Ethics in marketing

Business, Marketing



Ethics in Marketing Ethics in Marketing Marketing ethics refers to the area of applied ethics that deals with the decent principles behind the regulation and operation of marketing (Stevens, 2004). However, there have been a lot of scandals regarding numerous organisations out there regarding their marketing. This paper will pick three different scandals regarding ethics in marketing and discuss them. These scandals are the Tesco Meat Hoers Scandal, Nestle Infant Milk Formula Scandal and the Mexico Bribery Scandal Challenges Wal-Mart on Corporate Ethics. Tesco Meat Horse Scandal The Tesco meat horse scandal was a food scandal whereby DNA traces of horse meat were discovered in Tesco frozen meat burgers (The British Assessment Bureau, n. d). The FSAI - Food Safety Authority of Ireland - carried out tests on a variety of salami and beef products whose expiry dates were from June 2012 to March 2014. Of the 27 meat products examined, 37 percent had positive horse DNA and 85 percent had positive pig DNA. Of 31 meat sample products tested, 21 samples were proved to have pig DNA; however none was found with positive horse DNA. 19 salami samples were examined, but were negative from all unfamiliar DNA. Of the 37 percent of beef samples that were found to have positive horse DNA, Tesco Burgers carried 29. 1 percent of these samples (The British Assessment Bureau, n. d). All other examined supermarkets and food chain stores had less than 0.3% horse DNA. This type of meat -horse meat - is not a usual food consumed by people. Religious or sacred groups such as the Jewish or Muslim cannot eat certain types of meat, in particular pig (Brummer, 2012). The obscurity of Tesco burgers is that the plants, from which the meat in question came from, do not produce horse meat. This implies that cross-contamination is not

likely, if not possible. According to the FSAI, the existence of horse meat in Tesco burgers is proof of some extensive deception where some people are trying to alternate horse meat for beef. From a business perceptive, the motive for the contagion does not truly matter since a PR disaster has transpired and it will take time for Tesco to recuperate from it. Nestle Infant Milk Formula Scandal The Nestle boycott referred to a boycott initiated on 7th July, 1977, in the US, which was against or opposed the Swiss-based Nestle firm (Stevens, 2004). The boycott swelled in the US, and stretched out into Europe at the start of the 80s. It was provoked by distress about Nestle's " antagonistic advertising" of breast milk alternatives (infant formula), mainly in less financially developed nations, which activists argue that it contributes to the avoidable suffering, as well as deaths of babies, mainly among the deprived nations. Among the activists, Professor Derek Jelliffe along with his wife Patrice, who helped set up the World Alliance for Breastfeeding Action, were mostly influential in helping to organise the boycott and giving it sufficient visibility throughout the world. Some of issues that might arise when deprived mothers switch to these formulas are explained below. Many mothers use less recipe powder, which is essential, so as to make a bottle of formula last longer. Some infants, as a result, get inadequate nourishment from weak mixtures of formula. Formula should usually be mixed with water, and it is regularly contaminated in deprived nations, leading to illnesses in weak infants (Nill, 2003). Many mothers, owing to the low literacy levels in developing countries, are not conscious of the hygiene methods required in the preparation of bottles (Stevens, 2004). Still mothers who are able to interpret in their native language might be

unable to interpret the language in which sterilisation instructions are written. A matter that puts the life of innocent infants at risk should not be compromised at all (Whysall, 2000). Mexico Bribery Scandal Challenges Wal-Mart on Corporate Ethics The globe's largest private employer Wal-Mart, with 2011 trades worth \$421. 85 billion, is coping with a major blow to its repute after being accused of a sweeping bribery campaign done by senior managers in Mexico keen to enhance the company's expansion in the market. The New York Times explained the Mexican shame as an extended struggle within the corporation that eroded its much revealed commitment to the uppermost ethical and moral standards against its persistent pursuit of expansion (Nill, 2012). According to the news paper report, the megasuper mart was alerted of the state of affairs in Mexico from an ex-senior manager, who elucidated how the firm's Mexican branch had arranged a campaign of corruption to win market supremacy. However, instead of opting to expand an internal research, Wal-Mart's seniors decided to close the Mexican branch. In an additional curl, one of those seniors, former Wal-Mart CEO - Lee Scott - at the moment, works at a private equity fund with relations to former presidential candidate Mitt Romney (Shayon, n. d). The New York Times tales the seven-year campaign of immoral behavior, toting up more than \$24 million in "deduce payments" and business antagonism, which has made Wal-Mart the prime private employer company in Mexico holding up to 209, 000 workers. References Brummer, J 2012, ' Business ethics: micro and macro', Journal of Business Ethics, vol. 4, no. 2, pp. 81-91. Nill, A 2003, 'Global marketing ethics: A communicative approach,' Journal of Macromarketing, vol. 23, pp. 90-105. Nill, A 2012, 'Research on marketing ethics: a systematic review of the literature,' Journal of Macromarketing, vol. 27, no. 4, pp. 256-273. Shayon, S n. d, Brand channel, viewed 26th January 2013, http://www. brandchannel. com/home/post/2012/04/23/Walmart-Mexico-Corporate-Citizenship-042312. aspx Stevens, B 2004, 'The ethics of the U. S. business executive: a study of perceptions,' Journal of Business Ethics, vol. 54, no. 3, pp. 71-163. The British Assessment Bureau n. d, The Tesco horse meat scandal and quality in the supply chain, viewed 26th January 2013, http://www.british-assessment.co. uk/articles/the-tesco-horse-meat-scandal-and-quality-in-the-supply-chain Whysall, P 2000, 'Marketing ethics: an overview,' The Marketing Review, vol. 1, no. 2, pp. 175-195.