ETHICAL BUSINESS AND ADVERTISING
BAKALÁRSKA PRÁCA

Bratislava 2010
Adriana Horecká
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BAKALÁRSKA PRÁCA

Študijný program: Liberálne štúdiá
Študijný odbor : 3. 1. 6 Politológia
Vedúci bakalárskej práce: Mgr. Jana Muránska, PhD.
Stupeň kvalifikácie: bakalár (v skratke „Bc.“)
Dátum odovzdania práce: 30.4.2010
Dátum obhajoby: 15. 6. 2010

Bratislava, 2010

Adriana Horecká
Declaration of originality

I declare that this Bachelor Thesis “Ethical Business and Advertising” is my own work and has not been published in part or in whole elsewhere. All used literature and other sources are attributed and cited in References.

Bratislava 5. May 2008

Signature: ________________
ACKNOWLEDGEMENT

My acknowledgement belongs to my bachelor thesis’ advisor Mgr. Jana Muránska PhD, for her expert and methodic help while writing this thesis and for her comments and suggestions, which were a valuable contribution to my work, as well as to Mgr. Dagmar Kusá PhD, for her kind help with all technical necessities of the final version of my work.
Ethical Business and Advertising

Name: Adriana Horecká
Bratislava International School of Liberal Arts
Thesis advisor: Mgr. Jana Muránska, PhD.
Extent: 40 pages (14,020 words)

ABSTRACT

This thesis focuses on the importance of showing, emphasizing and explaining of the significance of ethical business and its unconditional association with ethical approaches when creating advertisements. Analyzing the foundations of ethical business through posing various questions while searching for its grounding within three ethical theories, thesis comes to the conclusion which points out the necessity of linking ethical business and ethical advertising. A demand for this current approach towards advertising is supported by the examples which emphasize the weaknesses of the current approaches to creating advertisements. Ethical advertising should in this understanding present an implicit part of corporate social responsibility and from this position it should help to create a fair relationship between the producer, seller and customer. Thus it does not focus merely on selling the product and gaining profit, which however makes an implicit part of each advertisement, but it is concerned mainly with the manner in which advertisement is created and with the associated aspects of its influence. It is through this approach of connecting ethical business with ethical advertising that a potential for deeper ideas arises, ideas that would take world and mankind into consideration and respectively treat them with dignity and respect to their needs.
ABSTRAKT

Hlavnou myšlienkou tejto práce je ukázať, zdôrazniť a vysvetliť zmysel a potrebu etického biznisu a jeho bezvýhradného spojenia s etickým prístupom pri vytváraní reklamy. Analyzovaním základov práve etického biznisu cez nástolovanie mnohých otázok hľadajúc ich ukotvenie v troch etických tradiciách, sa práca pomaly krok za krokom dostáva k záveru, ktorý sa snaží ukázať nutnosť prepojenia etického biznisu a etickej reklamy. Potrebu tohto v skutku aktuálneho prístupu k tvoreniu reklamy podčiarkujú práve príklady, na ktorých je vidieť slabé stránky súčasného prístupu k reklame a jej tvoreniu. Etická reklama v tomto ponímaní by mala predstavovať implicitnú súčasť spoločenskej zodpovednosti a z tejto pozície kreovať čestný vzťah medzi producentom, predajcom a zákazníkom. Nezahríňa teda zameranie sa výhradne len na predaj produktu a následný profit, čo je samozrejme implicitnou zložkou každej reklamy, ide však najmä o spôsob akým je reklama vytvorená ako aj o aspekty jej vplyvu, ktoré na seba viaže. Práve v tomto prístupe prepájajúcom etický biznis a reklamu sa odhaľuje potenciál pre hlbšiu myšlienku, ktorá berie do úvahy celý svet a ľudstvo a adekvátnie k tomuto presvedčeniu sa k nim správa s úctou a rešpektuje ich potreby.
PREFACE

The aim of this bachelor thesis is to elaborate the notion of ethical business in connection with the idea of linking it with ethical advertising. The reason for choosing this topic was my deep personal interest in doing advertising and therefore I decided to search for various ways of creating adverts however, the ethical approach is the one that seems as the most valuable one for me. Getting through a great number of literature sources which deal with the problems of ethical principles possibly used in business as well as the texts that are closely related to the problems of advertising, I came to the conclusion that the ethical business definitely cannot omit the notion of ethical advertising.
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Introduction

Nowadays, ethical business has become rather frequent topic for discussion. It certainly presents a new challenge for many businesses as well as for their customers that needs to be focused at in a greater detail. This thesis traces the key principles of ethical business through examining selected ethical approaches and subsequently implementing identified ethical principles and values into business sphere. By taking a closer look at the basic philosophical questions dealing with goodness of human actions, morality, values, feeling of responsibility and respect from the points of view of utilitarianism, deontology and virtue ethics, the cornerstones of doing ethical business could be set. However ethical business understood in this sense cannot work in isolation. Therefore a link between business and advertising in terms of ethics needs to be emphasized. Nowadays there are various approaches to advertising, however not all of them fall under the notion of ethical advertising. However it is possible to detect a shift that moves advertising from its traditional function to more ethical level. Focusing the power of advertising on communicating deeper ideas, stressing respect for persons and social responsibility could challenge the role of advertising and business for future. The aim of this work is to identify, explain and suggest possible reasons for linking business and advertising in scope of social responsibility on the background of key ethical elements which could underline ethical action in these spheres of human life.
CHAPTER 1: ETHICAL BUSINESS - THEORETICAL BACKGROUND: LINKING BUSINESS AND ETHICS

History shows how old the idea of connecting ethics with business is, or in other words the idea of evaluating our actions involved in business practices and relations in terms of morality. Nowadays it is quite common to hear people speak about ethical business or its related branches. You can buy fair trade products in a fate of supporting fair working conditions for the workers, use eco friendly products in a belief of helping to save the environment or at least to reduce the harms of human impact on it. The same applies to organic food or clothes made from bio cotton or products which are recyclable. But what it really means to do business ethically? Does it mean applying ethical theories into business practices or does it invoke something else as well? This research focuses on seeking a reply to this question.

Furthermore it has an ambition to look closely at the link between ethical business and advertising. It is necessary to ask whether one can believe in the advertisements and the ideas that are served to us. In this connection one cannot omit the notion of social responsibility. Responsibility of each man evokes the feeling of being responsible for his or her own actions. This definitely means that one has to take the consequences of the actions into account. At the same time let us assume that each human should be understood as a moral being that is a person acting according to certain moral values or principles and at the same time a person able to reflect all her decisions and actions from this perspective. Thus a person able to reflect decisions and actions others perform as well. However in business context we often come across difficult questions. Is it only individual as a person who is to bear responsibility for her own actions or can even a company or a corporation be considered as a moral person and then held responsible for its actions as a whole? In this connection it is very accurate to mention Milton Friedman, who does not see any corporation as a moral person and in his view presented as moral minimalism, it is impossible to hold a whole corporation responsible for the decisions it takes (Werhane, Freeman, 2003).

The aim of this paper is not to show that after creating ethical codes and integrating the elements of ethical business into practice, people will be motivated to
act accordingly because otherwise they would be punished in case of breaking it. Rather it would like to show that it is necessary to develop such a feeling of responsibility and caring for the world and the others around us that would make people willingly to choose to follow principles of ethical business. But before taking a closer look into a theoretical background of ethical business certain questions need to be posed.

1.1 Key principles of ethical business and their foundations

Firstly it is necessary to ask what is good. What is good in general? What is good for us as human beings? How do people behave and what drives their actions? What is a nature of goodness? How can such a good differ among persons? Each man knows the things that are simply good for him, whether it is food or drinks, basic daily necessities or special interests that make him or her feeling good. Everyone rather chooses the best thing he or she likes, not the second or the third one. Socrates was asking similar question. His aim was to seek what makes human life good and how are we to live in order to live a good life. In a nature of goodness it is necessary to speak of a nature of the human being as well. Richard Kraut mentions the term “flourishing – that we use to evaluate how well any living thing is doing” (Kraut, 2009, p. 5). Kraut suggests that when speaking of human being, the psychological aspect has to be included, too. It is not only about the organism as when concentrating on plants or animals, but humans are more complicated and therefore both organic and psychological aspect are important equally. Organism needs to be healthy to be happy or to feel good; however human being needs something more which is hidden inside, to feel peace in the soul, what is the guarantee of a psychological stability and feeling good (Kraut, 2009).

1.1.1 Do consequences matter?

There are many ethical theories which cover the topics of good and bad human action. One of the philosophical theories that deal with the problems of goodness in connection to acting is utilitarianism. This theory was introduced by Jeremy Bentham and was later developed by John Stuart Mill. The theory examines goodness and
badness associated with the consequences of our actions and thus can be subsumed under the broader theory of consequentialism. For utilitarianism everything which promotes happiness and pleasure could be understood as good. What people seek to avoid on the other hand is pain and suffering (Snoeyenbos, Humber, 1999). Therefore the utilitarianism seeks to maximize the pleasure as a universal criterion for evaluating goodness of human actions. Of course in this sense it might be appropriate to ask at what costs does utilitarianism promote happiness of the maximum number of people. Does it mean that the consequences of the action sacrifice its end? Certainly utilitarianism cannot escape these critiques in any context of human actions.

In searching for universal principle of actions or universal standard for their evaluation, a question of common interest arises. That is why satisfying only one’s own happiness cannot be sufficient. In the question of happiness John Stuart Mill developed another deeper thought where he concentrated on distinguishing between kinds of pleasures. He explained that some pleasures are higher then the others and emphasized that there are pleasures which are just desires – this would be understanding of pleasure in the more hedonistic sense. This point made him concentrate more on the happiness and not so much on the pleasures. Thus Mill introduces a concept of utility as a criterion for determining good actions. In the respective manner in the business context achieving profit can be seen as a desired consequence – a utility, while the means leading to this profit are assigned secondary importance. This suggests that profit could be understood as the only important end of the business and the process of achieving it is not a thing to consider (Muránska, 2008). Such approach can be associated with Milton Friedman’s understanding of profit – as the only aspect of social responsibility that is worth discussing in connection with business. Despite these critiques of utilitarianism, the consequences cannot be left completely aside when considering goodness of our actions in moral sense. However the distribution of social utility might still remain problematic.
1.1.2 Moral law

Among the most influential philosophers who were dealing with the question of a good action and how one ought to act in order to act well was Immanuel Kant. In his extensive work ethics plays an important part and attempts to search for a universal principal of human action that would be binding for all people. However in the context of understanding ethical business only selected concepts within Kant’s ethical theory will be explained. This certainly includes a concept of maxim, duty and respectively two types of imperative that will need to be clarified. In tracing Kant’s ethical thoughts one must move from a question: How do people act? to the one describing How ought people act?. What is driving their actions? Kant understands a man as a rational being but not only that, he understands people as moral persons – possessing dignity and able to act according to moral laws that they themselves create. Of course that he understands that many of our acts are influenced by the goals that we want to achieve and in many cases we perform other actions or use other people as means to achieve these goals. In contrast to this there is also a kind of action that we perform because it is right under any circumstances and it is this kind of action that can be universalized. This action is done for its own sake. The example that was given by Kant and elaborated by Fred Feldman in his work on Kantian ethics is presenting the same actions by different man however acting on different principles. One of them Mr. Grimbey wants to earn as much money as it is possible therefore he decides for his tactic as being nice and treats his customers well which also involves returning the correct change back to every customer. This fact will influence people and make them come to his store again. Maxim of his action says: “When I can gain a good business reputation by giving correct change, I shall give correct change” (Feldman, 1998, p.187). The other owner of grocery store has different approach; his main reason for giving correct change back is a morality of his action. His main point is to care about the customers not to use them as a means for getting as much money as possible and thus lying to them by knowingly giving back incorrect change. Maxim of his action is: “When I can perform a morally correct act by giving correct change, I shall give correct change” (Feldman, 1998, p.188). Here we can see the crucial differences in the maxims that people can act upon, although the result of both of these actions
undertaken are seemingly the same, in their principle they differ as their maxims are radically different.

In connection to this two kinds of imperatives need to be explained. One is called a hypothetical imperative which deals with acting for the sake of achieving something else. It can be exemplified on the example of work or school; if you want to earn money you should work; if you want to become a lawyer you should study law. In this kind of imperative certain means are assigned to certain end and actions guided by it are called instrumental. But let us take closer look at what Kant calls categorical imperative. He understands categorical imperative as a kind of action in which the person acts according to certain principle without expecting anything in reward. We can consider categorical imperative as an universalizibility test according which it is possible to say whether the action is moral and good or immoral. Kant focuses rather on the action itself than on the consequences of the action. Each action has its maxim, which as a subjective principle of acting has to be made universal in order to become an objective principle of action for others as well. If it is possible to universalize a maxim of your action then the action is moral. Kant gives an example which makes everything clearer. This example deals with lying. A person is broke; she does not have money and is in desperate situation, which makes her decide to borrow some money, while knowing she is not able to pay the money back. However this broke person promises refunding the money. According to Kant’s categorical imperative such an action is immoral because if maxim of such an action is universalized, it wouldn’t be possible to trust anyone anymore. At this point the possible situation that may occur under such conditions as were drawn above arises. If every person decides to act in a way as a broke person did – in other words to act on such a principle which is giving a lying promise – then anything that anyone would want and need could be obtainable through conscious lying and pretending rewarding. This means that trust as a condition of fair relations in society could not be functioning anymore.

In connection with ethical business Kant’s philosophy is a core of the ideas that are implemented in the ethical business. An American professor of philosophy and strategic management Norman E. Bowie made a research concentrating on Kant’s
philosophy as applied to business, creating the core principles of ethical business. Philosophical idea that Bowie applies to the ethical business is mainly that of “respect for a person” where all the stakeholders of a company have to be treated as persons. “Human beings are the only creatures that are free, and it is the fact that we are free that enables us to be rational and moral. Our free will is what gives us our dignity and unconditioned worth” (Bowie, 1998, p.4). By this statement it is very adequate to say that both Bowie and Kant saw the power in human being by choosing their own way of acting through their rationality. The decision to be good and moral comes with rational assumptions. When discussing “respect for person’s principle” Bowie comes across two different forms of freedom. These are the freedom from something considered as a “negative freedom”. It gives us the notion of freedom, but only of that allowed by an institution. This in other words can be forced or even illusional. On the other hand there is the freedom to something, which Bowie considers as a “positive freedom”. From this point of view such an understanding of freedom is enabling making the progress of each and every human’s mental and physical capabilities. In business terms the notion of respect is based on Kantian understanding of a person as an end and never as means of our actions as expressed in humanity formula of categorical imperative: “…treating the humanity in a person as an end, and not as a means…” (Bowie, 1998, p.8). This explains that using any person for achieving one’s goals is inhuman and immoral. Because for Kant and Bowie as well it can be said that the goal of the good business - and in this sense ethical business - the principle on which one’s actions are based must be seen as universal and as irrelevant to the consequences and self – interested motives of one’s action. It means that Kantian ethics aims at action itself and its principles, whereas in consequentialist ethics prevailing of the good consequences must be the most important result or outcome, which in business context can be understood as the profit as Milton Friedman presupposes.

1.1.3 Virtue in business context

There are many old civilizations in which people cared about their spirituality and saw the importance of searching for good and virtues in the world. One of the Athenian philosophers, Aristotle, in his book Nicomachean Ethics concentrates on his
views on politics. He tends to connect all spheres of social life together. Aristotle does not want to separate politics, economics, and ethics, but he sees the advantage in their inter-connection. Amartya Sen, a Bengali professor of philosophy and economics teaching all over the world elaborates the connection between ethics and economy in his work, where he also mentions the influence of this Aristotelian idea. He uses Aristotle as an example for supporting his own theory. Because Aristotle was not only searching for the answer about the politics, but also the connection with ethics which took him closer to the human mind and the same question, what is good and what is the aim of human life. Amartya Sen explains that there is no proof that humans will act every time according to their morals or ethical belief, but we cannot even totally abandon the thought that human mind is so powerful and can influence human actions (Sen, 2002).

Firstly it is adequate to ask what a virtue is and what makes virtue ethics so attractive in the context of business nowadays. There are many contemporary philosophers dealing with subjects of ethics and business. One of those who are proponents of virtue ethics in relation to business is Robert Solomon, an American professor of continental philosophy. Robert Solomon answers the question what virtue is, by explaining: “It is that which enables us to become who we really are” (Solomon C. R, 1999, p. 69). But how is it to be understood? In connection with business a set of basic virtues which have to be adhered can be introduced. It contents of honesty, fairness and trustworthiness. Without following these fundamental virtues, no business could be made. There are many other virtues of course but it is up to the “user” which he or she understands as the ones that have to be considered as the most important. However person can choose the virtues he cannot forget that there are also less important virtues which have to be count on after understanding the more important ones (Solomon, 1999).

Professor Solomon elaborates the concept of business ethics mostly concentrating on virtue ethic. “Virtue ethics focuses not so much on principles or the consequences of action, nor even the action itself so much as on the agent, the person who performs the action, in the light of circumstances and all of his or her other action”(Solomon, 2002, p.30). In other words this idea is primary focusing on the
person and her character traits. This view excludes utilitarian assumption that the most important are the consequences, results, outputs or profits and also it excludes the notion created from Kantian imperatives which says the action itself and the principle it is based on is crucial. Idea of a virtue ethics is directly connected to the character of an individual, who possesses a capability for moral actions but he cannot become a moral person unless he acts morally.

1.2. Corporate social responsibility – what should work and why?

Why is it important to discuss the notion of responsibility? And to whom and to what do we feel the responsibility for? Responsibility comes with the life experience. It has to be developed and emphasized during the upbringing of a child. It is generally known that the consequences of everyone’s action could be even punished by the law. Therefore there is no doubt that the main responsibility we have is to survive what includes taking care of ourselves in a sense of making our life worth living and the best for us. Although it is necessary to point out that our good cannot violate the good of others therefore the responsibility we have towards others even towards the environment needs to be discussed. Responsibility towards others in terms of not using them as a means for achieving our goals knowing that such an action could harm to them; taking care of the environment, feeling responsible to separate the rubbish that each of us produces; all basic daily responsibilities are important and often so automatic that no one really sees them in terms of responsibility. For instance it includes watering the pants at home, lowering the volume of the electronic devices later in the evening, greeting the neighbors and not acting in a rude way towards them. There are many other of these “petite” examples which easily make the environment in which people live nicer and more peaceful.

In the business environment a notion of responsibility is included under corporate social responsibility (CSR). Use of this term has become very popular recently. Many theories in connection with social responsibility and business itself have been developed so far. The main reason why such an idea came to life is an effort of each and every person, to increase the standards of living and quality of life. In this case it can be understood as an interaction among the companies and between
companies and their customers. This includes liability of a company to its competitors, public, customer, environment, employees and shareholders. Companies want to show the world what they do care about and what matters most for them. They show what their values are and they also claim that these values became their duties as well which they want to fulfill (Hollender, Fenichell, 2004).

According to a business dictionary business is characterized as “Economic system in which goods and services are exchanged for one another or money, on the basis of their perceived worth. Every business requires some form of investment and a sufficient number of customers to whom its output can be sold at profit on a consistent basis.” (businessdictionary.com, 18.2.2010) The term business which will be used in the work relates to the business as a universal term, not concentrating on special departments as trades or markets are. The focus will be stressed on the relations between customer and business and in this connection the link to advertisement will be searched for and analyzed in this interface.

One might assume that the stereotypes of business and businessmen in general consider it as being strong, tough, showing no mercy, concentrating on profit and money not seeing the values and morals. One of the greatest proponents of understanding business as solely profit oriented was Milton Friedman. In his famous article – *The social Responsibility of Business is to Increase its Profits* published in The New York Times Magazine, Freidman states that social responsibility is an “intellectual force” that makes people feel responsible for something they in the reality do not have to be responsible for. In his views the corporation is not a person so it is not possible to have a responsibility for its actions as a whole; therefore business cannot be responsible for its decisions in absolute way. Only people can be responsible for their acts. That means that each member of the company has certain responsibilities but that main point is to increase the profits as much as possible with preservation of the rights of everyone. He goes on with explaining the reality of social responsibility seeing it as only the individual responsibilities that everyone has and therefore these cannot be connected to the business as it is. Person in the position which takes care of social responsibilities in company basically uses the many of the ones that he or she is helping. This point Friedman sees as nonsense because in his
view it is better to let them decide how they want to spend their own money. What
instantly leads him to the fact that in a free society it is not possible that someone’s
positions in company includes possibility to manipulate with money of his employees
or shareholder for his or her goodness and well being. Basically his point cover the
theory that such a common social responsibility is making the world socialist which
do not even allow its citizens decide without restraint how they want to spend their
money for their own good.

Ethical business concentrates, on morals. It is based on trust and creating the
relationship between all the parties involved in the business relation. Fair play and
honesty can be seen as a core of any ethical business, not subsequent to yielding
profit: “An ethical bank, such as The Co-operative Bank, states that it seeks to make
the world a better place by taking a different approach to banking. In the case of this
type of business, ethics becomes at least as high a priority as profitability” (Institute of
Business and Ethics, 28.2.2010). These are not only the company relations that it is
concerned with, but ethical business takes society and environment in the account as
well. It asks for social responsibility which people could feel: “How a company then
chooses to interact with its global and local communities in the light of its values and
ethics is often known as Corporate Responsibility…” (Institute of Business and
Ethics, 28.2.2010) Simon Zadek’s explanation of business definitely influences all
worlds and peoples ethics. He explains “Business is increasingly moulding societal
values and norms, and defining public policies and practice, as well as being the
dominant route through which economic and financial wealth is created. How
business is done will underpin how local and global communities of the future address
social and environmental visions and imperatives” (Zadek, 2001, p.1).

As business has become so powerful it started shaping not only economic
factors but social as well, there emerged a need to think about the ways how to use
business to solve world’s problems. Ethical business has started to spread among
small as well as big businesses. This approach wants to focus mainly on the
humanistic side of a business. Simon Zadek calls such a turn that business takes a
business corporate citizenship. “Corporate citizenship is about business taking greater
account of its social and environmental – as well as financial footprints” (Zadek,
2001, p. 7). From this perspective also the relationship between business and advertising it chooses could be understood. Corporate citizenship and corporate social responsibility could present a space for implementing responsible advertising as an inner part of business strategies used in practice.
CHAPTER 2: ADVERTISING AND ITS MESSAGE

It is rather difficult to avoid the impact and influence of advertisements which people have to come across every day. Somehow it is not possible simply close the eyes when driving along billboard adverts, or just turn the radio or TV off whenever an advertisement is on. Although it would be possible, the advertisements would find their way to sneak in people minds, still. So it is quite natural to ask what the role of advertising is and what massage it carries. How does advertising work and how does it influence people? Or put in a normative language - how should advertising work? These are the questions that are needed to be bared on mind while trying to uncover a necessary connection between ethical advertising and ethical business, what is a main idea of this thesis.

Can advertising be understood only as a tool through which the products are introduced and being sold? A tool which creates the illusions of the “perfect” world by presenting ideal people living an ideal life, full of ideal goods and services within their grasp (Toscani, 1996). Or would it be possible to find or at least try to find the way how such a tool of mass influence could be used for presenting deeper thoughts and ideas or possibly the values in the reality of everyday life?¹

2.1 The Magic of Advertising

Advertising can be understood as a way through which any kind of business or product is proposed to the potential customers and broader public. It is commonly known that any kind of a good idea which ends up in the business cannot survive without a good marketing strategy which cannot omit the crucial role of advertising. In many books written on this topic there are reflections of how important it is to invest money in advertisement as it is the best means of letting people know who you are and how good your product is as well as why they should buy only just this one. (Toman, 2006; Zyman, 2004; Earls, 2008; Toscani, 1996 et al.) Of course for these authors this is just a starting point of their search for a more meaningful and deeper

¹ Here we refer to a book by O. Toscani: Advertising is a scented carrion, where he criticizes advertising and its techniques and points out his approach that stresses a deeper way of communicating content via advertising.
advertising which will be later called the ethical aspect of advertising. However, the basic principles of ethical advertising understood by this work can be summed up in the following principles. Ethical advertising should not harm or insult people, should not lie or mislead the potential customers, which means that its role is to present true positives of the product or service that is advertised. There are many options how to make advertising good. At this point some examples of how the role of advertising is seen in a way of an “ethical advertising” will be mentioned as a good approach and how such a decision to follow ethical principles in doing advertising could by misused or cunningly used only for marketing sake of a company.

So far there have been posed certain questions and suggested possible ideas about the ways how ethical business should work. In this connection the thesis will continue on focusing the idea of a good advertisement/ethical advertisement as seen from the similar perspective as ethical business which was discussed in the first chapter. When a company decides for an ethical business this decision should go hand in hand with the same attitude towards advertising. This statement we have been stressing throughout the whole work. A position that business should be responsible for the advertising methods and means it chooses is also defended by Bert van de Ven, when he writes that: “…business corporations should take responsibility for the moral quality of the adverts that are communicated on their behalf” (Ven, 2001, p.174). Actually the question that he addressed regarding advertising in his work was to a great extent very inspiring for thesis research in linking ethical business with the respective form of ethical advert. He simply asks: “…what is wrong with advertising?” (Ven, 2001, p. 174) meaning: what is it that various authors criticize as the primary moral imperfection of advertising? What are the main weak points that advertising so often fails to get rid of, or put in other words it rather pretends to hide them under the pile of illusions?

Summarizing the basic criticisms addressed to advertising into the following groups accordingly to Ven suggestion. First it is the social guidance effect of advertising that tends to be criticized very often, because it defines certain social meaning encoded in the product that is being advertised. Thus it sells whole set of illusory social symbols that are “encoded” in the product advertised and a possession
of such product gives its owner a desired social status. (Ven, 2001, p. 173) Another problematic aspect of advertising can be seen in interfering into consumer’s autonomy. As it is explained in his work: “…advertising leads to the uncritical acceptance of customer lifestyle which is considered as detrimental to one’s autonomy” (Ven, 2001, p. 174). This means that advertising is furthering consumerism and materialism, which does not really help to cultivate human virtues.

The next thing which is critically discussed regarding advertising is its truthfulness, which is too often put in question. Can the whole set of illusions that accompanies a product advertised be understood as deceptively influencing a consumer? Should there be any limits that would restrict the content of advertising according to its truthfulness – or in other words according to the extent it corresponds with reality? But then the whole “magic” of advertising would be gone. A Ven points out when agreeing with Levitt: “Adverts, like art, satisfy the basic human need to modify, transform, embellish, enrich, and reconstruct the world in which we live” (Ven, 2001, p.173). This would then mean that illusions served to us by advertising are to a great extent wanted and even necessary for us.

The commercial goal of selling the product can be achieved by two main functions of advertising: informing and persuading. On the one hand it is necessary to inform people and on the other hand advertising’s role is to persuade them to buy the product. However from the perspective of business the importance of these two steps is not equal: “…the advertiser does not inform potential consumers to teach them something about the world, but rather to sell a product. That is why persuading the audience is more important than informing it” (Ven, 2001, p. 175). Similar attributes of advertising are explained by Williams. The role that has been taken by advertising has developed and slowly integrated to the everyday life and it is not even possible to imagine the picture of the world without advertising of any kind. Williams goes further by explaining that: “It is often said that our society is too materialistic, and that advertising reflects this” (Williams, 1980, p. 185). However Williams claims that people cannot be such materialists if advertising is using mainly the illusions and slogans which focus on influencing their minds. To illustrate this he uses the following example: “A washing-machine would be a useful machine to wash clothes, rather than an indication that we are forward-looking or an object of envy, or
neighborly” (Williams, 1980, p. 185). In other words we do not need to be informed about the basic functions of the product but we prefer to be drawn into an illusion associated with it. And that is what influential and persuasive aspects of advertising make use of.

Such examples show how important it is to look closer to the sets of society and to analyze more people’s minds with their social, cultural and economic background encompassed. Williams describes a distinction between a “consumer” and a “user” that advertising has to take into consideration when he writes about the magic of modern advertising: “The fundamental choice that emerges, in problem set to us by modern industrial production, is between man as consumer and man as user. The system of organized magic which is modern advertising is primary important as a functional obscuring of this choice” (Williams, 1980, p. 186). In this connection the customer and his needs from various perspectives have to be considered. One of such perspectives is offered to us by Ven. When he introduces the notion of consumerism from the point of view of satisfying certain needs that customers/consumers desire (Ven, 2001). This point of view is supported by another critical approach that sees advertising as being problematic when it comes to respecting customer’s autonomy as it was already mentioned above.

An interesting critical perspective is offered by Geoffrey Klempner, who sees the world consisting from many different spheres. According to him it is possible to live in more than one world that each human is able to recognize. To him it is humans themselves who can create these different worlds. In this connection he suggests that: “One of the worlds that human beings have created is the world of money, commodities, trade, exchange” (Klempner G., 2004). This shows that it all depends on one’s physical capability and recognition in which of these worlds one can live or which spheres he or she can see or discover and explore. Klempner linked this ability of creating worlds with the idea of linking business and ethics. Then he goes on even further to analyzing advertising tendencies which definitely don’t count as honest and valuable as ethical approach to business would represent and require. In order to point out his critical remarks he states: “Here are three charges leveled against advertisers: They sell us dreams, entice us into confusing dreams with reality. They
pander to our desires for things that are bad for us. They manipulate us into wanting things we don't really need” (Klempner G., 2004). But this manipulation can be as well viewed from a different angle: “I am happy to buy into a dream I can believe in. But not one that has been cynically created with the sole aim of making me spend my money” (Klempner G., 2004). Is it really that wrong to buy a dream – an illusion together with the product? Can it be understood as a right way of selling? If customer likes the product and is willing to believe in the “dream”- in the sense which was explained before when mentioning Ven’s ideas of perceiving advertising as something that enriches and replenishes people’s personal worlds, can it be sold to him this way? Basically said if the customer likes the product everything is all right.² But on the other hand Klempner warns us that: “it is not the advertiser's job to make people better than they are, or want better things than they want. That is the work for politicians and preachers, or, possibly, philosophers” (Klempner, 2004).

Summarized history of advertising, its development and sets of rules that have been implemented for the producing advertisings mainly in USA are described in the book by Gerard J. Tellis. The question here remains the same: How can we secure that advertising respects ethical principles? In many cases this can be not left up to advertisers alone. Rather some sort of state or NGO watchdog body is the only solution. And of course there is an authority in the state apparatus of many countries a role of which is to regulate the advertising’s claims and slogans. In the United States it is called The Federal Trade Commission and its role has been to take care of the signs of misusing the advertising in particular cases of lying and limiting the competition since it was established in 1914. After many changes of its competences the core idea stayed the same, keeping the producers from exploiting the customers. The author in his book elaborates deeply the possible ways of truth telling and many ways of lying and playing with words. This practices are seen as dishonest because many adverts are simply confusing and misleading the customer. He divides adverts into many sections of bad kinds of adverts. It encompasses obvious lye, not honest statement, confusing advert, not clear statement and many similar ones. One of them

² We will discuss this standpoint in further detail in the final part of this chapter, when describing Lovemarks.
is called by him the quackery for which he uses example of an advert made by the car company Honda. “Quackery is not considered as a lying practice nowadays, if it is not likely that an average consumer perceives the claim as a benefit guaranteed by the company” (Tellis, 1998, p. 67). In the advertisement use as an example, it was claimed that only in this car, Honda Civic you can meet the best people ever. Of course this should not be understood literally: “The trial, for example rejected an accuse of a man, who claimed that in Honda Civic he did not meet the coolest people as the advert promised.” (Tellis, 1998, p. 67). But still a question remains, why do advertising companies use such slogans that obviously cannot be true? And if the creator and the company expect that people, their potential customers will not believe or take their slogan for granted in, why do they play such game with them?

Bert van de Ven also mentions a similar example, when he states that advertisers focus on creating the social status for a customer by presenting him or her, whole idea of illusions that are formed around the product. These illusions have the power to create the social status and put the consumer to the certain level of society. To this point Ven states: “…people do not want to buy a car as just a means of transportation; they want to believe in the illusion of status, adventure and sex appeal associated with it through the power of advertising” (Ven, 2001, p. 173). It is not only social status that advertising could help to create or frame, its power is even stronger biased towards forming a social guidance. Linking to this fact the author moves to the question of what exactly is wrong with the advertising techniques.

Regarding this influential and persuasive aspect of advertising certain questions have still to be posed. Old civilizations were aware of the fact that through the posters and promotion people can be influenced and the product could be made more visible. Nowadays this trend is still up to date however the advertisement’s role remained the same, its work and its results are not what it used to be. Slowly but surely, people are getting tired of advertisements, all information coming from every side, there is too much of it and ordinary people just don’t want to spend time with fuzzy information proposed to them, they think that they have become immune to advertisements in a way. So what is the real role of advertisement these days? How does a good advert look like? And which direction should the advert agencies follow?
Is really the old way of doing adverts overcome or does it mean that the whole idea just doesn’t work any more? One of such current marketing thinkers, Sergio Zyman claims that the “old” attitude towards doing advertising is dead (Zyman, 2004). So the question still remains – how has the role of advertising change, or in other words what are the aspects that describe advertising today?

It cannot be forgotten to mention the prevailing artistic aspect of many advertisements that plays a primary role in creating an advert in many advertising agencies and leaves the content of the advert far behind. A problem that arises here, deals with the particular creative and leading members of agencies who concentrate so often only on the creative aspect of the advertising pieces that they produce. There is no wondering that the advertisement doesn’t work in a way the company wants it to or it fails to influence the target group for which it was meant to be created. Certainly there are many authors who consider the problem of overgrowing creativity in adverts, although it is necessary to mention at least two of them whose works will be used in connection to ethical approach of adverts as well (Toman, 2006; Zyman, 2004). Both of these authors very strongly stepped out and stressed their annoyances with the failure of the core role of advert: “Advertising agencies and their leading representatives attract companies by promising them advertising campaigns that world has never seen before. They cream off huge amounts of money and whenever they are asked what exactly they are doing, these “creative specialists” get offended and answer basically in the same way as those who deceived the emperor: “advertising is an art and only artists and creative people are able to comprehend it”” (Zyman, 2004, p. 23). This standpoint expresses strong refusal of doing advertising for the sake of its artistic aspect and the profit for the creative advertisers hidden behind it.

Miloš Toman, the marketing expert and advisor, also elaborates the question what the real role of advertising is and what the current problems in doing advertising are. In his book Intuitivní reklama (Intuitive Advert, translation by A.H.) he covers the current problem of using an advert as a tool for making it the most creative in the sense of it’s artistic realization while aiming at amazing people and winning many awards. However, this approach is mistaken. As the author and certainly many others, mainly companies, want to see the result of the advert that was made for their product
in profit making, not in advert agencies winning some awards. The companies want to sell and make money. Toman deals mainly with the question of how making a good and effective advert is possible. He knows that the good business has to sell things that customers want to buy, not *vice versa*. It would be quite appropriate here to mention a well known quote “Customer is our master”. Demands and offers which are promoted through the adverts have to be based on understanding the mutual relation between the customer and advert, such a relationship should be based on honesty and even more important is the fact that this honesty should not to be misused. Such would be an ideal relationship of mutual trust. This reminds the same pattern that was used in the ethical business. For example in the case of two grocer’s that was mentioned before, a fair behavior based on respecting fair and honest principles creates foundation for building up a relation of mutual trust while at the same time respecting both sides participating in the “business contract” as well as yielding a sustainable profit rather than a single purchase.

Toman also points out that consumer’s decision making is strongly influenced by emotions and irrational desires (Toman, 2006, p. 30). And advertising agencies are surely aware of this fact. It is true that business without good marketing, promotion and advertising does not really work properly as one would expect, but how far should it go in following this goal? Toman illustrates that customers are so often influenced or guided by the emotions and feelings by making use of the pyramid made by an American psychologist Abraham Maslow. This pyramid consists of various layers which refer to the needs of the human being starting from the mere physiological needs at the bottom of the pyramid and following through the layers of safety, belonging and love, esteem to the layer of self-actualization at the very top of the pyramid.
Everyone is open to the influence of the advertisement depending on which of these needs he/she need to satisfy. Of course, that this awareness can lead to psychological manipulation from the side of advertisers and can be misused to achieve their goals. As Toman mentions: “Some opponents of advertising consider this sort of influencing the customer as unethical manipulation” (Toman, 2006, p.30). Which in our opinion has relevant significance when talking about ethical advertising. But Toman goes further by stating that however: “they (opponents – note A.H.) do not consider that actually every man wants his needs – not only the materialistic ones – to be fulfilled. Then you only offer customer what he desires” (Toman, 2006, p. 31). He continues in his thoughts by discussing the relation between advertising and consumerism, mainly by pointing out that advertising participates in satisfying needs and thus it promotes consuming life-style. But, as Toman claims: “It is impossible for man to forget his emotional experience. We cannot make him an ascetic against his will!” (Toman, 2006, p. 31). That is why advertising is and probably will long remain an indispensable part of our lives. But it should really matter how it is done: “If I take only advertising itself into account, usually I arrive in a conclusion that it is possible only at the cost of deceiving consumers. But we are already aware of the fact that the
advertising should not operate in isolation but within the whole complex of marketing tools. Then it can aim at these higher needs” (Toman, 2006, p. 31). His idea clearly shows that if all parts of business are working together in a cooperation and ethical understanding, it is possible to create a relationship between customer and producer even by making a good advert.

On the other hand there are thoughts which are not corresponding with the idea of a customer relationship. Another marketing “magician” Mark Earls concentrates mostly on mass population and its possible influencing and changing its attitudes. His idea goes deep into the psychology of an individual and masses, however in his views people are perceived as a mass and not as single individuals. Certainly, two different kinds of influence that advertising has on people could be distinguished. The one which emphasizes advertising’s impact on influencing masses presented by Mark Earls, and on the other hand there is a rather deeper approach concentrating on communication in advertising by presenting values, world views or social problems as demonstrated in Oliviero Toscani’s approach. So according to this distinction advertising could be understood as diminishing the lines between individual and masses in favor of the masses – Mark Earls, or other aspect could be stressed, the one which focuses on the individual and his/her special needs – Oliviero Toscani. However, in views of Mark Earls it would be great to be able to change the behavior and attitudes of the masses, if it only was possible to find corresponding tools for doing that, all adverts and marketing would be easy to make. However it is difficult to influence one person as an individual, to make him or her do what you want them to. In this respect it naturally follows that the question of appealing to big masses remains still problematic. He also claims that current approach of creating the customer relationships through setting a new field of management the CRM – customer relation management - doesn’t bring such a result as expected: “…meanwhile two thirds of suppliers suppose that their CRM projects are a success, only one third of customers shares this opinion. Obviously someone must be mistaken here. Either their ideas of success or of the latest marketing strategy (CRM – note by A.H.) differ” (Earls, 2008, p.11).
A different approach to make advertisement “better” in ethical sense is that by Oliviero Toscani. His name and mostly his work are famous all over the world. His works are very controversial and many countries banned using or printing his pieces. Maybe the most well known advertising campaign by Oliviero Toscani is the one he created for the brand called The United Colors of Benetton and together with the owner of the company, Mr. Luciano Benetton he started a new way of doing adverts in their time. It all started in the year 1990. After their revolution in advertisements he published few books in which he elaborates the evolution of his advertising works. In the one we use, he takes a deeper look at the evolution of his working period for Benetton. He is explaining his own understanding of advert and seeing its role in the time when he introduced a totally different approach into advertising business. By that time the image of typical advertising showed the perfect life, young, happy and beautiful people having all sunny days and pretty children without any problem, basically the ideal life with ideal people surrounding. In the very beginning of his book he gives some examples of how dull and idealistic cliché adverts are being made with the sole purpose which is to brainwash the customer’s heads. “Hooray! Come to the best of the worlds, a paradise on earth, kingdom of happiness, guaranteed success and never-ending youth. In this magical world with ever lasting blue sky no acid rain will make a stain on the glittering greenery of leaves…” (Toscani, 1996, p.7). He just showed the perfect example of the place where to live as a background and then he continues with describing (advert) people: “…mother (20 years old) who doesn’t quite know about little red veins yet and you wouldn’t detect a gram of fat on her figure, is changing her baby’s diapers, little baby bottom looks as if it was ever untouched by any poo and this little bottom smells nice” (Toscani, 1996, p.7) This artificial image of life created in the world of adverts in such a manner that it is completely unrealistic and even unbelievable in its perfection is exactly what Toscani highly criticizes.

All his ideas and world views are in big clash with the images presented in the advertisements. That is why he comes up with the notion that doing advertising could be a great opportunity to help the world in solving the issues that urgently need to be talked over and made visible. It means that he is looking for a deep meaning of the advert, some kind of deeper message which would be exceeding the merchandising impact on the customer oriented purely on buying the product. His approach wants to
point customer’s attention out towards the serious issues in this world. Issues that trouble individuals, communities, nations and whole countries and via adverts they could be used to communicate the importance of their significance. Racism, AIDS, war crimes, religious taboos and even everyday life’s miracles such as a newborn baby few seconds after his birth could bring up broader discussions on these matters especially in the contexts where these issues are still understood as too sensitive to be discussed in public. This intellectual potential Toscani’s adverts communicate can seem to be quite controversial, what often is a target of his criticisms. But on the other hand his approach to advertising moves its function a lot further – as adverts have power to inform and influence – he pointed this power in a very meaningful direction, towards creating public awareness, mutual understanding and promoting tolerance based on shared values. As he suggests in the key advert for United Colors of Benetton, racism can be overcome if we open our eyes and try to see what connects us all, only then shall we see the wide palette of colors in clothing as a parallel to various colors of human complexion. As a response to Toscani’s work one New York journalist wrote: “It is interesting, that erotic fantasies or associations of rape in the adverts for youth clothing have never horrified anyone. Nudity in a style of the beginning of Nazi era did never evoke a scandal, as if a rule was set there: join in your imagination and we will let you in a peace. Benetton chose a different approach. Little by little they get closer to the reality in many colors, cues and games with few disharmonic tones, ending up in a mutual hug” (Toscani, 1996, p.116 (Colombo, journalist New York)). There is no doubt that this quote is still very relevant today.

Adverts made by Oliviero Toscani focus mainly on the problems of the current time. His adverts are simple, without any written word – their expressiveness is easily legible to everyone. Basically it’s just a photograph though which he is telling the story, or in other words it is an eye opening story telling. Some may say that his work is too controversial and should not be shown in public, neither on big posters. On the other hand some say, mainly the people involved in the problems he is dealing with, that these photographs help and have a considerable impact on their problematic lives. It will never come out of fashion to call people’s attention to the issues of AIDS, war in former Yugoslavia or in the Persian Gulf, taking a look at a questionable apartheid problem and questions of racism. Perhaps the best way of giving a true picture of
Toscani’s work is through his own words: “Why should clothing advertising be concerned only with exemplary beauty and carelessness meanwhile we are surrounded by unsolvable problems and questions? As advertising takes deluging us with half-truths, which are equally light and stereotyped, on a daily basis for its right, why on the other hand should access to the most serious facts of everyday reality in places that are clearly visible to everyone be banned …” (Toscani, 1996, p.95).

As it has been shown, the ways of influencing customer could vary. There are many different approaches and points of views. Taking the “mass theory” proposed by Mark Earls into account in which he explains the advertising as a mass product which influences masses and creates and supports the consuming life style. On the other hand there is the approach which is more appropriate for this work, more “greener” in the sense of moral ecology within us. Its value is in the communication, it is not only value but power as well. Consumers who are aware of their contribution in the world they live in and want to make it a better place to live. This means that consumers have also shifted from rather uncritical acceptors of what adverts preach to well aware and responsible customers or clients who still want to satisfy their needs but not in a simple selfish way. Rather they call for the protection of the environment, respecting human rights, rights of animals. If such consumers want to buy a car, they want to buy an ecological car which won’t harm the environment so much. Than they want to buy organic food, not full of chemicals which could harm their bodies or the environment and they want it in the recyclable package. This is a new type of the customer who needs the advertising which respects his or her needs as well as his/her values and helps them to sustain and even to push the ideas ahead by advert influence to the mass consumers.

A gap between the illusions sold by adverts could be recognized – using the influence based on emotions as a means to getting as high profit as possible and the values through which adverts could communicate. This second option highly overcomes the “old” meaning of advertising, the instrumental character of adverts aimed at profit making by any means and at any cost.
2.2 How does advertising work? A brief account of contemporary approaches to advertising.

Advertising has always been a part of our lives especially in the connection with business of any kind. As these two have become inseparable, the question of the limits of their realization in terms of ethics must be evaluated too. Certainly there are many ways in which advertising can be seen as touching the limits of ethics or even conflicting with ethical principles were discussed in the first chapter. Misusing advertising on the basis of unfair principles became an object of criticism greenwashing aims at. By explaining the main points of this critique it is possible to create a background for further understanding and analyses of two advertising strategies – as practised in the concepts of lovemarks and goodvertising. The emphasis is put on showing that creating an advertising strategy based on ethical principles can be seen as going hand in hand with ethical business and could be understood as furthering of social responsibility of the business towards customer and public as such.

2.2.1 Greenwashing

“‘Greenwashing’, a pejorative term derived from the term “whitewashing”, was coined by environmental activists to describe efforts by corporations to portray themselves as environmentally responsible in order to mask environmental wrongdoings” (Mcdonald & Whellams, 2010). This is one of the possibilities how to misuse a good idea of doing green business to make higher profit and to camouflage the bad impact of the company on the society or the environment. This supports the idea that the advertisement can be seen as not trustworthy and therefore it can shift its meaning and marginalize potential positive function in the future.

The pattern which is usually followed can be illustrated on the following example. In the begging there is a good idea, as organic cotton for instance used in the clothing industry. But then after some time there is an information leak and information that the items made from supposedly organic cotton suddenly prove not to be such because a subcontractor simply lied to the producer that the cotton they are supplying was organically produced. The consequence turns into three domains which such an act can possibly have an impact on. First, the producer seems not to be trustworthy any more for the customers because the labels on his goods are not giving
the true information. Secondly, the relationship between subcontractors and producer is not possible to be used for signing the future contracts because the trust is missing as the core principle of the ethical business. The third fact influences the idea of the bio cotton which is advertised as a thing of a positive value. This idea is undermined and therefore it becomes untrustworthy for potential customers. It raises the question whether it is really possible to get what we think we are buying? Or where can we find the proof that the labels on the products we want to buy are truly trustworthy? The same applies to bio food or many other items that require feeling of responsibility from customers and producers as well and rely heavily on the truthfulness of the product’s origin.

The short story from the book *What matters the most* written by J. Holleneder and S. Fenichell (2004) comes in very handy. In a section where he takes a closer look at the problem of the responsibility he includes the case study on Nike Company. The company started to put saving the environment into their focus, although their shoes recyclable, the poor labor workers who were producing them had to work in inhuman conditions in the godforsaken place somewhere in Asia. As it all came out on surface after 10 years time, the company not only admitted its mistakes and apologized, they also improved working environment for its workers but even developed a new way of making the rubber for the shoes which did not include as much chemicals that were harming the health of the workers. That is why it is necessary to mention that the debate whether it is really the responsibility of the company to secure humane working conditions for workers or the responsibility falls on supplier’s (subcontractor’s) shoulders took a very long time. Later on Nike came with the idea of organic cotton (again cotton without chemicals), however as it was already explained, the same things have repeated again and the good idea was being misused again. This illustrates that the notion of responsibility must be recognized in a lot further scope by the top brands – encompassing the social responsibility practiced by their suppliers, otherwise in a case when this link is missing it undermines the main purpose of the concept of responsibility. That is why it also exceeds the mere sphere of production and must take responsibility for the ways and procedures advertising uses to sell the product produced.
2.2.2 Goodvertising

The concept of *goodvertising* as introduced in the Contagious Magazine presents “an ethical, moral and responsible advertising revolution” (Contagious, 2008, p.1), which makes it from this perspective one of the possible ethical approaches to the business and advertising worth clarifying. The corporate social responsibility plays an important part in the background of this concept and it embraces ecology, ethical investment, fairness and wellbeing as its core elements. These principles were explained and understood as the core principles of ethical business in the first chapter of the thesis. That is why in the search for the link that would fill the gap between business and advertising the concept of *goodvertising* seems to be a very appropriate fit. In brief *goodvertising* suggests ethical and honest advertising practices that would help to combine ethics with profits within the space of corporate social responsibility. Such ethical business could be driven by fresh values that caring consumers – a new type of aware consumers – bring along and demand (Contagious, 2008).

To understand this concept better, it should be mentioned that: “*Goodvertising* is actually an umbrella term used for the role advertisers are playing in the return of ethical marketing and business practice “(Contagious, 2008, p.2). Jeremy Edwards, who is working for Xtreme Information - handling and solving all aspects connected with the media, created the idea of *goodvertising*. Simple characteristic of the frame of *goodvertising* is stated in the magazine: “From billionaires to bands and from consumers to brands, people and organizations are reordering their priorities and causing global change across a range of interconnected spaces from honesty and fair employment practices to communal, social and environmental responsibility and simply being nice. The marketing community, from individual advertising figures to new agencies and business structures, is helping drive this ethical movement...” (Contagious, 2008, p. 2) By this eloquent quote it is more or less clear that the aim of such approach could be, from the theory that this work stands for, one of starting points to do an ethical advertising together with ethical business. Clearly the term *goodvertising* indicates a cradle of its creation in combining two spheres, good and advertising, in this sense “our” notion of ethics and advertising/business relationship.
Another important aspect, that goodvertising takes into consideration is the shift from common (materialistic) consumers to caring consumers. The Contagious magazine points out the significance of this shift: “Quantitative data suggests there has been a major shift in consumer values: the majority of people now aspire to be perceived as more ethical, responsible and eco-friendly” (Contagious, 2008, p. 2). The impact that this shift has had on advertising has already been recognized by many corporations and institutions, mainly those that focus on “green business” and sustainability. Caring consumers have created a new sort of demand – a demand respecting the environment, society, values and each person as a goal not as pure means – “consumer power and activism is increasingly forcing brands to listen and change”...and “established brands are responding to more caring consumer aspirations” (Contagious, 2008, p.2). In this sense ethics and economics are presented as twin drivers on principles of which new corporate practices must be built in order to gain a sustainable success today: “A new generation of entrepreneurs, motivated by the twin drivers of ethics and economics, have built successful companies upon these principles...and their ethical beliefs lie at the heart of the marketing and brand position” (Contagious, 2008, p. 3).

As it was shown a goodvertising approach is based on elements that were used for forming the core of ethical approaches. These key bases are honesty, fairness and responsibility, which are implemented in the real business as well as in creating advertisings. It is not only the fact, that their work is to stress the problematic aspects occurring in the world, their goal is also, to “educate” their customer in a way, in order to encourage him to act as a responsible man - acting in accurately responsible way. In the background of this approach could be found a mutual relationship between customer and advertising/business meanwhile emphasising their reciprocal interdependency related to respect and fairness on both sides. As could be seen this approach shares the similar ideas as were suggested when discussing the role of advertising on previous pages.

Advertising is (for the company selling the product) not only an artistic piece to be proud of, neither it is only a shot, it is supposed to be a tool through which could sell the product together with the ideas that can enlighten its customers to be better
citizens and inform them about possible and often very uneasy questions which are needed to be stressed and solved.

Many brands already responded positively to goodvertising approach for instance Nokia, Timberland, and Lego.\(^3\) A lot of them even started their active campaigns and advertisings as well. Brands are getting greener more eco-friendly and their products and their packaging 100 % recyclable. This process of awareness is mutually influential – on one hand it creates eco friendly oriented customers – caring consumers, and on the other hand it makes pressure on the core values of business toward a wider understanding of CSR including responsibility for ethical advertising. Thus goodvertising uses simple but cogent information and values in making its customers more responsible in a way of choosing the products made and presented by companies their values and vision of CSR they support.

However there could be many others, at the first sight similar approaches, of doing business and advertising. The concept of lovemarks that will be explained in the following part deals mostly with the psychology of a customer and despite its success in the business sphere, in a way it is possible to understand it as an advertising strategy based on different principles than those explained through goodvertising.

2.2.3 Lovemarks

After discussing ethical ideas of goodvertising, which certainly presented an ideal model of ethical advertising as it has been proposed and explained so far, now it is time to focus on the aspects of advertising as understood and practiced by one of the world’s largest advertising company Saatchi and Saatchi. Kevin Roberts, a creator of lovemark, has been working for many worldwide spread companies dealing with advertising. After many experiences in this business he found out that there is a certain thing – certain relationship - that has to be focused on between person and brand, it is a lovemark. To understand it clearly he illustrated it on the following example: “For more years than I remember I have used the same shampoo: Head &

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\(^3\) A broader list of brands applying goodvertising can be found in Contageous, 2008, where the references to such businesses occur throughout the text as well as in the list of award winning sustainable businesses (p. 36).
Shoulders. Ridiculous, isn’t it? I mean it’s a shampoo to remove dandruff, which it does. But I’ve no hair, let alone dandruff! Still I use Head & Shoulders. I won’t buy or use anything else” (Roberts, 2004, p.22).

Kevin Roberts claims that it is people who have created the lovemark, simply by loving a certain product of a certain brand. Thanks to these people it is possible to talk about this new concept. By analyzing the relationship between brand and its customers deeper and making the use of psychology of their needs he came up with the idea of lovemark. Any brand can become lovemark. If there is a brand that you like, prefer to buy, feel good about or just enjoy, this particular brand has a potential to become your lovemark. There is a virtual relationship in between. It even doesn’t have to be a real item it could be any famous person or a celebrity, for instance Nelson Mandela or any country even.

Kevin Roberts currently works as a chief executive officer Worldwide at Saatchi & Saatchi. He wrote many different books on the real meaning of lovemark, what it stands for in his views and after creating a perfect image of this concept, he even suggests the possible ways how to create the best advertising strategies to fulfill the meaning of lovemark.

Saatchi & Saatchi have their agencies spread around the world. They do not call themselves advertising agency. They claim to be Ideas Company. One of their branches is situated also in Slovakia. They support the same idea and make analysis of the brands in the country. They explain the distinction between advertising company and Ideas Company here: “An advertising agency writes briefs around single-minded proposition. … The Ideas Company writes story that frame a challenge. Thereby defending what needs to be done, and than delivers ideas to transform business and brands. After all, the best answers for challenges are ideas” (Saatchi & Saatchi, 2010).

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4 The concept of lovemarks is introduced in a detail in the book Lovemarks: The future beyond brands by Kevin Roberts, where he explains the whole strategy that lies beyond lovemarks and underlines it by specific examples from advertising practice.

5 This shows Maslow’s pyramid which was used to illustrate a variety of needs that we as people and at the same time as potential customers share. Advertising certainly does take these considerations into account, perhaps this is also a part of Saatchi and Saatchi’s great success in advertising business, but on the other hand it does not (and it should not) synonymies its practices with ethics.
It would seem that the strategy the ideas company uses in advertising is very similar to O. Toscani’s approach that also prefers to tell a story that would stand behind advertising campaign. However ideas company doesn’t have to go that deep as Toscani did in finding ideas fit for advertising a certain product.

As it was already mentioned the *lovemark* concept has deep structure and to support this notion of new advertising approach it has to be made clear. Therefore it could be helpful to illustrate and explain the differences between the brand and *lovemark* on the sample graphs, grids and pictures, which will help to show the kind of a shift *lovemarks* represent within a common world of advertising. The following tab shows the differences between the focus set by brands and lovemarks:

![Lovemark Tab](Image 2.: Lovemark Tab, p.70)

This tab consists of the “symbols” that characterize on left side brand and on the other side *lovemarks*. However the features of brand are more of an informative character, simply being a brand, *lovemark* is stresses the relationship between the
“brand” and a customer that needs to be created and focused on, as it is explained further in the chart it creates an illusion of something magical and importantly sacred that people want just because they love it. Of course an appeal made by a product (or advertising company presenting it) has to be very personal in order to create a love story between customer and a product advertised. As it was mentioned before when discussing goodvertising, their approach was to ground their concept on the values, however here from the chart, values are only representing brand and are replaced by “emotions” in the case of lovemark. For the lovemarks it is spirit that characterizes them. This leads us to Maslow’s pyramid that was already explained above. Misusing of this pyramid by advertisers was criticized by Miloš Toman and it is in a way connected to this lovemarks approach. It is obvious that the words that are used for characterizing lovemarks are having scent of something unreal which crates the image of special and deep magical meaning which evokes in the consumer’s/customer’s feeling of specialty and it uses the psychological fact of rather irrational emotions and feelings based on love and subjective inclination. Respect is crucial for success of a brand. To make it perfect it has to be accompanied by love - which is created by lovemark. This explanation of the concept leads to the critical thinking about easy misuse of such concept. It is neccessary to ask if the concept of lovemark is not only a whole new way of doing marketing, based on emotions and skilful use of the possible weaknesses which could be evoked by the feelings such as love for instance. Referring to this any man can become an easy target for such marketing approach left unable to keep from the impact of advertising.

However, the fact that Saatchi companies support responsible buyer campaign in Switzerland, has as well be taken into account. There are some proofs of practicing what they say – when for instance K. Roberts writes about the responsibility of business to contribute to human well-being: “Any business must make sense economically, but there are now new imperatives. It must be also environmentally and socially sustainable over time. The planet, people and profits. All for one and one for all” (Roberts, 2004, p. 203). However there will always be people who believe in a good approach of ethical and responsible thinking and those who will rather aim at searching for profit by any means possible. This new way of relating economy, business and advertising has to make money of course, the only thing that stays in the
air is our hope that this rather powerful advertising tool/concept won’t be misused but rather - perhaps naively speaking - it can hand in hand help to solve some of the world’s problems and bring people’s minds to care more about the real problems rather than purely consuming and enjoying their loved products while ignoring the real aspects of life.
CONCLUSION

The power of advertisement is great - as it was illustrated throughout the thesis. That is why a primary effort was to point out the importance of ethical principles which should be respected and followed both in advertising and business practices. As suggested the key ethical principles as derived from ethical theories could create a solid basis for corporate social responsibility which could be implemented in business. It should be a responsibility of each business then to decide for the respective way of advertising that would not be in conflict with its basic values. Thus it is claimed in the thesis that ethical business cannot do without ethical advertising and that corporate social responsibility could serve as an appropriate space where these two domains could meet. This approach has already become a current trend practiced by many companies and consequently its weak points have been uncovered too. Therefore it seemed appropriate to exemplify possible misuse of ethical advertising through the criticisms addressed to it by making use of the example of greenwashing. On the other hand an idea of goodvertising which could serve as a positive example of value oriented ethical advertising was introduced. This approach stands in some aspects in opposition to the concept of lojemarks as strongly emotion oriented advertising strategy that does not necessarily include or exclude ethical values. The limits of advertising and business are too dim to be marked clearly and in the end the way both of these spheres of human action are exercised depends on individuals involved. Individuals have the ability to make the difference – as was shown on Toscani’s approach to advertising – to further the meaning of simple instrumental adverts in order to communicate deeper ideas and challenges that we face in our lives. It was clarified that the core ethical principles of responsibility, fairness and trust should be adopted by businesses and subsequently advertisements businesses decide for should follow the same path. However hope for future is that this approach will rather become a positive challenge for all of us to make world better than an easy tool for gaining profit under the label of ethically advertised business.
RESUMÉ

Hlavnou myšlienkou tejto práce je ukázať pozitívne aspekty etického biznisu v spojení s obdobným prístupom k reklame, čo by z nej mohlo urobiť v tomto ponímaní „etickú reklamu“. Vzťah medzi biznisom a reklamou sa tak ukazuje v jeho vzájomnej prepojenosti, pričom tieto úvahy naznačujú, že priestor pre tento vzťah možno nájsť v koncepcii spoločenskej zodpovednosti biznisu. Práca napĺňa tento myšlienkový zámer v dvoch na seba nadväzujúcich kapitolách.

Prvá kapitola sa sústredí na vysvetlenie a pochopenie najdôležitejších pojmov, ktoré viedli k vytvoreniu koncepcie etického biznisu a jej zapojeniu do realného sveta biznisu. V pozadí takto koncipovaných princípov etického biznisu možno identifikovať viacero filozofických pozícií, ktoré bližšie objasňujú sféru konania. Preto je v prvej kapitole venovaný priestor trom vybraným etickým koncepciám, ktoré načrtávajú pojmové vymedzenie neskôr detailnejšie prejednávaného etického biznisu, ako aj možné chápanie širšieho kontextu úlohy biznisu v spoločnosti. Východiskový bod týchto úvah predstavujú otázky zaoberajúce sa dobrom a správnym konaním, vzťahom medzi hodnotami človeka a správnym prístupom ku konaniu, rešpektom k ostatným a zodpovednosťou, ktorú človek vo svojom rozhodovaní o každom konaní má nielen voči sebe ale voči všetkým, ktorých jeho činy môžu ovplyvniť.

V rámci vybraných etických koncepcii sa práca bližšie zameriava na vysvetlenie princípov vymedzujúcich etické konanie z poľa utilitarizmu, deontologickej etiky a etiky cnosti. Utilitaristická pozícia zdôrazňuje konzekvencie konania ako primárne pri rozhodovaní o možnej alternative konania v akejkoľvek sfére života. Pričom tieto dôsledky musia predstavovať maximalizáciu šťastia a minimalizáciu strasti, resp. bolesti. Samozrejme v sfére biznisu toto šťastie môžeme asociovať s profitom, s úžitkom, ktoré konanie prinesie pre všetky zainteresované strany. V opozícii k etike dôsledkov predstavujeme etiku povinnosti I. Kanta, ktorá pojednáva o morálnom konaní človeka ako o osobe, ktorú prináleží dôstojnosť. Kant sa nesústredí na možné následky konania, ale predstavuje kategórický imperatív ako
hlavný princíp morálneho konania – morálny zákon v nás. To, čo Kant v kategorickom imperatíve a jeho formuláciách nachádza je univerzálny princíp konania záväzný pre všetkých. Pokiaľ je možné univerzalizovať subjektívny princíp konania – maximu – stáva sa tento princíp morálne záväzný pre všetkých a takéto konanie je potom správne a dobré. Poslednou predstavovanou koncepciou je etika cnosti vychádzajúca z Aristotela, ktorá je tiež často spájaná s biznisom v praxi. Predstavovaný pohľad na etiku cnosti je rámcovaný Solomonovou interpretáciou etiky cnosti aplikovanej v biznise. Tento pohľad dáva do popredia tri cnosti ktoré by mali byť základom správneho fungovania v biznise: dôvera, úcta, vierohodnosť. Je celkom prirodzené, že bez týchto spomenutých cností, by sa obchod robíť dal len veľmi ťažko bez vzájomnej dôvery a úcty a vierohodnosti by bolo nepredstaviteľné uzatvárať obchodné kontrakty a predávať akýkoľvek tovar. Je teda dôležité zamyslieť sa nad takto formulovanými základnými otázkami a pokúsiť sa o ich implementáciu v širokej sfére biznisu. Tieto princípy sú zohľadňované a do praxe zapájané cez koncepciu spoločenskej zodpovednosti firiem, resp. firemného občianska. Tu sa vytvára priestor pre pochopenie prepojenia etického biznisu s reklamou, ktoré je bližšie objasnené v druhej kapitole práce.


Z pohľadu predajcov a zadávateľov reklamy je problémom zameriavanie sa na jej umelecký aspekt a nie na jej reálnu úlohu - predať produkt, či priamo zvýšiť jeho

ovplyvniteľného zákazníka. Ostáva teda otázkou, do akej miery je takýto prístup morálne správny a či to nie je len marketingový ťah na získanie ľudí, ktorí budú nakupovať len pre ich lásku a túžby podnietené emóciami a psychologickými kúzlami. Aj keď práve týmto prístupom v svojom ponímaní môže reklama prispievať k vytvoreniu trvalo udržateľného rozvoja biznisu a naplniť tak nový imperatív, ktorý vyžaduje environmentálnu a spoločenskú zodpovednosť od jednotlivcov i biznisu ako celku (Roberts, 2004).

Je teda vidieť možné plusy a mínusy etického prístupu či už k reklame alebo biznisu. Vidíme, že všetko čo je založené na hodnotách ako je dôvera, je možné veľmi ľahko prekročiť no v tom prípade aj úplne zničiť celý vzťah. Je potom už len na každom jednotlivcovi, ako sa k takému prístupu postaví a či bude rešpektovať iných a bude sa snažiť pristupovať ku svojmu konaniu zodpovedne či už z pozície predajcu, zákazníka alebo člena spoločnosti. Aj keď práca poukazuje na to, že o rôznych aspektoch etickej reklamy je možné polemizovať, jej hlavným zámerom bolo zdôrazniť zmysel a význam prepojenia etického biznisu s etickou reklamou ako navzájom súvisiacich a neoddeliteľných sféri.
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**LIST OF RECOMMENDED LITERATURE**


**IMAGES**


**Image 2:** Lovemark Tab, In: Roberts K, 2004, *Lovemarks: The future beyond brands*, USA, powerHouse Books