ETHICAL MARKETING IN CURRENT TIMES: SOCIAL RESPONSIBILITY IN INDIAN CONTEXT

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Abstract: It is often said that Marketing and ethics cannot go together. Those supporting the argument always have a long list of marketing activities from various companies which make even a die-hard marketing fellow feel guilty about his/her profession. On the other hand, critics of the argument can also come up with numerous marketing activities from various companies which can make the worst critic of marketing activities doubt his/her own criticism. So where does the debate goes from here. It only intensifies as more and more companies in every category of products and services are always making efforts to increase their market share through marketing strategies which they call innovation oriented but others call unethical thereby generating arguments within them as well as in the minds and hearts of consumers as well as potential consumers. This paper looks at the consumer perception about the degree of ethics in marketing followed by companies across all categories of products and services and its impact on the society on the one hand and company growth on the other hand.

Keywords: Criticism, Ethics, , Innovation, Marketing and Society.

INTRODUCTION

In the current decade of 21st century, intense competition across all product and service categories has put and continuously putting pressure on the ethical conduct of almost every company. This conduct becomes more obvious in marketing as it is done outside the premises of the company across the media and territories wherever the company is present or intends to be present in near or distant future through its products and services. It is very much possible that in this mad rush of competitive pressure, a company's action bring unintentional harm to the environment resulting in society and social elements becoming hostile towards it. This harm not only needs to be reversed but the element of suspicion generated about the company for an unintentional act becomes an issue which cannot be allowed to linger on. In some cases, the harm is found to be deliberate as it proves in the times to come. Here, the hostility of the society(read consumers) is difficult to control and it takes a longer time to cool down. One thing is sure that no company howsoever big or small cannot let-go this at any point of time and it is required to take prompt action to undo the damage as a result of it. It is because consumers/customers can forgive or forget once or twice, but not always. Moreover, loyalties towards brands of products and services appear to be constantly shifting in current times of intense competition. The areas where companies have to engage in ethical marketing are precisely the areas where the controversies come up which require strong and swift remedial action before it becomes unmanageable or uncontrollable. If we go deep into this aspect, we realize that these controversies are related to the marketing mix which are also called as 4Ps of marketing namely product, price, place and promotion.

Elements of ethical marketing dilemma

As mentioned earlier, it all stems from the debatable interpretation or implementation of the marketing mix, we will keep the focus of the discussion to the four elements essential to it. These are described as follows:

Product

The world of business exists because of the product or service provided by companies. It may not be an exaggeration to say that human needs and wants on the one hand and these products and services offered by companies on the other hand cannot exist without one another. However, some sections of society may disagree to it. It so happens that many times the product/service does not meet the expectations of the users/consumers and they feel let down as they perceive no reason for this experience. The experience may be related to anything concerned with the product like shape, size, color, taste, ingredients, etc. In such scenarios, negative word of mouth gets

generated and spreads slowly and gradually. It appears miniscule in the beginning but if it is allowed to spread further and no remedial action taken, it may become alarming. At the same time critics also feel that certain products/services are not needed by people at large, but the pestering form of communication done by companies makes people buy them as the emphasis is made to shift from need existence and resolution to communication impact. We will discuss this aspect in Promotion.

Price

As it is the only element of marketing mix which brings money to the company, it is also the most delicate one to play with and this play generates lots of debates, criticism as well as controversies from time to time. The price on the tag is having its own indications which gets attached to all the possible thoughts prevailing in the mind of buyer/s. This makes the price debatable and at times controversial, although it may actually not be so. Moreover, there is a general tendency in consumers/potential consumers to compare the price with price/s of substitutes/alternatives which they have either used or heard about. No one can stop consumers from doing it and every time this comparison may not be rational. In fact, the whole concept of rationality becomes debatable as what is rational according to the company may not have any meaning to the consumer. However, it is upon the company to constantly prove its rationality in price from the perspective of the consumer.

Place

It is the physical location or locations where the product/service reaches the consumers as well as potential consumers who may be in any stage of consumer buying process. Almost till the end of the 20th century , retail landscape of our country in metro cities, other state capitals and even other cities were dominated by vast swathes of kirana stores of different types and sizes. There importance remains even today, but the simultaneous and rapid growth of organized retailing of different forms from the beginning of 21st century have completely changed the way we look at physical retailing of products and services. Retailers as well consumers have both learned how to get the best deal for themselves. Manufacturers are ultimately having their products retailed from multiple stores, big as well as small and they are taking advantage of all retail formats. The consumer is having numerous options of buying suited to different behavioral requirements. When such options of buying exists for consumers in every retail format, it becomes very challenging for every place and the companies whose products are retailed at these places to ensure its credibility in the minds of consumers. In other words, when a designer denim

jeans is available at a Westside outlet from the House of Tatas as well as at an established readymade garment shop in the community market, consumer may not always go for Westside as he/she is also having a very strong bonding with the community shop. These challenges exist and will remain with a lot of dynamism involved. It goes without saying that with the growth of organized retailing in India since the beginning of 21st century has not brought down the clientele of the kirana stores and the traditional markets spread across the length and breadth of our country in various towns and cities. Through mutual learning from one another, kirana stores have become more organized and customer oriented and organized retailing have added more personalized touch in their dealings with customers which can never reach anywhere near that of kirana stores. The dynamism is only going to grow with time as everything is available to consumers everywhere and formats as well as layouts for place is being constantly experimented by companies, distributors, as well as retailers.

Promotion

This P of marketing is always having issues related to ethics and numerous interpretations associated with it. Every product or service in times of ever intensifying competition is vigorously supported by promotion which consists of aggressive advertising, almost round the clock sales promotion, event based publicity and public relations, internet based promotional exercises, etc. It is almost a cacophony surrounding the product/service throughout the year which goes up and down depending upon various factors. In this constant promotion, ethical aspects get lost many times which lands the sponsor(company) in controversy/trouble which at times is unintentional. What comes as a very unpleasant surprise at times is the intentional part of the company wherein deliberately in the garb of communication, either something is kept hidden or something is told which does not exist taking for granted that a big mass of consumers or potential consumers do not care much.

It depends upon the situation in the market as well as the mindsets prevailing within the company which may generate decisions having ethical dilemma interpreted in different ways. No company can control interpretations of millions of consumers as well as potential consumers with regard to their products/services usage. However, companies can make sincere efforts in the direction of rectifying or clarifying any or every issue which gets generated in the market with a possibility of harming the company on ethical front. In fact, companies can go a step further to avoid such a situation occurring at all. It perfectly coincides with the old saying 'prevention is better than cure'.

Whether the issue is a result of some company decision or action or not, it does not matter. As long as the image of the company is concerned, any negative development needs to be countered by effective action and nullified at the earliest with genuine measures and every positive development vis-à-vis the company needs to be maintained and highlighted. The problem is that in many cases, this does not happen. Negative developments are ignored in the name of small number of customers/consumers expressing them initially and positive developments are attributed to already established excellent image of the company. In case of negative developments with small number of customers, the number takes no time to become big and then it spirals out of control when the company does nothing or very less than what is required to be done. As far as positive developments are concerned, instead of becoming more responsible towards customers, companies take pride in their long existing brand name with competition nowhere near it and ignore to maintain the consistency in future. At times, positive developments make certain companies complacent towards their customers and trade resulting in compromising the quality in every sphere of their offerings believing that the brand name/equity will take them further even if the quality is comprised. It all amounts to sheer disaster in the long run. Gone are those days when people did not have alternatives or their awareness was very less and they rarely analyzed before taking decisions about products and services they used. Regardless of educational level, everyone is aware enough at any point of time to critically decide for or against buying a product or service based on his/her reason and logic which cannot be contested beyond a point.

Survey

I asked my students to fill a questionnaire based on likert scale which is as follows (a) Questionnaire (b) Highlight the option which is correct according to you

1-Strongly disagree **2**- disagree **3**- no opinion **4**- agree **5**- strongly agree

1. Ethics in personal life of individuals is different from ethics in company/firm actions

a. Strongly disagree b. disagree c. no opinion d. agree e. strongly agree

2. Marketing and Ethics cannot go together

a. Strongly disagree b. disagree c. no opinion d. agree e. strongly agree

3. Companies always deliver what they promise in their products/services

a. Strongly disagree b. disagree c. no opinion d. agree e. strongly agree

4. Pricing of products/services always appears to be genuine

a. Strongly disagree b. disagree c. no opinion d. agree e. strongly agree

5. Place where the product/service is retailed matters little

a. Strongly disagree b. disagree c. no opinion d. agree e. strongly agree

6. Promotion done by companies is always correct

a. Strongly disagree b. disagree c. no opinion d. agree e. strongly agree

7. Companies take care of their social responsibility

a. Strongly disagree b. disagree c. no opinion d. agree e. strongly agree

8. Consumer interpretations about companies offerings are always correct

a. Strongly disagree b. disagree c. no opinion d. agree e. strongly agree

9. Companies cannot be ethical in times of cut-throat competition

a. Strongly disagree b. disagree c. no opinion d. agree e. strongly agree

10. Companies should avoid doing unethical things in marketing

a. Strongly disagree b. disagree c. no opinion d. agree e. strongly agree

11. Companies should take responsibility for their unethical activities and apologize for the same

a. Strongly disagree b. disagree c. no opinion d. agree e. strongly agree

The questionnaire was administered to my students of MBA-2012-14 batch (Full Time) as all of them have already studied the core paper of Marketing Management and understood the issues related to ethics in marketing.

Moreover, all of them are destined to work and earn money and use it as consumers, although currently most of them are consumers due to the money spent by their parents/guardians. However, some of the current spending may be out of their own savings from work before joining MBA program. I have **assumed** that all of them are consumers, will remain consumers and their total consumption/usage of various products and brands will only increase with time. Out of total 75 students in the course, only **48** replied with the filled questionnaire. I did not pressurize others as I was not interested in forced participation. The summary of all 48 responses is as follows :

1.   Ethics in personal life of individuals is different from ethics in company/firm actions

a.   Strongly disagree(1) **3** b. disagree(2) **14** c. no opinion(3) **0** d. agree (4) **26** e. strongly agree(5) **5**

(3+14+0+26+5=48)

2.   Marketing and Ethics cannot go together

a.   Strongly disagree(1) **2** b. disagree(2) **24** c. no opinion(3) **4** d. agree(4) **14** e. strongly agree(5) **4**

(2+24+4+14+4=48)

3.   Companies always deliver what they promise in their products/services

a.   Strongly disagree(1) **5** b. disagree(2)**31** c. no opinion(3) **8** d. agree(4) **3** e. strongly agree(5) **1**

(5+31+8+3+1=48)

4.   Pricing of products/services always appears to be genuine

a.   Strongly disagree(1) **9** b. disagree(2)**29** c. no opinion(3) **4** d. agree(4) **5** e. strongly agree(5) **1**

(9+29+4+5+1=48)

5.   Place where the product/service is retailed matters little

a.   Strongly disagree(1) **7** b. disagree(2) **15** c. no opinion(3) **11** d. agree(4)**13** e. strongly agree(5) **2**

(7+15+11+13+2=48)

6.   Promotion done by companies is always correct

a.   Strongly disagree(1) **9** b. disagree(2) **26** c. no opinion(3) **9** d. agree(4) **3** e. strongly agree(5) **1**

(9+26+9+3+1=48)

7.   Companies take care of their social responsibility

a.   Strongly disagree(1) **5** b. disagree(2) **17** c. no opinion(3) **8** d. agree(4) **16** e. strongly agree(5) **2**

(5+17+8+16+2=48)

8.   Consumer interpretations about companies offerings are always correct

a.   Strongly disagree(1) **6** b. disagree(2) **32** c. no opinion(3) **6** d. agree(4) **4** e. strongly agree(5) **0**

(6+32+6+4+0=48)

9.   Companies cannot be ethical in times of cut-throat competition

a.   Strongly disagree(1) **6** b. disagree(2) **15** c. no opinion(3) **6** d. agree(4) **17** e. strongly agree(5) **4**

(6+15+6+17+4=48)

10.   Companies should avoid doing unethical things in marketing

a.   Strongly disagree(1) **1** b. disagree(2) **2** c. no opinion(3) **7** d. agree(4) **17** e. strongly agree(5) **21**

(1+2+7+17+21=48)

11.   Companies should take responsibility for their unethical activities and apologize for the same

a.   Strongly disagree(1) **0** b. disagree(2) **4** c. no opinion(3) **7** d. agree(4) **17** e. strongly agree(5) **20**

(0+4+7+17+20=48)

Percentage analysis

1. Ethics in personal life of individuals is different from ethics in company/firm actions

14 out of 48 i.e., 29.16% disagree with the statement.26 i.e., 54.16% agree

2. Marketing and Ethics cannot go together

24 out of 48 i.e., 50% disagree with the statement . 14 i.e., 29.16% agree

3. Companies always deliver what they promise in their products/services

31 out of 48 i.e., 64.58% disagree with the statement. 3 i.e., 6.25% agree

4. Pricing of products/services always appears to be genuine

29 out of 48 i.e., 60.41% disagree with the statement. 5 i.e., 10.41% agree

5. Place where the product/service is retailed matters little

15 out of 48 i.e., 31.25% disagree with the statement. 13 i.e., 27.08% agree

6. Promotion done by companies is always correct

25 out of 48 i.e., 54.16% disagree with the statement. 3 i.e., 6.25% agree

7. Companies take care of their social responsibility

16 out of 48 i.e., 35.41% disagree with the statement. 16 i.e., 33.33% agree

8. Consumer interpretations about companies offerings are always correct

32 out of 48 i.e., 66.66% disagree with the statement. 4 i.e., 8.33% agree

9. Companies cannot be ethical in times of cut-throat competition

15 out of 48 i.e., 31,25% disagree with the statement. 17 i.e., 35.41% agree

10. Companies should avoid doing unethical things in marketing

2 out of 48 i.e., 4.16% disagree with the statement. 17 i.e. 35.41% agree. 21 i.e., 43.75% strongly agree.

11. Companies should take responsibility for their unethical activities and apologize for the same

4 out of 48 i.e., 8.33% disagree with the statement .17 i.e. 35.41% agree. 20 i.e., 41.66% strongly agree.

Hypothesis Testing

H0: Mean for Ethics in personal life of individuals is different from ethics in company/firm actions is less than or equal to 3, the neutral value on a 5 point scale (H0≤3)

H1: Mean for Ethics in personal life of individuals is different from ethics in company/firm actions exceeds 3, the neutral value on a 5 point scale (H1>3)

$$t = (\overline{X} - \mu)/\overline{S_x}$$

t= t statistic

$\overline{X}$= Sample Mean , μ=3 $\overline{S_x}$= Standard Deviation of the sample mean=$\sqrt{\{\Sigma f(x- \overline{X})^2/(n-1)\}}$.

Here,f is the frequency corresponding a particular value x, $\overline{X}$ is the mean, and n=sample size. Degrees of freedom ,df=n - 1 .

$\overline{X}$= (1X3+2X14+3X0+4X26+5X5)/48=160/48=3.33, μ=3,

$\overline{S_x}$= $\sqrt{\{3(1-3.33)^2+14(2-3.33)^2+0(3-3.33)^2+26(4-3.33)^2+5(5-3.33)^2/(48-1)\}}$= $\sqrt{\{66.6672/47\}}$=$\sqrt{1.41845106382979}$=1.19098743227197

As $t = (\overline{X} - \mu)/\overline{S_x}$, t=(3.33-3)/ 1.19098743227197=0.277081009469999.

At 0.05 level of significance, with 47 degrees of freedom, critical value (table value) of t=1.6779, which is greater than calculated value of t above. It means null hypothesis is accepted. It means, Mean for Ethics in personal life of individuals is different from ethics in company/firm actions is less than or equal to 3, the neutral value on a 5 point scale (H0≤3). It means on an average people believe ethics are not different for individuals and companies

1.   **H0:** Mean for Marketing and Ethics cannot go together is less than or equal to 3, the neutral value on a 5 point scale (H0≤3)

H1: Mean for Marketing and Ethics cannot go together exceeds 3, the neutral value on a 5 point scale (H1>3)

$$t = (\overline{X} - \mu)/\overline{S_x}$$

t= t statistic

$\overline{X}$= Sample Mean , μ=3 $\overline{S_x}$= Standard Deviation of the sample mean=$\sqrt{\{\Sigma f(\underset{\sim}{x} - \overline{X})^2/(n-1)\}}$

Here,f is the frequency corresponding a particular value $\underset{\sim}{x}$, $\overline{X}$ is the mean, and n=sample size. Degrees of freedom ,df=n - 1 .

$\overline{X}$= (1x2+2x24+3X4+4x14+5x4)/48=136/48=2.83, μ=3,

$\overline{S_x}$= $\sqrt{\{2(1-2.83)^2+24(2-2.83)^2+4(3-2.83)^2+14(4-2.83)^2+4(5-2.83)^2/(48-1)\}}$= $\sqrt{\{61.3472/47\}}$=$\sqrt{1.30525957446809}$=1.14247957288876

As $$t = (\overline{X} - \mu)/\overline{S_x}$$,t=(2.83-3)/ 1.14247957288876=-0.148799159332149.

At 0.05 level of significance, with 47 degrees of freedom, critical value (table value) of t=1.6779, which is greater than calculated value of t above. It means null hypothesis is accepted. Mean for Marketing and Ethics cannot go together is less than or equal to 3, the neutral value on a 5 point scale (H0≤3). It means people believe that on an average marketing and ethics can go together

2.   **H0:** Mean for Companies always deliver what they promise in their products/services

 is less than or equal to 3, the neutral value on a 5 point scale (H0≤3)

H1: Mean for Companies always deliver what they promise in their products/services exceeds 3, the neutral value on a 5 point scale (H1>3)

$$t = (\overline{X} - \mu)/\overline{S_x}$$

t= t statistic

$\overline{X}$= Sample Mean , μ=3 $\overline{S_x}$= Standard Deviation of the sample mean=$\sqrt{\{\Sigma f(\underset{\sim}{x} - \overline{X})^2/(n-1)\}}$

Here,f is the frequency corresponding a particular value $\underset{\sim}{x}$, $\overline{X}$ is the mean, and n=sample size. Degrees of freedom ,df=n - 1 .

$\overline{X}$= (1x5+2x31+3X8+4x3+5x1)/48=108/48=2.25, μ=3,

$\overline{S_x}$=$\sqrt{\{5(1-2.25)^2+31(2-2.25)^2+8(3-2.25)^2+3(4-2.25)^2+1(5-2.25)^2/(48-1)\}}$= $\sqrt{\{31/47\}}$=$\sqrt{0.659574468085106}$=0.812141901446481.

As $$t = (\overline{X} - \mu)/\overline{S_x}$$,t=(2.25-3)/ 0.812141901446481=-0.923483936322209.

At 0.05 level of significance, with 47 degrees of freedom, critical value (table value) of t=1.6779, which is greater than calculated value of t above. It means null hypothesis is accepted. Mean for Companies always deliver what they promise in their products/services

is less than or equal to 3, the neutral value on a 5 point scale (H0≤3). It means people believe that on an average companies do not always deliver what they promise.

3.   **H0:** Mean for Pricing of products/services always appears to be genuine is less than or equal to 3, the neutral value on a 5 point scale (H0≤3)

H1: Mean for Pricing of products/services always appears to be genuine exceeds 3, the neutral value on a 5 point scale (H1>3)

$$t = (\overline{X} - \mu)/\overline{S_x}$$

t= t statistic

$\overline{X}$= Sample Mean , μ=3 $\overline{S_x}$= Standard Deviation of the sample mean =$\sqrt{\{\Sigma f(x - \overline{X})^2/(n-1)\}}$

Here,f is the frequency corresponding a particular value x, $\overline{X}$ is the mean, and n=sample size. Degrees of freedom ,df=n - 1 .

$\overline{X}$=(1x9+2x29+3X4+4x5+5x1)/48=104/48=2.17, μ=3

$\overline{S_x}$=$\sqrt{\{9(1-2.17)^2+29(2-2.17)^2+4(3-2.17)^2+5(4-2.17)^2+1(5-2.17)^2/(48-1)\}}$= $\sqrt{\{40.6672/47\}}$=$\sqrt{0.865259574468085}$=0.930193299517947

As $$t = (\overline{X} - \mu)/\overline{S_x}$$,t=(2.17-3)/ 0.930193299517947=-0.892287657232244.

At 0.05 level of significance, with 47 degrees of freedom, critical value (table value) of t=1.6779, which is greater than calculated value of t above. It means null hypothesis is accepted. Mean for Pricing of products/services always appears to be genuine is less than or equal to 3, the neutral value on a 5 point scale (H0≤3). It means people believe that on an average pricing of products/services does not always appears to be genuine.

4.   **H0:** Mean for Place where the product/service is retailed matters little is less than or equal to 3, the neutral value on a 5 point scale (H0≤3)

H1: Mean for Place where the product/service is retailed matters little exceeds 3, the neutral value on a 5 point scale (H1>3)

$$t = (\overline{X} - \mu)/\overline{S_x}$$

t= t statistic

$\overline{X}$= Sample Mean , μ=3 $\overline{S_x}$= Standard Deviation of the sample mean =$\sqrt{\{\Sigma f(x - \overline{X})^2/(n-1)\}}$

Here,f is the frequency corresponding a particular value x, $\overline{X}$ is the mean, and n=sample size. Degrees of freedom ,df=n - 1 .

$\overline{X}$=(1x7+2x15+3X11+4x13+5x2)/48=132/48=2.75, μ=3

$\overline{S_x}$=$\sqrt{\{7(1-2.75)^2+15(2-2.75)^2+11(3-2.75)^2+13(4-2.75)^2+2(5-2.75)^2/(48-1)\}}$= $\sqrt{\{61/47\}}$=$\sqrt{1.29787234042553}$=1.13924200257256

As $$t = (\overline{X} - \mu)/\overline{S_x}$$, t=(2.75-3)/ 1.13924200257256=-0.219444156233238.

At 0.05 level of significance, with 47 degrees of freedom, critical value (table value) of t=1.6779, which is greater than calculated value of t above. It means null hypothesis is accepted. Mean for Place where the product/service is retailed matters little is less than or equal to 3, the neutral value on a 5 point scale (H0≤3). It means people believe that on an average place where the product/service is retailed matters more.

5.   **H0:** Mean for Promotion done by companies is always   correct is less than or equal to 3, the neutral value on a 5 point scale (H0≤3)

H1: Mean for Promotion done by companies is always   correct exceeds 3, the neutral

value on a 5 point scale (H1>3)

$$t = (\overline{X} - \mu)/\overline{S_x}$$

t= t statistic

$\overline{X}$= Sample Mean , μ=3 $\overline{S_x}$= Standard Deviation of the sample mean =$\sqrt{\{\Sigma f(x- \overline{X})^2/(n-1)\}}$

Here,f is the frequency corresponding a particular value x, $\overline{X}$ is the mean, and n=sample size. Degrees of freedom ,df=n - 1 .

$\overline{X}$=(1x9+2x26+3X9+4x3+5x1)/48=105/48=2.1875, μ=3

$\overline{S_x}$=$\sqrt{\{9(1-2.1875)^2+26(2-2.1875)^2+9(3-2.1875)^2+3(4-2.1875)^2+1(5-2.1875)^2/(48-1)\}}$=

$\sqrt{\{37.3125/47\}}$=$\sqrt{0.793882978723404}$=0.891001110394035

As $t = (\overline{X} - \mu)/\overline{S_x}$, t=(2.1875-3)/ 0.891001110394035=-0.911895608795236

At 0.05 level of significance, with 47 degrees of freedom, critical value (table value) of t=1.6779, which is greater than calculated value of t above. It means null hypothesis is accepted. Mean for Promotion done by companies is always   correct is less than or equal to 3, the neutral value on a 5 point scale (H0≤3). It means people believe that on an average promotion does by companies is not always correct.

6.   **H0:** Mean for Companies take care of their social responsibility is less than or equal to 3, the neutral value on a 5 point scale (H0≤3)

H1: Mean for Companies take care of their social responsibility exceeds 3, the neutral

value on a 5 point scale (H1>3)

$$t = (\overline{X} - \mu)/\overline{S_x}$$

t= t statistic

$\overline{X}$= Sample Mean , μ=3 $\overline{S_x}$= Standard Deviation of the sample mean =$\sqrt{\{\Sigma f(x- \overline{X})^2/(n-1)\}}$

Here,f is the frequency corresponding a particular value x, $\overline{X}$ is the mean, and n=sample size. Degrees of freedom ,df=n - 1 .

$\overline{X}$=(1x5+2x17+3X8+4x16+5x2)/48=137/48=2.85417, μ=3

$\overline{S_x}$=$\sqrt{\{5(1-2.85417)^2+17(2-2.85417)^2+8(3-2.85417)^2+16(4-2.85417)^2+2(5-2.85417)^2/ (48-1)\}}$=

$\sqrt{\{59.967/47\}}$=$\sqrt{1.27589361702128}$=1.1295546100217

As $t = (\overline{X} - \mu)/\overline{S_x}$, t=(2.85417-3)/ 1.1295546100217=-0.129103983734968

At 0.05 level of significance, with 47 degrees of freedom, critical value (table value) of

 t=1.6779, which is greater than calculated value of t above.   It means null hypothesis is accepted. Mean for Companies take care of their social responsibility is less than or equal to 3, the neutral value on a 5 point scale (H0≤3). It means people believe that on an average companies do not take care of their social responsibility.

7.   **H0:** Mean for Consumer   interpretations about companies offerings are always correct is less than or equal to 3, the neutral value on a 5 point scale (H0≤3)

H1: Mean for Consumer   interpretations about companies offerings are always correct

exceeds 3, the neutral value on a 5 point scale (H1>3)

$$t = (\overline{X} - \mu)/S_{\bar{x}}$$

t= t statistic

$\overline{X}$= Sample Mean , μ=3 $S_{\bar{x}}$= Standard Deviation of the sample mean $=\sqrt{\{\Sigma f(\underset{\circ}{x}- \overline{X})^2/(n-1)\}}$

Here,f is the frequency corresponding a particular value $\underset{\circ}{x}$, $\overline{X}$ is the mean, and n=sample size. Degrees of freedom ,df=n - 1 .

$\overline{X}$= (1x6+2x32+3x6+4x4+5x0)/48=104/48=2.17, μ=3

$S_{\bar{x}}$=$\sqrt{\{6(1-2.17)^2+32(2-2.17)^2+6(3-2.17)^2+4(4-2.17)^2+0(5-2.17)^2/(48-1)\}}$=

$\sqrt{\{26.6672/47\}}$=$\sqrt{0.567387234042553}$=0.753251109552819.

As $$t = (\overline{X} - \mu)/S_{\bar{x}}$$, t=(2.17-3)/ 0.753251109552819 = -1.1018901790835.

At 0.05 level of significance, with 47 degrees of freedom, critical value (table value) of

t=1.6779, which is greater than calculated value of t above. It means null hypothesis is

accepted. Mean for Consumer interpretations about companies offerings are always

correct is less than or equal to 3, the neutral value on a 5 point scale (H0≤3). It means

people believe that on an average consumer interpretations about companies offerings

are not always correct.

8.   **H0:** Mean for Companies cannot be ethical in times of cut-throat competition is less than or equal to 3, the neutral value on a 5 point scale (H0≤3)

H1: Mean for Companies cannot be ethical in times of cut-throat competition exceeds 3,

the neutral value on a 5 point scale (H1>3)

$$t = (\overline{X} - \mu)/S_{\bar{x}}$$

t= t statistic

$\overline{X}$= Sample Mean , μ=3 $S_{\bar{x}}$= Standard Deviation of the sample mean $=\sqrt{\{\Sigma f(\underset{\circ}{x}- \overline{X})^2/(n-1)\}}$

Here,f is the frequency corresponding a particular value $\underset{\circ}{x}$, $\overline{X}$ is the mean, and n=sample size. Degrees of freedom ,df=n - 1 .

$\overline{X}$=(1x6+2x15+3x6+4x17+5x4)/48=142/48=2.96, μ=3

$S_{\bar{x}}$=$\sqrt{\{6(1-2.96)^2+15(2-2.96)^2+6(3-2.96)^2+17(4-2.96)^2+4(5-2.96)^2/(48-1)\}}$=

$\sqrt{\{71.9168/47\}}$=$\sqrt{1.53014468085106}$=1.23699017007051.

As $$t = (\overline{X} - \mu)/S_{\bar{x}}$$, t=(2.96-3)/ 1.23699017007051=-0.0323365544592161.

At 0.05 level of significance, with 47 degrees of freedom, critical value (table value) of t=1.6779, which is greater than calculated value of t above. It means null hypothesis is accepted. Mean for Companies cannot be ethical in times of cut-throat competition is less than or equal to 3, the neutral value on a 5 point scale (H0≤3). It means people believe that on an average companies can be ethical in times of competition.

9.   **H0:** Mean for Companies should avoid doing unethical things in marketing is less than or equal to 3, the neutral value on a 5 point scale (H0≤3)
H1: Mean for Companies should avoid doing unethical things in marketing exceeds 3,
the neutral value on a 5 point scale (H1>3)

$$t = (\overline{X} - \mu)/S_x$$

t= t statistic

$\overline{X}$= Sample Mean , μ=3 $\overline{S}_x$= Standard Deviation of the sample mean =$\sqrt{\{\Sigma f(x- \overline{X})^2/(n-1)\}}$

Here,f is the frequency corresponding a particular value x, $\overline{X}$ is the mean, and n=sample size. Degrees of freedom ,df=n - 1 .

$\overline{X}$=(1x1+2x2+3x7+4x17+5x21)/48=199/48=4.146, μ=3

$\overline{S}_x$=$\sqrt{\{1(1-4.146)^2+2(2-4.146)^2+7(3-4.146)^2+17(4-4.146)^2+21(5-4.146)^2/(48-1)\}}$=
$\sqrt{\{43.979168/47\}}$=$\sqrt{0.935726978723404}$=0.967329818998362

As $$t = (\overline{X} - \mu)/S_x$$, t=(4.146-3)/ 0.967329818998362=1.18470451080134.

At 0.05 level of significance, with 47 degrees of freedom, critical value (table value) of

t=1.6779, which is greater than calculated value of t above. It means null hypothesis is accepted. Mean for Companies should avoid doing unethical things in marketing is less than or equal to 3, the neutral value on a 5 point scale (H0≤3). It means people believe that on an average companies should not avoid dong unethical things in marketing.

10.   **H0:** Mean for Companies should take responsibility for their unethical activities and apologize for the same is less than or equal to 3, the neutral value on a 5 point scale (H0≤3)
       H1: Mean for Companies should take responsibility for their unethical activities and apologize for the same exceeds 3, the neutral value on a 5 point scale (H1>3)

$$t = (\overline{X} - \mu)/S_x$$

t= t statistic

$\overline{X}$= Sample Mean , μ=3 $\overline{S}_x$= Standard Deviation of the sample mean =$\sqrt{\{\Sigma f(x- \overline{X})^2/(n-1)\}}$

Here,f is the frequency corresponding a particular value x, $\overline{X}$ is the mean, and n=sample size. Degrees of freedom ,df=n - 1 .

$\overline{X}$=(1x0+2x4+3x7+4x17+5x20)/48=197/48=4.104, μ=3

$\overline{S}_x$=$\sqrt{\{0(1-4.104)^2+4(2-4.104)^2+7(3-4.104)^2+17(4-4.104)^2+20(5-4.104)^2/(48-1)\}}$=

$\sqrt{\{42.479168/47\}}$=$\sqrt{0.903812085106383}$=0.950690320296985

As $$t = (\overline{X} - \mu)/S_x$$, t=(4.104-3)/ 0.950690320296985=1.16126142912144

At 0.05 level of significance, with 47 degrees of freedom, critical value (table value) of

t=1.6779, which is greater than calculated value of t above. It means null hypothesis is accepted. Mean for Companies should take responsibility for their unethical activities and apologize for the same is less than or equal to 3, the neutral value on a 5 point scale(H0≤3). It means people believe that on an average Companies should not take responsibility for their unethical activities and apologize for the same.

CONCLUSIONS

On the basis of above detailed discussion and subsequent empirical analysis, following conclusions can be drawn. (a) On an average people believe ethics are not different for individuals and companies. (b) On an average people believe that marketing and ethics can go together. (c) On an average people believe that companies do not always deliver what they promise. (d) On an average people believe that pricing of products/services does not always appears to be genuine. (e) On an average people believe that place where the product/service is retailed matters more. (f) On an average people believe that promotion does by companies is not always correct. (g) On an average people believe that companies do

not take care of their social responsibility. (h) On an average people believe that consumer interpretations about companies offerings are not always correct. (i) On an average people believe that companies can be ethical in times of competition. (j) On an average people believe that companies should not avoid dong unethical things in marketing. (k) On an average people believe that companies should not take responsibility for their unethical activities and apologize for the same.

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