

# **Consumers' Responses to Various Corporate Strategies aiming to cope with Ethical Failures in Companies**

---

Bachelor Thesis for Obtaining the Degree Bachelor of Science in  
International Management

Submitted to Gabriel Trettel Silva

Lucia Klepetková

61904124

Vienna, 31 May 2023

## **Abstract**

Nowadays, social responsibility and business ethics are greatly debated themes in the business world, largely because of the escalating problems with this subject and the neglect of putting ethical practices into practice. However, firms are frequently in the news for acting irresponsibly and destructively, which negatively affects their reputation. Reputation has an impact on the company's workers in addition to the general public. This study tries to show how company reputation and ethics are related to the corporate system. This research will, in a number of ways, close the knowledge gap on the under-researched subject of how ethical failure affects business reputation. By addressing their reputation and assessing various business initiatives, this study will examine the impacts of ethical failure and companies' response on consumer perception.

Additionally, the research will focus on more profound insights into consumers' perceptions of companies' reputation. Therefore, qualitative approach with structured interviews, including 3 examples of companies was selected for this study. For this research, 10 students of Modul University in Vienna were chosen and interviewed to gather necessary data. The respondents varied in multiple characteristics such as age, gender, nationality, religion, etc. Thematic analysis along with interpretation of each interview was chosen as a simple and adaptable approach of analysing qualitative data of this research. This research effectively discusses the obstacles and offers suggestions for getting through them.

Finally, companies should avoid unethical behaviour and any association of a scandal or negative press releases, as it significantly ruins consumers perception and disrupts trust in the company. Additionally, the use of structured interviews and the examples used to conduct interviews can be limited in terms of information given and reliability of the information, which can present certain biases. Future research can assist several businesses with avoiding unethical mistakes or assisting them in responding to accusations.