

Ethical Consumerism and Glass Box Branding: When Companies' Actions Speak Louder Than Words

Teaching Notes

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Region: [Global](#) | **State:**

Industry: Information and communication | Land transport and transport via pipelines | Manufacture of basic pharmaceutical products and pharmaceutical preparations | Manufacture of wearing apparel

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PREVIEW

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Case Study Summary

This case introduces the concepts of ethical consumerism and ethical consumption behaviors, providing an overview of what it means for businesses to deal with increased transparency and conscious consumerism. New technologies and increased social media usage are empowering consumers to (1) easily choose how to cast their market votes in a way that reflects their values and beliefs; and (2) spread information on how companies do business behind closed doors.

Given this forced transparency, companies are no longer considered opaque black boxes but glass boxes where a consumer-facing company culture has the potential to either be a liability or a huge asset. The case provides examples of companies like Uber and Google that faced huge scandals when their corrupt company cultures were exposed as well as cases of companies who successfully strategized to align with cultural and technological shifts.

Overall, the case aims to (1) introduce the concept of “ethical consumerism” and to illustrate the behaviors these consumers engage in; (2) introduce the concept of glass box branding as a strategy businesses can adopt to display their company culture while aligning with consumers’ needs; and (3) stimulate discussion about how consumer decision-making can be the driving force behind business initiatives that benefit the environment and our society as a whole.

Teaching Objectives

Objectives in using this case in the classroom are to:

- help students gain an appreciation of the power consumers have in shaping business actions that foster environmental and societal change;
- emphasize the ethical responsibilities that companies have when deciding how they do business (sustainable use of land, employee working conditions, gender equality); and
- highlight the importance for firms to understand changing consumerism and technological trends in order to quickly adapt to them and be rewarded by the market.

Target Audience

At the undergraduate level, this case can be used either in a class on consumer behavior or in a principles of marketing class. At the graduate level, this case could fit into a consumer behavior and analytics course where students can focus a bit more on discussion question number three and perform a sentiment analysis in R or in Python using data extracted from Twitter. Depending on the students’ coding abilities, the instructor can choose to provide example codes or let the students find a solution on their own.

Suggested Teaching Strategy

The suggested teaching strategy is to have students read the case before class so that they have the time to respond to the questions independently at home. Once students come to class, they can be split into groups of three people and be asked to discuss the case questions among themselves for approximately 15–20 minutes. During the group discussion, the teacher can walk around and sit with each group for a few minutes and take notes to gauge their understanding.

Once the group discussion of the case questions concludes, the teacher has two options: (1) discuss the answer to each question with the whole class; or (2) split the classroom in half and engage students in an extra discussion activity. If the teacher thinks that students discussed the case questions extensively during the first phase of the class, and that they autonomously fulfilled the teaching objectives, using the rest of the classroom time for another activity can be optimal. As the extra classroom discussion activity, the teacher should divide the classroom into two and ask one side of the classroom to talk about the pros of Nike’s

advertising strategy discussed in the case (and in their answers to discussion question three) and the other half about its cons. While this discussion unfolds, the teacher needs to act as the discussion moderator and make sure the arguments stay within the scope of the class.

Suggested Answers to Discussion Questions

1. How do ethical considerations influence your purchase decisions? Can you think of a specific example of a consumption decision you made that aligned with your personal values and beliefs? Can you think about one that did not align?

The answer to this question will depend upon the students' personal experiences of conscious consumerism. Look for depth in their analysis and require that they provide a thorough explanation of why their actions align or did not align with their personal values and beliefs.

During class discussion you can write on the blackboard to which area their concerns belonged: environment (recycling, climate change, sustainable use of land/water, carbon offsets), employees (gender equality, pay levels, safety), animal rights (testing, breeding for food/clothes/medicine), the list goes on.

You can also delve deeper into how they gathered the information they needed to make an informed choice and note that down on the blackboard as well: smartphone apps (Choose Cruelty Free), specialized websites (ethicalconsumer.org), certifications (Fairtrade, Organic, Cruelty free), online or offline word-of-mouth (friends, social media pages).

2. What is the difference between boycotting and buycotting? Based on the definition provided in the case, provide some real-life examples.

Boycotting is a behavior ethical consumers perform to punish companies that do business unethically, whereas buycotting is a behavior they enact to reward companies that do business ethically and transparently. In terms of examples, again it depends on what students researched prior to class and what they discussed in group. Famous examples of boycott that students are likely to find include:

- Nestle Milk Boycott (https://en.wikipedia.org/wiki/Nestl%C3%A9_boycott)
- Stop Esso Campaign (https://en.wikipedia.org/wiki/Stop_Esso_campaign)
- 2016 Grab Your Wallet (<https://www.grabyourwallet.org/>)
- 2018 National Rifle Association Boycott (https://en.wikipedia.org/wiki/2018_NRA_boycott)

Boycotts have lots of traditional media exposure and are easy to search for online, whereas buycotts are usually related to labels (non-GMO, Fair Trade) and are popularized on social media.

- 1899 National Consumers League White Label Campaign (https://www.nclnet.org/the_power_of_a_seal_of_approval)
- Good On You (<https://goodonyou.eco/>) is a directory of ethical fashion brands where consumers can buy clothes.

Teachers can mention and discuss any of the above examples if not already mentioned by students. See also <https://www.ethicalconsumer.org/ethicalcampaigns>.

3. Search for “nikeboycott” on Twitter, select the most relevant posts relating to the Nike Kaepernick campaign (be sure to hit “advanced search” and select those posted on Sep 4, 2018 or a few days later), and divide them based on their position (pro-Nike vs. anti-Nike). Summarize the arguments most often cited by both sides, and reflect on whether this scandal really hurt the brand. Students who have the technical abilities to do so could use the R software to conduct a more structured sentiment analysis of Twitter data. The instructor will provide detailed guidelines and model

code.

Depending on students' previous knowledge of coding, this question could be assigned and solved two ways:

No Previous Coding Experience—"Qualitative" Approach to Sentiment Analysis

Ask students to run an advanced search on Twitter for the term or hashtag "nikeboycott" setting dates from September 4, 2018 to September 6, 2018. Afterward, ask them to copy those they think are relevant to a Word file or spreadsheet divided in two columns "pro-Nike" and "anti-Nike." Ask them to summarize the main arguments and to draw conclusions on whether the boycott really hurt Nike or not. If you prefer, you can give them a ready-made csv file of scraped Tweets (see "tweets.csv" file, at <https://osf.io/xvyq3/>).

Previous Coding Experience—"Quantitative" Approach to Sentiment Analysis

In order to be able to download Twitter data, students must (a) possess a Twitter account; and (b) apply for a developer account to get access keys. This step could be skipped by providing them with the dataset already downloaded from Twitter (see "100tweets.Rdata" file, at <https://osf.io/xvyq3/>) and simply ask them to code the data analysis part to conduct sentiment analysis. However, it might be more interesting for students to learn the whole process from scraping data to analyzing. If you agree, have them follow the instructions in "Text Data Mining from Twitter.docx" at <https://osf.io/xvyq3/> and then follow the example code in "Nike Tweet.R" to download tweets based on their chosen parameters.

Please do not directly provide students the link to the materials. My advice is to download the files you want students to have and share them directly with the class. Instructors from different courses will use this case with students that have different levels: Some instructors might want to give them the full annotated script, and others will want their students to find the functions themselves. Based on your instructional needs, you have different materials available.

4. Pick an industry with which you are familiar. Which recent business initiatives could be used as examples of glass box branding done right? Provide examples.

This is an open discussion based on what students find and bring as examples. Make sure that you have students present why they believe the initiatives they mention are examples of glass box branding done right.

5. Which environmental and social issues do you think offer the greatest opportunity for companies to make a difference?

There are many more issues that are not mentioned in the case that students might mention here: animal rights, products safety, child labor, poverty, recycling (to name a few). The main objective of the question is to have students realize that companies (if pushed by ethical consumers) can really make a difference in the world.

Further Reading

- Ethical Consumer website offers lots of useful information (<https://www.ethicalconsumer.org/>) for teachers and students alike
- <https://medium.com/@orge/why-boycott-is-the-new-form-of-political-activism-a85a746756e3>

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