in the various benefits, such as loyal base of customers, higher sales and increased market share, and working as a source of inspiration for one and all in the markets.
4. **Satisfies Basic Human Needs and Wants:** The essence of ethical marketing makes it possible for companies and marketers to fulfill and satisfy the basic human needs and wants of trust, faith and integrity as these are the basic factors that customers expects from brands whilst indulging in the purchase of products and services offered by marketers and companies.
5. **Displays Rich Culture:** When a company is ethically oriented it enjoys the various benefits from the external environment of the business as well as the internal environment comprising the staff and employees, since all is well defined and systematically aligned and boast the rich and authentic culture. The internal employees are highly motivated and continuously strives to help management attains the overall business objectives as they provide the required impetus to professional career graph as well. For they take immense pride working and in association with the company and express the same to their social



circuit that show cases the rich and genuine culture of the firm amongst prospective markets.

6. **Attracts Talent:** Ethical marketing helps the company to attract talented professionals who may wish to get associated with the company as internal employees, vendors or as consultants getting attached and associated with the firm that understands and recognizes the importance of ethical marketing will surely provide boost to their professional trajectory and for the firm it will attain its aims and objectives in the shortest period of time and in a successful manner.
7. In order to grow and expand scope of business operations, marketers always need investors and financial partners who will provide the required funds and investments that will facilitate the launching of the new line of products in the market, tap new market locations, and introduce innovative marketing and promotion techniques. Therefore to achieve financial aspirations, it is vital for the company to understand and be ethically oriented as it gives the firm a tag of the brand that is genuine in its marketing operations and offerings.
8. **Enhanced Brand Value:** The overall market fraternity, competitors, and customers look up to the firm as the one that practices ethical marketing in the most dedicated manner, sells what it displays in its advertisement campaigns, exceed the expectations of the customers, sell products and services that are high on the realms and objectives of quality, and sets a new benchmark in the market for the competition to match and follow. All these factors result in the enhanced brand value of the firm making it the most trustworthy and reliable brand in the market.

### **Summarized Principles of Ethical Marketing**

Some of the principles of Ethical Marketing Includes;

- Create value before capturing value.
- Long-term over short-term optimization.
- Customer feedback over company politics.
- Educate customers instead of misleading them.
- Build products that people want and need instead of selling the ones you have
- Target customers who can benefit from the products instead of targeting everyone
- Measure NPS, retention, and product usage in addition ROI, revenue, and growth metrics.
- Consider the impact of marketing decisions on employees, other companies, society, government and environment.

### **General Ethical Marketing Norms**

1. **Marketers Must Do No Harm;** This of course means performing jobs for which they are appropriately trained and have the expertise or experience to enable them actively

add value to their firms and customers. It also borders on adhering to all applicable laws and regulations, and embodying high ethical standards in the choices and marketing decisions they take.

2. **Marketers Must Foster Trust in the Marketing System:** This implies products and services must be appropriate for their intended and promoted uses. This also means that information about goods and services are not intentionally deceptive or misleading. It implies striving for good faith and fair dealing so as to contribute towards the efficacy of the exchange process.
3. **Marketers Must Embrace Ethical Values:** It is necessary for marketers to embrace, communicate and practices the fundamentals of ethical marketing values that will improve consumer's confidence and the integrity of marketing exchange system.

### **Ethical Marketing Values**

These basic ethical marketing values are intentionally aspirational and include; honesty, responsibility, fairness, respect, openness and citizenship (Source: [www.marketingpower.com](http://www.marketingpower.com)). They are briefly explained below;

**Honesty**—To be truthful and forthright in every dealings with customers and stakeholders. Such as;

- We will tell the truth in all situations and at all times.
- We will offer products of value that do what we claim in our communications.
- We will stand behind our products if they fail to deliver their claimed benefits.
- We will honor our explicit and implicit commitments and promises.

**Responsibility**—To accept the consequences of our marketing decisions and strategies. Such as;

- We will make strenuous efforts to serve the needs of our customers.
- We will avoid using coercion with all stakeholders.
- We will acknowledge the social obligations to stakeholders that come with increased marketing and economic power.
- We will recognize our special commitments to economically vulnerable segments of the market such as children, the elderly and others who may be substantially disadvantaged.

**Fairness**—To try to balance justly the needs of the buyer with the interests of the seller. Such as;

- We will represent our products in a clear way in selling, advertising and other forms of communication; this includes the avoidance of false, misleading and deceptive promotion.
- We will reject manipulations and sales tactics that harm customer trust.
- We will not engage in price fixing, predatory pricing, price gouging or “bait-and-switch” tactics.
- We will not knowingly participate in material conflicts of interest.

**Respect**—To acknowledge the basic human dignity of all stakeholders. Such as;

- We will value individual differences even as we avoid stereotyping customers or depicting demographic groups (e.g., gender, race, sexual orientation) in a negative or dehumanizing way in our promotions.

- We will listen to the needs of our customers and make all reasonable efforts to monitor and improve their satisfaction on an ongoing basis.
- We will make a special effort to understand suppliers, intermediaries and distributors from other cultures.
- We will appropriately acknowledge the contributions of others, such as consultants, employees and coworkers, to our marketing endeavours.

Openness—To create transparency in our marketing operations. Such as;

- We will strive to communicate clearly with all our constituencies.
- We will accept constructive criticism from our customers and other stakeholders.
- We will explain significant product or service risks, component substitutions or other foreseeable eventualities that could affect customers or their perception of the purchase decision.
- We will fully 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 in a strategic manner. Such as;

- We will strive to protect the natural environment in the execution of marketing campaigns.
- We will give back to the community through volunteerism and charitable donations.
- We will work to contribute to the overall betterment of marketing and its reputation.
- We will encourage supply chain members to ensure that trade is fair for all participants.

### **Validity and Reliability of Research Instrument**

The researcher carried out two levels of validity tests. First the questionnaire passed through face validity checked by renowned professors who are experts in marketing research for criticism. The second was a pretest using a sample comprising 15 students through the administering of questionnaire and eventually returned to the researchers. Comments from more competent hands and students' responses led to the refinement of the instrument. To measure the reliability of the instrument, the test-retest method was adopted. The questionnaire that was administered to the 15 students' was re-administered to the same students after two weeks. This was to determine the consistency of their responses to the questions asked over a period of time. The data was analyzed using Spearman Rank Correlation Coefficient analysis. The computation gave an 'r' value of 0.97 and this was considered to have a high reliability and hence fit for the purpose of collating data for this study.

### Methodology of the Study

This study was based on exploratory research designed because it has to do with gathering data by asking respondents and relevant others questions pertaining to the research objectives and questions. In selecting the sample size for this study the emphasis was more on reflecting the characteristics of respondents based on a holistic perspective, bearing in mind the study objectives. Therefore the sample size for the study was 368 respondents, which the researcher used Bowley's proportion allocation formula in distributing the questionnaires to each cluster. The decision to use the above method was anchored on the researchers' judgmental view that is allowed in social science to make inferences. But when the researcher administered the questionnaire only 362 were returned, and this was used as the sample size (refer table.2)

The model specification for the test of the three hypotheses formulated was Analysis of Variance (ANOVA). Prof. R.S. Fisher was the first to use the term variance and further developed it elaborately to Analysis of variance (ANOVA) and explained its usefulness in practical research. Later on Prof. Snedecor and many others contributed to the development of the statistical technique. It is essentially a procedure for testing the difference amongst different groups of data for homogeneity.

Table 1 Summarized Formula for computing ANOVA

Sources of Ratio variation	Sum of Squares	Degree of Freedom	Mean	F.
B/W means Explained by factor A Within the Sample Error or Unexplained Total	$\overline{SSA} = r \sum (x_j - \bar{x})^2$ $SSE = \sum \sum (x_{ij} - \bar{x}_i)^2$ $SST = \sum \sum (x_{ij} - \bar{x})^2$	C-1 (r-1) c r c - 1	$MSA = \frac{SSA}{C-1}$ $MSE = \frac{SSE}{(r-1)c}$	MSA

**Source:** Fisher's ANOVA

### Elaborated Formula for ANOVA

Step for the computation of the one way ANOVA

- i Obtain the mean of each sample i.e.  $\bar{x}_1, \bar{x}_2, \bar{x}_3, \dots, \bar{x}_k$
- ii Work out the mean of the same (k) Means  $\bar{x} = \frac{\bar{x}_1 + \bar{x}_2 + \bar{x}_3 + \dots + \bar{x}_k}{\text{No of Sample (k)}}$

Iii Sum of squares for variance b/w sample i.e. SS b/w

$$= n_1 (\bar{x}_1 - \bar{x})^2 + n_2 (\bar{x}_2 - \bar{x})^2 + n_3 (\bar{x}_3 - \bar{x})^2 + \dots + n_k (\bar{x}_k - \bar{x})^2$$

Iv Mean square (iii ÷ DF)  $\underline{MS}_{b/w} = \frac{SSA}{k-1}$  between-where (k-1) represent degree of freedom b/w

samples

k-1

V Sum of squares with in samples i.e. SSE within =  $\sum (x_{1i} - \bar{x}_1)^2 + \sum (x_{2i} - \bar{x}_2)^2 + \sum (x_{3i} - \bar{x}_3)^2 + \dots + \sum (x_{ki} - \bar{x}_k)^2$  i = 1,2,3,.....k

Vi Mean square within ( V ÷ DF)  $\underline{MS}_{within} = \frac{SSE \text{ within}}{n-k}$  where (n - k) represent degree of freedom within samples

$$n = \text{total number of items in the samples i.e. } n_1 + n_2 + n_3 + \dots + n_k$$

nk

k = number of samples

Vii SS for total variance =  $\sum (\bar{x}_j - \bar{x})^2$  i = 1,2,3,..... and j = 1,2,3 .....

Viii F. ration =  $\frac{MSA \text{ between}}{MSE \text{ within}}$

### Presentation of Data

A total of four hundred and twenty (420) copies of questionnaires were produced and administered to respondents in the area where primary data were solicited. From this number 362 (86.2%) copies of the questionnaires were completely and correctly filled and returned, while the remaining 58 (13.8%) copies were not returned. This number represent invalid questionnaire. This is represented in table 2

Table: (2) Number of Questionnaires Distributed and Returned

Variable	Returned	%	Unreturned	%
No of Questionnaires Administered	Questionnaires		Questionnaires	
420	362	86.2	58	13.8

**Source:** Researchers' Fieldwork, 2018

The result above showed that the response rate was quite commendable based on the number of questionnaires correctly filled and returned to serve the purpose it is recommended.

### Hypotheses One

Ho: Marketers products will not generate the much desired profit if they do not imbibe and practice

Ethical marketing in every transactions.

H1: Marketers brands will generate the much desired profit even when they do not imbibe and practice

Ethical marketing, in every transactions.

Table(3) ANOVA Test of Hypothesis One (Refer Table 6&7)

Sources of F.Tab. Val. variation	Sum of Squares	Degree of Freedom	Mean	F. Cal.	Ratio
Self Employed Explained B/W 5.32 Columns	SSA = 846.4	1	MSA = 846.4	0.89	
Error or Unexplained Within Columns	SSE = 7583.3	8	MSE = 947.9		
Total	SST = 8429.7	9			

**Source:** Researchers' Computation, 2018

Decision: The test of hypothesis one clearly indicated that the calculated value of F is 0.89 and the value of F distribution is 5.32 at 5% level of significance and 1 and 8 degree of freedom. Based on the above result  $H_0$  is accepted and  $H_1$  is rejected. The rejection of  $H_1$  invariably implies that the calculated F. value is less than the F table value (cal. Val.  $0.89 < \text{tab. Val. } 5.32$ ). Thus marketers' or organizations ethical orientation affects their profit margin.

### Hypotheses Two

$H_0$ : Marketers products or brands will not survive and generate the desired market share if they do not

Practices ethical marketing.

$H_1$ : Marketers products or brands will survive and generate the desired market share whether they

practices ethical marketing or not.

Hypothesis Table (4) ANOVA Test of Hypothesis Two (Refer Table 8&9)

Sources of F.Tab. Val. variation	Sum of Squares	Degree of Freedom	Mean	F. Cal.	Ratio
Self Employed Explained B/W 5.32 Columns	SSA = 846.4	1	MSA = 846.4	1.3	



Error or Unexplained Within Columns	SSE = 5281.58	MSE = 660.2
Total	SST = 6127.99	

**Source:** Researchers' Computation, 2018

Decision: The result from the test of hypothesis two showed that the calculated value of F is 1.3, while the table value of F distribution is 5.32 at 5% level of significance and 1 and 8 degree of freedom. It therefore means that Ho is accepted and H1 is rejected. This is because the calculated F. value is less than the F. table value (Cal. Val. 1.3 < table . Val. 5.32). We can deduced from the stated hypothesis that marketers and firms will not survive the vulnerability and intense competition in the market and generate the desired market share if they do not practices ethical marketing.

### Hypothesis Three

Ho: Ethical marketing does not require marketers and organizations to engage in deceptive acts, misleading and false information, fake and adulterated products etc.

H1: Ethical marketing require marketers and organizations to engage in deceptive acts, misleading and false information, fake and adulterated products.

Table (5) ANOVA Test of Hypothesis Three (Refer Table 10&11)

Sources of variation	Sum of Squares	Degree of Freedom	Mean Squares	F. Ratio
Self Employed Explained B/W Columns	SSA = 846.4	1	MSA = 846.4	0.73
Error or Unexplained Within Columns	SSE = 9331.38		MSE = 1166.4	
Total	SST = 10177.7	9		

**Source:** Researchers' Computation, 2018

**Decision:** The result from the test of hypothesis three showed that calculated value of F is 0.73 while the table value of F distribution is 5.32 at 5% level of significance and 1 and 8 degree of freedom. It invariably implies that  $H_0$  should be accepted, and  $H_1$  should be rejected. The reason is that the calculated F value is less than the F table value (Cal. Val. 0.73 < tab. Val. 5.32). Based on the stated hypothesis, it is concluded that ethical marketing does not encourage marketers' and businesses to engage in deceptive acts, involve in giving misleading and false information, involve in selling fake and adulterated products to mentioned but a few.

### **Discussion of Findings**

The empirical data of this study was derived from the administering of questionnaires to respondents, and the number of returned questionnaires (362) which formed the basic sample size was quite commendable.

The researchers formulated three hypotheses to test the relationship or differences between the variables of interest. When the first hypothesis was tested it was discovered that the null ( $H_0$ ) hypothesis was accepted and the alternative ( $H_1$ ) was rejected. The acceptance of  $H_0$  means that marketers/companies products will not generate the much desired profit on investment if they refused to practice and imbibe ethical marketing behaviour in every exchange transaction of goods and services with customers. The discovery above clearly support the work of Osuagwu (2004) as well as the exposition of Siham, (2013) that if firms refused to behave ethically in the marketing of goods, there is every tendency that the companies profit margin will drop and such companies may experience lost of business to competitors brands that have imbibe ethical culture in marketing. To also support the findings is important to recast Agbonifoh, et.al. (1998) work that stressed the importance of ethical marketing as a weapon that can generate profit to firms if put into practice.

Furthermore, Arnold, (2010) confirmed that ethical value when consistently applied is the cornerstone that result to building a commercially successful business that can generate reasonable return on investment, which is profitable sales and revenue. The current research result is in conformity with his work. The result of test of hypothesis two also indicated that the null ( $H_0$ ) hypothesis was accepted while the alternative ( $H_1$ ) hypothesis was rejected. This conclusion means that marketers, organizations, and firms' products may not survive the vulnerability and intense competition in the marketing field and create the desired market share if they refused to practice ethical marketing. The current research findings is in conformity with the scholarly work of Aghonifoh, et.al. (1998), whose exposition bordered on business long-term survival and profitability as a result of including ethical behaviour in marketing products. Also the research findings support the research work of Shelby (2006) that firms struggled to increase their market share and profitability using ethical marketing standard, and it has become issues of concern to practitioners more than ever envisaged. Other prominent scholars have also stressed the essence of ethical marketing if well handled can increase a company's market share and place the company's products or brands in advantageous position to compete favourably with other close brands.

In the case of hypothesis three, the findings clearly depicts that the null (Ho) hypothesis was accepted as against the alternative (H1) hypothesis that was rejected. Therefore the acceptance of Ho means that ethical marketing does not permit marketers, firms and other institutions to engage in deceptive behaviours, either in advertising, or words of mouth, involve in carrying misleading and false information, deal on fake and adulterated products, and other vices not mentioned. Series of studies have been carried out previously in the areas of deceptive advertizing, propagating false and malicious as well as misleading information on the part of marketers, companies, etc to influence and persuade customers to make purchases, sometimes cautiously or un-cautiously. Fake and adulterated or expired products do not give the company and its products a good name, but rather create an unhealthy relationship between the firm and customers who patronizes the firm.

The scholarly work that support and attribute credence to the current study include; Siham, (2013) who remarked that when a firm behaves ethically, customers develop more positive attitudes about the firm's products and services. He further said that where a company's marketing practices depart from standards, or norms that society consider acceptable, the market process becomes less efficient. Thus he discourages unethical marketing completely. The situation can further be substantiated with the scholarly findings of Laczniak (2008) who discussed ethical marketing based on a normative perspective that is premised on transparency and trust worthiness, responsible personal and firm marketing policies. Osuagwu (2004) also mentioned that ethical marketing behaviour or practice should conform to generally acceptable social norms. Murphy (2002) contribution places emphasis on transparency, trustworthiness, responsible personal and organizational marketing policies and as well as actions that exhibit integrity and fairness to consumers and other stakeholders. Thus his preposition does not favour deceptive acts, misleading and false information, the use of fake labels and adulterated products to mention but a few.

**Conclusion:** The desperateness to gain reasonable share of the market and generate excessive profits must have triggered marketers, firms and other institutions to develop different marketing strategies to make sure that consumers make purchases even at their disadvantages. Though it is more important for firms, marketers, to play it in a low key by adopting ethical marketing conducts in every of their marketing activities instead of devising unethical means of attending to customer's needs. The agitation of ethical marketing centers on fair play, honesty, transparency, and standardization in the marketing of goods and services. Therefore all hands must be on deck to ensure a just course is achieve through imbibing ethical behaviour when marketing products and services to end users.

**Recommendations:**

It is generally recommended that for practitioners to continue to survive, succeed and create or generate the desire market share which will eventually translate or metamorphose to profitable sale, they must be ethically oriented with all amount of sincerity of purpose. This can be achieved by institutionalizing and re-emphasizing professional ethics rule. That is practitioners must take marketing decisions or actions that

will be viewed as appropriate by its interested panel of professionals if that is done, the crave for profit improved or reasonable market share and what have you will surface because the company and its brand has created a niche and new a household name in the eyes of existing and potential consumers.

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Table (6) Marketers Ethical Orientation influence/Affects Profitability

Respondents	False (x1)	True (x2)	Total
Civil Servants	57	83	140
Self Employed	50	84	134
Students	20	20	40
Sellers	6	30	36
Other	2	10	12
Total	135	227	362

**Source:** Researchers' Fieldwork, 2018

Working:

$$\bar{x}_1 = 135/5 = 27, \quad \bar{x}_2 = 227/5 = 45.4$$

$$x_1 = \frac{135+227}{5+5} = \frac{362}{10} = 36.2$$

$$SSA = 5[(27-36.2)^2 + (45.4 - 36.2)^2] = 5(84.64 + 84.64) = 846.4$$

$$SSE = (57 - 27)^2 + (50 - 27)^2 + (20 - 27)^2 + (6 - 27)^2 + (2-27)^2 + (83 - 45.4)^2 + (84-45.4)^2 + (20 - 45.4)^2 + (30 - 45.4)^2 + (10 - 45.4)^2 = 900 + 529 + 49 + 441 + 625 + 1413.8 + 1489.9 + 645.2 + 237.2 + 1253.2 = 7583.3$$

$$SST = SSA + SSE$$

$$= 846.4 + 7583.3$$

$$= 8429.7$$

Table: (7) ANOVA Test of Hypothesis one

Sources of F.Tab. Val. variation	Sum of Squares	Degree of Freedom	Mean Square	F.	Ratio
Explained B/W	SSA = 846.4	C-1 = 2-1	<u>MSA</u> = 846.4		MSA=
Columns		=1	1	<u>MSE</u> = 947.9	
			= 846.1		

Error or Unexplained Within Columns	SSE = 7583.3 = (5-1)2 = 4x2 = 8	MSE = <u>7583.3</u> 8 = 947.9	= 0.89	5.32
Total	SST = 8429.7 rc-1 = 5x2-1 = 9			

**Source:** Researchers' computation, 2018

Table: (8) Marketers' Products or services will not survive if they do not practice Ethical marketing

Respondents	False (x1)	True (x2)	Total
Civil Servants	20	70	90
Self Employed	60	80	140
Students	3	12	15
Sellers	27	20	47
Other	25	45	70
Total	135	227	362

**Source:** Researchers' Fieldwork, 2018

Working;

$$\bar{X}_1 = 135/5 = 27, \bar{X}_2 = 227/5 = 45.4$$

$$\bar{X} = \frac{135+227}{5+5} = \frac{362}{10} = 36.2$$

$$SSA = 5[(27-36.2)^2 + (45.4-36.2)^2] = 5(84.64 + 84.64) = 846.4$$

$$SSE = (20-27)^2 + (60-27)^2 + (3-27)^2 + (27-27)^2 + (25-27)^2 + (70-45.4)^2 + (80-45.4)^2 + (12-45.4)^2 + (20-45.4)^2 + (45-45.4)^2 = 49 + 1089 + 576 + 0 + 4 + 605.2 + 1197.2 + 1115.7 + 645.2 + 0.2 = 5281.5$$

$$SST = SSA + SSE = 846.4 + 5281.5 = 6127.9$$

Table: (9) ANOVA Test of Hypothesis Two

Sources of F.Tab. Val. variation	Sum of Squares	Degree of Freedom	Mean Square	F.	Ratio
Explained B/W	SSA = 846.4	C-1 = 2-1	<u>MSA</u> = 846.4		MSA=
Columns		=1	1	<u>MSE</u> = <u>660.2</u>	



		= 846.4			
Error or Unexplained Within Columns	SSE = 5281.5	(r-1) c = (5-1)2 = 4x2 = 8	MSE = <u>5281.5</u>	8	
Total	SST = 6127.9	rc-1 = 5x2-1 = 9	= 660.2	= 1.3	5.32

**Source:** Researchers' computation, 2018

Table: (10) Ethical marketing means, No deceptive Acts, Misleading and false information, Fake and Adulterated Products, etc.

Respondents	False (x1)	True (x2)	Total
Civil Servants	65	95	160
Self Employed	56	70	126
Students	5	3	8
Sellers	4	39	44
Other	4	20	24
<b>Total</b>	<b>135</b>	<b>227</b>	<b>362</b>

**Source:** Researchers' Fieldwork, 2018

$$\begin{aligned}
 x1 &= 135/5 = 27, & x2 &= 227/5 = 45.4 \\
 x1 &= \frac{135+227}{5+5} = \frac{362}{10} = 36.2 \\
 SSA &= 5[(27-36.2)^2 + (45.4 - 36.2)^2] = 5(84.64 + 84.64) = 846.4 \\
 SSE &= (64 - 27)^2 + (56 - 27)^2 + (5 - 27)^2 + (5 - 27)^2 + (4 - 27)^2 + (95-45.4)^2 + (70-45.4)^2 \\
 &\quad (3-45.4)^2 + (39-45.4)^2 + (20-45.4)^2 = 1444 + 841 + 484 + 484 + 529 + 2460.2 + \\
 &\quad 605.2 + 1797.8 + 40.9 + 645.2 = 9331.3 \\
 SST &= SSA + SSE \\
 &= 846.4 + 9331.3 \\
 &= 10177.7
 \end{aligned}$$

Table (11) ANOVA Test of Hypothesis three

Sources of Tab. Val. variation	Sum of Squares	Degree of Freedom	Mean	F.	Ratio
Explained B/W	SSA = 846.4	c-1 =	MSA = 846.4	MSA	
Columns		2-1 = 1	$\frac{1}{846.4}$	$\frac{1}{846.4}$	MSE <u>846.4</u>

Error or	SSE =9331.3	(r-1)c=	1166.4 =
5.32			MSE = 9331.3 0.73
Unexplained		(5-1)2	<hr/>
Within Columns		4×2 =	8
		8	1166.4

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**Source:** Researchers' Computation, 2018