

Asking the Wrong Question: Pricing of Goods that Impact People's Lives

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BUS 5112: Marketing Management

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May 12, 2020

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For this assignment, we were tasked with assuming we are a sales consultant to Medi-Cult, a Danish biotech company that has developed a new alternative to In Vitro Fertilization (IVF) called In Vitro Maturation (IVM). Our task is to briefly describe the major markets for the new Medi-Cult product, the benefits of marketing these products to consumers, and the Medi-Cult marketing strategy model. As a final task we were to recommend other possible product pricing strategies for Medi-Cult to maximize profit in both the short and long terms. I will instead argue that it is fundamentally unethical to seek to maximize profit when considering the production of medical technologies and other products that have direct impact on the well-being of people, and that it is time for a fundamentally new social and economic system that does not ask such unethical questions.

Before addressing the pricing question in more general terms, I wanted to find out more about the specific case we assigned to evaluate. Through some Internet research I was able to find an Annual Report from the company, which listed a website, www.medicult.com (Medi-Cult, 2002). That URL now redirects to <https://fertility.coopersurgical.com>, which appears to have acquired Medi-Cult sometime after the release of the annual report in February of 2002. A database that bills itself as "The Lean Private Equity and M&A Database" may have specific information on this in an entry titled "CooperSurgical Mergers and Acquisitions Summary" (Mergr, n.d.), but access to that information requires a subscription, which I judged not worth pursuing in the context of the present discussion. Wikipedia has more information on The Cooper Companies, of which CooperSurgical is one (2020, April 18). From the annual report it is clear that Multi-Cult did develop a process called In Vitro Maturation, and that the case study

we were assigned to read (Herdiansjah, n.d.) is based on a real scenario. ReproductiveFacts.org also has a fact sheet on the procedure (American Society for Reproductive Medicine, 2014).

I found this assignment both stimulating and challenging, since the scenario in question occupies a gray area in my developing view of the ethics of pricing. On the one hand, I believe that a market of some kind may very well have a useful role to play in allocating limited resources, as long as those resources are not things all people should be given by right as members of a just society. Vacation yachts and amusement parks, for example, are examples of products whose price might best be left to the market. People can live rich, full lives with or without them, and the market may provide a measure of how much of its "disposable resources" society wants to devote to them. With housing, on the other hand, the market has demonstrated its total inability to provide for adequate and just distribution as events since the 2008 economic crisis clearly illustrate, with millions of homes standing empty while millions of Americans are homeless (McElrath, 2015).

At its core, I believe modern capitalist social relations fail to live up to the ethical standards worthy of a just society. It is a system, after all, that was founded on extraction by a few of the products of the labor of many, and it has remained so ever since. The book *The Half Has Never Been Told: Slavery and the Making of American Capitalism* documents how systematic, data driven torture of enslaved people in cotton production fueled the creation of the wealth of the nation (Baptist, 2014). Most of the people who became rich from this torture of others probably never held a whip in their hand, yet their failure to question the justice of the system and accept its rules and logic without challenge is what made it possible.

By allowing ourselves to consider the question, "How do we maximize profit?", in deciding how to produce and market a good or service without simultaneously asking what impact our actions will have on our community and broader world in which we live, we engage in the same kind of immoral behavior as did the slave owner in the nineteenth century. It is crucial at this moment in time, with a global pandemic revealing how poorly our present system serves our needs, that we find a new way to evaluate the goals of economic activity and to measure its effectiveness. Our current system of social reproduction places short-sighted narrow self-interest on the altar where it is worshipped with militant and unquestioned devotion. We need new, more democratic forms of power relationships, an expansion of the concept of "human rights" that includes the right to a reasonable livelihood and the economic democracy that goes with. We need forms of accounting that measure the production of use values instead of only exchange values, and which measure the production of long term, sustainable human well being instead of blind, self-destructive profit.

In our case study, Medi-Cult was producing a fertility product, which is arguably an elective procedure and not a matter of life and death for the consumer of the product, though it certainly is a matter affecting the potential life of their offspring. While I do not know the best way to set prices for medical procedures, I believe deeply that a discussion that only includes profit maximization as a goal is fundamentally immoral and not worth having.

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