

# ***Ethical issues in advertising a corporate social responsibility for protecting consumers***

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## **Abstract**

This paper explore ethics in the advertising industry and social responsibility towards the customer for providing them a protection against unethical practices of advertising. sometimes Advertising creates ethical issues in a various ways, which includes false and manipulative, sales promotions and publicity. The basic concern for advertising is that ads must be truthful and not misleading. Ethical considerations fall into a gray area for advertisements and it relate to the manner in which the content is being delivered and the message of the advertisement. The paper reviews the background of ethics and company's social responsibility in the advertising industry in the light of free market economics and Possible incentives for proactive, socially responsible advertising are explored.

**Keywords:** *Ethical and unethical advertisingl, social responsibility, consumers etc.*

## **Introduction**

The main Objective of this paper is to explore unethical advertising from companies perspective and customers. The focus of this research paper is to identify consumer attitudes towards unethical advertising practices. The paper discuss, what is ethics of business, marketing ethics and unethical advertising. the biggest part of marketing is advertising. Promotional Advertising is done through television, radio, magazines, newspapers and internet etc. various new effective ways of marketing is possible through today's technological development. Ethics is still a considerable issue for businesses. Many of the businesses organization do not follow the ethical standards of marketing ethics. Today's Advertising companies are creating unethical content to increase their sales of products and services.

To become socially responsible the organization has to be concerned about people, society and environment with whom and where it conducts business. In its most essential form, socially responsible marketing is taking moral actions that persuade a positive impact on all the company's stakeholders, like employees, community, consumers, and shareholders etc. The main responsibility of marketers in this portion is to package and communicate the organization's decisions that will impact the various communities with which they have interaction.

## **Ethics of Advertising**

- Ethical Advertising is part of basic ethics in action series
- It is an applied thoughtful analysis of the nature of advertising in general and of specific ethical issues that arise in advertising.

- Includes case studies and refers to current professional codes and practices in the Advertising Industry and contemporary ethical theory.
- The values that govern the actions of and individual or group.

Ethical advertising is moral principles set between the buyer and the seller. Ethical advertising does not make false, misleading or fake claims of the goods or services. Advertisers should think how to generate creative, informative, entertaining, correct and informative messages to consumers. The advertising messages should be based on truth, faith and honesty. Paloranta (2014) says that advertising is ethical when it is compatible and liable with the generally accepted social values. Ethical advertising has four components: fairness, truth, taste and decency. It is important for advertisers to set borders and freedom to create ethical advertisements and campaigns.

Another four principles are honesty, distinction, social consciousness and environmental consciousness. Ethical advertising is honest and truthful with good purpose to advertise the products and services. It is clear about its motives and does not send hidden messages and agendas to people. Messages remain positive and do not exploit stereotypes about gender, competition and religion. Ethical advertising respects the environment and follows the environmental standards.

Ethical advertising copy rules say that advertising should never be untrue and principles of moral orders should be followed. Advertising messages should never be fake, mystifying or misleading. Information should be presented clearly and not with over used colour, so the customer can make the right choice. It is not allowed to use sex appeals or stereotypes (Kabir 2013 referenced in Huq *et al.* 2016, 14) Ethical advertising is fair, truthful, trustful and honest advertising. Content is positive and does not develop stereotypes. Advertisers should follow ethical advertising copy rules.

### **How Ethical Issues Arise in Advertising**

The world of advertising has come a long way from mission to profession to industry. Some people describe it as false, fictitious, misleading and obscene. Today Advertising Industry has been facing a lot of disparagement as the advertisement which is being telecasted does not follow the norms of ethics. Advertisements should be socially, culturally and morally ethical. Advertisements appearing on television and radio have to be approved by Doordarshan and AIR authorities. Similarly, advertisements in newspapers and magazines and on outdoor sites are also regulated by guidelines. In today's competitive market, it is free for all it's just the matter of money or how much one is ready to spend, thus advertisers sometime follows the unethical practices to fight or became superior then its competition. For many years, the advertising industry has practiced, promoted voluntary self regulation. Most advertisers and media recognize the importance of maintaining consumer faith and confidence. The circle of self-regulation in advertising is expanding day by day. Even the code of ethics drawn up by the Advertising Standards Council of India (ASCI) has not had much impact. Thus they do not provide explanation for every unethical practice.

### **Ways of unethical advertisements**

There are several types of advertisement which leads to unethical advertisement

### **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 subsistence after the Government took initiative to ban advertisements of products that are harmful to health or body. After implementation of it the major companies of liquor & tobacco were badly affected so they found other ways of advertise 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.

The advertisements for such new products are called or placed under the category of "Surrogate Advertisements". The main objective of this type of advertisement is to compensate the losses arising out of the prohibit on advertisements of one particular product (i.e. liquor). The companies always say that the order of the government is being implemented and advertisements of liquor are banned, but the objective of the Government imposing the ban is not fulfilled. It's a new weapon of Proxy War.

#### **Analysis of some Surrogate advertisements**

**Diageo:** Diageo has built associations with its brands Smirnoff and Johnnie Walker. **Smirnoff** with its cult associations with electronic music with events such as 'War of the DJs', Nightlife Exchanges etc, and **Johnnie Walker** with its famous advertisements on 'Keep Walking' with celebrity achievers such as Vijay Amritraj and Narayan Murthy, successfully associating Johnnie Walker with victory and also making the brand logo well known (the famous 'Striding Man' logo, which also has a society in its name – the Striding Man society, for Johnnie walker drinkers)

**Sab Miller:** Sab Miller has been promoting Haywards 5000 with campaigns featuring Bollywood actors such as Sunil Shetty and Sanjay Dutt. The catch of course is that they are shown to be promoting Haywards 5000 soda, and not the beverage. And soda promotion is perfectly acceptable.

**Bacardi:** Many can recall the Bacardi ads of yore with the famous Bacardi Music! Again, it was not the beverage brand that was being promoted. The direct promotion was for the Bacardi Soda and the Music CDs, but indirectly, a brand name for Bacardi was built

**Kingfisher:** It is basically beer brand; without doubt, this is one of the most successful examples of surrogate advertising. The extension of the Kingfisher brand to the airline gave a great push to the original category, beer. The Kingfisher brand has also been successfully extended to other categories such as mineral water and club soda.

#### **Puffery**

Puffery is an overstated statements made by the companies for the purpose of attracting buyers to a particular product or service. Puffery advertisement is basically used by the business in order to rise up the image of their product. Statements made in puffery are usually of personal opinions rather than objective representations of facts. It is assumed that puffery act as an opinion for the consumers that cannot be verified. A sensible person would not take puffery literally. The difference between puffery and factual representations is the degree of specify their claim towards the product. Puffery contains broad, general claims, as in the motto "The Best burger in the West", No one can prove the burger is really the best, but no one can prove it is not (Ken LaMance , 2014)

#### **Analysis of some Puffery Advertisements**

**Red Bull:** The famous energy drink Red bull shows in advertisement that after drinking it gives you wings i.e. Red bull gives you wings but we actually knows that it does not grows wings on your back after drinking it

**Axe Deodorant:** Axe deodorant (chocolate fragrant) ad which shows that after spraying it that person's whole body turns to chocolate which is practically not at all possible.

#### **Unverified claims**

These are those kind of advertisement in which the company who is advertising its particular product makes a false statement or commitment about its product. The unverified claims are generally seen in energy drinks which commit to increase your stamina, foods that increase your child brain or a breakfast that makes you fit. But as the consumer use them, they see that there stamina is still the same, there child is just as regular as he was, and there figure hasn't changed an inch. Advertisements like these convey information that's false, scientifically wrong and misleading. (Roshani Dhamala , 2014)

#### **Analysis of some Unverified Claims**

**Kellogg's Special K:** Kellogg's special k claims that after having it as your breakfast one will became slim and trim but there is no scientific prove for it. Thus it's a wrong or misleading statement committed by the Kellogg's company.

**Horlicks:** claims on Horlicks is that it makes your boy taller, stronger and sharper but practically a boy cannot be taller, stronger and sharper just by drinking milk with mixed with this product horlicks.

#### **Woman stereotype**

Television remains of the most prime mediums that promote stereotypical about the gender roles with the help of advertisement. "Media has become an important source to create stereotypes because they are sometimes the only source of information we have about other groups and they often represent a distorted view of those groups". NO matter what type of life a women lives, the society will create some sort of stereotype about the women's. 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.

**Detergent powder:** The famous washing powders like Rin, Tide, Fena, wheel etc always uses a women in order to promote their brand as well as their product.

#### **Comparative advertising**

According to educational literature, "Comparative ads are those ads which involves directly or indirectly naming competitors in an ad and comparing one or more attributes in an advertising mode."

Comparative advertising, as the name suggests, is advertising where a party (the advertiser) advertises his goods or services by comparing them with the goods or services of another party. Such other party is usually his competitor and is often the market leader in the particular trade. The comparison is made with a view towards increasing the sales of the advertiser. This is typically done by either suggesting that the advertiser's product is of the same or a superior quality to that of the compared product or by denigrating the quality of the compared product. The more blatant form of comparative advertising refers to the product by name and this is generally known as comparative brand advertising.

#### **Analysis of some comparative advertisements**

One of the famous notorious comparative advertisements was Rin and Tide Natural where in the ad of Rin it directly showed the competitor product Tide and committed that it is a better and superior washing powder than that.

Another controversial comparative advertisement was colgate and pepsodent where pepsodent claimed directly that pepsodent now better than colgate strong teeth delivers 130% germ attack power.

#### **Use of children in advertisement**

Nowadays market is very highly influenced with children's entering into advertisement. Marketers are using children in their commercial advertisements to enhance their sales. This is done because Indian children are allowed to watch each & every advertisement in the television, so marketers are taking benefits of it. As in the present time there is a rapid increase of use of children in advertisement. This leads to influence our Indian culture as well as Indian children's to push their parent for particular products. Some of the advertisements are very relevant to children where marketers should use children to promote their products in the market otherwise they can't. For instance, ads of Horlicks, Johnson & Johnson etc. But apart from this there are many commercial ads where marketers use children even the products are not for children like, Super Nirma, Surf Excel etc. which is irrelevant for marketing point of view. These types of ads are basically to win emotion of the customers. Using children in advertisements particularly in India where many people can't afford the products but children force them to buy those products which affect their economic levels, so marketers should go for children advertisement for their relevant products only. ( toostep, 2015)

#### **Analysis of some children advertisements**

**McDonalds:** McDonalds is advertising the McAloo Tikki burger and Fries in what has become a popular and controversial advertising campaign in India. The Boyfriend/Girlfriend television commercial at the centre of the campaign features two young children sitting on a bench. The girl asks the boy if he would consider them boyfriend and girlfriend. He refuses the proposal, saying that girlfriends demand too much. He changes his mind when she says that she'd be satisfied with a McAloo Tikki Burger.

**IDBI Bank:** IDBI bank uses children in order to show their friendship which will be continued by the bank also. The concept of this advertisement was quite unique but it was not at all necessary to use small children in it as a true friendship is followed by adult also. They were just used to win the emotions of the customers.

#### **The Advertising Standards Council of India**

The Advertising Standards Council of India (ASCI) (1985) has adopted a Code for Self-Regulation in Advertising. It gives commitment to provide honest Advertising and fair competition in the market. It is there for the protection of the legitimate interests of consumers and all concerned with advertising i.e. Advertisers, Media, Advertising Agencies and others who help in the creation or successful placement of advertisements.

ASCI have one underlying goal i.e. to maintain and enhance the public confidence in advertising. ASCI attempts to ensure that advertisements conform to its Code for Self-Regulation which requires advertisements to be:

- Against Harmful Products/Situations-Not used indiscriminately for the promotion of products, hazardous or harmful to society or to individuals particularly minors, to a degree unacceptable to society at large.
- Honest Representations-Truthful and Honest to consumers and competitors.
- Non-Offensive to Public-Within the bounds of generally accepted standards of public decency and propriety.

- Fair in Competition-Not derogatory to competition. No plagiarism.

### Some of Cases solved by ASCI

- It found LG's claim regarding fruits and vegetables staying fresh for one week in LG refrigerator due to 'Inverter Linear' feature versus them being kept in refrigerator with non-linear inverter were not substantiated.
- The ad regulator also pulled up cereal brand Kellogg's claim of New Kellogg's Oats was not substantiated and misleading. It also noted that the disclaimers for its Special K were not in accordance with the ASCI guidelines.
- "The advertisement's claim, 'SpiceJet - India's Most Punctual Airline', was not substantiated with any market survey data or with comparative data versus other competitor airlines or any third party validation or research to prove this claim. Also, the claim was misleading by exaggeration and implication," it said.
- "The product pack shows the Facebook app which seems to suggest that the particular app is available for use, as such, whereas the said Facebook application was only accessible via the web browser. The advertiser's product pack showing the 'Facebook' app was misleading by implication and ambiguity," it said.
- ASCI also upheld the Asian Paints' Royale Atmos advertisement claim that the new paint purifies air with activated carbon technology and that this paint removes tough pollutants in the air as "inadequately substantiated, and are misleading by exaggeration."

### Conclusion

The advertising world has become a long way from a small industry to a large scale industry. For some people it is an important source of getting information while for other describes it is not true, misleading and obscene. Advertising Industry has been facing a lot of criticism in the recent times as the advertising practices have not always been ethical. In today's competitive market, due to free allowances, the advertisers are sometimes following the unethical practices to fight the competition. The ethical aspect of Indian advertisement is extremely important for reinstatement of our Indian culture and heritage. Indian culture is getting watery by the western culture which influences our country to a great extent. To save our culture, norms and ethics regulations of such unethical advertisements are particularly essential. But today the numbers of unethical and obscene advertisements are increasing in numbers instead of diminishing. This clearly shows that implementation of the laws controlling advertisement is not properly done. The lacks of implementation of the laws are leading to more and more unethical and obscene advertisements. Hence, it is an urgent need for proper implementation of the laws in our country.

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