

# Marketing and brand management

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



Due to the success of the business, the many has started to franchise it worldwide, Resold can be found today in most of the world and in more than seven locations In London. Ethical dilemmas the company Is facing In the K: Ethical issues in pricing Excessive pricing is one of the ethical issues the company is facing; on the financial part Resold have a big strength. The all financial system of the company is based on commission only. All of the staff Including managers gets paid only on commissions. The cost of manufacturing is quite low, and the price of sale is very high.

Resold invest a lot on his sales people, the sales staffs gets a very high commission on the reduces they are selling, that's how the company motivate them, the managers get a commission on the subtotal of the shops. The Idea behind that is that the company can hire as much sales people they want without worrying about paying them a wage, as they will get paid only if they sell. But the sales technique of Resold is very unique and teaches you how to stop someone in the street and how to convince him to buy some skincare for a large amount of money.

The financial structure is very safe for the company, however when a customer buy for a few thousand pounds of skincare in the resold shop, and after he comes home and find out that he could buy the same products for only a few hundreds pound online, it will be understandable that he will be unhappy and likely to never return to the shop. Approach for marketing manager: The marketing manager of Resold in the UK is facing a deontological approach, which is focused on the principle that guides the ethical decision. All of the branches of resold worldwide are working on the same concept.

The business model of the company is to create a quick turnover on each shop they are opening, by that the many can develop their brand really quick. The solution for this ethical issue is to encourage the sales people to give the customers more products as gifts if they overpay, so even if the customer find out he could buy it cheaper he would still have a lot of items. By that it will not come to over pricing but just a use of a classic sale technique. 1 OFF A customer buy in the shop a face cream for one hundred pound, but was given another one as a gift because it was a promotion day.

The same customer arrives home and find the same face cream online for fifty pound. The customer will remember that he was given two face creams so it wasn't overpriced but just a sale technique in order to sell him more.

Targeting vulnerable customer As mentioned above the sales people get paid only on commission, for that reason a salesman will do anything in order to achieve his goal. The journey of salesmen at resold, is to stand in front of the shop in the street, to find the right customer, get him inside, do a demonstration and eventually sell him.

A salesman is more likely to stop a lady over fifty sixty years old or a single person which is vulnerable rather than to stop a man a younger lady or a couple. An older lady will do anything and will buy anything if you can convince her she will look younger with your products. In order to support this statement, please find below part of a Minute report: " Over six in ten (61 women aged over 65 use products to look better for their age, which underscores the notion that pride in a person's looks is not only the realm of the young. The ethical issue the brand is facing is the targeting of vulnerable

customers, although not only resold but most of the cosmetics chains in the market today. This will be a teleological approach which refers to the consideration of the outcome or the consequences of that ethical decision. The marketing manager is aware of the consequences, although this issue has a bit of a conflict: on one hand people will say that we are targeting vulnerable customers but on the other hand there is a huge demand for it from their part.

Please find below evidence for statement above: " Intel's latest research finds consumers are still prepared to pay extra for small luxuries, with a third of consumers prepared to pay more for good quality fragrances and over one in five on skincare (23%) and cosmetics (21%). Indeed, in the I-J, total spend on beauty has risen 8. %, from £5.4 billion in 2009 to £6.8 billion in 2010" " The recession has encouraged a cost conscious attitude to everyday beauty lines in Britain, with consumers looking for value and offers where they can.

However, at the same time, as consumers actively manage their budgets they have developed a 'skimp and splash' pattern of shopping behavior whereby they look for affordable treats to supplement their economizing attitudes. " In conclusion, those are only a few of the ethical issues resold is facing in the I-J. I believe that in any company there are some ethical issues, but we must satisfy customers demand. For that reason there will always be issues but for every issue there is a solution and marketing managers need to find constantly solutions.