

Uptown marketing strategies case study sample

[Business](#), [Marketing](#)



Introduction

The fundamental knowledge of marketing helps organizations in developing and planning for perfect market entry strategies. Today business environment has many marketing challenges requiring an organization to use a sustainable business model that takes care of the current and future environmental changes. Entrepreneurs should focus on becoming better business people than they are currently are through following a practical approach to management. The study aims at developing a marketing strategy for R. J. Reynolds following the moral reasoning model of Caveat Emptor in order to improve the company productivity. R. J. Reynolds introduced uptown was a cigarette designed for the black smokers but the producing company faced a lot of opposition from health groups that disintegrated sales (Balbach, Gasior, and Barbeau, 2003). After the failure of uptown, R. J. Reynolds introduced another brand called Dakota that also faced the same wrath. According to Gini (2009), business ethics is an important aspect that every entrepreneur should keep in mind before introducing new products in the market.

Uptown was manufactured for Black American smokers thus its production specifications met the smoker requirements. The cigarette was manufactured with lighter menthol and packaged in black and white with the filter facing upside down. Approximately 69% of black smokers preferred menthol cigarettes creating an opportunity for the company to have more sales. Uptown advertisements presented the cigarette as high fashioned and promotion of nightlife. In addition, the ads were produced in black and white

magazines and newspapers, billboards, and bus stops. The introduction of Uptown cigarette into the Philadelphian market was based on the following points in favor and against the product. Firstly, people would favor purchasing the product because blacks have the right to purchase a product of one's choice. Second, its introduction was not meant to affect any decision to smoke. On the other hand, the factors against its marketing were that the product was deliberately targeting African American, and the product was recorded to bring more diseases to smokers (Balbach, Gasior, and Barbeau, 2003).

Application of Caveat Emptor model to the R. J Reynolds's case

A perfect market entry strategy is essential since it assists a company in concentrating and utilizing the available resources and opportunities to realize profits and become competitive in the market. In developing appropriate market entry strategies, proper assessment of the internal and external environments of the business is essential. The market segmentation adopted in the sale of uptown and Dakota introduced much controversy marketing issues. Moral and ethical issues form the central aspects in every person's life because they portray personal relationship between individuals. R. J. Reynolds followed customer ethics but forgot to consider the outside world. The company targeted consumer segments that were more vulnerable with unhealthy products. The introduction of the two brands led to breach of business ethics because they were targeting low income earners and people with less education knowledge.

According to Browne (2004), the Caveat Emptor moral reasoning model the

role of business people should be protecting the integrity of customers by engaging in actions that are morally acceptable. The model calls for consumers to take responsibility of their actions because if they fail, entrepreneurs will end up exploiting them. In addition, the model continues to point on greedy business people who are capable of taking anything to the market so long as they receive the targeted returns. R. J. Reynolds was a selfish business person who could take advantage of the poverty and illiteracy levels of consumers to sell them harmful products. The organization announced an introduction of Uptown to attract new customers. The outcome of the product was the introduction of mortality high smoking illness among black customers.

The National Association of African Americans for positive Imagery opposed the product quickly before it could lead into more harms. The Secretary of Health and Human Services, Dr. Louis Sullivan denounced the sale of Uptown cigarette an action that led to the introduction of the motion in the parliament (National Association of African Americans for positive Imagery, n. d). The banning of the marketing of Uptown by R. J. Reynolds was advocated by media houses and community mobilizes. Even though R. J. Reynolds had placed the best marketing strategy for Uptown, the lack of professional code of ethics tools led him into abandoning the market for Uptown cigarettes. In addition, Caveat Emptor moral reasoning calls out for business people to be on the watch out for their customers. Competition is the key to a successful business and all entrepreneurs aim at winning customers through different methods. A business person who fails to uphold his customers' ethics allows competitors to take away those customers. . J.

Reynolds lost all customers to competitors leading to a decline of cigarette sales by 6% (Balbach, Gasior, and Barbeau, 2003).

Pros and cons of caveat Emptor model

The Caveat Emptor model has both counterproductive results and positive results. On the counterproductive results, the model encourages business people to take advantage of the less advantaged consumers in the society and sell them harmful products. The marketing for Uptown cigarette targeted the low income earners and less educated who could not understand the negative implications of taking the product. According to the Caveat Emptor model, the failure of consumers to take responsibility provides an opportunity for another person to do. Secondly, the model does not provide any significant solution apart from providing cautions to victims. Caveat Emptor tells consumers to be aware and be responsible although, it fails to provide the way forward or tactics of discovering such instances in future. On the other hand, the Caveat Emptor model is of significant benefit to both the consumer and the business person. The model teaches a consumer how to be responsible and creates an awareness of ill actions in the business society. Uptown cigarette smokers were cautioned of the dangers posed by the cigarette before it was too late and the effect could have caused many deaths. On the business owner position, the model reminds entrepreneurs of consequences of not upholding ethics in business that include loss of customers, ban of the product among others. Lack of business ethical tools by R. J. Reynolds led to loss of customers and also future customers could not trust the organizational products any more.

Conclusion

A business owner's action should be driven by such motivations that justify ethical values. Caveat Emptor forms a nice example of a person who can teach the society the acceptable norms in order to take responsibility of others. The action by R. J. Reynolds was such an ethical act and condemned by the Caveat Emptor moral reasoning model. An organization wishing to watch its marketing strategies achieve the set goals should ensure all business ethics and morals are adhered to. Moreover, an organization should seek the help of government organizations before introducing new products, especially the consumables. The study of Uptown case should act as a lesson for any business person aspiring to take advantage of consumers' illiteracy, poverty, and integrity.

References

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