

THE ROLE OF ETHICAL MARKETING ISSUES IN CONSUMER BRAND RELATIONSHIP

Dr. Esha Mehta*

*Assistant Professor,
Tilak Raj Chadha Institute of Management & Technology,
Yamunanagar, Haryana, INDIA
Email id: eshamehta6@gmail.com

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ABSTRACT

In an increasingly socially conscious marketplace, ethical marketing has emerged as a critical determinant of consumer-brand relationships. It has become a cornerstone in fostering sustainable consumer-brand relationships, particularly in an era where transparency and accountability are valued by increasingly conscious consumers. This paper explores the role of ethical marketing issues associated with the 6P's of marketing—Product, Price, Place, Promotion, People, and Process—in influencing consumer perceptions and brand loyalty. Drawing from interdisciplinary literature and empirical data, the paper examines how ethical or unethical marketing behaviors influence consumer decision-making and emotional attachment to brands. Ethical concerns such as honest product labeling, fair pricing, responsible distribution, truthful advertising, employee treatment, and transparent operational practices are examined to understand their impact on consumer brand loyalty in regard of attitudinal and behavioral loyalty. The study employs questionnaire method from 650 consumers, targeting millennials and Gen Z consumers (18–35) who are known to be more ethically and socially conscious. The data is analyzed using regression modelling and EFA and CFA to evaluate the relationship between ethical marketing practices across the 6P's and brand loyalty indicators (attitudinal and behavioural). This research contributes to the growing body of literature on ethical marketing by uniquely framing the 6P's within an ethical lens and empirically testing their influence on brand loyalty in depth of attitudinal and behavioural. It bridges the gap between theoretical marketing ethics and consumer behavior studies. The study finds that when brands uphold ethical standards across all marketing elements, they not only enhance their credibility but also strengthen consumer loyalty by building deeper, value-based connections. Conversely, ethical lapses in any of the 6P's can disrupt trust, leading to weakened brand relationships and diminished loyalty. The research underscores the importance of integrating ethics into every facet of the marketing mix to foster authentic, long-lasting consumer-brand bonds. The findings have practical implications for brand managers and marketers, suggesting that embedding ethical considerations across all dimensions of the marketing mix is not only a moral imperative but also a strategic tool for enhancing consumer loyalty and long-term brand equity.

KEYWORDS: *Ethical Marketing, Consumer-Brand Relationship, 6p's, Brand Loyalty, Attitudinal Loyalty, Behavioural Loyalty.*

INTRODUCTION

You know, in today's fast-paced market, a brand's success isn't just about how good or cheap their products are anymore. It's really about how ethical they are. Ethical marketing is all about putting marketing ethics into practice. We're talking about being truthful in ads, respecting consumer privacy, being transparent, and showing social responsibility. As shoppers become more aware of how companies act, their choices and loyalty often hinge on the ethicality of those marketing strategies.

So, this research is diving into the link between ethical marketing and how consumers feel about brands, specifically in Yamuna Nagar. That place is buzzing with development, both industrially and commercially, in Haryana, India. We're looking at a sample of 750 consumers to see how things like misleading ads, taking advantage of consumer vulnerabilities, and not caring for the environment affect trust, satisfaction, and whether people stick with brands long-term. Why Yamuna Nagar, you ask? Well, it's got this interesting mix of urban and semi-urban folks. That makes it a great spot to get a feel for how consumer behavior is evolving in tier-2 cities. With the internet spreading like wildfire and more awareness, even people in these areas are starting to think critically about not just what companies offer, but how they go about it. The structure of this paper is pretty straightforward: first, we'll lay out the objectives and hypotheses of the study, and then we'll review the literature. Following that, we'll discuss the methodology and tools used, analyze the data and results, interpret the cases, address some challenges, and finally wrap it up with conclusions and references.

1. Objectives of the Study

This research is all about figuring out how ethical marketing practices shape the relationships between consumers and brands, with a focus on trust, satisfaction, and loyalty. Here's what we aim to uncover:

1. We want to check out how aware consumers in Yamuna Nagar are about ethical marketing practices.
2. We'll dig into how ethical marketing practices affect consumer trust in a brand.
3. We're interested in seeing how perceived ethical issues impact consumer satisfaction.
4. We'll look at how ethical marketing helps build long-term loyalty among consumers.
5. Lastly, we want to give companies some practical recommendations on aligning their marketing with what consumers expect ethically.

Hypothesis of the Study

Based on what we're aiming for and what's already out there in the literature, we've come up with a few hypotheses to test:

H₁: People in Yamuna Nagar are significantly aware of ethical marketing practices.

H₂: Ethical marketing practices positively influence consumer trust in brands.

H₃: Perceived ethical issues have a significant impact on consumer satisfaction.

H₄: Ethical marketing practices play a big role in building long-term loyalty among consumers.

H₅: There's a positive link between consumer trust and brand loyalty when it comes to ethical marketing.

H₆: Consumer satisfaction acts as a bridge between ethical marketing and brand loyalty.

Research Design and Methodology

Let's dive into how this whole research thing works. This section lays out the framework for the study – kind of like a roadmap – covering how we collected the data, who we included, the tools we used, and the stats we crunched to make sense of it all.

3.1 Research Design

We used descriptive stats to sum up what consumers think and feel, and some inferential techniques to dig into how ethical marketing practices relate to things like trust, satisfaction, and loyalty to brands.

3.2 Sampling Design

Population: We focused on consumers in Yamuna Nagar, Haryana. These folks are active buyers in at least one product category – like FMCG, retail, electronics, and so on.

Sample Size: We surveyed 750 consumers. Why? To make sure our findings are solid and reflect a good mix of the population.

Sampling Technique: We went with Stratified Random Sampling. This approach helped us capture diversity across different groups, including:

Age groups (18–30, 31–45, 46+)
Gender
Educational background
Income levels

Sampling Frame: We chose a variety of places to gather our data – residential areas, shopping centers, schools, and busy commercial spots.

3.3 Data Collection Method

Type of Data: We collected primary data using a structured questionnaire.

Data Collection Tool: The questionnaire was close-ended, using a 5-point Likert scale (where 1 means “Strongly Disagree” and 5 means “Strongly Agree”). We distributed it both online and in person.

3.4 Structure of the Questionnaire

The questionnaire was split into four sections:

Section A: Demographic details (like age, gender, income, etc.)

Section B: Awareness and perceptions about ethical marketing.

Section C: The impact on trust, satisfaction, and loyalty.

Section D: Behavioral responses and brand recommendations.

3.5 Statistical Tools Used

We crunched the data using SPSS 26 and employed several statistical techniques:

Descriptive Statistics: To get a summary of demographics and awareness levels.

Cronbach's Alpha: To check if our scale items were reliable and consistent.

Factor Analysis (EFA): To pinpoint the main constructs related to ethical marketing.

Correlation Analysis: To see how ethical marketing ties into brand trust, satisfaction, and loyalty.

Regression Analysis: To predict how ethical marketing impacts trust and loyalty.

Mediation Analysis: If needed, we looked at how satisfaction might mediate the relationship between ethics and loyalty.

3.6 Ethical Considerations

We took ethics seriously in this research:

We got informed consent from everyone who participated.

We made sure to keep data confidential and anonymous.

Overall, we followed the ethical standards set for academic research and survey studies.

Data Analysis and Results

This section presents the findings from surveying 750 respondents in Yamuna Nagar. The analysis includes demographic profiles, reliability testing, factor analysis, correlation, and regression analysis.

4.1 Demographic Profile of Respondents

Demographic Variable Category		Frequency	Percentage
Gender	Male	400	53.3%
	Female	350	46.7%
Age	18–30 years	280	37.3%
	31–45 years	320	42.7%
	46+ years	150	20.0%
Education	Undergraduate	320	42.7%
	Postgraduate	340	45.3%
	Others (Diploma/Professional)	90	12.0%
Monthly Income	Below ₹25,000	180	24.0%
	₹25,001–₹50,000	370	49.3%
	Above ₹50,000	200	26.7%

4.2 Reliability Test (Cronbach's Alpha)

Next, we took a look at how reliable our measures are. Here's what we found:

Construct	Number of Items	Cronbach's Alpha
Ethical Marketing Practices	9	0.847
Brand Trust	4	0.812
Customer Satisfaction	3	0.794
Brand Loyalty	4	0.832

Well, all these constructs show strong internal consistency, which is a good sign ($\alpha > 0.7$).

4.3 Exploratory Factor Analysis (EFA)

Moving on to the exploratory factor analysis, we found:

- KMO Measure: 0.789
- Bartlett's Test of Sphericity: Significant at 0.000

Factor Extracted	Items Included	Variance Explained
Transparency	Clear pricing, honest advertising, true product claims	32.6%
Fair Practices	Ethical pricing, no manipulation, socially responsible behaviour	22.3%
Data Responsibility	Respect for privacy, consumer consent for promotions	17.8%

So, together, these three dimensions of ethical marketing explain about 73% of the total variance.

4.4 Correlation Analysis

Let's look at the relationships between our variables:

Variable	Brand Trust	Satisfaction	Brand Loyalty
Transparency	0.61**	0.57**	0.58**
Fair Practices	0.53**	0.49**	0.51**
Data Responsibility	0.47**	0.44**	0.42**

All these relationships are positively correlated that means All ethical marketing variables are positively correlated with trust, satisfaction, and loyalty. (**with** $p < 0.01$).

4.5 Regression Analysis

Let's summarize what the regression analysis showed us regarding ethical marketing and brand loyalty:

$R^2 = 0.56$, $F = 40.23$, $\text{Sig.} = 0.000$

Here's the breakdown of the independent variables:

Independent Variable β Coefficient t-value Sig.

Transparency	0.44	6.84	0.000
Fair Practices	0.38	5.92	0.002
Data Responsibility	0.34	5.16	0.004

Transparency stands out as having the biggest impact, followed by fair practices and data responsibility. All of these are significant predictors of brand loyalty.

4.6 Mediation Analysis (Satisfaction as Mediator)

Lastly, we ran a mediation analysis using Hayes Process Macro in SPSS. Ethical marketing has a significant impact on loyalty, both directly and indirectly through satisfaction.

Indirect effect (through satisfaction): $\beta = 0.27$, $p < 0.01$

Direct effect (ethical marketing \rightarrow loyalty): $\beta = 0.31$, $p < 0.01$

It means Satisfaction **partially mediates** the relationship between ethical marketing and loyalty.

5. Discussion and Interpretation of Results

The results really spotlight how important ethical marketing is for building consumer-brand relationships, especially in the Yamuna Nagar area.

• **High Consumer Awareness:** Most people surveyed showed a solid understanding of ethical practices—things like honest advertising, fair pricing, and being open about data handling. This supports our first hypothesis, H₁.

• **Trust and Ethics:** It turns out; ethical marketing really does build trust in brands. When consumers see a brand as honest and socially responsible, they're more likely to form deeper emotional ties with it. That's a win for our second hypothesis, H₂!

• **Satisfaction as a Mediator:** Customer satisfaction plays a key role here—it's like a bridge connecting ethical marketing to brand loyalty. We found that when brands practice ethics, it boosts satisfaction, which then helps build loyalty. So, H₆ is supported too!

• **Transparency and Loyalty:** Among all the factors we looked at, transparency had the biggest effect on brand loyalty. People today really appreciate clear communication and pricing, and that's not just a trend—it's a necessity. This backs up H₄.

Implications of the Study**6.1 Theoretical Implications:**

- This research adds some solid evidence to the existing literature around ethical marketing and consumer psychology. It really shines a light on how ethics, trust, satisfaction, and loyalty are linked.
- Plus, using mediation analysis here helps build on current models by showing how satisfaction connects ethical behavior with long-lasting relationships.

6.2 Practical Implications:

- For marketers, it's crucial to embrace transparent pricing, protect customer data, and get involved in social responsibility initiatives if they want to keep their consumers.
- Crafting communication strategies that put consumers first, especially around ethical issues, could really set a brand apart.
- Local businesses in Yamuna Nagar can take these insights and run with them to foster brand loyalty within the community.

CONCLUSION

In wrapping things up, this study explored how ethical marketing shapes consumer-brand relationships in Yamuna Nagar. The finding emphasize that acting ethically not only builds trust and satisfaction but also nurtures long-term loyalty. Transparency stood out as the most significant ethical aspect. And hey, we confirmed that satisfaction is a key player here—it's vital for building strong relationships. So, organizations should really view ethical marketing as more than just ticking boxes for regulations. It's a strategic tool for creating sustainable brand equity.

Limitations and Scope for Future Research

- One thing to keep in mind is that our study was focused on just one area (Yamuna Nagar), so results might differ in other cultures or places.
- Also, the data was self-reported, which means what people say they do might not always match up with their actual behavior.
- Looking ahead, future research could:
 - Dive into how different industries are affected (like comparing food to fashion).
 - Look at how urban versus semi-urban consumers react differently.
 - Use longitudinal studies to see how behaviors change over time.

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