Overinterpretations and misinterpretations are universal today, especially for political issues or individuals involved in those issues, so it is significant for businesses to decide how to deal with interpretation issues or pay attention to them earlier. For instance, a celebrity endorsement could be interpreted as a public behavior that expresses a business’s recognition and support for that celebrity, including his or her political stand. As CMO of Zap, I’ve been working on various ways to increase our sluggish sales, including finding celebrity endorsements, but it is hard to find an endorsement at a reasonable price. However, I happened to create a friendship with Colin Kaepernick at the gym and I have the confidence to make Mr. Kaepernick’s endorsement of Zap cost-effective. Despite the controversy over his protests during NFL games, which may cause our company to be overinterpreted or misinterpreted, or get involved in political conflicts, I still recommend hiring Mr. Kaepernick to endorse Zap Sports Drink. After reading about different opinions of Nike’s recent decision to feature Mr. Kaepernick in an advertisement campaign, I believe this endorsement decision will raise awareness of Zap, increase sales, and maximize the utility to our stakeholders.

When making the decision to hire Mr. Kaepernick, I used ethical frameworks because it can identify the key points of the problem instead of being influenced by personal emotions and perspectives, which may result in an unexpected outcome that is beyond remedy. At the meantime, we are able to analyze the complex situation and consider the ethical issues clearly. The ethical issue here is whether we should pursue economic growth to meet the needs of our stakeholders, or we should protect the company’s image without involvement in political controversy. According to the lecture *Defining Moments* given by Joseph L. Badaracco, Jr., there
are four frameworks to analyze problems and make decisions from alternatives (2003). The first framework focuses on consequences by choosing the plan of action that maximizes good and minimizes harm of the majority. The second framework is about individual rights and paying attention to not violating anyone’s rights if possible, or at least, not violating the rights of individuals in which groups that we must respect. Besides these frameworks, we should also take the character of individuals and organizations into account. It is necessary to reflect on our conscience and integrity—knowing what we stand for. The fourth framework considers pragmatism, and what we need to do big things is our own willingness to create and challenge.

Since there are always various stakeholders influenced by the operations of a business, the first framework seems to be most applicable in this case, which guides us to consider the interest of all parties. This way of thinking, called utilitarianism, could be traced back to an 1800s philosopher named John Stuart Mill. He said, “The essence of responsible behavior is doing whatever promotes the greatest happiness for the greatest number of people” (cited by Badaracco, 2003). We have two choices now, hiring or not hiring, and we need to decide which one is “responsible” for generating the most good “for the greatest number of people”, who are stakeholders that are involved in our business. Stakeholders that may be affected by this decision include shareholders, employees, community members, customers, and suppliers. If we decide to not hire Mr. Kaepernick to endorse Zap Sports Drink because of his controversy, our sales would still be faltering, which would fail to satisfy our shareholders’, employees’, and suppliers’ needs.

In turn, if we hire Mr. Kaepernick to endorse Zap Sports Drink, firstly more people would know about Zap due to Colin Kaepernick and the controversy surrounding him. As shown in the Nike Returns to Familiar Strategy with Kaepernick Ad Campaign, one estimate shows that a simple tweet by Mr. Kaepernick announcing the campaign of Nike has created at least $43
million in free advertising (Draper & Creswell & Maheshwari, 2018). That kind of publicity is what we urgently need. According to National Center for Complementary and Integrative Health, energy drink’s target customers are men between the ages of 18 and 34 years old (2018). Furthermore, young consumers want their brands “to take visible, social positions” (Draper & Creswell & Maheshwari, 2018). Based on these factors, our profits are more likely to increase with the increasing awareness, which is “the one and only one social responsibility of business” according to Milton Friedman (cited by Hosmanek, 2018). Under this circumstance, our shareholders will be satisfied with the higher profit, our employees will be confident in the development of Zap, our targeted customers will be interested in our products, and our suppliers will be beneficial from more frequent business transactions. For the local community, some people might be upset or disappointed about the endorsement of a controversial public figure and consider Zap trying to express a political statement or position; however, a more profitable corporation is capable of offering more jobs and taxes for the local community. Overall, the benefits of hiring Mr. Kaepernick outweigh the harm to Zap, and this decision could maximize the happiness and utility of the majority who are involved in the situation on the basis of cost-benefit analysis.

There is no denying that according to utilitarianism, endorsement is a better and more “responsible” decision. Nevertheless, as mentioned above, when a company hires a public figure who is controversial in political issues, one of the potential downsides is that the public tends to surmise its potential intention and standpoint, which is harmful to Zap’s image. This effect leads to the consideration of the fourth framework—the character of individuals and organizations. As an individual and CMO of Zap, I completely understand that my decision shows what I stand for and I know some employees would judge the decision or even judge me afterwards. I do not
think, however, that I took any personal positions or opinions into account during decision making, as you can see above. Furthermore, I do not think this decision violates any code or virtue for me as a decision maker. All controversies are caused by different perspectives. As a company, Zap’s celebrity endorsement behavior definitely would give rise to some guesses and comments, especially in local communities, even though we ourselves do not want to express anything political or clarify any belief. This may lead to judgement and criticism of Zap and negatively influence our corporate image. Therefore, it seems that we should not hire Mr. Kaepernick.

So far, I have used two frameworks, and they have different focuses—utilitarianism concentrating on multiple stakeholders while the character one caring about what we stand for, which bring out two alternatives and the ethical issue. Should we take the risk to increasing our profit by sacrificing our company’s image? I insist that controversy is better than being unknown in this situation. Moreover, not all the people would be upset. We have to take the risk. Otherwise, we are going to lose more investors and would have to consider cutting jobs. I think that is what most stakeholders really do not want to hear. In terms of those customers and local community members who feel upset or disappointed about our decision, I can only say that we can never satisfy anyone.

To conclude, my recommendation is to hire Mr. Kaepernick to endorse Zap Sports Drink due to the utilitarianism framework. This decision could increase our low sales and raise the awareness of Zap, in order to promote the happiness of most our stakeholders, including shareholders, employees, customers, local communities, and suppliers. In spite of the misunderstanding or judgement the public may have towards our brand on account of the decision we make, I believe that this celebrity endorsement should work well and make a
difference to our company. The most important and urgent thing right now is survival instead of living.
Works Cited


