

Evolutionary Approaches to Direct Marketing and E-Commerce Ethics

David Valleau Curtis, Medaille College

Introduction and Problem Statement

Direct marketing has changed. Gone are the pre-Fedex, pre-credit card days of limited distribution channels and the inconvenience of relying primarily on cash on delivery. Gone are the days of the dominant one-stop shopping giants of Sears and J.C. Penney (their new forms are mere shadows of their once dominant positions).

In their stead, the convenience of credit and debit systems, a variety of distribution options, and millions upon millions of mostly niche-oriented direct marketing firms. The epitome of this new revolution of convenience is the emergence of e-commerce. With a click of the mouse, one can instantly expect quick and convenient purchasing, tracking, database management, and delivery.

Customers once complained of difficult to utilize purchasing systems, undependable and unreliable delivery, misunderstanding of customer needs, and a lack of choice and variety (Resnick 1995, Forest, 1996). These problems are becoming increasingly rare as direct marketing becomes more ubiquitous and as direct marketers become more and more savvy. One might optimistically state that the previous ethical dilemmas of broken promises and unreliable service are things of the past. But this is only half the story.

Not everything has changed. Customers still complain that direct marketing is often intrusive albeit sometimes in new ways. Complaints of annoying pop-up ads on the Internet and telemarketing are legion. Sama (2002) and Stead (2001) have noted that the psychological and physical separation of direct marketers from their potential customers

has always and continues to pose ethical problems. In spite of the rhetoric of “relationship marketing,” databases are hardly an analog to *Gemeinschaft* marketplaces with purchases based on personal trust. Long distance trust building is still a challenge in spite of some creative attempts by e-bay and other direct marketers to forge ties of trust based on “reputation databases.”

Unfortunately, many of these ethical dilemmas are connected to fundamentals of direct marketing *inherent* in the process of long distance commerce and therefore unlikely to change, even as new technological avenues for direct marketing principles such as e-commerce emerge. In short, these perennial problems of direct marketing ethics are questions best answered by *functionalists* such as Malinowsky, social scientists that study unchanging processes of stability and equilibrium that often give rise to ethical dilemmas. For example, Murray (2000) insists that in a number of ways direct marketing principles and challenges have changed little in the last 200 years.

Are there any *new* problems of direct marketing ethics? It would be nice to believe that as problems of variety, distribution, and convenience are largely solved that the ethical risks of direct marketing are waning on the whole, but this is a naïve position. As old problems of unreliability and lack of personal choice dissipate, new problems connected to easy access and information overload emerge. It is perhaps counterintuitive to imagine increased convenience being a problem, but access to potentially *destructive* things has increased incrementally. From the insidiously increasing incidences of credit card debt and financial ruin to more dramatic problems associated with violent content, hateful rhetoric, misinformation, and prurient pornography, access is clearly a double-edged sword.

Furthermore, concerns of privacy, at one time largely latent in the database building aspect of direct marketing, have become salient. Debates over privacy, such as the “opt-in/opt-out” controversy are hotly contested especially in the voyeuristic universe of e-commerce in which “cookies” can track the behaviors of both customers and potential customers. Knowledge sharing in the world of direct marketing is becoming controversial as people’s fears of database misuse have grown concomitantly with more technologically sophisticated database management systems.

It is thus we can discuss the *evolution* of both qualitatively new and currently more common social ills connected to our new commercial environment. Open access is hardly an unqualified good (or evil). I shall refer to this as the “paradox of convenience,” a recognition that both lack of convenience and an abundance of convenience pose unique ethical challenges. As Karl Popper noted each problem solved (ethical problems included) invariably creates new, often unanticipated problems.

Fortunately the social sciences have a number of tools for anticipating and dealing with ethical problems relating to change. These approaches are broadly categorized as evolutionary approaches to ethics. When one hears of “evolutionary theory” one often automatically thinks of Darwin’s revolutionary theory of biological evolution. Although Darwin’s theory (although primarily biological) does have applications to social and ethical life, his is but one of a great number of important approaches developed by scientists and philosophers broadly called “evolutionary theories.” Furthermore, in a self-referential fashion, evolutionary theories have themselves evolved through refinement involving the rigors of scientific tests, the analytical tools of philosophical criticism, and even the all-too-human fickleness of intellectual fashion.

This paper will be structured to navigate the world of social evolutionary theories for those interested in furthering their understanding of the changing ethical environment of direct marketing and e-commerce. First, we will review and critique classical and contemporary approaches to social and ethical evolution. Second, we will explore the utility of these theories as they apply to direct marketing and e-commerce. Finally, we will conclude with a summary and offer directions for future research.

Classical Evolutionary Theory: Literature Review and Critique

As Tomashevich (1982) has noted, evolutionary theory didn't begin with Darwin. In fact, the idea of evolution is as old as the idea of change. Early humans attributed change to spirits or gods. As human knowledge of the universe increased some naturalistic rather than mythological theories of change gradually emerged in Asia and the Near East. However, it was not until the Greek Presocratic philosophers (around 630-430 BC) that completely naturalistic and non-dogmatic descriptions of universal change emerged.

Thales (624-548 BC) was probably the first philosopher to both dispense with supernatural explanations of the universe and tolerate alternate worldviews such as those of his student Anaximander (611-546 BC). Yet, it was Empedocles' (490-430 BC) philosophy of the common ancestry of all living things (plants, animals, humans, etc.) and a mechanism of change based upon environmental compatibility that most closely foreshadowed Darwinian evolution.

Unfortunately, the notion of a dynamically changing universe was suspended by the “father of biology” Aristotle (348-322 BC) who posited a fixed and unchanging universe governed by regularly occurring cyclical and mechanistic laws. Perhaps influenced by Plato’s idea of unchanging “ideas,” Aristotle’s worldview had a stultifying influence on evolutionary thought. Nevertheless, the Roman thinkers Lucretius (99-55 BC) and Plotinus (205-270 AD) developed ideas of both biological and social evolution in spite of the prevailing Aristotleanism. But as Aristotle’s fixed universe became Christian Church dogma in the Middle Ages, evolution virtually disappeared from Western thought.

The intellectually stagnant Middle Ages gave way to the Renaissance which ushered in a revolt against the dogmatization of Plato and Aristotle. Renaissance thinkers such as da Vinci (1452-1519) and Bruno (1548-1600) led courageous revolts against dogmatism that paved the way for modern philosophy (Bacon, Descartes, and Spinoza) and modern science (Kepler, Galileo, and Newton).

Yet the idea of a fixed mechanistic universe wasn’t instantly replaced by the notion of a dynamic organically evolving one. Aristotle’s influence still permeated the thought structures of many Renaissance thinkers. Descartes still viewed the world as a machine and Newton was convinced of the static, fixed nature of the physical universe. Yet the development of modern biology would eventually bring this notion into question.

At first, the classification system Swedish botanist Linneaus (1707-1778) hardly seemed revolutionary, in fact his system of classifying species appeared downright Aristotlean. However, when the French naturalist Buffon (1707-1788) asserted that species may undergo modifications and may even change into new species, the Church

pressured Buffon to recant. Nonetheless, the proverbial genie was out of the bottle. As the anti-clerical Enlightenment movement swept throughout England, France, Germany, and other parts of Europe, bold theories of biological and social evolution were posited and promulgated. The boldness of these new theories was epitomized by the ironic misfortune of Condorcet (1743-1794). Tragically Condorcet (1795) held firmly to a utopian law of evolutionary progress and perfection even as he was being persecuted, dying as an imprisoned man in the hands of the leaders of the French revolution.

Evolutionary theories of the Enlightenment were not without a degree of hubris, and the post-Enlightenment evolutionary theories of the early 19th century were even more daring. High sounding and bombastic phrases such as the “perfection of Man” and the “march of History through Reason” reverberated with almost theological intonations. The post-Enlightenment philosophers and proto-social scientists Hegel (1770-1831) and Comte (1798-1857) took evolution to its limits with utopian notions of inevitable progress and the perfectibility of mankind.

Such boldness was bound to lead to a reaction. The reaction was a counter-Enlightenment philosophy called Romanticism led by the irascible Rousseau (1712-1778) who argued that far from leading to utopia civilization had corrupted humans. Rousseau’s movement moved from a mainly French countermovement in the 18th century to a full-scale worldwide social movement in the following century.

The mid-19th century desire to reconcile Enlightenment optimism with Rousseauian Romanticism would lead to new evolutionary theories that tried to avoid the utopian pitfalls of Hegel and Comte. From the more cautious and sober evolutionary theories of Darwin to some creative attempts to rescue utopianism by redefining seeming

negative events (such as the ingenious theory of Marx), the mid-19th century led to the birth of modern social science and some rather sophisticated theories of evolution. The German philosopher Schopenhauer (1788-1860) was even able to posit a pessimistic theory of biological and social (d)evolution, regarding the development of human self-awareness and consciousness as horrible cosmic mistake!

Although mistakingly accepting the now-refuted theory of the French biologist Lamarck (1744-1829) rather than his fellow Englishman Darwin, the English philosopher Spencer (1820-1903) is remarkable for formulating the most sophisticated theory of *social* evolution of his time period. In straightforward and sober English prose Spencer (1950) described human societies emerging from simple homogenous forms to complex heterogeneous ones. Although Spencer was hopeful that free-market economies and liberal principles would lead to social progress and the end of war he cautiously avoided the utopian proclamations of *inevitable* progress.

Spencer's biological contemporary Darwin (1809-1882) was even more modest and cautious than Spencer but no less controversial. In spite of criticisms from religious fundamentalists, Darwin's theory of biological evolution (in Darwin [1859] 1964) is one of the most corroborated theories in the history of science. Although some of Darwin's postulations are not testable many others are. Of the testable applications of Darwin's theories in genetics and biochemistry, Darwin's original theory of mutation as an agent of random change and natural selection as an agent of providing structure for change has been remarkable successful. Although Darwin's theories were of biological rather the social evolution, contemporary sociobiologists have applied Darwin's principles to study social change.

German philosophers and social theorists were much bolder and also much more pessimistic than the English. Even German “optimism” was marked by Marx’s and Nietzsche’s dark visions of power struggles and a radically violent and nasty road to individual and social utopia. Perhaps this was because Germany was experiencing more cataclysmic social change than England and France. The Germans fastforwarded from peasant society to industrial juggernaut in a relatively short time and the stress and pain of this change led to some profoundly pessimistic visions.

Goethe (1749-1832), both a poet and a naturalist, expressed German social change lyrically as a “deal with the devil” in the epic poem *Faust*. Schopenhauer ([1818] 1969) systematized pessimism as a theory of (d)evolution. Other German philosophers and social scientists followed suit. Tonnies ([1887] 1963) chronicled the social evolution of warm although sometimes overbearing “communities” (*Gemeinschaft*) to liberating but ultimately cold, unfeeling “societies” (*Gesellschaft*). Simmel described the painful striving of “life” to more complex forms. These new social forms, Simmel ([1893] 1971) pessimistically argued, lead to increased “jadedness” and a sense of protective detachment. Weber ([1904] 1979) added that increasing rational and bureaucratic systems could lead to a dehumanizing “iron cage.”

Marx ([1858] 1977) and Nietzsche ([1874] 1983) were able to find solace only in the recognition that cruel, heartless, and egoistic power struggles and “community lost” can be re-perceived as simply an ugly means to a beautiful end. Marx felt that the inhumanity of the industrial system could be a painful but necessary stage of development leading to a new “communism” of workers untied to create a new ethically humane world. Nietzsche boldly embraced egoism as an unconditional good. If life is

“survival of the fittest” it was a world for the audacious and aggressive not the meek and effete. What the world needs is great individuals (“supermen”) rather than the banality of socialism and equality.

The French philosopher and social scientist Emile Durkheim ([1893] 1984) tried to creatively reconcile the coolness of English cautious optimism with the angst and passion of German Romanticism. The foundation of French social thought before Durkheim was the now seemingly untenable *early* 19th century utopianism of Saint-Simon and Comte. But that kind of optimism was dead in late 19th century France. The French were “hung over” and tired of any form of utopianism recognizing that even Rousseauian Romanticism had inspired some of the excesses and cruel ironies of the French Revolution and Napoleonic imperialism.

Durkheim needed to discard French utopianism and create his own unique style and substance. Durkheim was more modest and cautious than Comte, Nietzsche, or Marx and yet was able to maintain a passionate vitality. However, even Durkheim’s complex and unique synthesis was for many early 19th century thinkers uncomfortably bold. Durkheim’s theories were still largely conjectural and based on a very broad definition of “science.” Is the evolutionary movement toward a diverse “organic solidarity” really *inevitable* in a law-like way or is this simply wishful thinking? What do rants about the evils of “anomie” have to do with science? Can the implementation of morality be a “scientific endeavor” as Durkheim implied or is he misapplying the term “science”?

The French philosopher Bergson (1859-1941) solved this conundrum by dispensing with scientific pretensions altogether. Instead Bergson (1907) proposed a “creative evolution” based upon indeterministic and mystical “life force,” embracing

evolution as a dynamic force in nature but rejecting the cold, deterministic visions of evolution often associated with materialism and atheistic secular humanism.

However, most early 20th century scientists and philosophers in both Europe and America were looking for something less speculative. In America, “pragmatists” searched for rigor and evolutionary caution; in Europe, “logical positivists” did the same.

Contemporary Evolutionary Theory: Literature Review and Critique

The intellectual milieu of the early and middle 20th century was marked by a search for scientific rigor and a reluctance to speculate. In the early 20th century the move away from speculation was tentative but by the middle 20th century with the rise of functionalism it became radicalized so much that evolutionary theory itself became a marginalized and almost underground undertaking. However, by the end of the century many scholars became exhausted by the limitations of functionalism and other rather rigid social scientific approaches. New evolutionary approaches and the rise of new “stratification” approaches (which studied the mechanisms of inequality and sometimes embraced radical politics) emerged as alternatives to the formally predominant functionalist paradigm.

In late 19th and early 20th century America, a movement called “pragmatism” embodied the spirit of the new century. Although founded by the biologist and linguist C.S. Peirce in 1878, it was the early 20th century contributions of James (1925) and Dewey (1925) that left the deepest influences on the development of new evolutionary ideas. Although James was a religious universalist and Dewey a secular humanist, both thinkers enthusiastically embraced Darwinian evolution as a framework to be employed

by the social and behavioral sciences. Both also rejected what they saw as the excesses of 19th century European notions of social evolution and insisted that although progress was possible it was far from inevitable.

In early 20th century Europe, a movement called “logical positivism” was concomitantly gaining prominence. Logical positivism was an intellectual movement centered in the cosmopolitan Austrian city of Vienna. “Positivists” searched for non-conjectural, “positively true” scientific knowledge. However, unlike the early 19th century French “positivism” of Saint-Simon and Comte, these *logical* positivists sought to abandon oracular-sounding phrases such as the “Destiny of Man” and “march of Reason through History.”

Logical positivists like American pragmatists embraced the evolutionary theory of Darwin and tried to construct a theory of the evolution of scientific ideas based upon Darwinian selection. The leader of the “Vienna Circle,” Carnap (1936) proposed that scientific theories differed from more speculative theory because they were “verifiable.”

However, no amount of corroborating evidence can “verify” a theory once and for all. Any future test of a theory in which the theory fails can bring a once highly successful theory into doubt. Therefore, Karl Popper ([1934] 1961) instead proposed that positivism should be rejected and that the criterion of “verification” should be replaced by the criterion of “falsification.” Human creativity in constructing theories is an analog to natural mutation and testability an analog to natural selection. Scientific theories, Popper insisted, were just as conjectural as non-scientific ones, but unlike non-scientific theories they could be subjected to critical tests and therefore reformulated and/or refined in light of those tests.

Popper constructed not only this evolutionary framework of knowledge for the natural sciences but proposed it be employed for the social sciences as well. His philosophy of science and evolutionary theory of knowledge is now widely accepted among academics, although some social scientists have criticized his criterion of falsification as being overly limiting. In spite of some controversy over the falsification thesis, Popper had captured the spirit of his age; evolutionary theory was becoming epistemologically modest.

At the same time Popper was proposing for the reformation of evolutionary theory, a new paradigm was emerging to displace even modest Popperian evolutionism. The anthropologist Malinowsky proposed that social scientists instead of studying social change should instead study the timeless mechanisms of social *stability*. Drawing upon the theory of Durkheim (who studied both change and stability in societies), Malinowsky formulated a new approach to social science he called “functionalism.”

Over time the functionalist paradigm would become more scientific; it became a new approach that would discard descriptively Malinowskian comparisons of human societies. Instead the new functionalists employed biological models (such as von Bertalanffy’s “systems theory”), flow charts, and a dry and passionless prose style. In sociology, functionalism increased its influence under the Harvard sociologist Parsons (1937). However, by the time Parsons’ understudy Merton (1957) was reaching his most influential period, functionalism was beginning to come under attack.

During the heyday of functionalism, the pessimistic evolutionists Sorokin (1957) and Riesman (1950) bravely developed new evolutionary ideas. Sorokin warned that contemporary culture was becoming more hedonistic and “sensate”; Riesman warned that

it was becoming more morally flexible and “other directed.” But it wasn’t until the radical sociologist Mills (1959) wrote his iconoclastic *Sociological Imagination* that functionalism began to lose its dominant position in social thought. The attacks upon functionalism grew steadily in the 60s, were given more momentum by fallout of the cultural revolution in the 70s, and by the 80s functionalism had become so passe that Rogers (1984) could speak of the “passing of the dominant paradigm.”

In the 70s and 80s, stratification theories based upon studies of inequality inspired by Marx and Weber became widespread. Furthermore, evolutionary theory was able to reemerge from the underground. Although some contemporary social theorists such as Giddens have been able to carry on the functionalist legacy, it has yet to reestablish its once dominant position.

In anthropology the evolutionary theories of Harris and Sahlins began to displace the once-dominant functionalism. In sociology, Rogers embraced evolutionary theory to study the diffusion of technologies. But perhaps most importantly new interdisciplinary fields began to explore new innovative applications of evolutionary theory.

In communication studies, an approach called “medium theory” has emerged to study the effects communication technology has had upon culture. In the 1960s, McLuhan (1964) influenced by his colleague Innis (1962), popularized evolutionary approaches to technology and culture. However, drawing from both the humanities and the social sciences “medium theory” has begun to develop academic credibility (for example, the scholarly research of Havelock, Ong, Eisenstein, and Carey) while maintaining popular appeal (for example, the popular books of Postman, Levinson, and

Rushkoff). Levinson (1997) and Rushkoff (1999) have even directly studied the influence of the Internet and e-commerce.

Other radically interdisciplinary evolutionary approaches have also gained prominence. Consciousness studies have debated the evolution of consciousness. Philosophers, psychologists, computer scientists, and other scholars such as Jaynes (1976), Dennett (1991) and Chalmers (1996) have entered this ongoing debate over the function and epistemological limits of consciousness. This body of knowledge connects well to the work of medium theorists such as McLuhan (1964) and Ong (1982) who focused on the impact language and technology has had upon perception, experience, and the accumulation of knowledge.

Sociobiologists such as Colin Wilson and Jared Diamond have used Darwinian evolutionary concepts to study interpersonal human behavior and historical change. This connects with the works of Innis (1962) and McLuhan (1964) who studied the impact of technology upon interpersonal human behavior and historical change. A particularly novel theoretical experiment is that of medium theorist Meyrowitz (1986) who has combined the insights of medium theory with the theories of interpersonal behavior developed by the micro-sociologist Goffman to develop his own unique synthesis.

If sociobiologists are the most cautious evolutionary theorists, postmodernists are the boldest ones. Postmodernists have argued that the contemporary social environment has recently made a sharp qualitative break with the past. The once-dominant Enlightenment narrative of progress has given way to more pluralistic narratives (Lyotard), orderly context has given way to haphazard pastiche (Jameson), and straightforward notions of objective reality has given way to “hyper-reality”

(Baudrillard). The ethical implications of these changes are profound if indeed such profound changes are occurring. Although criticized for hyperbolic exaggeration, postmodernists provide provocative theories for viewing social change. Postmodernists often share with medium theorists an emphasis on communication technology as an agent of social change.

The great advantage of evolutionary theories is their ability to cross-fertilize and to shed intellectual light upon one another. Points of connection between the various classical and contemporary theories can be formed to refine and strengthen evolutionary theory in general. The great weakness of evolutionary theories is their inherently speculative nature and lack of testability in the social world compared to some other approaches. Even sociobiology lacks the testability of other Darwinian approaches such as biogenetics. Meyrowitz (1994) suggests that this problem can be mitigated to some extent by a better integration of evolutionary theory with other perspectives such as functionalism, stratification theory, and content analysis.

Applications of Evolutionary Approaches to Direct Marketing and E-Commerce

What can these evolutionary theories tell us about changes in direct marketing and e-commerce and their ethical ramifications? Can they be used as tools to help us anticipate future changes and create a marketplace based upon trust and mutual respect of merchant to customer?

Medium theory, which emphasizes the influence technology has upon culture, and diffusion theory, which studies the conditions necessary for the adoption of innovation, can both be used to study the ethical impact of technological change. One repeated theme

in the evolution of direct marketing is the explosion of different media channels and distribution options.

Some medium theorists, such as Postman (1986), have argued that adoption of electronic media has “contaminated” our current information environment. Postman believes values of critical analysis, delaying of gratification, and even the adoption of manners are tied to the ubiquity of the printing press and what he sees as the current erosion of these values is to be largely based on electronic technology displacing the authority of the written word. On the other hand, theorists such as Rushkoff (1996) have argued that current technologies have encouraged tolerance and discouraged dogmatism by allowing a more open information environment.

How has the emergence of direct marketing from a primarily direct mail orientation to a multimedia orientation effected honest and ethical business practice? How have changes in the ethical risks of direct marketing (such as the paradox of convenience) mirrored overall changes in the information environment (an overall more “open” one that often defies attempts to control information)?

How has this open information environment hampered efforts to protect privacy? Will this difficulty driven by technology lead to increased regulation of direct marketers? Reese (1997: 46) has ominously warned that “unless companies address consumer anxieties” that the “database manager could be legislated out of a job.”

This blurring of distinctions engendered by the free flow of information has also effected the relationship between direct and mass marketing; as integration increases the distinction between direct and mass marketing is becoming blurred. Mass marketing agencies are increasingly employing direct marketing techniques but at the same time

direct marketing experts are recognizing the nature and advantages of mass marketing strategies as well. As Rosenfield (1998: 40), has stated “ ‘we’ (direct marketers) are becoming more like ‘them’ (mass marketers). According to Rosenfield (p. 41), “the nature of general advertising is not to make sales...It’s to build desire, to fuel the consumer economy and it does a great job of doing that.”

Furthermore, our contemporary open and accessible information environment allows the interpersonal relationship between marketer and customer to become radically interactive. Direct markers *do* know much more about customers than they used to and it is easier for customers to contact and make requests to direct markers than in the early days of direct marketing. On the other hand, this has hardly led to the *Gemeinschaft*-like bonds of trust described by Tonnies ([1887] 1963). Hence the notion of “relationship marketing” is at least in part a misnomer.

Compare my loyalty and relationship to two very different businesses: Fred Hanson’s garage and orbitz.com. One is a *Gemeinschaft*-relationship; the other is a *Gesellschaft*-relationship.

I am loyal to Fred because he lives in a very rural area near my parents and is known as an honest man and part of the local community. I went to grade school and high school with his daughter. He has played cards with my parents and we have partaken in the New Year’s day parties he holds in his garage.

I know and trust Fred would never encourage me to fix anything in my used car that didn’t need fixing. If there are less expensive options of fixing my car, Fred will not only make me aware of them but will -- more often than not -- encourage me to spend less money with the less expensive alternatives. I trust Fred because of his character.

I am (relatively) loyal to orbitz.com because it is easy to use and navigate. The web site is very user-friendly and allows me to experiment with a number of options. If my flights change I receive e-mail updates. It is dependable and reliable. I find using e-tickets easy and convenient; nothing needs to be delivered. I also like the fact that orbitz advertises the total cost of the flight so I don't feel a sense of cognitive dissonance for having been "baited and switched." I have experimented with other web sites such as lowestfare.com, expedia.com, travelocity.com, and priceline.com and prefer orbitz.com. The only time I will use another web site is when I want to depart from an foreign airport such as Toronto – I then will use travelocity because orbitz as of yet does not let users book flights departing from foreign airports.

However, if a friend told me there was a new website that offered cheaper flights and it was just as dependable and easy to use as orbitz.com, I wouldn't think twice to give it a try. I don't trust orbitz based on their *character* like I trust Fred; rather my loyalty is based simply upon *experience*, not on any belief in the character of those faceless managers and employees who work at orbitz.

"Relationship marketing" does radically differ from a mass marketing marketer-customer relationship in which customers like myself are being treated as part of a target market. Orbitz *does* treat its customers like individuals and that is an important evolutionary development driven by improved technology and a highly tailored marketing strategy. On the other hand, the sense of alienation (from Marx), jadedness (from Simmel), and rational bureaucratization (from Weber) that arouse with the evolution of industry remain. We are still talking about an inherently *Gesellschaft* transaction (from Tonnies), albeit a new form.

Even seemingly more “personal” business-to-business e-commerce, which makes up approximately 90% of online sales, consists of largely *Gesellschaft* transactions between parties only superficially tied to informal norms of reciprocity and honesty. Concerns over fraud are still salient in B2B interchanges.

Conclusion and Directions for Future Research

The evolution of direct marketing has ameliorated some ethical problems with marketing. Customers who were the target of mass marketing pitches often resented being treated as market segments rather than unique individuals. Customers also used to complain that direct marketing was inconvenient and irrelevant. These problems have become less pronounced as direct marketing has become more sophisticated. However, in spite of its distinct advantages, this new kind of *Gesellschaft* transaction has its dangers. Customers are increasingly concerned about privacy; these concerns are increasingly coming to the attention of legislators and regulators (Reese 1997). Although a number of on-line privacy initiatives have been pushed through (Ott 1999, Melillo 2000, Denver Post, 2000), these measures have been to a large degree reactionary and ad-hoc. More research need to address *which* privacy concerns are more potentially deleterious. Furthermore, the new research needs to be contextualized in a coherent ethical framework.

As Rieck (1998) pointed out it is highly problematic that marketing professionals are influenced largely by legal issues, not *ethics*. Fortunately some ethical framework-building is beginning to evolve. Cattapan (2000) has noted that relationship marketing becomes problematic when e-businesses treat consumer information as a tradable

commodity rather than a step towards trust-building. As Cattapin (2000: 1) stated, “When you think about it it’s all about who you can trust with your cookies. Growing up we learn about who we can tell our secrets to and who we cannot tell. If you guess wrong suddenly everyone knows who knows you have a crush on or on that you’re actually a Cubs fan. But if that person keeps your secret you’re on your way to building a new friendship.” The same principle, he argues, holds true with information gathered from cookies.

Morse and Morse’s (2002) has taken a comprehensive look at the ethics of privacy and the use of cookies and concluded that individualistic “utilitarian” approaches need to be bolstered by sociologically-based “communitarian” approaches that recognize a collective reality as well as an individual one. It is hoped that the new ethical code of practice established by the DMA in 2003 (Rubach 2003) is the beginning of a move towards a more “societal” approach to direct marketing and e-commerce ethics.

In addition to privacy concerns, there are increasing problems associated with *increased* convenience. I tend to buy too many plane tickets with orbitz. The experience of instant gratification is addicting as well as the “fun” connected to planning vacations. Contrariwise, I don’t spend too much money at Fred Hanson’s garage. This is what was described in *Anomie in the Information Age* (Curtis 1997) – the Durkheimian risk of egoistic addiction in an increasingly more open information environment. Research need to be conducted and evidence gathered concerning the risks of shopping addiction and whether they are being encouraged by the growth of e-commerce. Again, as Morse and Morse (2002) have stated we need to look as societal ramifications rather than relying on

naïve “individual choice” notions; we are all shaped by our social environment in spite of the existence of personal choice.

The same danger of direct marketing environments encouraging spending addiction has also been expressed in *Coercion* by Rushkoff (1999). However, the consciousness debate may shed light upon this ethical controversy. According to indeterministic optimists such as Bergson (1907) and Dennett (1991), symbolic human consciousness does give us the ability to actually make decisions, thereby giving us opportunities to break the chain of determinism. According to Dennett it is up to us to choose to be either “Skinnerian creatures,” passively pushed around by forces outside of our control of “Popperian creatures,” who actively learn by trial and error. On the other hand, according to some neuroscientists who call themselves “eliminativists” the notion that symbolic consciousness gives us choice is simply an illusion; for them, like it or not, *we are* “Skinnerian creatures.”

Nevertheless, even from a Skinnerian viewpoint social situations can be better structured by social leaders so as to encourage a more ethical social environment (Skinner 2002). Although it would certainly be comforting if anomie could be ameliorated on the *individual* level as Bergson and Dennett have implied, even Skinner believed that ethical challenges that arise from social evolution may be obviated by contemporary social leaders. *Which* leaders take the leadership initiative remains to be seen. Detailed and systematic research by direct marketing practitioners who can recognize and confront new ethical challenges may prevent overbearing government regulation. It is hoped that industry self-regulation guided by a knowledge of direct

marketing evolution will be the model for ethical leadership rather than increased legislation in the form of fines and courtroom verdicts.

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