



(Original Article)

Designing a Normal Model of Ethical Marketing in the Hotel Industry

Maryam Beigpour Tanha^a, Farshid Namamian^{b*}, Reza Taghvai^c, Tohfeh Ghobadi Lamoki^a

a) Dept. of Business Management, Hamedan Branch, Islamic Azad University, Hamedan, Iran

b) Dept. of Business Management, Kermanshah Branch, Islamic Azad University, Kermanshah, Iran

c) Dept. of Public Management, Toyserkan Branch, Islamic Azad University, Hamedan, Iran

Abstract

Background: The present study was conducted with the aim of designing a model of normal ethical marketing in the hotel industry.

Method: This research is qualitative in terms of purpose, exploratory in terms of approach, and qualitative in terms of data analysis. The statistical population was a group of hotel industry experts from whom a total of 9 people were selected as the sample by purposive sampling and theoretical saturation. The research tool was in-depth interviews. Data were analyzed using theme analysis methodology.

Results: According to the results of the study, the main category in this study was "the attention of hotel industry managers to ethical marketing norms." Causal conditions include knowledge of ethical norms, emphasis on upstream rules on ethical norms in marketing, modeling of the world hotel industry, training courses for hotel managers and staff on ethical norms in marketing and reforming and improving the reward and punishment system in line with ethical norms He was in the marketing of the hotel industry. Areas included "Emphasis on Ethical Decision-Making at All Levels of the Organization" and "Ethical Organizational Culture", and environmental conditions included "Society's desire to comply with ethical marketing norms in the hotel industry" and "Economic problems in the country." Strategies also included the categories of "ethical hospitality" and "compliance with organizational social responsibility", which led to the consequence of "customer satisfaction of the hotel industry".

Conclusion: The results of the research led to the design of a model of ethical marketing in the hotel industry and showed that ethics is a fundamental element and in developing marketing models for the hotel industry, special attention should be paid to this important issue.

Keywords: Hotel industry, Marketing, Ethics, Norm

* **Corresponding Author:** Email: farshidnamamian@gmail.com

Received: 25 Nov 2020

Accepted: 3 Dec 2020

28

Available at: www.ijethics.com

Introduction

One of the most important issues for the economic development and prosperity of countries is to pay attention to "business ethics". Adherence to the principles of ethics by government officials and corporate managers in a country leads to the dynamism and prosperity of a healthy economy (1). Separation or non-separation of ethics from economics has long been considered by all thinkers in this field, and this issue depends on the worldview and anthropology of governments in their decisions, and accordingly the criteria of development in each country is defined differently. Such insights into the world and man by famous philosophers in each period have given rise to different schools of economics with different motives; these include the capitalist school or system, the socialist system, and the moral economy. Unfortunately, development goals in the capitalist economy pay attention to the individual and material aspects of society; Originality is with the individual and little attention is paid to the superiority of social rights over the individual. In a socialist economy, the state is the center of all decisions and owns all sectors of the economy, and there is no such thing as "I". Whereas in economy based on ethics, attention has been paid to spirituality, justice and public welfare and individual rights along with social rights (2).

Marketing in any country is derived from the economic system of that country and marketing laws and norms in countries are defined according to their economic system. For example, in the capitalist economic system, because only profit is important for corporate owners, marketing harmful products such as cigarettes and alcohol, using women and men as sexual subjects, promoting consumerism and extravagance in society, encouraging people to buy new products even Allows the price of their debt and so on (3). In fact, from a Western perspective, marketing emphasizes the demands of customer's more than social welfare, while an ethical economic system emphasizes individual dignity while preserving the interests of society. In such a system, the promotion and sale of products harmful to the health of society and the use of human beings as tools are denied.

Business ethics has become a growing concern among large corporations today. Large corporations are always afraid of the damage that moral scandals can do to the company's image and its impact on the company's profitability. Marketing as an important part of business and business that deals directly with customers, plays an important role in creating and maintaining the mental image of the company with customers. In addition, ethical marketing is now considered as a strategy in business (4). Due to the strategic importance of marketing and also the image it creates for customers, it is important to recognize the effective values and ethical criteria in each component of marketing and their observance in practice by marketing managers and even salespeople (5).

Given the need to observe ethics in marketing behaviors, the existing patterns of contemporary marketing are so intertwined with the prevailing capitalist economic system that the assumption of separation of the two is invalid. Accordingly, the claim to have the basic components of marketing theories such as sales methods, commercial advertising and product promotion without contamination and immersion in the whole is not a valid claim (6).

The most challenging area of discussion in professional ethics is marketing ethics. Marketing is accused of lying, cheating, injustice, and disregard for social welfare. But on the other hand, marketing is useful to help the economies of all countries that have reached a level of development. Therefore, eliminating marketing is not a good answer to its ethical problems. Rather, one should seek to formulate and implement an ethical theory for marketing. The system of marketing ethics provides the context in which marketers pay ethical attention to those who are the target of marketing (7).

When people talk about marketing ethics, they are generally referring to the principles, values, and ideas of those whom marketers and marketing companies expect to be loyal to. It can be said that these norms form the core of a marketing system. In fact, marketing ethics is a normative ethic. But since these normative ethics also involve empirical and analytical discussions, it is better to use the term

marketing ethics more broadly to include all three descriptive, normative, and analytical dimensions of ethics.

In recent years, attention to ethical norms and concepts in ethical marketing in order to improve the relationship with customers and increase the quality of interaction with them has become more and more (8). One of the industries in which the discussion of ethical marketing is very prominent is the hotel industry. Because marketing research has shown that one of the complaints of customers in this industry is dissatisfaction with the lack of transparency and honesty in the marketing and advertising of hotels, both in terms of facilities and quality of service (9). On the other hand, with a close look at the country's hotel industry, the lack of an ethical marketing model is quite evident (10).

In this regard, considering the importance of designing a comprehensive and guiding model in the field of ethical marketing in the hotel industry, the present study intends to design a scientific and systematic methodology to answer the main question that "how is the normative model of ethical marketing in the hotel industry in Iran?"

Material and Methods

The present research is qualitative and applied in terms of purpose and exploratory in terms of approach. In this study, a group of hotel industry experts were considered as the statistical population. The characteristics required for people to be experts included: mastering the field of marketing management in the hotel industry, familiarity with ethical norms in marketing, and being exposed to the marketing plans and advertisements of the hotel industry. From the target population, using purposive sampling method and the process of achieving theoretical saturation, 9 people were selected as a statistical sample. In this study, the main tool of data collection was in-depth and semi-structured interviews with research experts. In these interviews,

the researcher tried to enter the discussion softly, indirectly asking questions about the antecedents, contexts and normative consequences of ethical marketing in the hotel industry, and through this, gain basic concepts for model design. In this study, to ensure the validity of the interviews, the researcher's method of long-term engagement with the research space and his continuous observations in the research environment, including building trust with the subjects, learning the culture of that environment and controlling misunderstandings caused by researcher or informant interventions were used. Also, to ensure the reliability of the interviews, after each interview, the extraction codes were shared with the interviewee to ensure that the codes that the researcher inferred from the interview were consistent with the interviewee. Finally, in order to analyze the interviews and achieve a conceptual model of the research, the method of theme analysis and three-stage open, axial and selective coding were used.

Results

1. Open coding:

This stage of theme analysis was dedicated to identifying and extracting basic concepts from the content of the interviews. Accordingly, after each interview, the researcher, by reviewing it several times, extracted and coded the concepts in the text of the interview. A total of 9 interviews were conducted and 123 initial concepts were extracted. After reviewing and juxtaposing them and removing duplicate concepts, 39 final concepts were identified, which can be seen in Table 1. (It should be noted that the codes next to the concepts include a Latin letter and a number. The Latin letter (in alphabetical order) indicates the person being interviewed, and the numbers next to this letter indicate the concept number extracted from that particular interview.)

Table1: Finalized concepts after analyzing the interviews and removing duplicates in the open coding step

Codes	Concepts
A ₁ , B ₄ , E ₆	All organizational decisions must be made in accordance with ethical principles and governing norms.
A ₂ , B ₉ , G ₅ , K ₁	In practice, hotel managers must always emphasize the normative ethics of marketing.
A ₃ , B ₁ , F ₈ , I ₇	The poor economic conditions of the hotels have led to some immorality in a competitive environment.
A ₄ , F ₂	Sometimes hotel customers do not have a clear view of the ethical norms of the market, and this leads to the abuse of their rights.
A ₅ , E ₄ , J ₁	The demanding society can correct many abuses.
G ₁₀ , K ₂	The policies of hotel managers in various fields, including marketing, have a significant impact on customer satisfaction.
A ₆ , C ₁₀ , I ₄	Ethics has important teachings on how to treat guests that can be used as a role model in hotels.
B ₂ , D ₈	International sanctions and economic problems have slowed the growth of the tourism and hotel industry.
C ₁ , F ₉ , G ₄ , H ₄	If a customer detects some kind of immorality in the hotel marketing system, they will most likely be held accountable.
A ₇ , D ₇ , G ₃ , K ₃	We need to ask ourselves how diligent we have been in informing hotel managers and staff about a norm called ethical marketing.
A ₈ , C ₈	Hotel managers must always emphasize the normative ethics of marketing in their speech.
B ₃ , J ₂	Clear and well-established rules regarding the observance of normative ethics in the hotel industry should be formulated and communicated by the legislatures.
A ₉ , C ₁₁ , E ₁₀	Any kind of immorality in the hotel marketing process should be condemned, and any kind of ethics should be encouraged.
A ₁₀ , G ₂ , H ₉	The legal vacuum in the field of marketing leads to many abuses and immoralities.
B ₅ , F ₄ , I ₆	The world's leading hotels have made great strides in the field of marketing ethics and their actions and experiences can be emulated.
A ₁₁ , B ₆ , F ₆ , K ₄	The ultimate goal of the hotel industry is to gain customer satisfaction and loyalty.
A ₁₃ , C ₆ , E ₃	Better planning can be done to improve it if careful training needs are assessed in terms of marketing norms and ethics for hotel staff.
D ₁₁ , E ₂	If the customer sees the marketing process of the hotel as based on ethics and honesty, his sense of satisfaction will be strengthened.
A ₁₄ , B ₇ , D ₄ , E ₁₃	Hotel managers must strive for ethical virtues to govern the behaviors and relationships of employees, managers, and customers.
D ₁ , F ₃ , H ₇	Some domestic hotels can also be considered as a good ethical model for other hotels.
C ₃ , F ₁₀ , G ₈ , H ₁	Hotel marketing managers must put ethics at the forefront of advertising, pricing, promotions and branding.
B ₁₁ , D ₆ , E ₁ , G ₉ , J ₃	The hotel industry finds itself under pressure and scrutiny from the community.
A ₁₂ , C ₉ , F ₁ , H ₃	In recent years, the country's hotel industry has been declining.
B ₈ , C ₂ , G ₇	Hotels should be proud of their ethics and brand in this way.
B ₁₀ , F ₁₁	The country's hotel industry is in a state of crisis, and in these critical situations, some hotels may take unethical approaches to their survival.
F ₁₂ , H ₈	Due to social and economic conditions, hotels also have responsibilities.
C ₅ , D ₉ , I ₅ , J ₄	Many of the moral norms rooted in Iranian civilization function in the hotel industry.
C ₄ , D ₂	Hotel managers must align their reward, punishment, and compensation systems with the goals of ethical marketing norms.
A ₁₅ , C ₁₄ , E ₉	Empowering hotel staff and managers in the field of ethical marketing should be considered as an important principle.
E ₈ , G ₁₁ , H ₂ , K ₅	In all businesses, customer awareness is a must for business owners.
A ₁₆ , C ₁₅ , G ₁ , I ₂	The reward, punishment and compensation system of some hotels needs to be changed.
B ₁₂ , D ₅ , F ₇ , H ₅ , J ₅	Iranian-Islamic hospitality culture can be considered as a strong norm in the country's hotel industry.

B ₁₃ , C ₇ , G ₁₂	The mere profitability of some hotels tarnishes the image of the industry.
C ₁₂ , E ₁₁ , F ₁₃	The community should want to adhere to the norms and ethics of hotel marketing.
C ₁₃ , E ₁₂ , I ₃	Many of the actions of the world's leading hotels can be a model for the country's hotels.
D ₃ , E ₅ , F ₅ , J ₆	The livelihood and employment of the local community should be important to hotels.
G ₆ , I ₁ , K ₆	Ethical norms must become a valuable organizational culture.
H ₆ , J ₇	Hotels need to be accountable to the community.
E ₇ , D ₁₀ , K ₇	The commitment of top managers is always the foundation of the success of the organization.

2. Axial coding:

At this stage, an attempt was made to create more general categories called "categories" by paying close attention to the identified concepts and identifying their similarities and differences with each

other, and to place the concepts of both type and direction in these more general categories. The result of this process was the identification of 13 main categories that can be seen in Table (2) along with the relevant concepts.

Table2: Identified categories with relevant concepts

	Categories (Axial coding)	Concept (Open coding)
1	The desire of society to comply with ethical marketing norms in the hotel industry	The demanding society can correct many abuses.
		The hotel industry finds itself under pressure and scrutiny from the community.
		The community should want to adhere to the norms and ethics of hotel marketing.
2	Training courses for hotel managers and staff on ethical norms in marketing	We need to ask ourselves how diligent we have been in informing hotel managers and staff about a norm called ethical marketing.
		Empowering hotel staff and managers in the field of ethical marketing should be considered as an important principle.
		Better planning can be done to improve it if careful training needs are assessed in terms of marketing norms and ethics for hotel staff.
3	Observance of organizational social responsibility	Hotels need to be accountable to the community.
		Due to social and economic conditions, hotels also have responsibilities.
		The mere profitability of some hotels tarnishes the image of the industry. The livelihood and employment of the local community should be important to hotels.
4	Emphasis on ethical decision making at all levels of the organization	All organizational decisions must be made in accordance with ethical principles and governing norms.
		Hotel marketing managers must put ethics at the forefront of advertising, pricing, promotions and branding.
5	Awareness of hotel industry customers about ethical norms in marketing	Sometimes hotel customers do not have a complete view of marketing ethics and this leads to abuse of their rights.
		If a customer detects some kind of immorality in the hotel marketing system, they will most likely be held accountable.
		In all businesses, customer awareness is a must for business owners.
6	Hoteling industry managers pay attention to ethical marketing norms	Hotel managers must always emphasize the normative ethics of marketing in their speech.
		In practice, hotel managers must always emphasize the normative ethics of marketing.
		The commitment of top managers is always the foundation of the success of the organization.
7	Customer satisfaction of the hotel industry	The ultimate goal of the hotel industry is to gain customer satisfaction and loyalty.
		If the customer sees the marketing process of the hotel as based on ethics and honesty, his sense of satisfaction will be strengthened.
		The policies of hotel managers in various fields, including marketing, have a significant impact on customer satisfaction.

8	The emphasis of upstream laws on the observance of ethical norms in the marketing of the hoteling industry	Clear and well-established rules regarding the observance of normative ethics in the hotel industry should be formulated and communicated by the legislatures.
		The legal vacuum in the field of marketing leads to many abuses and immoralities.
9	Economic problems in the country	In recent years, the country's hotel industry has been declining.
		International sanctions and economic problems have slowed the growth of the tourism and hotel industry.
		The country's hotel industry is in a state of crisis, and in these critical situations, some hotels may take unethical approaches to their survival.
		The poor economic conditions of the hotels have led to some immorality in a competitive environment.
10	Improving the reward and punishment system in line with ethical norms in the marketing of the hotel industry	Hotel managers must align their reward, punishment, and compensation systems with the goals of ethical marketing norms.
		Any kind of immorality in the hotel marketing process should be condemned, and any kind of ethics should be encouraged.
		The reward, punishment and compensation system of some hotels needs to be changed.
11	Ethical organizational culture	Hotel managers must strive for ethical virtues to govern the behaviors and relationships of employees, managers, and customers.
		Ethical norms must become a valuable organizational culture.
		Hotels should be proud of their ethics and brand in this way.
12	Ethical hoteling management	Iranian hospitality culture can be considered as a strong norm in the country's hotel industry.
		Many of the moral norms rooted in Iranian civilization function in the hotel industry.
		There are important ethical teachings on how to treat guests that can be used as a role model in hotels.
13	Modeling the world hoteling industry	Many of the actions of the world's leading hotels can be a model for the country's hotels.
		The world's leading hotels have made great strides in the field of marketing ethics and their actions and experiences can be emulated.
		Some domestic hotels can also be considered as a good ethical model for other hotels.

After these steps, the researchers located the identified categories on the paradigm model and finally the model obtained from this research is introduced as follows.

Based on the identified categories and the structure of the paradigm model, the following categories were placed in the model:

Main category (pivotal): In this research and according to the identified goals and categories, the category "Attention of hotel industry managers to ethical marketing norms" was considered as the main and pivotal category.

Causal conditions: The categories related to this dimension were determined as follows:

- Awareness of hotel industry customers about ethical norms in marketing

- Emphasis on upstream laws on ethical norms in the hotel industry marketing
- Modeling the world hotel industry
- Training courses for hotel managers and staff on ethical norms in marketing
- Improving the reward and punishment system in line with ethical norms in the marketing of the hotel industry

Background: In this study, and according to the identified goals and categories, the categories of "emphasis on ethical decision-making at all levels of the organization" and "ethical organizational culture" were considered as contextual categories.

Environmental conditions: In this research and according to the identified goals and categories, the category of "society's desire to comply with ethical

marketing norms in the hotel industry" and "economic problems in the country" were considered as environmental categories.

Strategies: In this study and according to the identified goals and categories, the categories of "ethical hotel management" and "compliance with organizational social responsibility" were considered as strategic categories.

Consequences: In this study, and according to the identified goals and categories, the category of "customer satisfaction of the hotel industry" was considered as a consequence category.

The main structure of this model can be seen in Figure (1):

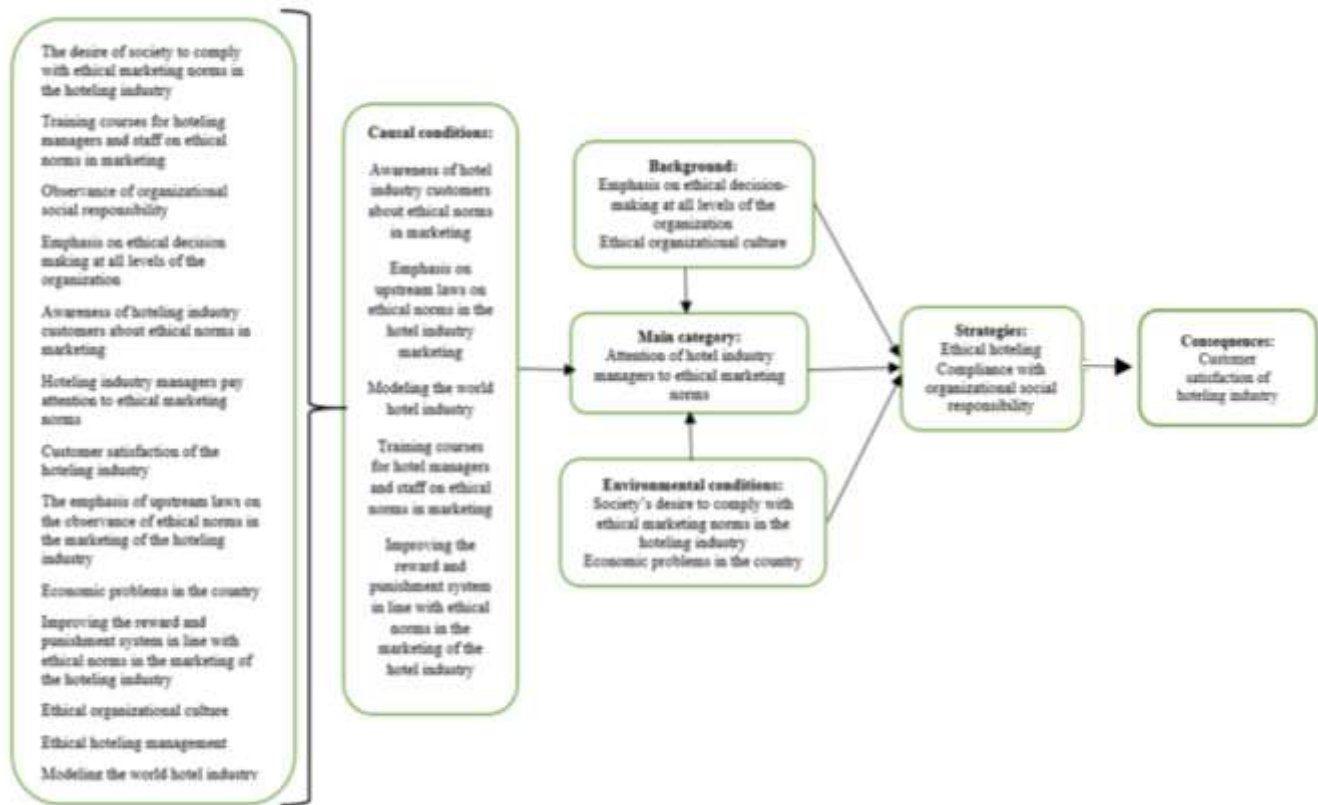


Fig. 1: Placement of categories in the structure of the paradigm model

Discussion

The results of the present study showed that the main (pivotal) category, which is the core of the conceptual model on which concepts and categories are created, is "the attention of hotel industry managers to ethical marketing norms." This result is consistent with studies that emphasize the heartfelt desire and commitment of hotel managers to implement the ethical marketing norm (11). It was also found that the causal conditions that are a set of conditions that cause or affect the phenomenon

include: Awareness of hotel industry customers about ethical norms in marketing, emphasis on upstream laws on ethical norms in hotel industry marketing, modeling the world hotel industry, Training courses for hotel managers and staff in the field of ethical norms in marketing and reforming and improving the reward and punishment system are in line with ethical norms in the marketing of the hotel industry, which is in line with the results of some research in the field of ethical marketing (12-13)

In addition, the results showed that the areas that indicate the specific conditions in which the phenomenon (main category) is located include the categories of "emphasis on ethical decision-making at all levels of the organization" and "ethical organizational culture." Emphasis on ethical decision-making at all levels of the organization implies that at all levels and departments of a hotel, including the marketing unit, decisions must be made based on the ethics and norms that govern society (14). Ethical-oriented organizational culture also refers to the necessity and importance of governing a moral atmosphere in the form of a macro-organizational culture (15).

According to the research results, environmental conditions that are a broad structural context and external factors that can affect the main category and even strategies include the category of "society's desire to comply with ethical marketing norms in the hotel industry" and "economic problems in the country". Society's desire to adhere to ethical marketing norms in the hotel industry means that today society is pressuring disruptive businesses, including hotels, to adhere to ethical norms in their behaviors and decisions. Also, the economic problems in the country refer to the economic problems and bottlenecks of the society, as well as the occurrence of negative and unethical competitive behaviors by some hotels (16). Conversion includes the categories of "ethical hospitality" and "observance of organizational social responsibility". Ethical hotel management refers to a macro strategy in the hotel system based on which ethical components are used for hospitality; In addition, the observance of corporate social responsibility indicates that hotels should be aware of their social, economic, environmental and livelihood responsibilities to the community and strive to fulfill them (17).

The results of research showed that ethical hotel management is "customer satisfaction of the hotel industry". This means that if the causal conditions, contextual variables, main category, environmental variables and leadership variables happen well, it can be hoped that the customer satisfaction of

the hotel industry will improve. This result is consistent with some research in the hotel industry (18, 19).

Based on the experiences gained in this research, future researchers are suggested to test the model obtained from this research in a large community using quantitative approaches such as structural equation modeling. Also, future researchers are suggested to use other methods such as Delphi method, content analysis, etc. for the modeling phase in such studies, so that one of the main limitations of this research that is time consuming somehow disappear. In addition, future researchers are suggested to do the same research in the field of hotel industry in other service industries in the country to gradually see the design and replacement of ethical models in the field of ethical marketing norms.

Conclusion

In today's world, satisfaction alone is not enough and it should not be enough, but in addition to satisfaction, customer loyalty should also be considered. The concept of customer loyalty and creating loyal customers in the business context is in the form of creating a commitment in the customer to do business with a particular organization and purchase goods and services frequently, which can be affected by the ethical marketing variable. The present study showed that various factors are effective in customer satisfaction in the hotel industry, of which ethics is a fundamental element, and in developing marketing models for the hotel industry, special attention should be paid to this important issue.

Ethical Consideration

Ethical issues (including plagiarism, informed consent, misconduct, data fabrication and/or falsification, double publication and/or submission, redundancy, etc.) have been completely observed by the authors.

Acknowledgement

We owe it to ourselves to thank all the people who helped us in this research.

References

1. Venus D, Khani J (2005). Ethics and marketing, a comparative study of the views of clerics, managers of state-owned companies and managers of private companies. *E-newsite of Tehran University*, 3(1). (In Persian).
2. Bruce M (2017). Ethics and economics: an internal relation. *Canadian Journal of Practical Philosophy*, 1: 1-20.
3. Graafland JJ (2007). *Economics, ethics and the market: Introduction and applications* Stevens. Routledge Publication, UK.
4. Betsy D (2004). The ethics of the U.S. business executive: A study of perceptions. *Journal of Business Ethics*, 54 (3): 163-171.
5. Sanders S, Samuel L, Richard R, Panton N (2018). Human resource management and ethical challenges: building a culture for organization success. *International Journal of Public Leadership*, 14 (2): 66-79.
6. Farhangi A. (2000). Consumer culture and commercial advertising. 1st Conference and Exhibition of Iran's Advertising Industry, Tehran/ Iran. (In Persian).
7. Lee JY, Jin CH (2019). The role of ethical marketing issues in consumer-brand relationship. *Sustainability*, 11: 1-21
8. McClaren N, Vocino A. (2017). The direct and indirect effect of NFC on marketers' work norms, vocational socialization, individual ethical position, and ethical perceptions. *Journal of Business & Industrial Marketing*, 32(1): 109-123.
9. Brackett L, Carr BN (2015). Sustainability marketing: US hotels vs. international hotel chains. *World Journal of Entrepreneurship, Management and Sustainable Development*, 11(1): 32-36.
10. Asadollahi M (2015). Investigating the impact of moral reputation and perceived values on customer satisfaction and loyalty case study (hotel industry in Isfahan). 1st National Conference on Sustainable Tourism with the Approach of Sports Tourism, Health and Environment, Ardabil/ Iran. (In Persian).
11. Chonko LB, Hunt S (2000). Ethics and marketing management: A retrospective and prospective commentary. *Journal of Business Research*, 50(3):235-244.
12. Bernini C, Guizzardi A. (2010). Internal and locational factors affecting hotel industry efficiency: Evidence from Italian business corporations. *Tourism Economics*, 16(4): 883-913.
13. Zhang J, Enemark AE (2016). Factors influencing business performance in hotels and restaurants. *Asia-Pacific Journal of Innovation in Hospitality and Tourism*, 5(1): 1-20.
14. Jones HM (1991). Ethical decision making by individuals in organizations: An issue-contingent model. *The Academy of Management Review*, 16(2): 366-395.
15. Baquillas J (2018). Explaining ethical culture in the organization: A theory on the role of ethical leadership in humanistic organizational culture. DLSU Research Congress, Manila/Philippines.
16. Elena-Roxana P (2019). Sharing economy - a challenge for the hotel industry. *Economic Sciences*, 71(2):118-129.
17. Mariño-Romero JM, Hernández-Mogollón JM, Campón-Cerro AM, Folgado-Fernández JA. (2020). Corporate social responsibility in hotels: A proposal of a measurement of its performance through marketing variables. *Sustainability*, 12: 1-15.
18. Dominici G. (2010). Customer satisfaction in the hotel industry: A case study from Sicily. *International Journal of Marketing Studies*, 2(2).
19. Kandampully J, Suhartanto D (2000). Customer loyalty in the hotel industry: the role of customer satisfaction and image. *International Journal of Contemporary Hospitality Management*, 12(6).