

UNIVERSITY OF LJUBLJANA
FACULTY OF ECONOMICS

MASTER'S THESIS

**AN ANALYSIS OF ETHICS IN MARKETING TOBACCO
PRODUCTS**

Ljubljana, June 2017.

MILA ZEČEVIĆ

AUTHORSHIP STATEMENT

The undersigned Mila Zečević, a student at the University of Ljubljana, Faculty of Economics, (hereafter: FELU), author of this written final work of studies with the title An Analysis of Ethics in Marketing Tobacco Products, prepared under supervision of assistant prof. dr Gregor Pfajfar,

DECLARE

1. this written final work of studies to be based on the results of my own research;
2. the printed form of this written final work of studies to be identical to its electronic form;
3. the text of this written final work of studies to be language-edited and technically in adherence with the FELU's Technical Guidelines for Written Works, which means that I cited and / or quoted works and opinions of other authors in this written final work of studies in accordance with the FELU's Technical Guidelines for Written Works;
4. to be aware of the fact that plagiarism (in written or graphical form) is a criminal offence and can be prosecuted in accordance with the Criminal Code of the Republic of Slovenia;
5. to be aware of the consequences a proven plagiarism charge based on the this written final work could have for my status at the FELU in accordance with the relevant FELU Rules;
6. to have obtained all the necessary permits to use the data and works of other authors which are (in written or graphical form) referred to in this written final work of studies and to have clearly marked them;
7. to have acted in accordance with ethical principles during the preparation of this written final work of studies and to have, where necessary, obtained permission of the Ethics Committee;
8. my consent to use the electronic form of this written final work of studies for the detection of content similarity with other written works, using similarity detection software that is connected with the FELU Study Information System;
9. to transfer to the University of Ljubljana free of charge, non-exclusively, geographically and time-wise unlimited the right of saving this written final work of studies in the electronic form, the right of its reproduction, as well as the right of making this written final work of studies available to the public on the World Wide Web via the Repository of the University of Ljubljana;
10. my consent to publication of our personal data that are included in this written final work of studies and in this declaration, when this written final work of studies is published.

Ljubljana, June 2017.

Authors'signature:

TABLE OF CONTENTS

INTRODUCTION	1
1 ETHICS IN MARKETING.....	2
1.1 Ethical component of marketing	5
1.2 Marketing ethics and social responsibility	8
2 MAIN ETHICAL ISSUES IN MARKETING.....	11
2.1 Intellectual property	13
2.2 Database marketing and privacy on the Internet	14
2.3 Minorities	15
2.4 Marketing to vulnerable groups	16
2.5 Marketing to children and families with children	17
2.6 Advertising and promoting unhealthy products and vices	20
2.7 Cross-cultural consumer marketing.....	21
2.8 Subliminal advertising.....	23
2.9 Consumer deception.....	25
2.10 Fear techniques.....	26
2.11 Perfect image pressuring	27
3 TOBACCO INDUSTRY.....	28
3.1 Industry characteristics.....	28
3.1.1 Top 5 cigarette markets	29
3.1.2 Top 5 cigarette producers	31
3.2 Tobacco consumption – facts	33
3.3 Tobacco marketing.....	35
3.3.1 How is tobacco advertised?.....	36
3.3.2 Main ethical concerns in tobacco marketing	38
3.3.2.1 Marketing to children and youth	38
3.3.2.2 Addictive and harmful nature of tobacco	40
4 THE RESEARCH	41
4.1 Methodology	41
4.2 Research objectives	42
4.3 Participants' profiles.....	43
4.4 Focus group results.....	46
4.5 Post Hoc Analysis	50

4.6	Research limitations	52
4.7	Further research prospects	53
CONCLUSION		54
REFERENCE LIST		57
TABLE OF APPENDIXES.....		i

LIST OF FIGURES

Figure 1. Ethical challenges related to the marketing mix	12
Figure 2. Global cigarette market by regions	29
Figure 3. Tobacco companies' shares in the global market, 2014	32
Figure 4. Doctors' recommendation to smoke 1	1
Figure 5. Doctors' recommendation to smoke 2	2
Figure 6. Santa Claus promoting smoking 1	3
Figure 7. Santa Claus promoting smoking 2	4
Figure 8. Advertisements involving children 1	4
Figure 9. Advertisements involving children 2	5

LIST OF TABLES

Table 1. Consumers' ranking of 10 most widely prevalent advertising practices	11
Table 2. Examples of negative effects of marketing targeting children	19
Table 3. Top 10 cigarette markets by sales volume, 2014	30

INTRODUCTION

For a long historical period of time, marketing was not defined theoretically. It was well known that there was such thing that distinguishes successful businesses from the less successful ones, but, among everyday practices, entrepreneurs could not separate marketing as a business practice. With years and development of strength and power of corporate world, the way of presenting products in an appealing way proved to be one of the crucial areas for placing a product on the market.

As the concept of marketing developed over time, marketers came up with different ideas on how to make their product visible in the sea of others, similar to it. Over time, many approaches started to be revised by the public. Some of them were acceptable, while the ones that draw most attention of the public were usually ethically or culturally questionable in their content.

Tobacco marketing is one of the sensitive areas in the marketing itself, where the critics and questions are mostly focusing on the ethical component of such advertising. Namely, as tobacco is an unhealthy product with proven harmful effects on the health condition of the consumers, it is questionable whether aggressive advertising of such products (especially to vulnerable groups) is an act that can be characterized as the ethical marketing behavior.

In this paper, I would like to examine how tobacco marketing campaigns are perceived, as well as whether tobacco product advertisement is considered to be an ethical act of the producers. In order to obtain relevant primary data, the approach to collection of the information will be conducted in the form of an interview, more precisely, a focus group will be organized. The participants of the focus group will be young people, both smokers and non-smokers. One of the goals of the research would also be to find out the whether the participants of the focus group are ready to accept new information about the ethics of the companies whose products they consume, and whether the new knowledge affects (at least their declarative) behavior and attitude towards tobacco industry and their products.

The aim of the research conducted in this master thesis is to draw attention to the issue of unethical practices companies in tobacco industry sometimes undertake in order to achieve larger profits and attract more consumers. Furthermore, this research aims to identify the awareness of these practices among individuals, and influence tobacco industry marketing practices may have on their behavior and decision making. In order to realize the importance of ethics in marketing tobacco products, it is necessary to look at examples of behavior that was dominant in the past, and examine whether this behavior can be regarded as ethical. In addition to past observed behaviors, an input from focus group participants is expected to add on to the content exposed in this research.

Main objectives of the research in this thesis are related to recognition of unethical practices in the marketing of tobacco products. The main goal of the conducted research will be to try to make clear distinction between population of smokers and non-smokers when it comes to their perception of the tobacco industry companies' marketing practices. The main question this research aims to answers is the following:

- Is there a difference in perception of tobacco industry companies' marketing practices between participants who are smokers and the ones that do not smoke?

Apart from this question, there are several more that will be addressed in the research. These questions are:

- How can targeting children in tobacco marketing campaigns be justified?
- Which tobacco advertisement method is the most memorable for participants?
- Can a connection between being exposed to tobacco promotional activities and desire to try cigarettes be found? (according to participants' experience)

The expected added value of this research is to give an insight into attitudes and knowledge young people have about tobacco products marketing. Their point of view on these issues is already built, and strength and passion they use to defend their opinion can be informative in the sense how prone they are to changing their opinions. Also, in some cases, it might be possible to observe strong influence of exposure to the marketing campaigns of tobacco industry companies on the opinion stated, which will be recorded if it appears. Observing potential clear differences between smoker and non-smoker participants is another possible outcome that will be monitored closely. The way participants react will tell us more about the usual ethical standards and expectations that are present among them.

For the purposes of providing a detailed overview of the situation related to ethics in marketing, with an emphasis on tobacco industry, in the first chapter of this paper, the reputable articles and books from the academy were consulted in order to create a clearer view of the marketing ethics and its importance in marketing field. In the second chapter, the emphasis is put on the most common issues that are related to the marketing ethics. Third chapter deals with tobacco industry and its marketing practices. In the fourth chapter, the research methodology is explained, along with the results exposition and discussion. The concluding remarks are presented in the final chapter of the paper.

1 ETHICS IN MARKETING

Channels used to deliver marketing messages have great potential in educating public, as well as providing them with some kind of entertainment. Desirable images created in this way enable

marketing and advertisements to offer individuals an opportunity to obtain the products that can satisfy or fulfill their psychological and emotional needs. There are also new and more advanced products that provide consumers with more options and better specified solutions.

This is the way marketing should be used in companies. Problems emerge however, when an honest approach is put aside in favor of the business results, profits, and pressures, both internal to company and coming from the competition. Under such conditions, it is not rare to see marketing become manipulative, deceptive, and in a way, threatening and evil (Saucier, 2008, p.111).

It is important for marketers to bear in mind (even under pressure to achieve short term goals) that marketing is one of the most important business functions in modern businesses and corporations. Marketing and advertisements are the first thing public relates to the company, and it is important not to compromise long-term reputation and success for achieving some current goals.

As all other business functions of a company, marketing is part of the various codes established on the organizational level. Among the codes that arrange behavior in company, there is ethical code as one of the most abstract ones. Namely, ethics, as a philosophical phenomenon, does not have a universal definition for which a general agreement among academic corpus is achieved. Ethics and ethical behavior are perceived differently not only among nations and countries, but also generations, peoples and professions.

The ethics in business behavior was present throughout many centuries. Far before marketing was defined as a business component, in the ancient Rome, philosopher Cicero advised merchants not to raise prices in the times of shortage. More detailed analysis of the ethics of marketing however was not developed before 1960s, when the literature and the interest in the subject grew significantly (Nill & Schibrowsky, 2007, pp.256-257).

The first articles that were investigating the topic of ethical issues in marketing also appeared in the 1960s, but those were more in the form of philosophical essays and of such content. Modest improvements and work on the topic continued through the 1970s, while in the 1980s a major research focus was pointed to the questions of ethics and its interference with marketing. The first comprehensive and extensive article in the marketing ethics literature, consisting of over 100 referenced sources was written by Murphy and Laczniak in 1981, in which they came to the conclusion that marketing ethics is “nonmainstream, predominantly prescriptive in terms of giving normative advice to marketers, and is dominated by ethical issues in advertising and marketing research ethics” (Nill & Schibrowsky, 2007, p.257).

During the following years, the ethics in marketing was covered more broadly and deeply, it got greater academic visibility in reputable circles of the academia, and also theoretical and empirical foundations of the issue were formed. The number of articles on this topic, along with the interest in the topic and its importance has been constantly increasing over the last decades (Grundey, 2007, p.42).

Jamnik (2011, pp.43-50) made a distinction between three areas in which marketing ethics is being examined in the scientific literature. The first one, **descriptive marketing ethics**, is common for studies that empirically investigate moral values, principles, or beliefs held by people. These studies are also related to the conditions that bear directly on the realization of the principles and values. In marketing ethics, description can be made in two forms that people are not always able to distinguish: they investigate different types of influence on the ethical behavior of marketers in decision-making process or the researchers try to devise models to describe and/or explain the ethical decisions already made by the marketers.

Normative marketing ethics is the second literature movement. Within this movement, there are two streams of discussion in the academia: *applied* and *theoretical* normative ethics of marketing. *Applied normative ethics* uses moral values and principles both to evaluate the marketing practices and to engage into changing these practices. Four main sets of values are mostly present in the literature discussions when it comes to applied marketing ethics - truth, freedom, well-being, and justice. These areas are also the ones where marketers are criticized the most for their (un)ethical practices.

Theoretical normative marketing ethics on the other side has sought to formulate the values and standards that are actually used to judge the marketing practices. These formulated values are the values to which people should appeal when it comes to marketing. Apart from this, theoretical ethics try to establish normative guidelines for the managers which are supposed to be followed in order to resolve moral disputes or to investigate morality of functional marketing areas.

Finally, **analytical marketing ethics** is the third literature current distinguished in Jamnik's study. In this mostly theoretical area, sophisticated topics such as the nature of different marketing concepts, the kind of justification that can be given for moral judgments of basic marketing, is there a distinction between marketing and ordinary ethics, or the reasons for marketers to be concerned about being moral, are being discussed.

Analytical marketing ethics research and studies are very important for marketers' understanding of moral situations and moral dilemmas that they might or are currently facing, both in case of domestic and international practices. The theory they can access in these studies informs them about the moral principles and standards, whether they are justified, and if that type of

justification is limited to the certain geographic area or a society, or it is commonly shared among all societies.

1.1 Ethical component of marketing

Ethics in general refers to moral judgment of decisions and actions as right or wrong depending on accepted principles of behavior shared by the group or seen from perspective of an individual. It is easy to conclude that, from this perspective, marketing ethics present moral principles that define right and wrong behavior in marketing. Although main ethical issues became part of laws and regulations, marketing ethics exceeds legal issues. This fact precisely explains the need for ethical marketing solutions to encourage mutual understanding between society and businesses operating in them.

Dincer and Dincer (2014, p. 152) emphasize that the ethics in marketing ought to be examined from two perspectives: *individual perspective*, that presents personal values and moral philosophies as the core of ethical decision-making in marketing, and the *organizational perspective*, represented by company organizational values, codes of behavior and training, together providing shared and consistent approaches to the ethical decision-making in the organization.

Compliance with ethical standards of one society (ethical views are most of the time shared by certain groups, although they are related to the individual's behavior in their nature) is of utmost importance for a company in order to have a successful business in a specific territory. If marketers fail to undertake ethical marketing activities, the business is at the risk of rejection by the individuals who perceive such action as unethical. This surely affects business success and accomplishment of the company's objectives. Marketing ethics, in order to satisfy the two main stakeholders, hence must promote marketing solutions that are acceptable to the company, as well as perceived as beneficial by (and for) the society.

Marinova (2013, p.536-537) emphasizes three factors that must be examined in order to understand the importance of ethics in marketing. The three factors that are intertwined in the ethical decision-making in marketing are:

1) (Personal) moral philosophy

Moral philosophy consists of the rules, norms and principles of ethical behavior. These principles are shared among members of a society, and they are taught through contact with family members, social groups, religion, and education. Each moral philosophy has its own

concept of equity and ethics and rules of conduct. Among moral philosophies, we make significant distinction between utilitarianism and ethical formalism.

Utilitarianism aims to maximize the greatest good for the greatest number of people. In this moral philosophy, actions are judged according to the consequence they have on all the people concerned by the action. To decide on the ethical component of the action, utilitarians compare all options and choose the one that promises the best results. Any action leading to personal gain at the expense of society as a whole would be considered as unethical by this moral philosophy.

The golden rule of **ethical formalism** can be found in the following statement: “Do to others as you would have them do to you”. This moral philosophy develops special rules of behavior that focus on the expectations of a particular behavior and the rights of the individual. The assessment of the ethics in behavior is done on the basis of identification of a violation of the rights of the individual or the universal rules.

2) Organizational relationships

Members of organization often face conflict of ethical values. It is not unusual for an individual to be exposed to two different sets of values, one nourished in his/her home and society, and other characterizing his/her workplace. Therefore, relationships among employees, work colleagues, or superiors can cause ethical problems such as maintaining confidentiality in personal relationships, meeting the obligations, responsibilities and respecting agreements and avoiding pressure which can make others behave unethically. From the one side, marketers have an obligation towards their employers to achieve certain performance and desired objectives.

On the other side, there are their inner beliefs and judgments that control personal feeling of right and wrong. In order to be on the right track, marketers must balance between the expectations from them and their personal expectations from themselves to make achievements in ethical manner (according to their individual norms). The relationships they build with their colleagues must also represent balance between the two.

3) Possibilities

Available possibilities can, in a way, be a test of whether the person will behave ethically even without direct pressure to do so. Namely, in the business, there will be certain situations that could be regarded as opportunities for great success. The awards from successfully used opportunity may be internal and external. While internal are related to the personal feeling that a person did a good act, external are the expectations of external award from others, proportional

to the value created with the action (often in form of praise from the superiors, promotions, salary increase, etc.).

Sometimes, in companies, results are more valued than the background of the action (whether it was ethical or unethical). Practical experience shows that if people are not punished (but rewarded) for using the possibility to act unethically, it is actually very likely that they will repeat such behavior. Therefore, it is important to develop a sense of ethics in order to be able to implement ethical marketing.

As quoted by Shaw (2012, p.72), Laczniak and Murphy defined marketing ethics as “the systematic study of how moral standards are applied to marketing decisions, behaviors, and institutions”. In the same book, Shaw (2012, pp. 72-75) distinguishes between two marketing ethics:

- 1) **Positive marketing ethics**, that observes the practices in marketing from the standpoint of “what is”, and
- 2) **Normative marketing ethics**, that relates to how marketing should operate according to certain moral standard, belief or theory. This ethics, however, can provoke many controversies, as the general agreement on standards and beliefs has not been reached yet.

For the positive marketing ethics approach, the most famous is the Hunt-Vitell model of marketing ethics. Hunt-Vitell model is a framework on which numerous empirical tests were based. The advantage of this model is that it takes into account numerous factors, such as:

- 1) Environmental dimensions and the organization influencing ethical actions,
- 2) Recognition of an ethical problem and its possible consequences by the decision makers,
- 3) Teleological and deontological norms that might affect decision maker’s selection among various alternatives,
- 4) The types of ethical judgments made in various situations,
- 5) The formation of any intentions attributable to the marketing practitioners at focus, and
- 6) A measure of the outcomes of actual behavior (Shaw, 2012, pp. 74-75).

This model is particularly efficient in specification of the gaps between the actual behavior of the decision-makers and the expected behavior according to various marketing ideals and norms. The suggestions of this and similar models is that when addressing ethical questions, managers use different standards, which eventually influences the decision made. The way of tackling the ethical issue depends on the issue itself, as well. In such systematic ethics research, the positive and normative aspects of marketing come together, and thereby marketers are able to learn what to “fix” based on what is actually going on (Shaw, 2012, pp. 74-75).

Another distinction, pointed out by Laczniaak and Murphy (2006), is made between **micro ethical questions** (ethical questions related to marketing practices that are examined at the individual company's level), and **macro ethical questions** (examination related to their influence on the society in a collective way).

The pressure from both company and society can result in some activities by marketers that are considered to be questionable. Therefore, many codes of behavior were established among practitioners of business disciplines. Among numerous ones present in the area of marketing, the best known is the American Marketing Association's (AMA's) "Statement of Ethical Norms and Values for Marketers". Documents like this clearly present marketers' obligation, as well as the obligation not to do any harm while executing their business responsibilities (Shaw, 2012, p. 73).

Kotler and Armstrong (2012, pp. 604-608) also emphasized that breaching marketing ethics by the company harms both its consumers and the entire society. Therefore, it is not surprising that today, when marketing ethics is mentioned in media reports, this term usually accounts for some of the violations of the ethics code of the society. In time, it reflects on the company's reputation as well. This implies that, for a long-term survival of the company, it is necessary to pursue marketing goals through ethical marketing conduct. Many companies today have ethical codes related to their marketing functions. Nevertheless, it is important to implement these codes in order to be able to call company's behavior ethical. Faced with many challenges on the market, marketers are often torn between what is right to do (ethically) and what they should do if they want to achieve economic goals set by the company.

In general, marketing as the area of business is most frequently subject to ethical considerations and questioning. We make a difference between two relations which can provoke ethical conflicts in marketing (Al-Nuemat, 2012):

- 1) Difference between the needs of the company, industry and the society and
- 2) Conflicting interest of the individual and the organization.

1.2 Marketing ethics and social responsibility

There is nothing unusual in relatedness of these two areas. Social responsibility needs to be incorporated into company's values, and it is in a way an obligation company has towards the society in which it operates its business. The components of social responsibility cover economic, legal and philanthropic areas (Saucier, 2008, p.2).

Economic responsibility is related to production of products that the society wants and needs for their comfort and everyday needs. The prices of such products should be reasonable, leaving both society and business content with the trade. **Legal responsibility** is controlled and defined by the laws (usually, laws and regulations are specific to countries, with the exceptions of the cases of union of countries, where regulations are harmonized). Philanthropic, or **ethical responsibility** may be the most challenging to accomplish, especially if the business comes from different society where different norms are dominant. Ethical component is related to the desired behavior, regulated only by the society and its norm, with no written clue on what is considered to be ethical and what is socially unacceptable (Saucier, 2008, p.2).

According to Saucier (2008, p.2), social responsibility can best be seen as moving beyond economic and legal obligations in order to reach an understanding with the society where the business operates. Business ethics and social responsibility together provide a foundation for making and conducting the best business decisions to satisfy the environment in which the organization runs its business.

Vitell et al. (2003, pp.78-80) decided to take an interesting approach to examining what may influence ethics and social responsibility. Namely, they made a research on relation between the importance of ethics in business and marketing and social responsibility using Hofstede's cultural dimensions, and the study was done on marketing professionals. Sample was drawn from the United States, and it was proven that the cultural dimensions do have influence on how the ethics and social responsibility are perceived by the individuals and businesses. Other important factors that influence perception of the two phenomena are the individual decision-maker's ethical attitude and the corporate culture of the organization.

Cultural dimensions have, in most cases, predictable effect on the perception of the role of ethics and social responsibility (later in the text referred to as PRESOR). For example, using the Hofstede's cultural dimension typology, they confirmed that the higher levels of uncertainty avoidance are related to the higher importance given to the ethics and social responsibility by the individuals. Individuals that are more prone to risk taking do not give that much importance to the ethical component of their behavior (Vitell et al., 2003, pp.78-80).

According to the same study (Vitell et al., 2003, pp. 78-80), power distance proved to have negative effect on PRESOR, most likely because of the established belief that among the cultures with high level of power distance, individuals will regard any behavior as ethical unless there is a specific policy that is against it, while the individuals from low power distance cultures pay more attention to the personal ethics, and their behavior is likely to be ethical even if not stipulated so by the specific policies.

For other cultural dimensions, no stronger correlation was found despite the expectations. The results were probably different from the expectations due to the sample population, which was drawn exclusively from the United States and therefore the cross-cultural element of Hofstede's cultural dimensions typology was neglected (Vitell et al., 2003, p. 80).

The study also concluded that the organizations themselves can positively influence the moral thinking of their employees. The most effective way for this to be done is to create a clear set of ethical values and policies, as well as their true and consistent enforcement (Vitell et al., 2003, p. 80).

Clear set of ethical values and policies would be a useful guide for both risk takers and uncertainty avoiders. In this way, risk takers would be informed that the unethical actions are undesired and intolerable. Also, if ethical standards are coded into policies, for people that are low in uncertainty avoidance it would be easier and more natural to accept that ethics and social responsibility are of actual importance for the organization.

In case of power distance, uniform set of values on the organization level is important as well. If the clear and specific code and policies of ethical behavior are established at the organization level, it is harder for individuals that are high in power distance to incorrectly interpret the top management desires related to ethical issues.

In order for ethical policies to be effective, it is important that they are communicated to the employees, and thoroughly revised by the concerned parties (top management in the first place). If ethics and social responsibility are to be included as core values of the organization, it is important to include them into strategic planning process as well, starting from the formulators of the strategy (policies and codes of ethics are not only of concern for the ones who will be implementing them; the strategy creators must assure that they embrace the ethical behavior in both their private and professional lives).

It is a responsibility of the business to approach with an honest and open attitude both its inner organization as well as the society in which it conducts its business. The social responsibility is the natural consequence of such behavior. In order to be appealing to the society and to achieve acknowledgement of success and good practice, marketing (as well as other business practices) of the company must rely on the ethical norms of the society concerned. Understanding and building of mutual values between a company and the society is crucial for the social confirmation and support that a prosperous company definitely needs.

2 MAIN ETHICAL ISSUES IN MARKETING

The question about ethics can be raised on any topic and any act in the world, as people (and researchers) have different standpoints when it comes to defining and considering events from the world as ethical. Therefore, it is a real challenge to be able to present the area where there is consensus on what is unacceptable from the ethical point of view. There are, however, some areas that are emphasized by various authors, hence we can observe a partial agreement on the topic (or at least spot that there are some directions of thinking shared by the esteemed scientists and researchers in the area).

As the main topic of this paper is related to marketing, the ethical component, issues, and concerns examined here are also related to the marketing practices and advertising techniques. The issue of the ethical marketing is important for the experts and the society as a whole, in order to be able to warn the people about the influences they are being exposed to (especially in case of some techniques that people are not completely aware of, including the ones that are influencing their decision making on the subconscious level).

The consumers themselves are also able to detect certain issues in the marketing. Table 1 lists the 10 most widely recognized practices that are against marketing ethics recognized by consumers, and recorded by Saucier (2008, p.8).

Table 1. Consumers' ranking of 10 most widely prevalent advertising practices

1	Unrealistic standards of beauty
2	Exploiting children by convincing them to buy things that are bad or unnecessary
3	Being creative or entertaining with advertising
4	Reducing amount of product and charging the same price
5	Targeting specific groups and convincing them to buy things that are bad or unnecessary
6	Misleading/exaggerated health benefits
7	Misleading and exaggerated environmental benefits
8	Subliminal advertising
9	Making unfair/misleading comparisons
10	Using online services to provide more detailed information

Source: Saucier, R., *Marketing Ethics*, 2008, p.8

As we can clearly see from the Table 1, numerous ethically questionable practices are noticed by the consumers. A worrying conclusion from this table might be that the prevailing tactics used by the marketers are manipulative, and as such, first noticed and listed by the consumers. It is therefore important to look at these practices more thoroughly, in order to see the reasons why

they are considered to be unethical from the marketing point of view. These tactics are recognized as most frequently used by the consumers, with the objective to raise awareness of a brand, or to simply increase sales and profits which a company makes. The issue here, however, is at what cost, and whether the codes of ethical behavior are set aside in order to fulfill other goals.

Apart from the distinction of marketing practices made by the consumers, the ethical component can also be considered with respect of the elements of the marketing mix. Baker (2012, p.2) takes into account 4 elements of marketing mix (product, placement, price and promotion), and identifies ethical dilemmas and challenges marketer may encounter when dealing with each of the four elements. The challenges are briefly explained in the Figure 1.

Figure 1. Ethical challenges related to the marketing mix



Source: Baker, M., *Marketing Responsibly: Addressing the Ethical Challenges*, 2009, p.2.

As Table 1 and Figure 1 clearly show, there are certain marketing practices that are considered to be against marketing ethics. Apart from the experts, more and more consumers are starting to

realize deceptive strategies marketers use to avoid marketing ethics, and place the product on the market at any cost. It is therefore important to point out that these marketing practices can be subject of criticism for being unethical. The most common and worrying practices will be briefly investigated in order to get a more detailed image of the common issues appearing in marketing ethics.

2.1 Intellectual property

Intellectual property is not actually a physical property one can own; it rather refers to the products of person's mind (that belongs to the individual or the company). It is protected by laws in order to encourage creative thinking and development of new ideas and solutions for the universal benefits (Shaw, 2012, p.166).

The abuse of intellectual property is against marketing ethics. Using protected logos in marketing campaigns, building brands on false or falsified claims or diminishing competitors' competitive advantage by breaking patent rules are only some of the ways how intellectual property rights can be infringed in marketing. Most of the practices mentioned are illegal as well, but in certain occasions legal loopholes can help companies evade punishment. Nevertheless, breaking marketing ethics rules in such situations is undeniable, and therefore this issue should be looked into deeper.

In general, the intellectual property raises several ethical issues. First one is related to the protection of one's work and ideas. The inability of the creators to protect their rights as the contributors to the common good (which is present in some countries, where intellectual property protection is still not well defined) might influence their desire and willingness to engage in further idea development. The other issue is the complete opposite. Namely, with the development of the Internet and the ability to share and create innumerable information daily, it became very difficult for individuals and companies to protect their intellectual rights. In a way, that can "motivate" them to simply copy work of others instead of trying to develop unique technology. It is also important to mention that assigning rights to intellectual contributions can also mean having negative rights, as intellectual property means excluding others from using the property (Shaw, 2012, p.166).

In the field of intellectual property, and when marketing ethics is concerned, we distinguish several categories. **Branding** is one of them. What can be problematic with branding is its, in a way, manipulative nature. Namely, it is considered that branding implicitly builds expectations and promises about future products, its characteristics and quality. From such expectations and promises, it is logical that a company has certain responsibility, and some kind of ethical

compliance duties. However, if the company fails to fulfill the promises given, this situation can be seen as a sort of deception (Jeurissen & van de Ven, 2006).

Copyrights are also intellectual property protection mode. A copyright is a set of exclusive legal rights delegated to someone for a particular work. Copyright has a purpose to protect ideas from the intellectual property misuse, by stipulating legal sanctions if the rights of the author are not respected. These rights are not granted automatically; originality must be proven in order to protect intellectual property. Another important fact is that the copyrights are not eternal. They are granted for a certain period of time, in most cases for up to 50 years before the copyrights expire (Shaw, 2012, p.164).

As the third important category of intellectual property, there are patents. **Patents** are granted exclusively in relation to establishing extraordinary systems, processes and inventions. Patents are usually granted for shorter periods of time (20 years). It is known that patents bring economic benefits to the ones that hold the rights over them. This guarantee of exclusive rights in case of an invention or unique process actually promotes innovativeness, and encourages companies to allocate certain funds for research (as they expect significant financial benefits once they successfully patent the invention). It also inspires technological progress and economic growth, as people try to design new approaches to the problems which the patents are solving (Shaw, 2012, p.165).

2.2 Database marketing and privacy on the Internet

In the past few years, the heated debate is being held on how ethical actually are the numerous actions which the marketers take nowadays to collect information about their (both loyal and potential) customers, as well as to place their advertisements at the right place and the right time, so that they are always in people's sight.

Presence on the Web enables companies to overcome barriers such as time and location, giving them broader audience and market for their services and products. The information is available and accessible very easily, luring businesses to make their operation more successful by obtaining more of them. It is also important to mention the absence of clear regulation of the Internet market. Therefore, it is not a rare situation that a company, attracted by the illusion of freedom the Internet gives to companies, neglects the importance of conventional business values and the laws. Laws are being shaped to tackle the issue of the Web felonies thoroughly, while the customers are not forgiving when they feel tricked in online transactions.

The main concern from the ethical point of view for many people is the intrusiveness and the violation of individual's privacy that is becoming prevalent on the Internet. Most frequent form

of intrusive advertising on the Internet is spam. Spam is mostly related to the e-mails that are received, and people are not even aware of how the companies obtained information about their needs and the online searches they made. Another sort of spam is banner advertising on websites, most of the time directly related to the previous searches on the search engine (Murphy et al., 2005, p.171).

How is that possible? What enables marketers to get in possession of these data? Many people are not aware of the presence and intrusiveness of cookies. Namely, while computer is connected to the Internet, it regularly accepts small incoming programs (cookies) that 'nest' in the computer, enabling the computer activity to be automatically recorded without any further notice to the user of the computer. This perfectly serves the marketers in tracking customers' activities on the Web, their preferences and interests. Likewise, they also get an insight into consumers' shopping behavior (Murphy et al., 2005, p.171).

Collecting such detailed and private data about consumers and potential consumers violates privacy of individuals. While marketing ethics asks for application of practices that will enable consumers to find products they are searching for, but without using their weaknesses or influence on subliminal level to do so, collecting and processing these data for marketing purposes is quite the opposite.

It is also a common practice that data are sold by some companies to the other companies. Especially in the United States, where this practice is not considered to be particularly intrusive (unlike in Europe), the information about the customers that subscribed to the certain webpage are available to other companies that might be interested.

This level of intrusiveness into person's privacy is definitely a questionable practice, at least from the ethical point of view, if not legal as well.

2.3 Minorities

Minorities can be defined in various contexts: by gender, disability, age, religion, sex orientation, and many other criteria. However, when talking about minorities, the first association concerns the ethnic minorities in a certain country. Shaw (2012, p.186) explains that minorities "can be defined depending on specific context, but generally minorities make up either a subgroup that does not form a majority of the total population, or a group that, while not necessarily a numerical minority, is disadvantaged or otherwise has less political or economic power than a dominant group".

Most of the marketing campaigns have historically been oriented towards larger populations, where the reach and effect of the message is stronger and wider. With time, the importance of targeting special groups and addressing their specific needs has increased. While many groups were not able to find themselves in advertisements for the 'crowd', they could relate very well to the messages that are conveyed to attract the category they belong to.

It is nowadays very common to see advertisements in languages of the minorities, or adjustment of products so that they resemble those from the countries of origin of the targeted minorities (when we talk about ethnic minorities).

When marketers, out of their desire to give minorities greater and more comfortable access to products available to the mainstream consumers, do not realize that such act can be perceived as humiliating, it is a reason for concern in terms of ethics; it basically means treating minorities as vulnerable group. Such approach is ethically unacceptable as people and groups definitely must not be regarded as 'vulnerable' or 'sensitive' categories just because they belong to a group that does not conform to majority in some of its characteristic.

2.4 Marketing to vulnerable groups

Targeting is a strategy often used in the marketing. By concentrating on one specific group, marketers are able to better get to know their needs, become more familiar with their way of thinking and perceiving the world, and therefore have better chance to place their products on their purchasing lists. Where ethical issues arise, however, is the way of collecting this information; have the privacy rights of individuals been violated at any moment of the data collection process? Another issue of ethical concern is the focus (targeting) on vulnerable groups in the society.

Vulnerability can be regarded from many different aspects. However, one of the clearest definitions was given by Andreasen and Manning (1990, p. 13), who stated that the term vulnerability refers to "those who are at a disadvantage in exchange relationships where that disadvantage is attributable to characteristics that are largely not controllable by them at the time of transaction."

Murphy et al. (2005, p.70) also make clear distinction between four ways in which consumers can be vulnerable:

1. Physically (due to safety or health considerations),
2. Cognitively (their abilities to process information are low or inexistent),

3. Motivationally (it is hard or impossible for them to resist ordinary (and any kind of) temptations and enticements) and
4. Socially (they feel enormous pressure to conform to the group and its norms).

10 years before Murphy, Morgan et al. also considered possible ways in which consumers can be regarded as vulnerable. Their results were similar to the distinction Murphy et al. made in 2005. Namely, Morgan et al. (1995, pp. 273-274) made difference between physical competency, mental competency, level of sophistication and physical hypersensitiveness.

In the spirit of this classification, vulnerable consumers may be defined as “those who are more susceptible to economic, physical, or psychological harm in, or as a result of, economic transactions because of characteristics that limit their ability to maximize their utility and wellbeing” (Smith & Cooper-Martin, 1997, p.4).

In most cases, we consider susceptible age groups to be the vulnerable categories, which is true for marketing as well. Other sensitive category covers teenagers, susceptible especially to social vulnerability. However, we can consider some categories of adults to be vulnerable consumers as well, in case of specific physical condition, low income or low level of education for example.

Marketing directed towards vulnerable categories, even though it is not strictly regulated by the law, is definitely not appropriate from the ethical point of view. The ability of vulnerable categories to rationally judge what has been served to them via advertisements or on subliminal level via other types of marketing is very low, and taking advantage of someone’s disadvantage is definitely not something we could perceive as an ethical act.

2.5 Marketing to children and families with children

As the technology develops, more and more content that was previously controlled is becoming available to persons from all age groups. In the recent past, it has become much easier for children to approach the world of adults in so many ways. From reality shows, to the TV shows for children that have much more serious content than appropriate, to the websites promoting activities that are not suitable for kids. The global striving towards unlimited information access to all has enabled companies to successfully target children as an interest group for their products.

Surely, children as an attractive consumer category is not an invention of the new era. Their influence on parents was successfully used in past decades. What makes the new generations more interesting, however, is the disposable income they have. Namely, billions of dollars are

spent annually on various toys, games and similar products. It is not rare that these purchases are made under the influence of the kids wanting something they read about or saw on TV.

We can distinguish between two different forms of marketing to children (Shaw, 2012, p.179):

- 1) **Direct marketing**, which involves advertising activities whose objective is to raise children's awareness of a certain product, as well as to provoke interest in getting into possession of the advertised product, and
- 2) **Indirect marketing**. This form of marketing to children has a goal similar to the one of direct marketing methods (creating awareness of the product and its beneficial characteristics). However, indirect marketing is directed to younger persons among parents and others that may be purchasing products to children.

Advertisements are available to children in enormous quantities today. It is estimated that an average child sees tens of thousands of television and print advertisements every year, while marketers have conveniently used the fact that magazines, TV shows and websites aimed exclusively at children are extremely effective medium to spread the message about the product to the wide public (Shaw, 2012, p.179).

Marketing strategies that target children have become very sophisticated. Huge attention is paid to the way children perceive commercials, and there are numerous ongoing market researches on the topic. Also, the television programs and movies for kids often openly advertise products, toys or games that are appealing to children, and this has proven to be a very efficient way of promotion. Those programs are becoming more and more available to children (with the expansion of the Internet).

Science, on the other hand, warns that most children under the age of 8 years are not able to comprehend the persuasive intent of advertising. This practically means that such children are not capable of deeper evaluation of commercial claims and appeals, accepting the information served in the advertisements as truthful and accurate. Therefore, children are vulnerable to persuasion, as they lack the capability to recognize and defend against commercial persuasion (Grundey, 2007, p.50).

Extensive research was conducted to examine and measure the size of the effects of marketing targeting children. Some of the examples are presented in the Table 2.

Table 2. Examples of negative effects of marketing targeting children

The United Kingdom <i>(alcohol abuse)</i>	The average weekly amount consumed by those 11 - 15-year olds who do drink has doubled (0.8 units to 1.6 units) since the last survey in 1996. 4% of boys and 2% of girls had drunk more than 15 units in the week prior to the survey The average amount drunk in the week prior to the survey by those who drink continues to increase from 8.4 units in 1996 to 9.9 units in 1998. Despite it being illegal for anyone under 18 to purchase alcohol in a pub, off license or shop, 28% of 11 – 15-year olds said they did buy alcohol. The 1998 data suggest that pupils are able to buy alcohol at an earlier age in shops and off licenses rather than pubs and clubs.
The United States (smoking addiction)	Approximately 60 per cent of smokers start by the age of 13 and fully 90 per cent before the age of 20. These statistics translate into the need for more than 5,000 children and teenagers to begin smoking every day to maintain the current size of the smoking population. As a result, more than 6.4 million children living today will die an early tobacco-related death. What's more, those youngsters who possessed or were willing to use a promotional item (such as a hat, T-shirt, or other item with a cigarette logo) were 2.89 times as likely to start smoking. The Journal of the American Medical Association provides clear evidence that tobacco industry advertising and promotional activities can influence non-susceptible never smokers to start the process of becoming addicted to cigarettes ... our data establish that the influence of tobacco promotional activities was present before adolescents showed any susceptibility to become smokers ... we estimate that 34% of all experimentation in California between 1993 and 1996 can be attributed to tobacco promotional activities.
The United States <i>(children's obesity)</i>	During Saturday morning cartoons there are typically more than 200 “junk food” commercials. At least 12 medical studies link excessive television watching to increasing rates of obesity. In 1963, 4.5% of children ages 6 to 11 were seriously overweight; by 2001, this percentage had more than tripled. The average American child sees 2,500 commercials a year for “high calorie, high-sugar, low nutrition products”. 70% of food advertisements are for foods high in fat, cholesterol, sugar, and salt, while only 3% are for fruits and vegetables.
The United States (violence and aggression)	By age 18, the average American child sees 200,000 violent acts on TV. By age 18, children witnesses 16,000 murders on TV- most by handguns. 73% of the time, people in TV dramas who commit violent acts go unpunished. 47% percent of violent situations show no real harm to the victims, and 58 percent show no real pain. Only 4 percent of violent programs show non-violent alternatives to solve problems. 80% of Hollywood executives think there is a link between TV violence and real-life violence.

Source: Grundey, D., *Global marketing ethics: social and emotional-psychological issues in advertising to children*, 2007, p.50.

The examples presented in Table 2 show the strength and power of persuasion which precise marketing targeting can have on children and youth categories (teenagers). The placement of harmful products is easier as they become more and more popularized and available to them (even though in most cases they are legally not eligible to get into possession of for example drugs, cigarettes and alcohol). The vices are some kind of symbol of the modern youth, and the messages they receive from the advertisement media daily do not promote an image unlike this one.

On the other hand, while it is well-known that children are not aware of the effects certain products can have on them, what people are less aware of are the tactics used to target families that have young children.

Parents, especially when they are raising their first child, are usually inexperienced and trying to achieve perfection in child-raising. As such, they are likely to be attracted by many advertisements, often advertising expensive and unnecessary products. While striving to give their kids the best possible childhood, parents' attention can be drawn to many products they would not even think of. Advertisements that convey the message of future champions doing this, eating or wearing that, suggest to parents that, in order to provide their children with the chance to excel in future, consumption of certain products might be helpful and give them an advantage.

Not only parents are susceptible to such manipulations. In many cases, grandparents are even more sensitive to their grandkids, and they are willing to spend significant amounts of money on products they believe are something that will make kids happy. It is not rare to see advertisements that show grandkids and grandparents together. This can be seen as a suggestion on what to buy/consume in order to have a harmonic relationship (which is always shown in the advertisements) with the youngest family members (Grundey, 2007, p.51).

The desire to provide kids with only the best can lead people to make irrational decisions in certain cases. Advertisements can sometimes support and provoke such decision-making. Although there is awareness that playing with viewers' emotions is not the most ethical practice possible, it is still widely used in contemporary marketing.

2.6 Advertising and promoting unhealthy products and vices

In theory, harmful products should not be eligible for public marketing as it is the obligation of a marketer to avoid causing harm (otherwise, his/her behavior is considered to be unethical). It is however not rare to see luring advertisements or promotions of such products, including alcohol and cigarettes. Such commercials never state any negative effects of the product; rather, they focus on the experience it may provide to the consumer.

Many of the negative effects of advertising these products were previously mentioned concerning marketing to children. Even though vulnerable groups are most probable to be lured by the commercials, there are also some practices that are used in marketing and that can deceive other customer categories as well.

Smith et al. (1997, p. 4) make a distinction between three dominant ways in which consumers may be harmed by deceiving marketing. On one side, we have the **economic harm**, where the customers are tricked to get into possession of a product that can provoke some economic losses (for example, dysfunctional software packages for tax calculations). **Physical harm** can be also a consequence of using a product which was not completely functional, but sold and advertised as

such. **Psychological harm** is the third way in which customers can be harmed, provoking the uncomfortable feeling of embarrassment.

Marketing of unhealthy products is problematic because of asymmetric information in the first place. Namely, general public is not familiar with many harmful effects or ingredients of the marketed products. Marketers use all the possible techniques to reveal as little information as they can, yet to stay on the right side of the law. Many quasi-experiments are organized to support the claims companies make in their advertisements.

Nowadays, regulations are getting stricter when it comes to advertising of harmful products, especially when we have in mind the wider approach of vulnerable groups to the media, as well. In most countries of the Western civilization, it is prohibited to advertise cigarettes for example, and there is also an ongoing debate on whether there should be a uniform packaging for all brands (to lower brand recognition and eliminate possibility of heavy advertising, especially to vulnerable groups through anti-smoking campaigns with tobacco company's sign).

It is, however, important to realize that such acts by the producers of harmful products are not only legally questionable. From the ethical point of view, no reasonable explanation could be found as to why the harmful product would be available in both stores and the media (surely, the consumption of such product will not be eradicated by simple avoidance to present it in the media, but at least the external pressure (especially on vulnerable groups) would be lowered and there would be no subconscious influence on their decisions).

2.7 Cross-cultural consumer marketing

As the globalization reaches all aspects of the world (including geographical), the most dominant and developed Western civilization spreads its ideology, and the world seems to be going towards more similar, almost uniform way of perceiving events. One certain similarity is a better life standard, higher expectations from the ones prevailing in the past and more globalized information (access to information from all over the world and observing trends and possibilities in other parts of the globe affect desires and expectations).

Nevertheless, it is still important to pay attention to differences between cultures, especially when trying to promote products in certain regions. While similar values are adopted in Europe and United States, the Middle East and Asia differ significantly in what they find acceptable and ethical. Shaw (2012, p.189) explains that this is due to differences in the world cultures. She claims that the cultures worldwide tend to be either rule based or relationship based.

Rule based cultures are Western civilization countries, and they mainly rely on the legal or regulatory system to enforce the rules they perceive to be ‘the universal for fairness’. The dominant form of marketing in these cultures is the **consumer marketing**, that has no personal elements and is aimed at reaching mass audience. Relationship marketing is also present in Western civilization, but consumer marketing is far more noticeable.

Relationship based cultures, on the other side, are mostly non-Western, and they have tendency to place human relationships and interaction in the center of everything. **Relationship** is consequently the main concept on which marketing lies, finding the base for advertising in the personal contacts. Consumer marketing is in most cases unknown to these cultures.

The fact that even relationship marketing practices done in two types of cultures differ leaves space for ethical challenges for the companies doing business in both: how to balance, and how to be sure someone will not get offended with the marketing message conveyed?

The main difference between the two cultures is the relation they have to the message conveyed by the strangers. Namely, in Western cultures, it is considered natural for consumers to trust products and believe advertisements that are created by strangers, while for relationship cultures, where the trust is mainly given to smaller circles (friends and family), this way of marketing is unfamiliar and unnatural. What is also typical for non-Western cultures is the lack of strong legal and economic system. Faced with unregulated environment, and the inability to judge between products and their quality, people naturally turn to their only sure and proved values, families and friends. It is precisely the unregulated environment that is perceived as an opportunity by some companies to place products that would be prohibited in better regulated countries (dangerous pesticides, unsafe equipment, etc.). Such behavior represents the most harmful violation of marketing ethics these companies claim to have in their legally regulated countries.

Another issue that is against marketing ethics is the attempt to place uniform marketing practices worldwide which can also result in promotion of products that are considered as inappropriate in certain societies (for example, alcohol in Muslim countries, or ‘Day after’ pills in Roman Catholic countries). The content of the advertisements can also be found insulting and disrespectful by some relationship cultures, while in the Western civilization they are perceived as acceptable (Shaw, 2012, p.189).

The dominant values in the culture are to be respected when it comes to the relationship marketing. These values also differ between the two types of culture. While in relationship cultures people value loyalty to the associates, boss and company, the Western values are more focused on ‘playing by the rules’ (Shaw, 2012, p.189).

The marketers however seem to be realizing the importance of including these differences in their marketing plans. Modern marketing tends to accommodate all the particularities of a culture, and even the products are becoming more customized. Great attention is paid to the way customers perceive the message of the company's marketing, and improvements are constantly being made. However, the ethics part in their marketing still seems to be neglected. It is of utmost importance for the future of marketing ethics that these companies realize that changes in marketing practices should be made out of respect for their customers, and not only for profit. Only then can we speak about genuine respect of marketing ethics.

2.8 Subliminal advertising

The art of marketing a product has advanced enormously through the years. Marketing is no longer focused completely on selling a product. It is also about understanding deeper needs, thoughts and attitudes of customers, relating to their point of view, and getting to know psychology underlying their decision-making and buying behavior.

Understanding psychological component of one's behavior also opens a space for using this knowledge to subconsciously influence the decisions people make. The messages conveyed in this way are subliminal, affecting subconsciousness of the person. Persons are most of the time unaware that they have been exposed to such way of persuasion, but the received messages influence their decision-making.

Subliminal messages, especially the ones expressed in words, are believed to have the ability to interfere with different aspects of the persons' psychology and behavior. Namely, the message can inspire an individual to feel certain emotion when exposed to the message, to take or not take a certain action, as well as inspire one to strive for change. It is believed that the best messages are conveyed in a way that raises interest in what it has to say from the very beginning.

For creating subliminal message, usually an entire set is being made. Not only words are used to convey a message; pictorial techniques along with the appropriate music background are proven to have beneficial effects for the advertisement success as well.

Zeigarnik effect is potentially the best explanation on why the subliminal messages have that significant influence. Russian psychologist Bluma Zeigarnik is considered to be the person who first noted scientifically that the things that are left incomplete are more likely to be remembered by people than the ones that have been completed. Consequently, this can be used for conveying subliminal messages in the advertisements as well. It helps to maintain the attention, once it is attracted by leaving some things unspoken to trigger the imagination of the spectators (Lakhani, 2008, pp.143-146).

Many studies have been conducted in order to obtain better insight into the real effects of the subliminal messages on human behavior. It first started in 1950's, with research on the effect of short, barely evident logos which were presented to the people in cinemas during movie screening. Although the researcher exaggerated when presenting the effects of the message (reporting effects much bigger than they actually were), the attention was brought to the topic anyway, and many reliable studies were done afterwards (Psychology Today, 2011).

The study done by Verwijmeren et al. (2011, p.211) examined the impact of subliminal messages on the choices of an individual. In this study, experimenting with the choices of drinks and level of thirst among the participants, the researchers concluded that the subliminal advertising definitely has some effects on the choices an individual make. It will most likely not make person do something it naturally wouldn't, but if a person does not have an already existing strong preference toward other product, it will choose the product subliminally presented to it. It is not recorded that subliminal messages have the power to change strong preferences, or have any effect on decision-making in case they exist. The best results of subliminal advertising were noticed in cases where individuals were already motivated to pursue a certain goal, and the strongest effects were reported in cases where these messages enabled people to abandon the boundaries they usually have in their thoughts, lives and habits. If they arouse and encourage some hidden desires, subliminal messages have a great potential to actually influence one's behavior.

There is an ongoing debate on the effects conveying subliminal messages actually have on the individual and its behavior. While many experts agree that the influence is strong and undeniable as the unconscious part of one's personality is concerned, there are also some opinions that are denying any serious effects of subliminal messages on behavior. It is not the effect of such acts that is questionable, however, but rather the intention which the marketers have when trying to implement such methods in order to attract customers.

The ethical nature of marketing is violated by an act such as subliminal marketing, and even if the positive effect is not reached, the intention cannot be considered to be an ethical one. Companies frequently investigate consumers' psychology, behavioral patterns, emotions they attach to certain products and the logic they use when choosing a brand to be loyal to. Although the act of collecting this sort of private data alone can be ethically questioned, it is more worrying that these data are afterwards used to somehow take over the consumers' will and decision-making, subconsciously.

2.9 Consumer deception

It is well-known that marketing and advertisements are in many cases the first way to communicate with consumers, and consequently, most of the time, the first association of the individuals with a company. Therefore, the practices that are used when marketing and advertising a product determine the public image of the business. Fair and ethical practices ensure that a company is able to build strong reputation, while deceptive advertising methods, once discovered and confirmed, provoke questioning of all previous and future statements given by the company.

Within a company, marketers are believed to be the ones who make the crucial decisions on how to market and advertise a certain product. It is a fact that they have the main word when it comes to determining marketing solutions, but it is also important to realize that their responsibilities are not only towards the public. Companies have internal goals, and marketers are expected to achieve those as well. Profit is one of the most important goals to be achieved, and it is not rare that profits are achieved by neglecting ethical component of marketing, and using deception to attract customers. In the long run, this solution is not sustainable, but most companies that decide to use deception hope that this unethical act would not be discovered.

Deception methods that companies use are numerous, and they are becoming more creative, due to better accessibility to markets, consumers and sales channels. The possibility to use deception comes from the fact that *information in the society is asymmetric*. The company has more information about its products, their content and possible side effects, but it is not willing to share this information with public, especially if the knowledge about it would undermine the sales and profits.

Examples of deception are numerous. Tobacco industry for example used adjustment of the amount of menthol in cigarettes in order to create comfortable experience for the first-time smokers. The idea was to attempt to lure them in the world of smokers. The labels stating effects on health were present on the packaging, but changing the taste of cigarettes and making them seem not that harmful and the addictive effects hidden under more appealing taste seem contradictory at least (Mandal, 2010, pp.144-147).

Another famous example is cooperation of the washing detergent producers, that promoted their detergents as more concentrated, sold them in smaller packages for the same price, convincing the consumers that decision to use this detergent is even friendlier to the environment. The list of examples goes on, present in all spheres of life, from toys sold to children (e.g. toxic and sometimes even prohibited in some markets due to the content or the quality of the materials used) to drugs and medicines (e.g. side effects hidden from consumers).

All of these practices mentioned are against marketing ethics, as it claims that marketing should not be intrusive, but rather informative to consumers. In addition to that, these practices make the consumer wonder whether the company actually respects the most important statement every company gives when becoming involved in marketing practices, and that is not to do any harm to the consumers.

2.10 Fear techniques

The desire to conform to the society rules, as well as the need to do things right which is natural for humans, turns fear into a powerful asset for marketers which can be used to influence individual's behavior. The fear techniques used in the advertising usually aim to provoke certain action by describing the negative results that will occur and affect them unless they follow the action proposed by the advertisement.

Fear techniques are part of persuasive tactics used by the marketers in order to get customers do actions that favorably affect the sales. Use of these tactics sends a message to the individual that his/her way of thinking, if different from the one presented by the advertisement, is wrong. The suggested change of behavior or habit actually implies that the consumer behaves improperly. The product marketed in this way usually offers a 'proper solution' and reduces the fear from doing something wrong imposed by the advertisement. In essence, the product offers the solution for the inexistent problem, which is actually a basic situation, just presented with the terrifying tone (Saucier, 2008, p.13).

These techniques are employed through two approaches that marketers usually use: *fear of negative consequence provoked by not using the product advertised*, and *fear of negative outcome related to certain behavior*. These approaches raise important questions of ethics in marketing performed in such manner (Saucier, 2008, p.13).

Using fear techniques and aiming to increase sales by affecting the sensitive parts of human psychology, in some cases even not fully consciously controlled by the individual is not an entirely honest approach to the consumers. Also, it is not rare to see these techniques applied in emphasizing worrying outcomes that may be the result of using competitors' product, which undermines the fair competition practices (Saucier, 2008, p.13).

The fear practices are not used only to get people to consume certain products. They are sometimes also used to help people avoid certain behavior that genuinely harms them (such as drug consumption or tobacco usage). Some of the experts believe that fear techniques can help

individuals deal with their problems, or help the society manage its unfavorable situation (Saucier, 2008, p.13).

Ethically questioned are practices that provoke emotions in people in order to inspire them to make unnecessary purchases of a product that can solve imaginary problem, presented by the advertisement for the very product. Over exaggeration of problems to get more attention, become more persuasive, and in the last instance sell more, are commonly used marketing techniques. Therefore, the ethical issue related to fear techniques remains open (Saucier, 2008, pp.13-14).

2.11 Perfect image pressuring

Nowadays, there are uniform standards for most of the spheres of human life widely spread and accepted in society (especially present and similar in the Western civilization countries). For example, beauty is measured with the hair color, waist centimeters or weight. Power and wealth are measured with number of cars owned, size of house, type of vacation people have, without them actually being consulted when setting standards.

Perfect image does not set only standards of physical appearance; the behavioral component is also set. Kids are encouraged to have expensive and branded things, technologically advanced, without the actual need for them. Smoking is promoted among teenagers as cool.

Not only vulnerable groups are susceptible to the pressure to become perfect according to the standards accepted by the society. Numerous studies show that both men and women have the need to look perfect, dress attractively and behave according to accepted rules in higher classes. How are these rules being made? Mainly through the picture served in public by the advertisements, in many cases supported by the results of quasi-experiments.

Saucier (2008, pp.79-80) states that in psychology, experts use two comparison theories to explain the power of media: cognitive and social. **Cognitive theories** emphasize the automatic and unconscious nature of the thoughts that appear when a set standard is communicated to the individual. For example, faced with the images of thin glamorous women, that are previously been set as standard for beauty by the marketers, other, 'normal' women cannot help but feel dissatisfied with themselves and their bodies. **Social comparison theories** on the other hand suggest that individuals, even in the absence of the objective means for comparison, tend to compare themselves with others. People shown in the advertisements are also used for comparisons. When there is a discrepancy between ideal state (perceived) and the actual one, the dissatisfaction appears. In these situations, it is not rare to have people feeling inadequate if they are unable to fulfill the requirements in order to become similar or same as the ideal, comparison person.

The ideals however, are constantly changing. The pressure on people to be ‘perfect’ is becoming stronger than ever, interfering in all spheres of lives. Marketers play on the emotions and target mostly sensitive areas: parenthood with the accent on what a good mother does or consumes, or how fast she should look like a model after she has delivered a baby; education of children, and how much they should be allowed to have/do; what makes a teenager popular (mainly possessions and habits like smoking promoted in this way). The global availability of information enables such information to spread faster and wider, enlarging the number of individuals faced with the standard.

In the world of interconnectedness, it is hard to explain to individuals that widely accepted practices are not necessarily the best ones as well. Surrounded with the set standards and images of the ideal from all sides, starting from the media to the family and friends, individuals, even if they naturally wouldn’t, start to feel pressure to conform to the standard and be ‘beautiful’, ‘cool’, and most importantly, accepted.

Creating such sort of pressure on individuals in order to achieve business goals is far beyond from what may be considered as ethical behavior of a business and the marketers as creators of such pressure and images that symbolize it. Both human psychology and social (peer) pressure lower the ability of an individual to fight these imposed standards and try to be accepted the way he/she is.

3 TOBACCO INDUSTRY

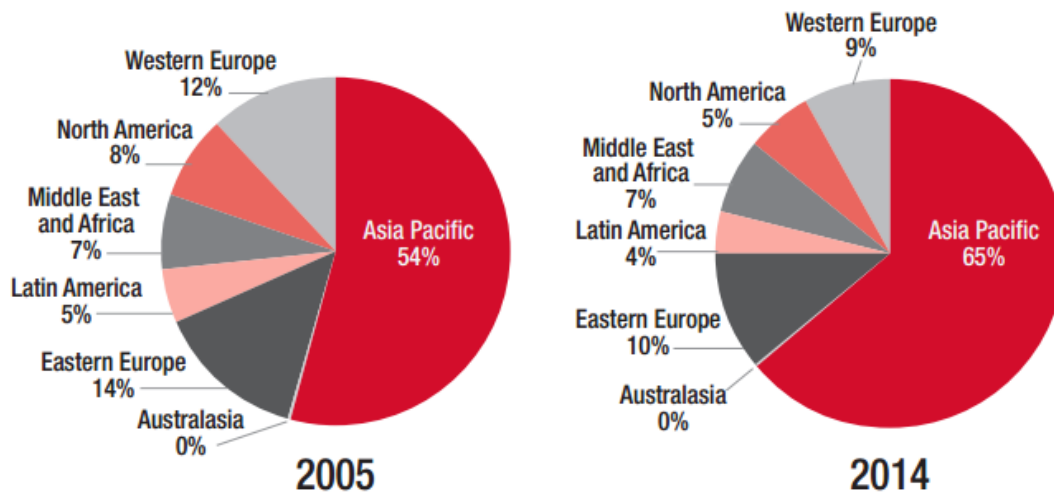
3.1 Industry characteristics

The value of the global tobacco market for 2014 was estimated at 744 billion US dollars, with annual sales at the level of 5600 trillion cigarettes worldwide (Tobacco Free Kids, 2015b). When it comes to sales and retail value volumes, we can see that both are increasing, but at different pace; the pace of growth is much larger for the retail value of the industry. For example, between 2000 and 2014, the global sales volume of cigarettes increased by 8%, while the retail values of cigarettes sold increased by 121% (Tobacco Free Kids, 2015b).

If tobacco industry is observed by markets, it is easy to conclude that there are different trends on different markets. The demographic trends are changing, and these changes threaten to seriously influence future sales and profits. Namely, developed countries are characterized by the declining number of active smokers, while the trend in developing countries (especially Russia and China) is reverse. The fact that developing countries also face trends of growth in population rates creates additional space for tobacco companies to increase their revenues in these markets.

It is estimated that developing nations account for over 70% of the total global tobacco consumption. The cause of this remains unknown, but factors that certainly help such statistics are the lack of advertising bans, warning labels and distribution restrictions in many of these countries.

Figure 2. Global cigarette market by regions



Source: *Tobacco Free Kids*, 2015b.

Figure 2 shows the increasing trend in the number of cigarette consumers in low- and middle-income countries (developing countries) measured in two years, 2005 and 2014. As we can see, the huge increase occurred in the Asia Pacific region (from 54% of global cigarette market in 2005, this region accounted for 65% of the global cigarette market in 2014). On the other hand, we can see drastic market drop in developed regions such as North America or Western Europe, and the progress was made in Eastern Europe towards lower consumption of cigarettes. A significant contribution to lowering the share in global cigarette market in case of Eastern Europe was given by the stricter laws and regulations for smoking in public places and advertising of tobacco products.

3.1.1 Top 5 cigarette markets

Table 3 shows the largest markets for cigarettes in 2014. The top 5 cigarette consuming nations in the Table 3 (China, Russia, United States of America, Indonesia and Japan) purchased 63% of the entire cigarette amount sold in 2014. Also, a trend can be seen which is in accordance with the claim that consumption is increasing in developing countries, as six out of the top ten countries by consumption are emerging markets, three of them belonging to Asian Pacific region (Tobacco Free Kids, 2015b).

Table 3. Top 10 cigarette markets by sales volume, 2014

COUNTRY	RETAIL VOLUME, 2014 (MN STICKS)
China	2,542,891.9
Russia	316,512.1
USA	270,199.1
Indonesia*	238,867.2
Japan	187,456.1
India	95,930.2
Turkey	94,684.3
South Korea	89,517.1
Philippines	82,666.3
Germany	80,355.0

*excluding hand-rolled kreteks

Source: *Tobacco Free Kids*, 2015b.

From the data presented in Table 3, it is obvious that there are five dominant markets in which retail volume of tobacco products is the highest. Therefore, some additional information about them is needed.

China is the largest cigarette market in the world. Out of the total \$744 billion retail value of the global cigarette market in 2014, over 30% of it was collected in Chinese market (\$226 billion). Being one of the developing countries with the largest population in the world, China is an attractive market for tobacco industry companies. The dominant tobacco company in China is China National Tobacco Corporation (CNTC) (Tobacco Free Kids, 2015b).

Russia is the second largest market in the global setting for cigarette consumption. Interesting trends related to cigarettes and tobacco consumption exist in Russia. Namely, while the rates of cigarette sales are heavily declining (20% decline between 2008 and 2014), the retail values are increasing (65% in the same time period, from \$17 billion in 2008 to \$28 billion in 2014). JTI has the strongest presence in Russia, satisfying 34% of the market needs, while PMI, BAT and Imperial are also present (Tobacco Free Kids, 2015b).

USA cigarette market is also very large. Four companies control almost 95% of the American cigarettes market (Altria, the parent company of PMI, holds 50% of the market, followed by the Reynolds American with the market share of 28%), with Marlboro as the leading cigarette brand,

with market share of 41% in 2014. The retail value of the cigarettes market in 2013 in the US was \$66 billion (Tobacco Free Kids, 2015b).

Indonesian cigarette market is different from the others, as the most popular cigarettes are different from the ones consumed in the rest of the world. *Kreteks* are cigarettes made of a combination of tobacco blend and cloves. Within only one year (between 2013 and 2014), the market experienced the growth of nearly 8% in cigarette consumption. PMI is the company with the largest presence in Indonesian market. It gained a significant market share since the acquisition of the leading domestic company Sampoerna in 2005. Apart from PMI, other domestic and transnational companies are also present in the Indonesian cigarette market (Tobacco Free Kids, 2015b).

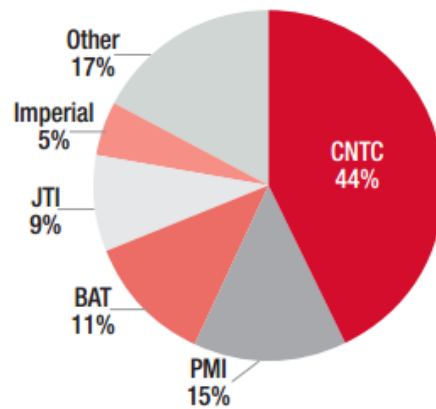
In **Indian** market, smokeless tobacco products are most present (representing 75% of the sales of tobacco companies). The cigarettes account for only 5% of the market. Nevertheless, this 5% in amount of cigarettes is being translated into nearly 96 billion cigarettes (in 2014), which is definitely attractive for targeting by transnational tobacco companies (Tobacco Free Kids, 2015b).

We can observe clear differences between the five markets. In some, tobacco companies are facing diminishing rates of smokers due to stricter regulations, higher prices of cigarettes or raised consciousness of the hazardous effects of tobacco consumption. In other, like Indonesian, a significant product adjustment is needed in order to place a product as an appealing one. What is mutual to all these countries is that consumption of tobacco companies' products is (still) high, and therefore there are significant profit opportunities available to these companies.

3.1.2 Top 5 cigarette producers

Despite the fact that the total sales in tobacco industry are increasing and expanding to new markets, the trend in the industry related to the number of companies does not seem to follow an increase in sales. Industry seems to be highly concentrated and consolidated, where several international companies control the market. The consolidation is stronger in the recent years than it was in the past. Namely, in 2001, just slightly over 50% of the global market sales of tobacco was controlled by the transnational tobacco companies. In 2014, the share of global market under their control was 84% (Tobacco Free Kids, 2015b).

Figure 3. Tobacco companies' shares in the global market, 2014



Source: *Tobacco Free Kids*, 2015b.

Figure 3 clearly shows the companies that dominate global cigarette market and their shares. There are five companies with the highest share in the global market.

44% of the global cigarette market is held by the world's single largest producer of cigarettes, **China National Tobacco Corporation (CNTC)**. This corporation is both owned and operated by the Chinese government. The majority of the production of CNTC is sold domestically, in China. Only 1% of the total production of cigarettes is being exported. However, the interest in selling various brands (especially RDG, Dubliss and Harmony) abroad is increasing in the corporation (Tobacco Free Kids, 2015b).

Philip Morris International (PMI) has the second largest share in the global cigarette market (15%). PMI is a publicly traded company headquartered in Lausanne, Switzerland. This American company, although accounting for 'only' 15% of the global cigarettes market, is the most profitable tobacco company in the world. The company was established as a daughter company of the American dominant tobacco producer, Altria. However, PMI separated from Altria in 2008, and since then, it has concentrated its sales in the markets outside the United States. This company is present in over 180 countries worldwide, producing 6 out of the top 15 global brands, including Marlboro (for non-US markets). The sales growth driver for PMI is Asian Pacific region, and the focus of the company is precisely on this market (Philip Morris International, 2015).

British American Tobacco (BAT) controls 11% of the global cigarette market. It is a publicly traded company, headquartered in London, United Kingdom. BAT is present in 200 countries worldwide. Some of its top selling brands are Pall Mall, Kent, Dunhill and Lucky Strike. Emerging markets account for 71% of British American Tobacco's sales. Therefore, the

company is in constant search for ways to further increase sales in Asian Pacific region (British American Tobacco, 2015).

Japan Tobacco International (JTI) is based in Geneva, Switzerland, and it is a part of the Japan Tobacco (JT) company, focused on international operations. JTI is present in 120 countries all over the world, with the strong bias towards firmer establishment in emerging markets. The Japan Tobacco company is partially owned by the Japanese government (33%). International sales of the company are the source of more than 50% of the company's profits. Its best recognized brands are Winston and Camel (Japan Tobacco International, 2015).

Imperial Tobacco Group is another British company. Accounting for 5% of the global cigarette market, Imperial operates in more than 160 countries. Davidoff and Gauloises are the top brands of this company. As in the case of all other producers, the majority of tobacco products of Imperial (65%) is sold in emerging markets in Middle East, Asian Pacific and African region. Consequently, these markets are targeted in order to achieve higher sales rates in the future (Tobacco Free Kids, 2015b).

3.2 Tobacco consumption – facts

Tobacco industry is one of the most controversial industries today. While some see it as a huge threat to health of both consumers and the passive consumers, the others see its products as a source of entertainment and good taste. Regardless of the position we personally may take, there are some facts that indicate the effects that cannot be overseen.

In the research conducted in the past years, an estimated population of tobacco users worldwide is around 1.1 billion. It is also estimated that almost 80% of the entire world's smoker population live in low- and middle-income countries. In the next two decades, it is expected that this number will reach 1.6 billion users all over the world (Ash, n.d.).

The facts also imply that consumption of tobacco products significantly affects the budget of consumers' households, especially if we talk about poorer countries and households. Namely, it is estimated that in poor economies, up to 30% of total income is spent on tobacco. Expense this high substantially reduces the funds available for other needs in life including nutrition and education (Ash, n.d.).

It is not only the costs of the households or the individual users that are high in case of tobacco products consumption (and in most cases addiction). The society bears a burden as well. Namely, in the United States, every pack of cigarettes that is sold costs society an estimated \$18.05 (costs of medical examinations, treatments, social measurement taken, etc.) (Ash, n.d.).

As the awareness of the hazardous effects tobacco has on consumers' health increases, many smokers decide to quit or are struggling to do so (as addictive nature of some of the components of cigarettes, including nicotine, makes it hard for user to quit). This is a trend that has been present in developed countries recently, while in the developing countries (with the exclusion of Russia), awareness of harm caused by tobacco products consumption is not that high.

Tobacco and pharmaceutical industries came up with products that are supposed to have less negative effects on health. These products are known as “potentially reduced exposure products”, and they include special sort of cigarettes and smokeless tobacco. Although recent studies show that their levels of carcinogens range from relatively low to comparable to conventional tobacco products, the area has not been examined sufficiently in order to know with certainty the potential effect on health which these products may have (National Institute of Drug Abuse, 2012).

The most shocking facts are related to the number of deaths that are related to tobacco consumption. It is estimated that around 100 million people died from tobacco-related diseases in the 20th century. If no serious preventive action is taken in the near future, entire current consumer population (more than 1 billion people) is in danger of the fatal outcome. Moreover, every 6 seconds there is one death in the world that is tobacco-related. The fact that tobacco has a history and predicted future of killing up to 50% of its users is definitely something that should be considered and taken seriously by both consumers and society (Center for Disease Control and Prevention, 2012).

The situation differs significantly depending on the development of a country, which may be surprising for some. Namely, Savell et al. (2012, p.852) did a cross-national search in 16 countries, which discovered that precisely tobacco is the leading cause of morbidity and mortality, responsible for 18%, 11% and 4% of deaths in high-, middle- and low-income countries, respectively.

However, the situation for tobacco industry is expected to change among markets. The smoking rates in developed countries are falling in the past years (mainly due to better information availability and stricter regulations on sales and advertising of tobacco products), while presence and use of tobacco products in middle- and low-income economies is increasing. This implies that the difficulties and social burden that come with tobacco related diseases will hit low- and middle-income economies stronger in the future unless some regulatory changes are made to stop these unfavorable developments (Ash, n.d.).

Direct users of tobacco products are not the only ones in direct danger. Despite the common belief in the past that the passive (second-hand) smoke does not have severely dangerous effects on the people exposed, it is proven that the range of effects varies from respiratory and cardiovascular problems (mainly for adults), to death in cases that include sensitive groups exposed, like children (Ash, n.d.).

3.3 Tobacco marketing

The unethical behavior in marketing of tobacco products is not a new phenomenon. It has been present in the history of tobacco industry for a very long time. One of the famous cases is the case from 1954. Namely, in 1952, an article titled “Cancer by the Carton” was published in the leading source of medical information at that time, Reader’s Digest. This affected sales of tobacco products significantly, causing the first great decline in sales, excluding the crisis period in the 1930’s. Also, if the facts stated in the article were taken into account by the government, numerous legislative, legal and regulatory actions would have been made to control the situation in tobacco industry (Brownell & Warner, 2009).

In order to deal with the new situation in the market, leaders of the major tobacco companies had a meeting in the end of 1953, deciding to create a statement named “A Frank Statement to Cigarette Smokers” and paid for its publication in 448 newspapers on January 4th 1954. With this act, they intended to convince public that the public health is their concern, that the possible negative effects are always taken into consideration in their industry prior to launching products, and they also promised a variety of changes and improvements. This deception lead to loss of millions of lives in future decades due to the lack of knowledge of people about what they were actually consuming (Brownell & Warner, 2009).

Nowadays, the media are much more present than back in 1950’s, meaning that their influence is also stronger. Corporations are also more powerful than back then. Profits seem to be the most important outcome of each activity, regardless of the ethical component or the lack of it.

Marketing of tobacco products is considered to have a substantial role in encouraging people to smoke. Not only vulnerable categories (which are often targeted) are intrigued by the smoking phenomenon as presented in advertisements. Therefore, in 2005, World Health Organization established a Framework Convention on Tobacco Control (FCTC), aimed at comprehensively banning tobacco marketing. Although the initiative was good, the implementation itself was going slow, due to the lack of capacities for such acts or lack of the political will to do so (Savell et al., 2012, p.851).

The research done by Savell et al. (2012, p.856) was really extensive, and it came to interesting conclusions. Namely, even after ratifying the WHO's convention, the high levels of ongoing exposure to tobacco marketing were still recorded in some of the countries (mostly in less developed, low-income countries). Also, significantly heavier advertising of tobacco was present in low-income countries than it was the case with the higher income ones. The third conclusion is related to stronger presence of marketing in urban compared to rural areas.

What definitely attracts the attention in the previous results is higher presence of tobacco marketing in low-income countries than in the high-income ones. This is related to the fact that the number of smokers in less developed or developing countries has been increasing, while the smoking rates in developed countries have been constantly decreasing. Such situation is related to better consumer protection and information availability in developed (high-income countries), along with stronger regulation and legislation initiatives (Savell et al., 2012, pp.855-859).

Such developments are encouraging tobacco industry to focus on other markets, less developed, yet less informed and protected. Another advantage of low-income countries is their young population.

3.3.1 How is tobacco advertised?

It is well known that spending on marketing in tobacco industry reaches billions each year, with the tendency to growth over time. The governments do a lot in order to limit advertising of tobacco products to the public due to proven negative effects of tobacco usage (or exposure to tobacco smoke) on health. Therefore, as the regulations become stricter, it becomes harder for tobacco industry companies to find loopholes in the legislation (Hammond, 2000, p.12).

The study (Savell et al., 2012, p.857) shows that even in the developed countries that control and regulate tobacco marketing thoroughly and dedicatedly, there are still certain levels of exposure to tobacco advertisements. The fact that the exposure to traditional marketing differs significantly among low- and high-income countries (10 times bigger in low-income countries), while the presence of non-traditional advertising does not differ significantly, proves that the tobacco industry still finds ways to market its products. Marketing practices of the industry are switching to new, less regulated forms of advertising, which implies that the legislation should also be ready to adapt to the changing conditions and opportunities in marketing.

Tobacco products marketing is a topic that is always active. While some countries do all that is possible to eliminate tobacco marketing and to promote anti-smoking habits (in order to create a more healthy society and lower the costs that smoking imposes on the society), tobacco products seem to be successful in finding the way to the consumers, both loyal and new ones.

For understanding the tobacco industry and its marketing practices and strategies, it is important to be aware of the fact that in case of tobacco products, things are not as simple as with many other consumer products. Traditional ways of advertising are useful to inform the customers about the product, its benefits and advantages it has over other available products. In case of tobacco, however, the situation is not that straightforward (Canadian Council for Tobacco Control, 2003).

First, tobacco has harmful effect on the health. Consequences of smoking are publicly well-known, and the addictive nature of nicotine leaves no space for positive aspect in the message that could be conveyed to the public if marketing and advertising are to be done in an honest way (Canadian Council for Tobacco Control, 2003).

Second, physical differences of products of all the brands in tobacco industry (primarily cigarettes) are not meaningful; differentiation in that direction is not possible for practical reasons. Any differences or perceived benefits are in majority of cases just an illusion created by branding and promotional activities, as well as packaging (Canadian Council for Tobacco Control, 2003).

Due to these facts, it is logical to conclude that the tobacco industry companies would not position themselves as tobacco sellers, emphasizing their harmful products and their dangerous features. Real characteristics and effects of tobacco usage are too widely well-known for such positioning. Instead, companies in the industry sell experience, ‘personality’, and identity to their consumers. Each brand establishes the image it wants to have related to its products. Some are youthful, other promote masculinity and independence, or freedom, feminine spirit, etc. The personality of a brand is accompanied with appropriate images and encouraging messages to the consumers who are willing to identify themselves with the product story (Canadian Council for Tobacco Control, 2003).

Advertising and “selling personality” is focused on potential smokers. Active smokers do not need to be additionally attracted by the story of a brand, as they are already addicted to the nicotine, and they do not need further ‘maintenance’ by the company. Philip Morris company used a nice expression for that, stating that “regular smokers smoke for other reasons” (Canadian Council for Tobacco Control, 2003).

Becoming aware of the negative influence of tobacco on health, numerous people decide to quit smoking. If we add to that the mortality of the consumers, the industry does not seem to have bright future. However, this situation is not new, and we have seen that the industry is quite successful despite these facts.

How does the industry cope with that? One of the solutions for this are the **new markets**. As the regulations get stricter, and people become more aware of the hazardous effects of smoking, tobacco industry decides to target those that are less regulated and less informed. Another approach the company has is **targeting** the youth and children. Publicly, the tobacco companies stated that they care for the public health, and that they do not intend to target children with their promoting activities. They also conducted numerous researches on the attitudes, perceptions and values shared among children. None of these however seem to have a record of usage in promoting an anti-smoking behavior, but rather in raising brand awareness of the companies in tobacco industry (Canadian Council for Tobacco Control, 2003).

3.3.2 Main ethical concerns in tobacco marketing

As previously mentioned, different marketing procedures are found questionable by both the society and the professional experts. Some of the issues already mentioned can be identified and clearly observed in the tobacco marketing.

3.3.2.1 Marketing to children and youth

DiFranza et al. (2006, pp.1237-1248) did an extensive study on the effects of promotion of tobacco products on children, including whether exposure to promotion of tobacco products increases the risk of starting to smoke. Faced with numerous claims of the tobacco producers that their campaigns are not targeting children, they decided to measure the 6 criteria in order to assess the effects.

Children are exposed to tobacco promotions before the initiation of tobacco use

The list of studies shows that children are almost without any exception exposed to tobacco promotional activities before the age of 11. At that age, tobacco use is still not common. Studies show that over three quarters of children at the age of 6 in the United States recognize Camel brand character (as the direct exposure is difficult to measure, brand recognition seems to be reasonable substitute to use in order to measure brand awareness among children). While children at the age of 9 were attracted to the cigarettes commercials and enjoyed looking at them, age group 12-13 already knew the advertisements and could choose the preferred ones.

The promotion of tobacco products does not end with advertising. There are also promotional items which are distributed, such as t-shirts, hats, backpacks, all marked with the logo of the company. These practices are banned in the United States, but still present in some other countries.

Exposure increases the risk from initiation

Risk from initiation was primarily present among the category of youth susceptible to smoking, which was defined as “nonsmoking youth who cannot state with certainty that they would refuse an offer of tobacco” (DiFranza et al., 2006, pp.1239-1241). Although most young people state antismoking attitudes, their opinions change over time, due to certain factors. Once their statement changes, they become more prone to try to experiment with tobacco (in the research, susceptible youth is subject to two- to three times higher rates of subsequent tobacco experimenting).

Studies show that the exposure to promotional activities of tobacco companies increases the risk from initiation or advancement to regular use of tobacco products. Another proven effect of the exposure to tobacco promotion is increased susceptibility among the nonsmokers.

Also, even though some of the youth declared themselves against smoking, if their familiarity with the cigarette marketing campaigns and advertisements was wide and extensive, they were most susceptible to reverse their opinion and start smoking, even after checking the experiment for other influencing factors (parents, peers).

There are 4 more criteria that researchers used in the study (DiFranza et al., 2006, pp.1239-1243):

- 1) There is a dose-response relationship, with greater exposure resulting in higher risk,*
- 2) The increased risk is robust; it is observed with various study methods, in multiple populations, and with various forms of promotion and persists after controlling for other factors*
- 3) There are scientifically plausible mechanisms whereby promotion could influence initiation, and*
- 4) No explanation other than causality can account for the evidence.*

All 6 criteria were successfully confirmed by the study. Tobacco industry however, offered 3 alternative explanations for association of exposure to the promotional activities with the initiation of tobacco use (DiFranza et al., 2006, pp.1243-1245).

The first one related to the need of the tobacco users to justify their behavior and habits, primarily to themselves. Tobacco industry representatives actually claim that the use of tobacco products causes exposure, when people tend to expose themselves to more promotions and advertisements. This is however, although potentially correct, not an explanation for the data collected in studies as it does not account for the effect of the familiarity with the advertisements

of tobacco on susceptibility among young nonsmokers, which is also related to the initiation of smoking.

Second explanation offered by the tobacco industry is that there are some nonsmokers who have positive attitudes towards tobacco and the tobacco use, and due to their favorable opinions, they expose themselves more to promotions of tobacco. Again, the statement may be truthful, but it does not provide an explanation for development of the intention to smoke among children who had no intention to smoke, but were exposed to the promotions the most or the reasons for creating favorable attitudes towards tobacco after being presented the fictional benefits of tobacco usage created through promotions.

The last explanation states that the correlation between the exposure to media and promotional activities of tobacco companies and the actual use of tobacco is in essence an artifact of other mediating factors. However, this statement has been declined by all of the studies conducted to examine the relationship between the exposure to promotion and susceptibility to use tobacco, or actual tobacco use.

The presence of the effects of exposure to tobacco advertising leading to smoking rather than warning about the negative effects of the consumption implies that the youth and children are more exposed and targeted than protected by the tobacco industry companies. Recently, the participation of the tobacco companies in the campaigns against smoking has been increasing, and multiple questions have also been posed related to this issue. Although the laws often stipulate their obligation to finance research on the negative effect of the tobacco use, as well as the anti-smoking campaigns, the actions companies are involved in seem to raise awareness of their brands rather than warning about the negative health effects of smoking. Apart from raising awareness, such campaigns often increased favorable attitudes towards smoking among the population exposed to them (Tobacco Free Kids, 2015).

3.3.2.2 Addictive and harmful nature of tobacco

The initial decision to try cigarettes is usually made voluntarily by an individual. In some cases, pressure can be made by the environment (especially true for teenagers wanting to be appreciated by their friends), but in general, willingness to try underlies the actual act of smoking.

The situation changes in time, if person consumes cigarettes more and more often. Due to some of the substances contained in cigarettes (nicotine in the first place), tobacco products are not only harmful for the health; they are addictive as well. The more a person is consuming tobacco products, the more difficult it is for him/her to stop. Advertising products that are harmful

provokes much criticism, while the addition of addictive nature to the harm ensures negative reaction of the public.

After a certain period of time, cigarettes become a sort of basic need for smokers. In that phase, smoking is not prestigious or luxury for them; it is a need. As such, addicted smokers are no longer target of tobacco industry companies; rather, they are a safe source of profits.

Earlier, tobacco producers were not obliged to inform the public about the addictive and harmful nature of their products. The lack of information is still present in developing countries. In developed countries however, the consumer is relatively protected, as the information and warnings about the product and its negative effects are printed on each cigarette package. These warnings, in most cases of both beginners and experienced smokers, seem to be neglected. Partially, this behavior can be explained with higher perception of self-control of an individual than the real level of control possessed (meaning that once the body gets used to consuming a certain dose of nicotine on a daily basis, quitting cigarettes affects the individual more than he/she expected).

Advertising a product that will at certain point require its further consumption even against the will of the consumer is beyond the limits of what society usually finds ethical. Addictive nature of tobacco and cigarettes places their advertising into this category of products.

4 THE RESEARCH

4.1 Methodology

In order to accomplish the process of data collection in order to further tackle the issue of ethics in tobacco marketing, group interview methodology was introduced. The expected result was to see how young students perceive tobacco marketing, and whether they noticed any unethical behavior by the marketers in these acts. Also, it was relevant to see whether there is a possibility of people changing (slightly; for more significant changes of beliefs further inner dialogue is needed, and that depends entirely on the person and their character) their attitudes after being confronted with the facts that are opposite of their comprehension of the issue. In order to get the closest overview of the opinions that can be observed, focus group (as a sort of survey, conducted with several participants taking the role of respondents) was organized.

Focus group is a suitable method for investigating the issue of the interest because it enables interaction among the participants, where they, gathered at the same place and at the same time, get the opportunity to clearly state their views, and to discuss them with others. The advantage over others is that, in comparison with other forms of group interviews, both interaction and

individual responses of the focus group participants are encouraged, while adhering to the main topic. Participants should preferably have certain shared characteristics that are related to the topic of concern, in order to create an environment where they would feel comfortable to discuss and share their opinion with others, with the absence of the need for obligatory consensus in the end (Saunders et al., 2009, p.347)

Focus group, as a research method, has its advantages and disadvantages. The advantages that are especially emphasized and needed when this topic is concerned include interaction between the participants. Namely, participants of the focus group organized to investigate the issues related to the research topic are young people, students (some also employed), from both populations of smokers and non-smokers. It is therefore interesting to see how they interact and influence each other (as they have similar characteristics, but yet they have significantly different starting points regarding the topic of the group interview).

Another strength of a focus group as a method for collecting primary data in this particular research is the direct contact with the respondents. The issue of ethical attitudes can be considered a sensitive one, but with the appropriate approach to the respondent, the cooperation can be achieved. The feeling of belonging and acceptance in the group can also have encouraging effects (if more people share same or similar views).

Input from the participants, their ideas and remarks on the issue are expected to be the biggest added value of applying this method. As focus group is not tightly structured method for collecting data, there is space for participants to give their own observations and concerns that are related to the topic in numerous different ways. Not all the possible aspects can be taken into account by the single person that conducts the research (moderator in case of the focus group), but once an interesting topic is started and new ideas are generated by any of the participants, immediate reaction of others and their attitudes can also be captured, which is not the case with individual interview or other survey methods.

The biggest disadvantage of the focus group as a method is that the information obtained in this form cannot be translated to the global level. The opinions captured are strongly related exclusively to the participants of the focus group themselves, and even if the characteristics of the participants and the rest of the population match, the conclusion cannot be translated to the entire population with certainty.

4.2 Research objectives

The main motivator for this research was to spot whether the individuals were able to notice ethically questionable practices in marketing different products. In order to tackle the issue of

ethicality, the participants were first asked to define ethics in their own words, so that potential differences can be observed already in the beginning of the study.

Furthermore, the question related to the ethicality of tobacco advertising in general was raised, to better understand the concerns and perceptions of the participants. The main focus of the research is on the confrontation of participants with unethical practices of tobacco industry (subliminal messages, advertising to children). For this research, their reactions were recorded, including their statements of potential previous knowledge (including noticing such practices in the media or environment) and personal opinions on the issue (whether such behavior is ethical).

In addition to that, the fact that the participants of the focus group are from both populations of smokers and nonsmokers allows for the researcher to observe and report on any potential differences in perception of the ethicality of marketing practices between the two populations, as well as the awareness of the smokers related to the deceiving practices the tobacco industry uses in order to attract consumers from the early phases in their lives.

For the purpose of this research, only students were invited to participate in the focus group. This discrimination was made because educated people tend to be more oriented towards healthy habits, they are more concerned about their health and wellness, and they observe the world with a certain dose of realistic criticism, which may be lacking when the education process was not extensive enough. Therefore, we can assume that their concern and judgment related to the topic of tobacco marketing and breaching marketing ethics in some aspects will be stricter and better defined. In addition, their judgment may be stricter and stronger, along with more fact-based opinions and experiences being told. However, we also included smokers in the research. It is important to observe how they will behave, their level of awareness about (un)ethical practices of tobacco industry, as well as whether they already have some knowledge and (critical) attitudes about the industry that supplies market with the tobacco they consume in form of cigarettes.

In order to see whether there are significant differences between smokers and non-smokers, prior to the topic related questions, several issues related to their habits were raised. The conditions and aspects that could have influenced their decision to smoke (not smoke) were examined in order to be able to distinguish between participants and potentially spot some patterns in behavior and opinions of smokers and non-smokers.

4.3 Participants' profiles

The participants of this focus group were randomly chosen students. In total, 8 students agreed to participate in this study. Characteristics and habits of each of them will be briefly exposed in this

section of the paper (in the participant's description, the main emphasis will be on the habits and conditions that (might) have led to their decision whether or not to smoke).

Participant 1 is a 25-year-old master student. She is very well educated, with two Bachelor degrees, and currently pursuing her second Master degree. When it comes to smoking, she describes herself as a regular cigarette user, smoking on average 5 cigarettes a day. In stressful periods of her life (examination terms, private problems, etc.) she finds herself smoking up to 15 cigarettes a day. In her family, no one is smoking, and she remembers that she started smoking in high school, along with her friends (more as a matter of being accepted). She admits that her friends had a great influence on her decision to try cigarettes, and that, at that point, for her, smoking was fun. Later, when high school days were over, she was left with the smoking habit. As she says, there are days when she really enjoys smoking, sometimes cigarette is a stress-reliever, and many times it's just a need to smoke out of habit. She states that smoking is not her desired habit, and she also emphasized that she mostly does not feel great pleasure while smoking anymore; it is rather an addiction she is aware of. She also recognizes all the negative sides of smoking and admits that there is no side of smoking she could refer to as positive, but the habit and addiction make her smoke five cigarettes a day on the average. Her intention is to stop smoking in the next 5 years, as she is well aware of the health issues she may face, and the financial costs smoking causes. Also, her partner is against smoking, and she states proudly that when they are spending time together, she is not smoking. She sees that as a progress and potential indicator that quitting is not that far or impossible as it may seem.

Participant 2 is a 23-year-old master student as well. He belongs to the category of occasional smokers. He does not see himself as an addict, and states that he functions perfectly even without smoking. However, smoking seems appealing to him along with alcohol, when partying and going out with a bunch of friends. Taste of cigarettes is not appealing to him; what is appealing, is the social component of smoking and the combination of cigarettes and alcohol, along with the feeling of belonging and sharing with others. He was never a regular 'day' smoker, and in his family mother is a regular smoker. During the conversation, he made an interesting statement, insisting that women who are smoking and having cigarette in their hands seem to be less attractive.

Participant 3 is a 21 year-old student. Being a member of numerous student organizations, he was faced with smoking many times. He claims that he tried to smoke, but he did not find it enjoyable, nor did he like the taste of cigarettes. He does not find himself excluded from socialization due to the fact that he refuses to smoke when offered. In his family, mother is a smoker, but that is not one of her habits he found attractive or desirable to take on. He is clear when saying that he does not judge people who smoke, nor does he mind cigarette smoke in his

environment. However, it is not something he plans to introduce into his everyday activities and habits.

Participant 4 is a 23 year-old master student. Coming from more or less conservative environment, she states that smoking was never something that attracted her, nor she had multiple chances to experience it in her closest friends and family circle (despite the fact her father is an active smoker). For her, smoking is an undesirable habit, contributing to deterioration of the health condition. It is also more acceptable if a man is smoking than if that is a habit of a woman, according to her beliefs. She states that she has never tried to smoke, and that she does not plan to, while she is usually open to trying new things.

Participant 5 is a 25 year-old master student. From his earliest childhood, he remembers the smell of tobacco. Growing up in a country at war, he was faced with his parents' strivings to provide the basic necessities for the family. Among other things, they were also selling cigarettes on the black market, and that is where he first got in touch with the luring fun for adults. He did not wait much to try, and being the male child in the Balkan family, he was actually encouraged to try smoking at the age of 4. He liked the image that went with the smoker, so even when he was prohibited to do so, he smoked with his brother secretly from the elderly (stealing from grandfather). He continued smoking till the end of high school, and then he stopped smoking (on his girlfriend's initiative). Still, he claims that that was the best decision he could have made regarding smoking, and he states that smoking is not attractive to him as an everyday habit. None of his close family members are active smokers. He, however, puts himself in the category of occasional smokers, but he does not smoke regular cigarettes, but rather cigarillos and other, even stronger tasting tobacco products. He finds them enjoyable and sophisticated, but exclusively in combination with good-quality drink. Still, even today, he likes to smell the cigarette smoke in the air.

Participant 6 is a 30-year old master student. From the beginning, she claims that the topic of smoking is not particularly attractive to her, because nobody from her closer environment is a smoker excluding her sister, who is still a smoker hiding from her parents, and she still remembers being her 'partner in crime' from the age of 14 (till today) in hiding the traces from the parents and family. As for herself, she states that she was never attracted to the taste and smell of cigarettes, and therefore she never tried to smoke. Among her high school friends, most of the people who tried smoking for fun while partying became addicted to tobacco in several years' time, and that was an additional thing she did not want to experience. The participant 6 has a 3 year-old son, and she is grateful that he is growing up in a family without smokers.

Participant 7 is a 27 year-old master student. She is also employed as a part time worker in the area of her professional expertise. She classifies herself as an active smoker, smoking on average

4 cigarettes a day when she is working, and more than 10 cigarettes a day when she is not (obligations keep her busy and diminish her need to smoke). Among her family and friends, there are no active smokers. She started smoking because she was eager to find out how did it look like, since everyone said it was harmful. In time, she found it to be a stress-reliever in a way, so she continued to smoke in every stressful situation, leading her to the current state, that of an active smoker. She is aware that smoking is not a healthy habit, but she claims that it is acceptable if the consumption is kept controlled (cigarette a day), which she states she is unable to do.

Participant 8 is a 30 year-old master student. Not being totally concentrated on the studies the entire time, he had plenty of experience with experimenting, including addictive substances. Today, he smokes 10-15 cigarettes a day on the average. He finds it enjoyable, and does not see his decision to smoke as forced by his addiction to nicotine. In general, he noticed that as he is getting older, less people among his friends smoke. In his closest family, both mother and father were smokers but have quit few decades ago, while his uncle is the only active smoker, smoking mostly pipe and cigarillos. This participant claims he tried tobacco in all possible forms, including chewing and sniffing, but these practices weren't enjoyable for him (drinking water from tobacco water pipe gave him a fever and he shook on the ground for half an hour). However, he continued experimenting, and found out that he enjoys smoking Lucky Strike the most. During his childhood, he lived abroad a lot, because of his father's profession. He remembers smoking for the first time in Tehran, in French school, in 1998, and as he says, he didn't like the taste at that time. However, he experimented with the taste, and he found the combination of tobacco and other addictive substances (including marijuana) more enjoyable. Such experiments made him attracted to tobacco and cigarettes, and in 2001, he started smoking on a daily basis. He doesn't think he should quit this habit, as it is enjoyable and fun.

4.4 Focus group results

After being briefly introduced to the issues that are of importance for the discussion that was about to begin, we started our discussion with the questions related to ethics. When being asked about what they relate to the term ethics, different ideas were exposed in this brief introduction to the topic of the day: from the common belief that the ethics is related to "doing the right thing", "conforming with the expectations of the society and environment" and "behaving according to the shared norms of the society", to the position that it is an inner decision of the individual that determines whether the act is ethical or not. Participant 8 also stated that he found not smoking in the close proximity of children to be ethical.

From the topic of general ethics, the focus group proceeded to more specific topic of ethics in marketing. The participants all agreed that ethics is essential to marketing, as it is a way to

protect the consumers. Ethical marketing works also in a way that distinguishes companies with fair practices from the ones that are not that inclined towards ethics.

The topic of products that should not be advertised was also interesting for participants. Apart from cigarettes, alcohol and addictive drugs being the products that should not be presented in the media, medical drugs were also mentioned as products that should not be presented in form of advertisement. The main reason for that, on which the participants reached a consensus, is the fact that people are prone to experiments with medicines, especially since the increasingly popular self-diagnosing due to the wide accessibility of the Internet, and the wide range of data available online. When advertised, drugs attract the attention of people who may have symptoms similar to the ones the medicine is intended to treat, and as people mostly dislike medical examinations, they may try to cure themselves with the advertised medicine, even though their diagnosis may be completely different.

Topic that emerged during the examination of the focus group, and which is particularly interesting, is targeting of children when advertising tobacco. The general agreement was achieved on the issue whether targeting children in tobacco advertisements should be done. Unanimous response was no, among both smokers and non-smokers. The arguments were that the decision to smoke should be a conscious decision of a person, and children in most cases are unable to distinguish what is good for them and what is not. Children are more prone to do things they see others are doing (their friends or parents), and presenting them with cigarettes as a habit that is desirable in their age group directly influences their decision to try them.

Participant also agreed that it is harmful enough if there is a significant number of smokers in children's immediate environment to lure them to this habit. Programs and actions by cigarette producers that are aiming to promote their products to children since their earliest years are an additional factor that increases smoking among children, and consequently, ensures further sales for the tobacco industry companies in the future.

In order to maintain the interest of participants in the topic of ethics in tobacco advertisement, several controversial advertisements from the past were presented to them. The focus group participants were asked to take a look at tobacco ads created in the past (Appendix A), and to express their opinion whether such advertising can be considered as ethical practice, as well as whether we can justify such behavior, even if not ethical, with the goal that justifies the means.

The advertisements used in this study were popular in the early 20th century, when the regulations were not strict, and the tobacco industry had much more freedom in marketing its products. Among all participants, an agreement was reached that none of these practices can be explained with the lack of regulations. Even without strict law rules, the tobacco industry

companies must have taken into account the ethics of their behavior in marketing practices, and these advertisements show clear lack of ethical component.

Nowadays, the regulations are much stricter, but cigarette producers still find the way to look appealing to children. Many of the participants recalled using chewing gums in the shape of cigarettes in their early childhood. These products are still available on the market. In such way, children are getting used to the shape of the cigarette, wanting to feel 'the real one' as well. Although these chewing gums are not produced by the same companies (at least general public does not have such information), the relation between tasty chewing gums and cigarettes is definitely being made in the child's conscience, making cigarette an interesting thing to try. Conclusion was that if we wanted children not to be exposed to tobacco marketing, it is neither enough to just tell them that in advertisements with logos of tobacco producers, nor it is enough to rely solely on words, without the example of behavior which is the healthiest and desired for children.

While being confronted with these marketing practices from the past, some of the participants even recalled advertisements for cigarettes from their youth. Most of them said the oldest advertisement they could recall was "Greetings from Rovinj" (for cigarette brand Ronhill, famous in this region). As they were children at that time, and the advertisement was more of a teaser than the commercial as we know them, they remember asking their parents what was the ad saying. Furthermore, they agreed that this not straightforward and rather intriguing approach in advertising provoked their imagination and the interest to find out more about the advertised product and even taste it, not being sure what it actually was all about. Other commercials mentioned in the conversation as the oldest recalled were the advertisement for Walter "with the wolf and good-looking lady with garter belt", as well as for Marlboro with the "handsome cowboy" (more often found in newspapers and magazines than on TV). The ones that could not recall any particular advertisement from earlier period agreed that the regulations prohibiting advertising of tobacco products did a very good job, since they have almost forgotten that commercials were once shown on television in the daily programs.

Another way of advertising tobacco which was mentioned was influence through movies - a powerful tool for tobacco industry where the attention of regulations is not particularly high, but the reach and impact are among the strongest. Participants agreed that seeing certain behavior or brand in the movie that is of high-quality awakens their interest in consuming that product as well. In that way, specific behavior is being promoted as attractive and desirable, including smoking, and people, wishing to resemble their celebrity idols, decide to give themselves the opportunity to try and taste the products used in the movie by the particular movie star. Some of the participants also emphasized that brands shown in the movies attract their attention much stronger and faster, compared to regular marketing, where they are aware that companies are

trying to present their products as appealing and desirable as possible; the awareness of the pure advertisement however vanishes when combined with the artistic content of movies.

In this research, no differences in the perspective related to ethics in tobacco products marketing and targeting of children between smokers and non-smokers were found. Both populations' representatives categorically denied any possible argument that would justify targeting a vulnerable category like children. Also, they unanimously agreed that certain marketing practices of the tobacco industry are luring children into the world of cigarettes before they are completely aware of the effects tobacco consumption can have on their health. Cigarette advertising ban regulations also provoked agreement among the participants. While agreeing with others, participant 8 only emphasized that ban of the commercials in general would not prevent people from smoking (especially the active smokers category), but if the prevention and bans are made in order to diminish the exposure of potential smokers (including children), then it can be an efficient action.

Although significant differences among categories might have been expected (especially from the passionate smokers like participant 8), a high level of awareness of the unethicity and the inappropriate behavior of the tobacco industry was shown by both categories. It can be concluded that the participants have a great and clear distinction between right and wrong, and that their affection towards a certain lifestyle and habits does not make them justify all the actions the producers of their pleasure assets do.

As a general conclusion, participants emphasized that a significant progress is made in tobacco advertising practices. From the advertisements that included children, babies, Santa Claus and even references to doctors' smoking habits, we are now facing numerous prohibitions and regulations concerning tobacco products advertising. The harmful effects on consumers are widely known in public, and new information is available daily due to the technological progress and availability of information. Instead of luring and daring advertisements, we now have warnings of dangerous effects of smoking on cigarette packs. Surely, many things are yet to be done to ensure sustainable future of this progress and its further development, but the progress done so far is encouraging, and we can observe that the vulnerable categories, especially children, are more protected. Some latent practices of tobacco industry companies (such as financing anti-tobacco campaigns to increase talks about cigarettes among children (every commercial is a good commercial), or publishing statements about negative effects of smoking with the company logos on them (raising brand awareness) are certainly not ethical according to participants, but the progress is undeniable, and such areas should be the subject of future regulations in order to be banned.

4.5 Post Hoc Analysis

The research results received from focus group represent the opinion of a relatively small population – students. In order to get an idea of the attitude which other categories may have on marketing ethics in tobacco industry, a further research has been conducted. The post hoc analysis included interviews with 4 individuals. Two of the interviewees were children, and two of them were over 50 years old. The questions used to interview them were the same ones used (or brought up by participants) in the focus group.

Interviewee 1 is a 10 year-old student. She comes from a rural area, and lives in a family where traditions are strictly followed. Her knowledge about tobacco is mainly gained from conversation with her friends or family visits; in her closest environment however, there are no active smokers. She did not try to smoke, and she isn't curious about the taste and feeling which smoking can provoke. At the moment, many of her friends are experimenting with tobacco and cigarettes, as they are entering their teenage years.

Interviewee 2 is a 14 year-old boy. He lives in urban area with his father and 2 sisters. His father has been an active smoker for more than 25 years, so he had his first experience with cigarettes when he was very young. He first tried to smoke when he was 7, and it was a one-time experience. When he was 12, it became popular among his friends to smoke, so he started to smoke actively, and never stopped since then. For him, smoking is elegant, and, to a certain extent, a symbol of enjoying life and youth. He also stated that his father knew that he smoked, but he did not oppose his son's behavior.

Interviewee 3 is a 64 year-old lady. She has never been married, and she does not have any children. She lives alone in a small village, and rarely visits the town nearby. She does not smoke, and has strong attitude against smoking. However, she admits that while she was younger, she used to smoke a cigarette or two during tea parties she organized with her friends. In her environment, she says, it is common that men smoke, but it is definitely not a desirable habit for a lady.

Interviewee 4 is a 56 year-old woman. She grew up in a rural village, but she has lived and worked in a city for more than 28 years. Smoking was never attractive to her, so she had never tried to smoke. In her family (before she got married), no one was smoking. Her husband used to smoke, but he quit smoking 9 years ago. She has 2 children, none of which are smokers. Among her friends, there are no active smokers, while there are many in her working environment.

Interviews started with a simple question: "What is ethical for you?". While younger respondents (interviewee 1 and 2) did not know how to answer this question other than to say "something that

is right”, older interviewees (3 and 4) described ethical as “according to moral standards”, “proper” and “morally acceptable”. Interviewees 3 and 4 also emphasized that ethical component should be present in marketing, as marketing activities are available to wide groups of people that do not have the same abilities to differentiate between good and bad. Older participants (interviewee 3 and 4) mentioned cigarettes, alcohol, medicaments and gambling as products that should not be advertised in any way.

In conversation about tobacco advertising, older participants (3 and 4) stated that they recall very clearly seeing tobacco ads on TV and printed in magazines (Marlboro and “handsome cowboy” were mentioned once again as the most memorable commercial for cigarettes they remember). Younger ones on the other hand do not remember seeing any ad for tobacco products. They did however notice ads standing by the check-out counters in stores, but they did not leave an impression significant enough so that the interviewee could name them.

When asked whether they noticed any latent brand mentions (in movies or music videos they watch), none of the respondents was able to report such detail from the recent past. Older respondents recall seeing Camel cigarettes in famous movies, recorded over 30 years ago. Younger participants cannot name any brand that they see in videos, but they do admit that smoking is highly represented and promoted as positive and desirable in modern music and movies. Interviewee 2 emphasized that he did not see anything bad or inappropriate in cigarette advertising, as, “advertised or not, cigarettes will still be purchased on a large scale”.

After seeing the ads printed in magazines in early and mid-20th century (Appendix A), interviewee 3 even recalled observing an ad similar to Figure 8. The ad was printed in local women magazine, and it included mother with kids, happily recommending cigarettes which the father smoked. Unfortunately, she was not able to remember which brand was it. Interviewee 4 stated that she did not remember seeing any of these ads before, but she knew Marlboro was heavily advertised in women magazines in the 70s, where the smoker would always be a handsome and attractive guy, and the girls around him would be looking at him smoking with admiration. Interviewee 1 said that kids should not be related to smoking in advertisements. She did not know to specify why, and she simply stated that “it does not seem right”. Older respondents agreed that Santa Claus, families and children have nothing in common with vices that cigarettes definitely promote. Therefore, they find these advertisements to be inappropriate and misleading to consumers.

Comments on general progress in marketing of tobacco industry products are positive. Both participants 3 and 4 stated that banning cigarette commercials is a positive development related to consumers’ protection. Respondent 3 mentioned that postponing children’s exposure to

positive images of smoking definitely contributed significantly to their ability to recognize smoking as a bad habit.

4.6 Research limitations

There are certain limitations to this research. The first limitation comes from the sort of the research method used. Among all the positive characteristics focus group as a research method has, it is important to be objective, however, when using it and be aware of the weaknesses of the method. Focus group results are hardly translatable into the population as a whole; the results are rather characteristics and opinions of a group of people, or if properly selected, narrow category they belong to. There are certain conclusions that can be said to represent the entire population, but in order to preserve validity of data, such generalizations will not be made.

Another limitation comes from the sample selection. Although the selection was made in a way to resemble random selection of participants within the category of students, the issue of the representativeness with such small samples compared to the population always remains open.

The primary conducted research included exclusively participants that are in their 20s. Those people are also students. In order to obtain information from other demographic categories, post hoc analysis was done as well. Nevertheless, such sampling (in statistics referred to as convenient sampling) has certain limitations, which must be taken into consideration when observing the results of this research as well. The biggest limitation would be the inability of such sample to truthfully represent an entire population. With such sample, we cannot claim that these results reflect the entire population.

Finally, although the topic concerned is controversial, the path of the conversation was kept within the limits of mild statements. No extreme opinions were expected from the participants. The questions used for producing a discussion and the answers to them are producing almost the same reaction of the people (advertising of tobacco to children for example, especially on a subliminal level, is strongly judged by most of the people; especially in the western civilization where there is awareness of the importance of health and the hazardous effects of tobacco; using of subliminal messages in general, to make people think they need something they actually don't). The reaction to such issues can be considered as the ethics of the global population, as they in most cases share their views and opinions on these topics. Shared values between people influence the fact that their reactions are also similar, and matching the common ethics.

4.7 Further research prospects

Several issues were brought up in this research, but there are still numerous areas where further investigation and research is recommendable. Ethics is generally a sensitive topic, as there is no uniform agreement on what is right, and what is ethically wrong. There are, however, some open debates related to tobacco industry practices that could be investigated from the ethical point of view as well.

One of such areas, suitable for further research, is to tackle more sensitive issues related to tobacco industry, especially the fields where opinions differ and the debate is ongoing: uniform packaging of cigarettes, for example, and whether smokers find it ethical to be deprived of choice and brand loyalty.

Exploring the ethical values that are in general behind the tobacco industry marketing and what in that sense this industry has to offer to both tobacco users and the wider society is another topic that should be thoroughly examined in future research. As marketing itself is defined as bringing adequate products closer to the customers that are looking for them, it would be important to get a clearer picture of what tobacco industry brings to people in that respect, and what value their products actually have for consumers.

Furthermore, some serious future research should investigate the marketing activities companies undertake in geographical regions where there are no marketing restrictions for tobacco industry products, or these restrictions are low. This way, the society could get clearer picture of whether the ethical behavior of these companies present in countries with regulations is genuine, or it is a result of tight regulations.

In addition to the topics mentioned above, further research should also investigate the issue of financing anti-smoking campaigns by the tobacco industry companies. Past researches conducted mainly by non-governmental organizations aiming to protect children rights indicated that this is a serious problem, especially if we take into account that these actions and campaigns are precisely the ones that raise brand awareness, mostly among groups targeted by the campaigns (children and youth in most cases).

As we can conclude from the examples given, there is great space for further researches in this area. Researches that involve sensitive and subjective topics like ethics should be taken seriously, and conducted with greater attention and dedication. Prospects for further researches are bright, as the interest in customer protection is in rise.

CONCLUSION

The issue of ethics, as complex as it may seem, still manages to reach agreement on the crucial points among people. Surely, the unanimous ethical standards are still beyond reach, but the clear distinction of right and wrong is present and shared among people.

However, battles on the marketing field are still ongoing. The doubts are present when making marketing decisions, and they are related to the marketer himself, deciding whether to go for profit at any cost, or to remain loyal to their own ethical standards and risk making smaller profits. Their decisions are judged by both, their superiors and the public, and both can be very strict and punishing unless their criteria and desires are accomplished.

If marketer decides to strive for profit goals, there are many techniques they can apply in order to reach the objective. Some of them are more obvious, while others are more latent, but for the company and its reputation, it is of utmost importance that such practices and techniques are ethical. If they are at any point perceived as unethical by the consumers, the reputation and the company's image are in danger.

Industries producing harmful products are usually among the most criticized ones. Apart from their activity, it is not unusual to see them engage into unethical practices when it comes to marketing or promotion of their production. Tobacco industry is an example of such industry. While in the years of huge asymmetry of information they have tried to hide the negative effects of smoking for as long as possible assuring their consumers they have nothing to worry about, when information started to be widely accessible, most dominant companies of tobacco industry heavily engaged into anti-smoking campaigns, promoting healthy lifestyle and drawing attention to the dangers of cigarettes consumption.

In general, it is hard to speak about tobacco industry marketing in present tense, as it is prohibited in this part of the world. What can be said is that abusing less strict regulations in other parts of the world in order to place and advertise harmful tobacco products should not be an activity in which these companies engage. Care about consumers and their right to know true nature of the product they consume should be the right of every consumer, regardless of the protection they get through the lawful regulation of their countries.

Furthermore, with the rising importance of the Internet and social media in marketing, more indirect ways of marketing are opening for this industry. Kids and teenager, as avid users of these technologies, in this way become relatively easy to target. Despite this, tobacco companies should strive to rise the awareness about health and wellness instead of targeting short-term profits engaging in unethical activities that marketing to children definitely is.

The issue described draws us again to the question of ethics, and ethicality and integrity of the company's behavior. While under regulations and public pressure, companies seem to be very concerned for the health of their consumers. However, one cannot help but wonder how genuine and honest this recent behavior is? Are the regulations their only trigger?

Apart from the theoretical background of the phenomenon of ethics in tobacco marketing, in this research the opinions of individuals were also taken into account for the study conclusions. The focus group has shown that participants from both smoker and non-smoker population have strong attitudes against unethical marketing of tobacco. Promotion of smoking to children was the main problem that reached a unanimous agreement among participants and was recognized as unethical and impossible to ethically justify. Furthermore, the remarks of the focus group's participants related to the fact that mysterious element in advertisements intrigues them, confirms the Zeigarnik's results of a study examining unspoken and its' effect on the spectator.

Therefore, it is possible to conclude that ethically non-justifiable actions have high likelihood to be recognized as improper in public. Different backgrounds and life habits have a chance to influence the degree to which people are willing to argue and defend their attitudes. However, the participants in the focus group showed with their answers that, although they may be passionate smokers, they are able to distinguish proper and improper marketing activities related to the tobacco products.

In categories of both smokers and non-smokers, it would be hard to identify a person that would explicitly support advertising of cigarettes and tobacco products to children and youth. In many cases, these children are too young to be aware of the danger that can come out from consumption of such products, and in some way, they are facing asymmetric information in this case. Therefore, the society should be working on educating children about negative and addictive nature of tobacco, and its harmful effects on health.

Openly shared information and publically accessible educations would be beneficial for adults as well. In this way, smokers would be able to get informed by professionals about the damaging effects smoking has for their organism; parents would be able to find out more about risks their children are facing when it comes to smoking, and how it can affect their lives. Former smokers can give their contribution as well, by helping others quit once they decide, or by sharing their experiences with children, which are the most susceptible to start smoking, due to their need to be "popular" among their friends.

The suggestions given here are related to the problem of smoking itself. Marketing of tobacco products is heavily regulated nowadays (in most countries), and therefore data on explicit

marketing moves of these companies is not accessible. It is important to say that marketing these products by trying to emphasize the invented positive sides they have should not be allowed; and tobacco companies should avoid implementing such elements in their campaigns even if the regulations are not specific about it. Furthermore, consumer protection should be of importance to these companies, and instead of thinking exclusively on current profits, perhaps coming up with non-harmful products of this kind would have long term future.

In general, we can conclude that the progress in ethicality of marketing in tobacco industry is evident. The practices employed nowadays are not that questionable as they were in the past. Advertising of tobacco products is less present in general. Regulations and laws are contributors to that development. Their further changes and adaptations are crucial in order to keep them strong and relevant (incorporating online marketing, sponsorships etc.). In addition to this, information is freely available worldwide, and people are better informed, so their decisions whether to smoke or not are informed as well. Public is well informed and ready to criticize inappropriate actions. All these facts give us reason to expect positive developments in the marketing ethics for tobacco industry in the future.

REFERENCE LIST

1. Abela, A. V. & Murphy, P. E. (2008). Marketing with integrity: ethics and the service-dominant logic for marketing. *Journal of the Academic Marketing Science*, 36 (1), 39–53.
2. Al-Nuemat, A.A. (2012). Current and Emerging Ethical Issues in Marketing New Directions and Proposals. *Global Journal of Management and Business Research*, 12 (23), 54-62.
3. Andreasen, A. R. & Manning, J. (1990). The Dissatisfaction and Complaining Behavior of Vulnerable Consumers. *Journal of Consumer Satisfaction/Dissatisfaction and Complaining Behavior*, 3, 12-20.
4. Ash. (n.d.). *Tobacco Statistics & Facts*. Retrieved April 16, 2016, from <http://www.ash.org/resources/tobacco-statistics-facts/>
5. Baker, M. (2009). *Marketing Responsibly: Addressing the Ethical Challenges*. London, England: The Institute of Business Ethics.
6. Bialous, S.A. & Peeters, S. (2011). A brief overview of the tobacco industry in the last 20 years. *Tobacco control*, 21 (2), 92-94.
7. Bowers, S. (2012, March 22). Global profits for tobacco trade total \$35bn as smoking deaths top 6 million. *The Guardian*. Retrieved May 14, 2016, from <https://www.theguardian.com/business/2012/mar/22/tobacco-profits-deaths-6-million>
8. Brennan, M. (1991). Is There More to Ethical Marketing than Marketing Ethics? *Marketing Bulletin*, 2 (1), 8-17.
9. British American Tobacco. (2015). *About us*. Retrieved May 15, 2016, from [www.bat.com/group/sites/uk_3mnfen.nsf/vwPagesWebLive/DO52ADCY/\\$FILE/medMD8TNKKW.PDF?openelement](http://www.bat.com/group/sites/uk_3mnfen.nsf/vwPagesWebLive/DO52ADCY/$FILE/medMD8TNKKW.PDF?openelement)
10. British American Tobacco (2016). *The global market: Trends affecting our industry*. Retrieved May 14, 2016, from http://www.bat.com/group/sites/UK__9D9KCY.nsf/vwPagesWebLive/DO9DCKFM#
11. Brownell, K.D. & Warner K.E. (2009). The Perils of Ignoring History: Big Tobacco Played Dirty and Millions Died. How Similar Is Big Food? *The Milbank Quarterly*, 87(1), 259-294.
12. Canadian Council for Tobacco Control (2003). *Imperial Tobacco Marketing Strategies*. Retrieved April 25, 2016, from http://www.cqct.qc.ca/Documents_docs/DOCU_2003/DOCU_03_03_04_Arguments_ITL_Marketing_ed_ENG.pdf
13. Carrigan, M., Marinova, S. & Szmigin, I. (2005). Ethics and international marketing: Research background and challenges. *International Marketing Review*, 22 (5), 481-493.
14. Center for Disease Control and Prevention. (2015). *Tobacco brand preferences*. Retrieved May 12, 2016, from

http://www.cdc.gov/tobacco/data_statistics/fact_sheets/tobacco_industry/brand_preference/

15. Chapman, S. (1996). The ethics of tobacco advertising and advertising bans. *British Medical Bulletin*, 52 (1), 121-131.
16. Chen, B. (2012, November 17). *[Marketing Ethics] Making Harmful Products Appealing*. Retrieved April 17, 2016, from <http://blogs.ubc.ca/beinichen/2012/11/17/marketing-ethics-making-harmful-products-appealing/>
17. DiFranza, J.R., Wellman, R.J., Sargent, J.D., Weitzman, M., Hipple, B.J. & Winickoff, J.P. (2006). Tobacco Promotion and the Initiation of Tobacco Use: Assessing the Evidence for Causality. *Pediatrics*, 117 (6), 1237-1248.
18. Dincer, C. & Dincer, B. (2014). An Overview and Analysis of Marketing Ethics. *International Journal of Academic Research in Business and Social Sciences*, 4 (11), 151-158.
19. Feldsien, D. (2014, October 31). *Mass New Media Citizen Ethics: A matter of ought — not may*. Retrieved May 7, 2016, from <http://rhetorica.net/mediaethics/?p=158>
20. Fox, B.J. (2005). Framing tobacco control efforts within an ethical context. *Tobacco Control*, 14 (2), ii38-ii44.
21. Grundey, D. (2007). Global marketing ethics: social and emotional-psychological issues in advertising to children. *Transformations in Business & Economics*, 6 (2/12), 41-64.
22. Hargreaves, R. (2014). Tobacco is Still an Extremely Profitable Business, and This Won't Change Soon: The U.S. tobacco market keeps growing, Altria, Reynolds American, and Lorillard will all continue to profit. *The Motley Fool*. Retrieved April 24, 2016, from <http://www.fool.com/investing/general/2014/04/08/tobacco-is-still-an-extremely-profitable-busines-2.aspx>
23. Hunt, S.D. & Vitell, S.J. (2006). The General Theory of Marketing Ethics: A Revision and Three Questions. *Journal of Macromarketing*, 26 (2), 143-153.
24. Ingram, D. (n.d.). *List of Ethical & Legal Issues When Advertising*. Retrieved May 5, 2016, from <http://smallbusiness.chron.com/list-ethical-legal-issues-advertising-11466.html>
25. Jamnik, A. (2011). The Question of Ethical Decision in Marketing and Ethics. *Revista Cultura Económica*, 29 (80), 41-53.
26. Japan Tobacco International. (2015). *Our Company*. Retrieved May 14, 2016, from www.jti.com/our-company/jti-at-a-glance/
27. Jeurissen, R. & van de Van, B. (2006). Review: Developments in Marketing Ethics. *Business Ethics Quarterly*, 16 (3), 427-439.
28. Joshua Kennon. (2010). *Four Companies Control 94.8% Market Share of the Domestic Cigarette Industry in the United States*. Retrieved May 14, 2016, from <http://www.joshuakennon.com/united-states-cigarette-market-share/>

29. Keck, K. (2009, June 19). *Big Tobacco: A history of its decline*. Retrieved April 28, 2016, from <http://edition.cnn.com/2009/POLITICS/06/19/tobacco.decline/>
30. Kotler, P. & Armstrong, G. (2012). *Principles of Marketing* (14th ed.). Upper Saddle River, NJ: Prentice Hall.
31. Laczniak, G.R. and Murphy, P.E. (1993). *Ethical Marketing Decisions: The Higher Road*. Needham Heights, MA: Allyn & Bacon.
32. Laczniak, G.R. & Murphy, P.E. (2006). Normative Perspectives for Ethical and Socially Responsible Marketing. *Journal of Macromarketing*, 26 (2), 154-177.
33. Lakhani, D. (2008). *Subliminal Persuasion: Influence & Marketing Secrets They Don't Want You To Know*. Hoboken, New Jersey: John Wiley & Sons, Inc.
34. Life Buzz. (n.d.). *18 Controversial Vintage Adverts That Would Be Banned Today*. Retrieved June 14, 2016, from <http://www.lifebuzz.com/old-ads/>
35. Mandal, S.K. (2010). *Ethics in Business and Corporate Governance*. New Delhi, India: Tata McGraw Hill Education Private Limited.
36. Marinova, N. (2013). Marketing ethics and social responsibility. *Trakia Journal of Sciences*, 11 (1), 535-538.
37. Markman, A. (2011, May 17). A few words on subliminal advertising: Subliminal advertising works, but it won't make you a robot. *Psychology Today*. Retrieved May 3, 2016, from <https://www.psychologytoday.com/blog/ulterior-motives/201105/few-words-subliminal-advertising>
38. Martin, D. (2012, October 24). Drug firms are 'risking lives by hiding bad trials and side effects of their medicines': Calls for companies to be made to publish the results of all its trials. *Daily Mail*. Retrieved May 5, 2016, from <http://www.dailymail.co.uk/news/article-2222220/Drug-firms-risking-lives-hiding-bad-trials-effects-medicines.html#ixzz48HfWL9FO>
39. Murphy, P.E., Laczniak, G.R., Norman, E.B. & Klein, T.A. (2005). *Ethical Marketing*. Upper Saddle River, NJ: Pearson.
40. National Cancer Institute (2008). *The Role of the Media in Promoting and Reducing Tobacco Use*. Retrieved April 20, 2016, from http://cancercontrol.cancer.gov/brp/tcrb/monographs/19/m19_complete.pdf
41. National Institute of Drug Abuse. (2012). *Are there safe tobacco products?* Retrieved May 19, 2016, from <https://www.drugabuse.gov/publications/research-reports/tobacco/are-there-safe-tobacco-products>
42. Nill, A. & Schibrowsky, J.A. (2007). Research on Marketing Ethics: A Systematic Review of the Literature. *Journal of Macromarketing*, 27 (3), 256-273.
43. Novotny, T.E. & Carlin, D. (2005) Ethical and legal aspects of global tobacco control. *Tobacco Control*, 14 (2), ii26–ii30.

44. Parilti, N., Demirgüneş, B. K & Özsaçmacı, B. (2014). Ethical Issues in Marketing: An Application For Understanding Ethical Decision Making. *Marmara University Journal of Economic & Administrative Sciences*, 36 (2), 245-298.
45. Parsons, E. & Maclaran, P. (2011). *Contemporary Issues in Marketing and Consumer Behavior*. New York, NY: Routledge.
46. Philip Morris International. (2015). *Company Overview*. Retrieved May 14, 2016, from www.pmi.com/eng/about_us/company_overview/pages/company_overview.aspx
47. Pinterest. (n.d.). *Explore Christmas Ads, Tobacco Advertising, and more!* Retrieved June 14, 2016, from <https://www.pinterest.com/pin/69242912991179688/>
48. Ravven. W. (2002, August 13). *Tobacco firms used financial ties to weaken market for anti-smoking products*. Retrieved May 8, 2016, from <https://www.ucsf.edu/news/2002/08/4839/tobacco-firms-used-financial-ties-weaker-market-anti-smoking-product>
49. Robin, D.P. & Reidenbach, R.E. (1987). Social Responsibility, Ethics, and Marketing Strategy: Closing the Gap Between Concept and Application. *Journal of Marketing*, 51 (1), 44-58.
50. Saucier, R. (2008). *Marketing Ethics*. Lewiston, New York: The Edwin Mellen Press.
51. Saunders, M., Lewis, P. & Thornhill, A. (2009). *Research Methods for Business Students* (5th edition). Harlow, England: Pearson Education Limited.
52. Savell, E., Gilmore, A.B., Sims, M., Mony, P.K., Koon, T., Yusoff, K., . . . , Chow, C.K. (2015). The environmental profile of a community's health: a cross-sectional study on tobacco marketing in 16 countries. *Bulletin of the World Health Organization*, 93 (12), 851-861.
53. Schlegelmilch, B.B. & Öberseder, M. (2010). Half a Century of Marketing Ethics: Shifting Perspectives and Emerging Trends. *Journal of Business Ethics*, 93 (1), 1-19.
54. Sharma, A., Fix, B.V., Delnevo, C., Cummings, K.M. & O'Connor, R.J. (2016). Trends in market share of leading cigarette brands in the USA: national survey on drug use and health 2002–2013. *BMJ Open*, 6 (1), 1-7.
55. Shaw, L. (2012). *Sage Brief Guide to Marketing Ethics*. Thousand Oaks, California: SAGE Publications, Inc.
56. Smith, N.C. & Cooper-Martin, E. (1997). Ethics and Target Marketing: The Role of Product Harm and Consumer Vulnerability. *Journal of Marketing*, 61 (3), 1-20.
57. SpyreStudios. (2013). *10 Controversial Vintage Ads That Wouldn't Be Allowed Today*. Retrieved June 14, 2016, from <http://spyrestudios.com/10-controversial-vintage-ads-that-wouldnt-be-allowed-today/>
58. Stanford School of Medicine. (n.d.a). *Stanford Research into the Impact of Tobacco Advertising*. Retrieved June 14, 2016, from http://tobacco.stanford.edu/tobacco_main/images.php?token2=fm_st002.php&token1=fm

- _img0101.php&theme_file=fm_mt001.php&theme_name=Doctors%20Smoking&subtheme_name=20,679%20Physicians
59. Stanford School of Medicine. (n.d.b). *Stanford Research into the Impact of Tobacco Advertising*. Retrieved June 14, 2016, from http://tobacco.stanford.edu/tobacco_main/images.php?token2=fm_st001.php&token1=fm_img0002.php&theme_file=fm_mt001.php&theme_name=Doctors%20Smoking&subtheme_name=More%20Doctors%20Smoke%20Camels
 60. Sundaram, D.S. & Mitra, K. (2007). Ethical evaluation of marketing practices in tobacco industry. *International Journal of Business Research*, 7 (2), 194-204.
 61. Thomson, V. (n.d.). *Is Subliminal Advertising Ethical or Not?* Retrieved May 4, 2016, from <http://smallbusiness.chron.com/subliminal-advertising-ethical-not-60413.html>
 62. Tobacco Atlas. (2015). *Tobacco Atlas Finds Industry Tactics Creating a Future of Missed Opportunity to Improve Global Health, Wealth, and Equality*. Retrieved May 17, 2016, from <http://www.tobaccoatlas.org/news/the-tobacco-atlas-finds-industry-tactics-are-creating-a-future-of-missed-opportunity-to-improve-global-health-wealth-and-equality/>
 63. Tobacco Atlas. (n.d.) *Tobacco Companies*. Retrieved May 6, 2016, from <http://www.tobaccoatlas.org/topic/tobacco-companies/>
 64. Tobacco Free Kids (2015a). *Big Surprise: Tobacco Company Prevention Campaigns Don't Work; Maybe It's Because They Are Not Supposed To*. Retrieved May 10, 2016, from <https://www.tobaccofreekids.org/research/factsheets/pdf/0302.pdf>
 65. Tobacco Free Kids (2015b). *Global Cigarette Industry*. Retrieved May 13, 2016, from http://global.tobaccofreekids.org/files/pdfs/en/Global_Cigarette_Industry_pdf.pdf
 66. Tugend, A. (2002, October 27). Cigarette Makers Take Anti-Smoking Ads Personally. *New York Times*. Retrieved April 15, 2016, from <http://www.nytimes.com/2002/10/27/business/yourmoney/27TOBA.html?pagewanted=all>
 67. U.S. Department of Health and Human Services. (2012). *Preventing Tobacco Use Among Youth and Young Adults: A Report of the Surgeon General*. Retrieved April 19, 2016, from http://www.ncbi.nlm.nih.gov/books/NBK99237/pdf/Bookshelf_NBK99237.pdf
 68. Verwijmeren, T., Karremans, J.C., Stroebe, W. & Wigboldus, D.H.J. (2011). The workings and limits of subliminal advertising: The role of habits. *Journal of Consumer Psychology*, 21 (2), 206-213.
 69. Vitell, S.J., Paolillo, J.G.P. & Thomas, J.L. (2003). The Perceived Role of Ethics and Social Responsibility: A Study of Marketing Professionals. *Business Ethics Quarterly*, 13 (1), 63-86.
 70. World Health Organization (2008). *WHO Report on the global tobacco epidemic, 2008: The MPOWER package*. Retrieved May 13, 2016, from www.who.int/entity/tobacco/mpower/mpower_report_full_2008.pdf

71. World Health Organization. (n.d.) *Tobacco Explained: The truth about the tobacco industry ...in its own words*. Retrieved May 3, 2016, from <http://www.who.int/tobacco/media/en/TobaccoExplained.pdf>
72. World Health Organization. (2015). *Tobacco*. Retrieved May 19, 2016, from <http://www.who.int/mediacentre/factsheets/fs339/en/>
73. World Lung Foundation. (2012). *New Tobacco Atlas Estimates U.S. \$35 Billion Tobacco Industry Profits and Almost 6 Million Annual Deaths*. Retrieved May 5, 2016, from <http://www.worldlungfoundation.org/ht/display/ReleaseDetails/i/20439/pid/6858>

APPENDIXES

TABLE OF APPENDIXES

Appendix A: Focus group material	1
Appendix B: List of abbreviations.....	6

Appendix A: Focus group material

These ads were shown to focus group participants in order to hear their opinions on their ethicality and appropriateness.

Figure 4. Doctors' recommendation to smoke 1



Source: *Stanford School of Medicine*, n.d.

Figure 5. Doctors' recommendation to smoke 2

The advertisement is divided into several sections. At the top, a large photograph of a middle-aged man in a white lab coat, identified as a doctor, is shown from the chest up. He is holding a lit cigarette in his right hand and looking directly at the camera with a slight smile. To his left, a yellow rectangular box contains text. Below this, a large headline is centered. Under the headline, on the left, is a paragraph of text. In the center is an illustration of a Camel cigarette pack. To the right of the pack is a photograph of a woman's face with a white 'T' shape drawn over her mouth and chin. To the right of the woman's face is another paragraph of text. At the bottom left, the brand name 'CAMELS' is written in large letters, followed by 'Costlier Tobaccos' in a script font. At the bottom right, there is small text.

He's one of the busiest men in town. While his door may say *Office Hours 2 to 4*, he's actually on call 24 hours a day.

The doctor is a scientist, a diplomat, and a friendly sympathetic human being all in one, no matter how long and hard his schedule.

According to a recent Nationwide survey:

MORE DOCTORS SMOKE CAMELS THAN ANY OTHER CIGARETTE

DOCTORS in every branch of medicine—113,597 in all—were queried in this nationwide study of cigarette preference. Three leading research organizations made the survey. The gist of the query was—What cigarette do you smoke, Doctor?

The brand named most was Camel!

The rich, full flavor and cool mildness of Camel's superb blend of costlier tobaccos seem to have the same appeal to the smoking tastes of doctors as to millions of other smokers. If you are a Camel smoker, this preference among doctors will hardly surprise you. If you're not—well, try Camels now.

Camel
TERRIBLELY DOMESTIC BLEND CIGARETTES
SMOKE TASTILY

Your "T-Zone" Will Tell You...

T for Taste...
T for Throat...
that's your proving ground for any cigarette. See if Camels don't suit your "T-Zone" to a "T."

CAMELS

Costlier Tobaccos

© J. W. Winkler
Tobacco Company
Washington, D. C.

Source: Stanford School of Medicine, n.d.

Figure 6. Santa Claus promoting smoking 1

Guard Against Throat-Scratch

enjoy the smooth smoking of fine tobaccos

*...smoke **PALL MALL**
the cigarette whose mildness
you can measure*

PALL MALL
FAMOUS CIGARETTES

Study This Puff Chart:
PUFF BY PUFF...YOU'RE ALWAYS AHEAD WITH PALL MALL

1
The further your cigarette filters the smoke through fine tobaccos, the milder that smoke becomes. At the first puff, PALL MALL's smoke is filtered further than that of any other leading cigarette.

2
Again after 5 puffs of each cigarette your own eyes can measure the extra length for extra mildness as the smoke of PALL MALL's traditionally fine tobaccos is filtered further. Moreover, after 10 puffs of each cigarette...

3
... or 17 puffs, Pall Mall's greater length of fine tobaccos still travels the smoke further — filters the smoke and makes it mild. Thus Pall Mall gives you a smoothness, mildness and satisfaction no other cigarette offers you.

Wherever you go today, you will see more and more people smoking PALL MALL — the cigarette whose mildness you can measure.

Outstanding
...and they are mild!

P.S. LET A CARTON OF PALL MALLS SAY "MERRY CHRISTMAS" FOR YOU

Copyright 1935 American Cigarette and Case Co., Inc.

Source: Pinterest, n.d.

Figure 7. Santa Claus promoting smoking 2



Source: Pinterest, n.d.

Figure 8. Advertisements involving children 1



Source: Spyre Studios, 2013.

Figure 9. Advertisements involving children 2



Source: *Life Buzz*, n.d.

Appendix B: List of abbreviations

AMA American Marketing Association

PRESOR Predictable effect on the perception of the role of ethics and social responsibility

TV Television

US United States

CNTC China National Tobacco Corporation

JTI Japan Tobacco International

PMI Phillip Morris International

BAT British American Tobacco

FCTC Framework Convention on Tobacco Control

WHO World Health Organization