

EXHIBIT 1-3 American Marketing Association

Ethical Norms and Values for Marketers

Preamble

The American Marketing Association commits itself to promoting the highest standard of professional ethical norms and values for its members. Norms are established standards of conduct expected and maintained by society and/or professional organizations. Values represent the collective conception of what people find desirable, important and morally proper. Values serve as the criteria for evaluating the actions of others. Marketing practitioners must recognize that they serve not only their enterprises but also act as stewards of society in creating, facilitating and executing the efficient and effective transactions that are part of the greater economy. In this role, marketers should embrace the highest ethical *norms* of practicing professionals as well as the ethical *values* implied by their responsibility toward stakeholders (e.g., customers, employees, investors, channel members, regulators, and the host community).

General Norms

1. Marketers must first do no harm. This means doing work for which they are appropriately trained or experienced so they can actively add value to their organizations and customers. It also means adhering to all applicable laws and regulations, as well as embodying high ethical standards in the choices they make.
2. Marketers must foster trust in the marketing system. This means that the

products and services offered are safe in addition to being fit for their intended use. It requires that marketing communications about goods and services are not intentionally deceptive or misleading. It suggests building relationships that provide for the equitable adjustment and/or redress of customer grievances. It implies striving for good faith and fair dealing so as to contribute toward the efficacy of the exchange process.

3. Marketers should embrace, communicate and practice the fundamental ethical values that will improve consumer confidence in the integrity of the marketing exchange system. These basic values are intentionally aspirational and include: Honesty, Responsibility, Fairness, Respect, Openness and Citizenship.

Ethical Values

Honesty—this means being truthful and forthright in our dealings with customers and stakeholders.

- We will tell the truth in all situations and at all times.
- We will offer products of value that do what we claim in our communications.
- We will stand behind our brands if they fail to deliver their claimed benefits.
- We will honor our explicit and implicit commitments and promises.

Responsibility—this involves accepting the consequences of our marketing decisions and strategies.

- We will make strenuous efforts to serve the needs of our customers.
- We will avoid using coercion with all stakeholders.

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- We will acknowledge the social obligations to stakeholders that come with increased marketing and economic power.
- We will recognize our special commitments to economically vulnerable segments of the market such as children, the elderly and others who may be substantially disadvantaged.

Fairness—this has to do with justly trying to balance the needs of the buyer with the interest of the seller.

- We will clearly represent our products in selling, advertising and other forms of communication; this includes the avoidance of false, misleading and deceptive promotion.
- We will reject manipulations and sales tactics that destroy customer trust.
- We will not engage in price fixing, predatory pricing, price gouging or “bait and switch” tactics.
- We will not knowingly participate in material conflicts of interest.

Respect—this addresses the basic human dignity of all stakeholders.

- We will value individual differences even as we avoid customer stereotyping or demographic (e.g., gender, race, sexual orientation) exploitation in our promotions.
- We will listen to the needs of our customers and make all reasonable efforts to monitor and improve their satisfaction on an on-going basis.
- We will make a special effort to understand suppliers, middlemen and distributors from other cultures.
- We will appropriately acknowledge the contributions of others, such as consultants, employees and co-workers, to our marketing endeavors.

Openness—this focuses on creating transparency in our marketing operations.

- We will strive to communicate clearly with all our constituencies.
- We will accept constructive criticism from our customers and other stakeholders.
- We will disclose significant product or service risks, component substitutions or other foreseeable eventualities affecting the customer or their perception of the purchase decision.
- We will fully disclose list prices, terms of financing as well as available price deals and adjustments.

Citizenship—this involves a strategic focus on fulfilling the economic, legal, philanthropic and societal responsibilities that serve stakeholders.

- We will strive to protect the natural environment in the execution of marketing campaigns.
- We will give back to the community through volunteerism and charitable donation.
- We will work to contribute to the overall betterment of marketing and its reputation.
- We will encourage supply chain members to ensure that trade is fair for all participants, including producers in developing countries.

Conclusion

Finally, we recognize that every industry sector and marketing sub-discipline (e.g., marketing research, e-commerce, direct selling, advertising, etc.) has its own specific ethical issues that require policies and commentary. An array of such codes can be linked to via the AMA website. We encourage all such groups to develop and/or refine their industry and discipline-specific codes of ethics in order to supplement these general norms and values.