An Exploration of the Mutuality Principle in Marketing Ethics

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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 ≈ 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.
Alternatives are problematic

Intuitively attractive. Frequent references to idea of mutuality:

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
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
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.
THANK YOU
100% SELFISH

GOODWILL TOWARDS ALL INVOLVED

CO-OPERATION

CONTEXT

CHARITY
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