

9. **Quality Consciousness:** Concern for quality of a product, process, or even life, work, education and, investment etc., is promoted through advertisements.
10. **Promotion of National Interest:** National interest is promoted through advertisements as well. Complying with tax laws, complimenting export achievement, promotion of tourism, protection of monuments, creating political awareness of citizens, etc., are pursued through advertisements.

13.2 Ethics in Advertising

Advertising has ethical value. In today's competitive and buyer's market, advertisements must be truthful and ethical. If an advertisement is misleading, the credibility of the organization is lost. The advertising is criticized for putting out misleading or exaggerated claims in respect of product, goods and services advertised. However, it is very difficult to demarcate a clear line of difference between what is true and what is untrue. The product must fulfil its advertised claims. Advertisements should be decent and not be obscene. It must be truthful. Sometimes, celebrities endorsing the product and spreading falsehood is also criticized.

Ethics means "Good Conduct" or "Conduct which is right in view of the society and the time period", we can say that Ethics are moral principles and values that govern the actions and decisions of an individual group. Ethics is a choice between good and bad, between right and wrong. It is governed by a set of principles of morality at a given time and at a given place and in a given society.

Ethics covers various aspects. These range from the truthfulness of validity of claims to the mode of presentation of the advertisement. The advertising of products like cigarettes, alcohol and other injurious materials must be dealt carefully. Advertising should:

- (i) Be truthful: It should reveal the true and significant facts.
- (ii) Be substantiated: The claims should be substantiated with proofs.
- (iii) Be non-comparative: It should not compare the products of two different manufacturers.
- (iv) Give real and true guarantees.
- (v) Avoid false claims.
- (vi) Adhere to taste and decency.

Ethics, as a tool of communication, plays a significant role both in business as well as in the profession of advertising, norms or ideals, that are accepted and upheld by the society as essential to good life should be followed while advertising any products or service, or, idea.

1. Ethics in advertising means that the advertisers should do only good advertising, meaning thereby honest advertising. It means that only true facts, no exaggeration and no lies, about the product, service, idea or institution should be stated.
2. The right products, services and ideas should be advertised and that too to the right consumers. Advertising for products like cigarettes, alcoholic products, tobacco, other harmful products should be avoided.
3. Ads showing testimonials should be restricted to competent persons, who must express honest views and choices.

4. Ads in poor taste and offensive to public decency with double meaning tone must be avoided.
5. Ads should avoid attacking unfairly competitors. In sum, advertising should be honest, objective, informative and persuasive in contents.
6. Products should not be portrayed in a way that misleads the public to infer that the item has some special, miraculous or a supernatural quality, which is anyways difficult to prove.
7. Any type of offensive, indecent, suggestive, vulgar, repulsive themes and/or treatment must be avoided under all circumstances.
8. Advertisement should not endanger the safety of children or produce any sort of interest that prompts them to adopt or imitate unhealthy practices.

Advertising receives wide exposure as it is disseminated through mass media. It has an effects on what people buy and thus on their activities. It is a persuasive vehicle which has an impact on the values and lifestyle of society. The impact of advertising has its negative as well as positive side. Let's discuss the various ethical issues pertaining to the advertising on society.

1. **Puffery/Fraudulation:** Puffery is a broad exaggeration or boastful statements about a product or service that are subjective (or a matter of opinion), rather than objective (something that is measurable), and that which no reasonable person would presume to be literally true. Puffery is considered an 'opinion' and not a 'information'. Advertisers claim that the consumers are intelligent enough to distinguish between truth and exaggeration. Puffery is not illegal and is a common method used in advertising. It is characterized by exaggeration and hyperbole. "The best burger in the world" is so beyond belief that a reasonable person would not take the claim seriously. Advertisers use exaggeration and hyperbole to get people's attention and make their message memorable. With the use of special effects exaggerating the "quality" and using various "appeals" advertisers dramatized their products to such an extent that reality takes a back seat. E.g. In the advertisement about Mountain dew soft drink., there are three climbers stuck at final point of climbing Mount Everest on 28th day of climbing and lose the hope of concurring the Mount Everest because of breakdown of bridge between two hills.



Source: <https://yourstory.com/2016/05/young-mountaineer-mountain-dew>

Picture 13.1: Puffery/Fraudulation — Mountain Dew Ad

One mountaineer took out the mountain dew and drunk and jumps to another side and able cross the valley and concord the Mount Everest. The advertisement claims that after drinking Mountain Dew a person got the courage to do risky job, which no soft drink able to do and so it is exaggerating and stating no specific facts. Another example is the advertisement about Red Bull Energy drink, which shows People are stuck in traffic jam and trying to get rid from this traffic jam. A person took out the red bull from his car and drunk and flew into the sky to get rid from traffic jam. But he found traffic jam in sky too because it's no secret anymore. The advertisement claims that Red Bull gives you so much energy that you got a wing and able to fly, which is superlatives, or exaggerations, vaguely and generally, stating no specific facts. It affects the audience negatively in various ways, which is legally right but is unethical for the society.

2. **Untruthful or Deceptive:** Deceptive advertising, also known as false advertising, refers to a manufacturer's use of confusing, misleading, or blatantly untrue statements when promoting a product. False and subjective claims about the products, is sometimes believed but are untruthful and misleading. The following acts are considered unfair or deceptive practices: (a) False promises, (b) Incomplete Descriptive, (c) Misleading Comparisons, (d) False Testimonials, (e) False Comparisons, (f) Partial Disclosures, (g) Small – Print Qualifications, (h) Laboratory Application. An ad released by Dabur, which claimed that Dabur Chyawanprash gave children three times more immunity and power to fight diseases, was slammed by the ASCI for making claims that are unsubstantiated. Reckitt Benckiser Healthcare India's Dettol claims, in its ad, that 'Only Dettol gives 10x more protection against germs.' This was found to be misleading as the soap, which contains germicidal actives was compared to products which does not have germicidal actives.



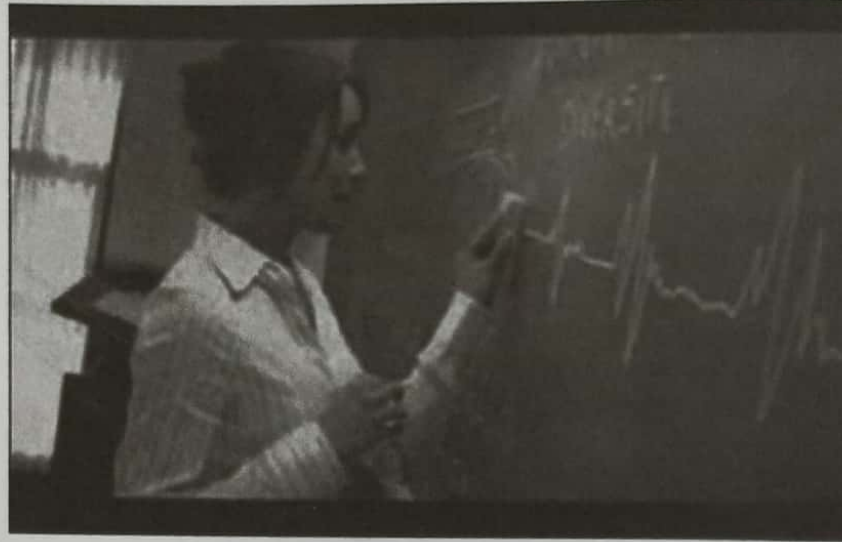
Source: <https://ayushcare.in>

Picture 13.2:
Untruthful or Deceptive

The claim was not substantiated by comparing it with products which have germicidal actives. Standard Chartered Bank Ad claimed that they give "up to 10 per cent extra cashback on all spends with Standard Chartered credit card" was found to be "false and misleading by ambiguity" as the cash back was limited to ₹10,000 only.

3. **Offensive:** Another one of the major complaints against advertisements is offensive, tasteless, irritating etc. Taste is subjective i.e. what is good taste to one may be bad for someone else. Tastes changes with time even as what is offensive today may not be tomorrow. Consumers can be offended by advertising in several ways. E.g. the advertisements for products like contraceptives or personal hygiene are not acceptable to some consumers. E.g. Fear Appeal in Deodorants, Mouthwash & Anti-dandruff shampoo ads are criticized to create anxiety & fear to be rejected in the society. Back in 2002, Cadbury launched an Ad of Cadbury's Temptations. The newspaper campaign featured a map of India with the tagline "Too good to share" written on Jammu & Kashmir. "I'm good. I'm tempting. I'm too good to share. What am I? Cadbury's

Temptations or Kashmir?” was the catch line. The ads of Set Wet Zatax and Wild Stone Deo (2011), Lux Cozy (2017), Ford Figo (2013) was found to be “indecent, vulgar and suggestive”.



Source: www.youtube.com

Picture 13.3: Offensive

4. **Creates Materialistic Demand:** Advertising provides a variety of alternatives to choose from people have needs. Advertising creates desires and fantasies for the consumers. Advertising impacts the minds of customers by—
 - (a) Create needs for them rather than merely showing how a product or service fulfils them.
 - (b) Surrounds consumers with the images of good life and convinces how the materialistic possessions leads to happiness in life.
 - (c) Portrays these possessions as symbol of status, success, social acceptance, popularity, sex appeal and so on. They affects the value system by suggesting that the means to a happier life is in the acquisition of more material things and encourages people to buy more automobiles, more clothing, and more appliances than they need—all with the promise of greater status, greater social acceptance, and greater sex appeal.
5. **Comparative Advertising:** Comparative advertising is another unethical practice of advertising besides fraudulent and deceptive advertising. Comparative advertising is a form of advertising where one party advertises its goods or services by comparing them with that of its competitors. Generally, the competitor is the market leader in that product category. With the market becoming overcrowded with a large no. of products, all the brands are looking for ways to attract the customers attention and comparative advertising is one such way they have discovered. Although comparative advertising was started long ago, yet it is only in past few years that it has become extremely popular way of advertising especially in sectors like FMCG, automobiles etc. It may be explicit where a product is directly compared to its competitor by taking the name of competitor. The Famous Pepsi vs. Coke advertisement where Pepsi highlighted its superiority by saying that most people preferred the taste of Pepsi over coke in a blind taste test. It may be implicit where in the name of the competing brand is not named

explicitly, rather they are referred to as leading brands. Pepsodent in one of its advertisements said it is 102 % better than the leading toothpaste, implicitly referring to Colgate.



Source: <https://economictimes.indiatimes.com/industry/services/advertising>

Picture 13.4: Comparative Advertising

6. **Stereotype:** The advertising world is inundated with different types of stereotypes, ranging from gender and race to socioeconomic roles. The common examples of stereotyping in marketing include gender roles, racial stereotypes and stereotypes involving children. The way groups of people are portrayed in an advertisement does not always fully represent reality. The society creates stereotype about the women. Generally, the entire household product such as soap, washing powder etc. mainly uses women in order to advertise it which generate or add to the stereotype in the society about the women's that they are limited within the boundaries of their house only. The famous washing powders like Rin, Tide, Fena, wheel etc always uses a woman in order to promote their brand as well as their product. When we watch a commercial for domestic products like detergent, washing bars, floor cleaners, etc. we often see a woman holding the product and telling us how the product has revolutionized her daily household chores, how her husband is praised at work for his spotless shirt which "she" washed using the product, how the guests are now happy to see the shining crockery "she" cleaned using the product and how it's safe for her kids to play on the floor after "she" mopped the floor using the product. We seldom see a man involved in any household chore. It is not like woman are dominating the advertisement industry, men have a share too. Men are portrayed driving a luxury car or a bike while a woman sits on the backseat. They take on the world with their luxury watches and make the world a better place to live by consuming the so-called 'sparkling water' by various companies. There are ads that exploit women by showing them as sex objects. Male personal care products like deodorants, soaps, face wash, moisturizers, etc. are often advertised in a way that is demeaning to the female fraction. They imply that if a man uses their product then women cannot resist being attracted to them, no other quality or qualification is needed, and women are simply desperate to fall in their arms. These advertisements create

a wrong image in the minds of teenagers and young adults who are easily influenced by these ads. Boys feel superior and dominant and girls feel like they are weak and fragile. Children are often portrayed as cute and happy in advertising. Unlike gender and racial stereotypes, kids are often portrayed in a way that appeals to their parents, the decision makers. Products and services are positioned to solve a problem for the parents. For example, a diaper that changes colours when wet does not necessarily appeal to the child, but it does solve a problem for the parent. The child in the advertisement will often have a smile and broad appeal.

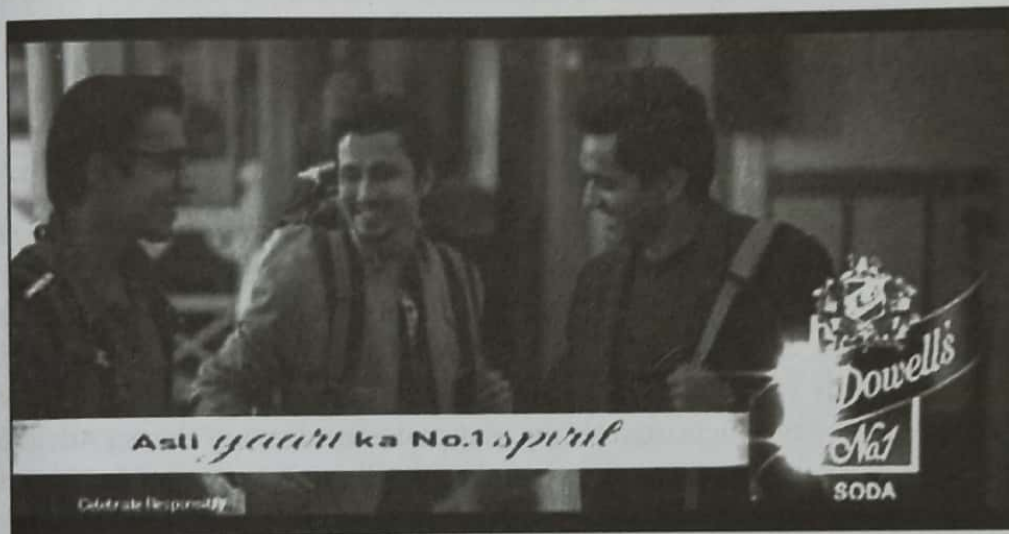


Source: www.superbrandsindia.com

Picture 13.5: Stereotype

7. **Improper Language:** One of the major complaints against advertising is that the advertising copy is too casual i.e. improper. It is believed that the advertisements have destroyed the dignity of the language. The research on advertising shows that consumer's better responds to the simple and down to earth language than to the more dignified & formal copy. A successful copy is that which is descriptive, colourful and pictures are as warm, human & personal.
8. **Excessive:** In today's world on an average are exposed to 1000 commercial messages per day. The advertising clutter is even worrying the advertising professional about the negative impact of advertising proliferation. With the increase in brand and the mass media options to choose from, there is a boom in advertising industry today.
9. **Surrogate Advertising:** Surrogate advertising is advertising which involves a brand or product message inside an advertisement which is telecasted for another brand or product. Surrogate advertising came into existence after the Government took initiative to ban advertisements of products that are injurious to health or body. After implementation of it the major companies of liquor & tobacco were badly affected so they found other ways of advertising their products. They have found an alternative path of advertising which helped them to keep on reminding the people of their liquor/tobacco brands: they have introduced various other products with the same brand name in their product line. Bagpiper soda and cassettes and CDs, Blender's Pride, Imperial Blue cassettes & CDs, Haywards soda, Royal Challenge golf accessories.

Tuborg Soda, Officer's Choice started advertising playing cards, Carlsberg introduced their own line of glasses in their advertisements, Imperial Blue released their line of cassettes and CDs, and mineral water etc. The advertisement of Bacardi ends with "Be what you wanna be" and it keeps on running in consumers head, although the ad portrays that Bacardi is showing music CDs and music promotion but the people holding a glass of liquor and grooving to the music. And the ad ends like "Bacardi-CDs and Audio Cassettes". In commercial of Vimal Pan Masala, Ajay Devgan says "Iske dane dane me kesar hai", but even a child can make out that he is not promoting saffron from Kashmir but pan masala which carries a statutory health warning ("Chewing of Pan Masala is injurious to health").



Source: <http://www.indiantelevision.com>

Picture 13.6: Surrogate Advertising

10. **Manipulation:** The freedom of choice of consumers is restricted by the power of advertising since it can manipulate buyers into making a decision against their will or interest. Such manipulation can be brought about by playing on the subconscious motives of people, using emotional appeals. Even genuine persuasive power of scientific advertising can have such effects. However, when advertising utilizes appeals that go beyond a basic communication task, then the implication is that consumers will be led to take less than optimal decisions by such emotional appeals. The advertisers have the power to manipulate their audience. Many large companies have the capacity to get a vast exposure for their advertisements. Also, these companies can utilize advanced and scientific advertising techniques to make an impression on consumers.
11. **Shock Advertising:** It is the kind of advertisement which uses concepts that violates social norms or general personal ideals. Such kind of advertisement is generally used to break the monotony of the "normal" advertisements and instead "shock" the audience and create a buzz about the advertisement. The marketers use sexual suggestiveness, other startling images or any other shocking way to get consumers' attention in their advertising. They use controversial, disturbing, explicit and provocative messages that challenge the public's conventional understanding of the social order. It may not only offend but can also frighten the audience, to sell a product or deliver a public service message. It creates a lasting impression in the minds

of the people who have had one look at the advertisement as it is one of its kinds. The example include— the electric switches ad where the couple gets an electric shock and kurkure “teda hai par mera hai” ad. Another example is of UCB. The United Colours of Benetton launched a shock and an advertising campaign called “Unhate” to boost its lagging brand recognition. For this they created a bunch of tailored photos of the world leaders kissing each other on lips, which was not taken in good taste by the people.

Ethics in advertising is important, because by acting ethically with their advertising, a company is being responsible towards the needs of the customer. Ethical advertising evens the playing field for the consumer by giving them the information they need to make an informed decision on what products to buy and how these products will enhance their lives – whether they need the product, or they just want that product.

13.3 Economic Effects of Advertising

The advertising boosts the revenue of not only the company but also the country. It is a means by which the demand for a product can be increased, thereby enabling economies of large scale in manufacturing and distribution. The savings are then passed on the consumer in the form of lower prices. Advertising shifts the demand for a class of products when the demand for that product is expansible, i.e., subject to increase through appeals to consumers’ buying motives. In influencing the shape of the demand curve for any type or class of products, advertising may make the demand elastic. Advertising is closely linked with economic development of a country in the long term. It is a valuable aid in the process of market development. Economic growth is the outcome of expansion in demand on the one hand and augmenting of resources on the other.

The advertising provides financial support to the media. The advertisements bring revenue which enables the newspapers and magazines to reduce their cover price. The selling of space or time by the media to advertisers is essential for the financial viability of the media. Availability of advertising revenue is a per-requisite for the growth of media through introduction of new media vehicles and for continuation of existing ones. However, there are some ill impacts of advertising. They are as follows:

1. **Value of Products:** The advertised products are not always the best products in the market. But advertising helps to increase the value for the products by showing the positive image of the product which in turn helps convincing customers to buy it. Advertising educates consumers about the uses of the products hence increasing its value in minds of the consumers.
2. **Effect on Prices:** The advertised products do cost more than unadvertised products as the advertising costs are added to the selling price of the product. But some products do not advertise much, and they don’t need much of it and even their prices are high but they are still the leaders in market as they have their brand name. e.g., Porsche cars. On the other side the advertising is a demand stimulant which enables the manufacturers to experience economies of large scale production and distribution and the consequent reduction in unit cost that is passed on to the consumer in the form of lower prices.
3. **Effect on Consumer Demand and Choices:** Even if the product is heavily advertised, it does not mean that the demand or say consumption rates will also increase. The product has to be different with better quality, and more variety than others. For e.g., McDonalds have variety of flavours with different ranges to offer for different age groups.