

Corporate responsibility and marketing strategies assignment

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Corporate Responsibility and Marketing Strategies Contemporary

Business/508 January 28, 2014 Dry. Allen Beck Apple corporation bases its success on “ creating innovative, high quality products and services and on demonstrating integrity in every business interaction. ” According to Apple, four main principles contribute to integrity: honesty, respect, confidentiality, and compliance. To more thoroughly detail these principles, Apple has drafted a code of business conduct that applies to all its operations, including operations overseas. Apple disappointed socially responsible investors.

Apple has come under ire since around 2006 as details emerged surrounding the workplace environment at Apple’s Chinese suppliers. An article in The New York Times publicized unsatisfactory worker conditions, which included grueling 24-hour shifts, overcrowded dorms, exposure to toxic chemicals, and horrific explosions. Foxing Technology Group operates many of the plants in question in Chengde, China. When it comes to customers, Apple is said to be a bold innovator that leads the industry into new directions and forces others to follow.

However, when it comes to the management of its supply chain and treatment of workers in the Chinese factories that make its products, Apple hides behind the constraints of prevailing industry practices. What is even more disconcerting is the fact that these practices are in violation of not only local and national laws, but also of Apple’s own voluntary self-imposed code of conduct. Most of Apple’s worker-related problems were focused on Apple’s manufacturing partner Foxing and its subsidiaries. Apple’s China operations first caught international attention in June 2006 with a long story in Britain’s <https://assignbuster.com/corporate-responsibility-and-marketing-strategies-assignment/>

Mail on Sunday. This was followed by a series of similar stories in other leading international news media, and has continued to this day. Because of Foxhound's secrecy, it is well-nigh impossible to develop an accurate assessment of the problems in the factories owned and operated by Foxing and its various subsidiaries. However, a brief description of extreme conditions prevailing in these factories and widely reported in the media gave the readers some indication of the enormity of the problems that likely to existed in those plants.

Apple has audited many of its suppliers and found violations of its Supplier Code of Conduct, but requesting its suppliers improve working conditions is not as powerful as changing suppliers to ones with more humane conditions. Part of the problem is that Apple has no legal liability for what happens in Chinese factories owned by separate manufacturers. Environmental organization Greenback had frequently campaigned against Apple, requesting elimination of non-recyclable hardware components, the removal of toxins from phone hardware, and a comprehensive take-back plan to prevent Apple products from ending up as waste.

Greenback also began a protest in 2003 against Apple's use of toxic PVC plastics and predominated flame retardants, or Bars, in Apple's products. Apple eliminated these chemicals in 2008, becoming the first laptop maker o do so (Corporate Responsibility Spotlight: Apple, September 14, 2012.) Workers assembling phones, pads and other devices often labor in harsh conditions, according to employees inside China's plants, worker advocates and documents published by companies themselves. Problems are as varied

as onerous work environments and serious -?? sometimes deadly -?? safety problems.

Under-age workers have helped build Apple's products, and the company's suppliers have improperly disposed of hazardous waste and falsified records, according to company reports and advocacy groups that, within China, are often considered reliable, independent monitors. The suppliers demonstrated disregard for workers health. In 2010, 137 workers at an Apple supplier in eastern China were injured after the workers were said to have been ordered to use a poisonous chemical to clean phone screens. In 2009 two explosions at pad factories, including in Changed, killed four people and injured 77.

Before those blasts, Apple had been alerted to hazardous conditions inside the Changed plant, according to a Chinese group that published that warning (Digit, Charles and Barbara, David. In China, Human Costs Are Built Into an pad, (The Newark Times) January 25, 2010.) The publications outlining the ethics and social responsibility violations of Apple caused more consumers to actually start to wonder where and how Apple products are manufactured. Consumers have focused on Apple's remarkable products rather than how they are produced.

The New York Times story on pad working conditions, for example, generated 1, 770 reader comments. Many, if not most, blasted Apple or the overall system of cheap labor. And an online petition prompted by the This American Life piece that called for Apple to protect Chinese workers had garnered roughly 166, 000 signatures-?? and counting. I determined that Apple's customers would be willing to ay more for its products if Apple had to

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increase selling prices in order to provide better wages and benefits for suppliers' workers. Apple seems to make people crazy, described as a cult because it has such a vociferous following. The Secrecy Strategy' (Molt, John. , Why Apple Drives People Crazy. Macdonald. Feb., Volvo. 30 Issue 2, polo-100. 1 p). Stock-market and financial analysts are known to always have had a hard time understanding Apple because Apple does not sell commodity products or chase market share at the cost of everything else. Its modus operandi is: Enter a market, stake out the high end, and scoop up all the profit. As copycats such as Samsung flood the low end, Apple continued to hold the high end by evolving and differentiating products, while looking for new markets.

One key approach used is to never telegraph punches; that way, no would know which market would be remade next. Hence Apple's famous veil of secrecy, which further frustrated analysts. The bottom line was that the appeal of Apple's products and its business strategies were said to be inscrutable, which made the company a Rorschach test. People saw what they wanted to see, and the idea that Apple's fortunes are plummeting is more appealing to many than the idea that it might continue to ride high. The appeal of Apple's products and its business strategies are believed to be both inscrutable.

Apple joined the FLAT in 2012 following intense public attention over allegations of widespread problems at Foxing, China's largest private employer. The FLAT said both Apple and Foxing " have agreed to ongoing assessments by FLAT in order to ensure that labor practices meet FLAT

standards and remain in compliance for the long term. ” Current and former Apple executives, moreover, say the company had made significant strides in improving factories in recent years. Apple has a supplier code of conduct that details standards on labor issues, safety protections and other topics.