

Disney consumer products indulging in unethical practices



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Introduction

Following is the account of a few companies which re indulging in unethical practices:

Disney Consumer Products

Disney is the world's largest Media & Entertainment Company, in terms of revenue. It has presence in various domains – theme parks, movies, animated characters, television network, publishing house etc. Over time with its birth as the house of Mickey Mouse, it has imbibed the personality of – fun & magic. Disney has a huge repertoire of brands under its names ranging from Mickey Mouse, Donald duck, Winnie the pooh, Aladdin to the characters in Toy Story, Pirates of the Caribbean, Price of Persia etc. Thus, to take advantage of this huge portfolio of brands Disney decided to engage in merchandizing of the Disney brand and its various properties. This merchandising has made Disney count as one of the world's top licensor. But the “ ethical” problem is that most of their products are directly targeted to kids.

<http://www.diningindisney.com/images/cp/disneyfood.jpg>

The merchandizing arm of Disney which is called Disney Consumer Products has publicized Disney a lot; by getting the brand endorse products ranging from apparels, toys, books, food & beverages to electronics & animation art and many more things. In terms of food & beverages the brand was licensed for water, juice, milk, fruits and vegetables, which are the healthy categories. But it was also licensed to other categories like pasta, chips, cookies, chocolates, pizza, hot dogs etc. which were very low on the nutritional value.

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The main problem was that around 2004, children in US were suffering from problems like lack nutrition & obesity. According to a survey, 44% of American children were overweight or obese. This was also the time when these packaged goods companies (which had brand licenses from the likes of Nickelodeon, Cartoon Network & of course Disney) were spending maximum on children's channels on televisions. Disney themselves conducted a nutritional audit in 2004 on their products, and found out that only 41% of their products met nutritional guidelines, all the rest had to be reformulated to make them nutritional. [http://img. timeinc. net/time/daily/2006/0610/disney_food1019. jpg](http://img.timeinc.net/time/daily/2006/0610/disney_food1019.jpg)

The issue here is that Disney is playing on the young child's mind, which can hardly differentiate between good & bad, they just see the advertisement & want to buy it, without knowing that they are being manipulated into buying that product. And with factors like individualistic personality, peer pressure etc. emerging in teenagers; the problem is becoming worse.

Vaseline Men's (India) Facebook application

For its new product Vaseline Men's the company has made a facebook application. The purpose is to make the profile picture look fairer by tweaking the brightness and contrast of the image.

As on 2nd August, 2010 the application has got over 12, 000 users, which shows the Indian obsession with fair. In India, fair skin is given higher regard, a superior standing. The market is driven by fashion and a cultural preference for fairer skin. So, such an application is provoking people to be fair. At the same time the darker toned people want to become fairer

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because they feel they are being looked down upon, and mainly that is the main insecurity insight from which all these skin fairing creams are emerging. vaseline Vaseline and the pitfalls of a borderless digital world

According to Mintel, around 240 products promising lighter skin have been launched in India in the last five years. And the same number is 2, 800 for China, 1, 000 in Japan, and around 560 in the Philippines. This shows the Asian passion for fairer skin.

Seeing the Vaseline India site, the first question they pose is: “ Four out of 5 women believe their body is darker than their face. Are you one of them?”. It shows that Vaseline has been driving on this concept of fair being the better skin tone for quite some time now. This means that people are obsessed about fairer skin, but is it right to derive your profit from someone’s weakness?

I think this kind of advertising is unethical. This is creating a social divide between the fair & dark skinned people. Also, if you see the target for this app is the vulnerable Indian youth on Facebook, who are indirectly being taught that fair is the cooler thing. And also because of the insecurities they would feel dejected & would thus succumb to such products to attract others. Therefore, selling/marketing a product by using this social stigma is not at all ethical.

Coca Cola – Leaving Indians thirsty since 1993<http://upload.wikimedia.org/wikipedia/commons/7/77/CocaColaIndia.gif>

Coca cola and similar beverage companies have always been in the thick due to various issues relating to misuse of ground water and causes acute
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shortage in the adjacent villages. There have been many incidents around the same theme and Coke has, instead of mending its operations, has tried to shift the blame by greasing the bureaucrats or blaming the villagers. The following text contains some heart rendering examples and instances when Coca Cola faced severe public criticisms due to their irresponsible operations.

In 2004 in Plachimada District, Kerala, Coca Cola faced severe protests and public anguish by the sleepy town of Plachimada over excessive use of groundwater resource leaving the area dry and unfit for agriculture. In March 2004, local officials in Kerala shut down a \$16 million Coke bottling plant blamed for a drastic decline in both quantity and quality of water available to local farmers and villagers. In April 2005, Kerala's highest court rejected water use claims, noting that wells there continued to dry up last summer, months after the local Coke plant stopped operating. Further, a scientific study requested by the court found that while the plant had " aggravated the water scarcity situation," the " most significant factor" was a lack of rainfall. Critics responded that Coke shouldn't be locating bottling plants in drought-stricken areas. In Plachimada, Coca-Cola is allegedly responsible for creating severe water shortages for the communities in the polluting the groundwater and soil destroying farms by draining them out completely. In this region where rains have been below normal for the third year in succession, Coca-Cola has been drawing at least 3, 50, 000 litres of ground water every day, as a study conducted under the orders of the High Court of Kerala recently found. At full capacity, the plant needed 1. 5 million litres of water per day, according to Kerala State Pollution Control Board (KSPCB). The plant here

used about 900, 000 litres of water last year, about a third of it for the soft drinks, the rest to clean bottles and machinery. It is drawn from wells at the plant but also from aquifers Coca-Cola shares with neighbouring farmers.

The water is virtually free to all users. These farmers who have been protesting say their problems began after the Coca-Cola factory arrived in 1999. A sample study of the bad effects of Coca Cola factory in the district can be found at the link given below, which shows, how irresponsible the brand has been ([http://www. indiaresource.](http://www.indiaresource.org/documents/PlachimadaReportWaterPollution.pdf)

[org/documents/PlachimadaReportWaterPollution. pdf](http://www.indiaresource.org/documents/PlachimadaReportWaterPollution.pdf)) Unusable Well in Kala Dera Confirms Depleted Water Levels

Similar problems happened in Kaladera District in Rajasthan, Mehandiganj Village of U. P. among many others. It is time Coca Cola started propagating water harvesting and engineer processes, which are 100% water reusable like other companies like HUL, P&G etc. have done.

NIKE – Swoosh for Slavery

Sweatshop (sweat factory) is a working environment considered to be unacceptably difficult or dangerous – especially by developed countries with high standards of living. However sweatshops may exist in any country.

Sweatshop workers often work long hours for unusually low pay, regardless of laws mandating overtime pay or a minimum wage. Child labour laws may be violated. Sweatshops may have hazardous materials and situations.

Employees may be subject to employer abuse without an easy way to protect themselves. Since wages are unusually low, and working conditions poor, the incentive for owners to invest in modern, possibly economically

nonviable technology is less. One of the most famous international clothing, <https://assignbuster.com/disney-consumer-products-indulging-in-unethical-practices/>

sport and shoe companies, Nike, sells products manufactured worldwide in sweatshops. Nike's use of sweatshop labor has been in the public eye since the early 1970's when it produced goods in South Korea and Taiwan. When stricter labor laws were passed in South Korea and Taiwan, Nike looked to utilize sweatshops elsewhere. They found a home in Indonesia, China and Vietnam. Nike chose these countries not only because of their low wages, but also because of the inability of workers to establish unions by law.

[http://2. bp. blogspot.](http://2.bp.blogspot.com/_SmqSa90BDIc/THIRNwIWu6I/AAAAAAAAABnc/CsirBLqRrHM/s1600/slaverynike1.jpg)

[com/_SmqSa90BDIc/THIRNwIWu6I/AAAAAAAAABnc/CsirBLqRrHM/s1600/slaverynike1. jpg](http://2.bp.blogspot.com/_SmqSa90BDIc/THIRNwIWu6I/AAAAAAAAABnc/CsirBLqRrHM/s1600/slaverynike1.jpg)

Nike is one of a few shoe companies that have taken responsibility for sweatshop labor. Most companies attempt to pass blame, claiming that they were just the buyers, the final product of these sweatshops. However, Nike admitted they although they did not run the sweatshops, they dictated price, materials used and the terms of the contract with factory owners. They do not run the shops because according to Nike officials, they are in the business of designing and selling shoes, not manufacturing them. Nike is not the only company in the world that uses sweatshop labor to manufacture goods. [http://chandlersfantasyblog.](http://chandlersfantasyblog.com/wp-content/uploads/2010/10/sweatshop.jpg)

[com/wp-content/uploads/2010/10/sweatshop. jpg](http://chandlersfantasyblog.com/wp-content/uploads/2010/10/sweatshop.jpg)

Nike is the most criticized because of its size and wealth. Nike has the ability to make improvements to its factories because it has enough profit. Focusing criticism on Nike affects all companies utilizing sweatshops. Companies such as Adidas and Reebok improve their factories for fear of having the public criticism and disapproval that Nike has. There are many groups who not only <https://assignbuster.com/disney-consumer-products-indulging-in-unethical-practices/>

condemn Nike's use of sweatshops, but the use of all sweatshops in general. In 2005, protestors at over 40 universities demanded that their institutions endorse companies who use "sweat-free" labor, unlike Nike. Many of these groups are student founded and student lead such as the United Students Against Sweatshops and CCNY Students Against Sweatshops. "Team Sweat" is one of the largest groups who specifically track and protest against Nike. Team Sweat is "an international coalition of consumers, investors and workers committed to ending the injustices in Nike's sweatshops around the world." Jim Keady founded Team Sweat in 2000, Keady researched Nike's labor practices while attending graduate school at St. John's University in New York. Keady doubled as the soccer coach at St. John's University, and while conducting his research about Nike; the school signed a \$3.5 million deal with Nike, forcing all athletes and coaches to endorse Nike. Keady publicly refused to support Nike and was forced to resign in 1998. Since resigning, Keady has done original research into the effects of Nike's Sweatshops. He travelled to Indonesia, worked in a Nike factory and lived on the \$1.25 wages.

Benetton advertising by Toscani

Every one knows the famous Italian fashion brand Benetton. And all those over twenty years old know these advertising campaigns born from the collaboration between the Group Benetton and the photographer Oliviero Toscani, in which topics, images, confrontations and situations were provocative. <http://www.tendances-de-mode.com/dotclear/img7/img-317.jpg>

If you don't know what we are talking about, let's just have a look to some of those ad...

It is obvious that those ads play it both ways: commercial advertising, and charity campaign. According to Oliviero Toscani, today's businesses must have a social and political responsibility; they should not spend their profits ahead of basic human principles. <http://www.nouveau-marketing.com/wp-content/uploads/2007/05/070525-benetton1.jpg>

Ultimately the famous photographer underlines precisely the fact that in our occidental societies, we never questioned values such as democracy and capitalism, as if they were obvious.

Therefore, what is the Benetton advertisements bring? For the photographer side, they allow people asking themselves what is advertising, and think in a critical way about capitalism and the society. Because for him, nowadays companies shouldn't give priority only to economic interests, they should be more engaged than that. So that's what he did for those advertisements for Benetton. And for the Group, those advertisements bring a lot of talk, debate, word of mouth, positive (because it shows that the brand is engaged for equality of people, for stopping legal murder and death sentences, think outside the box) or not (because the way used to pass the message, the images used were shocking, and clearly unethical), but it makes people talking about the brand, and that is what is important for a brand, that people know its name, talk about it all over the world. And despite numerous boycotts the group still posted a profit in 2000 up 10% over the year before.

<http://funimages.free.fr/images/PUB/PUB%202008/052008/funimages.free.fr%20benetton%20toscani%2011.jpg>

But nothing last forever and this adventure of trying an activist approach of advertising ended in 2000.

Volvic and its “ drinking water in Niger” operation

When we talk about marketing ethics, it is necessary to distinguish ethical and legal aspects of the framework. An unethical decision or action lead by a company is not necessarily illegal and vice versa. So one effective way to integrate ethical marketing in a positive way is to be actively engaged for a social cause.

A really good example of such a social and ethical engagement is the operation “ 1L = 10L” led by Volvic, a French brand of drinking water, in 2006. The promise was simple: every time a consumer bought one liter of Volvic water, Volvic pledged to fund construction of wells in Niger, so that ten liters of drinking water can be drawn.

The results of this operation have been spectacular. Volvic has seen a great increase in its sales, and has financed the construction and the maintenance of 16 wells for 10 years. All this provided through a partnership between the brand and the Unicef organization.

Thus marketing ethics has allowed to simultaneously satisfying several requirements:

the villagers in Niger who benefited from drinking water infrastructure

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the consumer who felt happy to have contributed to this, in their small extent, but preferring this proposal instead of a reduced price in a competitor for example

Volvic which saw its sales rise and its image permanently associated to a high value, and a great story.

And we can go further in the positives consequences of this type of marketing action:

the Unicef organization enjoyed a high visibility without incurring the sometimes controversial direct marketing expenditures

employees of Volvic have been naturally associated to the action and adhered more easily to a social and thus more motivating project than just a simply “ growth” objective

the shareholders also enjoyed this operation through the financial efficiency of the device

Conclusion: “ Ethics all the way”

We as a group think that marketers need to embrace, communicate & practice ethical values only. They should also take care of the social consequences of their products i. e. the effect of the product during manufacturing, packaging, recycling etc. This should be a part of giving back to the society, as it is an important part for the companies. The primary goal should get shifted from selling to ‘ ethical’ selling. And lastly the marketers should follow the basic principle: ‘ Honesty is the best policy’.

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