



## The ethics of the brand

Carys Egan-Wyer, Sara Louise Muhr, Anna Pfeiffer and Peter Svensson

### Introduction

Ethical brands have risen to prominence in recent years as a market solution to a diverse range of political, social and, in this case most interestingly, ethical problems. By signifying the ethical beliefs of the firm behind them, ethical brands offer an apparently simple solution to ethical consumers: buy into the brands that represent the value systems that they believe in and avoid buying into those with value-systems that they do not believe in. Lehner and Halliday (this issue), for example, argue that brands are a 'practical and effective way' (13) to address the market demand for ethicality because 'they offer a means for firms to internalise positive externalities' (23) associated with ethical behaviour. The assumption, then, is that if society desires ethical behaviour from firms, firms will not dare to behave otherwise for fear of inflicting costly damage on their carefully crafted brand images. According to economic rules of demand and supply, the market should then ensure that firms respond to the ethical requirements of the society in which they reside. As a consequence, brand management has incorporated as one of its main tasks the translation of the ethical positions on the market into communicable brand messages.

However, critical research has acknowledged the fundamental incompatibility of ethics and capitalism, as it is argued that 'ethics' tend to be used quite superficially as a legitimising signpost, effectively concealing the (possible) structural lack of ethics built into the capitalist order per se. Consequently, ethical branding may in fact legitimise the un-ethical aspects and elements of capitalist relations and practices. Moreover, when ethics are commodified, e.g. in the form of brand image, the human relations underlying the production processes are, in effect, concealed rather than exposed: 'instead of seeing these human relations we see only an object' (Jones, Parker and ten Bos, 2005: 104).

Paradoxically, so it seems, ethical brands may indeed repress – or at least obfuscate – the most urgent ethical questions in capitalism rather than bringing them into the limelight.

As is the case with ethics itself, a term which is difficult to pin down in one, single definition (e.g. Jones, 2003; Jones, Parker and ten Bos, 2005; Muhr, 2008), the notion of ethical brands seems to be rife with paradoxes and dilemmas (see also Muhr and Rehn, forthcoming). An overriding tension in debates about ethical brands is that of the incompatibility of ethics and capitalist modes of production and consumption. This special issue is an attempt to address, discuss and reflect upon this.

### **The incompatibility of ethics and capitalism**

One of the first mainstream brands to be built on the notion of ethical consumerism was The Body Shop. Founder Anita Roddick was an environmental activist and campaigner for the homeless, victims of domestic violence and disadvantaged children (Mcintyre, 2007). Founded in 1976, The Body Shop broke the mould by refusing to sell cosmetics that were tested on animals and by promoting fair trade practices in developing countries. Thirty years later, many were shocked when The Body Shop was sold for £652 million to L'Oréal, a multinational that had been awarded Ethical Consumer Magazine's lowest rating for its poor record on animal testing (Cahalane, 2006). The deal seemed to symbolise the practical incompatibility of ethics and capitalism, and can be seen as emblematic of the apparent dilemma faced by both consumers and producers who wish to act ethically within a capitalist system governed by its own order of ethics. A famous version of this standpoint was formulated by Milton Friedman (1970), who argued that a firm's only responsibility is to maximise profits.

One reason why ethics and capitalism are arguably incompatible is that 'ethics' are transformed when inserted into the capitalist/market logic: from being principles of human existence and social life, into a strategic resource to be exploited by the corporation. In other words, ethics (whatever this term may refer to) has become one of many alternative strategic tools with which competitive advantages are built. Consequently, when other strategic alternatives present themselves as more efficient, productive and profitable, ethics are likely to be abandoned, all according to the ethic of business – not to be confused with 'business ethics' (De George, 1987). Put differently, when you put a price tag on ethics, you also plant ethical considerations in the soil of financial and strategic rationalities. Ethics then become marketable and sellable; an item on the balance sheet. They are no longer constituted by a set of principles or duties (as

formulated by Kant) nor by a utilitarian calculus of any sort (as laid out by Mill), but simply by market demand (Kärreman and Alvesson, 2010: 70). In other words, the reason for being ethical (or appearing to be ethical) resides not in the urgent impulse for ethical behaviour in the world, but in the market demand for it. This somewhat unstable kind of ethics is arguably unable to support long-term perspectives and hence the so-called sustainable development of global capitalism.

As highlighted by many of the papers in this issue (especially Fordyce and Ryan, this issue; Lehner and Halliday, this issue; and Bertilsson, this issue), it is difficult, some would argue impossible, for corporations as well as consumers to act ethically within a capitalist system. For firms, maximising profits and minimising costs do not often go hand in hand with, for example, paying employees and suppliers well or handling waste carefully. If they do, it is usually because consumers are prepared to pay a premium for brands that they believe do this (Low and Davenport, 2005). This in itself may be considered unethical in that the less wealthy segments of the population are, in effect, excluded from the ethical decisions being made in the markets. This raises a range of new questions concerning how consumers are involved in the ethical constructions of a brand, such as 'is it *just* that only those who can afford the luxury of ethical brands have access to them?' and 'has ethical consumerism become a middle class luxury, a salvation to which poor people have no access?'

### **Ethics and capitalism as incompatible for consumers?**

Consumers then, face several challenges when attempting to act as ethical citizens. First of all, it is not an easy task to get a picture of what precisely ethical behaviour might look like. Even if that obstacle is overcome, consumers then face the second challenge of working out which companies are actually engaging in such behaviour.

As highlighted by Bertilsson (this issue), business and consumption ethics might refer to such diverse categories as ecological sustainability, racial and gender equality, environmental safety, conditions for employees, animal welfare, income for suppliers, over-consumption, waste management, accounting policies and so on. Ethical considerations may even stretch to the reputations of the political powers in countries from where raw materials are sourced and in which brands are produced (see e.g. Ayres, 2012). Even if consumers can negotiate this minefield of potentially contradictory ethical requirements and decide what seems to constitute their own ethical beliefs and values, they must also decide how to evaluate the firm's offering in line with their own ethical beliefs and

values. There are so many aspects of production and consumption that need to be taken into account in an ethical evaluation of a corporation. Many difficult questions are raised when the ethics of a firm is in the limelight: how much can a company control what goes on in the world? Where do the limits of ethical responsibility lie? How should responsibility be shared by the actors in a market? How should ethical dilemmas – for instance diverging interests of employees, owners, consumers and citizens – be solved?

Some would argue that consumers find it so challenging to consume ethically because the very notion of an ethical brand is inherently paradoxical; that brands and the market itself are naturally parasitic, feeding off individuals' attempts to differentiate and distance themselves from unethical actions, co-opting it and selling it back to them in packaged, branded form (Holt 2002). According to Holt (2002: 88), it is the market that now produces 'the experiential and symbolic freedom' that others argued could only be achieved by emancipation from the capitalist system (Firat and Venkatesh, 1995). This raises the question of why consumers bother to buy ethical brands at all if it is so hard for them to tell which companies are ethical – or worse, if they fear that 'ethicalness is just a façade that helps companies to earn more money?' (Bertilsson, this issue: 127).

### **Why do consumers bother with ethical brands?**

Of course, by seeing ethical consumption as hedonistic consumption, it is relatively easy to understand why consumers who believe the claims made by certain organisations consume ethical brands. They derive some kind of joy or satisfaction from the purchase of an ethical brand because they believe they are doing good for others (Szmigin and Carrigan, 2005).

A more extreme answer to the question of why consumers bother with ethical brands would be that they have little choice. The only way out of the ethics/capitalism dilemma is to exit the market altogether and to accept a different logic of production, distribution and consumption. For example, by selecting free or open source options like the Diaspora social networking platform described by Fordyce and van Ryan (this issue). Smith (this issue) describes another form of non-market distribution of goods, although the gifting of products for promotional purposes to 'friends' of the brand hardly fits with traditional conceptualisations of what it means to be ethical. In general though, as Kozinets (2002) highlights in his study of the anti-market Burning Man festival, escape from the capitalist system is possible only in limited time and space. In normal life, consumers may find it hard to make choices that fall

outside of capitalist logic, since the very concept of ethical brands privileges a market solution to ethical problems over a rejection of consumption completely.

A much more optimistic answer can be found in the symbolic value of ethical brands. When consuming a brand, an individual incorporates the symbolic value of that brand into her own self-image. Brands that are seen to be good, fair or ethical, regardless of whether or not they are 'true', thus seem to have more desirable associations (Elliot and Wattanasuvan, 1998). Arvidsson (in this issue) build on a similar argument. He argues that, even if the ethicality of a particular brand is contested, consuming and/or producing that brand can contribute to the construction of an ethical personal brand.

Yet another way of discussing this question is explicated by Walz, Andéhn and Kingston (this issue). Drawing on Pfaller's work on interpassive enjoyment (also popularized by Žižek and Sloterdijk), they argue that cynical consumers may 'derive pleasure in various, less obvious ways' (57) from the consumption of ethical brands, even if they do not believe that their consumption 'will result in the purported [ethical] outcomes' (57). Consuming brands marketed as ethical can provide a moment of relief from the responsibility of consumer sovereignty and thereby give a feeling of what they (again based on Pfaller) call 'thievish joy' in having gotten away with this double deception.

In this issue, we do not seek to provide one answer to – or way out of – the ethics/capitalism dilemma. Instead, we try to highlight the multiple ways of understanding the dilemma and its imperfect solutions. Instead of trying to figure out the impossible – what ethics is, what an ethical brand is, whether a brand can really be ethical or not – we will end this editorial by stressing how such impossibility can be communicated through the brand itself, and how the practice of reflecting on this impossibility might actually constitute the ethics of the brand. In other words, if we reject the functionalist claim of being able to evaluate the ethicality of brands objectively, how can we talk about an ethics of the brand on a more abstract basis?

### **The undecidability of ethics**

The important first step is to stop trying to distinguish the good from the bad; to rid ourselves of the notion that brands are either ethical or not. Since even the most apparently ethical brands – like The Body Shop above – often end up being questioned or doing questionable things, the project of separating 'good' brands from 'bad' brands is doomed from the outset. We argue that ethics lie not in a simple choice – ethical or not. The ethics of the brand lie in how a brand is

produced or consumed; whether this is done uncritically or whether it is done with a certain portion of self-distance, irony, humour or similar mechanisms. This undoubtedly complicates the brand message in ways that make it more difficult to objectively evaluate the ethics of the brand. But on the other hand it also opens up many different ways for groups, people, or organizations to construct themselves, which become important ethical statements.

Consider for example how Jack Wills (Smith, this issue) creates an almost comically elitist brand by playing up, instead of avoiding, connotations of ridiculous snobbery associated with its claim of being *Outfitters to the gentry*. Many could attack Jack Wills for being terribly discriminatory but it still manages to institute an ethical economy wherein goods are allocated to those deemed worthy of representing the brand. It does so, we believe, because it is so extreme in its elitism that it borders the comical, which makes it difficult to attack in a serious fashion. It embraces, rather than shies away from the potential controversy that could ensue and thus its critics may well find themselves disarmed. Similarly, innocent smoothies, as highlighted by Walz et al. (this issue), use humour and self-irony to construct their ethical claims. They admit that they probably sound a little like a Miss World contestant – presumably with unrealistic dreams of world peace – but argue that they are nevertheless doing their best to take responsibility for the effects of their business on society and the environment. Would innocent have succeeded in the same way if they had tried to build a serious ethical brand that claimed total ethicality? As we saw above, such serious claims are often easily destroyed by a detailed investigation into suppliers, logistics, employees etc.

Most of the brands mentioned in this issue somehow try to turn the ethical claim upside down or complicate it, so it is no longer clear where precisely the ethical claim lies. This certainly seems to be the case with ICA, the Swedish supermarket whose campaign with Jerry (who has down-syndrome) as the protagonist became a massive success (see Concha-Ferreira, this issue). While this complication could be understood as a way for brands to avoid the critical gaze of the ethical consumer, it can also – and perhaps more interestingly – be seen as symptomatic of the fragmentation and complication seen in many other areas of postmodern life (Firat and Venkatesh, 1995; Baumann 2000). Consumers no longer want their ethical claims served ready-made and what all of these campaigns or brand constructions have in common is that the ethical claim is complexified and left to the consumer to decipher. The uncritical ethical consumer can consume the ethical claim in a nonreflective way, whereas the critical ethical consumer can construct the ethics of the brand for herself, using the different kinds of ethical claims offered.

Why then is it that such complex ethical brands work? In a similar argument to that made by Kornberger (this issue), we suggest that one answer could be that the ethics reside in the undecidability of ethics; in the very dilemma of ethics and capitalism itself. That is, constructing a brand around the dilemma, making the dilemma central for the very ethical claim instead of trying to avoid it, leaves the consumer with a choice. It is in the act of pondering that choice that the consumer is acting ethically. Consumers no longer want standard or simple ethical claims that are frequently – and perhaps inevitably – eventually discredited in one way or another. Too many corporations have been exposed because they have been subjected to critical scrutiny (like the case of Nike's use of child labour) and so the trust in their standard ethical claims has been lost. Instead, consumers are attracted to brands that give them the possibility to *think* about ethics – either by being comically elitist like Jack Wills; ironic about themselves, like innocent; or complex in their message like ICA. In other words, more complex brand messages, built on humour and irony, give brands the possibility of a new kind of ethics.

Such an ethics can be said to stem from Derrida's (1993) notion of aporias, in which undecidability becomes the very condition of responsibility and decision. To be responsible is to make a decision in a situation marked by undecidability, in a situation where one does not have the perfect or right answer, where one does not really know what is good or bad (see also Derrida, 1997). In these in-between spaces – in-between definite notions of good and bad – one takes responsibility by accepting dilemmas, absence of knowledge, lack of guarantees, and ambiguity as immanent parts of social interaction. Reflecting on and making decisions in such circumstances of lack – where there can never be an absolutely 'right decision – is the very definition of responsible and ethical consumer practice (see also Kornberger, this issue; Loacker and Muhr, 2009). Without the undecidability and uncertainty, there is no responsibility or ethics, just simple obedience. Where ethics seem most difficult to determine, then, is actually where they are to be found. The ethics of the brand is exactly to be found in the midst of its own impossibility.

## Contributions

The special issue begins with Matthias Lehner and Sue Vaux Halliday's article, in which brands are described as a practical way to encourage sustainable market activity by firms. Using examples from food retailing, Lehner and Halliday make an argument that might alarm sustainability advocates – who often see

marketing and branding as the driver of over-consumption in western society. They make the case that brands, by allowing them to internalise the positive externalities connected to acting sustainably, encourage firms to enact the sustainability demands of the purchasing public. The authors also claim that the cost of creating a trustworthy brand discourages corporations from undermining that brand by acting against market expectations. However, Lehner and Halliday also warn against a *purely* brand-focused approach to sustainability. They fear that corporate dominance of the societal discourses in which people make sense of sustainability could see them becoming commercialised for short-term gain.

Robbie Fordyce and Luke van Ryn argue, on the contrary, that ethics and capitalism are fundamentally incompatible; that capitalism creates a need for ethical products and then benefits from their sale; and that ethics in capitalism are mere window dressing. They argue that consumption of commodities, even ethically branded ones, will never lead to changes in the mode of production. What is necessary for such an ethical revolution to take place is for consumers to refuse to consume or to exit the capitalist system entirely, as in the case of free and open source products.

In their article, *The magic of ethical brands*, Markus Walz, Sean Hingston and Mikael Andéhn bring Pfaller's concept of 'illusions without owners' to the discussion of ethical consumption. They suggest that consumers of symbols – in this case ethical brands – do not only use them in identity and communication work but also in a form of interpassive delegation, that is, delegating the ethical responsibility as well as the belief in that responsibility. Walz et al. argue that even cynical consumers, who do not believe the message of ethical brands, may still act as if they do believe. By doing so, they experience a moment of relief from the responsibility of consumer sovereignty as well as a feeling of 'thievish joy' in having gotten away with this double deception.

In his examination of the heraldry of the Jack Wills brand, Daniel Smith demonstrates how a brand can institute an ethical economy. Goods are allocated to those within the economy of distribution who are deemed worthy of representing the brand and likely to uphold its brand image. The Jack Wills brand imitates the heraldry of the British aristocracy as a means to create fiduciarity but, as argued above, the members of this ethical economy seem to recognise that these efforts are somewhat tongue-in-cheek.

In this issue's first note, Ignacio Concha-Ferreira sheds light upon the emergence of what he refers to as 'welfare coolness'. Concha-Ferreira argues that, in its endless pursuit of new areas to exploit, branding has transformed the image of the welfare society by means of 'giving welfare the fundamental quality

of cool' (109), redressing the tired and gloomy notion of welfare in new, shining – and indeed cool – armour.

In the second note of the issue, Adam Arvidsson questions the otherwise generally accepted assumption among critical scholars that ethical brands, by definition, are the negation of ethics. Instead of trying to argue for brands' value through their market function, Arvidsson points to the possibility of their entrepreneurial ethics; that is the possibility they provide individuals to build ethical personal brands via social media.

In his note, Jon Bertilsson brings to the fore what he sees as the internal conflict, or tension, between the motive of profit maximization driving corporations' decisions and actions and the notion of public good that undergirds ethical reasoning. This tension makes it difficult, perhaps even inconceivable, to align an ethical brand image with corporate ethical behaviour. The marriage between brand ethics and corporate profit is thus not a very happy and harmonious one, partly because it tries to combine two mutually exclusive ideas of ethics: ethics as a duty and ethics as a brand management tool.

In the final note, Martin Kornberger presents a somewhat different approach to brand ethics than that adopted by Bertilsson. Kornberger takes issue with the polemical dichotomy that, according to him, has been allowed to define the debate on ethics: the liberal tradition stressing the importance of brands for responsibility and accountability in the market, and, in the opposing corner, the critical tradition in which brands and branding are conceived of as elements of a fundamentally problematic system (market culture, consumer society, capitalism, etc.). As an alternative, Kornberger suggests a view of brands as neither good nor evil but rather as the providers of the conditions (and a potential) for ethical practice.

The issue ends with three reviews of books that, in different ways, tackle the relation between ethics and branding. Leo McCann reviews Brannan et al.'s book *Branded lives: The production and consumption of meaning at work* (2011), which deals with employee branding: the attempts to govern the actions and souls of the staff. In the second review, Charlotta Karlsdóttir comments on Lindstrom's book, *Brandwashed: Tricks companies use to manipulate our minds and persuade us to buy* (2011), in which the author sets out to reveal the tricks of the branding trade. Elizabeth Nixon has written the last review of this issue, in which she gives her view on Devinney et al.'s *The myth of the ethical consumer* (2010), a book that sets out to problematize the idea of ethical consumption by turning the gaze towards consumers' decision-making and considerations about ethical products.

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## the editors

Carys Egan-Wyer is a doctoral student in marketing and a member of the *Connoisseurship, Snobbery and Cultivation* research group at Lund University's School of Economics and Management. Her doctoral project is a socio-cultural exploration of endurance running as an evolving consumption field and as a project of the self.

E-mail: Carys.Egan-Wyer@fek.lu.se

Sara Louise Muhr is a member of the editorial collective of *ephemera*.

E-mail: slm.ioa@cbs.dk

Anna Pfeiffer is a doctoral student at the Department of Business Administration at Lund University. Her doctoral research explores the relation between experiences of recognition and individual self formation in the context of voluntary work.

E-mail: Anna.Pfeiffer@fek.lu.se

Peter Svensson is lecturer in the Department of Business Administration at Lund University, Sweden and an *ephemera* affiliate. His research interests include: marketing work, knowledge production in business life, the language of financial reporting marketing/management knowledge, qualitative method, discourse analysis and critical social theory.

E-mail: Peter.Svensson@fek.lu.se