

## UNIT 3

### Advertising Stakeholders

#### CHAPTER 9: Issues In Advertising

##### Lesson 34: Ethics in Advertising

###### Learning Objectives

- You will understand via this lesson the need for in advertising.
- The type of advertisements that could come under ethical issues.



Even as a section of the media and public lambasted the advertisers and the agencies for the falling scores of taste and decency in advertising, such ads raged on and became an order of the day. Brands that are far-fetched from carnality started portraying all-consuming lust in their ads. Candie's shoes ad, for instance, showed a girl sitting in a sink in an intimate posture with her tattooed boyfriend. Luggage brand Jansport advertised its backpacks showing topless female model.

While this was the trend the world over, our homeland, India, was not really far behind. It was in July 23, 1995, that a Mumbai tabloid published a photograph of an ad for Tuff shoes that had models Madhu Sapre and Milind Soman posing in the nude with a python

wrapped around them, just about covering the vitals. The controversy and protests dragged on for along time. The ad agencies defended their creative rights while the nation pooh-poohed the couple's audacity.

### **Dying to be noticed**

Thus advertisers and admen are increasingly under fire for upsetting the socio-cultural-religious sensitivities and sensibilities of consumers. And, unfortunately, things are looking only worse day by day. With slashing down of the ad budget and with the business slumping, every one is even more desperate to stand out in a hurry. To boost short-term sales or to win ad awards. Their slogan is 'Love it. Or hate it. Or think it is offensive. But you have to notice it.

Advertising is criticized because selling carries a stigma. Centuries ago, Anacharis, had said, "the market is the place set aside where men may deceive each other". Even to this date despite the rise in consumerism and efforts to counter market deception, buyers are still gullible and are not particularly on guard against deception. To create an impact, the advertisers pit creative message-makers against blasé sophisticates, hardened by thousands of commercials. The objective is to cut through the clutter, to grip ones attention and to create an impression that lingers on in the memory of the prospective buyers. And, while doing so, they create desires, shape attitudes, mould temperaments, alter social values and raise many an ethical question. To which there is no easy answer.

The measure of advertising's success is the extent to which it increases demand.

Competition or declining profits can blow good intention out of the boardroom. Under such circumstances, the perspective shifts from what is best in the long run for the society to what is best in the short-run for the company. Ethics, the advertisers say, is fine for the secure, but a greater market share is all the slipping company needs!

## **Ad areas under scrutiny of ethics**

Advertising ethics affects the practice of our lives and also the practice of business, in subtle and prominent ways. Indeed, ethics in ads concern us all in one way or the other. The areas under scrutiny of the critics are as follows:

### **Types of ads**

#### **Ads for sex related products**

Instead of making people aware of the necessity of safe sex and the benefits of birth control condom ads continue to intrigue the youngsters with the unique feel it has to offer.

#### **Ads for health care and professional services**

The slimming centers that promise miraculous weight reduction; the cosmetic surgery clinics that assure permanent solution to beauty problems.

#### **Ads for vices with fatal effects**

Tobacco chewing ads, commercials of alcoholic beverages that tempt the non-alcoholics to have a sip.

### **Types of appeals**

#### **Use of questionable appeals**

The ads that bank on fear and negative appeal like neighbor's envy, jealousy, feud between daughter-in-law and mother-in-law etc.

#### **Stereotypical appeals**

Sexual or racial stereotyping. Ads that imply that a woman, whether in kitchen or in the boardroom, ought to look sensuous and inviting under any circumstances is a . The fairness creams stereotype the dusky women as socially less desired for marriage.

## **Larger effects on the society**

### **Value formation**

Advertisements responsible for molding society, material wants. The ads displaying scantily clad female models commoditize women. And the deluge of ads that increase ones propensity of consumption makes one feel that possessing a certain commodity is essential to show that one belongs to the higher echelon of the society.

### **Media content**

Information content of ads; the ads that suggest the use of preserved food items without a slightest mention of the fact that many of these preservatives have been proved to have carcinogenic effect.

### **Use of deception**

The ads of brands that conceal their negative aspects. The ads of cosmetics that say nothing about the long-term effects of regular usage of their products; the ads of the educational institution that wrongly claim to give 100 percent placement to its students are examples of this type.

### **Advertising targeting children and adolescents**

The ads that target the vulnerability of the children and adolescents create role models whom the kids are expected to emulate and, thus, shape their dreams and aspirations in an unbecoming way.

### **Advertisers' concern**

#### **Voice/Tone of the ad**

Comparative ads that thrive on inflicting vitriolic attacks on their rivals; copying the idea in the ad world is another such menace.

#### **Impediments to research**

The impediments to research on advertising ethics are identified as follows:

#### **Lack of practitioner interest**

Research is impeded by the inapplicability of published findings to business operations, the disinterest of corporations in sponsoring research on ad ethics and the funding constraints that cause researchers to rely on a convenience sample.

#### **Lack of sound measures and framework**

Research is impeded by the lack of psychometrically sound measurement scales and theoretical frameworks in advertising/marketing.

#### **Lack of relevant theories in related disciplines**

Research is impeded by theoretical shortcomings in anthropology, management, philosophy, psychology, sociology and advertising/ marketing.

#### **Lack of academic interest**

Research is impeded by lack of a journal editor and the difficulty researchers face when they try to relate ethical issues to traditional advertising issues.

#### **Why be ethical?**

At the 83rd Annual Management Conference of the American Association of Advertising Agencies, Keith Reinhard, the 64-year-old chairman and the chief executive of the US \$15-billion DDB Worldwide Communications Group, stood up to quote the legendary co-founder of DDB, Bill Bernbach: "All of us who professionally use the mass media are the shapers of the society. We can vulgarize that society. We can brutalize it. Or we can help lift it onto a higher level." No. Reinhard is not against the edgy and the unconventional. He is against prurient sex. Filthy humor. And Violence.

By making a success story out of the ads that are offensive to public decency, the message is disturbingly clear: the more rude and shocking you can be the more successful you will be in the advertising. And, moreover, such ads send out faulty signal to the youngsters who represent the future of our society. The young creative directors who take pride in their eccentric thought process ought to be blamed for this. And the ad awards machineries from Cannes to Clios that place such creations on the pedestal. Passion is, surely, the most important ingredient in creative achievement. But its flame need not

necessarily leap for obscenity, bullets and falsehoods alone. It is essential to reinforce the virtue of positive passion in today's ad world.

The need to add ethics in advertising is essential as we have a duty to live a good moral life. This duty is as much applicable to our business lives as to our private lives. And marketing professionals also know that ethics brings good business.

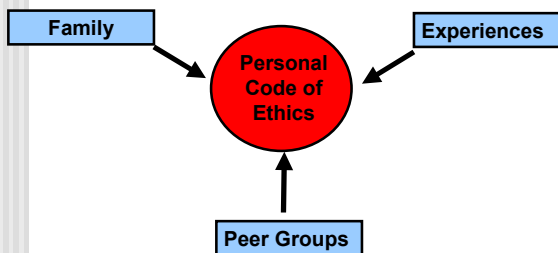
**Unethical ads are often found to have negative consequences, ranging from adverse publicity to diminished corporate reputation, to consumer boycotts and even legal sanctions. Conversely, an ethical ad can contribute to a good corporate reputation, heighten morale and, thus, increase repeat business.**

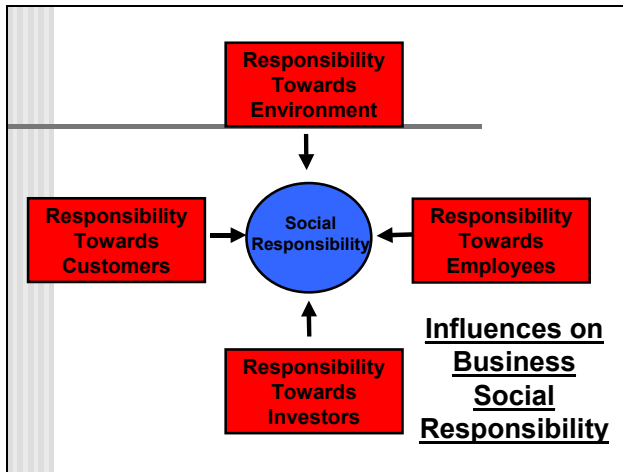
## What are Ethics?

### ETHICS ...

- standards or moral values which dictate what is right and what is wrong, or good or bad, which are
  - culturally-based and formed based upon society's expectations
  - vary by person, and by situation
  - everyone develops their own "code of ethics"

## Influences on Ethical Behavior





## **Environment Social Responsibility Issues**

- Air Pollution
- Water Pollution
- Land Pollution
- Toxic Waste
- Acid Rain

## **Advertising Ethics**

### **Puffery and Deception**

- Puffery refers to exaggerated claim of a product's superiority or the use of subjective or vague statements that may not be literally true.
- The Uniform Commercial Code standardizes sales and business practices throughout the U.S. It makes a distinction between puffery and any specific or quantifiable statement about product quality or performance that constitutes an "express warranty."

## Advertising Ethics

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- Some call for advertising to children be curtailed
- Others would ban alcoholic beverage advertising
- Marketers must carefully draw the line between advertising and entertainment
- **Cookies:** small text files that automatically download to a user's computer whenever that user visits a Web Site and that is capable of gathering information on the user, are questioned by many

## Advertising Ethics (Cont.)

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- **Puffery** refers to exaggerated claims of a product's superiority or the use of subjective or vague statements that may not be literally true
- **Deception** is when the consumer is led to believe something which is not true
- The **Uniform Commercial Code** makes a distinction between puffery and any specific or quantifiable statement about a product quality or performance that constitutes an "express warranty," which obligates the company to stand behind its claim

## Customer Responsibility Issues

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- Rights of Consumers
  - to safe products
  - to be informed
  - to be heard
  - to choose what they buy
- Unfair Pricing - collusion / price gouging
- Ethics in Advertising

## **Employee Responsibility Issues**

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- Human resource management issues
- Social responsibility issues
- Privacy issues
- Encouraging ethical behaviour

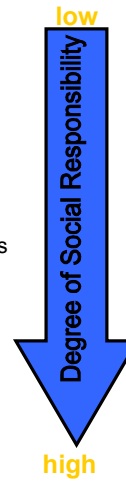
## **Responsibility Towards Investors**

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- Improper Financial Management
- Kiting Cheques
- Insider Trading
- Misrepresentation of Finances

## Approaches to Social Responsibility

- **obstructionist stance**
  - does as little as possible
- **defensive stance**
  - does only what is legally required
- **accommodative stance**
  - meets legal & ethical requirements and sometimes goes beyond what is required
- **proactive stance**
  - seeks opportunities to be socially responsible



**So the next time you are out there seeing a woman in her bare nothings posing for a shaving cream, you know exactly what to do.**