

Effect of Unethical Advertisement on the Value System of Society

Abstract

Advertisement is the footstep to interact with the potential customer in order to persuade their purchasing decision but due to intensity of competitive environment and intention of huge margins induces the firms to adopt substantial unethical considerations. These unethical considerations results in violation of moral standards of the society. Hence, this present paper aims to find out the effect of unethical practices of advertisement on society and buying decisions of consumers. After conducting survey, researcher concludes that on the basis of gender inequalities and age compositions, no difference in the perception has been observed regarding unethical advertising except adoption of governmental approach. Furthermore, unethical advertisements have significant adverse effect on health and moral values of children and these have no significant impact on consumer buying behavior. Therefore, more strict governmental actions are needed to cop up with these causes of moral degradation.

Key Words degradation, ethical violations, governmental approach, unethical advertisements.

Introduction

Advertising industry is flourishing as a mega industry in contemporary environment and associated and supporting industries likewise magazine, newspaper, cable TV, media and non-media communication media are surviving only on the virtue of advertisement industry (Burns et al., 2005; Rotzol, 1986). Advertisement is a paid form of promotion (Kotler, 2012; Davis, 1985) and through proper advertisement message, an organization communicates its products and services for sales. This is the first contact between consumer and organization (Burke, 2007) but it heavily depends on the value system of the organization whether to adopt the moral standards of marketing approach or illegal and immoral approach. The ultimate focus of all corporate organizations is to gain attention of masses and their market concentration towards the product thereafter. In accordance with this intention, company is found to be involved with illegal, deceptive and false representation practices. Therefore, the effects and consequences can be easily felt from thoughts and actions of general masses (Singh and Sandhu, 2011; Burns et al., 2005). Due to this behavioral change, many social evil came to existence but one universal approach towards unethical advertisement adoption and their consequences can't be generalized because review shows different direction of effects in sociological and psychographic aspect of customer (Roy, 2006; Vitell, 2003). The literature shows that main victims are the children and teenagers whose psychology is adversely affected and it can be versioned from de-gradation of social customs and family relationships (Heafner, 1991; Lavine et al., 1999).

Review of Literature

With the advent of globalization and modernization social values are degrading and these are the footsteps of negative cultural change. Ethical values in advertising can be broadly defined as ethics in marketing (Jeurissen and Veen, 2006; Spence, 1976). This concept has been validated by various scholars of marketing field which stand for the practices adopted by marketer to promote a product or service. The businesses that use the ethical claims in their advertisements and decide not to deceive or cheat the customer and those businesses become the ultimate winners of marketplace. According to Standard Encyclopedia of Philosophy, business ethics is study of business situations, activities and decisions where issue of right and wrong are addressed.

The greed of sales maximization induces the firms to use immoral standards of advertising, otherwise their sustainability and survival will struggle because competitive firms grab the substantial market share. As advertising has its pros and cons but unlimited intentions of corporate

Kanupriya

Research Scholar,
Department of Psychology,
Kurukshetra University,
Kurukshetra, Haryana,
India

Rajiv Kumar

Assistant Professor,
Haryana School of Business,
Guru Jambheshwar University of
Science and Technology,
Hisar, Haryana,
India

organization may cross the boundaries of ethical vs. unethical advertising practices (Burke, 2007; Rotzoll, 1986). This is the advertising message which is significantly different in socio-cultural and psychological framework and language and images used in advertisements messages create the real difference between ethical and unethical (Kang, 1997; Bovee and Arens, 1986). As messages used in advertising may depict false representations, contains deceptive claims, sexuality and sex appeal (Carson et al., 1985). As far as false representation is concerned, all fairness brands adopt these type of unethical approaches and "biggest", "best" words are used to confirm the claims (Coyne and Traflet, 2008; Singhapakdi, Vitell, Rao, & Kurtz, 1999). False beliefs and wrong decision in buying products and services are consequences of the deceptive claims (Carson et al., 1985; Kimmel, 2001). Furthermore, the most harmful notion of unethical ads is sexuality and sex appeal used in advertised messages. In sexuality claims, women are shown as the weaker sections of the society as compared to men and used as a sexual object in advertisements (Goffman, 1978; Cohan, 2001). While, in promotion of undergarments, deodorants and fragrance products, sex appeal is used in paramount nature which is responsible for degradation of cultural values among children (Gun, 1999; Richins, 2004).

To face such type of major problems, a controlled and regulatory framework must be adopted likewise government institutions (Censor Board of India) always keep check on operations of the agencies and with this advent; social responsibility aspect comes into existence (Durate, 2008; Belk, 1985). Corporate social responsibility lies in welfare of the customer and according to Chan and Cia (2009) there is a significant and positive relationship among consumerism and advertising.

Objectives of the study

The main objective of the study is to find out the effect of unethical practices of advertisement on society and buying decisions of consumers.

Research Methodology

A self administered questionnaire has been used to analyse the perception of the advertisement viewers on unethical aspects. The questionnaire contained 20 statements encompassing unethical practices of advertising. A five point likert scale has been used in the questionnaire specifying. Apart from this, demographic profile of respondents (Gender and Age) has also been included in the questionnaire. The study is based on convenience sampling technique. The present study was conducted in state Haryana and data was collected from two administrative divisions of Haryana (Ambala and Hisar)

In order to provide an answer to the issues raised in previous section, we propose a methodology that consists of three steps – first we formulate hypothesis for finding out the effects of unethical advertising on the value system of society.

Hypothesis

H₀₁ - There is no significant difference in the perception of the male and female regarding unethical advertising practices.

H₀₂ – There is no significant difference in the perception of different age groups regarding unethical advertising practices.

Next we apply factor analysis for summarizing and reducing the variables. The Kaiser-Meyer-Olkin criterion is used to check the sampling adequacy of data. KMO measure is an index used to examine the appropriateness of factor analysis. To examine the variables are uncorrelated in the population, Bartlett's test of sphericity has been used. Cronbach's alpha has been used to check the reliability of the sample. Factor analysis has been applied to reduce the underlying variables contained in the questionnaires into a set of specific attributes. At last, regression analysis has been used to check the impact of unethical advertising on the societal value system.

Results and Discussion

To analyze the data, the statistical software SPSS 16.0 is used. The data reduction technique of factor analysis was used to analyse the perceptions of the respondents. The results of principal component analysis followed by varimax rotation with Kaiser Normalization are shown in table1. The Kaiser-Meyer-Olkin criterion is used to retain the factors having Eigen value greater than one and to check out the sphericity Bartlett's test was applied. The value of KMO should lie between .500 to 1 and significance level for Bartlett test should be less than .003. For plot study, 20 variables have been into consideration, but on the basis of reliability testing 19 variables has been used for further analysis. Cronbach's alpha, a measure of checking internal consistency and reliability, is used. Value of Cronbach's alpha for the items have been noted as .636, which is far higher than the minimum required level of 0.60 (Malhotra, 2012) and therefore it is considered as acceptable.

KMO test of sampling adequacy has revealed score of 0.782 which has been considered acceptable. Moreover, Bartlett's Test of Sphericity has also considerable with the value of .000. It implies that Factor analysis can be executed on the data.

Table 1 Descriptive Names of Factors

Factors	Descriptive Names of Factors	Eigen value	Variance (%)	Cumulative Variance
F1	Societal pattern beyond promotion	5.517	27.586	27.586
F2	Influential pattern regarding buying decision	1.601	8.007	35.593
F3	Representation of advertisement messages	1.567	7.834	43.427
F4	Adoption of controlled advertisement	1.354	6.770	50.197
F5	Influential pattern regarding watching habits	1.289	6.443	56.640
F6	Adoption of inappropriate governmental approach	1.059	5.297	61.936

Extraction Method: Principal Component Analysis.
 Rotation Method: Varimax with Kaiser Normalization

Table 2 t- Test Statistics

	Gender	Mean	Std. Deviation	t-test	Sig (2 tailed)
F1 Societal pattern beyond promotion	Male	3.3013	.74205	-.590	.557
	Female	3.3878	.73076		
F2 Influential pattern regarding buying decision	Male	3.1731	.83363	-.648	.518
	Female	3.2857	.91287		
F3 Representation of advertisement messages	Male	3.2500	1.15258	-.258	.797
	Female	3.3061	1.02478		
F4 Adoption of controlled advertisement	Male	2.5833	.89510	-.532	.596
	Female	2.6735	.80072		
F5 Influential pattern regarding watching habits	Male	2.7404	1.04079	1.125	.264
	Female	2.5408	.69849		
F6 Adoption of inappropriate governmental approach	Male	2.9423	.99830	2.493	.014
	Female	2.4082	1.15323		

Source- Primary data

*Significant at 5% level

On the basis of factor analysis, independent t- test has been performed to check out the significance level of the factors at 5% significance level. If the p-values of t-test statistics are greater than .05 (α) then hypotheses will be accepted otherwise rejected. After applying t-test statistics the researcher come to know that p-values are greater than .05 except of F6 (Adoption of inappropriate governmental approach). p-value of F6 is .014 is less than .05 which means that H_{01} will be rejected and male and female have different point of view regarding governmental approach regarding use of unethical contents in advertisements. Furthermore, all other remaining factors (Societal pattern beyond promotion, Influential pattern regarding buying decision, Representation of advertisement messages, Adoption of controlled advertisement, influential pattern regarding watching habits) are showing values greater than .05 (.557, .518, .797, .596, .264) respectively.

Factors	Age group	N	Mean	Standard deviation	ANOVA		
					df	F	Sig.
F1 Efficiency of production system and intermediaries	20-30 yr	34	3.2680	.75909	b/w groups-2 within groups-98	.267	.766
	30-40 yr						
	40-50 yr						
	27						
F2-Pricing strategies & intelligence system	20-30 yr	34	3.1471	.86628	b/w groups-2 within groups-98	.240	.787
	30-40 yr						
	40-50 yr						
	27						
F3- Pricing Framework & market Awareness	20-30 yr	34	3.1765	1.26660	b/w groups-2 within groups-98	.664	.517
	30-40 yr						
	40-50 yr						
	27						
F4- Satisfaction from product & marketing strategy process	20-30 yr	34	2.5294	.87277	b/w groups-2 within groups-98	.339	.714
	30-40 yr						
	40-50 yr						
	27						
F5-Supply chain effectiveness & sales promotion	20-30 yr	34	2.4265	.92222	b/w groups-2 within groups-98	1.864	.160
	30-40 yr						
	40-50 yr						
	27						
F6-Market orientation and mode of pricing	20-30 yr	34	2.8824	1.09447	b/w groups-2 within groups-98	.845	.433
	30-40 yr						
	40-50 yr						
	27						

Source: worked out from primary data

*Significant at 5% level

On the basis of factor analysis, Analysis of Variance (ANOVA) has been performed to check out the significance level of the factors at 5% significance level. After applying one way ANOVA on the basis of age groups, p-values of all factors (.766, .787, .517, .714, .160 and .433) have been noted greater than .05 and we can conclude that hypothesis (H_{02}) will be accepted. Acceptance of hypothesis will mean that there is no significant difference in perception of different age groups regarding unethical advertising practices.

Findings and Conclusion

Whenever the respondents have been asked about the societal pattern and corporate social responsibilities of corporate houses regarding the society, they carry the view that it is not possible for the business houses to be both ethical and profitable. In order to earn extra profit margins, companies neglect the ethical and moral standards and these types of practices are prevalent in all type of industries not only in consumer goods industry. Consumer goods are goods related with consumption pattern includes shampoo, soap, detergent powder etc. But in this composition unethical ads are not prevalent which is well known fact. An unethical advertisement does not encourage trying the product because the consumers is aware enough to understand the tricks adopted by marketers. One time use of such products learns them to open their eyes. That is the reason that they confirm this finding by stating that companies usually do not carry any social responsibility for mass population which consists of teenagers and children too. In accordance with the unsocial behaviour of the companies, it has been observed that the respondents think that the corporate houses do not carry any responsibilities. Ads by celebrities in an enhancing manner are on the sore now a day and the companies are indifferent to customer opportunity cost that they have to incur for particular product. Societal considerations are not necessary for the business organizations which are indulged in advertisement activities. The advertisers are just keen to earn their profits irrespective of societal responsibilities. Influential pattern regarding buying behaviour shows that the people do not buy the product due to the implications of emotional and sex appeal contents.

Influential pattern regarding buying decision shows that respondents have come into existence of unethical practices from different sources of media not solely from T.V. Furthermore, the effect of advertisements on our buying decisions in the form of spending hours on TV, consumption pattern and trial due to unethical messages has been observed much less. It means that the customers are not encouraged by these unethical advertisements. Results clears that unethical advertisements has adverse effect on health and moral values of children. People are not ready to spend a sufficient amount of time on TV and liking towards ads is not satisfactory. TV is assumed to be the main sources of publishing the unethical ads. But it is not true in today contemporary environment because internet use has crossed the dimensions of all published and unpublished sources. Every type of ethical and unethical material is available on internet.

This may be due to unrealistic picture presented by advertisers. Emotional and sex appeal also come under unethical material. But study shows that this content has not any significant effect on buying behavior through TV in different product categories.

Societal problems likewise tuberculosis, cancer, is caused by tobacco products. But the researcher found through the survey that ad world does not deal with social problems. Government deals with these types of unethical programmes through censor board. In India only Doordarshan cannot show unethical ads likewise tobacco products. Other remaining channels adopt the Pettern of unethical representation of content in the form of surrogated ads like tobaccound liquor. Results show that these ads should be banned because advertisers just want to fill their pockets with huge margins due to the inappropriate governmental approach and relaxation in norms regarding unethical attributes.

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Annexure

Demographic Profile of Respondents					
Gender					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	52	51.5	51.5	51.5
	Female	49	48.5	48.5	100.0
	Total	101	100.0	100.0	

Age					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	20-30 yr	34	33.7	33.7	33.7
	30-40 yr	40	39.6	39.6	73.3
	40-50 yr	27	26.7	26.7	100.0
	Total	101	100.0	100.0	

Description of Factors

Factors Profile	Factor Loadings
Factor 1: Societal pattern beyond promotion	
V3. It is possible for the business to be both ethical & profitable.	.758
V13. To maximize profit & to create space in market some advertisers neglect the ethics of advertising practices.	.757
V14. It is possible to keep advertising ethical.	.733
V5. Advertising helps to shape society's view of world & itself.	.683
V6. Business's responsibility is to deal with the societal problems of the world.	.673
V2. Business has responsibilities for the society that go beyond job creation.	.562
V9. Advertising effects at children unethically.	.555
V15. Unethical advertising practices are experienced more in consumer goods.	.439
V17. Unethical advertisements can be controlled.	.429
Factor 2: Influential pattern regarding buying decision	.399
V16. Television is the main source to publish unethical advertisements.	.701
V20. Unethical advertisement encourages you to try the product.	.564
Factor 3: Representation of advertisement messages	.591
V11. People like T.V. advertisements more.	.696
Factor 4 : Adoption of controlled advertisement	.636
V1. Advertising of tobacco products should be banned.	.532
V18. Advertisement of unethical product should be banned in India.	.797
V19. Advertisements of unethical products are required in the society.	.687
Factor 5: Influential pattern regarding watching habits	.877
V10. People don't spend much time on watching advertising a day.	
V12. There is the bad effect of advertising on children's health.	
Factor 6 Adoption of inappropriate governmental approach	
V8. Government responsible for all unethical advertisements.	

Extraction Method: Principal Component Analysis.
 Rotation Method: Varimax with Kaiser Normalization