

# [Is rocket internet a hub for innovation or just another copycat](https://assignbuster.com/is-rocket-internet-a-hub-for-innovation-or-just-another-copycat/)

[Business](https://assignbuster.com/essay-subjects/business/)

﻿It is Unethical to Copy Business Models
Though history has it that copying of business models has been a phenomenon in the business arena, it is highly questionable the extent to which such business practices are ethical. In this case, this piece holds the position that it is unethical for Rocket Internet to copy the business models of emerging business entities. The implication is that ethics of business protects the integrity of innovations where the laws of business ethics condemn any attempts to imitate products of a given company (Jones and Frederick 482). On the other hand, laws of business ethics recommend that businesses should show justice in their actions where they should not engage in practices that are not morally upright to their competitors. In the case of Rocket Internet, the company seems to be stealing business ideas from startup businesses around the world and marketing the models as if they are its original ideas. By engaging in such acts, the company denies the small startups from growing and becoming large enterprises that can sell their business models to the international market. Though a major argument on Rocket Internet’s action is that the company is helping small business startups to market their models at the international level, it remains a question of business ethics because most of the international corporations that the world knows today began as small startups and grew into larger businesses. Therefore, Rocket Internet’s actions may be legal but in terms of business ethics, the company is compromising the originally and innovativeness of the small startups because it is Rocket Internet benefiting from the sale of the business models (Thomas 786).
Nonetheless, it is unethical to copy business models because it kills or reduces creativity in the business environment (Thomas 786). However, creativity and innovation plays a major role in the success of any economy and market since it drives competition. Therefore, ethically speaking, Rocket Internet is unethical with its idea of copying business ideas from the small startups. The implication is that it is always not an easy task coming up with new ideas that are derived from scratch and once developed, should be protected and treated with high regards so that the right of ownership belongs to the inventor. However, Rocket Internet has reserved such roles and is taking advantage of the fact that the startup businesses cannot finance or fund their new business models despite this being unethically sound business practice. On the other hand, the copying of a business model is like a short cut where the organization capitalizes on business models that it knows have been tested and as such, proved to be working (Jones and Frederick 482). In this case, the organization skips other tedious processes like brainstorming ideas thus it is still unethical to enjoy the sweat of small business startups like Rocket Internet.
The idea of copying business models is also unethical because those doing it do not have to incur risks like the innovators despite this being against the ethical principle of beneficence (Jones and Frederick 482). According to the principle, a business action or decision must benefit those affected but the Rocket Internet tries to benefit from already tested models that have least risks and maximize from them without considering the benefits that the small business startups should get from the innovation. Therefore, the essay is of the opinion that it is unethical to copy business models like Rocket Internet because it kills originality, creativity and denies the proprietors of the model the chance to enjoy the fruits of their inventions.
Works Cited
Jones, Thomas M., and Frederick H. Gautschi III. " Will the Ethics of Business Change? A Survey of Future Executives." Citation Classics from the Journal of Business Ethics. Springer Netherlands, 2013. 481-504.
Thomas, Kedron. " Intellectual property law and the ethics of imitation in Guatemala." Anthropological Quarterly 85. 3 (2012): 785-815.