

# PERCEPTION OF CONSUMERS REGARDING UNETHICAL MARKETING PRACTICES: A CASE STUDY OF PACKAGED FOOD AND BEVERAGE

## Sanjeev Kumar

Professor, Haryana School of Business  
Guru Jambheshwar University of Science  
& Technology, Hisar  
e-mail: sanjeev.aseem@gmail.com

## Worku Alemu

Research scholar, Haryana School of Business  
Guru Jambheshwar University of Science  
& Technology, Hisar  
e-mail: walemu14@yahoo.com

## ABSTRACT

*The main purpose of this article is to assess perception of consumers regarding unethical marketing practices. The study analyzed data that collected from 558 packaged food and beverage consumers found in three selected cities namely Addis Ababa, Adama and Hawassa cities. A descriptive statistical analysis was applied to meet the objectives of the study. The study reveals that majority of consumers have good perception towards the practices of unethical marketing in packaged food and beverage products. However, practically 69 percent of consumers are not ethically sensitive in shopping packaged food and beverage products. Moreover, the ethical sensitivity of consumers significantly associated with their educational level and the finding reveals that as the level of education of consumers increase their ethical sensitivity increase. It is recommended that the government, manufacturers and intermediaries need to think about the people they are serving. Furthermore, consumers are advised to be ethically sensitive and conscious in choosing a packaged food and beverage as well as reduce their excessive consumption of such product as it directly expose them to non-communicable diseases.*

**Keywords:** Ethics, unethical marketing practices, perception of consumers, packed foods, packed beverages

## INTRODUCTION

Consumers are really the base for the existence of any type of business. Any business organization is established to serve and satisfy the unsatisfied needs and wants of consumers. Hence, consumer satisfaction and proper treatment of consumers should not be jeopardized. According to Krishna R. (2016), companies should follow and apply consumer oriented policies and operations. As the same time, consumer satisfaction is also a challenge for the company to consistently ensure it. However, whatever the challenge it is, the most and foremost objectives of the producers and sellers should have to be producing and offering need and want satisfier products honestly. Because business is nothing without consumers, that is why the term "consumers should be treated as a king" is coined. Marketers should consider carefully all the process pass through in producing a product is to serve the consumers with satisfaction. Because, the level of satisfaction determine the chance of consumers repurchasing the

product. Hence, from this point of view, marketers have no way doing its business unethically. Being ethical in any business activities requires the moral and internal motivation of the manager of business. Whereas in return, it contributes for good brand image building or well brand positioning. In addition to this, it helps to create healthy, good, fair and competitive marketing environment.

In recent years, many questions regarding overall marketing activities are requesting. People are arguing that marketing is not practicing fair and logical business activities (Goolsby & Hunt, 1992; Akaah I. & Lund D., 1994). The most criticized marketing functions that directly affect consumers have been identified. These are deceptive practices, high prices, high-pressure selling, planned obsolescence, shoddy or unsafe products, and poor service to disadvantaged consumers (Ingram R. et al., 2005). The production process, the pricing method, distribution mechanism, the promotional strategy, the marketing research, the way of treating consumers are among criticized part of marketing activities. Because of unethical practices increasing overtime, consumers are suffering more and more of the product they are consuming.

Now days, as technology continuously advancing itself and the working condition of the individuals changing the demand towards consumption of packed foods become increase in the diets of the society. The increase in consumption of packed foods leads to raise the demand and use of food additives (DWHL J., 2002; Sachithanathan V., 2017). Food additives are any substances which used in the production, treatment, processing, packaging, transportation or storage of food (Abdalmumeen et al., 2012). It is impossible thinking packed food and beverage distribution and transportation without food additives (Seetaramaiah K. et al., 2011). However, according to Legesse et al. (2016) majority of food additives currently applying in package foods and beverage are found to be the cause for so many non-communicable diseases in those individuals who consume it. This means food additive apply in the packaged product raised health concerns to the ultimate consumers..

The increase in non-communicable diseases such as high blood pressure, certain forms of cancer, the cardio-vascular diseases, and osteoporosis all over the world become burning issue for researchers to discuss on all around cause of the problem. In this regard the food and beverage industries role are great in accelerating the problem (Legesse et al., 2016). Now days, food that we are buying from the market, instead of solving our hunger or thirst, it becoming the causes for so many foods related problems. It is because of the effect of food additives that apply in the packed foods and beverage products. According to Boga A, and Binokay S. (2010) the side effects of excessive usage of this food additive are decreased absorption of minerals & vitamins, increased waist

lines, food allergies, and obesity. This is happening because of the food and beverage industry fully targeting on their profit. If they get market, they do not care what type and quality of product they are offering to the market. Especially, where strong controlling system is not established in the countries like Ethiopia, the problem become more than imagination. That is why selling harmful products, misleading claims on products, unfair prices and unethical packaging are mushrooming here and there.

In Ethiopia, despite the growing occurrence and frequency of food related health problems, the government does not so far initiate awareness creation program to consumers. In addition to this, the issue of consumer awareness concerning checking for ethicality of the product, food-labeling information, ethicality of price, ethicality of packaging, ethicality of advertisement has got little focus in Ethiopia. Considering this all issues in to consideration the researchers initiated to conduct an assessment towards perception of consumers regarding unethical marketing practices in three selected cities.

## OBJECTIVES OF THE STUDY

The main objective of the study was assessing perception of consumers regarding unethical marketing practices in three selected Ethiopian cities.

### Specific Objectives

- To study the perception of consumers regarding unethical marketing practice
- To examine ethical sensitivity of buyers
- To study the association between educational level of consumers and their ethical sensitivity

## LITERATURE REVIEW

Here under literature review, important concepts, theories and empirical evidences related to ethics, ethical theory, and unethical marketing practices are discussed.

### Ethics

Ethics (ethos in Greek) is the discipline that examines moral standard of individual or of the society (Emmi Seppänen, 2013). As we can referred from the above scholars the term ethics is a moral standard, yardstick, principle or gauge which determine what is right and wrong, fair and unfair, correct and incorrect and good and bad. Robert W. Kolb (2008) described, "To understand human nature, Plato and Aristotle devised a naturalistic ethics that focused on how moral virtues were linked with a person's happiness". These two philosophers understood that individuals' personal happiness is directly linked with their personal commitment to be morally virtuous. Then after, many ethical advocators entertain the concept of ethics from different point of view.

### Unethical marketing

Marketing ethics is the sum of standardized behaviors to deal with the relationship between enterprise and all stakeholders. Marketing activities should bring any benefits to consumers and society. It can be determined by the moral standard or marketing ethics of the organization. Marketing ethics tries to mediate between the producers and consumers to have a fair and win-win relationship in between them.

Unethical marketing is an action or decision, which affect one group in order to benefit the other. Researchers have identified that unethical marketing practices harmfully influence consumers' attitudes, expectations, behavioral intentions and satisfaction whether experienced personally or vicariously (Ingram R. et al., 2005). Bouguila Siham (2013) identified various unethical marketing practices like deceptive marketing, price collusion, stereotyping, objectionable marketing and issues in marketing to children.

Whereas, O'Donovan P. & McCarthy M. (2002) stated some of the criticism raised or unethical practice on marketing activities. These are advertisement which irritate or mislead audiences, delivering unsafe and poor quality product, confusing and deceptive packaging, without adding value increasing a price by retailers, exploiting the poor, collecting private profile of consumers, and making people too materialistic instead of being social needs.

### Importance of Consumers' Perception regarding Unethical Marketing Practice

Unethical marketing is an action or decision that affects one group in order to benefit the other. Most of the time marketer with the intention of maximizing their profit, increasing their market share, kick off the competitors from the market deliberately violate the norm of the community. In achieving this objective business organization practicing so many unethical practices like delivering harmful products, setting confusing prices, advertising which is deceptive, labeling complicated information, re-tagging the expiry and manufacturing date, applying excessive additive chemicals, over sizing the package without changing the quantity of the product ,using substandard and adulterated ingredient for production, environmental pollution, and a like. The impact of these unethically produced product become high in foods and beverage goods which directly used for consumption.

As these type of product directly used for consumption, the decision we make on purchasing it should have to be with full of care. Kastorini et al. (2011) stated that in year 2008 the number of adult afflict with overweight and obesity were estimated to nearly 1.5 billion globally. Whereas in 2030 estimated to increase to 2.16 billion to be overweight and 1.12 billion to be obese. Many research suggested that increase in consumption of fast foods, high food

preservatives and flavoring agents exposing individuals to so many simple to complicated health problems. Problem like obesity (Niemeier H. et al., 2006), high incidence of gastrointestinal cancers (Keszei A. et al., 2013), Th1-type immune response in vitro (Maier E. et al., 2010), asthma (Park S. et al., 2013), attention deficit hyperkinetic disorder (Boga A. & Binokay S., 2010), food allergies, increased waist lines, decreased absorption of minerals and vitamins and more (McCann D. et al., 2007)

Children suffer a lot by the consequence of food additive as they exposed to this chemicals from their level of infancy. The consumption of fast foods growing very fast regardless of age difference in recent years (Sachithanathan V., 2017). As this trend continues in the future, the incidence and range of non-communicable diseases mentioned above expected to increase globally (Stuckler D. et al., 2012).

Even though this all side effects directly associated with consumption of packed foods and beverage products, firms are still aggressively advertising it as if good to consume. In order to evaluate the ethical practices of a firm, consumers should aware of marketing mischief or trick practiced by firms. Hence, consumers need to be alert in identifying ethicality of the company as well as product before purchasing it or consuming it. It is all about the consumers' level of understanding and choosing the best to their good health unless marketers do not care for consumers. In general, the consumers' awareness towards unethical marketing practice is crucial in keeping himself/herself satisfied and healthy. The more aware and ethical sensitive the consumer is, the better keep him or herself away from product related problems which affect his/ her wellbeing.

### METHODOLOGY OF THE STUDY

The study conducted to identify perception of consumers regarding unethical marketing practices in three selected Ethiopian cities namely Addis Ababa, Adama and Hawassa cities. Relevant data were collected using questionnaires distributed to packed food and beverage consumers. 700 questionnaires were distributed to respondents whereas 558 respondents' data were analyzed that completely filled questionnaires. The instrument used for collecting data was subjective assessment of consumers' view using a five point likert type which ranging from strongly disagree (1 point) to strongly agree (5 points). The study applied a quantitative research approach. The processed data were digitized in Statistical Package for Social Sciences (SPSS) version 23. Descriptive statistical analysis was used to assess the consumers' perception towards unethical marketing practice. Descriptive statistical analysis involves the calculation of mean, standard deviation, percentage distribution and frequency distribution to analyze the data and summarize the finding.

**DATA ANALYSIS AND DISCUSSION**

**Study Area**

The sample size was purposely chosen and was not based on the population of each city but on the precept of ensuring a reasonable proportion of sample consumers from Addis Ababa, Adama and Hawassa cities. The researchers purposely determines the size of the study to be 700 total respondents from the three selected cities. These total 700 sample respondents proportionally taken from the selected cities. The researchers has selected these cities because they are the top commercial centers as well as fairly represent the urban community of the nation. Addis Ababa is the capital, industrial and commercial city of the nation. Whereas Adama and Hawassa are the political, commercial and industrial centers of Oromia and SNNP regional state respectively. Hence, the researchers believed that these cities could enough to represent the urban community of Ethiopia. Then after the researchers proportionally distributed the 700 questionnaires as; 300, 200 and 200 sample respondents from Addis Ababa, Adama and Hawassa cities respectively.

**Table 1: Targeted Study Area**

Targeted Cities	Distributed	Percentage	Returned	Percent
Addis Ababa	300	42.9	221	39.6
Adama	200	28.5	162	29.0
Hawassa	200	28.5	175	31.4
Total	700	100	558	100.0

Source: Own survey (2019)

According to table 1, 43 percent of questionnaire were distributed to Addis Ababa and only 221 valid questionnaires were returned which is 40 percent of the total returned questionnaires. Whereas in the cities of Adama and Hawassa 200 questionnaires were distributed to each city and 162 questionnaires from Adama and 175 questionnaires from Hawassa city were returned. It means 29 percent and 31 percent of the total returned questionnaires (558) from Adama and Hawassa cities respectively.

**Demographic Characteristics of the Respondents**

Table 2 Shows, the gender, age, educational background and monthly income of the respondents those involved in the study. According to the table, 54 percent of respondents were females while the remaining were male respondents. With regard to age distribution of the respondents are concerned, 266 respondents (48 percent) lied in the age interval of 15 to 25 years old. A total of 217 respondents (39 percent) lied in the age interval of 26-35 years old, whereas a total of 70 and 5 respondents lied in the age interval of 36 to 45 and 46 -55 years old respectively. Regarding educational background of the respondents, 63 percent, 27 percent and 9 percent of the respondents were college and university

graduate, high school graduate and elementary school graduate respectively. Whereas the income of respondents concerned, 42 percent of them earning more than 4000 birr monthly and 32 percent earning bellow 2000 birr per month.

**Table 2: Demographic Characteristics of the Respondents**

Character		Frequency	Percent
Gender	Male	259	46.4
	Female	299	53.6
	Total	558	100
Age	15-25 Years	266	47.7
	25-35 Years	217	38.9
	36-45 Years	70	12.5
	46-55 Years	5	0.9
	Total	558	100
Educational background	Elementary school graduate	51	9.1
	High school graduate	153	27.4
	College and above graduate	354	63.4
	Total	558	100
Monthly income	below 2000 birr	179	32.1
	2001-3000 birr	71	12.7
	3001-4000 birr	75	13.4
	above 4000 birr	233	41.8
	Total	558	100

Source: Own survey (2019)

**Types of Packed Foods and Beverage Frequently Purchased**

Here the question was raised to investigate type of product the respondents are familiar with analyzing the frequency of their purchase.

**Table 3: Types of Packed Foods and Beverage Products Frequently Purchased**

	I Frequently Purchase		Frequency	Percentage
1	Packed mineral water	Yes	377	67.6
		No	181	32.4
2	Packed soft drink	Yes	302	54.1
		No	256	45.9
3	Packed biscuit	Yes	308	55.2
		No	250	44.8
4	Packed juice	Yes	332	59.5
		No	226	40.5

Source: Own survey (2019)

As shown in table 3, the type of product respondents frequently purchasing is listed. As per the table, 68 percent of respondents were frequently purchasing packaged mineral water while 54 percent of respondents were frequently used packaged soft drink (like coca cola and Pepsi cola). Regarding packaged biscuit, 55 percent of respondents have confirmed frequently used it. Whereas packaged juice usage is concerned, almost 60 percent of respondents were frequently used it.

**Frequency of Purchase**

From the above table we have seen the type of product that respondents frequently purchasing. So far, the question of "how often" does not answer. Hence, to get it answered additional question need to be raised, which requests the frequency of their purchase. The following table gives us the solution.

Table 4 shows the frequency of packaged food and beverage usage in terms of their monthly income. According to the table, 110 (20 percent) of the respondents were purchasing not regularly or used it occasionally while 149 (27 percent) of respondents

consuming it daily. Whereas, 40 (7 percent) of the respondents were purchase once in a month, and 82(15 percent) of the respondents were purchase once in a two week. Moreover, 177(32 percent) of the respondents were purchase the packed food once in a week. When we see from the respondents income point of view as the income increase the consumption of packaged foods and beverage increase, 40 percent of the daily consumers were whose monthly income are above 4000 birr. In addition, 32 percent of respondents who earn between 2001-3000 birr are occasionally consumers.

**Table 4: Cross Reference of Frequency of Purchase and Monthly Income**

Frequency of Purchase		Monthly Income				Total
		Below 2000 birr	2001-3000 birr	3001-4000 birr	Above 4000 birr	
Daily	Count	25	9	21	94	149
	% within monthly income	14.0%	12.7%	28.0%	40.3%	26.7%
Weekly	Count	61	21	16	79	177
	% within monthly income	34.1%	29.6%	21.3%	33.9%	31.7%
Once in a two weeks	Count	16	13	28	25	82
	% within monthly income	8.9%	18.3%	37.3%	10.7%	14.7%
Monthly	Count	31	5	1	3	40
	% within monthly income	17.3%	7.0%	1.3%	1.3%	7.2%
Occasionally	Count	46	23	9	32	110
	% within monthly income	25.7%	32.4%	12.0%	13.7%	19.7%
Total	Count	179	71	75	233	558
	% within monthly income	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Own survey (2019)

According to table 5, the pearson’s chi-squared statistics value is obtained 125.087 and maximum likelihood ratio statistical value is 119.714 at the P-value of 0.000, which is less than 5 percent significance. It indicates that there is statistically significant association between frequency of purchase and monthly income at ( $p < 0.001$ ).

**Table 5: Chi-square Test on Frequency of Purchase and Monthly Income**

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	125.087 <sup>a</sup>	12	.000
Likelihood Ratio	119.714	12	.000
Linear-by-Linear Association	48.566	1	.000
N of Valid Cases	558		
a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 5.09. Source: own survey (2019)			

**Ethical sensitivity of consumers when purchase packed food and beverage**

**Table 6: Criterion used to select the marketer**

Criterion	Frequency	Percent	
Valid	Ethical issues	174	31.2
	Cheaper price	124	22.2
	Nearest to you	240	43.0
	Other	20	3.6
	Total	558	100.0

Source: Own survey (2019)

Table 6 shows that how respondents select marketers in buying packaged food and beverage. Those respondents who consider "ethical issue" of the marketer as practical measuring criteria were 174 (31 percent) respondents while 124 respondents (22 percent) were price sensitive, or use "cheaper price" as a main criteria. The highest number of respondents prefer "nearest to you" as a purchasing criteria while "other" criteria preferred by only 20 respondents (4 percent). This implies that majority of the consumers in selected cities are not ethically sensitive. Only 31 percent of consumers are ethically sensitive buyers.

**Criterion Customers used to select the Marketer based on Educational Background**

As we can see from table 7, the criteria used by respondents were assessed based on their educational background. In accordance, 154 (44 percent of) college and university graduate respondents were

highly sensitive to ethical issues, 44 percent of high school graduate respondents were prefer "cheaper price" and 69 percent of elementary graduate respondents prefer nearest shops/marketer. This implies that ethical sensitivity of consumers can greatly determined by his/her educational level.

**Table 7: Cross Reference between Educational Level and Ethical Sensitivity of Consumers**

Ethical Sensitivity		Educational Level			Total
		Elementary School Graduate	High School Graduate	College and Above Graduate	
Ethical issues	Count	2	19	154	175
	% within education	3.9%	12.4%	43.5%	31.4%
Cheaper price	Count	9	68	47	124
	% within education	17.6%	44.4%	13.3%	22.2%
Nearest to you	Count	35	65	139	239
	% within education	68.6%	42.5%	39.3%	42.8%
Other	Count	5	1	14	20
	% within education	9.8%	0.7%	4.0%	3.6%
Total	Count	51	153	354	558
	% within education	100.0%	100.0%	100.0%	100.0%

Source: Own survey (2019)

**Table 8: Chi-square Test on Educational Level and Ethical Sensitivity of Consumers**

Chi-Square Tests			
	Value	Df	Asymptotic Significance (2-sided)
Pearson Chi-Square	111.193 <sup>a</sup>	6	.000
Likelihood Ratio	115.330	6	.000
Linear-by-Linear Association	35.783	1	.000
N of Valid Cases	558		

a. 1 cells (8.3%) have expected count less than 5. The minimum expected count is 1.83.

Source: Own survey (2019)

As shown in table 8, the pearson's chi-squared statistics value is obtained 111.193 and maximum likelihood ratio statistical value is 115.330 at the P-value of 0.000, which is less than 5 percent significance level. It indicates that there is statistically significant association between educational level and criterion used by consumers at (p < 0.001). Hence, the association between educational level and ethical sensitivity of consumers are confirmed.

**Reliability Test**

Before directly using the instrument, the researchers have checked the reliability of the data. According to Ajay Kumar (2017) reliability can be defined as the extent at which a measurement, an experiment, or a test provide consistent results on repetitive results. A good reliability refers to the research being free from random error, so that the results are consistent across time. Reliability of the experiment is important in strengthening the solution finding or discovery process of the research to be achieved. Hence, the

researcher has tasted the reliability with Cronbach's alpha using SPSS version 23.

**Table 9: Reliability Test Result**

Reliability Statistics	
Cronbach's Alpha	N of Items
.745	8

Source: Own survey (2019)

According to table9, eight items were computed for reliability test and it results 0.745 Cronbach's alpha. The result confirmed that the instrument used for the study is reliable because the Cronbach's alpha result obtained exceeds the ideal value (0.7).

**Perception of Consumers Regarding the Unethical Marketing Practice**

The main purpose of this article was to assess the level of consumers' perception regarding unethical marketing practice. Hereunder, eight questions were raised to the respondents to examine their perception towards the unethical practices observed in marketing activities. Their responses are described below.

**Perception of Consumers towards Checking the Quality of Packaging**

As we can see from table 10, respondents' experience of checking the quality of package was tasted. According to the statistical result, the majority of respondents (51 percent) were agreed and strongly agree having experience of checking the quality of the packaging material before making purchase decision. Whereas 19 percent of the respondents were neither, agree nor disagree the experience of checking a quality of packaging before making purchase decision of packaged foods and beverage. The mean result (3.34) also implies that majority of the respondents were agreed checking for the quality of

packaging materials before making purchase decision. Moreover, as per the statistical result still high percentage of respondents (30 percent) have not experience of checking for the quality of packaging. The result of standard deviation 1.321 implies that there is a high deviation of the response of

respondents from the mean. However, overall the figure implies that majority of consumers have good perception of checking for the quality of packaging before purchasing packaged foods and beverages though undeniable number of respondents were still have no awareness of it.

**Table 10: Perception of Consumers towards Unethical Marketing Practice**

Variables	SDA	DA	N	A	SA	Mean (SD)
	n(%)	n(%)	n(%)	n(%)	n(%)	
I do have experience of checking the quality of packaging	61 (10.9)	105 (18.8)	108 (19.4)	149 (26.7)	135 (24.2)	3.34 (1.321)
I have experience of checking the detail labeled on the package	91 (16.3)	70 (12.5)	115 (20.6)	131 (23.5)	151 (27.1)	3.32 (1.412)
Unethical marketing practice greatly affect my purchase decision	62 (11.1)	38 (6.8)	124 (22.2)	163 (29.2)	171 (30.6)	3.61 (1.287)
Unethically produced and delivered packed foods and beverage cause health problem	55 (9.9)	25 (4.5)	99 (17.7)	158 (28.3)	221 (39.6)	3.83 (1.271)
I know that marketers of packed food and beverages apply exaggerated advertisement	37 (6.6)	21 (3.8)	115 (20.6)	220 (39.4)	165 (29.6)	3.82 (1.103)
I have experience of checking for ethicality of the producer and seller before making purchase decisions	41 (7.3)	34 (6.1)	134 (24.0)	207 (37.1)	142 (25.4)	3.67 (1.138)
Packed foods and beverage are exposed to adulteration and excessive additive which harm health	45 (8.1)	21 (3.8)	120 (21.5)	196 (35.1)	176 (31.5)	3.78 (1.167)
I have willingness to pay extra for ethically made packed foods and beverage products	37 (6.6)	20 (3.6)	99 (17.7)	219 (39.2)	183 (32.8)	3.88 (1.111)

SDA: Strongly disagree, DA: Disagree, N: Neutral, A: Agree and SA: Strongly agree

Source: Own survey (2019)

**Perception of Consumers towards Checking the detail Labeled on the Package**

Table 10 Show us whether the respondents' perception towards checking information labeled on the package before making purchase decision of packed foods and beverage. The studies revealed that majority (282 or 51 percent) of respondents' opinion lied on strongly agree and agree of checking information labeled on the package. The mean result (3.32) also revealed that majority of respondents were agreed experience of checking information labeled on the package. However, 29 percent of the respondents still have no awareness of checking the label before making purchase decision. The result of standard deviation (1.412) also revealed that there is a high deviation of the response of respondents from the mean. This implies that majority of consumers have good perception of checking detail information labeled on packaging before purchasing packaged foods and beverages even though undeniable number of respondents were still have no awareness of it.

**Unethical Marketing Practices affect Purchase Decision**

Table 10 gives us the statistical result regarding whether unethical marketing practices affect consumers' purchase decision or not. In accordance, majority of respondents (60 percent) were either strongly agree or agree that unethical marketing

practices affect their purchase decision. Whereas 22 percent of the respondents unable to decided either it affect their purchase decision or not, while 18 percent of the respondents said that unethical marketing practice have no impact on their purchase decision. The mean result (3.61) also implies that majority of the respondents were agreed that the unethical marketing practices affect their purchase decision however according to the result of standard deviation (1.287) there is a significant variation on the response of the respondents. This implies that majority of consumers' purchase decision of packaged foods and beverages are affected by the unethical marketing practice of firms even though undeniable number of respondents purchase decision were still not affected by the unethical marketing practice of firms.

**Unethically Produced and Delivered Packed Foods and Beverage Cause Health Problem**

According to table 10, the perception of consumers regarding health related problem that caused by packaged foods and beverage products were statistically measured. In accordance, majority of respondents (68 percent) were either strongly agree or agree that unethically producing and holding packaged foods and beverage can be infected and cause health problem. The mean result (3.83) also revealed that majority of respondents are agree for the idea. Whereas the remaining respondents; 18 percent neutral while 14 percent of the respondents disagree

and strongly disagree of unethical production and distribution cause packed food and beverage infected and cause health problem on consumer. The result of standard deviation (1.271) also reveals that there is a significant variation on the response of the respondents. It implies that majority of consumers have good perception of packed food and beverage from the production stage until the product handover to them needs to hold properly even though a number of consumers remain still unaware of it.

#### **Exaggerated and Deceptive Advertisement**

Table 10 shows us whether the respondents trust what advertised in the medias or their perception towards unethical advertisement. According to the table, significantly high number of respondents (69 percent) were either strongly agreed or agree that they are quite aware of the exaggerated or unethical advertisement practiced in the packed food and beverage market. The mean result (3.82) also reveals as majority of respondents agreed that in packed food and beverage market there is a high practice of exaggerated and deceptive. On the other hand, 21 percent of the respondents were still in confusion of agreeing or disagreeing the practice of exaggeration and deception in packaged food and beverage advertisement while the remaining 10 percent of respondents were disagree. There is a high value of standard deviation (1.103) which mean that a high deviation of response of respondents from the mean; there is a number of respondents disagree the exaggeration and deceptive advertisement practice. This implies that majority of consumers have good perception of marketers deceptive and exaggerated advertisement.

#### **Perception of Consumers towards checking for the Ethicality of Producers and Sellers**

Table 10 shows that, the perception of consumers with regard to checking the ethicality of producers and sellers from the production step to the stage it delivers to the consumers. According to the statistical result shown in the above table, majority of the respondents (62 percent) were agreed and strongly agree on having experience of checking for ethicality of suppliers. The mean result (3.67) also reveals as majority of respondents agreed for having awareness of checking for the ethicality of producers and sellers before making purchase decision. However, 24 percent of the respondents were neutral while 13 percent of the respondents disagree or strongly disagree having experience of checking for ethicality of the producers and sellers. The result of standard deviation (1.138) also reveals that there is a number of respondents variation from the average response or disagree having the experience of checking the ethicality of marketers. This implies that majority of consumers have good perception of checking for ethicality of producers as well as sellers.

#### **Perception of Consumers towards Packaged Foods and Beverage Products are Exposed to Adulteration and Excessive Additive**

Table 10 depicts the level of consumers' perception towards ingredients of packaged foods and beverage products. As per the statistical result, mean result (3.78) reveals majority of respondents, 67 percent, aware of packed foods and beverage products exposed to adulteration and excessive additive. Whereas 12 percent of the respondents were either strongly disagree or disagree and 22 percent of the respondents were in confusion of either agree or disagree having knowhow of packaged foods and beverage products exposed to adulteration and excessive additive. The high result of standard deviation (1.167) also reveals that there is a number of respondents variation from the average response or disagree having good perception of packaged product exposed to adulteration and excessive additive to consumers. This implies that majority of consumers have good perception towards packaged foods and beverages are exposed to adulteration and additive.

#### **Willingness to Pay Extra for Ethically made Packed Food and Beverage Product**

According to table 10, the willingness of respondents to pay extra for ethically produced product was described. As indicated in the table, almost 72 percent of the respondents were agree or strongly agree to pay extrafor ethically made packed food and beverage product. The mean result (3.88) also reveals as majority of respondents agreed for having willingness to pay extra for ethically made packed food and beverage product. Whereas 10 percent of respondents were not wiling full to pay extra while 18 percent of the respondents have not clear-cut decision towards willingness to pay extra for ethically made packed food and beverage product. The high result of standard deviation (1.111) also reveals that there is a number of respondents variation from the average response or disagree to pay extra for ethically made packed food and beverage product. This implies that majority of consumers have good perception towards ethically made products and hence willing full to pay extra for ethically made and delivered packaged food and beverages.

#### **MAJOR FINDINGS AND DISCUSSION**

The main objectives of the study is assessing the perception of consumers regarding unethical marketing practices. Out of 558 total respondents, 47.7 percent of respondents were young consumers ranging from 15-25 years old, 90 percent of respondents were high school graduate and above who can read information on the label.

Among participated respondents, 55 percent of them were consumers of packaged foods and beverages. Most specifically, packaged biscuit 55 percent,



packaged juice 60 percent, packaged soft drink 54 percent and packaged mineral water 68 percent of respondents frequently consuming. Here, 59 percent of respondents were consuming these products at least once in a week. This statistical data implies that the consumption of packaged foods and beverages are high in the urban part of the nation.

The finding reveals that majority of the respondents, which accounts 43 percent were, give “nearest to you” criteria for selecting shops when they went to buy packaged foods and beverage while only 31 percent of the respondents were ethically sensitive consumers. This implied that consumers are not practically ethically sensitive buyer even though they have considered themselves ethically aware consumers. This result is consistent with the previous research done by Legesse et al. (2016).

Out of 175 ethically sensitive respondents, 88 percent of them were highly educated respondents who graduate from college or university. This implies that ethical sensitivity of consumers can greatly associated with his/her educational level. The more individuals educated the more they become ethically sensitive buyers who carefully evaluate a product and a supplier before making any purchase decision. This result is supported by the previous study (Ferdous J. et al., 2014), which concluded consumers become more ethically sensitive as their education level increases.

The finding reveals that 51 percent of respondents have good perception of checking the quality of packaging material of food and beverage products before making purchase decision. It implies that consumers are aware of the quality of a package determine quality of goods inside. As the quality of the package determine the quality and lifetime of the packed product, the emphasis given to the packaging material is good. However, a number of respondents (49 percent) are still have not awareness of it.

The finding revealed that 68 percent of respondents are aware that unethically manufactured packed foods and beverages products are unhealthy which affect consumers' wellbeing. This implies that majority of consumers have good perception towards the consequence of unethically produced and carelessly distributed packaged foods and beverage up on the health status of consumers. The study also revealed that 69 percent respondents are aware of, firms are engaged in misleading, exaggerated and deceptive advertisement to attract the attention of consumers towards these sub-standard quality products.

The finding revealed that 51 percent of respondents have good perception of reading and checking the information labeled on the package before making purchase decision. It implies that almost more than average number of consumers in the urban part of the nation aware of mischief done by distributors and retailers so that they have experience of checking the

information labeled on the package before making purchase decision. But the main problem here might be the knowledge gap in well understanding the contribution and impact of stated ingredients to their life. This result supported by the previous study conducted by Legesse et al. (2016) in that, even though consumers have awareness of checking the label, they are not good enough in understanding the effect of each ingredient on their life.

With regard to experience of checking for ethicality of the firms as much as their level of understanding, majority of the respondents (62 percent) have good perception of checking before making purchase decision. However, as discussed above, they are not practically ethically sensitive buyers. This result, consistent with the previously done research by Carrigan M. & Attalla A. (2001).

Moreover, 67 percent of respondents have good perception towards packaged food and beverage products exposed to excessive additive and adulteration even though they have no specific knowledge about the effect of these additive chemicals on their health status. 72 percent of respondents were willing to pay extra for ethically produced packaged foods and beverage products. This implies that majority of consumers perceiving that ethically produced and delivered product deserve extra payment for their properly handling and serving them.

## CONCLUSION

The study revealed that consumers have good level perception towards unethical marketing practicing by firms. Consumers have recognized that companies are misleading them through deceptive packaging, misleading information on package, wrongfully indicated price on package, re-fixing the manufacturing and expiry date, and these are seriously considered by consumers. However, do to the absence of enough knowledge of nutritional specification written on the label, their awareness regarding unethical marketing practice could not save them from selfish unethical firms. Due to these and other so far clearly unidentified reasons regardless of awareness they have towards unethical marketing practice, what they practically performing are quite different.

According to the finding majority of the consumers are not ethically sensitive buyers. They practically do not give proper attention for ethical performing firms even though they are aware of unethical marketing practices on packaged foods and beverages. Which seems contradicting; but it confirms that human psychology is so difficult to understand what they think differ from they talk and also from what they going to reflect in real shopping situation.

The degree of consumers' ethically sensitivity varies based on their educational background. As the level

of their education increase their sensitivity towards ethical issues increase. This might be caused by the ability of crosschecking ethicality of consumers are by collecting information regarding the firms and particular product. Label is important source of information in packed foods and beverage products so where the nature, usage, ingredient, quality and quantity of a product is described. Moreover, all the labels are written in English language, which could be another problem to illiterate and consumers who cannot understand it.

### MANAGERIAL IMPLICATIONS

Consumers have good perception of unethical marketing practices however due to various constraints they might not be effective in making themselves ethically sensitive buyers. Conditions should have to be fulfilled in getting enough alternative products, free market competition, stable consumer market and a like.

Since the majority of consumers do not care about the unethical marketing practices of firms, government should have to take care of and protect the community from extraordinary selfish firms and marketers. Hence, the government needs to be serious in making the market free and competitive as well as protecting consumers from selfish and unethical marketers by enforcing the law and regulation to be implemented practice. It should have to take measurement on producers, middlemen as well as retailers who engage in unethical marketing practices.

The government should encourage and support ethical producers most especially food and beverage manufacturers and importers in order to get enough alternative products for consumers to chose among. More particularly,. Business organizations also need to exercise their corporate social responsibility beyond what the law required from them.

The concerned governmental body (consumer right protection agency) should have to make great effort in really protecting the right of consumers as per the Ethiopian trade competition and consumer protection proclamation 813/2013. And also the ministry of health should have to develop strategy to create awareness towards the impact and contribution of consuming excessive packed and junk foods to the community.

Business organizations also need to exercise their corporate social responsibility beyond what the law required from them. Firms should have to do their business honestly without any negative intention of maximizing profit at the cost of the wellbeing of the consumers.

Consumers need to be carefully evaluating the product they going to purchase and the supplier of that product regularly to avoid after usage dissonance and heath problem. Consumers should have to be alert always in checking whether the product is in

good status to consume or not before making purchase decision. In addition to this, Consumers tries to reduce the high consumption of packed foods as it exposing them to different serious diseases. Consumers should have to discourage unethical marketer by refusing, banning, ignoring to by their products. Instead shifting to the ethical marketer try to encourage them and award them for their being ethical and honest to consumers. Moreover, consumers should have to exercise their right of getting safe, healthy and quality product.

### REFERENCES

- Abdumumeen, H. A., Risikat, A. N., & Sururah, A. R. (2012). Food: Its preservatives, additives and applications. *International Journal of Chemical and Biochemical Sciences*, 1(2012), 36-47.
- Akaah, I. P., & Lund, D. (1994). The influence of personal and organizational values on marketing professionals' ethical behavior. *Journal of Business Ethics*, 13(6), 417-430.
- Boğa, A., & Binokay, S. (2010). Food additives and effects to human health. *Archives Med Rev Journal*, 19(3), 141-154.
- Carrigan, M., & Attalla, A. (2001). The myth of the ethical consumer—do ethics matter in purchase behaviour?. *Journal of consumer marketing*.
- DWHL, J. (2002). Some established facts and some new concepts in food toxicology: A review. *Actaalimentaria (Budapest)*, 31(4), 355-369.
- Emmi, Seppänen (2013). The effect of business ethics on buying behaviour. Helsinki Metropolia University printing
- Ferdous, J., & Aziz, M. N. (2014). Consumer Perception, Behavioral Gap, and Response to Ethical Business: The UK Perspective. *Journal of International Business Ethics Vol*, 7(2).
- Goolsby, J. R., & Hunt, S. D. (1992). Cognitive moral development and marketing. *Journal of Marketing*, 56(1), 55-68.
- Ingram, R., Skinner, S. J., & Taylor, V. A. (2005). Consumers' evaluation of unethical marketing behaviors: The role of customer commitment. *Journal of Business Ethics*, 62(3), 237-252.
- Kastorini, C. M., Milionis, H. J., Ioannidi, A., Kalantzi, K., Nikolaou, V., Vemmos, K. N., & Panagiotakos, D. B. (2011). Adherence to the Mediterranean diet in relation to acute coronary syndrome or stroke nonfatal events: a comparative analysis of a case/control study. *American heart journal*, 162(4), 717-724.
- Keszei, A. P., Goldbohm, R. A., Schouten, L. J., Jakszyn, P., & van den Brandt, P. A. (2013).

- Dietary N-nitroso compounds, endogenous nitrosation, and the risk of esophageal and gastric cancer subtypes in the Netherlands Cohort Study. *The American journal of clinical nutrition*, 97(1), 135-146.
- Krishna, R. (2016). Marketing ethics. *International Journal of Management and Applied Science*, 2(11).
- Legesse, A., Muluken, A., & Getasew, A. (2016). A survey on awareness of consumers about health problems of food additives in packaged foods and their attitude toward consumption of packaged foods: A case study at Jimma University. *International Food Research Journal*, 23(1).
- Maier, E., Kurz, K., Jenny, M., Schennach, H., Ueberall, F., & Fuchs, D. (2010). Food preservatives sodium benzoate and propionic acid and colorant curcumin suppress Th1-type immune response in vitro. *Food and chemical toxicology*, 48(7), 1950-1956.
- McCann, D., Barrett, A., Cooper, A., Crumpler, D., Dalen, L., Grimshaw, K., ... & Sonuga-Barke, E. (2007). Food additives and hyperactive behaviour in 3-year-old and 8/9-year-old children in the community: a randomized, double-blinded, placebo-controlled trial. *The lancet*, 370(9598), 1560-1567.
- Niemeier, H. M., Raynor, H. A., Lloyd-Richardson, E. E., Rogers, M. L., & Wing, R. R. (2006). Fast food consumption and breakfast skipping: predictors of weight gain from adolescence to adulthood in a nationally representative sample. *Journal of adolescent Health*, 39(6), 842-849.
- O'Donovan, P., & McCarthy, M. (2002). Irish consumer preference for organic meat. *British Food Journal*, 104(3/4/5), 353-370.
- Park, S., Blanck, H. M., Sherry, B., Jones, S. E., & Pan, L. (2013). Regular-soda intake independent of weight status is associated with asthma among US high school students. *Journal of the Academy of Nutrition and Dietetics*, 113(1), 106-111.
- Punch, K. F. (2005). *Introduction to Social Studies-Quantitative and Qualitative Approaches* (Translated by D. Bayrak et al.). Ankara: Siyasal Book Store.
- Robert, W. Kolb (2008). *Encyclopedia of business ethics and society*. SAGE Publications Inc.
- Sachithananthan, V. (2017). A study on the consumer awareness of food additives in packaged food and their effects on health in Abha region, Saudi Arabia. *Journal of Food Technology Pres*, 1(3).
- Seetaramaiah, K., Smith, A. A., Murali, R., & Manavalan, R. (2011). Preservatives in food products-review. *Int J Pharm Biol Arch*, 2(2), 583-99.
- Sihem, B. (2013). Marketing mix-an area of unethical practices? *British Journal of Marketing Studies*, 1(4), 20-28.
- Stuckler, D., McKee, M., Ebrahim, S., & Basu, S. (2012). Manufacturing epidemics: the role of global producers in increased consumption of unhealthy commodities including processed foods, alcohol, and tobacco. *PLoS medicine*, 9(6).