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# **An Exploration of the Mutuality Principle in Marketing Ethics**

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## Preliminaries

- ✦ Part of a wider project
- ✦ Objective: Formulate a mid-level principle for marketing ethics
- ✦ Other candidates:
  - *Caveat emptor*
  - Consumer sovereignty (Smith, 1995)
  - Preserving the conditions of an acceptable exchange (Holley, 1986)
  - Paternalism (Kultgen, 1995; Brock, 1996)
  - Perfect competition ideal (Wertheimer, 1996; Velasquez, 2006)
- ✦ Mutuality  $\approx$  reciprocity, value for money, win-win



The  
mutuality  
principle  
*does not  
require*

- That the seller provide
  - As much value as possible
    - Highest possible “technical” quality
    - Highest degree of consumer satisfaction.
    - All information that could be useful to the customer
  - A given value at the lowest possible price
  - A given value at a price affordable to most customers
- That the seller do not make a (very) large profit



**The mutuality  
principle  
does require - I**

- ❖ That the seller try to provide something of real value to the buyer: Advance his interests. This will not happen if
  - Products are ineffective or harmful
  - Attempt to push most immediately profitable product irrespective of the buyers' interests
- ❖ That the seller provide a value commensurate to what he receives



- Communication and selling activities consistent with above objectives
- That the seller refrain from undermining in other ways the interests of the buyers.

**The mutuality  
principle  
does require - II**



## Why the mutuality principle? - I

- Alternatives are problematic
- Intuitively attractive. Frequent references to idea of mutuality:
  - Arrow (1973), Ebejer and Morden (1988), Holley (1986), Kotler (2002), Miles et al. (2002), Nash (1990), Rawls (1971), Spinello (1992)
- But the authors who refer to it do not articulate the principle nor apply it consistently
- Aristotle, Aquinas and many scholastics use a principle of equality



## Why the mutuality principle? - II

- ❖ Mutuality based on seeing social life and trading as cooperative undertakings: exchanges in which “people who are not intimate cease to be strangers” (Markovits, 2004: 1463)
- ❖ This view is based on value of community and harmonious relationships
- ❖ A party who refuses this prefers to relate to the other party as a mere means to make a profit



## Why the mutuality principle? - III

- ❖ Ultimately, belief that one's own fulfilment is not advanced, but rather made impossible, by restricting one's attention to one's own narrow interests (Grisez and Shaw, 1988; Parfit 1984; Solomon, 1993)
- ❖ Also applies to corporations:
  - They are human groups
  - Their exchanges may engender collaboration among their agents and the stakeholders who stand behind them



Why not  
go  
further?

- The issue is whether justice *requires* us to go further
- A general principle of beneficence is problematic:
  - Typical business interactor is not a helpless human being
  - Helping the customer is not the typical seller's highest responsibility



- My main thesis is that the fundamental requirement of justice is giving equivalent value for money, not necessarily giving the best possible deal.

## CONCLUSION



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# THANK YOU



**ARMED  
ROBBER**

**ST.  
FRANCIS**

**SELFISHNESS**

**100%  
SELFISH**

**CO-OPERATIO**

**CONTEXT**

**GOODWILL TOWARDS ALL INVOLVED**

**CHARITY**





## “Ethical and Unethical”

- ⚔ Ethical behaviour:
  - Not only “charity”
  - Also “co-operation” for mutual advantage
- ⚔ None more ethical than the other
- ⚔ Which is more appropriate depends on circumstances
- ⚔ “Co-operation” is the paradigm of ethical behaviour in a business context