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## AUSTRALIAN ETHICS

#### PRESIDENT'S REPORT

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#### Welcome to the Summer Edition of Australian Ethics!

I hope wherever you are, you are having a good break over the holiday period, and an enjoyable Christmas and New Years. After the year we have had, with its disruptions and changes, I think we have all earned it. Hopefully the year ahead will be an improvement!

I worry sometimes whether thinking about ethics makes us focus on all the things that are wrong in the world, rather than the things that are right. Australia's response to the pandemic's challenges certainly hasn't been perfect. Perhaps 'okay on balance' is the best that might be said of it. But in the face of difficult decisions, conflicting information, massive disruptions and changing virus mutations, maybe we should consider whether doing 'okay' is extraordinary. Think for a moment of all the millions of tiny sacrifices people had to make, for the sake of their families, colleagues and community, in order for us to achieve that standard. It's a shame it's easier to notice and record all the mistakes and misdemeanours people make than it is to genuinely apprehend the enormous scale of care and conscientiousness they achieve.

Turning to this edition of *Australian Ethics*, you will see that it is a bit of a first! In an initiative developed by AAPAE Executive Committee members Jacqui Boaks, Alan Tapper and Charmayne Highfield, the articles that follow were all written by business ethics students at Curtin University. They are the top responses submitted to the following essay question: *Compared to the ethical issues faced by businesses today, what new and emerging issues do you see as being most relevant to your future career and industry and how do they relate to the topics covered in this unit?* As you'll see, the short articles that follow provide a fascinating insight into the areas that a new generation of business ethics thinkers see as becoming pivotal in the coming years, including concerns with the internet of things, digital privacy, influencers, artificial intelligence and more. Several of these were 'eye openers' for me, and not areas that I had previously spent much time thinking about. I hope the same will prove true for you.

Thanks to Jacqui Boaks for judging the essays, and to Alan Tapper for the editorial work. And congratulations to all the authors!

#### **Hugh Breakey**

## 29<sup>th</sup> ANNUAL AAPAE CONFERENCE

To be hosted by:

## The School of Management and Marketing

Curtin University, Bentley, WA 6102

# Tuesday 6<sup>th</sup> – Friday 9<sup>th</sup> September 2022

Online Conference via Zoom

**CONFERENCE THEME** 

# ETHICS IN MANAGEMENT: Business and the Professions

Management and leadership roles across business and the professions present us with a wide range of ethical issues and questions. These are apparent and pressing to those of us who are in such roles, those of us who aspire to be, and those of us who are subject to the decisions and actions of others in leadership and management roles. This is perhaps especially true in the professions.

The effects on our day to day lives are unavoidable and wide ranging and never more so than in times of flux and crisis.

As well as the specific ethical challenges that arise in management and leadership roles, there are many more general questions such as:

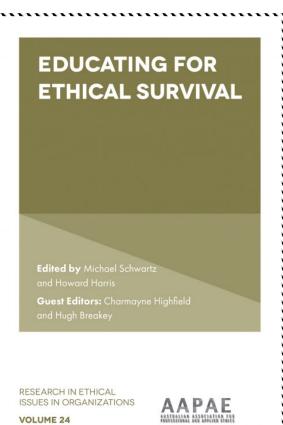
- Are management and leadership ethically special in some way?
- Does being in a management or leadership role present ethical challenges that are substantially different from day to day life or are the impacts of leaders' and managers' decisions just greater?
- Is ethics for leaders and managers the same as for the rest of us?
- Are such challenges analogous to the ethical issues and questions faced in the professions generally?
- What do we have a right to expect from leaders and managers?

The AAPAE conference 2022 will focus on these questions. Papers that explore the AAPAE's area of interest in general are also, as always, very welcome.



#### **CALL FOR PAPERS ...**

The Conference Committee warmly invites submissions for the 29<sup>th</sup> Annual AAPAE Conference from individuals (and teams) from all disciplines and professions who are interested in advancing the understanding, teaching, and practice of professional and applied ethics. As always, the annual conference atmosphere is sure to be one of collegiality and encouragement and a great space for newbie researchers (as well as seasoned presenters) to showcase their work. The call is out for abstracts and papers related to the central theme and other issues in applied ethics and the professions.



#### **PUBLICATION OPPORTUNITY**

Authors of papers presented at the conference will be invited to submit completed papers to the AAPAE's associated journal, *Research in Ethical Issues in Organizations* (REIO).

REIO is a peer reviewed journal, listed in the ERA submitted journals list and the ABDC list, and all submitted papers will go through a rigorous double-blind review process to determine suitability for publication. Please note submission for peer review prior to the conference does not guarantee acceptance for publication.

# **BEST PhD PAPER presented at the Conference**

First prize is an award for A\$250 and second prize A\$100. Submission deadline for full papers is:

## Monday, 8 August 2022

For further information regarding the Best PhD paper award, please email info@aapae.org.au

#### REGISTRATION IS NOW OPEN—FREE FOR AAPAE MEMBERS

The conference registration form can be downloaded from the AAPAE website: www.aapae.org.au. Please email your completed form to **Dr Jacqueline Boaks** at jacqueline.boaks@curtin.edu.au to express your interest to attend and obtain the conference link and password.

AAPAE Members—FREE

Non-concessional—A\$30

Student —A\$25

#### MANDISH LATCHMAN—DIGITAL MARKETING IN THE BEAUTY INDUSTRY

New and emerging issues include eco-friendly packaging, animal exploitation, having an organic audience and being transparent, and Internet of Things and Virtual Reality. I identify new and emerging issues relevant to the career of a digital marketing manager in the beauty industry and these issues are liaised to several further topics. Four issues have been identified and the following paragraphs explore each of the issues.

#### Eco-friendly packaging

It is undeniable that many customers are mindful about their actions now in the 21<sup>st</sup> century. People are more concerned about the environment. This paragraph mainly explores packaging of makeup items. As a digital marketer in the beauty industry, it is imperative that one is up-to-date and proactive about trends in the market. Here it means that customers, being more environmentally friendly, will either seek for thoughtful packaging which can be reused or perishable without harming the environment. A good current example here is MAC Cosmetics encouraging customers to bring back packaging so that they can be reused or recycled. However, the problem for marketers can be the price. Sustainable designs cost more than usual plastic materials. Hence, the challenge for digital marketers is to come up with environmentally friendly products and packaging with a price suiting the target market.

#### Animal exploitation

Animal exploitation occurs in two ways in the beauty industry. Firstly in the makeup ingredients, and secondly, for product testing. Animals such as snails, rhinoceros, snakes, and elephants are used for product ingredients. Customers are now more knowledgeable about skin care ingredients, and hence are aware of, for example, anti-ageing products in the market which use animal extracts. These customers are keener to select brands which stand against animal exploitation. This directly impacts a marketer as products must be adapted to customer choice, as more and more customers become aware of animal exploitation in the industry. It will be problematic if the brand is not able to adapt to this trend as other

brands are already on this bandwagon of being 'cruelty free'. Hence, to be competitive, it will be crucial as a digital marketing manager to make sure products are manufactured cruelty-free. Furthermore, product testing on animals is a major issue. Eighty percent of make-up brands currently use animal testing and as customers become more aware, digital marketers will have to make sure products are not tested on animals and, thereby, the products can be labelled 'cruelty-free' to be competitive.

#### Having an organic audience and being transparent

An organic audience is an audience who sees a brand's content without the branding paying for the audience to see. In other words, this audience seeks your content, paid promotions have not been used. Having a complete organic audience is quite challenging because it is difficult to post content that satisfies every person, which is why paid advertising helps to target more people. With this trend, many companies buy followers online to show that they are popular. In the future, with more technology advancements, as a digital marketer, having an organic audience should be the focus, instead of being unethical by buying followers, likes or shares on social media platforms. Having said that, customers seek transparency now when they indulge with a brand. Being transparent in marketing means to let customers know the human side of the brand, to make communication with customers more personal. This is a real challenge for digital marketers as knowing every detail about a customer can be complicated. However, for customers to give access to

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their information, which will be useful to marketers, it will be pivotal to be transparent such that customers can trust a brand. Being transparent will be ethically correct according to Utilitarianism, as it will create maximum happiness when customers, society, the authorities and the brand are happy. For unhappiness, the brand might also be unhappy being too transparent.

#### **Internet of Things and Virtual Reality**

The Internet of Things (IOT) refers to the network of physical objects, supported with software, sensors, and other technologies. The most used IOT items in a Mauritian context are Fit Bits and Smartwatches. Many IOT gadgets have not yet integrated the Mauritian market. Virtual Reality (VR) is a product of IOT. VR has helped many brands to maintain business activities when the pandemic hit. While many makeup brands are adapting to IOT and VR after COVID, to maximise customers, as a digital marketer, using VR can be tricky. For instance, the VR may fail to rec-

ognise facial features for face mapping such that the make-up can be applied professionally in the virtual space. Here, this issue is mostly about people with facial deformities and old age skins. This will be considered unethical as it shows that the digital marketer did not consider every potential customer while developing the application. Moreover, customers may fear privacy issues when using VR. They may think that digital marketers might misuse their facial data. Hence, it is important for marketers to make all customers trust the brand. As a strategy, terms and conditions should include the company will not use the facial data in any other way.

**Biographical note:** I am Mandish Latchman, 22 years old from Mauritius island. Being a recent graduate in Bcom Marketing and Management from Curtin Mauritius, my plan is to gain professional experience as I have just completed my degree and then specialise in the digital marketing field through professional courses.

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The student essays presented here were not written with publication in mind. In general, student essays are very different from articles for publication. However, with a little editing they are worth reading as representations of student work and of student reflections on current issues in business ethics.

Alan Tapper, Vice President AAPAE

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plementing measures such as cruelty-free products and no child labour. However, promoting products such as cocoa buttercream might contradict a company's CSR policy as the key ingredient comes from industries that traditionally support child labour. Nevertheless, with the rise of living standards, industries have less choice to venture towards con-

ducting illegal acts hence leading to the support of 'The Myopia of Moral Philosophy'.

Moreover, when moving on international platforms, businesses need to have a minimum social contract. However, this can result in conflict with projects that portray a poor image of a firm can lead to legal issues in one country but the same act can be considered as normal practice in another country.

**Biographical note:** I am Zahra Jehangeer, a year 3 student at Curtin Mauritius with an upcoming bachelor's degree in Management and Marketing. Owning an unselfish and open-minded personality is the main asset that helps me to focus on a more rational and ethical verdict in the matter of decision making and the guidance of a team throughout my academic journey. Centring more towards the digital marketing domain I believe that demonstrating integrity is a chief character that one should own to be able to gain trust which is a free ticket to success. *Email:* <a href="mailto:zjehangeer@gmail.com">zjehangeer@gmail.com</a>

#### ZAHRA JEHANGEER—DIGITAL MARKETING IN THE BEAUTY INDUSTRY

An overview of the new emerging issues entails the impact of privacy through technology, environmental ethics in business, corporate social responsibility (CSR) on the international stage and product safety, along with the impacts on internal and external stakeholders.

#### Invasion of privacy through technology

With the advance in technology and changes in the business and consumption pattern of consumers, advertising of beauty products has shifted towards the virtual platforms that are on social media such as Facebook and Instagram. Consumers provide personal information. However, many organisations violate the moral norms as according to the ethical moral code the sharing of personal information of consumers without their consent is unethical.

This issue encourages the promotion of immoral and illegal acts among the future generation, as well as promoting an unethical leadership style that is arrogant management and immoral management. Besides, it endangers consumers and innocent people through loss of confidentiality. This could affect the market as consumers might be less willing to shop on virtual platforms due to a lack of trust and security.

# A rapid change in technology leads to inaccessibility to all social classes

To be able to adapt to consumer needs, the beauty industry has taken a massive turn towards technological execution. Consequently, this results in a rise in the selling price of final products. Thus, indirectly promoting discrimination and capitalism culture among the consumers, as the use of make-up to promote beauty is becoming more a luxury that only high-status communities can afford. With the rapid technological change, the beauty industry is at risk of further increases in price which leads to greater inaccessibility to all social class.

The advance in technology also requires different skills which might impact careers and lead to redundancy, as organisations will require higher skilled workers. Likewise, the advance in technology that

provides the ability to interrelate devices has led to the promotion of anxiety among consumers. It is noted that data collected are transferred to the firm and partnership firms which are then used to promote new products. Consequently, this has led to the rise in the violation of physical and psychological privacy of consumers in the beauty industry.

#### **Boost of data brokers**

The emergence data broker trends within the marketplace project an opposite image of numerous brands, as via social media which is an accessible platform around the globe, data brokers can collect undocumented information as well as reviews. However, it is important to note that reviews might not be always true thus, the issues could lead to the formation of inadequate solutions which might result in more harm than good for consumers.

#### **Environmental ethics in business**

With the effect of COVID-19, consumer consumption patterns have shifted towards being more environmentally conscious, but to what extent can the cosmetic industry move towards sustainability? The beauty industry's main ingredient is mostly chemical products and to be able to adapt to the changes, organisations need to focus on the implementation of a sustainable product. Often this leads to a decrease in shelf-life and variable quality of the product. Besides this it also raises R&D cost for the enterprise and requires additional skills for marketers to target the right audience in the right way.

# CSR is directly impacted due to other country rules and regulations

Supporting its focus on being ethical as an obligation, the beauty industry has made changes by im-

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#### ANTON CHOKOLICH—THE HOSPITALITY AND TOURISM INDUSTRY

The issues I focused on were climate change, data privacy and social issues such as discrimination, racism, and sexism. Whilst these issues may have been around for a while, they are constantly evolving, making them new and/or emerging issues.

see some of the emerging ethical issues of today continuing on and being more relevant in my future career and industry. These issues are climate change and an environmental focus, data privacy and growing social issues such as discrimination and workers' rights.

The main social issue currently at the forefront is climate change. Due to this, the *Paris Agreement* was signed in 2015. The Agreement aims at lowering global warming by 1.5 degrees Celsius, with a focus on carbon neutrality and a goal of zero net emissions by 2050. The Paris Agreement has put pressure on countries and corporations to switch to sustainable production and energy usage and to limit the amount of emissions produced. This social issue will become more and more relevant to the nearing of 2050 and possibly beyond that.

Another emerging social issue that I see being more relevant in the future is data privacy and privacy in general using technology, particularly the personal data that apps record whilst you are using them. This means recording your location, keywords in your day-today searching or browsing and then tracking your frequented routes, all whilst either using the apps or having them run in the background. This data currently is

advertised to you. As this issue is fairly new (has only been around for a decade or so), I see it as an emerging issue further into the future.

The final issue can be both inside or outside of the workplace—that being social issues such as racism, workers' rights, sexism, and discrimination. Many of these issues have been highlighted since the start of the Covid pandemic. These issues being brought to the forefront in the past two years means that there is plenty of time for discussion and will be an issue that I will engage with when in the workforce.

The emerging issues of climate change and environmental protection I see as being an issue in my future career as the onus of sustainable business practices is put on all businesses. This is because it has been found that in the past few decades "climate change, degradation of the Earth's biosphere, and environmental pollution are caused by human societies" (Hagedorn et al. GAIA, 2019, 84). Therefore, this issue will impact my future career and industry as it will do for everyone else in my generation when we enter the work field, as the responsibility is on us to bring about a sustainable way of living.

being sold so that products can be The issue of data privacy is an issue in my future career as it is already currently an issue that is just being realised by many people about what data our devices are collecting from us, how much it's collecting and when it's collecting this data. Not only is this a personal issue currently but also an emerging issue that will affect my future career as companies become vulnerable to having classified data shared and stored without them knowing so.

> The problem lies in the fact that large "global companies have some discretion over how much privacy they grant users and how much they reveal about their data handling practices to their users" (Pollach, "Online privacy as a corporate social responsibility: an empirical study." Business Ethics: A European Review, 2011, 89), yet since there are many grey areas, this discretion is constantly being revised and worked over. There is no set way on how to tackle the issue. Yet what is evident is that the sooner the issue of data consent and the methods used to collect it are raised, the sooner society will have to act. Which is why it will be an issue by the time I begin my professional career.

> Whilst the previously mentioned social issues are already very high-

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ly referred to, I only see the conversation growing especially with my generation's handle on these matters and our efforts to combat these issues well before entering the workforce. Understanding "that notions like 'fairness' or 'civility' either help in understanding 'equality' or they temper" (Grace & Cohen, Business Ethics, 2013, 148) any efforts for a properly equal society. To tackle these issues, action must start at the top, highlighting the importance to those

that make it to managerial roles how there "exists an obligation or a perceived right on the part of certain individuals" (Smircich & Morgan "Leadership: The Management of Meaning", Journal of Applied Behavioral Science, 1982, 258) to uphold an ethical standpoint across all matters and topics in the work-

place. For all the emerging issues raised, I see these ethical issues still being relevant in my future career because I only see the concern around these issues growing and they won't be going away once I am in my future career and industry.

**Biographical note:** I was born and raised in Perth and have just finished my second year at Curtin University, studying at the Bentley campus. I want to further my understanding of international business and relations in order to apply it to the Australian tourism and hospitality industries. *Email:* anton.chokolich@hotmail.com

#### FOR THE NEXT EDITION OF AUSTRALIAN ETHICS

The closing date for submission for the **Winter 2022** edition of Australian Ethics is **1 June 2022**—All articles, news items, upcoming events, book reviews, interest pieces, etc. are welcome. Please email the editor at: **info@aapae.org.au** 

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emailing purposes or to receive targeted advertising campaigns when browsing through the internet or sharing their information with third parties. In some cases, consumer data collection has become a business model where data are gathered in an illegal manner about potential leads due to outdated government laws in this particular area. Accordingly, a trend is noticed across the industry of real-estate developers and promoters anonymously purchasing well-recognised real-estate agencies to acquire and exploit the customer bases of their competitors. For these reasons, consumers' psychological privacy is invaded with stress and fear from scams or forceful pressure for property purchases from these businesses, making consumers constantly reluctant and

suspicious with lower levels of trust.

Although privacy policies with detailed guidance on the use of collected data to acknowledge consumers' right to privacy and transparency are available, the difficulty in reading through complex and lengthy privacy policies does not promote compliance of businesses to consumers' right to privacy. Moreover, most of the privacy policies are drawn up as bait either to win customers' trust or to earn a reputational advantage from privacy programs for business interest. Therefore, privacy violation, lack of informed consent and confidentiality issues are raised, considering businesses' failure to respect the social contract and duty of care owed to customers for their privacy protection.

**Biographical note:** Neha Gungadin is from Mauritius—a 3<sup>rd</sup> year undergraduate with a marketing and management educational background at Curtin Mauritius, seeking further for an employment opportunity as a marketing and sales manager for a property developer and promotor in the real estate industry. *Email:* <a href="mailto:ngungadin02@gmail.com">ngungadin02@gmail.com</a>

#### NEHA GUNGADIN—REAL ESTATE INDUSTRY

The recent adoption of technological innovation and online interactions has prompted the rise of emerging ethical issues in the real estate sector with regards to product safety and privacy protection. With the emergence of the internet of things in property development, the appearance of smart cities and home automation systems have raised the necessity for additional product safety to respond to potential failures of technological innovations due to considerable risk exposure. In the same way, interactions between agents and consumers in the online space have triggered intrusion into consumers' privacy with constant collection of personal and sensitive information, further utilised for marketing or reselling purposes.

#### **Product safety ethics**

With the recent adoption of technological innovation across the industry, consumers heavily rely on businesses to ensure the safety of their products to avoid serious harm and damage from consumption. As per the recent trend, the integration of the Internet of Things with real-estate developments has introduced a completely different concept of smart cities and home automation systems to provide a seamless consumer experience with voice features such as commands or hand-held devices to control household appliances from curtains to electricity, requiring new safety standards for potential defects and unknown consequences. Subsequently, the maintenance cost of emerging technology innovations (from lights, kitchen appliances, cameras to door locks) solely relying on electricity, internet connection and mobile systems is envisioned to consider a back-up plan as a means to prevent failures of new systems, ensure smooth functioning of products and guarantee safety of consumers. However, the introduction of more high-tech products in residential properties will increase safety requirements due to significant risks perceived.

Besides, with increased demand for low-cost and internet-ready housing, technological products are developed with a shorter lifecycle and durability than decades ago. Somehow, the new emerging trends have brought along a business model that prompts forced and repeat purchases at the decline

phase, without the possibility to repair and reuse of the product. At the same time, consumers considered as free and rational beings of their choice are expected to ensure discontinuation of unsafe products in a competitive and free-market, regulated by the laws of demand and supply.

However, without proper knowledge of newly-introduced innovative products, consumers lack the ability to identify defective or unsafe products and government regulations are unable to cover unfore-seeable concerns unless serious damage is caused. Therefore, enhancing technology increases the dependence of consumers on businesses' responsibility to ethically ensure product safety due to government failure to update regulations in accordance with the rapid changes in technology.

#### **Privacy ethics**

Given the emergence of online interactions between agents and consumers, the capacity of businesses to interfere with their consumers' privacy is expected to increase in the online environment. Even though consumers willingly provide their personal and sensitive information to real-estate companies, no control is exerted over the data collection process and even less on the subsequent use of their data. For instance, when sharing their information with real-estate businesses for further discussion on properties, consumers do not automatically agree to a subscription to a list for promotional

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#### STEPHANIE TORY—A MULTINATIONAL CORPORATION FOCUS

The emerging ethical issue of online information privacy is pertinent to the future of work in an economy revolving around technology.

tion, privacy, animal testing, diversity, discrimisince the 1990s. Privacy refers to a right of noninterference but it is not an unqualified right. Privacy and open communication are significant considerations in a modern democratic society like Australia where technology can invade privacy. An emerging issue is online information privacy with the misuse of data a new concern for stakeholders, including graduates like myself who search for work in organisations which align to our personal ethical standards.

An ethical problem arises with technology and the exchange of information as businesses are confronted with a trade off, collecting data for profits or not collecting data for privacy reasons. Online personal data can be used for its intended outlined purpose, to recognise returning users to websites and to improve designs grounded on users' interests, or can be misused for targeted banner ads, pestering users with unwanted emails, or sharing with third parties. Privacy policies are designed with confusing lan-

ompanies have been addressing issues of pollu- guage and specific jargon which make it challenging for users to comprehend what they are consenting nation, child labour, and energy usage as part of CSR to before making an informed decision pertaining to their personal data. Adopting online privacy as an essential component of CSR could be beneficial to businesses if this stance is communicated to all stakeholders. However, a limitation exists as there are inadequate empirical studies undertaken to support this theory.

> Significant technological advancements have occurred over the past decade and are predicted to continue. The digitalisation of information is occurring at a rapid pace, assisting the swift growth of international business. Maintaining information privacy in my future career is essential when working with multiple clients in a consultancy position as I will be privy to insider knowledge. More troublingly is my desire to separate my personal and professional life which has become increasingly difficult. Future employers could have access to a range of my personal data online without my willing and informed consent.

Biographical note: Stephanie is studying a Bachelor of Commerce, majoring in Economics and International Business at Curtin University's Bentley Campus. After graduating her undergraduate degree in 2022 Stephanie hopes to undertake an Honours degree before entering the workforce. Stephanie aims to utilise her economics and international business expertise to consult in multinational corporations. Email: tory.stephanie@hotmail.com

#### AAPAE Listserv

If you have any information or notices that you would like us to relay to your peers, please email your request (word format) to: info@aapae.org.au The AAPAE's Listserv has over 700 subscribers locally and overseas.

#### CECILIA STARKSTEIN—A HEALTHCARE PERSPECTIVE

Environmental ethics and data privacy were considered as two emerging, ethical issues. The waste produced by the healthcare industry was outlined as a negative externality and the topic of intergenerational justice explored. The issue of data privacy in healthcare, particularly regarding electronic health records was evaluated. Strategies were identified to mitigate this concern such as employee training and patient education of their privacy policies.

#### **Environmental ethics**

to my future career is that of environmental ethics. This is due to the waste produced by the health industry, which has significantly increased over the past decade. Mbongwe, Mmereki, and Magashula ("Healthcare Waste Management: Current Practices in Selected Healthcare Facilities, Botswana", Waste Management, 2008, 226) speak of the garnering attention on healthcare waste and predict this will only intensify due to the demand for more healthcare facilities. Lauer ("Reducing Health Care's Ecological Footprint: How Nurses Can Slow the Flow of Health Care Waste." Environments & Health, 2009, 56) estimated in 2007, United States healthcare facilities produced an average of 13,200 pounds of waste per day. As climate change and environmental degradation continue to become a point of contention in society, the focus on organisations and their sustainability practices will increase. Desjardins ("Business's Environmental Responsibility", A Companion to Business Ethics, ed Frederick, 1999, 280) states that

businesses have a moral responsi-An emerging ethical issue relevant bility to the environment and ethical leaders need to address this. Therefore, I believe the health sector will face increased scrutiny for its contribution to the climate crisis.

> The waste created by healthcare organisations is known as a negative externality. This describes the imposition of a negative consequence on an external party, such as the environment, resulting from the production and consumption of a good or service. As a future HR manager, I will have an ethical responsibility to voice my concern and implement initiatives to address this negative externality. It would be a violation of my professional responsibility toward the community to remain silent about the impact we are having on our natural world.

A key issue I will need to consider is the obligation we have to ensure that future generations have a liveable, habitable world to live in. The concept of intergenerational justice strongly relates to this issue. It refers to the idea that, while we should do what is necessary to meet our current

needs, we also need to ensure we do not interfere with the needs of future generations. Therefore, as the issue of climate change becomes more prominent in society, I will need to consider how the healthcare system I am working in is contributing to the environmental crisis, and implement workplace initiatives to address it.

#### Information privacy

A second emerging issue that will be relevant to me is information privacy. Westin (as quoted by Pollach, ibid, 2011, 88) describes information privacy as "an individual's right to decide what information is made available to others". The rapid rate of technological advancements in the last decade has resulted in new, emerging ethical issues that business professionals need to consider. Gibson and Abrams ("Will Privacy Concerns Derail the Electronic Health Record? Balancing the Risks and Benefits", in Healthcare and the Effect of Technology: Developments, Challenges and Advancements, ed Kabene, 2010, 178) spoke of the efficiency brought about by information

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#### THEELOSHINEE SEENEEVASSEN—THE DIAMOND INDUSTRY

Global industries showcase very dynamic and sensitive natures which leaves room for many issues to arise. For the purpose of this paper, two phenomena affecting countless industries have been tackled: social media advertising and the new line of the industry – "diamonds are forever destructive" – bringing down the success of the industry. It was also deduced that the industry in question aligns itself to the narrow view of CSR and it should take a leap towards anchoring its practices in line with the broad view of CSR.

#### Advertising and social media

In the era of social media advertising, common reigning issues are lack of transparency in information, excessive editing, giveaways of unethical products and branded content. Information about products is more often included in the caption of the post than in the advert picture. Hence, some information is sometimes omitted, paraphrased, or summarised such that there is clear overshadowing of vital material. Concealment of some information may be the vital knowledge which could shape the consumers' decision in the most beneficial way. For instance, a customer may forego their purchase of jewellery which is embellished by a blood diamond.

The excessive editing of photos projects the product's appearance such that it may not reflect the real look of the object. In the diamond industry, photo editing may falsify the appearance of the gem which results in deception. To create a stronger brand visibility, giveaways are a highly effective way of raising customer awareness. However, for diamond companies, promoting products is often negatively viewed due to the nature of the core process of the industry. Branded content by big diamond houses like Tiffany & Co is seen as a way of deflecting attention from necessities of daily life towards worthless luxury.

#### "Diamonds are forever destructive"

We all have heard the infamous line "A diamond is forever". Today's generation has made a pivotal change to this statement—"Diamonds are forever destructive". Many customers with varying profiles have increasingly been demonstrating a strong dis-

like for all processes involved in the diamonds industry. This englobes its core process, that is, mining, the retailing and the promotional activities associated with the products. The increasing visibility of the "back door" activities of the controversial industry has led to a strong sensitivity of consumers to malpractices. These stakeholders along with their peers have displayed a proactive nature with regards to boycotting purchases for gems. They are also highly alert to identifying newer and greener substitutes for the polished stones.

#### Stakeholder responses to emerging issues

**Customers:** The new generation tends to be highly realistic and knowledgeable. Hence, they are not easily influenced, with the exception of online shopping for fast-fashion and other commodities which do not require significant investments. This audience tends to benefit from better judgement with regards to the intended consequences of social media adverts or advertising in general.

Investors: The reach of social media posts, that is, the amount of users who interact with the post on their platforms, is of high significance for brands. Social media posts can be in the form of boosted posts whereby boosting budgets are allocated so the post appears in front of more users or above organic posts which are regular social media publications. The interpretation of post data analytics against the brand's social media or communications KPIs can push or pull investors. For instance, if an Instagram post does not display a total expected reach of 300,000 for Tiffany's new diamond-studded

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choker, investors whose funds are injected in the post may pull their investment from the specific corporate activity. The reason why diamond brands may not reach their expected audience volume has a direct relationship with consumer responses to advertising malpractices. These customers direct their focus to greener offerings/substitutes while redirecting social media traffic through social media

activity, entailing an unintentional boycott.

**Employees:** The new generation visibly favour healthy and ethical working environments. Furthermore, they are entitled to workplace rights which empowers them to divert their skills from unethical firms. Lab-grown diamonds may intrigue those prospect employees but the aspect of "ethical diamonds" needs to be vividly portrayed in the company's mission and vision.

**Biographical note:** I am a fresh Marketing and Management graduate from Curtin Mauritius, currently employed as a Trainee Category Coordinator in the pharmaceuticals industry at one of the largest conglomerates in Mauritius. My professional aspirations encompass social media marketing, statistical analysis, and line management opportunities.

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technology and electronic records in healthcare. However, they also noted the issues this created. Privacy relating to technological advancements in healthcare has become a public concern, with a survey of 300 respondents in New Zealand revealing that 73% were concerned about the security and privacy of their electronic health record.

Although upholding patient privacy in healthcare is a legal responsibility, Pollach (2011) notes that many consumers either do not read, or do not understand privacy policies and, even if they do, most do not account for data breaches. This brings about an ethical responsibility for organisations to ensure customers understand their privacy policies. Without this, it is not possible for any patient to give genuine, informed consent regarding their electronic health record.

As a future HR manager, it will be my responsibility to ensure employees are properly trained to operate new technology responsibly and that patients are made aware of any new privacy policies and related implications. Employee training will help instil the importance of upholding patient confidentiality while also giving employees and practitioners the knowledge needed to protect against data leaks. I will also have the ethical responsibility to ensure patients understand my organisation's privacy policies and any potential risks before they agree to an electronic record. This goes beyond the legal responsibility of publishing a privacy policy

where most people will not find or understand it, to the ethical responsibility of ensuring patients are able to make an educated decision. Werhane ("Business Ethics, Organization Ethics, and Systems Ethics for Health Care", in The Blackwell Guide to Business Ethics, ed Bowie, 2002, 309) summarises the impact of technology in healthcare and the need to adapt privacy policies to account for it, stating, "what appears to be simple protection of a patient's records in fact must be approached systematically in order to comprehend what is at stake and to achieve any results."

**Biographical note:** I was born in Argentina and moved to Australia when I was three. I am currently completing a double degree in Psychology and Commerce, majoring in Human Resource Management and Industrial Relations at Curtin University, Bentley Campus. Once I graduate, I hope to use my degree to work in the human resource sector, ideally in a psychological or health-related industry. Email: <a href="mailto:cecilia-star@hotmail.com">cecilia-star@hotmail.com</a>

#### PUSHTI BOODHUN—PRODUCT MARKETING

My report considers two emerging issues which I might face as a future marketer. Firstly, the issue in the cosmetic industry of consumers finding it more difficult to identify what is an advertisement and what is not. Marketers now use influencers to market products on their blogs, social media pages and even in YouTube videos. The second issue relates to the use of artificial intelligence (AI) in product marketing. Discrimination and equal opportunity as well as privacy and ethics are relevant topics in this space. The misuse of AI could breach consumer privacy or even result in invidious discrimination towards consumers.

#### Difficult to identify advertisements as a consumer

An emerging issue which could be considered relevant to my future career as a product marketer in the cosmetic industry, would be that nowadays it is more difficult to distinguish between what should be considered as an advertisement and what should not. For instance, in the past few years, with more people becoming active on social media platforms, product marketers are developing corresponding strategies to advertise their products. For example, there are social media influencers on platforms such as Facebook and YouTube who are given certain products for free by specific firms or brands and, subsequently, they start talking about these products either in their YouTube videos or by posting their reviews on them on their social media pages or blogs, omitting the fact that the products were given to them for free.

Consequently, ethics relates to this emerging issue in the sense that as a product marketer, it is important to review the strategies and ways in which a particular product should be advertised, so consumers are well aware when a product is being advertised to them. In fact, offering free products to influencers who have a high influencing power over their viewers and followers, with the intention to indirectly encourage them to advertise the products, could be viewed as deceptive advertising. Indeed, this strategy of the product marketer could be viewed as manipulation of the influencer, who in turn influences consumers to buy the products being advertised. As a matter of fact, consumers might

not identify them as advertisements, thinking that the influencer is just mentioning the product and that the review being given is actually genuine. On top of that, what makes this situation an ethical issue is that the influencer decides not to mention the products were given to him/her for free. Consequently, this could be viewed as omission of information by the Federal Trade Commission in the US, causing the act to be unethical.

Furthermore, from a consumer's perspective, in the case where the video or post was not identified as an advertisement by the latter, it could be said that they were unconsciously influenced or even manipulated to purchase the marketed product, and this could be considered unethical, as those consumers were deceived in a certain way. On the other hand, the same situation could be viewed as being ethical if the influencer did mention that the product was given to him/her and that this was a paid advertising or a sponsor, before talking about the product. However, in both cases, it could be argued that the consumer's perception about those products is being influenced and this could potentially encourage them to purchase the products. Nonetheless, it is the responsibility of a product marketer to choose the way in which they are willing to make use of those influencers to advertise their products. In other words, the product marketer should ensure that the influencers are being paid to officially endorse their products or to be their brand ambassador,

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causing consumers to be well-aware that a product is being advertised to them.

#### Ethical issues with AI in product marketing

In the current market that is continuously evolving at a fast pace with increasing technological advancements, AI has already started taking its share of the cake in the area of product marketing in various industries. On top of that, the Covid-19 pandemic has pushed this trend even further, with more people having to work from home or having to follow social distancing rules. However, AI still has a long way to go in various areas, including the future of product marketing, which is why it is still a new and emerging trend in this aspect. This being said, this emerging trend would definitely come with certain issues, among which would be ethical issues, which could relate to topics such as privacy and ethics and discrimination.

Firstly, there is the issue of discrimination, which is still relevant even with the introduction of AI in product marketing. Indeed, as a future product marketer, my main aim would be to sell the products or services I market. Consequently, suppose I choose to work in the fashion industry, it would be important for me to communicate my values to the market I target and meet their needs. People would tend to believe that with the use of AI, issues such as discrimination and inequality would be eliminated. However, this might not be the case. In fact, AI could still be biased by the values and beliefs of the product marketer who creates them. For instance, according to research, facial recognition AI could potentially misidentify or simply not see people of certain skin colours.

The consequences of this could be that these people become victims of inappropriate marketing, in terms of inappropriate language or content. In this case, this situation could be viewed as invidious discrimination, since the AI had been intentionally biased by the product marketer, causing different classes or races of consumers to be treated unequally.

In terms of ethics, even though this discriminatory behaviour is not illegal, it is still viewed as being ethically wrong from a moral perspective.

Secondly, AI is increasingly being used in product marketing, in the sense that product marketers implement such strategies that enable companies to record and save personal information of online users, to eventually use this information to market products in the form of personalised advertising. However, these could relate to privacy issues, since there are cases whereby the users are unaware that their personal information is being collected and that too without their permission. However, those companies and their product marketers could argue that they do present certain virtual consent forms, which allow the users to agree or disagree on whether they allow the companies to collect their data. Nevertheless, it is still a fact that these consent forms are set in such a way that are not userfriendly, leading users to agree with the statements, without actually reading them.

It should also be noted that there are many websites which do not allow users to access their information unless they agree to the terms and conditions, which most of the times include the collection of personal information or even the consent to advertisements. Consequently, these stored data about the users could be used by product marketers to send unwanted personalized advertisements either on websites, social media platforms or even by e-mail, eventually breaching those users' privacy.

Biographical note: My name is Pushti Boodhun, and I am from Mauritius. I am currently a third-year student in Management and Marketing at Curtin University Mauritius and my passion is cooking and baking. After completing my undergraduate degree, I intend to complete my post-graduate degree and eventually look for a job as a product marketer in an advertising agency.

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The AAPAE fosters and publishes research in professional and applied ethics, as well as attempting to create connections with special interest groups.

However, the AAPAE does not endorse any particular viewpoint, but rather it aims to promote a climate in which different and differing views, concerns, and approaches can be expressed and discussed.

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