Área Temática: Marketing e Comunicação

Título: Ethics and cause related marketing: Five major ethical conflicts

AUTORES
FRANCISCA FARACHE AURELIANO DA SILVA
University of Brighton
chicafarache@gmail.com

LILIAN SOARES OUTTES WANDERLEY
Universidade Federal de Pernambuco
l.outtes@uol.com.br

JOSÉ MILTON DE SOUSA FILHO
Universidade Federal de Pernambuco
admmiltonfilho@yahoo.com.br

RAFAEL LUCIAN
Universidade Federal de Pernambuco
lucian@terra.com.br

Abstract

This article aims at reviewing the literature of ethics applied to business and its communication. It investigates the concept of Corporate Social Responsibility, emphasizing Cause Related Marketing (CRM). This article provides some explanations of ethics and business ethics. Business ethics utilizes the ethics guidance to develop guidelines and rules to be applied in the marketplace. Furthermore, the article discusses five major ethical conflicts that can occur in partnerships between corporations and non-profit organisations. Ethical conflicts are likely to happen in CRM because the organisations involved have different objectives and goals. CRM does not have clear-cut rules and codes of conduct. This article approaches some basic principles which once followed will minimize the pitfalls. This study also analyses the arising circumstances of negative reactions from the consumers and media when the ethical conduct is neglected. Thus, CRM can lead to bad results, mainly for the organisations. Although, when ethical principles and guidelines are followed CRM appears to be an efficient marketing tool that can promote the companies as well as good causes.

Key words: cause related marketing, business ethics, corporate social responsibility.

1 Introduction

As a result of the growing public concern for environmental and social issues, corporations have begun to affiliate their products with a range of popular causes, including social and ecological issues. Linking themselves with ‘good causes’ has become attractive to many business, especially those engaged in dealings with consumers (TILL and NOWAK, 2000). Such associations can influence perceptions regarding the corporation and consequently have an effect on how consumers evaluate products or services offered by the corporation (BROWN and DACIN, 1997).

In this scenario, Cause Related Marketing (CRM) is a means of demonstrating a corporation's social commitment. CRM evolved as a marketing strategy utilized by business to form a partnership for mutual benefit with a charity organisation or a good cause (PRINGLE and THOMPSON, 1999). Since the beginning of CRM in early 1980's, the number of alliances between for-profits and non-profits has been steadily increasing (ADKINS, 2000). The constant growth in this area is a result of the positive experience of corporations in their CRM programmes (BARONE et al, 2000). The Business in the Community (2003) states that in 2003 over £58 million was raised by over 60 businesses benefiting over 60 charities and good causes through more than 80 CRM programmes in the UK. In the United States, American corporations dedicated U$ 9 billion to social causes in 2001 alone (CONE et al, 2003).

CRM strategies have helped corporations enhance their reputation and corporate image, strengthen ties with employees as well as increase sales and profits (FILE and PRINCE, 1998). The corporations are not alone in reaping the benefits of this process; charities and social causes also profit through financial gains and support (KOTLER, 2003). Furthermore, CRM programmes give free publicity, PR and public awareness not only to the cause but also to the corporations (ANDREASEN, 1996).

Despite the benefits to the corporations and non-profits, ethical conflicts tend to occur in CRM partnerships. Given the increasing level of interests from consumers, society and business in the area of CSR, and in particular CRM, this article provides a review of the literature focusing on the subjects.

Firstly, this article outlines business ethics, corporate social responsibility and CRM; secondly, it explores the benefits of CRM to business, non-profits and consumers. Thirdly, several corporate cases illustrating the five major ethical conflicts are given. Finally, the basic principles of CRM and tactics to avoid ethical conflicts are discussed. This paper concludes by suggesting that marketers should attempt to perform following ethical principles in order to secure consumer participation and trust.

2 Business Ethics

Ethics is the branch of philosophy that deals with the morality of human conduct (LACZNIAK and MURPHY, 1993). Ethical thinking has its roots in the writings of the great philosophers, such as Socrates and Confucius (BRADBURN, 2001). It is the philosophy of morality, moral problems and moral judgments. Moral philosophy is beyond the domain whereby we are guided by traditional rules or laws; it is the domain where we think for ourselves and achieve a sort of independence as moral agents (FRANKENA, 1973).
Business ethics regulate the approach and principles of normative ethics regarding the moral subjects in business. It examines the moral demands related to the business field (PRATLEY, 1995) and deals with the complete range of obligations that a corporation has to each of its stakeholders, including clients, employees, shareholders, suppliers and the community (IBEI,2004).

Business ethics defines how a corporation combines honesty, trust, respect, and fairness into its guidelines, procedures and decision-making. It not only includes a corporation's compliance with legal standards, but also the fulfilment of its own rules and regulations (BSR, 2004).

The emergence of business ethics as an applied subject got into central arena due to the scandals that took place on New York's Wall Street in 1986, which shocked and outraged the community (BRADBURN 2001). A series of other factors have influenced the growth of business ethics, such as the consumer movement and the societal marketing concepts.

Adding to that, it is believed that acting ethically can save corporate and investor's money. According to Weiss (2003), studies have shown that corporations spend substantial amounts of money on financial penalties as a consequence of acting in unethical ways. In such cases, the corporation is not only affected financially, but can also suffer damage to its reputation.

Following ethical principles is also to add in a socially responsible manner. This is the topic of the next section.

3 Corporate Social Responsibility

A profound change has happened since Friedman (1970) published *The Social Responsibility of Business is to Increase its Profits*. The Nobel Prize winner economist believed that corporations have no moral or social responsibilities in their actions. Currently, Corporate Social Responsibility (CSR) is an imperative as it has become part of the terminology of academics, professionals, consumers, non-profit organisations, students and investors (JULHOLIN, 2004). CSR is a crucial issue in current debates as a consequence of the scale and influence of contemporary corporations. A corporation has power and authority, and with great power comes great responsibility (CANNON, 1994). It is such an important issue for corporations that even without any requirement to report CSR activities in the UK, about 80 per cent of the FT-SE 100 corporations report their environmental and social performance (BRASSINGTON and PETTITT, 1997).

CSR shows no standard definition. McWilliams and Siegel define it as "actions that appear to further some social good beyond the interests of the firm and that which is required by law" (2001:118). Polonsky and Wood (2001) suggest that firms are responsible to their stakeholders, including employees, customers, the community in which the company acts and the society as a whole. Corporations are expected to care for the community in which they operate (WRAGG, 1994).

Academics and marketers embrace contradictory and contrasting opinions on the importance of a socially responsible approach to marketing activities (LACZNIAK and MURPHY, 1993). On the one hand, Davis (1996) argues that corporate and social responsibility actions are the responsibility of the organisation with the interests of society in mind. On the other hand, Lantos (2001) emphasizes that CSR is a balancing procedure. Corporations have to maintain equilibrium between economics and ethical and social performance. Thus, corporations must address all of their stakeholders. However, Carrigan and Atalla (2001) postulate that there is no definitive answer as to what the social responsibility of marketing is, mainly because it is hard to choose which stakeholder has priority when conflict arises.

The motivation behind a corporation acting in a socially responsible way is arguable. It is difficult to prove that corporations are acting in a genuine, conscientious way. Crane and Matten (2004) argue that corporate and social responsibility tends to be understood as enlightened self-interest. The authors claim that making a positive contribution to society could be understood as a long-term investment with future benefits to the corporation. It can also provide competitive advantages, helping the corporation to improve its financial performance and gain further access to capital. Socially responsible actions can enhance brand image and sales as well as retain a quality workforce. CSR is linked to all aspects of the corporation, from shareholders to stakeholders, from supplies to distributors, as well as the community, the society and the environment. The corporation must be aware of all its actions and how they affect society as a whole (LITTLE, 2003).

Furthermore, corporate scandals such as *Enron* in the USA and *Parmalat* in Italy have reduced society's trust in the corporate sector and its leaders. Corporations need to address this, showing their positive impact on society and CSR appears to be a good way to do so. CSR is linked to all aspects of the corporation, from shareholders to stakeholders, from supplies to distributors, the community, the society, and the environment. The corporation must be aware of all its actions and how it is going to affect the society as a whole.

4 Cause Related Marketing as a tool for corporations

A widely cited definition came from Varadarajan and Menon, among the earliest writers on CRM:

> "The process of formulating and implementing marketing activities that are characterised by an offer from the firm to contribute a specified amount to a designated cause when customers engage in revenue-producing exchanges that satisfy organisational and individual objectives" (1988: 60).

Staples (2004) perceive CRM as the development of a relationship between business and charities. Cone (2000) postulates that CRM is a combination of corporate strategy and citizenship, and is turning into a 'must do' activity for the 21st century. CRM campaigns can vary with regard to the sort of non-profit alliances and the nature of the relationships between corporations and their marketing partners. Similarly, the partnership can diverge in the kind of cause, the geographic scope of the cause, and the length of the programme (CUI et al, 2003). Hemphill (1999) understands CRM as corporate support of a cause that involves a high-priced marketing and advertising campaign publicizing the corporation as well as the non-profit organisations or cause.

American Express first employed the concept of CRM in 1982 in the USA (TILL and NOWAK, 2000). Each time someone used the card, 5 cents was donated to several arts organisations participating in the San Francisco Festival. It was a successful endeavour and encouraged the corporation to try similar actions on a national basis. In 1983, American Express developed the programme for the renovation of the Statue of Liberty, which was probably the first CRM programme to gain worldwide renown. Use of the card increased 28% and US$ 1.7 million was donated to the project (SMITH and HIGGINS, 2000). The continuous growth occurring in this area is a result of the positive outcomes experienced by major corporations in their CRM programmes (BARONE et al, 2000).

Adkins (2000) postulates that CRM is not philanthropy, which expects nothing in return. From her point of view it is just good business for both non-profit and for-profit organisations. CRM alliances should be a relationship of mutual benefit for the corporation, for the charity and for the cause. For the corporation, the benefits include an increase in brand awareness or even increased corporate profits. For the cause, the benefit comes in the form of increased contributions and generating more awareness. Furthermore, Pringle and Thompson (1999) perceive CRM as a marketing tool that associates a corporation with a cause for the benefit of both. This can occurs through a relationship with a charity or by directly addressing the cause. The authors associate the rising consumer social awareness with the growth of CRM actions. They argue that consumers are purchasing products as a demonstration of their own social consciousness.

However, Varadarajan and Menon (1988) alert firms to the dangers. Regardless of increased sales and good publicity, firms can be perceived as exploiters of causes and charities, which can ultimately become bad publicity. Barone et al (2000) claim that consumers may be sceptical about CRM and question if the objective is to benefit the cause or the corporation. Alternatively, Polonski and Wood (2001) suggest that the real motivation for a corporate donation is the perception of being a good corporate citizen. It can be said that CRM is part of a new trend in which corporations are embracing a socially responsible approach to their activities (BRODERICK et al, 2003). On the other hand, CRM is also perceived as a strategic marketing tool that can improve consumer perceptions regarding a firm (POLONSKI and WOOD, 2001). As a consequence CRM has been seen as a long-term activity (CONE et al, 2003).

Firms may still wish to demonstrate a high level of commitment to the cause, such as signing a long support agreement (DEAN, 2003). However Till and Nowak (2000) declare that CRM is both strategic and tactical. From their perspective in a tactical approach a brand might embrace a cause for a restricted period of time. In contrast the authors perceived the strategic approach as the core of brand positioning. As such, the alliance with the cause or non-profit organisation is a crucial factor for the brand identity. Broderick et al (2003) counterbalancing this debate postulate that effective CRM can influence consumer perception regarding an organisation and its products. Therefore, a number of corporations are shifting CRM from a short-term activity to a long-term strategic effort to build brand recognition and reputation.

Yechiam et al (2002) demonstrate in their studies that CRM can have better results than customer-centred bonuses when promoting a product. Smith and Higgins (2000) have a critical view of CRM. They believe that it offers a reason by which the guilt of a luxury purchase can be counterbalanced and extra positive associations can be added to a daily purchase. However, Andreasen (1996) postulate that CRM is not about marketing but about discovering new ways to improve people’s lives.

5 CRM and the benefits for corporation, non-profits and consumers

CRM can be defined as a win-win-win situation (ADKINS, 2000) providing a win for the charity or cause, a win for the consumer and a win for the business.

5.1 Corporate benefits

The most notable benefits for the corporation take place inside the corporation itself and are related to staff in the form of improved employee morale (DRUMWRIGHT, 1996) and loyalty (WRAGG, 1994). With increased staff motivation, CRM can make employees more enthusiastic about their jobs (CONE et al, 2003) and constitutes a powerful internal marketing tool. Likewise, Roddick (1991) argues that the most remarkable positive point for engaging in social activities is the effect it has on the staff.

CRM can also improve the corporation image (FILE and PRINCE, 1998). Andreasen (1996) believes that the non-profit image can define or enhance the corporate image. Cone et al (2003) warn that CRM is not a solution for a damaged reputation. It is, however, a way to strengthen the strongest brands. It appears to be a new way of adding value to brands so as to satisfy growing consumer demands for demonstrations of social commitment (PRINGLE and THOMPSON, 1999). CRM expresses corporation responsiveness to social concerns while raising funds for a good cause (DOCHERTY and HIBBERT, 2003). Furthermore, CRM can enhance business credibility (BRODERICK et al, 2003) and corporate reputation (CONE et al, 2003).

Craves et al (2003) postulate that the most important, strategic and durable asset that a corporation possesses is probably its reputation. Dolphin (2004) suggests that reputation is an intangible asset and as such is difficult to measure and replicate. Lewis (2003) claims that brand and reputation can not be separated. In his opinion, brands are no longer perceived in the traditional marketing sense.

CRM programmes offer free publicity and PR while increasing sales and profits (MASON, 2002) and also enhance customer loyalty (KOTLER, 2003). Corporations receive the added benefit of having access to customers, employees, trustees and donors from non-profit organisations (ANDREASEN, 1996).

5.2 Non-profits benefits

Clearly, the single most important benefit that non-profits receive from a CRM programme comes in the form of financial resources (WOOD, 1998). In a partnership with firms, non-profits are perceived as a strategic partner that is not limited to just asking for money and donations (ANDREASEN, 1996). In the same way Sargeant (1999) suggests that CRM has switched the emphasis on what business can do for charity to an equal focus on what charity can do for business.

CRM generates free publicity and public awareness for both the cause and non-profit organisation. As a consequence, it can increase an organisation's volunteer numbers in the short term (DOCHERTY and HIBBERT, 2003). The non-profit organisation can also receive help from the senior staff of the firms providing managerial assistance. Thus in addition to financial gains, other important resources can be obtained, including professional skills, technical knowledge and such physical assets as distribution networks (CONE et al, 2003).

5.3 Consumer benefits

Consumers also gain from CRM, as purchasing a product or service benefits a charity or cause. Thus, the consumer is helping society, giving him/her a feeling of satisfaction for doing some good (POLONSKY and WOOD, 2001). Consumers can either contribute to the society in which they live and work, or can be the direct beneficiary of the cause.

Corporate	**Non-profits**	**Consumers**
Improve image	Provide financial resources	Help society
Generate free publicity	Offer legitimacy	Feel good 'factor'
Increase sales	Can increase the number of volunteers (short-term)	
Improve employee morale	Can receive managerial assistance from the corporation	

Improve employee loyalty	Generate free publicity	
Increase customers loyalty	Can receive resources from corporation	
Enhance business credibility	Consumer awareness	
Can be a competitive advantage		
Free PR		
Enhance reputation		
Can help change corporate image		
Increase staff motivation		
Can make a corporation more attractive to stakeholders		
Strengthen ties with business partners		
Access to customers, employees trustees and donors from non-profits		
Create a special feeling for the corporation among customers		

Table 1: Summary of the benefits of CRM programmes.
Source: Adapted from Polonski and Wood (2001); Adkins (1999); Andreasen and Drumwright (2000).

6 Ethical conflicts

It appears to be difficult to manage alliances between for-profits and non-profits because they have essentially different goals (ANDREASEN, 1996). With regard to the non-profits, it is likely that they enter partnership with a financially stronger partner and no clear rules of conduct, and risk being exploited by the corporation. On the other hand, businesses may also discover that teaming up with non-profits risks damaging the corporation reputation in cases where the organisation is found to overstep ethical bounds (ANDREASEN and DRUMWRIGHT, 2000).

6.1 Ethical bounds

As an example of this, HSBC donated £35 million to Worldwide for Nature Fund, but the bank came under fire from the charity's staff for also supporting a corporation engaged in the clearing of Indonesian rainforests (MARKETING, 6 June 2002).

Likewise, Breakthrough Breast Cancer refused a £1 million agreement with Nestlé as part of a CRM programme. The proposal was rejected over ethical concerns regarding Nestlé's activities in the third world, where the corporation promotes baby formulas in lieu of breastfeeding, despite the scientific evidence that breastfeeding protects against breast cancer (THE INDEPENDENT, 6 May 2004).

6.2 Expenditure on communication

One criticism that could arise against CRM is that the corporation usually spends more on publicising CRM programmes than on the actual contributions (VARADARAJAN and MENON, 1988). Cone et al (2003) suggest that too much money spent boasting about the corporations' philanthropic endeavours can be dangerous. The authors exemplifies with a case from Philip Morris which in 1999 spent US$ 75 million on good deeds. When it came out that the corporation spent US$ 100 million advertising them, the majority of the good such deeds brought to the brand was undone.

American Express donated a penny for every credit-card transaction and a dollar for each new card in a CRM programme for the restoration of the Statue of Liberty – Ellis Island Foundation. The corporation gave a total of US$ 1.7 million to the cause. During this period, transactions with the card increased 30 per cent and the number of new cards issued increased by 15 percent (TILL and NOWAK, 2000). It all sounds good, except for the fact that American Express spent US$ 6 million advertising its programme (SMITH and HIGGINS, 2000). It is unlikely that consumers would continue feeling 'good' if they knew how much American Express gave to the charity and how much was spent on advertising.

6.3 High visibly causes

A further challenge is that CRM initiatives target high visibly causes**.** CRM literature suggests that the cause has a strong impact on customers, employees, the community, public officials and suppliers, but it also has to be aligned with the product or service to which it is linked (CONE et al, 2003). As a consequence, the majority of corporations (ANDREASEN, 2001) choose to concentrate on popular causes that affect a greater number of people, while controversial issues tend to be ignored. Corporations generally target risk-free, high-visibility causes and ignore less popular, high-risk, low-visibility groups that need equal, if not more, monetary support (VARADARAJAN and MENON, 1988).

Andreasen and Drumwright (2000) describe the practice of selecting attractive causes and neglecting less acceptable ones as 'cherry-picking'. For example, breast cancer is a very popular cause for a number of reasons: it concerns middle-aged women; its incidence is high; it is difficult to predict who will be affected; and it is not always fatal. Less popular, less attractive and less acceptable causes such as domestic violence, date rape and prostate cancer are not as common in the marketplace.

6.4 Exaggerate perception of corporate generosity

Individual contributors may come to believe that specific causes are not in need of donations because of corporate support. The consumer might also believe that purchasing from corporations will help the causes when, in reality, direct donations are likely to be more beneficial (POLONSKY and WOOD, 2001).

As an example of this, one of the biggest *Fiat* dealers in Brazil, *Fiori Veículos*, did a cause-related marketing programme with a non-profit organisation that works with needy children. Impoverished children are one of the main social problems in Brazil. The cause therefore generates free publicity and consumer awareness. The actual annual donation from this company to the project in 2003 was a mere one thousand dollars. At the same time, the campaign was advertised on the main television channels. To put this into perspective, one insertion of a 30-second ad on Brazilian television is around one thousand dollars. The total amount spent on this campaign was never made public.

Another example is the charity Christmas card in the UK. Giving cards is a tradition at Christmas time in this country. Consumers derive pleasure from giving cards and contributing to a charity at the same time. After buying a charity card, the customer might think that he/she does not need to give money to charity, as in their minds they have already given. In fact, if a customer buys a pack of Christmas cards from Selfridges for £7.25, a mere 15 p goes to charity (THE SUNDAY TELEGRAPH, 30 Nov 2003).

TESCO Computers for Schools, one of the most successful CRM programmes in the UK (ADKINS, 1999), raised 7.5 million pounds in 2001 for IT equipment. A consumer magazine entitled *"Which?"* argues that 21,990 vouchers are needed to buy a personal computer costing £1,000. Taking into consideration that consumers receive a voucher for each £10.00 spent, it can be deduced that, for every computer donated, more than £219,900 was spent at TESCO stores (THE GUARDIAN, 2002).

6.5 Excuse harmful activities

Another issue of concern is the use of CRM by corporations to hide or excuse harmful activities in the central part of the firm's business (ANDREASEN and DRUMWRIGHT, 2000). For instance, the Caron Foundation (USA) runs a programme called Youth Smoking Prevention that receives funds from Philip Morris. However, the tobacco industry is not the only one to trying to turn attention away from their products by associating itself with a good cause or non-profit organisation.

In 2003, Cadbury, which is well-known for it social heritage, launched a nationwide CRM campaign to encourage children to buy their chocolate in order to receive free sports equipment for schools. The British media perceived the irrationality of this proposition. It goes without saying that linking chocolate with fitness sounds cynical at the very least. Moreover, to receive a single basketball, children had to consume 38,000 calories and 2kg of fat. This was obviously a tremendous disaster for the corporation (THE FINANCIAL TIMES, 3 May 2003; THE OBSERVER, 20 March 2003).

Petrobras, the Brazilian petroleum corporation polluted the ocean with 5,500 m^3 of oil spills in 2000, sponsors one of the most important environmental programmes in Brazil, the Tamar Project, which preserves marine turtles along the country's coast (VEJA, 16 August 2000).

CRM is faced with a long list of ethical concerns and challenges, the most important of which were discussed above. As CRM develops more and becomes a strategic manoeuvre for a large number of corporations, new challenges are likely to arise. In the following section some guidelines will be presented to in order to avoid such pitfalls.

7 Discussion

Ethical conflicts seem to be a constant within CRM because the organisations involved have different goals and objectives. CRM has no clear-cut rules and codes of conduct. However, some basic principles should be followed to minimize the pitfalls. Business in the Community (1998) suggests a guideline with the key principles of integrity, transparency, sincerity, mutual respect, partnership and mutual benefit. Integrity means honesty and ethical behaviour, and signifies compliance to moral principles. It is also necessary to have transparency throughout the entire partnership process, including forming, planning, communicating and implementing partnership projects. Corporations must treat their consumers with sincerity. The organisation and its partner must treat each other with mutual respect. The partnership concept involves sharing both the risks and the rewards. Finally, there is mutual benefit, where the partners should receive their fair reward.

Andreasen and Drumwright (2000) also suggest tactics for minimizing ethical conflicts. The authors divide their solutions into four categories: symbolic, contractual, educational and procedural. In their view, the symbolic solution is the formulation of a set of ethical principles leading to social marketing partnerships. They suggest that the American Association Code of Ethics as a useful basis for developing a procedure. They also propose a contractual agreement between the corporation and the charity. In such an agreement, the obligations and rewards of each part should be made clear. Adkins (2000) also recommends this type of formal agreement. However, codes and agreements only set the standards for ethical conduct; they do not guarantee that such behaviour will be carried out. The educational solution is to provide ethical training. However, such points are insufficient for the avoidance of ethical conflicts. Therefore, the procedural solution concerns establishing procedures for discussing and resolving ethical questions.

Social Marketing has a substantial difference in relation to CRM. It seeks to change or modify behaviour for the benefit of individuals, communities or society (KOTLER et al, 2002), whereas CRM, as defined above, is a commercial activity between business and charities for mutual benefit. Nonetheless, one of the products of CRM programmes is usually a Social Marketing campaign, for instance, *Avon* and Crusade against Breast Cancer, *American Express* and “Charge against the hunger”, *British Airways* and UNICEF in “change for good”. Therefore, CRM practitioners could follow the same ethical standards as social marketers. Both must hold to high ethical standards because they are promoting the “social good” (LACZNIAK and MURPHY, 1993).

Marketing social products is more liable to encounter ethical dilemmas because they deal with some of society’s most profound beliefs and moral judgments (SMITH, 2001). Thus, it is crucial that organisations connected with social marketing tow the ethical line. One extremely convincing reason why social and non-profit marketers must have high ethical principles is because consumers stand to suffer more harm from unethical social marketing than from unethical commercial marketing (LACZNIAK and MURPHY, 1993). When ethical rules and principles are not followed, ethical concerns can arise.

8 Conclusion

It can be inferred that ethical rules are essential to the continuity of CRM programmes. CRM depends upon the consumer as well as the community at large. Consequently, it is fundamental that they have trust in the partnership. If consumers become sceptical in regard to CRM benefits, the very concept might cease to exist.

It is difficult to propose a simple solution for solving such ethical concerns and challenges. However, the facts are very clear: consumers tend to not accept unethical behaviour and non-profit organisations are becoming more aware of their power. Similarly, the media plays an important role in this scenario, being responsible for independent investigations. In the near future corporations will have to adopt higher ethical standards in order to be successful in the marketplace. Under such hypothetical circumstances, CRM could be perceived as ‘...one of marketing’s major contributions to society’ (VARADARAJAN and MENON, 1988: 72).

This article has provided some explanations on ethics and business ethics. Business ethics utilizes the ethics guidance to develop guidelines and rules to be applied in the marketplace. The evidence suggests that consumers are aware of the responsibilities of business in regards to society. Moreover, corporate social responsibility was addressed from its inception through to the present time. CRM was also explored, highlighting the inherent ethical dilemmas. Ethical rules appear to be essential to the continuity of CRM programmes. However, there are no simplistic solutions for addressing the challenges. Standard rules such as sincerity, transparency and honesty could to be followed. In order to continue utilizing CRM, marketers should attempt to perform following ethical standards (or principles) as the ones above mentioned.

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