

Marketing ethics

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



MARKETING ETHICS (Nestle and Artificial Sweeteners) of (affiliation)

Introduction The globalization trend created tremendous pressure for large firms to do business more competitively; marketing and advertising strategies are constantly reviewed for any changes and revisions that will help a global firm hold on to its market share, expand it, and at the same time, inspire intense consumer loyalty. This highly-competitive nature does not exempt the world's biggest food and beverage companies. The desire to grow bigger is a driver in business activities, and sometimes it brings into question some marketing techniques. The modern food industry, in particular the processed foods sector, requires big players; size can help for obvious reasons, like manufacturing efficiency, economies of scale in distribution and logistics, purchasing leverage, and other factors encourage firms to merge. Nestle is now the world's largest food company, and followed by Kraft Foods, Unilever, and PepsiCo. These companies follow textbook rules when it comes to marketing strategies, which is usually defined by the so-called 4Ps, which are product, price, place, and promotion. This is the guide to help them develop customer relationship to instill loyalty and prevent product switching. Marketing experts have recently added 3Ps which are process, positioning, and people. Whatever strategies a company uses in its marketing campaigns, the current mantra of the corporate social responsibility (CSR) requires that firms employ honest advertising to manifest good intentions to all stakeholders (stockholders, employees, consumers, regulatory agencies, and host community) because ethical practices are compatible with continued growth and high profits. Advertising and marketing agencies employed by giant food companies have banded to

adopt ethical practices among members and clients to foster goodwill, which is truth in advertising. Discussion The processed foods sector is sometimes wracked by scandals involving issues that are associated with public health concerns. Unsanitary manufacturing processes, ingredients which are questionable in terms of food safety (no Food and Drug Administration approval as being fit for human consumption), and banned substances or chemicals have in recent years created food scares. The more recent food scandals included the tainted baby milk mixed with melamine to increase its protein content, chicken and cattle injected with illegal growth hormones, and most recent, which is the deliberate mixing of horse meat in beef patties. The processed food sector includes snacks, candies, chocolates, beverages (soft drinks, cola drinks, fruit juices, and energy drinks), canned goods like fish and chicken meats, and also instant soups and noodles. There are many advantages in processed foods such as longer shelf-life, greater convenience, sanitary safety standards (removal of bacteria, virus, and pathogens by Pasteurization), time saving, wider food choices, and the addition of nutrients such as vitamins and minerals. All the finished products offer consumers greater value for money (price) because these are mass produced and cost lower, while offering also a solution (product), depending on a customer's reasonings (the different and many advantages as cited above) for buying it. However, food processing has also exposed the industry to various health issues like the cases of adulteration, substitution of certain ingredients, reduced nutritional density, accidental contamination, and the use of additives such as preservatives, stabilizers, fillers, and sweeteners. Sugar is a big cost component in most processed foods, and artificial

sweeteners cost lower. Tag line of Nestle that is “ Good Food, Good Life” is a commitment to nutrition, health, and wellness. It has in its Web site a profile nutrition system with regards to use of sugars in its products (ready meals, snacks, drinks, and cereals); but the firm is silent on the use of artificial sweeteners (Nestle Research and Development, 2013, p. 1) as there was no mention about it, although it claims to have attained a 34% reduction in the use of sugars. This is relevant to its marketing strategies, such as sale of confectionery products like chocolate bars. Sugar consumption causes obesity, and is linked to ailments like diabetes, hypertension, and cardiac diseases. The company claims to use an early warning network to prevent potential safety issues by using solid science. It is a surprise to read in the news that some 2. 7 tons of its chocolate bars have to be destroyed for failure to pass food quality inspection standards, due to high levels of sorbitol, an artificial sweetener and associated with bowel movement problems (The Associated Press, 2013, p. 1). Conclusion Natural sugars like glucose, lactose, fructose, and sucrose are often expensive to use; it is quite logical to use artificial sweeteners like aspartame (Nutra Sweet and Equal) and sucralose (Splenda) because these are hundreds of times sweeter and therefore provide big cost savings. In this particular case, Nestle may have crossed an ethical line by not fully disclosing its products contained sorbitol. It violates the American Marketing Association (AMA) principles of fairness, honesty, truthfulness and “ do no harm” in its Statement of Ethics (AMA, 2013, p. 1). (word count = 800) References American Marketing Association (2013). “ Statement of ethics: Ethical norms and values for marketers.” Retrieved on March 15, 2013 from <http://www.marketingpower.com>.

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