

# Colgate's distateful toothpaste

[Business](#), [Company](#)



The mission statement for Colgate is " Our three fundamental values - Caring, Global Teamwork and Continuous Improvement - are part of everything we do. " (" Colgate world of," 2011). Colgate presents products in the line of household and personal care such as laundry detergents, healthcare products and Hill petfood. The case, Colgate's Distasteful Toothpaste, deals with ethical issues associated with Colgate's repugnant toothpaste brand named Darkie. The term ethics refers to accepted principles of right and wrong that govern the conduct of a person, the members of a profession, or the action of an organization.

Because it refers to accepted principles, these principles may change from country to country or from business to business. No two countries hold the same identical ethical values. Business ethics are the accepted principles of right and wrong governing the conduct or behavior of business people. According to the case at hand, the ethical issues arising are about the logo on the tooth paste " Darki" black man toothpaste. This is an ethical issue because the logo was very popular in the Asian market for years which meant that it was very well accepted and non-offensive in the market.

But as soon as the word of such action was heard of in the US it was regarded as offensive and unacceptable. The argument was how in the world could this simple logo which had generated millions of dollars to the Colgate and Hawley and Hazel alliance be called offensive? The spokesperson from Hawley and Hazel pointed to the fact they had no problems because the market share was so high in Asia. It left a bad impression on the US consumers because culture was different. The trade mark or logo was singling out black people which were viewed as a form of racism by the US population.

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In the Asian community this was not a problem because there was not a large black population as compared to the US. In the US with the institution of slavery still fresh on the minds of the average American this ad did not sit well, so one can clearly see that in this case ethics had indeed been violated. Another case in point is that Colgate indicated that they had no plans of selling this product in the western world tells me that they were in this thing just for market share in the Asian market. And that they knew being a US company that it was expected of them not to be conducting that type business dealings with another country if the home country is not pleased with such an operation. Colgate did not care what the black or white Americans public thought or how they felt while promoting Darkie they had no problems, all they were looking at was the millions of dollars on the balance sheet. At the end of the day, there was no remorse or guilty feelings; it was just business as usual for them. This type of action reflects total unethical behavior on the part of Colgate. In order for Colgate to enter the Asian market it had to first develop a plan of action or strategy.

Strategic management is the process of determining the organization's basic goals and objectives and setting out a plan of action to attain them. In this case Hawley and Hazel had dominated the Asian market for years with their Darkie product. The only chance Colgate saw of getting into this huge market without having to set up a production plant of its own was to go into a 50% partnership with Hawley and Hazel. The agreement of this deal was that Colgate was to have no managerial say in the decisions of the partnership. This was the strategy that Colgate took in order to gain access into the Asian market seeing that Darkie was so popular.

All Colgate was focusing on was on market presence and money; it did not face them that did not have a voice in the deal. That is why when things took a nose dive they could not say a word and it took three years and tons of money to rectify the problems that they faced. In order for Colgate to handle the circumstance that arose, managerial privileges were the key. For Colgate the Asian market was the only driving force. If they had only kept their eyes on the true prize which are good reputation and customer loyalty and made sure that they had managerial rights it would have saved them many troubles.

As a big company Colgate, should have made an attempt to enforce some kind of pressure on Hawley and Hazel to change the logo. Instead of just sitting back and saying we have no managerial power. With all that was going on with Colgate one would probably ask, why didn't Colgate and Hawley and Hazel just change the advertising logo? The answer to this question comes in two parts. The first is the effects of brand name and the loyalty that is affiliated with that brand. A brand exhibits the special relationship and connection we forge with a product or service.

Darkie had a brand name in the Asian market that the customers loved. The advertisement which portrayed a black man's white teeth generated millions in sales. Once a company has a well established brand name, it is very difficult to change. Customers put their loyalty in brand names and if these names change for any reasons, customers might feel cheated and even abandon the brand. That is why it is very risky for any business or partnership venture to change advertising without losing customers.

Remember that advertising is the method by which the information about products is being circulated into the market place.

The Darkie logo advertisement was the driving force behind the product and the customers had a special feeling towards it. Any drastic or even simple change might have created sway in their minds resulting in market loss, and no company wants to lose market share. This is why Colgate and Hawley and Hazel did nothing to change to the ad, and I think it was the possible reason why Colgate did not respond to the domestic complaints. In the end I think without a reasonable doubt that managerial rights played a huge role in this case.

If Colgate had it I think it would have been able to handle the negative pressures better. Furthermore I think Colgate as the huge business that it is, was supposed to just take the bull by the horns and launch into the Asian market. Darkie might have been the dominate player in the Asian market but I think that Colgate had what it take to compete. I think also that if they had made the detailed analysis which they were known for and remained focus on the local cultural differences, eventually they would have became number one in the Asian market.

### Bibliography

Colgate world of care. (2011). Retrieved from <http://www.colgate.com/app/Colgate/US/Corp/LivingOurValues/CoreValues.cvsp>

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