

## ABSTRACT

*People nowadays couldn't live without the need of internet especially social media. Seeing there's a lot of social media users, thus created the opportunity for business men to enhance their business through online shop and use social media as their place to do marketing. One of the most favorite social media is Facebook with their service of Facebook Ads which allowing business men to do marketing online. But, with a lot of advertising on the social media could disturb other Facebook users which is forbid the code ethic of business.*

*This research aims to determine the application of business ethics principles on the use of Facebook. Principles of business ethics used are the principles of autonomy, honesty, justice, moral integrity and mutual benefit. This research uses two variables, namely variable (X) business ethics and variable (Y) user perception.*

*This research was conducted with quantitative approach and included in this type of descriptive research. Subjects in this study are 100 advertisers Facebook Ads with data collection techniques using questionnaires. To see the correlation between the two variables and data processing done with the help of SPSS software version 21 on Windows and MS Excel. Hypothesis test using spearman rank, cross tabulation and chi-square.*

*The result from this research shows that Facebook Ads advertisers generally have applied business ethic. Variable of business ethic and user perception is in good term with each score percentage 81% and 76%. This research also found a medium relationship between the two variables with the value of  $r_s = 0.474$  and is at the interval of 0.40 - 0.599.*

*The coefficient of determination is 22.5% which means that the contribution of business ethics variable to user perception variable is 22.5% while the rest 77,5% is determined by other variables. Chi-square hypothesis test showed that business ethics variable and user perception have relationship because the calculation result shows  $Asymp.Sig (2-side) 0,008 < 0,05$  where  $H_0$  is rejected and  $H_1$  is accepted.*

*Key words: business ethics, Facebook Ads, online advertising, online marketing.*