

Is CI Ethical? A Perspective

by *David Lithwick & Marta Cocev*

The issue of ethics has become a very important discussion point among CI practitioners, as CI is frequently confused with the illegal practice of espionage, and as such becomes a favourite excuse by employees to avoid collecting CI.

Clarification

Let's be clear - CI is not espionage. It's an information science drawing fragmented data from a variety of sources, consolidating and verifying this data, and then providing direction to make a decision. CI practitioners excel as detectives in tracking down and interpreting information. Espionage is entirely different. The Webster's Dictionary succinctly defines espionage as the "act or practice of spying."

The diagram above illustrates how information gathering is a continuum along which CI properly falls in the ethical end of the spectrum:

It now becomes clear that there are 4 issues embedded in this discussion:

- Though CI is not illegal, there are questions as to whether or not it's ethical.
- Ethics is fairly interpretive; e.g. what is ethical for one company may be deemed unethical by another.
- Unethical activities may nevertheless be legal.
- Espionage is unequivocally unethical and illegal.

Your Turn:

Let's assume you are the marketing research manager for a Canadian bank. Each year you attend The Retail Council of Canada trade show. This year, one of the speakers is the strategic planning manager for a key competitor of yours.

- Is it ethical to ask the speaker about her company's new product initiatives in Canada?
- Is it up to her discretion whether or not she volunteers any information?
- If she asks you what company you work for, would you tell her?



Scenarios

Listed below are four scenarios that will help to shed light on what constitutes ethical versus unethical actions:

1. Advertising - Building in a safety margin versus unnecessary expenditure

As an ad agency, is it wrong to spend the client's entire budget, every time they run an ad campaign, without checking whether or not you are overspending? You may argue that you need a safety margin to ensure you reach your goal, as it is very difficult to know in advance exactly how much to spend. For example, although your client only needs a 75% target reach to raise awareness, you end up achieving a 90% reach, and make no attempt to cut back on media support expenses. It would be clearly wrong, however, to encourage a newly hired brand manager on the client's side to spend money on a promotion such as billboards, when there clearly is no benefit for them to do so.

2. Direct Mail - Junk mail versus deception

If you drop off coupons to an apartment complex, whose policy is not to allow unsolicited direct mail into their buildings, is this unethical, when some tenants do read the flyers and cut out the coupons to save some money on their next purchase? On the other hand, sending direct mail congratulating the receiver that they have won \$1,000,000 in a sweepstakes contest, when the fine print clarifies that only their name has been entered into the sweepstakes, is deceptive, and unethical.

3. Marketing Research - Bending the rules versus compromising security

If you were recruiting people to participate in focus groups, would it be wrong to pull in a person who is five years older than the defined age category? Not if it means making your quota within the time and budget constraints. But if the same respondent tells you that they work for a company that turns out to be a competitor of your client, then recruiting this individual would be unethical.

4. Selling - Persistence versus falsification

If you're a rep opening up new territory, is it wrong to mention some of your competitor's weaknesses when you're calling on their customers? Not if you can back up these weaknesses with convincing proof. But making erroneous claims about your competitor, that you know are not true, is wrong. ●

Guidelines To Help Ensure Your Efforts Are Above Board

- **Be very clear on knowing the difference between CI and espionage.**
- **A good rule of thumb to follow is: any information that can be retrieved within the public domain is considered ethical.**
- **Do not misrepresent yourself (e.g., telling people you are a student doing a research project) to get information.**
- **Be creative; offer the respondent an honorarium or a summary of results, as an incentive for them to answer your questions.**
- **Don't be greedy; settle for less information. Make up the gaps by expanding the number of calls.**

Answers: 1. Yes; 2. Yes; 3. Yes