

---

**EDITORIAL POSTLUDE**

---

---

**HERBERT JACK ROTFELD**

---

---

**It's Just Business**

---

Unfortunately, the study of social issues is often treated as a minor area outside the mainstream of marketing scholarship. Many schools do not offer any courses dedicated to public policy issues or to the analysis of marketing and society; some leading scholars tell doctoral students to not focus research work on social issues until after they have tenure or established a reputation by work in other areas. It's not as if they consider the consumers' interests trivial, but like business professionals, some educators see marketing as almost above reproach because they are serving consumers' needs, at least the needs of targeted consumer segments.

For as long as I've been a scholar of business practices, I've heard marketing experts (both practitioners and educators) say, "The marketing concept says that we should 'satisfy consumer needs,' so since we are satisfying consumers, we serve the consumers' interests." To them it is a tautology. I've never encountered a statement of the marketing concept indicating that it can (or should) be driven by altruism, nor has altruism been used as the foundation of a book on business ethics. To the contrary, first and foremost, a firm seeks to satisfy its own needs. Nonetheless, the issues of the times or situations of disservice to consumers too often get overlooked.

What too many fail to acknowledge is that the consumers are more likely at the mercy of the businesses whose rules serve the majority of situations but fail to serve others (Rotfeld 2004a). What interests a consumer "segment" is not necessarily meeting or even understanding the interests of consumers as people (Rotfeld 2004b). Recognizing that customers want good service, many businesses are using upbeat slogans and advertising about the good service they claim to provide. And yet, while seeming to assert a devotion to servicing the consumers' interests, they have nigh inflexible rules that result in a different outcome.

This is not just an issue of the stores whose blasting stereos and televisions that they think attract young shoppers yet turn away many other

customers, nor is it a problem of people outside a target market segment being offended by a business that they'd never patronize. Under the heading of "doing business," undesirable outcomes proliferate and consumers are abused. Some individual tales are rather telling.

The Perez family lives in Slidell, Louisiana, a town along the Gulf Coast about 35 miles northeast of New Orleans. Last fall, not knowing that hurricane Katrina was on its way to provide an international news event with extensive damage to the area, when the family car had gone in for repairs on Friday they rented a car from a national company that for many years had advertised a desire to "Try harder" to please customers. The evacuation orders came Saturday morning, before any businesses were open, so they were forced to pack the rental car for their escape to central Alabama to stay with some friends, expecting to return in a few days without incident. The world knows what happened next, as the portion of Katrina's eye passed over Slidell, virtually destroying much of the town and inundating many of the areas with up to 20 feet of water. In the aftermath, roads were closed, the area was flooded, and Slidell was shut down.

They called the car company's central customer service line on Tuesday, the day originally scheduled to return the car, and asked what to do; it was pretty absurd to expect a return to the now-submerged original location. Customer service indicated that they had not yet decided how they were handling the situation, so they were told to call back "in a couple of days." What about the additional days of usage? The agent wasn't sure. Two days later, another customer service agent said to return it that day to avoid additional charges, with the two extra days waived.

It appeared that the company was trying harder for the unfortunate hurricane victims—you'd think the Perez family should be given a reward since they saved the car from being flooded with the rest of the company's inventory still in Slidell—but initial appearances are sometimes deceiving. Yet when they actually came to an office to return the car, they were presented with a final invoice for six days rather than four days rental, with an increase from \$33.99/day to \$159.99/day, plus additional charges for returning the car to a different location. The bill increased from roughly \$150 to over \$1,558, never mind what they were told over the phone or that the original location was probably under water. An argument followed in which the corporate agents were not very sympathetic, explaining the high bill because they are "just a business," these are the rules, and Perez did not adhere to the original contract-promised period or drop-off directions.

Since no one in the office offered to make a needed phone call, Perez had to use several hours of personal cell phone minutes to the company's central customer service office, which finally acquiesced to adjust charges to \$332,

a higher fee from not waiving the extra two days as previously promised charged at the higher rate, and that amount was charged to Perez's debit card. About a week later, Perez was finally able to be in touch with the customer service person who made the original promises, and after an hour or more of discussion, the representative agreed to honor the original four-day agreement, without additional charges, stating that the company would refund the difference that they were charged. Of course, it took a week more and additional arguments over the phone to get the additional charges reversed, but therein lies another tale about credit cards, debit cards, and customer rights (a not-uncommon topic for articles in *JCA*).

Consumers do respond to the corporate social responsibility that they perceive as practices in a business (Mohr and Webb 2005). And yet, while a single customer service agent seemed to care or try harder, the frontline customer contact people hardly tried. They knew about the hurricane and its impact, they expressed personal sympathy, but did not seem to care enough to change business rules.

In an older tale (from Rotfeld 2001), a chain noted for its low-priced electronic equipment, computer supplies, music CDs, and DVDs had an advertising motto of "I care" printed on lapel pins worn by everyone in the store. Zachery had purchased a computer part from the store, only to have his office computer person return it, unopened, saying it was the wrong one. Unfortunately, it was not returned to Zachery with the receipt. No problem, or so my friend thought, for a store that cares.

He was just asking for store credit, not a refund, but the clerk was not empowered to accept any return without the receipt. The manager, visible in his loft but not willing to come down and talk to the customer, sent the message, "Tell him he is out of luck." A little put off by this "Like, I care?" variation on the motto, Zachery informed the clerk that he would take his business elsewhere. The clerk shuffled back upstairs and returned to report, "The manager said, 'too bad.'" Apparently, the store was using limited service and strict rules for all returns as a shortsighted device to hold down costs. And maybe the rules are inflexible because they consider all their employees idiots. When Zachery complained to the national offices, he received a form letter that just repeated the clerk's whine, stating, "By requiring receipts we are able to hold down prices," as if the details of what Zachery wrote were never read.

Still, what made the bad service all the more galling was that they were running an advertising campaign and having clerks wear lapel pins with the slogan proclaiming that they care about customers, like the car rental company advertised that it tries harder. And in neither case were the employees willing to do what is right.

Employees' own perceptions of ethics, at least in some retail situations, can sometimes result in them doing the right thing (Dubinsky, Natarajan, and Huang 2004), that is, if the company trusted the employees enough to do it. The company has rules for the employees, the customers are caught in the businesses' grip, and not even an internationally known disaster can get people in the office to deal with the customers as people instead of an uncertain mass that must obey their rules.

## REFERENCES

- Dubinsky, Alan J., Rajan Natarajan, and Wen-Yeh Huang. 2004. The Influence of Moral Philosophy on Retail Salespeople's Ethical Perceptions. *Journal of Consumer Affairs*, 38 (Winter): 297-319.
- Mohr, Lois A. and Deborah J. Webb. 2005. The Effects of Corporate Social Responsibility and Price on Consumer Responses. *Journal of Consumer Affairs*, 39 (Summer): 121-147.
- Rotfeld, Herbert Jack. 2001. *Adventures in Misplaced Marketing*. Westport, CT: Quorum Books.
- . 2004a. Consumer as Serf. *Journal of Consumer Affairs*, 38 (Summer): 188-191.
- . 2004b. Consumers, People and Kim. *Journal of Consumer Affairs*, 38 (Winter): 355-358.