

Ethical marketing strategies: the unique Nash equilibrium

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Abstract

Purpose – Can industrial marketers afford to choose unethical strategies? To answer this question, this study aims to use game theory to analyze whether an industrial marketer choosing and implementing an unethical strategy is successful in maximizing her market share across her strategies.

Design/methodology/approach – The competition between two industrial marketers is modeled as a strategic game for the market share of a product that is identical in all attributes except the production process. Each industrial marketer's objective is to choose to implement either the ethical or the unethical production process to maximize her market share.

Findings – The study finds that both industrial marketers choosing to implement ethical strategies is the unique Nash equilibrium of the game. That is, an industrial marketer choosing to implement an unethical strategy in the production process will be unsuccessful in maximizing her market share when both the industrial marketers are rational.

Research limitations/implications – The study contributes to the literature on industrial marketing ethics, particularly that on product ethics, by showing that industrial marketers gain market share if they choose ethical strategies.

Practical implications – The study has implications for industrial marketing executives, as organizational consumers are increasingly aware of the strategies of industrial marketers. Failure to implement ethical strategies will cause industrial marketers to forgo their best possible market shares.

Originality/value – This study's novelty lies in using a game theoretic approach to demonstrate the positive implications of ethical strategies for industrial marketers.

Keywords Marketing strategy, Market share, Game theory, Nash equilibrium, Industrial marketing ethics, Product ethics

Paper type Research paper

Introduction

In industrial marketing, ethics is important (Anaza *et al.*, 2015; Anwer *et al.*, 2020; Chou and Chen, 2018; Elahee and Brooks, 2004; Ha and Nam, 2016; Indounas, 2008; Lei *et al.*, 2020; Low and Davenport, 2009; Lu and Yan, 2016; Miller *et al.*, 2021; Munoz and Mallin, 2019; Murlu, 2011; Schwepker, 2016; Schwepker and Ingram, 2016; Schwepker and Good, 2013; Schwepker, 2003; Trawick and Swan, 1988; Zanini and Musante, 2013; Zarkada-Fraser and Fraser, 2001). Browning and Zabriskie (1983, p. 219) contend that “an industrial market exists when a buyer and a seller trust each other enough to create a transaction.” They add that “ethical behaviour is defined as the use of recognized social principles involving justice and fairness in situations that are part of business relationships” (1983, p. 219). These relationships must be away from unethical practices like mishandling confidential information, telling half-truths for gain, slandering by innuendo, failure to keep promises, taking credit for

someone else's work, breaking or avoiding appointments with vendors for arbitrary or personal reasons, accepting vendor favors such as entertainment, tickets and gifts using false information to extract concessions from vendors, and divulging confidential company information to vendors (Browning and Zabriskie, 1983).

Ethical marketing constitutes “practices that emphasize transparent, trustworthy, and responsible personal and/or organizational marketing policies and actions that exhibit integrity as well as fairness to consumers and other stakeholders” (Murphy *et al.*, 2005, p. xviii). Industrial marketers [1] frequently face moral complexity during the development of ethical marketing policies and the deliberation of appropriate actions. Industrial marketers may have to judge the moral appropriateness of marketing policies and actions either based on the consequences for various stakeholders or on the inherent rightness or wrongness of such policies and actions (Murphy *et al.*, 2005, p. xviii). The former approach to decision-making draws from the principles of consequentialism

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(Albert *et al.*, 2015; Bowen, 2004; Chakrabarty and Bass, 2015; Hunt and Vitell, 1986; Kujala and Pietiläinen, 2004) and the latter from deontology (Carter *et al.*, 2017; Hunt and Vitell, 1986; Micewski and Troy, 2007; Piercy and Lane, 2007).

Sometimes, industrial marketers may use both “deontological and teleological evaluations in resolving their ethical problems” (Hunt and Vitell, 1986, p. 15; Hunt and Vitell, 2006; cf. Enderle, 1996), particularly when “neither consequentialism nor deontology alone provides an adequate framework for moral judgment” (Miner and Petocz, 2003, p. 18). The combination of both approaches may suggest that industrial marketers “should act on that principle or adopt that course of action or policy that is universalizable, respects the dignity of persons, and which promotes the greatest amount of good for all concerned” (Lisman, 1996, as discussed in Miner and Petocz, 2003, p. 18). If an industrial marketer finds two equally moral acts have unequal consequences, she could take the outcomes into consideration (Tanner *et al.*, 2008). If an industrial marketer finds two equally moral consequences arise from unequal acts, she could take the acts into consideration (Tanner *et al.*, 2008).

However, industrial marketers may find especial difficulty when faced with a need to consider both short-term and long-term goals (cf. McGowan, 2020). In such cases, although it may be sensible “to apply general rules for action and to rationalize them with consequentialist justifications” (Tanner *et al.*, 2008), resisting an all-out consequential approach for decisions inspired by short-term goals may be difficult. The industrial marketing executives who are either recent hires from business schools or at an early stage of their career may identify more with the adoption of consequential approaches for managing short-term goals. Authors have noted that consequentialism can be instrumental for business competitiveness (Verbos and Miller, 2015) and that “illegal or unethical practices could lead to short term gains [...]” (Upadhyaya, 2015).

This study examines whether unethical marketing strategies in industrial markets actually pay in the short-term. A game theoretic approach is used, and the examination is situated in the context of industrial product ethics. It is demonstrated that industrial marketers can afford to adopt only ethical (rather than unethical) strategies even in the short-term since the adoption of ethical strategies is the unique Nash equilibrium [2] of the market share game. In other words, adopting ethical strategies maximizes the market shares of the industrial marketers across their respective strategies, given that the industrial marketers are rational.

The remainder of this article is structured as follows: Section 2 provides a review of the relevant literature and the study context; Section 3 presents the models and results; the contribution of this work to the industrial marketing ethics literature and implications for industrial marketing executives are described in Sections 4 and 5, respectively; and Section 6 concludes by outlining limitations and future research avenues.

Review of the relevant literature and the study context

“In recent years, attention to business ethics and corporate social responsibility has been steadily increasing among consumers, businesses, trade organizations, public institutions, NGO’s and other stakeholders. Buyers in developed countries

are increasingly held responsible for unethical conditions among their suppliers in low wage countries and must accordingly focus on managing social and environmental issues within their supply chains” as discussed by Valeur (2014, p. 13). The analysis “focuses on the potential for applying Ecolabel standards and environment management systems in Tirupur to positively influence environmental performance locally” (Valeur, 2014, p. 14). The publication is in the context of Nordic organizational consumers buying textiles from industrial marketers in Tirupur, India.

We focus here on industrial marketing ethics. Marketing ethics as a research domain has been defined as an “inquiry into the nature and grounds of moral judgments, standards, and rules of conduct relating to marketing decisions and marketing situations” (Vitell, 1986, p. 4) or “the systematic study of how moral standards are applied to marketing decisions, behaviors and institutions” (Murphy *et al.*, 2005, p. xvii, as cited in Abela and Murphy, 2008, p. 39; Schlegelmilch and Öberseder, 2010, p. 2). Marketing ethics has many sub-domains of research, such as “STP (segmentation, targeting and positioning) ethics” (Brenkert, 1998a, 1998b, 2008; Murphy *et al.*, 2005; Palmer and Hedberg, 2013; Putrevu and Swimberghek, 2013; Spotswood and Nairn, 2016), “product ethics” (Arnold and Bowie, 2003, 2007; Brenkert, 2008; Chonko, 1995; Crane and Kazmi, 2010; Kates, 2015; Koenigsberg *et al.*, 2011; Murphy *et al.*, 2005; Powell and Zwolinski, 2012), “pricing ethics” (Bass *et al.*, 2006; Dixit *et al.*, 2006; Elegido, 2009, 2011; Hemphill, 2010; Leslie, 2013; Mehafdi, 2000; Zwolinski, 2008, 2009), “promotion ethics” (Ariffin *et al.*, 2017; Bakir and Vitell, 2010; Boyd, 2012; Brenkert, 2008; Escalas, 2004; Herbst *et al.*, 2013; Munoz and Mallin, 2019; Nebenzhal and Jaffe, 1998; Phillips and McQuarrie, 2010; Schwepker, 2003; Trawick and Swan, 1988), “distribution ethics” (Aalberts and Jennings, 1999; Brenkert, 2008; Chonko, 1995; Ha and Nam, 2016; Klein and Murphy, 2008; Melamed, 2006; Miller *et al.*, 2021; Murphy *et al.*, 2005), “marketing research ethics” (Aggarwal *et al.*, 2012; Brenkert, 2008; Chonko, 1995; Murphy *et al.*, 2005; Tybout and Zaltman, 1974), “international marketing ethics” (Armstrong, 1992, 1996; Brenkert, 2008; Mehafdi, 2000; Zarkada-Fraser and Fraser, 2001) and “consumer ethics” (Carrington *et al.*, 2010; Liu *et al.*, 2009; Mitchell *et al.*, 2009; Vitell, 2003; Vitell and Muncy, 1992; Zhao and Xu, 2013).

This study is situated under *product ethics*. Crane (2001, p. 362) posited that the notion of an ethical product encompasses “a whole set of issues and considerations [...] such as product safety, environmental impacts, consumer privacy, employee welfare, discrimination, fair pricing, community action, charitable donations, etc.” Crane (2001, pp. 365–367) also posited that the ethical augmentation of a product can take place at the following four levels, each of which can encompass several issues (or ethical product attributes): the product level, marketing level, corporate level and country level.

For ethical augmentation at the product level, the industrial marketer is expected to give emphasis to “considerations regarding the product’s potential for individual/social good or harm” (Crane, 2001, p. 365). Issues at the product level include “value durability” (Brenkert, 2008; Koenigsberg *et al.*, 2011), “socially controversial products” (Brenkert, 2000; Chonko, 1995; Crane, 2001; Murphy *et al.*, 2005),

“environmentally incompatible products” (Chonko, 1995; Crane, 2001; Murphy *et al.*, 2005), “product obsolescence” (Brenkert, 2008; Chonko, 1995; Murphy *et al.*, 2005), “use of animal flesh and leather” (Schaefer and Savulescu, 2014), “product counterfeiting” (Chonko, 1995; Murphy *et al.*, 2005) and “product safety” (Brenkert, 2008; Carter *et al.*, 2013; Chonko, 1995; Crane and Kazmi, 2010; Murphy *et al.*, 2005).

At the marketing level of ethical augmentation, marketing campaigns for a product shall not misrepresent the product and misinform the organizational consumer (Crane, 2001, p. 365). Issues under this category could include “communication of contents,” “the safety the packaging provides,” “the environmental impact of the packaging material” (Brenkert, 2008) and “child-resistant and tamper-evident packaging” (Bone and Corey, 1992, 2000).

At the corporate level of ethical augmentation, the industrial marketer is expected to be sensitive to the ethical quotients of their suppliers and other partners (Crane, 2001, p. 366). Organizational consumers develop opinions on a marketer’s product based on their evaluation of the ethical reputation of the marketer (Brown and Dacin, 1997; Crane, 2001).

At the country level of ethical augmentation, organizational consumers prefer buying domestically produced products over products sourced from a country where either rules and regulations are not properly enforced or there is racial discrimination, pervasive child labor and sweatshop labor, the influence of a military dictatorship, etc. (Arnold and Bowie, 2003, 2007; Arnold and Hartman, 2003; Crane, 2001, p. 367; Crane and Kazmi, 2010; Flanigan, 2018; Kates, 2015; Snyder, 2010). The industrial marketer is required to be thoughtful of such issues while outsourcing or carrying out its product development process (Crane, 2001).

The preceding review illustrates that various attributes can affect the ethical augmentation of a product in industrial marketing contexts. As illustrative attributes, this study considers *polluting* the natural environment and using *sweatshop* labor as part of the production process to produce an offering. Using a game theoretic approach, the study examines whether an industrial marketer’s strategy to use such attributes in a competitive environment will maximize her market share.

Model and results

The results of the study hold for all types of marketers. We focus here on industrial marketers. There are two competing industrial marketers (or players), M_1 and M_2 , in a given market. The competition is on a product (for example, dyed textiles) that is identical in all attributes, for example, price and quality, except the processes of production, packaging or distribution, etc. [3] In this study, we consider examples of production processes. These processes (or strategies) may be “unethical” or “ethical” – for example, polluting or non-polluting, sweatshop or non-sweatshop, etc. [4] Each industrial marketer wants to maximize her market share (or payoff), given that both industrial marketers know the other’s sets of strategies and payoffs. Each one’s objective is to choose to implement (or play) either the ethical or the unethical strategy so as to maximize her market share [5]. We assume that if both the industrial marketers choose identical strategies, then organizational consumers are indifferent between them, and

hence, each organizational consumer chooses one of them uniformly at random [6]. We also assume that if two products are identical in all attributes except that one is obtained through an unethical process and the other through an ethical process, no organizational consumer would *choose* the product involving the unethical process [7].

We show that playing ethically is always the only Nash equilibrium strategy of each industrial marketer. In other words, the pair of strategies (ethical, ethical) [8] is the unique Nash equilibrium of the game. This holds even if there are organizational consumers who are loyal to either of the industrial marketers. Furthermore, as long as there are no loyal organizational consumers, the industrial marketer who plays ethically has a bigger market share than the industrial marketer who plays unethically. In the following propositions, we consider identical unethical strategies of both industrial marketers but different ethical strategies, albeit partly ethical. For this purpose, we consider two unethical strategies, P for polluting and S for a sweatshop. Both industrial marketers have *polluting and sweatshop* (P and S), denoted as $(P \wedge S)$ or “U,” as their (completely) unethical strategy. Let *non-polluting but sweatshop*, denoted as $(\neg P \wedge S)$ or “E₁,” be the (partly) ethical strategy of M_1 and *polluting but non-sweatshop*, denoted as $(P \wedge \neg S)$ or “E₂,” be the (partly) ethical strategy of M_2 . Even if both industrial marketers have identical ethical strategies and identical unethical strategies, our results hold. In Proposition 1, we assume that the organizational consumers are *aware* [9] of the implemented strategies of the industrial marketers. Proposition 2 deals with *unaware* organizational consumers as well.

Proposition 1

Suppose all organizational consumers are aware of the implemented strategies of both industrial marketers. If there is at least one organizational consumer who *empathizes* [10] with M_1 ’s ethical strategy and at least one organizational consumer who empathizes with M_2 ’s ethical strategy, then for each industrial marketer, choosing their respective ethical strategy is better than the unethical strategy, no matter what the other industrial marketer chooses. In other words, both industrial marketers choosing ethical strategies is the unique Nash equilibrium of the game.

Proof of proposition 1

All organizational consumers who empathize with only M_1 ’s ethical strategies and not M_2 ’s buy M_1 ’s product if M_1 chooses to implement its ethical strategy, irrespective of whether M_2 chooses to implement its ethical strategy or not. All organizational consumers who empathize with M_1 ’s and M_2 ’s ethical strategies buy M_1 ’s product if M_1 chooses to implement its ethical strategy while M_2 chooses the unethical strategy. Organizational consumers are indifferent between the products of the two industrial marketers if both industrial marketers choose their respective ethical strategies, as a result of which we expect half of the organizational consumers to choose M_1 ’s product over that of M_2 . Therefore, no matter which strategy M_2 chooses, M_1 is better off choosing its ethical strategy. A similar argument also holds for M_2 choosing its ethical strategy. A formal proof follows.

Let D be the total size of the industrial market, that is, the total number of organizational consumers. Let $\beta_1 \geq 0$ be the fraction of organizational consumers who empathize with only M_1 's ethical strategy and not M_2 's. Let $\beta_2 \geq 0$ be the fraction of organizational consumers who empathize with only M_2 's ethical strategy and not M_1 's. Let $\beta \geq 0$ be the fraction of organizational consumers who empathize with both M_1 's and M_2 's ethical strategies and are indifferent if both industrial marketers play ethically. As mentioned above, fraction β of organizational consumers buy M_1 's product if M_1 chooses E_1 while M_2 chooses U . Similarly, when M_2 chooses E_2 while M_1 chooses U , fraction β of organizational consumers buy M_2 's product. This leads to the bimatrix game [11] (A_1, B_1) , where M_1 's payoff matrix [12] A_1 and M_2 's payoff matrix B_1 are as follows:

$$A_1 = \begin{matrix} & U & E_2 \\ \begin{matrix} U \\ E_1 \end{matrix} & \begin{bmatrix} \frac{D}{2} & \frac{(1-\beta_2-\beta)D}{2} \\ (\beta_1+\beta)D + \frac{(1-\beta_1-\beta)D}{2} & \beta_1 D + \frac{(1-\beta_1-\beta_2)D}{2} \end{bmatrix} \end{matrix}$$

$$B_1 = \begin{matrix} & U & E_2 \\ \begin{matrix} U \\ E_1 \end{matrix} & \begin{bmatrix} \frac{D}{2} & (\beta_2+\beta)D + \frac{(1-\beta_2-\beta)D}{2} \\ \frac{(1-\beta_1-\beta)D}{2} & \beta_2 D + \frac{(1-\beta_1-\beta_2)D}{2} \end{bmatrix} \end{matrix}$$

The entries in the payoff matrices are obtained as follows. Whenever M_1 chooses E_1 , fraction β_1 of organizational consumers prefer M_1 's product. Hence, $\beta_1 D$ is added to the entries in the second row of A_1 (and subtracted from entries in the second row of B_1). Similarly, whenever M_2 chooses E_2 , fraction β_2 of organizational consumers prefer M_2 's product. Hence, $\beta_2 D$ is added to the entries in the second column of B_1 (and subtracted from the entries in the second column of A_1). Now, if M_1 chooses E_1 while M_2 chooses U , fraction β of organizational consumers prefer M_1 's product; hence, βD is added to the corresponding entry in A_1 . If, however, both M_1 and M_2 choose their respective ethical strategies, fraction β of organizational consumers are indifferent between M_1 's product and M_2 's product; as a result, $\frac{\beta D}{2}$ is added to the corresponding entries in A_1 and B_1 . If both M_1 and M_2 choose U , then the entire market, D , is indifferent between their products. The above discussion leads to all the payoffs in matrices A_1 and B_1 . For example, for the entry in A_1 that corresponds to strategy E_1 of M_1 and strategy U of M_2 , $(\beta_1 + \beta) D$ organizational consumers buy M_1 's product. The remaining $(1 - \beta_1 - \beta) D$ organizational consumers are indifferent between the products of M_1 and M_2 ; hence, $\frac{(1-\beta_1-\beta)D}{2}$ organizational consumers buy M_1 's product and the remaining $\frac{(1-\beta_1-\beta)D}{2}$ organizational consumers buy M_2 's product.

Either both $\beta_1 > 0$ and $\beta_2 > 0$ or $\beta > 0$ because there is at least one organizational consumer who empathizes with M_1 's ethical strategy and there is at least one organizational consumer who empathizes with M_2 's ethical strategy. If M_1 plays unethically, then M_2 is better off playing ethically because

M_2 receives $\frac{D}{2} + \frac{(\beta_2 + \beta)D}{2}$ when playing ethically, which is greater than $\frac{D}{2}$ (which is what M_2 would receive by playing unethically). This follows by rewriting M_2 's payoff and because either $\beta_2 > 0$ or $\beta > 0$. Now, if M_1 plays ethically, M_2 is still better off playing ethically, as M_2 obtains $\frac{(1-\beta_1)D}{2} + \frac{\beta_2 D}{2}$, which is greater than $\frac{(1-\beta_1)D}{2} - \frac{\beta D}{2}$, the payoff M_2 receives when playing unethically. Therefore, the strategy "ethical" (E_2) dominates the strategy "unethical" (U) for M_2 . Similarly, as $\beta_1 > 0$ or $\beta > 0$, the strategy "ethical" (E_1) dominates the strategy "unethical" (U) for M_1 . In other words, the pair of strategies (ethical, ethical) or (E_1, E_2) is the unique Nash equilibrium of the game.

That is, in the payoff matrix A_1 , for the entries corresponding to the pairs of strategies (U, U) , (U, E_2) , (E_1, U) and (E_1, E_2) , we have $(E_1, U) > (U, U)$ and $(E_1, E_2) > (U, E_2)$. In payoff matrix B_1 , for the entries corresponding to the pairs of strategies (U, U) , (U, E_2) , (E_1, U) and (E_1, E_2) , we have $(U, E_2) > (U, U)$ and $(E_1, E_2) > (E_1, U)$. Hence, (E_1, E_2) works best for both industrial marketers.

Remark 1

In Proposition 1, we consider identical unethical strategies but different ethical strategies. The result holds even when we consider identical ethical strategies. For example, U may be P , and E may be $-P$. In this case, $\beta_1 = \beta_2 = 0$, but $\beta > 0$. Results in the case of identical ethical strategies follow from the following propositions as well.

Remark 2

In Proposition 1, some fraction of organizational consumers do not empathize with either ethical strategy. It suffices to consider only the fraction of organizational consumers who empathize with one or both ethical strategies. Therefore, we henceforth consider only those organizational consumers who empathize with one or both ethical strategies. The following is a formal deduction of this remark.

In Proposition 1, some fraction β_0 of D organizational consumers do not empathize with either ethical strategy. Clearly, $\beta_0 + \beta_1 + \beta_2 + \beta = 1$. Let $\beta_1 + \beta_2 + \beta = \beta_e$ denote the fraction of organizational consumers who empathize with one or both ethical strategies. The payoff matrices A_1 and B_1 may be rewritten as follows:

$$A_1 = \begin{matrix} & U & E_2 \\ \begin{matrix} U \\ E_1 \end{matrix} & \begin{bmatrix} \frac{\beta_e D}{2} + \frac{\beta_0 D}{2} & \frac{\beta_1 D}{2} + \frac{\beta_0 D}{2} \\ (\beta_1 - \beta)D + \frac{\beta_2 D}{2} + \frac{\beta_0 D}{2} & \beta_1 D + \frac{\beta D}{2} + \frac{\beta_0 D}{2} \end{bmatrix} \end{matrix}$$

$$B_1 = \begin{matrix} & U & E_2 \\ \begin{matrix} U \\ E_1 \end{matrix} & \begin{bmatrix} \frac{\beta_e D}{2} + \frac{\beta_0 D}{2} & (\beta_2 + \beta) + \frac{\beta_1 D}{2} + \frac{\beta_0 D}{2} \\ \frac{\beta_2 D}{2} + \frac{\beta_0 D}{2} & \beta_2 D + \frac{\beta D}{2} + \frac{\beta_0 D}{2} \end{bmatrix} \end{matrix}$$

As the same constant $\frac{\beta_0 D}{2}$ is added to all entries of A_1 and B_1 , the game (G, H) defined as:

$$G = \begin{matrix} & \begin{matrix} U & E_2 \end{matrix} \\ \begin{matrix} U \\ E_1 \end{matrix} & \begin{bmatrix} \frac{\beta_e D}{2} & \frac{\beta_1 D}{2} \\ (\beta_1 + \beta)D + \frac{\beta_2 D}{2} & \beta_1 D + \frac{\beta D}{2} \end{bmatrix} \end{matrix}$$

$$H = \begin{matrix} & \begin{matrix} U & E_2 \end{matrix} \\ \begin{matrix} U \\ E_1 \end{matrix} & \begin{bmatrix} \frac{\beta_e D}{2} & (\beta_2 + \beta)D + \frac{\beta_1 D}{2} \\ \frac{\beta_2 D}{2} & \beta_2 D + \frac{\beta D}{2} \end{bmatrix} \end{matrix}$$

has the same unique Nash equilibrium (E_1, E_2) as the game (A_1, B_1) . Therefore, it is not necessary to consider the fraction β_0 of organizational consumers. Hence, from now on, we assume $\beta_1 + \beta_2 + \beta = 1$.

Remark 3

In Proposition 1, we consider the total number of organizational consumers. However, it suffices to consider the fraction of the number of organizational consumers (as a fraction of 1). Therefore, henceforth we consider only the fraction of the number of organizational consumers. A formal deduction of this remark follows.

As $D > 0$ and each entry of A_1 and B_1 (hence, of G and H) is multiplied by D , the game (X, Y) , defined as:

$$X = \begin{matrix} & \begin{matrix} U & E_2 \end{matrix} \\ \begin{matrix} U \\ E_1 \end{matrix} & \begin{bmatrix} \frac{1}{2} & \frac{\beta_1}{2} \\ (\beta_1 + \beta) + \frac{\beta_2}{2} & \beta_1 + \frac{\beta}{2} \end{bmatrix} \end{matrix}$$

$$Y = \begin{matrix} & \begin{matrix} U & E_2 \end{matrix} \\ \begin{matrix} U \\ E_1 \end{matrix} & \begin{bmatrix} \frac{1}{2} & (\beta_2 + \beta) + \frac{\beta_1}{2} \\ \frac{\beta_2}{2} & \beta_2 + \frac{\beta}{2} \end{bmatrix} \end{matrix}$$

has the same unique Nash equilibrium (E_1, E_2) as the game (A_1, B_1) . Therefore, it is not necessary to consider D and it suffices to consider the fraction of the number of organizational consumers.

In the following proposition, some organizational consumers are *unaware* of the implemented strategies of both industrial marketers. All other assumptions are the same as those of Proposition 1.

Proposition 2

Suppose there is at least one organizational consumer who is aware of the implemented strategies of both industrial marketers. Among the aware organizational consumers, if there is at least one who empathizes with M_1 's ethical strategy and at least one who empathizes with M_2 's ethical strategy, then choosing ethical strategies is best for both industrial marketers. In other words, both industrial marketers choosing ethical strategies is the unique Nash equilibrium of the game.

Proof of proposition 2

For organizational consumers who are aware, the proof is similar to the proof of Proposition 1. Organizational consumers who are unaware are indifferent between the products of the two industrial marketers (owing to their unawareness) and we expect half of them to buy M_1 's product and the other half to buy M_2 's.

Let a be the fraction of organizational consumers who are aware of the implemented strategies of the industrial marketers, where $0 < a < 1$. Let $\beta_1 \geq 0$ be the fraction of aware organizational consumers who empathize with only M_1 's ethical strategy and not M_2 's. Let $\beta_2 \geq 0$ be the fraction of aware organizational consumers who empathize with only M_2 's ethical strategy and not M_1 's. Let $\beta \geq 0$ be the fraction of aware organizational consumers who empathize with both M_1 's and M_2 's ethical strategies and are indifferent if both industrial marketers play ethically. This leads to the bimatrix game (A_2, B_2) , where M_1 's payoff matrix A_2 and M_2 's payoff matrix B_2 are:

$$A_2 = \begin{matrix} & \begin{matrix} U & E_2 \end{matrix} \\ \begin{matrix} U \\ E_1 \end{matrix} & \begin{bmatrix} \frac{1}{2} & \frac{(1-a)}{2} + \frac{a\beta_1}{2} \\ \frac{(1-a)}{2} + a(\beta_1 + \beta) + \frac{a\beta_2}{2} & \frac{(1-a)}{2} + a\beta_1 + \frac{a\beta}{2} \end{bmatrix} \end{matrix}$$

$$B_2 = \begin{matrix} & \begin{matrix} U & E_2 \end{matrix} \\ \begin{matrix} U \\ E_1 \end{matrix} & \begin{bmatrix} \frac{1}{2} & \frac{(1-a)}{2} + a(\beta_2 + \beta) + \frac{a\beta_1}{2} \\ \frac{(1-a)}{2} + \frac{a\beta_2}{2} & \frac{(1-a)}{2} + a\beta_2 + \frac{a\beta}{2} \end{bmatrix} \end{matrix}$$

Note that $A_2 = aA_1 + \begin{bmatrix} \frac{(1-a)}{2} & \frac{(1-a)}{2} \\ \frac{(1-a)}{2} & \frac{(1-a)}{2} \end{bmatrix}$ and

$B_2 = aB_1 + \begin{bmatrix} \frac{(1-a)}{2} & \frac{(1-a)}{2} \\ \frac{(1-a)}{2} & \frac{(1-a)}{2} \end{bmatrix}$, where A_1 and B_1 are as in

Proposition 1. Hence, the proof of Proposition 1 applies here as well, and the pair of strategies (ethical, ethical) or (E_1, E_2) is the unique Nash equilibrium of the game. In other words, $(E_1, E_2) > (U, E_2)$ and $(E_1, E_2) > (E_1, U)$, resulting in (E_1, E_2) working mutually best for both industrial marketers.

Remark 4

Note that organizational consumers who are unaware are divided equally between the industrial marketers, independent of their strategies. Therefore, for other variants of Proposition 1, we assume that all organizational consumers are aware and similar proofs can be given if there are unaware organizational consumers as well.

In the following propositions, we extend Proposition 1 to include all four strategies for both industrial marketers. The four strategies are U, E_1 and E_2 as in Proposition 1 and the fully ethical strategy of *non-polluting and non-sweatshop*, $(\neg P \wedge \neg S)$ [13]. That is, M_1 and M_2 have the following four strategies each: *polluting and sweatshop* (P and S), denoted as $(P \wedge S)$; *non-polluting but sweatshop*,

denoted $(\neg P \wedge S)$; *polluting but non-sweatshop*, denoted as $(P \wedge \neg S)$; and the *fully ethical strategy non-polluting and non-sweatshop*, denoted as $(\neg P \wedge \neg S)$. We also consider *extremely empathetic organizational consumers*; that is, organizational consumers who are empathetic to an ethical strategy do not buy any product if neither industrial marketer plays that ethical strategy. We show that even if both industrial marketers have all four strategies each, the pair of strategies (ethical, ethical) – that is, $[(\neg P \wedge \neg S), (\neg P \wedge \neg S)]$ – is the unique Nash equilibrium of the game. As a stronger result, we show that $(\neg P \wedge \neg S)$ dominates all other strategies; that is, for each industrial marketer, playing $(\neg P \wedge \neg S)$ results in better market share no matter what the other industrial marketer plays.

For notational convenience, we continue to denote $(\neg P \wedge S)$ by E_1 , $(P \wedge \neg S)$ by E_2 and $(P \wedge S)$ by U . Furthermore, we denote $(\neg P \wedge \neg S)$ by E . Note that all four are strategies of both industrial marketers.

Proposition 3

Suppose all organizational consumers are extremely empathetic. Then, the following are true.

- 1 If there is at least one organizational consumer who empathizes with the strategy “non-polluting,” that is, $\neg P$ and at least one organizational consumer who empathizes with the strategy “non-sweatshop,” that is, $\neg S$, then:
 - Both industrial marketers choosing ethical strategies is the unique Nash equilibrium of the game, and hence, mutually best for both industrial marketers; and
 - In fact, E is the dominating strategy [14] for each industrial marketer.
- 2 Furthermore, E is strictly dominating [15] if there is at least one organizational consumer who empathizes with only the strategy “non-polluting” (but not “non-sweatshop”) and at least one organizational consumer who empathizes with only the strategy “non-sweatshop” (but not “non-polluting”).

Proof of proposition 3

Let β_1 be the fraction of organizational consumers who empathize with only non-polluting products and place no weight on non-sweatshop, that is, only $\neg P$, and are indifferent to $\neg S$ or S . Let β_2 be the fraction of organizational consumers who empathize with only non-sweatshop, that is, $\neg S$ and are indifferent to P or $\neg P$. Let β be the fraction of organizational consumers who empathize with both non-polluting and non-sweatshop strategies. This leads to the bimatrix game (A_3, B_3) , where A_3 is M_1 's payoff matrix and B_3 is M_2 's payoff matrix.

M_1 's payoff matrix, A_3 , is:

$$\begin{matrix} & U & E_1 & E_2 & E \\ U & 0 & 0 & 0 & 0 \\ E_1 & \beta_1 & \frac{\beta_1}{2} & \beta_1 & \frac{\beta_1}{2} \\ E_2 & \beta_2 & \beta_2 & \frac{\beta_2}{2} & \frac{\beta_2}{2} \\ E & 1 & (\beta_2 + \beta) + \frac{\beta_1}{2} & (\beta_1 + \beta) + \frac{\beta_2}{2} & \frac{1}{2} \end{matrix}$$

and M_2 's payoff matrix, B_3 , is:

$$\begin{matrix} & U & E_1 & E_2 & E \\ U & 0 & \beta_1 & \beta_2 & 0 \\ E_1 & 0 & \frac{\beta_1}{2} & \beta_2 & (\beta_2 + \beta) + \frac{\beta_1}{2} \\ E_2 & 0 & \beta_1 & \frac{\beta_2}{2} & (\beta_1 + \beta) + \frac{\beta_2}{2} \\ E & 0 & \frac{\beta_1}{2} & \frac{\beta_2}{2} & \frac{1}{2} \end{matrix}$$

Each of the entries along the main diagonal of A_3 is equal to the corresponding entry in B_3 , as all organizational consumers choose uniformly at random, as the strategies of M_1 and M_2 are the same. In addition, all entries in the first row of A_3 and in the first column of B_3 are zero, as all organizational consumers are extremely empathetic and, according to Remark 2, we consider only organizational consumers who are empathetic to either or both ethical strategies.

Now, suppose M_1 plays E_1 . If M_2 plays U , then fraction β_1 of organizational consumers (who empathize with only $\neg P$) buy M_1 's product, and all others, being extremely empathetic, do not buy either of the products. However, if M_2 plays E_2 , then fraction β_1 of organizational consumers (who empathize with only $\neg P$) buy M_1 's product, fraction β_2 of organizational consumers (who empathize with only $\neg S$) buy M_2 's product and the others do not buy either product. Finally, if M_2 plays E , then fraction β_2 of organizational consumers (who empathize with only $\neg S$) and fraction β of organizational consumers (who empathize with both $\neg P$ and $\neg S$) buy M_2 's product, and fraction β_1 of organizational consumers (who empathize with only $\neg P$) choose one of the products uniformly at random. The payoffs of both industrial marketers corresponding to other strategies of M_1 can be worked out in a similar manner.

Recall that $\beta_1 + \beta_2 + \beta = 1$. Furthermore, we have $\beta_1 + \beta > 0$, $\beta_2 + \beta > 0$ and $\beta_1, \beta_2, \beta \geq 0$ for Part 1, as well as Part 2 of the proposition. In addition, for Part 2, there is at least one organizational consumer who empathizes with only the strategy “non-polluting” (but not “non-sweatshop”) and at least one organizational consumer who empathizes with only the strategy “non-sweatshop” (but not “non-polluting”), implying $\beta_1 > 0$ and $\beta_2 > 0$. Therefore, each entry in the last row of A_3 is greater than the corresponding entries in the other rows. In other words, the fourth row of A_3 dominates the other rows. Therefore, E is the best strategy for M_1 , no matter what M_2 chooses. Similarly, each entry in the last column of B_3 is greater than the corresponding entries in the other columns. Hence, E is the best strategy for M_2 , no matter what M_1 chooses.

Now, if y is the strategy that industrial marketer M_2 chooses, in the payoff matrix A_3 , for the entries corresponding to the pairs of strategies (U, U) , (U, E_1) , (U, E_2) , (U, E) , (E_1, U) , (E_1, E_1) , (E_1, E_2) , (E_1, E) , (E_2, U) , (E_2, E_1) , (E_2, E_2) , (E_2, E) , (E, U) , (E, E_1) , (E, E_2) and (E, E) , we have $(E, y) > (E_1, y) > (U, y)$ and $(E, y) > (E_2, y) > (U, y)$ for all $y \in \{U, E_1, E_2, E\}$. Similarly, if x is the strategy that industrial marketer M_1 chooses, in payoff matrix B_3 , for the entries corresponding to the pairs of strategies (U, U) , (U, E_1) , (U, E_2) , (U, E) , (E_1, U) , (E_1, E_1) , (E_1, E_2) , (E_1, E) , (E_2, U) , (E_2, E_1) , (E_2, E_2) , (E_2, E) , (E, U) , (E, E_1) , (E, E_2) and (E, E) , we have $(x, E) > (x, E_1) > (x, U)$ and $(x, E) > (x, E_2) > (x, U)$ for all $x \in \{U, E_1, E_2, E\}$. Hence, (E, E) works best for both industrial marketers.

Remark 7

In the proof of Proposition 3, note that $B_3 = A_3^t$. This holds for Propositions 4–6 as well.

Now, we consider organizational consumers who are *strongly empathetic*, which means the same as *extremely empathetic* as far as organizational consumers who are empathetic to either non-polluting ($\neg P$) or non-sweatshop ($\neg S$) but not both are concerned. However, organizational consumers who empathize with both $\neg P$ and $\neg S$ products are willing to compromise on at most one of these attributes. In the following proposition, we assume that such organizational consumers who empathize with both $\neg P$ and $\neg S$ are indifferent between strategies E_1 and E_2 .

Proposition 4

Suppose all organizational consumers are strongly empathetic and those who empathize with both $\neg P$ and $\neg S$ are indifferent between E_1 [or $(\neg P \wedge S)$] and E_2 [or $(P \wedge \neg S)$]. Then, the following are true:

- 1 If there is at least one organizational consumer who empathizes with the strategy “non-polluting,” that is, $\neg P$, and at least one organizational consumer who empathizes with the strategy “non-sweatshop,” that is, $\neg S$, then:
 - Both industrial marketers choosing ethical strategies is the unique Nash equilibrium of the game, and hence, mutually the best for both industrial marketers; and
 - In fact, E is the dominating strategy for each industrial marketer.
- 2 Furthermore, E is strictly dominating if there is at least one organizational consumer who empathizes with only the strategy “non-polluting” (but not “non-sweatshop”) and at least one organizational consumer who empathizes with only the strategy “non-sweatshop” (but not “non-polluting”).

Proof of proposition 4

Let β_1 and β_2 be as in Proposition 3. Let β be the fraction of organizational consumers who empathize with both non-polluting and non-sweatshop strategies (and choose uniformly at random when given a choice between E_1 and E_2). This leads to the bimatrix game (A_4, B_4) , where A_4 is M_1 's payoff matrix and B_4 is M_2 's payoff matrix.

M_1 's payoff matrix, A_4 , is:

$$A_4 = \begin{matrix} & \begin{matrix} U & E_1 & E_2 & E \end{matrix} \\ \begin{matrix} U \\ E_1 \\ E_2 \\ E \end{matrix} & \begin{bmatrix} 0 & 0 & 0 & 0 \\ (\beta_1 + \beta) & \frac{(\beta_1 + \beta)}{2} & \beta_1 + \frac{\beta}{2} & \frac{\beta_1}{2} \\ (\beta_2 + \beta) & \beta_2 + \frac{\beta}{2} & \frac{(\beta_2 + \beta)}{2} & \frac{\beta_2}{2} \\ 1 & (\beta_2 + \beta) + \frac{\beta_1}{2} & (\beta_1 + \beta) + \frac{\beta_2}{2} & \frac{1}{2} \end{bmatrix} \end{matrix}$$

and M_2 's payoff matrix, B_4 , is equal to A_4^t .

As all organizational consumers are strongly empathetic, none buy the product of any industrial marketer who chooses U . Therefore, the first row of payoff matrix A_4 contains all 0s, similar to the matrix in Proposition 3. Whenever either or both industrial marketers play E , the entries of A_4 above are identical

to the entries of A_3 in Proposition 3 because strongly and extremely empathetic organizational consumers buy products that are “ E ”. All other entries of A_4 are also similar to the corresponding entries of A_3 , except that fraction β of organizational consumers now compromise on either $\neg P$ or $\neg S$ whenever the industrial marketers play E_1 or E_2 .

Each entry in the last row of A_4 is greater than the corresponding entries in the other rows. In other words, the fourth row of A_4 dominates the other rows. Therefore, E is the best strategy for M_1 , no matter what M_2 chooses. Similarly, each entry in the last column of B_4 is greater than the corresponding entries in the other columns. Hence, E is the best strategy for M_2 , no matter what M_1 chooses. That is if y is the strategy that industrial marketer M_2 chooses, in the payoff matrix A_4 , we have $(E, y) > (E_1, y) > (U, y)$ and $(E, y) > (E_2, y) > (U, y)$ for all $y \in \{U, E_1, E_2, E\}$. Similarly, if x is the strategy that industrial marketer M_1 chooses, in payoff matrix B_4 , we have $(x, E) > (x, E_1) > (x, U)$ and $(x, E) > (x, E_2) > (x, U)$ for all $x \in \{U, E_1, E_2, E\}$. Hence, (E, E) works best for both industrial marketers.

In Proposition 4, the fraction of organizational consumers who empathize with both $\neg P$ and $\neg S$ choose at random when facing a dilemma between E_1 , that is, $(\neg P \wedge S)$ and E_2 , that is, $(P \wedge \neg S)$. However, among those organizational consumers who empathize with both non-polluting ($\neg P$), as well as non-sweatshop ($\neg S$) products, some may place more weight on $\neg P$ than $\neg S$, some may place more weight on $\neg S$ than $\neg P$ and the rest may place equal weight on both when deciding their respective purchases if there are no products that are E , that is, $(\neg P \wedge \neg S)$. In the following proposition, we consider fractions of such organizational consumers as well.

Proposition 5

Suppose all organizational consumers are strongly empathetic. Then, the following are true:

- 1 If there is at least one organizational consumer who empathizes with the strategy “non-polluting,” that is, $\neg P$ and at least one organizational consumer who empathizes with the strategy “non-sweatshop,” that is, $\neg S$, then:
 - Both industrial marketers choosing ethical strategies is the unique Nash equilibrium of the game, and hence, mutually best for both industrial marketers; and
 - In fact, E is a dominating strategy for each industrial marketer.
- 2 Furthermore, E is strictly dominating if there is at least one organizational consumer who empathizes with only the strategy “non-polluting” (but not “non-sweatshop”) and at least one organizational consumer who empathizes with only the strategy “non-sweatshop” (but not “non-polluting”).

Proof of proposition 5

Let β_1 and β_2 be as in Propositions 3 and 4. Let β be the fraction of organizational consumers who empathize with both non-polluting, as well as non-sweatshop strategies, and among those, let α_1 be the fraction of organizational consumers who place greater weight on $\neg P$ than on $\neg S$ (that is, they prefer E_1 over E_2), α_2 the fraction of organizational consumers who place greater weight on $\neg S$ than on $\neg P$ (that is, they prefer E_2 over

E_1), and α the fraction of organizational consumers who place equal weight on $-P$ and $-S$ (and hence, choose uniformly at random when given a choice between E_1 and E_2). All of these subsets of organizational consumers are indifferent in all other cases; for example, they choose uniformly at random if both industrial marketers play U . This leads to the bimatrix game (A_5, B_5) , where A_5 is M_1 's payoff matrix and B_5 is M_2 's payoff matrix.

M_1 's payoff matrix, A_5 , is:

$$\begin{matrix} & U & E_1 & E_2 & E \\ U & 0 & 0 & 0 & 0 \\ E_1 & (\beta_1 + \beta) & \frac{(\beta_1 + \beta)}{2} & \beta_1 + \frac{\beta}{2} & \frac{\beta_1}{2} \\ E_2 & (\beta_2 + \beta) & \beta_2 + \frac{\beta}{2} & \frac{(\beta_2 + \beta)}{2} & \frac{\beta_2}{2} \\ E & 1 & (\beta_2 + \beta) + \frac{\beta_1}{2} & (\beta_1 + \beta) + \frac{\beta_2}{2} & \frac{1}{2} \end{matrix}$$

and M_2 's payoff matrix, B_5 , is A_5^t . Note that $\beta = \alpha_1 + \alpha_2 + \alpha$.

All entries of A_5 are the same as in A_4 of Proposition 4, except those corresponding to (E_1, E_2) and (E_2, E_1) . In A_4 , the entry corresponding to (E_1, E_2) is $\beta_1 + \frac{\beta}{2}$. Fraction β_1 of organizational consumers would still buy M_1 's product and fraction β_2 of organizational consumers would still buy M_2 's product. Among the remaining fraction β of organizational consumers, fraction α_1 would buy M_1 's product, as they place more weight on $-P$ than on $-S$, and hence, choose E_1 over E_2 .

Each entry in the last row of A_5 is greater than the corresponding entries in the other rows. In other words, the fourth row of A_5 dominates the other rows. Therefore, E is the best strategy for M_1 , no matter what M_2 chooses. Similarly, each entry in the last column of B_5 is greater than the corresponding entries in the other columns. Hence, E is the best strategy for M_2 , no matter what M_1 chooses. That is if y is the strategy that industrial marketer M_2 chooses, in the payoff matrix A_5 , we have $(E, y) > (E_1, y) > (U, y)$ and $(E, y) > (E_2, y) > (U, y)$ for all $y \in \{U, E_1, E_2, E\}$. Similarly, if x is the strategy that industrial marketer M_1 chooses, in payoff matrix B_5 , we have $(x, E) > (x, E_1) > (x, U)$ and $(x, E) > (x, E_2) > (x, U)$ for all $x \in \{U, E_1, E_2, E\}$. Hence, (E, E) works best for both industrial marketers.

In the following proposition, we show that even if all organizational consumers are *compromising* (that is, not strongly empathetic), the pair of strategies (ethical, ethical) – that is, (E, E) or $[(-P \wedge -S), (-P \wedge -S)]$ – is the unique Nash equilibrium of the game and E dominates all other strategies. Compromising organizational consumers are those consumers who empathize with $-P$ but are willing to compromise and buy U or E_2 if E_1 and E are not available. Similarly, organizational consumers who empathize with $-S$ are willing to buy U or E_1 if E_2 and E are not available.

Proposition 6

Suppose all organizational consumers are compromising. Then, the following are true.

- 1 If there is at least one organizational consumer who empathizes with the strategy “non-polluting,” that is, $-P$, and at least one organizational consumer who empathizes with the strategy “non-sweatshop,” that is, $-S$, then:

- Both industrial marketers choosing ethical strategies is the unique Nash equilibrium of the game, and hence, mutually best for both industrial marketers; and
- In fact, E is a dominating strategy for each industrial marketer.

- 2 Furthermore, E is strictly dominating if there is at least one organizational consumer who empathizes with only the strategy “non-polluting” (but not “non-sweatshop”) and at least one organizational consumer who empathizes with only the strategy “non-sweatshop” (but not “non-polluting”).

Proof of proposition 6

Let $\beta_1, \beta_2, \beta, \alpha_1, \alpha_2$ and α be as in Proposition 5, except that all organizational consumers are compromising. We have the following bimatrix game (A_6, B_6) , where A_6 is M_1 's payoff matrix and B_6 is M_2 's payoff matrix.

M_1 's payoff matrix, A_6 , is:

$$\begin{matrix} & U & E_1 & E_2 & E \\ U & \frac{1}{2} & \frac{\beta_2 + (1 - \alpha_1)}{2} & \frac{\beta_1 + (1 - \alpha_2)}{2} & 0 \\ E_1 & (\beta_1 + \alpha_1) + \frac{(1 - \alpha_1 - \beta_1)}{2} & \frac{1}{2} & \beta_1 + \frac{\alpha}{2} + \alpha_1 & \frac{\beta_1}{2} \\ E_2 & (\beta_2 + \alpha_2) + \frac{(1 - \alpha_2 - \beta_2)}{2} & \beta_2 + \frac{\alpha}{2} + \alpha_2 & \frac{1}{2} & \frac{\beta_2}{2} \\ E & 1 & (\beta_2 + \beta) + \frac{\beta_1}{2} & (\beta_1 + \beta) + \frac{\beta_2}{2} & \frac{1}{2} \end{matrix}$$

and M_2 's payoff matrix, B_6 , is A_6^t .

Each of the entries along the main diagonal of A_6 is $1/2$ and equal to the corresponding entry in B_6 , as all organizational consumers choose uniformly at random, given that the strategies of M_1 and M_2 are the same and all organizational consumers are compromising. All other entries in A_6 are the same as those in A_5 of Proposition 5, except the entries corresponding to (U, E_1) , (U, E_2) , (E_1, U) and (E_2, U) . This is because, in all other cases, at least one of the industrial marketers chooses $-P$ and at least one of them chooses $-S$, and hence, no organizational consumer needs to compromise on both $-P$ and $-S$.

Now, suppose M_1 plays E_1 and M_2 plays U . Then, fraction β_1 of organizational consumers (who empathize with only $-P$) buy M_1 's product. Among the remaining organizational consumers, fraction α_1 buy M_1 's product because they place more weight on $-P$ than on $-S$. All other organizational consumers choose uniformly at random between M_1 's product and M_2 's product. All other entries in A_6 that are different from those of A_5 can be worked out in a similar way.

Each entry in the last row of A_6 is greater than the corresponding entries in the other rows. In other words, the fourth row of A_6 dominates the other rows. Therefore, E is the best strategy for M_1 , no matter what M_2 chooses. Similarly, each entry in the last column of B_6 is greater than the corresponding entries in the other columns. Hence, E is the best strategy for M_2 , no matter what M_1 chooses. That is if y is the strategy that industrial marketer M_2 chooses, in the payoff matrix A_6 , we have $(E, y) > (E_1, y) > (U, y)$ and $(E, y) > (E_2, y) > (U, y)$ for all $y \in \{U, E_1, E_2, E\}$. Similarly, if x is the strategy that industrial marketer M_1 chooses, in payoff matrix B_6 , we

have $(x, E) > (x, E_1) > (x, U)$ and $(x, E) > (x, E_2) > (x, U)$ for all $x \in \{U, E_1, E_2, E\}$. Hence, (E, E) works best for both industrial marketers.

Even if there are loyal [16] organizational consumers, the result holds. If all organizational consumers value ethics over loyalty, then clearly, as one would expect, playing ethically is the best strategy of each industrial marketer. We also show that, even if some or all of them value loyalty over ethics, the pair of strategies (E, E) is the unique Nash equilibrium of the game. Furthermore, E dominates all other strategies, as shown in the following proposition.

Proposition 7

Suppose there are organizational consumers who are loyal to M_1 or M_2 and suppose all organizational consumers are compromising. Then, the following are true.

- 1 If there is at least one organizational consumer who empathizes with the strategy “non-polluting,” that is, $\neg P$, and at least one organizational consumer who empathizes with the strategy “non-sweatshop,” that is, $\neg S$, then:
 - Both industrial marketers choosing ethical strategies is the unique Nash equilibrium of the game, and hence, mutually best for both industrial marketers; and
 - In fact, E is a dominating strategy for each industrial marketer.
- 2 Furthermore, E is strictly dominating if there is at least one organizational consumer who empathizes with only the strategy “non-polluting” (but not “non-sweatshop”) and at least one organizational consumer who empathizes with only the strategy “non-sweatshop” (but not “non-polluting”).

Proof of proposition 7

Let $\beta_1, \beta_2, \beta, \alpha_1, \alpha_2$ and α be as in Proposition 5. Let l_1 be the fraction of organizational consumers who are loyal to M_1 , l_2 the fraction of organizational consumers who are loyal to M_2 and l_0 the fraction of organizational consumers who are loyal to neither M_1 nor M_2 . Let δ_1 be the fraction of organizational consumers for whom loyalty dominates [17] empathy, δ_2 the fraction of organizational consumers for whom empathy dominates loyalty, and δ the fraction of organizational consumers for whom loyalty and empathy are of equal weight. This leads to the bimatrix game (A_7, B_7) , where A_7 is M_1 's payoff matrix and B_7 is M_2 's payoff matrix. Note that B_7 is not equal to A_7^t unless $l_1 = l_2$.

M_1 's payoff matrix, A_7 , is:

$$\begin{matrix}
 & \mathbf{U} & \mathbf{E}_1 & \mathbf{E}_2 & \mathbf{E} \\
 \mathbf{U} & \left[\begin{array}{cccc} l_1 + \frac{l_0}{2} & a_{12} & a_{13} & l_1 \delta_1 + \frac{l_1 \delta}{2} \end{array} \right. \\
 \mathbf{E}_1 & \left[\begin{array}{cccc} a_{21} & l_1 + \frac{l_0}{2} & a_{23} & a_{24} \end{array} \right. \\
 \mathbf{E}_2 & \left[\begin{array}{cccc} a_{31} & a_{32} & l_1 + \frac{l_0}{2} & a_{34} \end{array} \right. \\
 \mathbf{E} & \left[\begin{array}{cccc} l_1 + l_0 + l_2 \left(\delta_2 + \frac{\delta}{2} \right) & a_{42} & a_{43} & l_1 + \frac{l_0}{2} \end{array} \right.
 \end{matrix}$$

and M_2 's payoff matrix, B_7 , is:

$$\begin{matrix}
 & \mathbf{U} & \mathbf{E}_1 & \mathbf{E}_2 & \mathbf{E} \\
 \mathbf{U} & \left[\begin{array}{cccc} l_2 + \frac{l_0}{2} & b_{12} & b_{13} & l_2 + l_0 + l_1 + \left(\delta_2 + \frac{\delta}{2} \right) \end{array} \right. \\
 \mathbf{E}_1 & \left[\begin{array}{cccc} b_{21} & l_2 + \frac{l_0}{2} & b_{23} & b_{24} \end{array} \right. \\
 \mathbf{E}_2 & \left[\begin{array}{cccc} b_{31} & b_{32} & l_2 + \frac{l_0}{2} & b_{34} \end{array} \right. \\
 \mathbf{E} & \left[\begin{array}{cccc} l_2 \delta_1 + \frac{l_2 \delta}{2} & b_{42} & b_{43} & l_2 + \frac{l_0}{2} \end{array} \right.
 \end{matrix}$$

where:

$$\begin{aligned}
 a_{12} &= l_1 \beta_2 + l_1 \delta_1 (\beta + \beta_1) + l_1 \delta \left(\frac{\beta + \beta_1}{2} \right) + l_0 \frac{\beta_2}{2}, \\
 a_{13} &= l_{11} + l_1 \delta_1 (\beta + \beta_2) + l_1 \delta \left(\frac{\beta + \beta_2}{2} \right) + l_0 \frac{\beta_1}{2}, \\
 a_{21} &= l_1 + l_2 \delta_2 (\beta + \beta_1) + l_2 \delta \left(\frac{\beta + \beta_1}{2} \right) + l_0 \left(\beta + \beta_1 + \frac{\beta_2}{2} \right), \\
 a_{23} &= l_1 \beta_1 + l_0 \left(\beta_1 + \left(\alpha_1 + \frac{\alpha}{2} \right) \right) + l_1 \beta_2 \left(\delta_1 + \frac{\delta}{2} \right) \\
 &\quad + l_2 \beta_1 \left(\delta_2 + \frac{\delta}{2} \right) + l_1 (\alpha_1 + \alpha) + l_1 \alpha_2 \left(\delta_1 + \frac{\delta}{2} \right) \\
 &\quad + l_2 \alpha_1 \left(\delta_2 + \frac{\delta}{2} \right), \\
 a_{24} &= l_1 \beta_1 + \frac{l_0 \beta_1}{2} + l_1 (\beta + \beta_2) \left(\delta_1 + \frac{\delta}{2} \right), \\
 a_{31} &= l_1 + l_2 \delta_2 (\beta + \beta_2) + l_2 \delta \left(\frac{\beta + \beta_2}{2} \right) + l_0 \left(\beta + \beta_2 + \frac{\beta_1}{2} \right), \\
 a_{32} &= l_1 \beta_2 + l_0 \left(\beta_2 + \left(\alpha_2 + \frac{\alpha}{2} \right) \right) + l_1 \beta_1 \left(\delta_1 + \frac{\delta}{2} \right) \\
 &\quad + l_2 \beta_2 \left(\delta_2 + \frac{\delta}{2} \right) + l_1 (\alpha_2 + \alpha) + l_1 \alpha_1 \left(\delta_1 + \frac{\delta}{2} \right) \\
 &\quad + l_2 \alpha_2 \left(\delta_2 + \frac{\delta}{2} \right), \\
 a_{34} &= l_1 \beta_2 + \frac{l_0 \beta_2}{2} + l_1 (\beta + \beta_1) \left(\delta_1 + \frac{\delta}{2} \right), \\
 a_{42} &= l_1 + l_0 (\beta + \beta_2) + \frac{l_0 \beta_1}{2} + l_2 (\beta + \beta_2) \left(\delta_2 + \frac{\delta}{2} \right), \\
 a_{43} &= l_1 + l_0 (\beta + \beta_1) + \frac{l_0 \beta_2}{2} + l_2 (\beta + \beta_1) \left(\delta_2 + \frac{\delta}{2} \right), \\
 b_{12} &= l_2 + l_1 \delta_2 (\beta + \beta_1) + l_1 \delta \left(\frac{\beta + \beta_1}{2} \right) + l_0 \left(\beta + \beta_1 + \frac{\beta_2}{2} \right), \\
 b_{13} &= l_2 + l_1 \delta_2 (\beta + \beta_2) + l_1 \delta \left(\frac{\beta + \beta_2}{2} \right) + l_0 \left(\beta + \beta_2 + \frac{\beta_1}{2} \right), \\
 b_{21} &= l_2 \beta_2 + l_2 \delta_1 (\beta + \beta_1) + l_2 \delta \left(\frac{\beta + \beta_1}{2} \right) + l_0 \frac{\beta_2}{2},
 \end{aligned}$$

$$\begin{aligned}
b_{23} &= l_2\beta_2 + l_0\left(\beta_2 + \left(\alpha_2 + \frac{\alpha}{2}\right)\right) + l_2\beta_1\left(\delta_1 + \frac{\delta}{2}\right) \\
&\quad + l_1\beta_2\left(\delta_2 + \frac{\delta}{2}\right) + l_2(\alpha_2 + \alpha) \\
&\quad + l_2\alpha_1\left(\delta_1 + \frac{\delta}{2}\right) + l_1\alpha_2\left(\delta_2 + \frac{\delta}{2}\right), \\
b_{24} &= l_2 + l_0(\beta + \beta_2) + \frac{l_0\beta_1}{2} + l_1(\beta + \beta_2)\left(\delta_2 + \frac{\delta}{2}\right), \\
b_{31} &= l_2\beta_1 + l_2\delta_1(\beta + \beta_2) + l_2\delta\left(\frac{\beta + \beta_2}{2}\right) + l_0\frac{\beta_1}{2}, \\
b_{32} &= l_2\beta_1 + l_0\left(\beta_1 + \left(\alpha_1 + \frac{\alpha}{2}\right)\right) + l_2\beta_2\left(\delta_1 + \frac{\delta}{2}\right) \\
&\quad + l_1\beta_1\left(\delta_2 + \frac{\delta}{2}\right) + l_2(\alpha_1 + \alpha) \\
&\quad + l_2\alpha_2\left(\delta_1 + \frac{\delta}{2}\right) + l_1\alpha_1\left(\delta_2 + \frac{\delta}{2}\right), \\
b_{34} &= l_2 + l_0(\beta + \beta_1) + \frac{l_0\beta_2}{2} + l_1(\beta + \beta_1)\left(\delta_2 + \frac{\delta}{2}\right), \\
b_{42} &= l_2\beta_1 + \frac{l_0\beta_1}{2} + l_2(\beta + \beta_2)\left(\delta_1 + \frac{\delta}{2}\right), \\
b_{43} &= l_2\beta_2 + \frac{l_0\beta_2}{2} + l_2(\beta + \beta_1)\left(\delta_1 + \frac{\delta}{2}\right).
\end{aligned}$$

The payoff entries are obtained as follows. If the strategies of the industrial marketers are the same, then all organizational consumers who are loyal to an industrial marketer prefer that industrial marketer's product and organizational consumers who are not loyal to either industrial marketer choose one of them uniformly at random. Therefore, all entries of the main diagonal of A_7 are $l_1 + \frac{l_0}{2}$ and those of B_7 are $l_2 + \frac{l_0}{2}$.

If M_1 chooses U while M_2 chooses E, fraction $l_2 + l_0$ of organizational consumers prefer M_2 's product; among the remaining fraction l_1 , fraction δ_2 for whom empathy dominates loyalty prefer M_2 's product, and fraction δ for whom empathy and loyalty are of equal weight choose M_1 's product or M_2 's product uniformly at random. Therefore, the corresponding entry in B_7 is $l_2 + l_0 + l_1\left(\delta_2 + \frac{\delta}{2}\right)$. The remaining fraction $l_1\left(\delta_1 + \frac{\delta}{2}\right)$ of organizational consumers prefer M_1 's product and is the corresponding entry in A_7 . Similarly, the entries corresponding to the strategy pair (E, U) are $l_1 + l_0 + l_2\left(\delta_2 + \frac{\delta}{2}\right)$ in A_7 and $l_2\left(\delta_1 + \frac{\delta}{2}\right)$ in B_7 .

Now, suppose M_1 chooses U while M_2 chooses E_1 . Then, fraction $l_1\beta_2$ of organizational consumers who are loyal to M_1 and empathetic to E_2 prefer M_1 's product. Fraction $l_0\beta_2$ of organizational consumers who are loyal to neither M_1 nor M_2 but are empathetic to E_2 choose M_1 's product or M_2 's product uniformly at random. Among the fraction of organizational consumers who are loyal to M_1 and empathetic to E_1 or to both E_1 and E_2 , fraction δ_1 of organizational consumers who place

more weight on loyalty than empathy prefer M_1 's product, and fraction δ of organizational consumers who place equal weight on loyalty and empathy choose M_1 's product or M_2 's product uniformly at random. The remaining fraction of organizational consumers prefer M_2 's product. We can similarly work out entries corresponding to the pairs of strategies (U, E_2), (E_1 , U) and (E_2 , U).

If M_1 chooses E_1 and M_2 chooses E, then fraction $l_1\beta_1$ of organizational consumers prefer M_1 's product, as they are loyal to M_1 and empathize with E_1 . Fraction $l_0\beta_1$ of organizational consumers choose one of the products uniformly at random. Now, among the fraction of organizational consumers who are loyal to M_1 and empathize with E_2 , those who place more weight on loyalty than on empathy prefer M_1 's product; among the fraction of organizational consumers who place equal weight on loyalty and empathy, half prefer M_1 's product because they choose one of the products uniformly at random. This holds for the fraction of organizational consumers who are loyal to M_1 and empathize with both E_1 and E_2 , as all organizational consumers are compromising. The remaining fraction of organizational consumers prefer M_2 's product. Similarly, we can work out the entries corresponding to the pairs of strategies (E_2 , E), (E, E_1) and (E, E_2).

Finally, suppose M_1 chooses E_1 and M_2 chooses E_2 . We shall work out the entry a_{23} . The fraction of organizational consumers who empathize with E_1 and are loyal to either M_1 or neither of them prefer M_1 's product. Among the fraction of organizational consumers who empathize with both E_1 and E_2 and are loyal to M_1 , those who place more weight on E_1 and those who place equal weight on E_1 and E_2 prefer M_1 's product. Now, among the remaining fraction of organizational consumers who are loyal to neither M_1 nor M_2 , those who place more weight on E_1 than E_2 prefer M_1 's product, and half of those who place equal weight on E_1 and E_2 prefer M_1 's product (as they choose either M_1 or M_2 uniformly at random). The remaining fraction of organizational consumers are those who are loyal to one industrial marketer but empathize with or place more weight on the other industrial marketer's ethical strategy. Among the fraction of organizational consumers who are loyal to M_1 and empathize with E_2 , the fraction who place more weight on loyalty than empathy and half of the fraction who place equal weight on loyalty and empathy prefer M_1 's product. Similarly, among the fraction of organizational consumers who are loyal to M_2 and empathize with E_1 , the fraction who place more weight on empathy than loyalty and half of those who place equal weight on loyalty and empathy prefer M_1 's product. Moreover, among the fraction of organizational consumers who place equal weight on E_1 and E_2 and are loyal to M_1 , the fraction who place more weight on loyalty than empathy and half of those who place equal weight on loyalty and empathy prefer M_1 's product. Similarly, among the fraction of organizational consumers who place equal weight on E_1 and E_2 and are loyal to M_2 , the fraction who place more weight on empathy than loyalty and half of those who place equal weight on loyalty and empathy prefer M_1 's product. We can similarly work out entries b_{23} , a_{32} and b_{32} .

Each entry in the last row of A_7 is greater than the corresponding entries in the other rows. In other words, the fourth row of A_7 dominates the other rows. Therefore, E is the best strategy for M_1 , no matter what M_2 chooses.

Similarly, we can write the entries of B_7 (by swapping l_1 and l_2 in A_7) and show that each entry in the last column of B_7 is greater than the corresponding entries in the other columns. Hence, E is the best strategy for M_2 , no matter what M_1 chooses. That is if y is the strategy that industrial marketer M_2 chooses, in the payoff matrix A_7 , we have $(E, y) > (E_1, y) > (U, y)$ and $(E, y) > (E_2, y) > (U, y)$ for all $y \in \{U, E_1, E_2, E\}$. Similarly, if x is the strategy that industrial marketer M_1 chooses, in payoff matrix B_7 , we have $(x, E) > (x, E_1) > (x, U)$ and $(x, E) > (x, E_2) > (x, U)$ for all $x \in \{U, E_1, E_2, E\}$. Hence, (E, E) works best for both industrial marketers.

Remark 5

Propositions 3 through 7 can also be proved in the case where each industrial marketer has only two strategies (similar to Propositions 1 and 2).

Remark 6

Proposition 7 can also be extended to the case where some organizational consumers are extremely empathetic, some are strongly empathetic and some are compromising.

Summary

Whether organizational consumers are aware or not, whether organizational consumers are loyal or not, whether loyalty dominates empathy or not, whether organizational consumers are extremely empathetic or not, whether organizational consumers are strongly empathetic or not, whether organizational consumers are compromising or not, or whether the industrial marketers have identical strategies or not, both industrial marketers choosing ethical strategies is the unique Nash equilibrium of the market share game as long as there is at least one organizational consumer who empathizes with M_1 's ethical strategy and at least one organizational consumer who empathizes with M_2 's ethical strategy. In other words, choosing ethical strategies is mutually the best for both industrial marketers to maximize their respective market shares.

Contribution to the industrial marketing ethics literature

This study contributes to the industrial marketing ethics literature in multiple ways. As mentioned earlier, there are few studies in the industrial marketing ethics literature that demonstrate a negative impact of industrial marketers' unethical strategies on market share. Even fewer studies examine the short-term impact of marketers' ethical strategies. This study challenges the widespread belief that unethical strategies pay in the short-term and ethical strategies can be relegated to the long-term (cf. Upadhyaya, 2015) and demonstrates that only ethical strategies pay in the short-term. This represents a unique contribution of this study to the industrial marketing ethics literature.

Product management ethics is a sub-field under marketing ethics, and as discussed elsewhere in this paper, prior studies of product management ethics have paid greater attention to issues such as value durability, socially controversial products, environmentally incompatible products, product obsolescence, use of animal flesh and leather, product counterfeiting and product safety. This study builds upon Crane's (2001) attempt to define the notion of an *ethical product* by demonstrating a

positive association between an ethical product and market share in industrial marketing contexts.

Efforts to examine the use of an ethical attribute as a strategy for (positioning or) product differentiation in a competitive scenario in industrial markets are scarce. As it is not clear whether ethical attributes are a viable product differentiation strategy for industrial marketers, the present study examines viability in terms of market share [18]. Using a game theoretic approach, this study shows that endowing offerings with ethical product attributes results in the unique Nash equilibrium of the game, that is, mutually best market shares for the competing industrial marketers. Hence, this study extends the academic knowledge on industrial marketing strategy.

Finally, this study is novel in using a game theoretic approach to demonstrate the positive implications of ethical strategies for industrial marketers. This study shows that a game theoretic approach has much to offer for understanding industrial marketing ethics and especially for promoting ethical marketing in industrial market place.

Implications for industrial marketing executives

The propositions in this work provide numerous implications for industrial marketing executives. These implications shall bear relevance while crafting marketing strategies.

Proposition 1 implies that industrial marketing executives should be sensitive to the ethical views of their target segments and design product attributes accordingly. As target segments in industrial markets usually consist of organizational consumers who prefer ethical to unethical strategies, industrial marketers should endow offerings with ethical rather than unethical product attributes to maximize their market shares.

A related implication of Proposition 2 is that industrial marketing executives may need to invest in category-building efforts to increase the share of organizational consumers in their target segments who are aware of the ethical or unethical nature of product attributes of existing and potential offerings in the product category. This is because the gain in market share attributable to using ethical product attributes depends upon the presence of "aware" organizational consumers in the target segments.

Proposition 3 implies that industrial marketing executives should identify potential attributes that could be perceived as unethical in the product category before formulating their ethical product strategy. When an offering can be endowed with multiple product attributes, each of which can be ethical or unethical, the industrial marketer should choose to endow the offering with all ethical product attributes to achieve her best possible market share.

Proposition 4 implies that industrial marketing executives may attempt to assess the extent to which organizational consumers in the target segments like to make trade-offs between ideal and available combinations of ethical product attributes. While such trade-offs are possible, it is still prudent for the industrial marketer to endow her offering with the ideal combination of ethical product attributes to maximize her market share.

Proposition 5 implies that industrial marketing executives may want to be cognizant of the typical rank order of various unethical product attributes that organizational consumers in

the target segments wish to avoid. However, even when there exists such a rank order, it is safe for the industrial marketer to avoid all unethical product attributes irrespective of the rank order to maximize her market share.

Proposition 6 implies that industrial marketing executives may ascertain the extent to which organizational consumers in the target segments would be willing to fully compromise their preference for ethical product attributes, especially when products with such ethical attributes are unavailable in the market. Moreover, in such scenarios, industrial marketers who opt for ethical product strategies will be able to attain the best possible market shares.

Proposition 7 implies that it may be valuable for industrial marketing executives to understand the trade-offs perceived by their organizational consumers between loyalty to the industrial marketer and empathy with the ethical product attribute. Even when the organizational consumers are willing to trade off their preference for the ethical product attribute for their loyalty to the industrial marketer, an industrial marketer may benefit from using an ethical product strategy to maximize her market share.

Limitations and future research avenues

The scope of this study is limited to the industrial marketers' objective of maximizing market share. The use of the concept of market share in the games revealed that ethical product strategies yield the best possible market share for the industrial marketer. Industrial marketers could have other objectives, including maximizing profitability, but considerations of such objectives are beyond the scope of the present study. Future studies could explore the impact of ethical product strategies on profitability, among other objectives.

This study also assumed that the prices of the products are identical. However, as organizational consumers' preferences may be distributed along a continuum from justice-led preferences to pure self-centered preferences (giving greater weight to price than any other considerations), future research may relax the assumption that prices are identical and study its implications for the games. Moreover, the games in this study considered only two industrial marketers; future work may address the issue of an increase in competition and examine the validity of the results in scenarios with more than two players. In addition, the games in this study considered one time period. Future studies may address possible inconsistencies with respect to an industrial marketer's use of an ethical or unethical product strategy across various time periods. Finally, this study is situated in a product management context under the industrial marketing ethics domain. Future studies can examine the payoffs of ethical strategies for industrial marketers in other settings, including promotion management, distribution management and price management.

Notes

1. The American Marketing Association defines "marketing" as the "activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large" ([www.ama.org/the-](http://www.ama.org/the-definition-of-marketing-what-is-marketing/)

[definition-of-marketing-what-is-marketing/](http://www.ama.org/the-definition-of-marketing-what-is-marketing/)) and the term "marketer" here refers to an organization that conducts marketing of its offerings.

2. A Nash equilibrium is a pair of strategies that are mutual best responses.
3. The notion that the inclusion of ethical attributes in the production process cannot increase prices is consistent with the corporate governance perspective. This view implies that shareholders' extra profits accrued through unethical practices can be curtailed in exchange for a fairer distribution of benefits among the corporate stakeholders.
4. Although ethical alternatives need not necessarily be costless, any increase in cost to an industrial marketer as a result of switching from an unethical alternative to the ethical one could be counterbalanced by various benefits to the industrial marketer, such as reduced lawsuits, enhanced company image, improved productivity in the value chain and avoidance of bad press/publicity.
5. First, the scope of this study is limited to the industrial marketers' objective of maximizing market share. Other objectives, including that of maximizing profitability, are beyond the scope of the present study as noted in the section "Limitations and Future Research Avenues". Second, although industrial marketers may be expected by social norm or law to have other-regarding preferences, their lack of trust in reciprocal conformity may motivate them to adopt unethical strategies.
6. Uniformly at random means random with equal probability (or chance) for every outcome.
7. First, this assumption is reasonable given some published studies (Folkes and Kamins, 1999; Moosmayer, 2012; Paharia, 2020; Rudell, 2006). Second, in this study, organizational consumers are not players. Their role is taken as an exogenous variable and not an internal variable of strategic choice. Their choices are natural phenomena affecting payoffs from outside.
8. Here, the first coordinate is the strategy of the first industrial marketer, and the second coordinate is that of the second industrial marketer.
9. Well-informed about a particular situation or development (<https://dictionary.cambridge.org/dictionary/english/>; www.thesaurus.com/; and www.dictionary.com/).
10. Showing or having an ability to understand and share someone else's feelings or experiences by imagining what it would be like to be in that person's situation (<https://dictionary.cambridge.org/dictionary/english/>; www.thesaurus.com/; and www.dictionary.com/).
11. A bimatrix game (A, B) is a two-player game where A is the payoff matrix of Player 1 and B is that of Player 2.
12. The payoff matrix of an industrial marketer consists of the market-shares (or fractions of the market-share) of that industrial marketer for every pair of strategies of the industrial marketers. Industrial marketer M_1 's strategies correspond to rows and industrial marketer M_2 's strategy corresponds to columns.

13. Henceforth, the strategies will not be denoted as “U,” “E₁” and “E₂”. Instead, the strategies will be denoted as (P∧S), (¬P∧S), (P∧¬S) and (¬P∧¬S).
14. A dominating strategy is one that gives the same or greater market share compared with other strategies.
15. A strategy is strictly dominating if it gives strictly greater market share compared with other strategies.
16. A state of giving or showing firm and constant support or allegiance to a person or an institution (<https://dictionary.cambridge.org/dictionary/english/>; www.thesaurus.com/; and www.dictionary.com/).
17. An organizational consumer for whom loyalty dominates empathy prefers the industrial marketer to whom he/she is loyal, even if this industrial marketer chooses the unethical strategy and the other industrial marketer chooses the ethical strategy. An organizational consumer for whom empathy dominates loyalty prefers the industrial marketer to whom he/she is not loyal if this industrial marketer (but not the industrial marketer to whom he/she is loyal) chooses the ethical strategy with which this organizational consumer empathizes.
18. When both industrial marketers play the same strategies, it may not be complicated to figure out how the market share will be divided. However, when one industrial marketer plays unethically and the other plays ethically, it may not be obvious to figure out who will receive higher market share.

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