

# University Students' Perceptions Regarding Ethical Marketing Practices: Affecting Change Through Instructional Techniques

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**ABSTRACT.** Many believe that colleges of business have a role to play in improving the level of marketing ethics practiced in the business world, while others believe that by the time students reach the level of university education, their ethical beliefs are so ingrained as to be virtually unalterable. The purpose of this study is to add to the literature regarding university students' ethical value judgments. It utilizes scenario studies to assess base line ethical values of junior level undergraduate business administration students, then techniques are employed to influence students' perceptions of the ethics of various marketing practices, and students' values are reassessed. A total of 667 junior and senior level students majoring in business administration (52% female; 48% male; 72% 22-years old or younger) participated in the pre-tests and 525 students (47% female; 53% male; 70% 22-years-old or younger) participated in the post-tests. The results of the before/after studies indicate that some experimental techniques are more effective than others in affecting

change, but it is difficult to affect long-run change in those predisposed to unethical behavior.

**KEY WORDS:** ethical dilemmas, judgments, perceptions, sales force behavior, unethical decision behavior

## Introduction

Despite years of effort to change both practice and perception, charges of unethical business procedures and frequent media exposure of such practices continue to undermine the fabric of U.S. business (Egodiqwe et al., 2003). Such charges are of obvious concern to businesses, and an interest in improving ethics can be seen across all business functions because all are vulnerable to charges of unethical practice, but the marketing function is disproportionately the focus of ethical criticism (Laczniak, 1999). As a result, efforts to improve the level of ethical conduct of marketing activities have been widespread and long under way. To illustrate, studies now at least 20-years-old indicate that companies developed employee-training programs focusing on ethical conduct (Mokowitz, 1985), established formal codes of conduct, used managers as role models, and reprimanded those employing unethical practices (Hunt et al., 1984).

Many of these efforts are still being employed and others have been added (Ferrell, 1995). For example, the American Marketing Association has a detailed code of ethics, which its members are expected to follow. Moreover, approximately 20% of all large U.S. corporations now employ corporate ethics officers. United Technologies, for one, has 160

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ethics officers who preside over the distribution of the company's code of ethics, translated into 24 languages, for the company's employees around the world (*Economist*, 2000). Citicorp uses an ethics board game requiring teams of employees to solve ethical dilemmas. General Electric makes software available on employees' personal computers for answering ethical questions (Labich, 1992). Nevertheless, there is evidence that efforts like these and others have not been universally successful and that not all companies have utilized them, because as the 21st century unfolds, the news media is replete with coverage of unethical business practices and reports that government agencies have increased their vigilance and are exacting stiff penalties from companies and individuals found guilty of ethical and legal misconduct.

Away from the "real world" of business during the past 20 plus years, as ethical breeches in business conduct have continued to occur, university level business schools have sought to stem the tide of unethical conduct by employing various methods to prepare future business professionals to make appropriately ethical business decisions. Some universities have added new courses to their curricula (Loe and Ferrell, 2001), revamped established courses to focus on ethical issues (Burnette et al., 2003), and hired professors with specific training and expertise in business ethics. Indeed, university level business schools accredited by AACSB, the international accrediting body for schools of business, are required to include ethical training in their programs by either offering a full course in ethics or by including ethics as a part of other courses (The American Assembly of Colleges and Schools of Business, 1993). Beyond faculty and curricular changes, others in the academic world have established new journals such as the *Journal of Business Ethics*, which focuses on ethical issues in business organizations, and *Teaching Business Ethics*, a journal focused on the pedagogy of business ethics. Yet, with the Enron, WorldCom, Martha Stewart, Tyco, mutual fund, and other such debacles still fresh in the public consciousness (Smith, 2003), it is apparent that more needs to be done to reduce the level of unethical behavior and to encourage the business leaders of tomorrow to commit to higher standards of ethical conduct.

This paper focuses on the revamping of university level marketing courses to provide greater attention to ethical marketing practice. The impetus for this in marketing courses comes from several sources. The first is AACSB, which (as noted above) has mandated more attention to ethics in university level business programs. Second, at the same time that AACSB has asked for greater attention to instruction in ethics, the organization has also directed that additional efforts be devoted to the ongoing assessment of the instructional missions of colleges of business. This is timely, because historically there has been little specific assessment of the efficacy of colleges' responses to the need for a greater emphasis on ethical practice in all disciplines. Additional impetus for attention to ethics in marketing classes is the fact that recent statistics show that 25% of all Master's Degrees and 21% of all Bachelor's Degrees awarded in the U.S. are in business (Department of Labor, 2003) and 10% of undergraduate business students major in marketing (National Center for Education, 2002). Further, some studies have suggested that marketing students are predisposed to act less ethically than those majoring in other business disciplines (e.g., Pratt and James, 1994), although more recently Yoo and Donthu (2002) found that marketing majors demonstrated a higher level of marketing ethics than nonbusiness majors, and Burnette et al. (2003) found marketing majors were no different in their ethical intentions than their peers in other business majors. Nevertheless, there is still a disproportionate criticism of marketing practices, especially advertising (Burnette et al., 2003; Pratt and James, 1994), as unethical. In the face of these unresolved issues and both internal and external pressures, many marketing faculty members are devoting more course time and attention to ethical issues in their respective disciplines, that is, infusing an emphasis on ethics into many courses. It is the purpose of this study to generate a specific assessment of various infusion processes in the marketing curriculum. The end result will supplement the literature regarding education in marketing ethics. Moreover, if such infusion processes prove to be successful in influencing student perceptions, they may prove useful to others in restructuring courses.

## Background and hypothesis development

The academic literature is rife with studies that examine the ethical value systems of university students. Indeed, a meta-analysis by Borkowski and Ugras (1998) examined 56 published academic studies involving business students. The authors chose the 1985 through 1994 period for study because at that time there was widespread concern about the prevalence of unethical business practice, which was reflected in the rising number of dissertations devoted to the subject of ethics during the period. Specifically, the authors noted that of the 2,067 ethics dissertations written, 11% concerned business, a percentage nearly double that of the previous ten-year period (Borkowski and Ugras, 1998, p. 1120). In summarizing the results of their meta-analysis, the authors noted that previous studies of business students' ethical beliefs were somewhat contradictory, but that in general it could be stated that females and older students exhibited higher ethical values than did males and younger students, but that there was no significant relationship between ethical attitudes and undergraduate major.

Interestingly, of the 56 studies that were included in the analysis, the overwhelming majority (more than 50) simply measured attitudes; few were devoted to efforts to alter (improve) attitudes. Now, more than a decade has passed since the last of the studies in the meta-analysis were published, and this statement is still correct. That is, the preponderance of student ethical value studies since 1994 still simply measure attitudes (see for example, Burnett et al., 2003; Burns, 1999; Rallapalli et al., 2000; Shannon and Berl, 1997; Silver and Valentine, 2000; Smith and Oakley, 1997; Stevenson and Bodkin, 1996; Yoo and Donthu, 2002), or describe how ethics should be taught (see for example, Adams et al., 1998; Anderson, 1997; Agarwal and Malloy, 2002; Brandy, 1999; Chonko, 2004; DesJardins and Diedrich, 2003; Garaventa, 1998; Hunt and Laverie, 2004; Klein, 1998; Loe and Ferrell, 2001; Murphy, 2004; Polonsky, 1998; Wolfe and Fritzsche, 1998; Wotruba 1993; Zych, 1999). Rarely do studies devoted to evaluating attitudes or teaching ethics measure the results of classroom activities in terms of their ability to change student attitudes.

Nevertheless, there have been a few such studies, but these have generated mixed results regarding the

impact of ethics instruction on business students. For example, Wynd and Mager (1989) examined the impact of time on students' attitudes towards ethics by performing a two-year longitudinal study that addressed the impact of taking a business and society course. They concluded that there was no significant effect from taking the class. Similarly, Davis and Welton (1991) found that business classes do not influence ethical behavior. On the other hand, in an experiment on the integration of ethics into accounting classes, Hildebeitel and Jones (1992) found improved reliance on ethical standards in the accounting students exposed to the experiment. Similarly, Burton et al. (1991) found in a pretest-posttest with control study of three large sections of a Principles of Marketing class, that method of instruction has an impact on student attitudes toward ethical situations. They found that class discussion that focused on the ethicality of various business scenarios was less effective in improving students' perceptions of right versus wrong in ethical matters than was a philosophical lecture format that focused on ethical philosophies and frameworks for ethical decision-making. In another study involving a capstone marketing class, Harris and Guffey (1991) found that discussion of a three-part case and supporting video with a strong ethics emphasis resulted in greater short-run sensitivity to ethical factors in an experimental group than in a control group that did the same case without the video emphasis.

More recent studies have also generated mixed results. For example, MacFarlane (2001) found in a pilot study with 54 undergraduate students in the U.K. that learning logs used in a business ethics program reduced students' skepticism and cynicism toward business ethics, such that many no longer viewed ethics as simple or clear-cut. However, MacFarlane questioned whether this broader view would translate into improved decision-making skills. Peppas and Duskin (2000) found, in a study of more than 300 undergraduate business students, that marketing majors who had taken a course in ethics were no different in ethical perspectives than those who had not taken such a course. In contrast, in a study of accounting students, Eynon et al. (1997) found that taking a course in ethics had a significant impact on attitudes toward ethical issues. Burnette et al. (2003) used a scenario study to examine advertising students' ethical behavior intentions after

taking a marketing course and an advertising course where marketing ethics had been discussed. They concluded that students who felt that marketing ethics had been emphasized in their class work were less likely to have unethical behavior intentions, but they remarked that their results indicated that students were still unsure of which behaviors were unethical and which were not. Similar findings were obtained by Wu (2003), who employed a pretest–posttest design with students across the Taiwan Strait to determine if a twenty-session course in business ethics would result in modified attitudes toward business ethical situations. Wu concluded that the course caused a significant improvement in the ethical weighting of students' individual values, but that the ethical decision-making behavior of these students was still sub-optimal.

Hence, it is apparent that the literature regarding the efficacy of instruction on ethics in university level business classes is inconclusive, and that further study is warranted. To that end this paper seeks to add to the stream of research regarding if and how students' ethical perceptions and attitudes can be improved through application of various approaches for infusing ethics training into junior level introduction to marketing courses. Therefore, drawing on the work of Burton et al. (1991), the first of the following two hypotheses is designed to determine if degree of exposure to philosophical lectures on ethical decision-making has a positive impact on students' ethical perceptions. The second hypothesis extends this previous research regarding the method of instruction into a new form of instruction, distance learning. It is designed to test if self-instruction via an Internet based ethics module is effective in altering students' ethical perceptions. The specific hypotheses are:

- H1:* The length of time students are exposed to a discussion on marketing ethics will affect the degree to which they perceive unethical marketing dilemmas to be more unethical.
- H2:* Participating in an online marketing ethics learning module will affect the degree to which students perceive unethical marketing dilemmas to be more unethical.

In addition to the impact of differences in classroom infusion techniques, previous research suggests that

time may be a factor when determining whether students' ethical perceptions have changed. As noted above, Wynd and Mager (1989) utilized a 2-year longitudinal study to assess the impact of an entire business and society course. Burton et al. (1991) and Wu (2003) utilized pretest–posttest designs to examine the impact of instructional methods. Their research suggests that time needs to be a consideration when assessing the outcomes of classroom infusion techniques, and there is a long theoretical literature stream that supports this view. Piaget (1932), for example, suggests that people are not born with an innate ability to deliberate ethical and moral issues. Over time children develop a system of mental structures that constitute stages of cognitive development, and by adolescence children attain a level of functioning that allows for making common sense inferences (Flanagan, 1991, p. 163). Understanding this cognitive development can be facilitated by reference to Gestalt theory. Gestalt theory grew out of the debate over the orientations of psychological phenomena between the machine versus dynamic perspective. Gestaltists believed in a dynamic perspective which suggests that while learning and evolution are important, it is laws and principles that configure the brain to achieve order (Turvey, 1992).

By the late 1960's, cognitive psychology began to replace behaviorism, psychoanalysis, and Gestalt psychology, but in the late 1980's the metaphor of "gestalt shifts" re-emerged in the literature to explain how two people can have different insights into the same moral dilemma (i.e., business ethics). During this period, a seminal article by Carol Gilligan (1987) posed the question, "do people articulate concerns about justice and concerns about care in discussing moral dilemma?" Her research suggested that individuals could move back and forth between a justice framework and a care-oriented framework. In her work, she used the metaphor of a "gestalt shift" to elaborate how individuals can shift (p. 25) their focus in a moral dilemma from "what is just?" to "how to respond?"

The use of "gestalt shifts" to explain differences in moral perceptions when determining moral choices was addressed in a treatise by DesAutels (1996). Gestalt shifts can be defined as a change in mental organization. A "refocusing" occurs as an individual shifts his or her perception of an ethical dilemma

rather than emphasizing one perspective to the detriment of the other. In addition, gestalt shifts can be provoked by external stimuli (e.g., classroom infusion techniques). For example, DesAutels (1996) suggested that a person's perception of screaming children on a subway would change if that person learned that the children's mother died an hour ago. While this is an extreme example, DesAutels suggests that individuals do not necessarily reframe a situation but rather shift their percepts of the situation. Gestalt shifts are common, unavoidable, and play a significant role in our perceptions of moral situations.

Flanagan (1991) built on the research by DesAutels (1996) by including time as a factor when examining changes in moral perceptions. Flanagan (1991) suggested that time for deliberation of a moral dilemma is a key factor for gestalt shifts to occur. This is also supported by Churchland (1996) who posited that moral behavior is a neural representation of the social world, and as such it is based on a hierarchy of learned prototypes. He cited the re-telling of fables as a form of moral teaching as an example of how time is required to generate a hierarchy of prototypes.

If individuals need time for deliberation and processing ethical dilemmas in order to develop a hierarchy of learned prototypes, then it can be hypothesized that ethical perceptions of similar situations would differ if given sufficient time for the individual to process the information.

- H3:* The amount of time between when students hear a lecture on marketing ethics and when they complete a marketing ethics questionnaire will affect the degree to which students perceive unethical marketing dilemmas to be more unethical.

## Method

A research effort was conducted with six different sections of an undergraduate introductory marketing class at a large southeastern university. The class is a requirement for graduation and is comprised of juniors and seniors majoring in business administration. Three studies were conducted to address the

research hypotheses with two sections being randomly assigned to each study. It is improbable that students would have taken an ethics class prior to the marketing class because eleven possible majors are represented in the class and only one of these majors would require ethics at the senior level. Study one examined the effect of length of classroom discussion on students' ethical perceptions; study two examined the effect of students' use of an ethics distance education module; and study three examined the effect of time between pre-test and post-test on ethical perceptions. A total of 667 students (52% female; 48% male; 72% 22-years-old or younger) participated in the pre-tests and 525 students (47% female; 53% male; 70% 22-years-old or younger) participated in the post-tests.

All students in the study were asked by the instructor to complete a questionnaire during the second regular class session of the semester, prior to any instruction in marketing concepts. Respondents were not told the reason for the study, only that an opinion survey was being conducted. Participation in the study was voluntary. To assure respondent anonymity, students were instructed not to identify themselves on the surveys and were told that only group data would be used in the analyses.

For all three studies attitudes toward ethical perceptions of various marketing practices were examined using a structured-undisguised questionnaire. The questionnaire consisted of 15 scenarios. Business ethics studies frequently use scenarios as the vehicle for determination of respondent attitudes (e.g., Dabholkar and Kellaris, 1992; Dawson, 1992; Reidenback et al., 1991; Schaupp et al., 1992). The specific scenarios were adapted from the "Personal Selling Ethics" (PSE) scale developed by (Dabholkar and Kellaris, 1992), which has been adapted and employed in previous research (Abratt and Penman, 2002; Donoho et al., 2003; Stevenson and Bodkin, 1998). Since the purpose of this research was to examine marketing ethical perceptions and not solely personal selling ethics, the PSE scale was modified (MPSE) in terms of length and content (see Appendix A). That is, five of the original scenarios were removed and over half of the remaining scenarios were rewritten to provide a broader selection of ethical marketing scenarios that were more representative of the marketing field. The 15 scenarios in the MPSE describe various unethical marketing



situations such as theft, cheating, unfair treatment, deceptive communications, discourtesy, and intentional distortion of reports. After changing the main focus of the original PSE scale from salesperson to marketing person, the following statement preceded the scenarios:

Each paragraph below describes an ethical situation involving a **marketing** person. Ethical situations are seldom “black or white.” Often they involve different shades of right and wrong. Please read each of the following paragraphs very carefully, and then express your personal opinion of the practice described by circling an appropriate number on the scale.

Since the data were analyzed at the group level, additional demographic information was gathered for the purpose of comparing the pre-test and post-test populations. This information included respondent’s gender; age range; full-time, part-time, and marketing work experience.

#### *Study 1: Impact of class time devoted to discussion of ethical perceptions*

Study one examined whether the length of time students were exposed to a discussion on marketing ethics would affect the degree to which they perceived unethical marketing dilemmas to be more unethical. Two sections (sections A and B) of an undergraduate marketing class were used for this study. Fifteen minutes were devoted to marketing ethics in section A and 60 min in section B. In week one, students in both sections were asked to complete the MPSE questionnaire to provide a baseline measure of ethical perceptions. Eighty-four students completed the pre-test in section A and 197 students in section B. In week two, students in section A participated in a discussion on the impact of macro-environmental variables on marketing. Within this broad based class discussion 15 min were devoted to marketing ethics. Specific topics overviewed in the presentation were: how business people make ethical decisions; guidelines for ethical decision-making; and using an ethics evaluation checklist. Section B participated in a 60 min discussion devoted solely to marketing ethics. The 60-min discussion in section B followed the same outline as the 15 min in section A, but additional examples were incorporated into

the discussion. In week three, the MPSE questionnaire was administered to assess changes in ethical perceptions. Sixty-one students completed the post-test in section A and 160 in section B (see Table I). The study design would be diagrammed as follows:

Section A:	O <sub>1</sub>	X <sub>15 minutes</sub>	O <sub>2</sub>
Section B:	O <sub>3</sub>	X <sub>60 minutes</sub>	O <sub>4</sub>

#### *Study 2: Impact of distance education module*

Study two was designed to examine the effect a marketing ethics distance education module would have on students’ ethical perceptions. For this study, a distance education module was created. The module consisted of links to a series of seven business ethics articles found at a national center for applied ethics. Each reading was approximately one to two pages in length and, on average, students devoted as little as 15 min and as many as 30 min reading the articles. Examples of the topics read by students included a definition of ethics, ethical decision-making, consequences of ethical decisions, and consistency and ethics. After students completed reading the articles, they were instructed to take an online quiz. The 10-item multiple choice quiz consisted of questions specific to the readings; so performance on the quiz was specific to the material in the module. The students were allowed to refer back to the readings as often as they felt was necessary while taking the quiz because the purpose of the quiz was to insure that the students had read and absorbed the material. As a result, the average score on the quiz was 9 out of 10 questions correct suggesting that students read and comprehended the material in the articles.

Two sections (sections C and D) of an undergraduate marketing class were used for this study. Section C students were not given the ethics distance education module. Section D students were required to complete the ethics module. In week one, students in both sections were asked to complete the MPSE questionnaire to provide a baseline measure of ethical perceptions. Ninety-seven students completed the pre-test in section C and 92 in section D (see Table II). In week two, section C students attended class but there was no discussion of marketing ethics, this section served as

a control group. Section D students were informed about the ethics module, encouraged to read the articles, and complete the online quiz by the end of week two. In week three, the MPSE questionnaire was administered to assess changes in ethical perceptions. Sixty-four students completed the post-test in section C and 80 in section D (see Table II). The study design would be diagrammed as follows:

Section C:	O <sub>1</sub>		O <sub>2</sub>
Section D:	O <sub>3</sub>	X <sub>module</sub>	O <sub>4</sub>

*Study 3: Impact of time between pre-test and post-test on ethical perceptions*

Study three focused on time between the marketing ethics discussion and the post-test. The purpose of this study was to consider the impact of time on the measurement of ethics classroom infusion techniques. As previously discussed, DesAutels (1996) suggested that individuals shift their perceptions over time. These gestalt shifts are significant in the development of moral perceptions and time is a factor when examining changes in moral perceptions.

TABLE I  
Study 1: Demographics and Crosstabs

H1A: Short discussion (15 min)			H1B: Long discussion (60 min)		
	Pre-test (n = 84)	Post-test (n = 61)		Pre-test (n = 197)	Post-test (n = 160)
Gender			Gender		
Female	42	33	Female	91	66
Male	37	27	Male	106	92
Missing	5	1	Missing	0	2
Age			Age		
Under 21	24	19	Under 21	72	55
21–22	27	18	21–22	80	59
23–24	13	10	23–24	21	23
Over 24	16	13	Over 24	24	23
Missing	4	1	Missing	0	0
Full-time experience			Full-time experience		
None	39	26	None	128	82
1–2 years	15	14	1–2 years	29	36
3–4 years	6	7	3–4 years	21	15
5–6 years	7	4	5–6 years	6	9
Over 6 years	11	6	Over 6 years	13	18
Missing	6	4	Missing	0	0
Part-time experience			Part-time experience		
None	12	9	None	25	22
1–2 years	20	10	1–2 years	41	30
3–4 years	17	13	3–4 years	54	52
5–6 years	21	17	5–6 years	56	42
Over 6 years	8	7	Over 6 years	21	13
Missing	6	5	Missing	0	1
Marketing experience			Marketing experience		
None	30	21	None	73	62
1–2 years	21	14	1–2 years	47	39
3–4 years	13	13	3–4 years	42	28
5–6 years	9	6	5–6 years	26	25
Over 6 years	5	3	Over 6 years	9	6
Missing	6	4	Missing	0	0

TABLE II  
Study 2: Demographics and Crosstabs

H2C: Did NOT work on distance education			H2D: Did complete distance education		
	Pre-test (n = 97)	Post-test (n = 64)		Pre-test (n = 92)	Post-test (n = 80)
Gender			Gender		
Female	47	38	Female	44	44
Male	38	25	Male	45	34
Missing	12	1	Missing	3	2
Age			Age		
Under 21	16	18	Under 21	27	24
21–22	37	24	21–22	32	32
23–24	14	10	23–24	14	8
Over 24	14	11	Over 24	16	13
Missing	16	1	Missing	3	3
Full-time experience			Full-time experience		
None	37	27	None	48	49
1–2 years	14	14	1–2 years	14	8
3–4 years	13	12	3–4 years	13	11
5–6 years	4	2	5–6 years	4	1
Over 6 years	29	6	Over 6 years	13	8
Missing	0	3	Missing	0	3
Part-time experience			Part-time experience		
None	13	12	None	10	15
1–2 years	19	14	1–2 years	18	10
3–4 years	13	10	3–4 years	23	24
5–6 years	18	16	5–6 years	24	19
Over 6 years	34	10	Over 6 years	17	9
Missing	0	2	Missing	0	3
Marketing experience			Marketing experience		
None	28	23	None	32	36
1–2 years	25	15	1–2 years	14	9
3–4 years	14	12	3–4 years	23	23
5–6 years	4	8	5–6 years	14	7
Over 6 years	26	3	Over 6 years	9	2
Missing	0	3	Missing	0	3

Flanagan (1991) indicated that time is a key factor for gestalt shifts to occur and Churchland (1996) suggested that the re-telling of fables is indicative of the time needed to generate a hierarchy of prototypes.

Two sections (sections E and F) of an undergraduate marketing class were used for this study. Section E students were given just one week to “shift” their ethical perceptions. Section F students were given three weeks in which to “shift” their perceptions. In week one, students in both sections were asked to complete the MPSE questionnaire to

provide a baseline measure of ethical perceptions. Ninety-four students completed the pre-test in section E and 103 in section F (see Table III). In week two, both sections were given similar 15-min lectures on marketing ethics, covering the same material that was used in study one. One week after the lecture section E was given a post-test; three weeks after the lecture section F was given the post-test. Eighty-seven students completed the post-test in section E and 73 in section F. The study design would be diagrammed as follows:



Section D:	O <sub>1</sub>	X	O <sub>2t</sub>
Section E:	O <sub>3</sub>	X	O <sub>4t + 1</sub>

### Data analysis and findings

#### *Study 1: Impact of class time devoted to discussion of ethical perceptions*

Data analysis included an assessment of the similarities between the pre-and post-test populations

followed by an analysis of variance (ANOVA). As was mentioned previously, in order to provide respondent anonymity, this study examined only group means. Cross-tabulations of the demographic variables indicated that there were no significant differences between the pre-and post-test populations for both sections A and B (see Table I).

Section A ANOVA results indicate that for three of the scenarios the differences between the pre and post-test means declined indicating that students perceived these scenarios to be more unethical (see Table IV H1A). These three scenarios focused on a

TABLE III  
Study 3: Demographics and Crosstabs

	H3E: 1 week between pre and post-test		H3F: 3 weeks between pre and post-tests	
	Pre-test (n = 94)	Post-test (n = 87)	Pre-test (n = 103)	Post-test (n = 73)
Gender			Gender	
Female	45	33	Female	46
Male	49	52	Male	57
Missing	0	2	Missing	0
Age			Age	
Under 21	33	31	Under 21	38
21–22	38	29	21–22	42
23–24	11	15	23–24	10
Over 24	12	12	Over 24	12
Missing	0	0	Missing	0
Full-time experience			Full-time experience	
None	58	43	None	70
1–2 years	13	21	1–2 years	16
3–4 years	14	10	3–4 years	7
5–6 years	3	4	5–6 years	3
Over 6 years	6	9	Over 6 years	7
Missing	0	0	Missing	0
Part-time experience			Part-time experience	
None	12	10	None	13
1–2 years	19	17	1–2 years	22
3–4 years	21	27	3–4 years	33
5–6 years	32	23	5–6 years	24
Over 6 years	10	9	Over 6 years	11
Missing	0	1	Missing	0
Marketing experience			Marketing experience	
None	35	28	None	38
1–2 years	17	23	1–2 years	30
3–4 years	23	19	3–4 years	19
5–6 years	14	12	5–6 years	12
Over 6 years	5	5	Over 6 years	4
Missing	0	0	Missing	1

TABLE IV  
Study 1: ANOVA results

H1A: Impact of short discussion	Mean Pre-test <sup>a</sup>	Mean Post-test	Difference
1. Salesperson splits a bonus with buyer if they buy	2.76	2.95	0.19
2. Salesperson takes all the free products from a competitor's booth	1.43	1.85	0.42
3. Customer service representative inflates expense report	2.80	2.89	0.09
4. An employee keeps hotel room extra day for a "mini" vacation	2.93	3.15	0.22
5. College recruiter spends time selling in home state instead of territory	4.67	4.26	-0.40
6. Salesperson uses psychological tricks when customer doesn't need product	5.55	5.23	-0.32
7. Salesperson offers buyer free samples to try at home	6.19	5.41	-0.78***
8. A marketing researcher poses as customer to get information from competitor	5.02	4.44	-0.58**
9. Retail buyer has salesperson send promotional TV to the buyer's home address	4.63	4.15	-0.48
10. Salesperson entertains clients lavishly	4.30	3.83	-0.47
11. Salesperson asks customers about competitors prices	5.12	4.80	-0.32
12. A company uses consumer fears in advertising to increase product sales	6.23	5.87	-0.36*
13. A product manager inflates resume	3.31	3.03	-0.28
14. An employee racks up personal frequent flyer points on company-related travel	3.80	3.50	-0.30
15. An employee does not tell employer they have accepted position with competitor	3.18	3.13	-0.05
H1B: Impact of long discussion	Mean Pre-test	Mean Post-test	Difference
1. Salesperson splits a bonus with buyer if they buy	3.02	3.01	-0.01
2. Salesperson takes all the free products from a competitor's booth	1.50	1.93	0.43
3. Customer service representative inflates expense report	2.81	3.14	0.34
4. An employee keeps hotel room extra day for a "mini" vacation	3.04	3.35	0.31
5. College recruiter spends time selling in home state instead of territory	4.66	4.28	-0.39**
6. Salesperson uses psychological tricks when customer does not need product	4.89	4.72	-0.17
7. Salesperson offers buyer free samples to try at home	5.96	5.44	-0.53***
8. A marketing researcher poses as customer to get information from competitor	4.71	4.56	-0.15
9. Retail buyer has salesperson send promotional TV to the buyer's home address	4.60	4.14	-0.46**
10. Salesperson entertains clients lavishly	4.26	4.25	-0.01
11. Salesperson asks customers about competitors prices	4.96	4.68	-0.29
12. A company uses consumer fears in advertising to increase product sales	5.56	5.33	-0.24
13. A product manager inflates resume	2.94	2.97	0.04
14. An employee racks up personal frequent flyer points on company-related travel	3.85	3.45	-0.40**
15. An employee does not tell employer they have accepted position with competitor	2.98	3.28	0.30

<sup>a</sup> = means based on scale: 1 = unethical and 7 = ethical; \* = significant at 0.10; \*\* = significant at 0.05; \*\*\* = significant at 0.001

salesperson offering a buyer free samples, a marketing researcher posing as a customer to get competitor information, and a company using consumer fears to increase sales. Section B ANOVA results indicate that there were significant differences between the pre-and post-test means for four of the scenarios (see Table IV H1B). These

four scenarios included a college recruiter spending time in his home state instead of his territory, a salesperson offering buyers free samples, a retail buyer having a promotional TV sent to the buyer's home address, and an employee racking up frequent flyer points on the company. A post hoc examination of the differences between H1A and

H1B found that two of the scenarios were significantly different. After the long discussion, students found the use of psychological tricks and fear in advertising to be more unethical.

#### *Study 2: Impact of distance education module*

Similar to the previous study, data analysis began with an assessment of the similarities between the pre- and post-test populations. Cross-tabulations of the demographic variables identified significant differences between the pre-test and post-test groups on full-time and marketing work experience in section C (see Table II).

Section C ANOVA results indicate that the pre-test and post-test means were significantly different on only two of the 15 scenarios (see Table V H2C). These scenarios included a salesperson using psychological tricks when the customer does not need the product and a salesperson entertaining customers lavishly. For both of the scenarios the differences between the pre- and post-test indicate that students perceived these scenarios to be more unethical. Since significant demographic differences were identified between the pre-test and post-test populations, an analysis of covariance was used to determine whether full-time and marketing work experience affected the pre-test and post-test means. No significant differences were identified. Section D ANOVA results indicated significant differences between the pre- and post-test means for three of the scenarios (see Table V H2D). These scenarios included a marketing researcher posing as a customer to get competitor information, a retail buyer having a promotional TV sent to the buyer's home address, and a salesperson asking customers about competitors' prices. A post hoc analysis of the differences between H2A and H2B post-tests found none to be significant.

#### *Study 3: Impact of time between pre-test and post-test on ethical perceptions*

Similar to the other studies, data analysis began with an assessment of the similarities between the pre and post-test populations. Cross-tabulations of the demographic variables identified no significant

differences between the pre-test and post-test populations (see Table III).

Section E ANOVA results indicated that differences in the pre-test and post-test means for only one of the scenarios were significantly different (see Table VI H3E). This scenario focused on a salesperson offering a buyer free samples to take home. Section F ANOVA results found significant differences between the pre-test and post-test means for six of the 15 scenarios (see Table VI H3F). These scenarios included a college recruiter spending time in his home state instead of his territory, a salesperson using psychological tricks when the customer does not need the product, a salesperson offering buyers free samples to try at home, a marketing researcher posing as a customer to get competitor information, a retail buyer having a promotional TV sent to the buyer's home address, and an employee racking up frequent flyer points on the company. A post hoc analysis of the differences between H3A and H3B found only one scenario to be significantly different. When students were given a longer time between retests they found the use of psychological tricks to be more unethical.

## **Discussion**

Colleges of business continue to seek effective methods to improve students' ethical perceptions, but rarely do studies measure the results of classroom activities in terms of their ability to change student attitudes. Therefore, the current study was undertaken because it is apparent that more work is needed to determine which classroom infusion techniques are effective in improving student ethical values, and several interesting findings were generated.

One finding is that devoting more time presenting ethics materials in the classroom does not necessarily improve students' ethical perceptions. In the current study, after an hour long presentation regarding marketing ethics, the greatest improvement in students' perceptions were related to retail buyers accepting a promotional TV. These findings are similar to Burnette et al. (2003) and Wu (2003) both of which concluded that while courses can modify attitudes toward business ethical situations it is possible that students would still be unsure of

TABLE V  
Study 2: ANOVA results

H2C: Impact of no module	Mean Pre-test <sup>a</sup>	Mean Post-test	Difference
1. Salesperson splits a bonus with buyer if they buy	2.30	2.28	-0.02
2. Salesperson takes all the free products from a competitor's booth	1.42	1.63	0.20
3. Customer service representative inflates expense report	2.33	2.34	0.01
4. An employee keeps hotel room extra day for a "mini" vacation	2.29	2.39	0.10
5. College recruiter spends time selling in home state instead of territory	3.47	3.39	-0.08
6. Salesperson uses psychological tricks when customer doesn't need product	3.78	3.39	-0.39**
7. Salesperson offers buyer free samples to try at home	4.36	4.19	-0.18
8. A marketing researcher poses as customer to get information from competitor	3.51	3.41	-0.10
9. Retail buyer has salesperson send promotional TV to the buyer's home address	3.32	3.06	-0.26
10. Salesperson entertains clients lavishly	3.22	2.81	-0.41**
11. Salesperson asks customers about competitors prices	3.54	3.47	-0.07
12. A company uses consumer fears in advertising to increase product sales	4.05	3.89	-0.16
13. A product manager inflates resume	2.31	2.17	-0.13
14. An employee racks up personal frequent flyer points on company-related travel	3.15	2.83	-0.32
15. An employee does not tell employer they have accepted position with competitor	2.38	2.17	-0.21
H2D: Impact of using module	Mean Pre-test	Mean Post-test	Difference
1. Salesperson splits a bonus with buyer if they buy	2.24	2.48	0.24
2. Salesperson takes all the free products from a competitor's booth	1.36	1.54	0.18
3. Customer service representative inflates expense report	2.18	2.16	-0.02
4. An employee keeps hotel room extra day for a "mini" vacation	2.26	2.24	-0.02
5. College recruiter spends time selling in home state instead of territory	3.35	3.25	-0.10
6. Salesperson uses psychological tricks when customer doesn't need product	3.50	3.29	-0.21
7. Salesperson offers buyer free samples to try at home	4.30	4.14	-0.17
8. A marketing researcher poses as customer to get information from competitor	3.40	3.04	-0.36*
9. Retail buyer has salesperson send promotional TV to the buyer's home address	3.12	2.76	-0.36*
10. Salesperson entertains clients lavishly	3.07	2.94	-0.13
11. Salesperson asks customers about competitors prices	3.65	3.14	-0.51***
12. A company uses consumer fears in advertising to increase product sales	4.14	4.01	-0.13
13. A product manager inflates resume	2.19	2.16	-0.02
14. An employee racks up personal frequent flyer points on company-related travel	2.82	2.52	-0.31
15. An employee does not tell employer they have accepted position with competitor	2.54	2.33	-0.21

<sup>a</sup> = means based on scale: 1 = unethical and 7 = ethical; \* = significant at 0.10; \*\* = significant at .05; \*\*\* = significant at 0.001

which behaviors are unethical and which are not. Overall, this implies that while any discussion of marketing ethics may make students more attuned to ethical issues, devoting additional time discussing

ethics does not necessarily improve their perceptions. The findings suggest that when instructors devote additional time to discussing marketing ethics they should also obtain feedback and change content

TABLE VI  
Study 3: ANOVA results

H3E: Impact of less time between retest	Mean Pre-test <sup>a</sup>	Mean Post-test	Difference
1. Salesperson splits a bonus with buyer if they buy	2.81	3.05	0.24
2. Salesperson takes all the free products from a competitor's booth	1.48	1.98	0.50
3. Customer service representative inflates expense report	2.70	3.26	0.56
4. An employee keeps hotel room extra day for a "mini" vacation	2.95	3.40	0.46
5. College recruiter spends time selling in home state instead of territory	4.68	4.41	-0.27
6. Salesperson uses psychological tricks when customer doesn't need product	4.78	4.95	0.18
7. Salesperson offers buyer free samples to try at home	6.00	5.61	-0.39*
8. A marketing researcher poses as customer to get information from competitor	4.78	4.90	0.12
9. Retail buyer has salesperson send promotional TV to the buyer's home address	4.65	4.28	-0.37
10. Salesperson entertains clients lavishly	4.34	4.47	0.13
11. Salesperson asks customers about competitors prices	5.12	4.90	-0.22
12. A company uses consumer fears in advertising to increase product sales	5.73	5.49	-0.24
13. A product manager inflates resume	2.82	2.97	0.15
14. An employee racks up personal frequent flyer points on company-related travel	3.83	3.58	-0.25
15. An employee does not tell employer they have accepted position with competitor	2.93	3.30	0.38
H3F: Impact of longer time between retest	Mean Pre-test	Mean Post-test	Difference
1. Salesperson splits a bonus with buyer if they buy	3.21	2.96	-0.25
2. Salesperson takes all the free products from a competitor's booth	1.51	1.88	0.36
3. Customer service representative inflates expense report	2.90	3.00	0.10
4. An employee keeps hotel room extra day for a "mini" vacation	3.13	3.29	0.16
5. College recruiter spends time selling in home state instead of territory	4.65	4.11	-0.54**
6. Salesperson uses psychological tricks when customer doesn't need product	5.00	4.44	-0.56**
7. Salesperson offers buyer free samples to try at home	5.93	5.23	-0.70***
8. A marketing researcher poses as customer to get information from competitor	4.65	4.15	-0.50*
9. Retail buyer has salesperson send promotional TV to the buyer's home address	4.56	3.99	-0.58**
10. Salesperson entertains clients lavishly	4.18	3.99	-0.19
11. Salesperson asks customers about competitors prices	4.83	4.41	-0.41
12. A company uses consumer fears in advertising to increase product sales	5.41	5.13	-0.28
13. A product manager inflates resume	3.05	2.99	-0.06
14. An employee racks up personal frequent flyer points on company-related travel	3.87	3.30	-0.57**
15. An employee does not tell employer they have accepted position with competitor	3.03	3.26	0.23

<sup>a</sup> = means based on scale: 1 = unethical and 7 = ethical; \* = significant at 0.10; \*\* = significant at 0.05; \*\*\* = significant at 0.001

as necessary to be sure the presentation is leading to improved ethical perceptions and not just changes in perception.

The second issue examined in this study concerned distance education. Many marketing instructors use standard techniques such as lectures,

discussions, and cases to affect students' ethical perceptions, but as technology has changed so have the means available to educate students. For example, technological changes have made possible distance education classes that offer students the ability to learn in their own time and at their own pace. The



popularity of distance education classes is indicated by the growth of online universities such as the University of Phoenix. In this study, it was found that the degree to which marketing ethics can be self-taught might be limited. Students' participation in the online ethics module appears to have had a very minimal effect on their ethical perceptions. While it is possible to speculate on potential extraneous causes for the weak effect, it should be noted that the findings are consistent with previous research that suggests online education is based on constructivist principles (Sherry, 1996). Constructivist principles posit that students would take time to construct an internal representation of what they have read. This approach would be counter to the information-processing paradigm where instructors "deliver" information to students. Therefore, while it might be believed that an ethics distance education module provides an enhanced learning experience, it is possible the online format and its basis in constructivist principles is what inhibits improvement in students' ethical perceptions.

The third issue examined in this project was the impact of elapsed time. The literature review on gestalt shifts in perception posits that for students to "refocus" their ethical perceptions will require time for them to reflect on what they have learned. The current study found that when students were given additional time to think and reflect on the subject matter there was greater improvement in their ethical perceptions. Overall, it can be implied that when educators examine the effectiveness of ethic related classroom infusion techniques the amount of time between the pre- and post-tests needs to be considered. The findings in this study support the Gestaltists perspective that suggests students need time to reflect on ethical issues. A "shift" needs to occur in students' ethical perceptions and this shift does not manifest shortly after ethical issues are discussed or at the completion of a distance education module.

### Limitations

Three limitations of the study need to be noted. First, to provide anonymity, only group means were available; this limited the data analysis to group means rather than individual scores. If individual

responses were available it would have been possible to match the pre- and post-test results. A second limitation is that moderating factors may account for the somewhat modest findings. For example, events that occurred between the time respondents were exposed to either the 15 or 60-min discussions and the time when the post-test was administered could have influenced the results. Nevertheless, it is unlikely that this was a factor in the current studies because the control that was employed in the distance education study showed little change in perception over the period. In addition, the current study examined only 15 and 60-min discussion periods. Extending the discussions to two class periods or longer, for example, could yield different results. A third limitation to be considered is the modification made to the PSE scale. As stated in the method section the original scale was created to assess personal selling ethics, but the present study was attempting to examine general marketing ethics issues. Instead of focusing on salespeople several questions were rewritten to focus on "an employee". Due to these modifications, the potential exists for differences in reliability and validity between the original and modified scales.

### Recommendations and future research

In light of our findings, time for reflection has been shown to have a bearing on ethical perceptions. Suggestions for marketing instructors would include increasing the amount of active time discussing marketing ethics and passive time thinking about ethical dilemmas. This is consistent with a finding by Murphy (2004), who stated that longer ethics modules that allow more time for reflection are more effective in teaching ethics than are shorter modules. DesJardins and Diedrich (2003) found that requiring students to write case studies that included an ethical component was an effective way to achieve more active learning.

Another way to encourage active learning and thus encourage reflection is to use case studies. When using a case method approach longer cases should be assigned with sufficient lead time for students to read and process the information. Longer cases requiring student preparation are more likely to actively engage the student, lead to longer

discussions, and enhance ethical perceptions. Hunt and Laverie (2004) used the case scenario approach in combination with a journal reading of the Hunt-Vitell Theory of Ethics to provide a theoretical framework for students approaching case analysis. They found that this approach increased the students' ability to evaluate the ethicality of various actions.

Our findings also suggest that instructors should consider increasing time for small group discussions prior to a full class discussion. This would enhance student ability to process ethical issues prior to vocalizing their thoughts to the class. The effectiveness of such an approach depends to some extent on the students' willingness to participate openly in such discussions. Hunt and Laverie (2004) suggest several ways to encourage active participation, such as clearly explaining how experiential learning will be employed and creating a classroom environment of openness, mutual respect, and sincerity. Instructors could also employ role-play to provide an opportunity for active learning. Role-play also offers the potential to encourage student participants to process their responses to ethical dilemmas. Prior to participating in a role-play students could be given time to reflect on how other participants would react to their decisions.

In thinking about future research, given the apparent need to improve the ethical decision-making standards of the marketing executives of tomorrow, additional studies that explore the efficacy of classroom teaching strategies are certainly warranted. There is no shortage of instructional methodologies that have been proposed to accomplish this, as a cursory reexamination of the literature review of this paper will attest. What is now required is a more scientific approach to measure the results of each of the proposed techniques. Future research

that includes before and after measures will lead the way to more clearly gauging the effectiveness of various pedagogical techniques.

Lastly, future research could explore the impact of infusion in a greater variety of advanced marketing courses, not just those at the junior level. Certainly, it is important to expose students to ethical instruction early in their marketing studies, but the literature has shown that it is equally important to reinforce this early exposure throughout the curriculum. Studies that examine the success of various infusion techniques in upper level marketing courses would add needed depth to this marketing education research stream.

## Conclusion

It is apparent that marketing instructors continue to face challenges in effectively teaching marketing ethics. The results of the three studies conducted here indicate that instructional infusion can have some, albeit modest, impact on students' perceptions. However, relying on distance education as a means to foster improved attitudes is less likely to be as effective as traditional in-class techniques. Perhaps, the findings of this study and its suggestions for teaching methods and future research will prove useful to others interested in improving the ethical practice of marketing. It would be gratifying to see marketing educators move closer to meeting the obligation expressed by Hunt (1992), who wrote:

“We owe to society graduates who are ethically responsible, who realize that they have responsibilities not only to themselves and their companies (‘ethical egoism’) but to other important societal stakeholders” (p. 59).

## APPENDIX A

Original PSE scale	Modified PSE scale (MPSE)
<p>1. A wine wholesaler distributor was running a special contest for its salespeople. Salesman X was only <i>ten</i> cases away from selling enough to win a \$500 bonus. He pressed a customer to place a ten case order. When the buyer voiced his reluctance, salesman X told him about the sales contest and offered to “split” the bonus with him if he would “help make the quota.” (Evaluate the practice of offering to share a bonus with a buyer).</p> <p>2. While attending a trade show, salesman Y passed by a competitor’s exhibit which was temporarily unattended. With intent to do damage to his competitor, Y took all of the free product samples from his competitor’s booth. Y felt that this was not exactly “stealing” because the samples were there to be taken for free anyway. “Besides,” he thought, “if they’re stupid enough to leave their exhibit unattended...” When the competitor returned, he discovered that the product samples were missing and no more were available for prospective buyers attending the trade show.</p>	Same as original
<p>3. W is basically an honest, hard-working salesman. However, he occasionally “inflates” his expense report, rationalizing that this would cover any expenses he had overlooked. This is common practice in his company and is ignored by the sales manager. (Evaluate W’s behavior).</p>	<p>W is basically an honest, hard-working <i>customer service representative</i>. However, he occasionally “inflates” his expense report, rationalizing that this would cover any expenses he had overlooked. This is common practice in his company and is ignored by <i>his</i> manager. (Evaluate W’s behavior).</p>
<p>4. When salesman V gets a hotel room and rents a car to make out-of-town calls, he sometimes keeps the room and the car for an extra day or two for personal use. This allows him to sneak in “mini-vacations” without taking time off. This is common practice in his company and salesman V feels that the relaxation makes him a more effective employee for the company. V has always been a top 10% performer in his company’s salesforce. (Evaluate V’s behavior).</p>	<p>When <i>employee V</i> gets a hotel room and rents a car to visit out-of-town offices, he sometimes keeps the room and the car for an extra day or two for personal use. This allows him to sneak in “mini-vacations” without taking time off. This is common practice in his company and employee V feels that the relaxation makes him a more effective employee for the company. Employee V has always been a top 10% performer in <i>his company</i>. (Evaluate V’s behavior);</p>

5. J was a college recruiter for a small private school in Tennessee. It was his job to travel all over to promote the college and talk with prospective students. J determined his own schedule and travel itinerary. He spent about 25% of his time and travel budget in Texas (his home state), even though he was aware that less than 8% of the college's students came from Texas. He did not, however, spend time with his parents or girlfriend during regular working hours.
6. Salesman Q has a B.A. degree in psychology, and an M.B.A. in marketing. As a student, he had learned many psychological "tricks" that he could use in personal selling. He had also been trained extensively in assessing customers' needs. In one situation, he was not really sure if his company's product was best suited to a prospect's needs, but he used a psychological technique and closed the sale. The buyer in this case was a highly educated, mature professional.
7. A salesman for a wholesale beverage company called on a new buyer at a retail store who was unfamiliar with the company's product line. In order to acquaint the buyer with the line, the salesman gave him some products to "take home and try." The buyer hesitated to take the samples, but the salesman insisted. "This way you will be able to make honest recommendations to your customers." (Evaluate the practice of offering professional buyers product samples to take home to try).
8. Salesman Z liked to "keep on top of what his competition [was] doing." One technique he used was to call (or have someone else call) competitors and pose as a prospective buyer in order to gain potentially valuable information such as price changes, new product releases, upcoming sales, etc.
- Same as original*
- Same as original*
- Same as original*
- A marketing researcher liked to "keep on top of what his competition [was] doing." One technique he used was to call (or have someone else call) competitors and pose as a prospective buyer in order to gain potentially valuable information such as price changes, new product releases, upcoming sales, etc.*

## APPENDIX A

### Continued

Original PSE scale	Modified PSE scale (MPSE)
<p>9. The ABC wholesale company developed an interesting promotional offer. Any retail account ordering 100 cases or more would receive a free color TV. According to a brochure which described the promo, the retailer could sponsor a contest or drawing in which the TV could be given away as a "Grand Prize." ABC left the administration of the program "details" up to its salesforce. One ABC salesman told several retail buyers that if they placed a 100 case order, he would have the TV shipped to their home address. "What you do with it after that is entirely up to you..."</p>	<p>The ABC wholesale company developed an interesting promotional offer. Any retail account ordering 100 cases or more would receive a free color TV. According to a brochure which described the promo, the retailer could sponsor a contest or drawing in which the TV could be given away as a "Grand Prize." ABC left the administration of the program "details" up to the retailers, and retail buyers could have the TV shipped to their home address if they decided to Several did.</p>
<p>10. Salespeople at manufacturer A often spend large amounts of money on entertaining clients and prospective clients. It is not unusual for a salesman at A to invite a client and his or her spouse to an expensive (\$500) dinner. The client's company has a policy against accepting gifts, but, as the salesman at A likes to say, "everybody's got to eat..." (Evaluate the practice of entertaining clients lavishly).</p>	<p>Same as original</p>
<p>11. Salesman S would sometimes ask his own customers for information about his competitors' prices. This frequently enabled S to under-price his competition when bidding for major contracts.</p>	<p>Same as original</p>
<p>12. Psychological research has revealed that irrational social anxiety and a fear of growing old are primary motives underlying consumers' use of a certain group of products. A door-to-door salesperson for a company that markets such products has used this information to increase sales dramatically. "It's easy to sell [our products] if you just work on [the prospect's] natural fears." (this section was removed)</p>	<p>Psychological research has revealed that irrational social anxiety and a fear of growing old are primary motives underlying consumers' use of a certain group of products. A company that markets such products has used this information in its advertising and increased sales dramatically.</p>
<p>13. H is an experienced salesman who sustained a period of unemployment for over seven months. In order to increase his chances for getting a position, he "exaggerated" his experience, performance record, and salary history on his resume. Soon thereafter he was offered a job, and became one of that company's top performing salespersons.</p>	<p>H is an experienced product manager who sustained a period of unemployment for over seven months. In order to increase his chances for getting a position, he "exaggerated" his experience, performance record, and salary history on his resume. Soon thereafter he was offered a job and became one of that company's top performing product managers.</p>



14. A company that has many out-of-town clients has negotiated a special rate with airline E - a 35% discount between designated cities - and encourages its employees to use that airline whenever possible. Salesman T prefers to use airline D because of their "frequent flier" program (which allows him to earn free personal trips). In some cases T has booked flights on airline D even though the tickets cost up to \$200 more than similar flights on E, just so he could "rack up those frequent flier points."
15. On July the 1st, Salesman Y accepted a new position with a competitor of his present company. His new job was to begin on August 15th. His present company generally requires two weeks minimum notice when employees quit, but makes resignations effective immediately upon learning that an employee is going to work company about his new job until August 14th. Besides being paid during this time, Y might gain some information that might be useful in his new job.
- A company that has many out-of-town clients has negotiated a special rate with airline E - a 35% discount between designated cities - and encourages its employees to use that airline whenever possible. *Employee T* prefers to use airline D because of their "frequent flier" program (which allows him to cases T has booked flights on airline D even though the tickets cost up to \$200 more than similar flights on E, just so he could "rack up those frequent flier points."
- On July the 1st, *Employee Y* accepted a new position with a competitor of his present company. His new job was to begin on August 15th. His present company generally requires two weeks minimum notice when employees quit, but makes resignations effective immediately upon learning that an employee is going to work for a competitor. Y decided not to tell the company about his new job until August 14th. Besides being paid during this time, Y might gain some information that might be useful in his new job.

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