The Effects of Ethical Marketing in Tourism

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Abstract: Until now, there are few studies analyzing the impact of the ethical marketing of tourism products on consumer’s perception of a tourist product that is going to be sold, as well as on the identification of the points (moments) in which ethical deviations may occur generating dissatisfaction among consumers. This study proposes an identification of critical points of occurrence of adverse effects due to non-ethical marketing in the tourism industry, by analyzing more than 250 complaints from consumers of tourism products.

The study is relevant to all tourism employers involved in trading tourism products (travel agencies) and to providers of services (food, entertainment, transportation, etc.) because they will be able to better monitor marketing activities and to take troubleshooting decisions in order to ensure a high degree of satisfaction of consumers of tourism products.

Key-Words: tourism, tourism marketing ethics, ethical marketing, critical control points

1 Introduction

The tourism industry is considered one of the most important in the world, generating revenues and significant contributions to the GDP of many countries.

Until now, there are few studies analyzing the impact of the ethical marketing of tourism products on consumer’s perception of a tourist product that is going to be sold, as well as on the identification of the points (moments) in which ethical deviations may occur generating dissatisfaction among consumers.

If we do an overview of the history of ethics as a practical philosophy, we find that all the authors agree that the subject of ethics is the search for an answer to the question “What is good?”. Responses to this question caused many disputes. Only in the twentieth century things are cleared up somewhat and disputes reduced, because G.E. Moore demonstrates in a major work, Principia Ethica, that good is not capable of any definition.

Many authors have attempted to define ethics in organizations.

Thus Donaldson (1996) describes ethics as a systematic study of moral issues facing business, industry or activities, institutions or their related practices and beliefs.[1] Johns (1998) defines ethics as a systematic reflection on the moral consequences of decisions (potential damage to personnel inside the organization but also to people outside it). [2]

According to Erick Dimitrios Buhalis and Laws (2001), ethics is a set of rules defining what is right and wrong in our conduct. From this definition it is clear what the question might be what is the meaning of rules. This may also include: legislation, codes of conduct unwritten but generally accepted as guides of behavior.[3]

Alexieva (2004) defines ethics as a set of moral principles and values we use to answer the question of what is right and what is bad. [4]

From these definitions clear ethical approach stakeholders to focus on the concept of good properties to the problem of human behavior, seeking answers to questions like: Which is better?, What is worse, What is right?, What is wrong?. Answers to such questions provide an opportunity to determine whether they provide complex reality of human relations and inter-causality that dominates the sphere of human behavior.

The objectives of marketing activity must be addressed and, especially connected to the requirements arising from major issues of humanity, of the contemporary. In such an environment, marketers must take greater social responsibility, theory and practice, and must have a final word on major issues like: the constraints of society, economic and social effects of long-term marketing actions etc. The tendency was to look to the theoretical / definition aspects of tourism marketing, followed by prescription to process management. In such a context, the marketing theory is emerging a new problem, the problem of marketing ethics.
2 Defining the Ethical Marketing Issues

Aware of their actions, marketing operators face many moral issues. Most times they can not tell very clearly which the best course of action is. This presents a series of questions: “How to act a marketing controller in more sensitive cases in which moral problems and social appear?” “It’s good for him to accept or avoid actions condemned as socially, but economical effective?”

In these circumstances firms should adopt the marketing ethics policies and organizational policies covering principles by which to guide in its work each employee in the company. Such principles should cover the scope of relationships with distributors, advertising standards, customer service, pricing, general ethical standards. Note however, that no principles can best respond and especially can not solve all the difficult ethical issues facing marketing controller.

2.1 Ethical Marketing in Tourism

Many authors studied the tourism marketing phenomena, but few are those who have questioned the quantization effects of the ethical marketing application or less ethically in this area. Singhapakdi and Vitell (1990) stated that marketing is a survey on the nature of ethics trial base and moral standards, and rules of conduct linked with marketing decisions and marketing situations. Perhaps the same could be said about “tourism marketing situations”?

Wheeler (1991,1993) in its works, by analyzing a sample of applied ethical marketing in the travel industry has surprised some critical issues and ethical components which tourism marketers show them during labor. He noted that each stakeholder group exercise some influence on the marketers final decision. Thus he concluded that those who used more their influence, were stakeholders involved in the primary decision making, meaning those who are in leadership positions of departments, counselors and administrative staff. Thus he concluded that those who used more their influence, were stakeholders involved in the primary decision making, meaning those who are in leadership positions of departments, counselors and administrative staff. The critical issues identified were cases of coercion and control, compromising personal integrity, responsibility to the local environment and professionalism. [5]

Thus, decision-making situations of the marketers are weighing the individual ethics, professional ethics and organizational ethics. Analyzing issues related to the application of business ethics in general, found that it works at all levels of communication between company, product and market. Generally a company's ethical code is developed with its branding strategy, as the company's distinctive elements, as the added value of product, operating corporate ethical values mark the growth and improvement of the mark's image recognition. Introducing ethical values in communication strategies aims the consumer’s higher needs and his post-purchase behavior. Thus, the effects that can be considered are brand recognition, valuing it and, ultimately, loyalty to the brand.

2.2 Tourism product marketing

In an inclusive concept, as a phenomenon and economic process, most specialists look tourism product in a vision system as a complex of goods and services, the result of cross-compliance of its parts.

Thus tourism product is defined as the joint result, the interdependence of resources (assets) and services. Based on its definition, tourism product can be approached in two ways:

• globally, from the horizontal dimension of the product as a result of interaction of its components taken together;
• individually, from the vertical dimension of the product, to the component offered to the tourist by every service provider, more precisely to specific segments of the tourism product.

Through the eyes of the marketing, tourism product is a natural expression of the firm's response to travel demand, and by adapting the view expressed by Ph. Kotler and B. Dubois, that everything the firm can provide in a form that can be noticed, bought and consumed, in order to satisfy consumer needs in case of need for travel.[6]

In order to obtain a maximum of tourist satisfaction, is required the pursuance of the following conditions by the companies engaged in tourist services chain, :

• cooperation to be made so that the conditions of ethical management, professional and individual are respected;
• to ensure efficient and effective integration of all components of the tourist product, given the effective participation of tourists in the tourist product realization
• to respect the contractual terms under which the travel products were sold
• to comply with the delivery conditions of
integrated or individual tourist product;
• to trade only integrated tourism products or just individual products (only accommodation, meals, entertainment) checked previously
• to promote tourism products

The link between tourism and marketing can be quantified by obtaining a degree of satisfaction is obtained from the ratio of tourist experiences and expectations.

Degrees of reality also come to influence those expectations they had when deciding to purchase travel products. Many times the tourist is subjected to a process of adapting to situations that may lead to a critical issue among the tourist as a consumer of tourist product and seller, trader or service provider.

3 The importance of study and research method

This study proposes an identification of critical points of occurrence of adverse effects due to non-ethical marketing in the tourism industry, by analyzing more than 250 complaints from consumers of tourism products.

The study is relevant to all employers involved in tourism marketing of tourist (travel agencies) and providers of services (food, entertainment, transportation, etc.) because they will be able to better monitor marketing activities and may take troubleshooting decisions to ensure a high degree of satisfaction of consumers of tourism products.

3.1 Identify critical points of occurrence of adverse effects.

To achieve this identification there were examined a number of 250 complaints registered both at travel agents and hoteliers level. After the analysis the larger number of complaints were recorded in the following areas: the marketing of tourist products, the promotion, the accommodation providers, food and entertainment.

As one knows marketing tourism products includes communication activities (training), transactions negotiation activities and promotion includes actions and methods used in guiding, informing and attracting most of the buyers by outlets to meet their needs and wishes and ensure a high return.

If we look at the definitions of communication and promotion is apparent that both contain information actions. Since the main feature of tourism product is intangibility, we can say that its image is highly dependent on the amount of information, quality and clarity of information, the way in which the customer is informed about it, therefore in a word, its ethical marketing.

Table 1. The travel agencies and hotels were identified by the following unethical behaviors:

<table>
<thead>
<tr>
<th>Unethical behaviors</th>
<th>Travel agencies</th>
<th>Hotels</th>
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<tbody>
<tr>
<td>Incomplete information on the services offered by transport companies</td>
<td>Wrong information on tariffs and lack of information on structure type and category of tourist reception</td>
<td></td>
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<tr>
<td>Vague and imprecise definition of clauses on risk</td>
<td>Tourists peace disturbance from noise from the terraces</td>
<td></td>
</tr>
<tr>
<td>Lack of information regarding payment arrangements</td>
<td>Uncivilized behavior of hotel staff</td>
<td></td>
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<tr>
<td>Announcing the consumer on changes of contract terms</td>
<td>Overcharging some tourism services</td>
<td></td>
</tr>
<tr>
<td>Non stipulation on how to resolve complaints in the contract of marketing tourism products</td>
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The negative effects of tourism products consist in disregarding them even if firms do not suffer long-term damage. The study also attempted to identify critical points in the ethical marketing that have an important influence in contractual relations between the employers working in tourism. Managers should be stressed that tourism firms often participate in the propagation and amplification of the effects of transactions aimed at conclusion of service contracts for tourists. The more constants unethical behavior are related to failure conditions of payment of vouchers, to the sale of individual products at prices below the rates negotiated with travel agencies and to reducing the amount of housing quota. When asked why they adopted an unethical behavior, over 30% of them answered that their main objective is to support profits.

On the other hand, they said that by applying such behavior the gains was only short term and have
attracted a number of negative effects; one of the most common was low employee trust in management, lack of involvement of employees, loss of customers, decreased sales, loss of staff, processes, etc.

4 Conclusions
It may therefore be seen that in the case of failure to apply an ethical marketing, the effects can be set at two extremes: in an extreme, the breach of ethics leads to an immediate consumer contempt by the product, the company as a whole, suffering long-term consequences, the other extreme when ethics violation results in serious and immediate damage both at the individual and the society.

Both situations will lead to changing the nature of the product, identifying where there's a lie about the product and deciding on the increase (change) of product specifications.

The effects identified after applying an unethical marketing can be grouped as follows:
- effects on the tourism products that will be disconsidered, even if firms do not suffer long-term damage;
- effect on the company level: the loss of trust partners and employees, reduced communication, lack of involvement, reduced loyalty, loss of reputation: bad news about a product is spreading faster than about a good product, loss of reputation, company image, customer and valued employees, loss of huge sums in lawyers, lawsuits, damages, litigation, decreased sales and profits, etc.,

An ethical contrary conduct can seriously harm society as a whole, leading to the emergence of scourges created by modern life (murder, abuse, discrimination, drug trafficking, trafficking in influence, corruption, etc.) the physical aggression (suffering, disease, etc.) to harm the human condition (material and spiritual poverty).

References: