ETHICAL ISSUES AND PRINCIPLES RELATED TO ADVERTISING

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ABSTRACT

Advertising is the paid, impersonal, one-way marketing of persuasive information from an identified sponsor disseminated through channels of mass communication to promote the adoption of goods, services or ideas. Advertisement is used to capture the attention to a product or service in a special and unique way to scale up the sale. Promotions are a major driver of a firm’s integration to increase the sale. In a liberal and competitive environment, advertisement can be a leading technique to sell if it is distinctive, lucid and attractive to consumers. Ethical issues in advertising are contiguous to all businesses and customers. The purpose of this paper is to explain the ethical issues appertain to the messages.

The objective of this research is to look and explore the ethical issues related to the advertising for different aspects such as related to consumers, related to products, related to children etc. The purpose of the study is to obtain ethical issues related to advertising from different advertising experts, advertising agencies, researchers, scholars and advertising promoters’ point of view. Furthermore, one perspective of the study is to define the importance and impacts of ethical issues related to advertising.

Our findings indicated that different number of industries, companies, firms and advertising organizations use ethics in their advertising to promote the product. The companies use the prospective ethical issues in their advertising to fulfill the legal framework. Today, consumers are more conscious and aware to purchase the products carefully. Therefore, the ethics related to advertising are helpful to build up the positive attitude and confidence of consumers. However we also discovered that companies, to build up the brand image, to survive in the market and to win the confidence of the consumers, use the ethics in their advertising. We have used the allover secondary data to describe the different numbers of ethical issues in advertising.

Keywords: Advertising; Theories & Principles of Advertising; Legal Issues; Code of Ethics; Message; Target Audience; Marketers and Advertisers

INTRODUCTION

The word ‘Advertising’ is derived from the Latin word ‘Adverto’. Advertising consists of all the activities involved in presenting to a group a non-personal, oral or visual, openly sponsor identified message regarding a product, service, or idea. Advertising has been defined ‘as any paid form of non-personal presentation and promotion of ideas, goods or service by an identified sponsor’. The advertiser may use the various types of advertising form such as product and institutional advertising, primary and selective demand advertising, comparative advertising and cooperative advertising etc. Advertising aims at committing the procedure, educating the consumers, supplementing the salesman, connecting the dealer to eliminate the competitor but above all, it is a link between the producer and the consumer” (RS Davar).
American Marketing Association (AMA) defined “Advertising is any paid form of non-personal presentation and promotion of ideas, goods and services by an identified sponsor”.

(Bovee, 1992, p. 7) defined “Advertising is the non-personal communication of information usually paid for and usually persuasive in nature about products, services or ideas by identified sponsors through the various media.”

Businesses are interesting in making money and advertising helps a great deal to sell products, but it can be just as harmful. Advertising is a form of communication that attempts to influence customers to purchase or consume more of a particular product or service. Every major medium is used to deliver these messages, including radio, television, magazines, newspapers, Internet and billboards. In terms of ethical standards, advertising has been rated the lowest on 14 ethical dimensions in the functional areas of business (Burnett and Pettijohn, 2003).

Ethics is a branch of philosophy that is concerned with human conduct, more specifically the behaviour of individuals in society. Ethics examines the rational justification for our moral judgments; it studies what is morally right or wrong, just or unjust. Ethics are the set of principles, rules, standard and values that guide actions and create a sense of responsible behavior. The Code of Business Conduct is extended through our Code of Ethics for Advertising to include the way in which we approach all our advertising and marketing communications. We use the meta-ethics in advertising their products, services or ideas to the message. The advertisers have to be especially careful to act ethically at all times, taking extra care when advertising to children, advertising potentially harmful products and using psychological tactics to stimulate demand.

However, there are companies that neglect their ethical responsibility by continually producing and airing unethical advertisements (Polonsky and Hyman, 2007). The ethical issues in advertising apply to companies globally and all consumers. The consumers should not be misled about the products or services that are being promoted.

Advertising should be designed to conform to the laws of the country and should not offend against morality, decency and religious susceptibilities of the people. Such type of advertisements is termed as ethical advertisements which contributes to a good corporate reputation, heighten morale and, thus, increases the business for the advertised product.

Serious consequences can result from the failure to follow ethical and honest procedure when dealing with the public. The final blame must rest with the public relation or advertising arm of any organization. They are the final filter through which information and facts flow out to the public. They are alone responsible for the accurate and honest reporting of information.

Jacki Gordon, Regional Sales Manager for Georgia Pacific’s Southeast region says that an honest business advertising strategy is a key part of attracting and retaining customers. “While many companies go for the quick and easy add campaign, sometime whitewashing, or even outright lying about the qualities of their products possess, using honesty and integrity is the only way to use advertising effectively” (Gordon).

There are many organizations that allow the advertising industry to police itself. Group such as the American Advertising Federation, American Communication Association and the American Marketing Association offer both consumers and advertisers a place to air complaints and file grievances against the real or perceived violations of advertising laws and practice norms. NARC (National Advertising Review Council) is one of the most powerful self-regulating organizations in North America. NARC’s mission is to foster Truth and accuracy in national advertising through voluntary self-regulation. The ASCI (Advertising Standards Council of India) is very broad based to cover the entire gamut of Media vehicles which carry advertisement, ranging from printing and publishing, audio visual, promotion or merchandising vehicles to even packing as a vehicle of promotion.
REVIEW OF LITERATURE

Ethics can be defined as “a set of prescriptive rules, principles, values, and virtues of character that inform and guide interpersonal and intrapersonal conduct”. The ethicality of advertising may be determined by the extent to which it harms consumers and they can be defined as (1) violation of autonomy by control or manipulation, (2) invasion of privacy, and (3) the violation of the right to know. Ethics is one of the branches of philosophy. These ethical issues include women exploitation, subliminal perception, Advertising to children, deceptive advertising, and other issues which can lead to moral deterioration of the society.

(Boddewyn, 1985) defined that the Governments did impose restrictions and rules in the marketing industry, but advertisers still find ways to use unethical advertising without tampering with legal issues. Firms need to decrease their ethical violations in advertising. Firms have to be more aware of ethical issues and put more effort in becoming more respectful to their consumers. Firms should monitor and police the extent of ethical violations deemed plausible for business, and they can let the market be aware of the manner in which they control their advertising ethics stature as a signal of their endeavor toward action and commitment of their corporate social responsibility perspective.

Nageshwara Rao.S.B. (1987) in his study on “The code of ethics in advertising”, suggested that the advertising should make the life of the consumer easier, more comfortable and pleasant. Thus, he emphasizes on ethics and honesty in advertising.

Anandsen Gupta (2002) in his research on “Ethics in advertising” stated that the success of advertising depends on public confidence and no practice should be permitted to resort to immorality and indecency. Advertisers should fulfill their obligations towards the society.

Madhusudhan.N.Pandya (2005) has concluded in his study on “Advertising” that ethical advertising is mostly influenced by values, opinions and judgments.

(Dr. Githui Donatus Mathenge,2013) defined that It is very difficult to identify what is or not ethical conduct in integrated marketing communicating as it varies from country to country. Ethical values as situation specific and time oriented. Nevertheless everyone both in business, marketing and specifically in advertising and marketing communications must have an ethical base that applies to conduct in the business world and in personal life morals.

(DR.N.A. ANBARASAN and DR. K. PONGIANNAN, 2012) conclude that Honesty, integrity and quality are the important features of ethical advertising. These features create value to all the stakeholders of the advertising media. Now-a-days only ethical based advertisements are highly welcomed by the audience. Ethicality in advertising improves the quality of the advertisements in any media and enhances the brand image for the advertised product. Thus, it can be concluded that strictly adhering to ethical values in advertisements will increase the market share for the advertised product.

Research in advertising ethics covers all the functions of promotion. Advertising is one of the most integral parts of a business entity. Organizations all around the world spend billions of dollars every year to promote their products and advertising is one of the tools to promote their product globally. The role and magnitude of advertising expenditure have expanded thus introduction of new technologies has set a new playing field in which advertisers have to be up- to-date with new media such as advertising through web sites and also through mobile phones.

OBJECTIVES OF STUDY

1. To evaluate the major ethical issues related to advertising.
2. To define the principles of advertising ethics.
3. To describe the code of ethics for advertising.
4. To define the ethical theories of advertising.
5. To describe the importance of advertising ethics.
6. Safeguard against misrepresentation and misleading advertisements.

Major Ethical Issues Related to Advertising

The Message: - The message in the public notice is the most crucial component of the advertising strategy. The message of the commercial can be broken down into two different groups in which it communicates. Misleading statements and attractiveness are ways of communicating to viewers. Misleading statements are messages that are presented to viewers and the advertiser discloses their identity. Deception or misleading in advertising leaves viewers with other than reasonable knowledge, which is required to make a purchasing decision, about the product. These messages give consumers incorrect information about products or service, which persuade them to buy it. Advertisers are very skillful to be able to portray these products as healthy and life enduring even though they are not. This is a deceptive claim and does not make the advertisement ethical.

Also, honesty is something that these advertisers do not exactly follow. Advertisers are using words like “finest” and “number one,” which are incomparable and untruthful. These kinds of ads are directly affecting consumers and changing their purchase decisions. The issue occurs when these groups or individuals feel offended as to how they are being portrayed in the advertisements. As mentioned before, advertisement is changing the way people portray society, culture, and individual self. Stereotyping in advertisement includes the misinterpretation of how women, religious groups, and children function in society. The ethical issue in this is, these advertisements include idealised people performing or using products, which creates uncertainty to the audience and have caused many health effects. The message of advertising is the most important element in the communication process from businesses to consumers. The message holds the most glitches pertaining ethical values and is the most criticized.

Target Audience: - Marketing strategies include certain products and service to pertain to a specified target audience. Ethical issues exist amongst advertisements to certain target audiences. These include children, women and senior citizens or the elderly. Many statistical studies have proven that children watch the most commercials on television. This allows advertisers to strategically place commercials on television for children’s products. Targeting children is seen as profitable since children have an effect on families. Advertising to children through television commercials, magazines, and Internet is a concern for parents and society, because children have not judgments abilities. Children should not be misled and advertisers should not misrepresent products advertised to children.

When targeting women, there is an enormous ethical issue. Women are used in ads mostly as things and sex objects. Models are portrayed flawless and perfection of the physical appearance is strongly suggested. Women do find these ads insulting, but continue to buy the products. Although, the ads cause no harm immediately, but after time with continuous ads of women is portrayed as sex object, it has affected all of society. These ads have caused much health and decrease is self-esteem. Women should be portrayed through their natural beauty.

Senior citizens or in other words the elderly are vulnerable consumers to pharmaceutical products. Advertisers use abusive and fear-inductive ads that make the elderly anxious, and tense. It is unethical to promote pharmaceutical products in such an unpleasant manner. The elderly should not be persuaded to purchase products or service through shocking advertisements.

The Product or Service: - The ethical issues related to products or services can very immensely depending on cultures. For example, in some eastern cultures advertisements for women’s under garments, contraceptives and sexually related products are found to be offensive and inappropriate. These countries do not advertise such sensitive and personal products publically. While in other liberal cultures in western countries do not find such advertisements insulting. Whether the society accepts such products; it should be in line with the law. Ethical issues arise in all societies liberal or conservative depending on how graphic and arousing this
Advertisements can be. It is unethical to have billboards in public places that can make people feel sexually aroused or offended and uncomfortable. Advertisements for cigarettes and alcohol are very controversial at the same time. These products are targeted towards young adults, through persuasive advertisements, leading teenagers to believe it is in trend to smoke and drink. New public policies have changed the way tobacco and alcoholic beverages are to be advertised. Advertisements for alcohol include a message to drink responsibly. Cigarettes have new laws to include and specify health risks faced with smoking.

Even though laws have been enforced concerning these two controversial products, it does not solve the problems. Drunk driving accidents statistics are increasing and young teenagers are victims of such accidents. Drinking and smoking are advertised to be appealing and fashionable, and young adults are persuaded to use the products.

Principles of Advertising Ethics

1. Advertising, public relations, marketing communications, news and editorial all share a common objective of truth and high ethical standards in serving the public.

2. Advertising, public relations and all marketing communication professional have an obligation to exercise highest personal ethics in the creation and dissemination of commercial information to consumers.

3. Advertisers should clearly distinguish advertising, public relations and corporate communications from news and editorial content and entertainment, both online and offline. As we continue to blur the line between commercial communication and editorial content, consumers are increasingly beings misled and treated unethically. To avoid consumer confusion and mistrust, the industry must strive to clearly separate paid advertising from actual news.

4. Advertising should clearly disclose all the material conditions, such as payment and receipt of a free product affecting endorsement in social and traditional channels, as well as identity of endorsers, all in the interest of full disclosure and transparency. The popularity of social media and word of mouth marketing raises questions about the credibility of content. Advertisers must be transparent about whether bloggers are expressing their own opinions or are being compensated by a brand. There must also be full disclosure regarding the authenticity of comments on facebook, twitter and other social media platform.

5. Advertisers should treat consumers fairly based on the nature of the audience to whom the ads are created and the nature of the products and services advertised. Extra care must be used when advertising to children and other vulnerable audience to avoid misleading and mistreating them. Advertisers should also use discretion based on the nature of the products and service, especially alcohol and prescription drugs.

6. Advertisers should never compromise consumers’ personal privacy in marketing communication, and their choices as to whether to participate in providing their information should be transparent and easily made. As marketers develop increasingly advance means of online behavioral targeting, consumers worry about their privacy. In response to consumer concerns and government warnings, marketing and media trade association are launching an online self-regulatory initiative to give consumers greater control over the collection and use of online viewing data.

7. Advertisers should follow the federal, state and local advertising laws and cooperate with industry self-regulatory programs for the resolution of advertising practices. The federal trade commission, better business bureau and food & drugs administration are just a few of the regulatory bodies that advertisers can look to for guidance regarding ethical practices. The advertising industry has also created an exceptional regulatory program called the national advertising review council (NARC) that cover, both adult and children’s advertisings.
8. Advertisers and their agencies, and online and offline media, should discuss privately potential ethical concerns and the members of team creating ads should be given permission to express internally their ethical concerns. Taking the time to discuss and resolve the ethical dilemmas is essential to practicing the highest ethical standards.

**Code of Ethics for Advertising**

1. Our Code of advertising Conduct reflects the values that sit at the heart of Liberty Global and embodies our commitment to conduct business with honesty and integrity, in accordance with high ethical and legal standards, and with respect for each other and everyone with whom we do advertising.

2. The Code of Business Conduct is extended through our Code of Ethics for Advertising to include the way in which we approach all our advertising and marketing communications.

3. We adhere to the principles of the International Chamber of Commerce’s Code of Advertising and Marketing prescribing that all marketing communications should be legal, decent, honest and truthful.

4. In all of our advertising activities and contact with customers, we aim to meet the very highest standards in truthfulness and honesty. We seek to substantiate all claims before they are aired or published and we do not make or endorse any communication that misrepresents the characteristics of any product or service or omits facts that could mislead our customers.

5. We are committed to ensuring that our advertising activities are decent and responsible and we make every effort to ensure the images and language used does not go beyond what the vast majority of people consider acceptable. Nothing we do is intended to encourage prejudice, violence, cruelty, or to cause offense or distress.

6. Additional care is taken in all advertising and marketing communications to be sensitive to children and vulnerable groups. We always seek to avoid any activity that could take advantage of their inexperience or cause them any distress.

7. We work to ensure that the principles underpinning our Code of Business Conduct are fully embraced by all directors, officers and employees of each company within our Liberty Global group and that any comment from our stakeholders, referring to the way we advertise or communicate, receives a swift and helpful response.

**Ethical Theories of Advertising**

**Deontology Theory:** - Deontology is the most associated with German Philosopher Immanuel Kant. The basis of this theory is we have a moral obligation to do the right thing. According to Kant actions have true moral worth only if they come from good will. I feel advertisers should act with good will all the time, but unfortunately others who only have the interest of the company can away from doing the right thing. Critics of this theory say it is too rigid and it does not take into account cultural differences. Everyone’s moral are not the same. This theory has good intention, but not the best for advertising.

**Communitarianism Theory:** - This theory says that we have a responsibility to the community. We should do what is best for the community and not for ourselves. In this theory, one principle is to have a like-minded philosophy to the public. Another principle is the “individual I” does not exist, only the “common I”. As good as it sounds, this theory has few criticisms. The definition of community, and what if the community mind is wrong are, two issues that arise. When people look an ad, everyone will not have the opinion. Some absolutely love it, others will hate it and hand a handful could care less. Communitarianism sounds good at first when applying it to advertising, but as you did deeper you can see this would not fit.
Utilitarianism Theory: - This theory says that the greater good is the only concern. If using Utilitarianism, the right course of action will lead to the greatest pleasure or least amount of pain. This takes into account the majority rather than the minority, which if thinking about the government, this is commonly how things play out. I believe this is the theory that most fits the modern advertising. The majority of ads today get their fair share of complaints unless it is just so offensive to viewers that it causes uproar.

Importance of Ethically Advertising

1. Ethics is known as moral philosophy, one that is held in high regard within mass media, communications and its prospective profession. Due to the diversity of world both demographic and psychographic, ethics is very subjective philosophy. In the advertising ethics is an extremely vital aspect for which reputation, credibility and success thrive on.

2. The subjectivity of ethic sin advertising is very controversial, highly debated issue. Most in the field of advertising are on a content struggle in regard to what is ethical, not just to oneself or group but to the masses.

3. It is the important to appeal the largest audience possible and be politically correct. One unethical choice could cost advertisers, not only money but their reputation and cliental. There have been countless cases in which advertisers and the companies in which they represent have been deem unethical their advertisements. Truth in advertising is not always “black & white” more so “grey”.

4. There are many companies that choose to aligned themselves with social issues and do so with one that are neutral in nature. There is also a responsibility by advertisers to maintain a strong respect for different “cultures, religions and morals” that consumers have. It is also important to ensure that the general public is not affected negatively by what is produced creatively.

Safeguard Against Misrepresentation and Misleading Advertisement

1. Advertisements must be truthful. All description and claims comparisons which relate to matters of objectively acceptable fact should be capable of substantiation. Advertisers in advertising agencies are required to produce such substantiation as a man called upon to do so by the Advertising Standards Council of India.

2. Where are advertising claim expressly stated to be based on or supported by independent research or assessment, the source and date of these should be indicated in the advertisements.

3. Advertisements shall not, without permission from the person, firm or institution under reference, contain any reference to such person, firm or institution which confers unjustified advantage on the products advertised or tends to bring the person, firm or institution to disrepute.

4. Advertisements shall not distort facts nor mislead the consumer by means of implications or omission. Advertisements shall not contain statements or visual presentation which directly or by implication or by omission or by ambiguity or by exaggeration are likely to mislead the consumers about the product advertised or the advertiser or about any other products.

5. Advertisement shall not be framed as to abuse the trust of consumers or exploit the lack of experience or knowledge.

6. In manufacturing and distribution of goods and services it is possible that there may be an occasional, unintentional lapse in the fulfillment of an advertised promise or claim.

CONCLUSION

This research paper concludes that there are numbers of prospective ethical issues, principles, code of conduct that the advertisers use in advertising their products and services to safeguard the
Advertisements and fulfill the legal framework of the advertising associations such as NARC, FTC, ASCI etc. Advertisers use the prospective ethical value to communicate their message to the audience and treat with the honesty, truthness, integrity with the target audience and use high ethical standards to different type of consumers and audience such as men, women, children, senior citizen etc. Advertisers fully disclose the prospective ethical issues in their advertising to win the confidence of the audience and to meet the government legal & ethical framework.

REFERENCES


