

International Week Metropolia Helsinki

# Ethical Communication in PR, Advertising & Social Media

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## My Person

- Born in 1978
- Studied German language and literature, communication sciences, cultural studies in Münster
- Worked as communication consultant in Hamburg and Berlin
- Professor for Business Communication at the HTW Berlin since 2011



## Program for the Next Days

- Monday, May 18, 12.15-13.45: General introduction to ethic in business communication
- Tuesday, May 19, 9.00-12.15: Ethic in journalism and PR
- Wednesday, May 20, 9.00-12.15: Ethic in advertising and social media
- Thursday, May 21, 9.00-12.15: Case study  
13.45: Poster preparation
- Friday, May 22, 10.00-13.00: Poster session



## Agenda for the 18th of May

- The Concept of Ethics
- Ethics in Business
- Ethics in Business Communication





## Some Definitions

- “Morality refers to certain general standards of behaviour which is regarded by his/her community, as being virtuous or upright in character.” (Obeng 1990)
- “Morals are beliefs or principles that individuals hold concerning what is right and what is wrong in a community or society.” (Clow/Baack 2004)
- “Ethics are principles that serve as guidelines for both individuals and organizations.” (ibid.)



## The Role of Ethics in Society

- Organization of behavior (together with the legal system)
- Primary function: enabling correct actions by illustrating its constraints
- Secondary function: declaration of ethics signals virtuousness and commitment to common values -> communicative function



## Sources of Ethical Standards (I/II)

- **Utilitarian approach:** ethical action is the one producing the greatest balance of good over harm
- **Rights approach:** ethical action is the one that best protects and respects the moral rights of those affected
- **Fairness or Justice approach:** ethical actions treat all human beings equally





## Sources of Ethical Standards (II/II)

- **Common good approach:** the interlocking relationships of society are the basis of ethical reasoning and that respect and compassion for all others - especially the vulnerable - are requirements of such reasoning
- **Virtue Approach:** Virtue ethics asks of any action, “What kind of person will I become if I do this?” or “Is this action consistent with me acting at my best?”



## A Concept Difficult to Define...

- “Nothing is good or bad but thinking makes it so.”
- What does this sentence imply?



## Different Notions of Morality

- Concept of ethics/morality differs in application and interpretation from culture to culture, and have developed over the period of time in the same culture.
- Examples:
  - Gambling used to be widely condemned – now even churches run Bingo games.
  - Premarital sex was taboo (and still is) in many cultures – today couples mostly live together before marriage.



## Questions Relative to Ethical Behavior (Chandan 1990)

- Is there a set standard against which the ethical standards can be measured?
- Is there a situational code of ethics according to which the ethical merits of an activity can be evaluated?
- Is the evaluation of ethical and unethical conduct consistent among cultures and countries?
- Who decides what is right and what is wrong?



## A Framework for Ethical Decision Making\* (I/V)

- Recognize an ethical issue.
  - Could this decision or situation be damaging to someone or to some group? Does this decision involve a choice between a good and bad alternative, or perhaps between two “goods” or between two “bads”?
  - Is this issue about more than what is legal or what is most efficient? If so, how?

Source: <http://www.scu.edu/ethics/practicing/decision/framework.html>



## A Framework for Ethical Decision Making (II/IV)

- Get the facts.
  - What are the relevant facts of the case? What facts are not known? Can I learn more about the situation? Do I know enough to make a decision?
  - What individuals and groups have an important stake in the outcome? Are some concerns more important? Why?
  - What are the options for acting? Have all the relevant persons and groups been consulted? Have I identified creative options?



## A Framework for Ethical Decision Making (III/IV)

- Evaluate alternative actions.
  - Which action will produce the most good and do the least harm?
  - Which action best respects the rights of all who have a stake?
  - Which option treats people equally?
  - Which option best served the community?
  - Which option leads me to act as the sort of person I want to be?



## A Framework for Ethical Decision Making (IV/V)

- Make a decision and test it.
  - Considering all these approaches, which option best addresses the situation?
  - If I told someone I respect - or told a television audience - which option I have chosen, what would they say?





## A Framework for Ethical Decision Making (V/V)

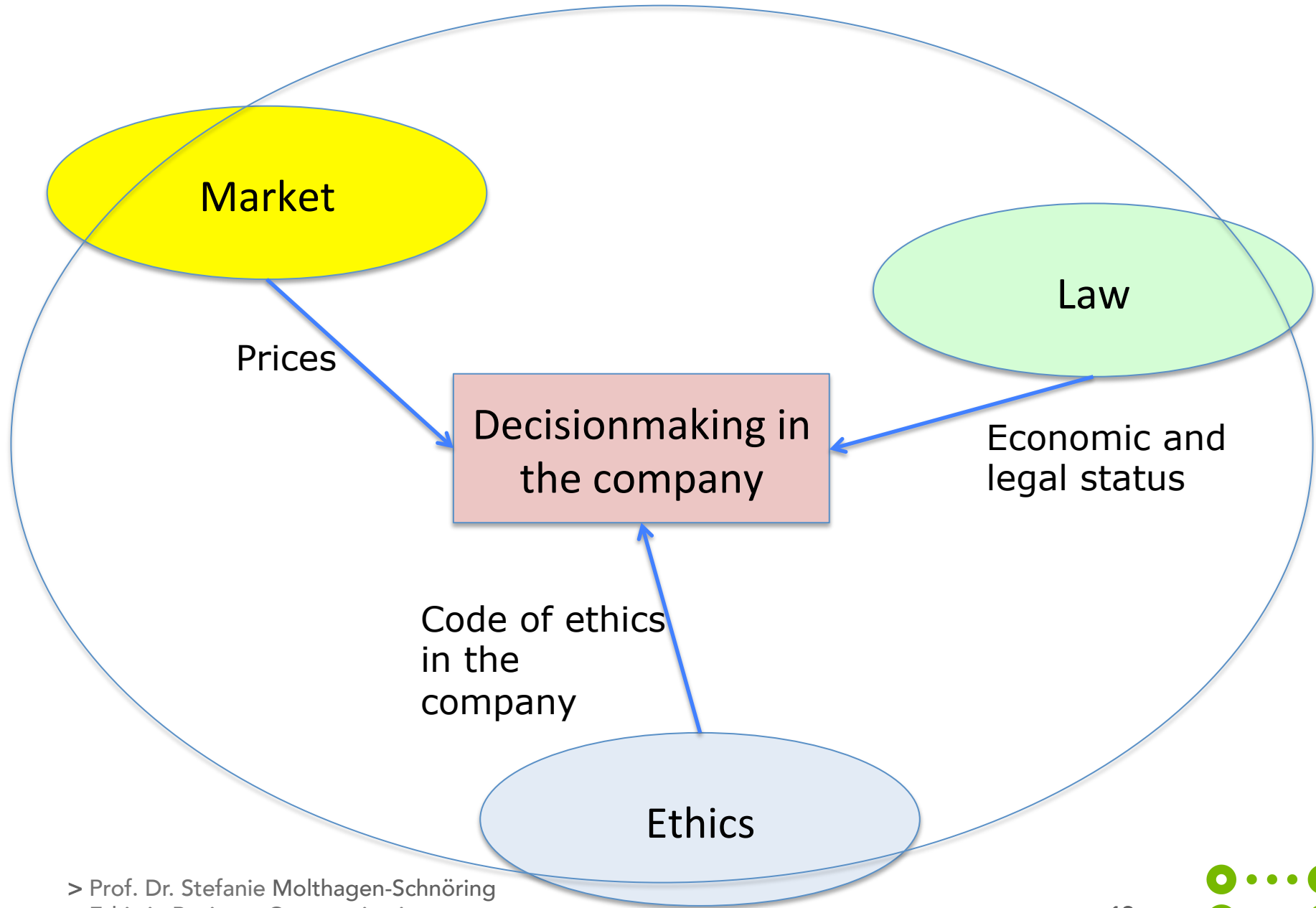
- Act and reflect on the outcome.
  - How can my decision be implemented with the greatest care and attention to the concerns of all stakeholders?
  - How did my decision turn out and what have I learned from this specific situation?



## Ethics in Business

- “Consumer Bill of Rights” strengthens the position of the consumer.
- Companies have recognized that they are part of society, which implies certain responsibility -> **Corporate Social Responsibility** has been born.
- We can observe a shift from shareholder- to stakeholder-orientation.





## Implications for Companies

- Moral behavior becomes competitive advantage.
- By acting morally companies gain trust and credibility and improve their image.
- Damages to one's image can become a major problem for a company (e.g. Brent Spar).



## Ethics in Business Communication

- Ethical issues have to be considered in all integrated marketing communication decisions.
- Business communication is an area where hurting ethical standards can result in action that is highly visible and damaging to a company.
- On the other hand business communication helps companies to improve their image by telling society about e.g. CSR activities.



## Typical Ethical Issues in Marketing (Kenneth 2004)

- A firm is advertising for vegetable soup on television. Is it ethical to put small food seasoning like Maggi at the bottom of the bowl of soup so that the soup will look thicker and tastier?
- A salesman for an electrical machine is anxious to sell his equipment. Is it ethical for him to offer a bribe to the purchasing agent as an inducement to buy? Suppose that instead of the bribe he gives some money out of his own commission – does it make the transaction ethical?



## Major Ethical Concerns Regarding Marketing

- Marketing causes people to buy more than they can afford.
- Marketing perpetuates stereotyping of males, females and minorities.
- Marketing prepares misleading advertisements.
- Advertising to children is unethical.





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## Assignment

- Find one example from the field of business communication which can be discussed from an ethical perspective!

Thank you and see you tomorrow!



## Agenda for the 19th of May

- Ethics and Journalism
- Ethics and Public Relations



## PUBLIC RELATIONS



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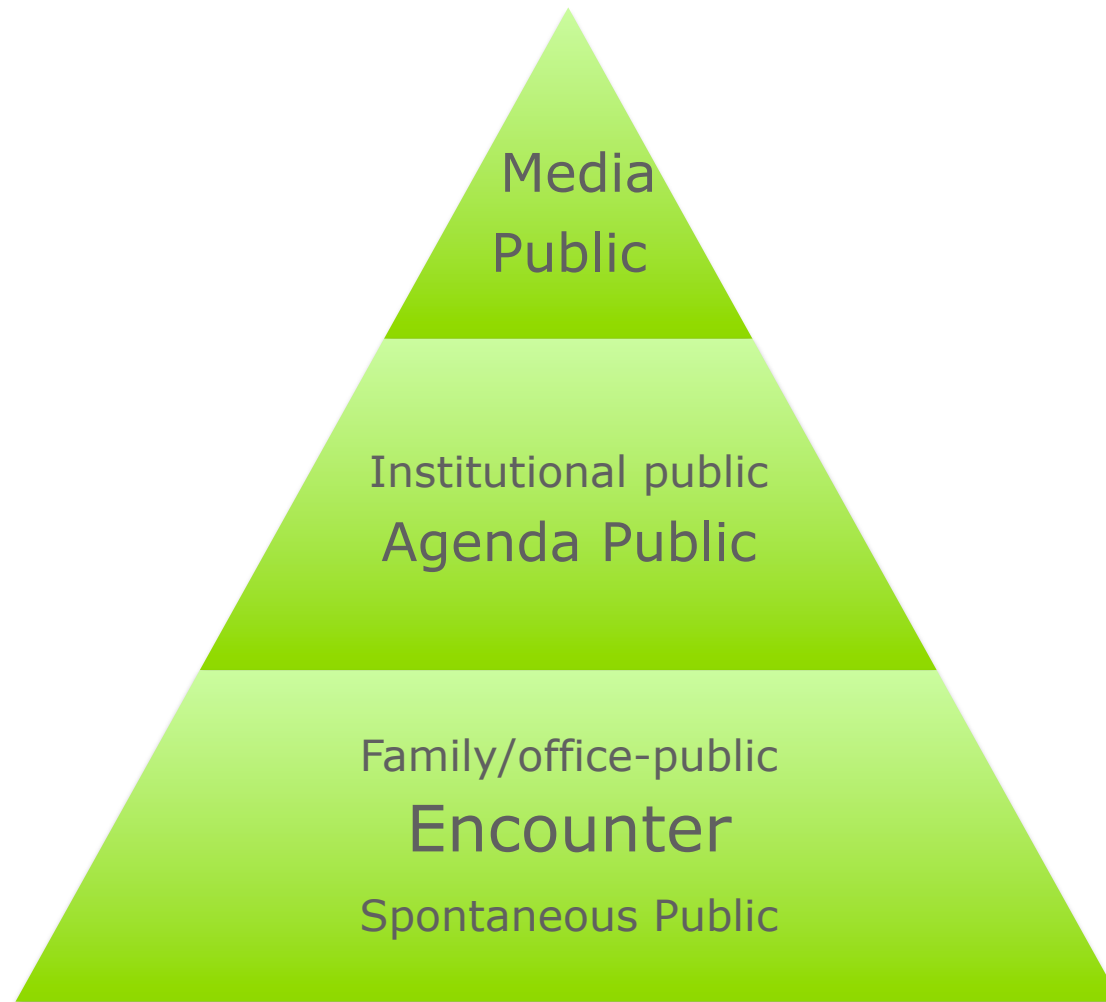


## Ethics and Journalism

- A journalist has to work like a historian – he has to find the truth. (Johan Delane, chief editor The Times, 1852)
- Moral standards are related to the ways of
  - doing research
  - treating interview partners
  - presenting content
  - objectivity itself



## Levels of Public



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## Levels of Ethics in Journalism

- **Individual ethics:** Appeal to responsibility of a journalist to pay attention to ethics and moral benchmarks
- **Ethics of the media system:** Responsibility of the whole media system
- **Ethics of the audience:** Responsibility of the recipients



# Controversial Methods of Research

- Giving a wrong name
- Putting pressure on informants
- Working incognito
- Using confidential information
- Paying for confidential information
- Pretending to be another person
- Working with hidden micros





# Principles of the German Press Council

- Respecting truth and human dignity
- Thoroughly and fair research
- Clear distinction between editorial text and advertisement
- Respect for private sphere
- Avoidance of sensational representation of violence and brutality

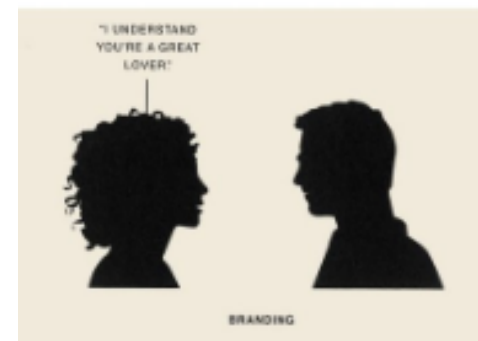
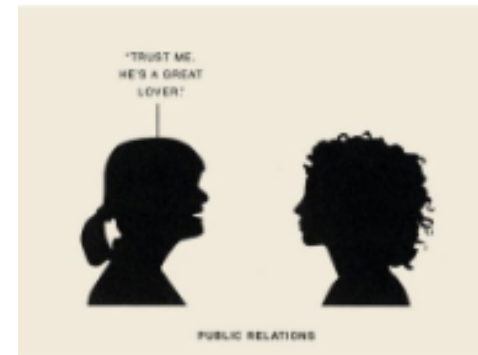


## Why Do Journalists Offend These Principles?

- They are under pressure to sell their stories!
- Concerning the “value of news theory” information probably become a news story if they are...
  - up-to-date
  - relevant
  - concern important people/countries
  - negative!



- Marketing: I am a great lover!
- Public Relations: Trust me – he is a great lover!
- Advertising: I am a great lover! I am a great lover! I am a great lover!
- Branding: I understand you are a great lover.
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## Some Definitions

- Public relations helps an **organization** and its **publics** adapt mutually to each other. Public Relations broadly applies to organizations as a collective group, not just a business; and publics encompass the variety of different stakeholders. (Public Relations Society of America)
- Public Relations is about **reputation** - the result of what you do, what you say and what others say about you. (Chartered Institute of Public Relations)
- Public relations is the **management of communication** between an organization and its publics. (James Grunig)



## Typical Tasks of a PR Manager

- Identifying issues important for the company
- Monitoring the media
- Writing press releases
- Organizing press conferences
- Organizing round tables with important stakeholders, like NGOs, trade unions, etc.
- Developing and organizing image campaigns



## Ethics and PR

- Only 12% of the population trust people working in advertising, only 17% trust PR managers (compared to 42% who trust journalists).
- Only 3% of the journalists trust PR, 36% have little confidence in PR, 20% no confidence at all.



## Imagine you are a PR Manager...

- You are working for a tobacco company and you have developed an image campaign to promote the fact that your company is acting responsibly (supporting schools in the region, sponsoring a sports club...).
- There has been an image advertisement in the local newspaper (paid for by your company).
- Now you would like to convince the journalist that he should report on the CSR activities of your company.

-> What challenges do you face?



## More Examples

- A company publishes an advertising insert which is not marked as such.
- A PR agency offers its customer guaranteed media impact.
- The manager of a PR agency pays 500 Euros so that a journalist writes a story about the opening of a fashion store.





## Ethics in PR

- The PR manager should...
  - tell the truth
  - represent the companies interests honestly
  - be loyal
  - treat communication partners fairly
  - inform openly
  - not induce journalists for a personal advantage
  - respect the autonomy of his communication partners



## Control Mechanisms

- Councils like the **German Council for Public Relations** are institutions for self-monitoring.
- They set off test processes, each citizen is entitled to report unethical behavior of an organization.
- Main task of such an organization is to check if there are drawbacks, to name and rebuke them.



## Example ADAC

- Mid of January 2014 the German newspaper “Süddeutsche Zeitung” reported that the award “Gelber Engel” for the most popular car in Germany was manipulated: more votes were counted than actually delivered.
- The accusation was denied by president Peter Meyer, the award ceremony took place.



## Example ADAC

- A few days later the accusations were told to be true by managing director Karl Obermaier and in consequence communication manager Michael Ramstetter resigned. Nevertheless the company declared that the ranking of the top-seeded cars had not been influenced. Apart from that they engaged an auditor to prove this fact.
- But the auditor found out that the amount of voices as well as the ranking had been manipulated.
- In consequence president Meyer resigned and the award ceremony was stopped.



## Resolution of the German PR Council

- The German PR Council reproves – due to own research and the report of the accountancy – the German automobile club ADAC and in particular its communication chief officer Michael Ramstetter for having consciously cheated the public by manipulating the award „Gelber Engel“.
- Reason: The ADAC is widely known in public and has about 19 million members. There is a massive lack of confidence concerning the club and the communication sector in general. Rules of the German Code of Ethics in PR and the Code of Lisbonne were injured.



## Assignment

- Compare the Code of Athen (international code) and the Code of Lisbon (European code)! What are the main similarities/differences!



## Problems in Practice

- Diversity of ethical standards
- Standards are very abstract
- PR is complex and intransparent
- Ethical behavior is not part of the education of PR managers
- Institutions as the PR Councils do not have much power



## Practical Recommendations (Shannon A. Bowen)

- Pay attention to ethics before you desperately need it.
- Know your own values.
- Spot and discuss ethical issues.
- Identify the approach in ethics closest to existing organizational values/culture.
- Educate decision makers.
- Engage in systematic and analytical means of contemplating ethical dilemmas.





## Resume

- Ethical behavior is crucial for PR as the building and maintenance of trustful relationships is the ultimate purpose of the PR function.
- Due to globalization and complex organizational cultures one important task is to discuss the values a company is representing and if they can come into conflict with ethical norms in society.



## Assignment

- Do you anything like the German PR Council in your country?
- Choose one of the cases they discussed in the last years and present it shortly in class tomorrow.

