

Marketing and Customer Exploitation

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Introduction

Marketing has been a way for companies to expose their brand in many ways, such as through promotions or pricing strategies. In the past few years, companies have taken to the internet to reach out to more people and thus extend the reach of their products. (OECD, 2024) However, we can't say for sure that the companies advertising these products have our best interests in mind.

Consumer Persuasion and Rationality Gaps

The goal of marketing at the end of the day is to persuade a customer to buy something that they didn't know they needed. (Federal Trade Commission, 2022) An argument can be made regarding the fact that the company is doing all this to raise awareness for the product, and in turn, this can result in you wanting the product as if you didn't know it existed. (Runge et al., 2023) However, companies sometimes use marketing to their advantage to create a want or need where none existed in the first place. Companies do this by exploiting the rationality gap which is interfaced with our false expectations. (European Commission, 2022) Daniel Kahneman addresses this in his book "*Thinking, Fast and Slow*" Daniel Kahneman argues that there are two primary modes that our brains operate on. The first mode is based on gut-based instinct which is fast and based on our fears and hopes; however, this mode can easily be re-programmed by context which happens at a subconscious level and can, in turn, result in us buying something that we don't need. On the other hand, there is our slow thinking process, which is the second primary mode, it is easier to review and is closely related to what we refer to as a higher level of intelligence (Strawson, 2011) (Kahneman, 2013).

Industry Exploitation of Consumer Fears

However, even after such a significant amount of research, we are still unable to use our slow thinking; instead, we use our gut-based instinct to make the majority of our decisions. An excellent example of an industry that takes advantage of this is the insurance industry, which plays on our fears and tricks us into buying insurance we don't need (Lawrence, 2015). Another example of an industry that takes advantage of us is the pharmaceutical industry, especially in the United States where the cost of drugs far exceeds the cost in any other country. While pharmaceutical companies like to portray the fact that they are carrying so much burden when it comes to research, it could not be any further than the truth it already is. Pharmaceutical companies spend twice as much money on marketing than research and development. Medical drugs are a necessity for a lot of people and not a lavish lifestyle choice; they should be distributed to people in such a way that it has the best effect on

the people buying them. Nothing justifies the higher marketing costs and the reasons given are doubtful or despicable at best (Anderson, 2014).

Data-Driven Marketing and Online Privacy

The fact is that marketing is becoming more and more data-based thanks to the internet. A broader example of companies exploiting our data for marketing purposes can be seen in terms of free online services. We use free services such as Facebook and Google because they provide essential services and fulfill our needs for free. However, they do more than that and go one step further and sell our data to other companies which in turn show us products or as it is called on the internet, *ads*. These ads are catered to our liking based on what we previously searched for on the internet, all of this is done to give us an experience that is catered to our needs and provides us with a feeling of self-fulfillment (Hachman, 2015) (Lawrence, 2015).

Customer Context Marketing

You can't blame companies either because marketing campaigns don't work anymore. Consumers prefer *customer context marketing*. This type of marketing focuses on the customer in such a way that the customer can, in turn, relate to your product. This honestly works better than regular marketing campaigns because people define a brand by the exchanges they have with it. You might be looking for the top customer relationship management services and voila, suddenly *Salesforce* which is currently the leading CRM software service shows up in your ads. This makes you feel a connection that you didn't know existed, better yet it gives you a solution to the problem you are facing further solidifying your chances of wanting to be a part of the product (Doty, 2014).

Conclusion

Nothing changes the fact that marketing is taking advantage of our data and exploiting us, in turn, using that data. A lot of people don't think about marketing being used to exploit them. Even to this day, the basic definition of marketing in business textbooks is companies using various strategies to give exposure to their brand which sounds very positive until you do some research and find out what these *policies* can be like. No one thinks of the consequences of all the data they are putting online which acts as fodder for all these companies when it comes to marketing. Just imagine what would happen if all this information fell into the wrong hands. Who would be held responsible for anything that goes wrong? Are the companies exploiting the data or are the people happily providing them with this data?

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