## Evaluation the Marketing Ethics: L'Oréal and Rare Beauty

L'Oréal Paris is a makeup and skincare brand that has notoriously used unethical marketing practices, mainly revolving around false or deceptive marketing. In 2010, L'Oréal launched a Youth Code line which included Genifique products. The Genifique products consisted of serums and moisturizers. The company claimed that the product would interact with genes to stimulate the production of youth protein. They also claimed that users would see visibly younger skin in just one week. ("FTC Approves Final Order Settling Charges"). L'Oréal advertised this product by print, radio, television, webpages, and across various social media outlets. ("L'Oréal Settles FTC Charges").

An example of advertising that was used for print and digital marketing is below:



("L'Oréal Settles FTC Charges").

In a commercial that can now be found on YouTube, the narrator even claims that that skin will even "act" dramatically younger in just one month of using the product.

## https://www.youtube.com/watch?v=Xn4BaFd29ZE

In 2014, the Federal Trade Commission announced that this marketing campaign was using false and deceptive advertising and charged L'Oréal with a penalty. The Genifique Line was discontinued. Kristina Schake, the L'Oréal USA spokeswoman at the time, issued a statement saying that L'Oréal was committed to serving their customers with scientific research-based advertising. However, Schake did not admit to any false or deceptive advertising. ("L'Oréal US Settles 'Deceptive Advertising' Case").

Currently, L'Oréal also claims they do not test on animals. They even have an entire page on their website dedicated to it, embedded with photos and videos. However, their products are not cruelty-free certified and are sold in China, where animal testing is required by law. According to PETA, L'Oréal is not cruelty free like they claim to be. ("L'Oréal Is Included on PETA's 'Do Test' List").

 $\underline{https://www.loreal.com/en/commitments-and-responsibilities/for-the-planet/for-beauty-with-no-animal-}\\$ 

testing/#:~:text=At%20L'Or%C3%A9al%2C%20we%20are,required%20us%20to%20do%20so.

In relation to the four questions highlighted in "A FrameWork For Ethical Reasons", it seems like L'Oréal may have actually been comfortable with the consequences of their actions. L'Oréal did not take responsibility for the false advertising and swept it under the rug. They only cared about short-term effects by quickly covering up the issue. They did not consider the long-terms effects of decreasing trust with its customers going forward, which is an important part of the Framework. (Sucher, Hsieh, 2). They are not meeting their duties and respecting their customer's rights to honest and truthful marketing, which is also an essential part of the Framework. (Sucher, Hsieh, 3). L'Oréal should have taken more responsibility for their actions, which would have established trust with their customers going forward. They also exploited the beauty trend of prolonging youth, which is sometimes impossible and dishonest, rather than encouraging and embracing the natural beauty of aging. Lastly, they were not following their company's commitments. They did not value the transparency principle and they did not consider visibility or suitability. (Sucher, Hsieh, 3).

While the Genifique line was discontinued, L'Oréal still sells their Youth Code line. The descriptions for the products say that the product *can* make skin look younger and that they are scientifically tested in L'Oréal Laboratories and by dermatologists.

 $\underline{https://www.lorealparisusa.com/skin-care/facial-moisturizers/youth-code-dark-spot-spf-30-day-ream}$ 

With this, I think they have learned to not make definite claims and other companies can learn to be more truthful and honest in their advertising.

Rare Beauty is a brand also in the same make-up and skin care world that markets very ethically. While they are a new company, founded in 2019 by Selena Gomez, it appears their marketing tactics have been ethical so far. The brand focuses on diversity and ethical products. They market their products as cruelty-free, and unlike L'Oréal, they are PETA certified. Rare beauty respects the values of their customer's communities by focusing on diversity and embracing women's beauty. Across their social media platforms, they utilize a large base of diverse influencers from different backgrounds. They allow for honest reviews of products with paid and organic promotion. By using influencers and models from different backgrounds and ethnicities, they respect differences in communities, which plays an important role in ethical framework. (Sucher, Hsieh, 4).

Additionally, Rare Beauty thrives in their philanthropic impact for mental health. They started the Rare Beauty Fund which is a sponsored project of the Hopewell Fund. The Fund aims to provide young people struggling with mental health the resources they need and reduce the

stigma around mental health. In 2023, they raised over \$7 million and reached over one million people across 5 different continents.

Rare Beauty is a perfect standard for ethical marketing. I believe many companies are already starting to follow in their footsteps. Their care for the environment and philanthropic efforts shows they care about their stakeholders and their long-term impact, and they hit all 4 questions in "A FrameWork For Ethical Reasons".

## Citations

- BBC. "L'Oreal US Settles "Deceptive Advertising" Case with US Regulator." *BBC News*, 1 July 2014, www.bbc.com/news/business-
  - 28110040#:~:text=The%20cosmetics%20company%2C%20L. Accessed 17 May 2024.
- Federal Trade Commission. "FTC Approves Final Order Settling Charges That L'Oréal USA, Inc. Made Deceptive Advertising Claims for Its Anti-Aging Cosmetics." *Federal Trade Commission*, 25 Sept. 2014, <a href="https://www.ftc.gov/news-events/news/press-releases/2014/09/ftc-approves-final-order-settling-charges-loreal-usa-inc-made-deceptive-advertising-claims-its-anti. Accessed 17 May 2024.
- Federal Trade Commission. "L'Oréal Settles FTC Charges Alleging Deceptive Advertising for Anti-Aging Cosmetics." *Federal Trade Commission*, 30 June 2014, <a href="www.ftc.gov/news-events/news/press-releases/2014/06/loreal-settles-ftc-charges-alleging-deceptive-advertising-anti-aging-cosmetics">www.ftc.gov/news-events/news/press-releases/2014/06/loreal-settles-ftc-charges-alleging-deceptive-advertising-anti-aging-cosmetics</a>. Accessed 17 May 2024.
- "L'Oreal Youth Code Ad (2011)." Www.youtube.com,

  www.youtube.com/watch?v=Xn4BaFd29ZE. Accessed 17 May 2024.
- PETA. "L'Oréal Is Included on PETA's "Do Test" List. What Does That Mean? | PETA." *PETA*, 7 July 2010, www.peta.org/about-peta/faq/is-loreal-cruelty-free/. Accessed 17 May 2024.
- Rare Beauty. "Rare Impact." *Rare Beauty*, 2023, www.rarebeauty.com/pages/rare-impact.

  Accessed 17 May 2024.
- Rare Beauty. "Sustainability." *Rare Beauty*, 2023, <a href="www.rarebeauty.com/pages/sustainability">www.rarebeauty.com/pages/sustainability</a>.

  Accessed 17 May 2024.
- Sucher, Sandra J., and Nien-He Hsieh. *A FrameWork for Ethical Reasoning*. Harvard Business School, 2 Dec. 2011. Accessed 17 May 2024.