



Strategy of responsible sale of products with addicting character

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“**Addiction** is the repeated involvement with a substance (e.g., alcohol, nicotine, cocaine) or activity (e.g., gambling, sex), despite the substantial harm it now causes, because that involvement was (and may continue to be) pleasurable and/or valuable.”



Content

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2. Addicting products and responsible sales
3. Positive and negative examples of responsible sales in this context
4. TESCO company : General information & strategy of responsible sales

1. Types of addicting products

- **Alcohol**
 - Negative effect and is often irreversible
 - Causes the death of 3 million people per year
 - 16000 of the 40000 automobile fatalities each year in the US are caused by drunk drivers



1. Types of addicting products

- **Medicine**



- Use to treat anxiety and induce sleep
- Low doses, can produce euphoria
- High doses, it can result in overdose

1. Types of addicting products

- **Drugs**

- Heroin is the most addictive substance on the planet
- 1 person in 4 who try becoming addicted
- Extremely high risk of death from a relapse
- About 14-20 million people
- An estimated 21 percent of people become addicted at some point in their lifetime.



1. Types of addicting products

- **Nicotine**



- Highly addictive substance found in tobacco products
- 2 persons in 3 who try cigarettes or chewing tobacco report being dependent at some point during their lifetime.
- 400000 deaths annually in the USA

1. Types of addicting products

- **Food & Drinks**

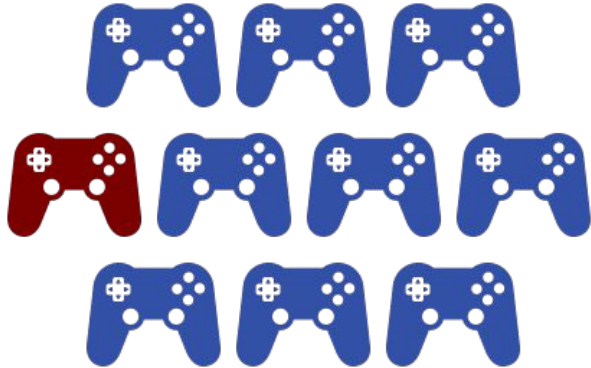
- Obesity is a result of food addiction
- Many people are addicted to caffeine or theine
- Out of 4 regular caffeine users are actually addicted to the substance



1. Types of addicting products

- **Video games**

1 in 10 young people who plays video games has an addiction.

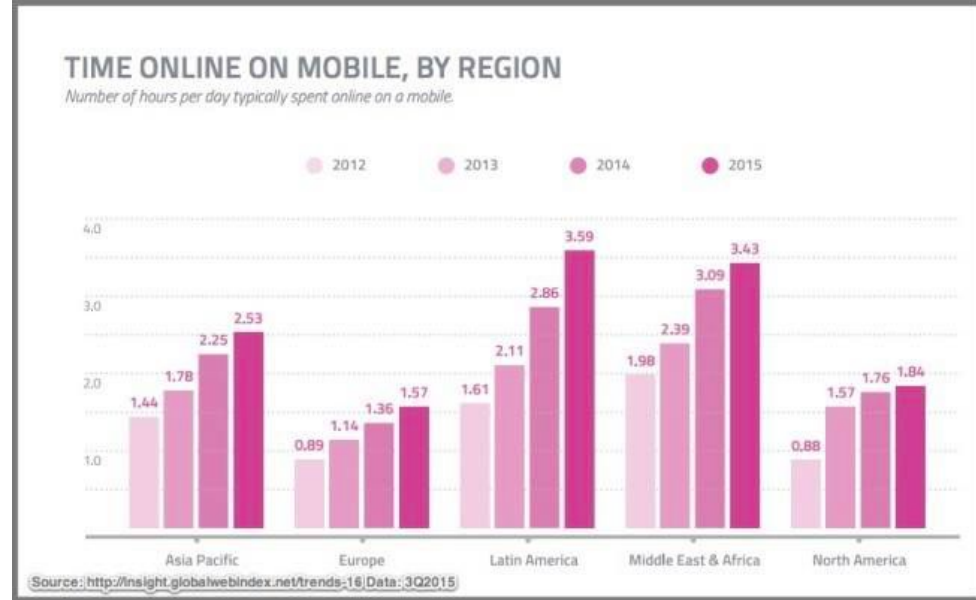


- compulsive gaming
- social isolation
- mood swings
- diminished imagination
- hyper focus on in-game achievements
- exclusion of other events in life

1. Types of addicting products

- **Mobile Phone**

- New form of addiction
- It develops extremely fast with the explosion of sales of smartphones
- Young people are now also concerned



2. Addicting products and responsible sales

What companies are already doing ?

- Warning labels on products such as cigarettes, or on advertising for alcohol like “*Alcohol abuse is dangerous for health, drink with moderation.*” in order to inform and warned consumers about the product's consequences. There are also pictograms on video games to warn players about sensitive content and age restriction.
- Following age restrictions for products like cigarettes and alcohol : no promotion and sales to underaged.



What else companies can do ?

Use a marketing strategy socially responsible, it has 5 characteristics :

- Safety
- Ethical Pricing
- Honesty
- Respecting Customer Privacy
- Transparency

3. Positive example of responsible sales in this context

- ❖ Recently there is a tendency of implement the plans of responsible games, but there are still strong differences about the objectives or procedures
- ❖ A very important enterprise in Spain "Gran Casino de Barcelona", has taken action on this matter because it is very relevant and it gives a lot of benefits for the country and companies related.
- ❖ In Spain, it is estimated that in 2013 people have expend around 30.000.000.000
- ❖ The principal objectives of this responsible game program are: from one hand, prevent the creation of addicts; and from the other hand, help the addicts to play less and not exacerbate the disorder

A. INFORMATION AND SENSITIZATION

The principal objective is sensitization and teach civilization about the risks of playing this kind of games, the causes that provoke de addictions and the most important thing, the consequences. This measures are directed to different collectives:

1. Teenagers and youngsters
2. General population
3. Population with game additions



B. SPECIFIC PREVENTIVE MEASSURES

Information is necessary but not enough. That is why it is essential and protocol of responsible playing from the administrations, fulfil by the industry and the players.

1. Company politics
2. Real information on games
3. Control of the structural variable of the games
4. Control of the environmental characteristics
5. Information of the assistance resources
6. Marketing politics



3. Negative example of responsible sales in this context

A bad example is on some food industries. Companies used to put addicting products on their food, in order to make them more attractive.

For example

1. Nitrite of sodium
2. Diacetyl
3. Caffeine
4. Acrylamide



TESCO

Every little helps

- Founded in **1919** by **Jack Cohen** from a market stall in London's East End
- One of the **largest retailers in the world**
- Two main food brands are its **Finest** and **Everyday Value** ranges
- Expansion of operations into **12 countries** including China, Slovakia, India, Malaysia, Ireland, Hungary and Poland with **6,902 shops** around the world

£944m

Group operating profit before exceptional items

£48.4bn

Group sales (exc. VAT, exc. fuel)

- In 2010, it opened the **world's first zero-carbon supermarket** in Ramsey, Cambridgeshire and was awarded **Green Retailer of the Year** at the Annual Grocer Gold Awards 2012
- In 2015, Tesco had more than **500,000** employees
- Tesco Bank, Tesco Mobile, Tesco direct, Tesco magazine, Tesco opticians

NO ONE TRIES HARDER FOR CUSTOMERS

- Understand customers
- Be first to meet their needs
- Act responsibly for our communities

WE TREAT PEOPLE HOW THEY WANT TO BE TREATED

- Work as a team
- Trust and respect each other
- Listen, support and say thank you
- Share knowledge and experience

EVERY LITTLE HELP MAKES A BIG DIFFERENCE

- Helping to reduce food waste and ensuring surplus food goes to those in need
- Making it easier to live more healthily
- Sourcing great quality, affordable and sustainable products
- Making a positive contribution to the communities where we operate

TESCO

Every little helps

Their Strategy



Every little help can...

- ...make a difference to **reducing food waste**.
- ...make it easier to **live more healthily**.
- ...deliver quality, affordable and **sustainable products**.
- ...support **local communities**.

TESCO

Every little helps

Their Competitors



Wholly owned subsidiary of Walmart following its 1999 acquisition.

Competitive strategy prioritizes maintaining the lowest prices of the so-called Big Four U.K. grocers.

604 retail locations, 196 of which are supermarket.

Working to improve the nutritional value of private-label products.



Third-largest grocery chain in the United Kingdom, with 1,304 locations.

Regarded as the highest-quality grocer among its peers.

locations : half supermarket, half convenience formats.

Expands its offering to general merchandise categories and promoting its in-store banking services.



514 supermarkets and 150 convenience stores.

Participates significantly in food production, being the second-largest producer in the U.K.

Working to drive efficiency improvements along its vertically integrated structure while reducing everyday prices.



Over 10,000 stores in 18 different countries.

Fills the discount grocer niche, offering low-priced items with a disproportionately high private label offering.

Holds weekly specials on general merchandise products.



Over 10,000 stores in 28 countries.

Discount grocer that does not prioritize shopper experience or presentation.

Has a revolving weekly special stock of general merchandise.

Waitrose

338 locations, most of which are supermarkets.

Considered a premium grocer, emphasizing the quality of staff members and production practices.

Has pursued several price-matching campaigns in which it matches Tesco's prices on select items.

TESCO

Every little helps

Responsible Retailing of Alcohol & Cigarettes

**Under
25?**

If you look under 25 please do not be offended if we ask you for proof of age when you buy alcohol.



Our approach to healthy living also encompasses the responsible retailing of alcohol and cigarettes. As Ireland's largest retailer, we are fully committed to playing our part. We already have strict policies to prevent underage sales of alcohol and tobacco. All retail staff involved with the sale of alcohol and tobacco are trained on the legal implications of selling such products to underage customers.



References

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