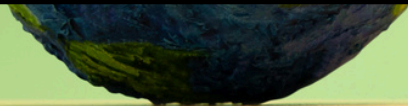


2.2 Ethical & Environmental Flash Cards



A hand is shown placing a small, green, textured tree on top of a stack of silver coins. The background is a solid light blue color. The word "Ethical" is written in white on a black rounded rectangle in the center of the image.

Ethical

Ethical

Ethical is about doing the right thing morally.

Ethical behaviour requires businesses to act in ways that stakeholders consider to be both fair and honest.

Businesses may face a trade off between ethics and profits. It can be more expensive if a businesses is ethical but it can have a negative impact if the business acts unethically.

A hand is shown placing a small, green, textured tree on top of a stack of silver coins. In the background, there are several other stacks of coins, each with a similar small green tree on top. The scene is set against a light blue background.

Advantages of being ethical

Advantages of being ethical

Improves brand image

Can charge higher prices

Gains customers trust and builds loyalty

Appeals to customers who care about morals

Employees feel proud, leading to improved productivity.

It differentiates the business from competitors

It may attract investors

ethical
mma

Disadvantages of being ethical

Disadvantages of being ethical

Higher supplier costs, if giving a fair price (fair trade)

Higher wages, if paying fair wages.

Some customers prefer cheaper products over ethical ones, especially as we are in a cost of living crisis.

Increased sales not guaranteed.

Decisions may be slower due to more checks and more considerations.



Environmental considerations

Environmental considerations

Environmental considerations are important for businesses to consider, as the environment is important to many customers. Businesses need to reduce their carbon footprint as much as possible, here is ways they can do that.

Recycling

Disposing of waste properly

Trying to reduce traffic congestion

Trying to reduce noise and air pollution

Advantages of being environmentally friendly



Advantages of being environmentally friendly

It creates a positive brand image because it reduces pollution

Lower energy costs

less waste

efficient use of resources

Attracts environmentally conscious customers

Helps businesses stand out

Can improve staff moral and help attract employees
brand image



Sustainability

Sustainability



This is where businesses use renewable resources so they are not compromising future generations

Examples include:

Solar energy

Wind Energy

Conserving water

It can bring many advantages but it may increase initial costs, resulting in a trade off.



Advantages of sustainability

Advantages of sustainability

- Stronger brand recognition
- Attracts environmentally and socially conscious customers
- Differentiates the business from competitors
- Can reduce costs over time, due to reduced energy bills
- Efficient processes can also reduce long term costs