Marketing Ethics and Global Business Video Questions

Posted on July 27, 2022

Introduction

The three videos in this assignment address different but connected business-learning outcomes: marketing decisions and consumer behavior, ethical leadership and corporate responsibility, and strategies for entering global markets. The original response correctly identifies McDonald's adaptation to local preferences, Steve Jobs's emphasis on values, and the increasing balance of risk and control across export, franchising, alliances, joint ventures, and direct investment. It can be strengthened by separating each learning outcome, clarifying how the marketing mix is coordinated, distinguishing legality from ethics, and explaining why an international entry mode must fit the firm's resources and the host market. Video examples are useful starting points, but they should be tested against current company practice and established business concepts. McDonald's, for example, operates as a global system of locally owned businesses, with about 95 percent of its restaurants operated by independent franchisees or developmental licensees. This structure supports local adaptation, but brand standards, supply chains, food safety, labor practices, and marketing ethics remain shared strategic responsibilities.

Question One: How Are Product, Brand, Price, Promotion, and Place Interlinked?

Product Decisions

A product decision concerns the bundle of benefits offered to the customer. For a restaurant, this includes food, portion, taste, ingredients, packaging, service speed, digital ordering, cleanliness, consistency, and the emotional meaning of the brand experience. McDonald's cannot offer one identical product portfolio everywhere because religion, diet, regulation, income, agriculture, and taste vary. Beef is unsuitable for many Hindu consumers, while Muslim markets require reliable halal systems. Local menus may include products such as the McAloo Tikki in India, McArabia in Middle Eastern markets, soup in Portugal, or teriyaki products in Japan. Adaptation is not simply replacing an ingredient. It affects supplier qualification, kitchen separation, employee training, labeling, pricing, and promotional promises.

Brand Decisions

The brand provides a stable identity across changing products. McDonald's global brand is associated with recognizable symbols, operating routines, speed, familiarity, and its longstanding emphasis on quality, service, cleanliness, and value. Local adaptation must therefore remain recognizable as part of the same system. If every franchise created an unrelated menu, visual identity, and service promise, economies of scale and customer trust would weaken. If headquarters imposed complete uniformity, the brand could appear culturally insensitive or commercially irrelevant. Brand management requires a controlled balance: core standards and identity are global, while selected products, messages, and community relationships respond to local conditions.

Pricing Decisions

Price communicates value and affects demand, positioning, and profitability. A global company cannot convert one U.S. price into every currency and expect the same result. Local purchasing power, rent, wages, tax, ingredients, competition, delivery fees, and customer expectations influence price. The menu architecture also matters. Entry-level items can attract value-conscious consumers, while premium, breakfast, beverage, delivery, and limited-time products serve different occasions. Discounts should be coordinated with franchise economics and capacity; a promotion that increases orders but overwhelms kitchens or produces losses is not successful. Ethical pricing also requires clear disclosure of fees and conditions, especially in digital ordering.

Promotion Decisions

Promotion explains the offer and gives the brand cultural meaning. Advertising, public relations, sponsorship, apps, loyalty programs, social media, outdoor media, and in-store communication should reflect the target audience and local law. Translation is not enough. Humor, family roles, religion, food imagery, and celebrity meaning vary. Franchisees possess local knowledge, but the company must protect accuracy and brand standards. Promotion should not claim that a product is halal, sustainable, healthier, locally sourced, or socially beneficial without evidence. Children's marketing needs particular care because young audiences may not recognize persuasive intent or nutritional tradeoffs. (Federal Trade Commission, 2026)

Place and Distribution

Place concerns how and where customers receive the product. For McDonald's, distribution includes restaurant location, drive-through, takeaway, delivery, kiosks, mobile applications, and supply-chain networks. A menu item must be feasible within available kitchens, transport, storage, and supplier systems. Location strategy depends on traffic, urban design, employment, real estate, and local eating patterns. Digital delivery expands convenience but changes food quality, packaging, fees, data use, and the relationship with third-party platforms. Place is therefore not merely choosing a site; it is designing the entire route from supplier to customer.

Why the Marketing Mix Must Be Coordinated

The four elements are interdependent. A premium product presented through low-price promotions may confuse positioning. A culturally adapted menu cannot succeed if distribution lacks appropriate ingredients or if advertising uses offensive imagery. A low price may attract demand that the restaurant cannot serve reliably, damaging the brand. Research connects the elements by identifying what customers value, what competitors offer, and what the operation can deliver profitably. Marketing strategy becomes coherent when product, brand, price, promotion, and place reinforce one target promise rather than function as separate departmental decisions.

The Marketing Research Process

Marketing research begins by defining the decision problem rather than collecting data without purpose. The company might ask whether a market needs a vegetarian breakfast, whether customers understand a digital offer, or why repeat visits declined. Researchers develop objectives and a design, review existing data, select qualitative or quantitative methods, define a sample, collect information, analyze it, communicate findings, and evaluate the decision after implementation. Interviews and observation can reveal motives; surveys estimate patterns; experiments test causal responses; transaction data show actual behavior. Research requires privacy, valid measurement, and awareness that expressed intention may differ from purchase behavior.

Consumer Behavior

Consumers make choices through need recognition, information search, evaluation, purchase, use, and post-purchase response. The process is affected by culture, family, income, habit, emotion, convenience, social identity, and situational factors. Restaurant choices are often low-involvement and repeated, but an unfamiliar ingredient, dietary restriction, or public controversy can make them highly considered. McDonald’s local adaptation demonstrates that consumer behavior is not universal. However, companies should avoid stereotyping an entire country. India contains varied regional, religious, and dietary preferences; Muslim consumers differ in how they assess halal assurance; and younger consumers are not one digital segment. Research should identify meaningful segments while preserving individual variation.

Learning From the McDonald’s Video

The central lesson is “global consistency with local relevance,” not unlimited local ownership of marketing. McDonald’s reports that nearly 95 percent of its locations are owned and operated by local franchisees or developmental licensees, whose community knowledge supports menu and promotional adaptation. The corporation still supplies brand standards, training, systems, and strategic direction. The franchise model aligns local investment with global scale, but it also creates governance challenges. A local operator's conduct can damage the worldwide brand, while headquarters decisions can impose costs on franchisees. Effective marketing requires shared data, clear authority, and mechanisms for resolving the tension between global efficiency and local opportunity. (Corporation, 2026)

Question Two: Why Is Legality Only the First Step in Ethical Business?

Law and Ethics Answer Different Questions

Law identifies enforceable minimum standards. Ethics asks what conduct is fair, honest, responsible, and consistent with legitimate stakeholder interests, including situations that regulation has not addressed. A digital platform may comply technically with a dense privacy notice while designing consent so that users cannot understand or refuse tracking. A food advertisement may avoid a literal false claim but create a misleading health impression. A company may pay the legal minimum wage while relying on unstable schedules that impose preventable hardship. Compliance is essential, but legal permission does not settle whether a decision respects human dignity, distributes risk fairly, or supports long-term trust.

Management's Role in Ethical Standards

Senior management establishes ethical priorities through resource allocation, incentives, hiring, promotion, discipline, and response to bad news. A code stating that safety comes first has little effect if managers reward employees only for speed and punish delays caused by safety checks. Leaders create the real code through the behavior they tolerate. They should define responsibilities, provide confidential reporting, investigate consistently, protect people who raise good-faith concerns, and disclose conflicts of interest. Ethical leadership also includes admitting mistakes. A defensive public statement can damage trust more than the original error when stakeholders see that reputation is valued above accountability.

Corporate Values and the Steve Jobs Example

In the referenced speech, Steve Jobs argues that strong brands communicate values rather than list product features. The "Think Different" campaign positioned Apple around creativity and people willing to challenge convention. This is an important marketing insight: emotional association can distinguish a brand even when technical products change. It is not, by itself, proof of corporate social responsibility. A company's advertising values must be compared with labor, supply chain, privacy, environment, product repair, taxation, accessibility, and workplace conduct. Values become ethical commitments only when they constrain decisions and are visible in operations, not simply when they create an inspiring campaign.

Nike as an Example of Values-Based Promotion

Jobs contrasted effective brand marketing with ordinary product advertising and used Nike as an example of celebrating athletes rather than focusing mainly on shoe construction. Nike's emotional storytelling demonstrates brand meaning, but it also illustrates why marketing ethics extends beyond communication. A company that celebrates human excellence must examine labor conditions, representation, product claims, environmental impact, and athlete relationships. A campaign can be artistically powerful while stakeholders question whether business practices support the same ideals. Ethical consistency does not require perfection, but it requires transparent targets, evidence, remediation, and willingness to change practices that contradict the brand story.

Corporate Social Responsibility

Corporate social responsibility concerns how an organization manages its effects on employees, customers, communities, suppliers, environment, and society. It can include fair work, accessible products, responsible sourcing, emission reduction, community investment, and governance. CSR should not function as philanthropy that distracts from harm in the core business. A company cannot compensate for deceptive advertising by sponsoring a charity event. The strongest responsibility strategy connects material social issues with business capability, measures performance, and reports limitations. Stakeholders should be able to distinguish completed outcomes from aspirations.

Compliance-Based Codes

A compliance-based ethics program emphasizes rules, monitoring, training, investigation, and penalties intended to prevent unlawful conduct. It is necessary in highly regulated areas such as food safety, finance, anti-bribery, data protection, workplace safety, and advertising. Its limitation is that employees may ask only, "Can I do this without being punished?" Rules cannot anticipate every situation, and excessive emphasis on enforcement may discourage people from reporting uncertainty. Compliance systems work best when procedures are clear, proportionate, and supported by leaders who follow the same standards.

Integrity-Based Codes

An integrity-based program emphasizes values, judgment, responsibility, and the kind of organization employees are expected to build. It asks, "Is this decision consistent with our purpose and the interests we are responsible for protecting?" Integrity supports action in ambiguous situations and encourages people to raise concerns before a rule is clearly broken. It can become vague when values are not translated into examples, authority, and consequences. The strongest organizations combine both approaches: compliance defines nonnegotiable boundaries, while integrity guides judgment beyond the legal minimum.

Ethical Decision Framework

A practical ethical review identifies stakeholders, facts, law, options, benefits, harms, rights, fairness, reversibility, and long-term precedent. Decision-makers can ask whether a claim is truthful, whether consent is meaningful, whether vulnerable people bear disproportionate risk, whether the process could be explained publicly, and whether an alternative achieves the objective with less harm. The review should include people with different expertise and lived experience. Ethical decisions are stronger when concerns are raised before resources and reputations become committed to one option.

Question Three: Why Are Global Markets Important, and How Do Firms Enter Them?

The Importance of Global Markets

International markets allow firms to reach new customers, diversify revenue, obtain inputs, access knowledge, and spread innovation costs across greater volume. They also expose firms to exchange rates, political risk, sanctions, regulation, logistics, cultural difference, and competition. Globalization does not mean every company should enter every market. A firm must assess whether its advantage transfers, whether local demand exists, and whether it can meet legal and ethical responsibilities across the value chain. International growth that exceeds managerial capacity can destroy value rather than create it.

Absolute Advantage

Absolute advantage exists when a country or firm can produce a good with fewer resources than another. If one country can produce wheat using less land and labor, it has an absolute productivity advantage in that task. The concept helps explain specialization but does not alone determine trade. A country may be more productive in every product and still benefit from exchange if relative opportunity costs differ. Business analysis should also consider transport, quality, risk, technology, and policy rather than equating low cost automatically with advantage.

Comparative Advantage

Comparative advantage is based on relative opportunity cost. A country benefits by specializing more in activities it performs at lower relative sacrifice, even when another country has absolute advantage in all production. The theory explains potential gains from trade under simplified assumptions. Real markets also involve economies of scale, strategic industries, adjustment costs, labor rights, environment, national security, and unequal bargaining. Comparative advantage is an analytical starting point, not a moral command that governments ignore every distributional consequence. Trade creates aggregate opportunity while specific workers, regions, and firms may lose.

Exporting

Exporting allows a firm to sell products made in its home country to foreign buyers. It usually requires less commitment than building operations abroad and can test demand. Indirect exporting uses intermediaries, while direct exporting gives the firm greater customer contact. Challenges include shipping, tariffs, documentation, currency, local standards, after-sales service, and product adaptation. Export is suitable when production can remain centralized and the product travels efficiently. It is less attractive when services require local presence or transport cost is high.

Licensing

Licensing permits a foreign company to use intellectual property such as technology, design, brand, or process in return for fees or royalties. It can provide rapid market access with limited capital. The licensor risks loss of control, inconsistent quality, and creation of a future competitor. Contracts need clear territory, term, quality, confidentiality, audit, improvement ownership, and termination provisions. Licensing works best when intellectual property can be transferred and monitored but local production or expertise is valuable.

Franchising

Franchising extends a complete business format that may include brand, operating procedures, training, supply systems, and marketing. It supports rapid growth through local investment and knowledge. McDonald’s illustrates how local franchisees can adapt selected menus and promotions while operating within a global system. The franchisor must select capable partners, enforce food safety and brand standards, and maintain a fair economic relationship. Franchisees carry substantial risk and are independent business owners, not ordinary corporate employees. Conflict can arise over required investment, pricing, advertising funds, technology, and control.

Strategic Alliances

A strategic alliance allows firms to cooperate without creating a jointly owned entity necessarily. Partners may share distribution, research, technology, manufacturing, or market knowledge. Alliances offer flexibility and access to complementary capability. They can fail when objectives diverge, knowledge leaks, responsibilities are unclear, or one partner contributes less than expected. Governance should define scope, decisions, intellectual property, performance, confidentiality, and exit. Trust is valuable but does not replace contract and oversight.

Joint Ventures

A joint venture creates a shared entity or project in which partners contribute capital, technology, market access, or expertise. It can meet host-country requirements and reduce the cultural or regulatory learning burden. Control and profit are shared, which can produce deadlock. Partner selection is critical because reputation, compliance, accounting, and strategic priorities become connected. The agreement should address governance, funding, transfer pricing, staffing, intellectual property, dispute resolution, and exit. A 50–50 structure appears equal but may be unstable if no mechanism resolves disagreement.

Foreign Direct Investment

Direct investment gives the firm substantial ownership and control through a new facility or acquisition. A greenfield investment builds operations, while acquisition purchases an existing company. The mode provides control over quality, intellectual property, workforce, and strategy but requires the greatest capital and exposes the firm to political, operational, and exit risk. Acquisition offers speed and existing relationships but may create integration problems. Direct investment fits markets whose size and strategic importance justify commitment and where the firm can manage local responsibilities.

Risk, Control, and Learning

The video's general progression is helpful: exporting usually involves lower commitment and control, while direct investment involves greater commitment and control. The relationship is not mechanical. A poorly governed license can create high reputational risk despite low capital, and a wholly owned subsidiary may reduce quality risk while increasing political exposure. Entry modes also generate different learning. Exporting teaches demand from a distance; partnership provides local knowledge but filters information; ownership creates direct experience at higher cost. Firms should evaluate strategic fit rather than select the mode solely by a simple risk ladder.

The Role of Multinational Corporations

Multinational corporations connect capital, technology, employment, suppliers, tax systems, and consumers across countries. They can create jobs, training, infrastructure, and access to products. They can also shift profit, pressure governments, exploit weak labor or environmental standards, and move risk through complex supply chains. Their responsibility extends beyond compliance with the least demanding jurisdiction. Due diligence should address human rights, anti-corruption, taxation, environment, product safety, and remedy. Local adaptation should not become an excuse for violating core standards. (Corporation, 2026)

Selecting an Entry Mode

A firm should assess market attractiveness, legal restrictions, cultural distance, intellectual-property risk, local partners, supply chain, capital, speed, control, talent, and exit. The decision may evolve. A company can begin with export, then license or form an alliance, and later invest directly after learning the market. The optimal path depends on the product and objective. A digital service may enter remotely but still face data localization and consumer law, while a restaurant requires physical operations and local sourcing. Strategy should specify which capability must remain controlled and which is best localized.

Integrated Learning

The three questions converge on one theme: sustainable business requires alignment. Marketing elements must reinforce one customer promise. Ethical values must align with management incentives and conduct. International entry must align desired control with capability and responsibility. McDonald’s succeeds when global systems and local knowledge reinforce one another, not when one eliminates the other. Steve Jobs’s values-based marketing is credible when operations support the values communicated. Global expansion creates opportunity only when companies understand consumer behavior and accept accountability for how the opportunity is pursued.

Conclusion

The videos provide useful introductions to marketing, ethics, and international business. McDonald’s demonstrates that product, brand, price, promotion, and distribution must be coordinated through research and consumer understanding. Its franchise structure combines global standards with local adaptation, but headquarters and franchisees share responsibility for quality and ethical claims. Steve Jobs’s argument shows why brands communicate values, while business ethics requires more than emotional promotion or legal compliance. Compliance-based and integrity-based systems should operate together. Global markets create gains through specialization, scale, and access, but entry modes differ in control, risk, capital, and learning. Export, licensing, franchising, alliances, joint ventures, and direct investment are strategic options rather than a universal sequence. The strongest business decision aligns its market promise, ethical duties, organizational capability, and long-term stakeholder consequences. (Porter, 1986)

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