

Is Advertising Ethical?

Pheraphol Kherathithanakann

ABSTRACT

This article is written in order to study the social consequences advertising. Presently many people worldwide denounce the advertising impact on the society in many negative ways, such as, it creates the false needs in society, misleads the society, makes the product price higher, propaganda, etc. However, they do not see the positive sides of the advertising how it provides many benefits to facilitate the human beings. According to this study, all these problems result from lack of personal conscience, company policy, governmental regulations, etc. Therefore, if the accountable people as advertisers and the governors work cooperatively and think about the consequences of what they are doing, these problems will be diminished in the future.

บทคัดย่อ

บทความนี้จัดทำขึ้นเพื่อเป็นการศึกษาถึงผลของการโฆษณาที่มีต่อสังคม ปัจจุบันนี้มีผู้คนเป็นจำนวนมากได้กล่าวโทษถึงผลกระทบของการโฆษณาที่มีต่อบุคคลต่างๆ ในสังคม เช่น การสร้างความต้องการ ที่ไม่ใช่เป็นความต้องการที่แท้จริงให้แก่สังคม การชักนำสังคมไปในทางที่ผิด การทำให้สินค้ามีราคาที่สูงขึ้น การโฆษณาชวนเชื่อ และอื่นๆ อีก อย่างไรก็ตาม คนในสังคมไม่ได้คำนึงถึงคุณประโยชน์อื่นๆ ที่การโฆษณาได้มอบให้แก่มวลมนุษยชาติ จากการศึกษาค้นคว้าข้อมูลจึงทำให้ทราบว่าปัญหาต่างๆ ที่เกิดขึ้นนั้นมาจากการขาดความมีจิตสำนึกของตัวบุคคล นโยบายของบริษัท กฎข้อบังคับของรัฐบาลที่มีต่อการโฆษณา เป็นต้น ดังนั้น ถ้าบุคคลต่างๆ ที่เกี่ยวข้องดังเช่น นักโฆษณา และรัฐบาลสามารถทำงานร่วมกัน และคิดถึงผลที่ตามมาจากการโฆษณา ปัญหาต่างๆ ก็จะลดน้อยลงไปได้ในอนาคต

INTRODUCTION

In the reality, there are many companies all over the world that manufacture the products and services in order to respond to the customers' needs. Moreover, most of the times when the company launches the new products in the market place, people do not know that product and its benefit, in this case Ringold (1998) claims that the advertising can provide information and helps people make decision about the new product (p. 332). It is because there are many people from all walks of life that live in different places and different countries. In order to reach them, marketers use the advertising strategy to give them their product information, such as, the product benefit, product image, when and where they can buy the product. Moreover, marketers also help them to eliminate choices among brands. As we can see, there are many brands of shampoo in the world market, such as, Dove, Rejoice, Pantene, Johnson & Johnson, Clinique, L'Oreal, Palmolive, Cao Essential, Sun Silk, Head and Shoulder, etc. The customers cannot know the benefit of products and which brands are good for them. Therefore the advertising can

help them by informing the benefits of the product. Finally, customers will make their own decision which brand is suitable for them, and which brand they are going to buy.

WHAT HAPPENED IF THE WORLD DOES NOT HAVE ADVERTISING?

At the present time we get the variety of entertainment, such as drama, talk show, game show, music, and fashion show from many kinds of media, such as television, radio, newspaper, magazine, Internet, etc. Have you ever thought why every medium must have advertisements?, someone says it is so boring. The reason is that every medium must have advertisements inside programs, because the product company pays much money to support these programs by buying the advertising space in order to advertise its products or services information to the audiences. In a competitive business world, a large amount of money circulates in the advertising industry every year. For example in Thailand, there was about 2,860 million US dollars in 2009. Most of advertising costs (around 60%) were in the

television media or 1,130 million US dollars. That is why these programs can provide audiences with the entertainment. Dan Shaver (2003) quotes Ekelund et al., 1987 saying that "Financial subsidies to mass media significantly enhance the availability of information and entertainment content within the society" (p. 291).

At the present time, there have been many feedbacks that come from the audience, and related organizations, such as positive impacts and negative impacts of the advertising. Therefore, I am confused that if the advertising is really bad, why does not the government revoke this profession? Therefore, I conduct this research paper, because I want to examine whether advertisers are ethical. In order to facilitate the people to justify, they must know the ethics description. According to Longman dictionary of contemporary English, 2003, p. 533 describes the ethics means moral rules or principles of behavior for deciding what are right and wrong.

HOW DOES ADVERTISING IMPACT SOCIETY?

There are many feedbacks from audiences and related organizations including positive and negative feedback that affect the society.

Positive impacts of advertising on the society Increase profit and position product in the market:

Advertising helps companies to achieve their profit by increasing the number of customers in market place. For example, when the company manufactures new product that no one knows about; therefore, Ringold (1998) claims that advertisers help the company to provide and persuade the customer to buy the products and services that were advertised. Moreover, they also position the product to customers, mind to make them think about this brand every time they want to buy the same category of the product (p. 332). For example, Johnson & Johnson Company manufactures Johnson & Johnson hair shampoo, the advertisers will advertise and position this brand to the customers' mind by making them every time when customers want to buy the mild shampoo, they will think about Johnson & Johnson first. Moreover this also makes customers be "Brand Royal" to this company such that when they want to buy some products, they will think about the product from Johnson & Johnson Company first, including other product line from this company, such as soap, toothbrush, cotton bud, face powder, lipstick, etc. Furthermore, advertising also helps the marketer in the terms of product life cycle; it means the marketer will always advertise when the product is in the pioneer stage, because of the new product, no one knows this brand in terms of its characteristics, image and benefits. Therefore, the marketer will give this information by advertising very often to make the audiences know and persuade them to buy this product. On the other hand, the marketer will hardly advertise when the product matures, because as Ringold (1998) paraphrases Kotler (1997) that when

the market matures, sale will be flat because most of the customers already have made up their own decision of what products they will buy (p. 332). Moreover, Ringold (1998) paraphrases Federal Trade Commission 1985, AA, pp. 3-4 that the effect from the selling price can make the product company develop its own product quality in order to compete with the competitor (p. 332).

Provide product information and also help distinguish among brands: Advertising provides the beneficial information to customers, such as brand, benefit, when and where audiences can buy its product that can respond to their need. Moreover, Ringold (1998) paraphrases Rojers 1983, p.14 that the advertising can answer audiences' question about the product that was advertised, as the marketer called "the five basic questions," What is the innovation?, How does it work?, Why does it work?, What are the innovation's consequences?, and What will its advantages and disadvantages be in my situation?, these questions can help the audiences to make a decision on which product is good and responds to their needs (p. 332). In the reality of the world market, there are many brands of the product in the same category. Therefore, Ringold (1998) paraphrases Stigler (1961, p. 220) that advertising can help customers eliminate brands that are not beneficial for them by giving the useful product information that are better than the competitor (p.332). It means audiences will get the product information from many brands of the same product category that were advertised and they can know the benefits of each brand that are good for them. Debra Jones Ringold (1998) quotes Federal Trade Commission 1985, AA, pp. 3-4 saying that:

Advertising provides information about product characteristics that enables consumers to make better choices among available goods. Such information can enable consumer to choose the particular products or brands that best satisfy their preferences.

Reduce product price: Price is one of the most important factors that can help the customers make decision to buy the product or not. Therefore, Debra Jones Ringold (1998) quotes Federal Trade Commission (FTC) 1985, AA, pp. 3-4 saying that "Theoretical arguments and empirical studies indicate that advertising increases new entry and price competition and hence reduce market power and prices in at least some industries." This is because the advertising can help among product companies compete by lowering their product price in order to persuade the customer to buy it. According to Dan Shaver (2003) quotes Ekelund et al., 1987 saying that:

Proponents of the industry argue the competitive forces fostered by advertising and economies of scale created by manufacturers actually reduce consumer costs that increased product knowledge results in reduced consumer search costs and improved decision-making (p. 291)

Due to the competition among brands, the consumer can get the cheap product and at the same time, they also get the high quality product too. "Consumers felt that advertising helps assure higher quality services at lower price." (Delton L, Carlos W, Lucian G, 1994; p. 98).

The best product quality: There are many advertisements that are released in society all over the world everyday. In order to make more profits to companies, marketers have to differentiate their products from the other competitors, such as add some extra formula for its product, produce the new package, create the new product, or innovate product to the society. Finally, Ringold (1998) points that advertising will help a company to develop its product to be the highest quality by giving information to persuade audiences to buy the product that was advertised, because if the product is not satisfying to consumers, they will not repeat buying that product (p. 332).

Negative impacts of advertising on the society
Create the false needs in society: Actually, in order to survive in the world, the people just need "the four necessities," or something relevant for them, such as, food, housing, clothes and medicine. However, the advertisers try to encourage the needs that they do not need; it means if the people do not use or buy it, they are still alive, but the advertiser makes it important for their life. Brenkert (1998) claims that the advertiser always creates the false need to the vulnerable group and in developing countries (p. 325), because they are easy for the advertisers to reach or persuade them to buy some products or services that were advertised by using the psychology such as a consumer insights. Moreover, some products that the advertisers create are bad for the customers, such as, cigarettes and alcohol. Brenkert (1998) points that abuse may appear when advertisers seek to create needs for products and services, and he also says that the PC points the false needs can be the useful and useless product, but the useless products can harm the customers, such as alcohol and tobacco ads (p. 325). Moreover the PC claims that the advertisement gives the message "the aim of life is to have, not to be" (Brenkert, 1998; p. 325) it indicates that the advertisers want to create the false need in the society to persuade them to buy the product that they don't need. Furthermore, Advertising is portrayed as exerting an "unremitting pressure to buy articles of luxury (which) can arouse false wants that hurt both individuals and families by making them ignore what they really need" (Ringgold, 1998; p. 332).

As we can see, Ringold paraphrases Levitt 1970, p. 91 that the human beings were born with needs, wants, and appetites. Therefore, the market merely manufactures products and services in order to respond to their needs that have never ended (p. 332). In the reality, before companies produce

products, they have to do the research to find that what product that they are going to produce, make them get profit, and can respond to consumers' needs. Moreover, there is no company that wants to manufacture products by not thinking about the consumers' need, because if they produce products that no one buys, they will get loss from their investment. So the advertisement is one of the channels that marketers use to provide product information to the audiences. Therefore, when consumers want to buy something, they have their own decision already that it can respond to their needs or not. Moreover, Ringold (1998) points that if the advertising seeks to persuade the customers to buy product that they do not need, but it will be beneficial for them if they use it, such as nutritious food, this will be called a good ethic (p. 332).

Mislead the society: The advertisers want to be successful with their ads, by creating the ads in order to persuade the target audiences to buy the advertised products or services, but they do not think about the effect to the society, because they lead audiences to act undesirable behavior. According to Bager and Kiesig (2003), in 1990s tobacco manufactures seduced young consumers with the promotional items, such as, lithograph albums, T-shirts and Camel hats. The youth could get one of these by buying Camel Cash or Marlboro miles from the vending machine. This made many 6-year-old children want to get the fun cartoon character, Joe Camel, and made them buy it, they tried to smoke, and thus they got addicted to nicotine since young age. Finally, they became sick with cancer and heart disease. Therefore, this advertisement was so much successful, because it made the company get a lot of profits. In this case many people complained a lot about this advertisement, because of the advertiser had no ethic in his profession (p. 369). Mandeley (2003) also supports this point that advertising persuades many people to start smoking. That made the tobacco kill 4.9 millions people last two years and it will be 10 million by the late 2020s and more than 70 percent come from developing countries. At the present time, governments from many countries (global) try to ban the tobacco advertisement especially in developing countries. (p. 32)

It would seem this problem happened because of no legal control. The advertisement is just the way that advertisers use to release information to the audiences. Therefore, the problem that happened, because advertisers are not awarded of the consequences of ads that they had advertised, will bring a negative impact on people like this. According to Ringold (1998), the FTC observations, indicates that in the reality, the people use advertising much more than the advertising uses them, because the advertisers just provide the product information for them and when they make their own decision that they will buy the products or services or not, and she points that generally, consumers take advantage from

advertising, and not allow advertising to use them. At the first time when consumers see the ads, they do not believe information immediately; they will discuss and think about it before making their own decision. Moreover, she also points that the consumers about 70% do not believe the information at the first time they saw it. Shaver (2003) claims that the confusion and problem happened, because it lacks of clarity about what to advertise, how to advertise, and what does harm or benefits society?. Moreover, the standard of social benefit and harm is tricky in different cultures (p. 231). It is because different cultures have different ethics and expectations. For instance, in Thai culture, cigarette ads must be banned in the electronic media, but in Japanese culture, cigarette ads would be acceptable. So Shaver (2003) claims that the problem from advertisement results from lack of clear foundation of advertising ethics (p. 291). And also "Issue of regulation and ethics in ads have become so entangled that it is sometimes difficult to differentiate between ethical and legal research" (Dan Shaver, 2003; p. 291 quotes Zinkhan (1994)). Furthermore, Brenkert (1998) points that explanations of the advertising ethics are unclear and lacks of specific view of problem, and without specific detail, the advertisers do not know how to follow the ethics. (p. 325). Moreover, Dan Shaver (2003) points that:

"Trust" is used in this context as a belief dominant in society (broadly held by individual members of society) that the group will act in a manner consistent with the best or beneficial interests of society and avoid actions that have a negative impact on the social order. This raises several issues that should be noted but range outside the scope of this analysis. First, determining the appropriate ethical guidelines for a pluralistic society can be complicated. Secondly, social standards and perceptions of appropriateness vary over time. There are no "eternal" social values in most areas. Finally, social standards-and the requirements for trust-are culturally dependent and will vary by audience and country (p. 291).

Therefore, the government should make the law clearly about what is harmful and what benefits society?.

The product price higher: In order to make the people know and buy the products and services of companies, the good way to do is advertise its product to the mass audiences. Therefore the product company will add this cost to the product that makes its price higher. It means the responsibility for advertisement cost will be consumers'. Christians et al. (1991); Poly, (1986)

As we can see, there are many brands from the same product categories. Therefore, Ringold (1998), points that the FTC claims, advertising actually helps consumers to get product or service cheaper than

before, because the product company will compete with the other competitors by reducing its price in order to have more advantages than the other competitors. This is because the price is one of the most important factors for making their own decision that they will buy it or not. Due to giving the beneficial product information to society from advertising, this makes the customers do not waste their money to buy the unbeneficial product (p. 322). Furthermore, if there is no advertising in the world, when people want to buy some products or services, they have to pay a lot of costs in order to get the product. For instance, customers have to drive a car to many places in order to find the product that responds to their needs. Therefore, the advertising facilitates them a lot about providing the useful information.

Propaganda: Due to making customers buy the product that was advertised Schultze (1985) claims that the advertisers will use the psychology to make them guilty if they do not buy that product (p. 62), by persuasion that you will be old fashioned if you do not use this product, because every fashionable person already uses it. This makes the target groups feel that they have to buy it in order to be the same as the other fashionable people. In this case the advertisers will focus on the susceptible target and make them abandon their rational behavior. We always see this point in the alcohol ads. For example, Witkowski (1985) criticizes the advertisers who associate drinking behavior with wealth, prestige, being successful, sex and social success (p.62). Moreover, he suggests that the alcohol ads should be banned from the electronic media, especially the ads that try to persuade young people to drink so much alcohol.

It would seem that the above problems would not happen if people have their own sense about some information that they received, because when they bought the product or service, no one orders them to buy it. The problems happened, because they lacked consideration in what is a good and bad product for them. Ringold (1998) points that when audiences see ads, they will not believe all product information that they receive (p. 332). Therefore, we cannot complain advertising manipulate consumers by using propaganda to make people buy the product, they buy, because they believe that it is suitable and responds to their need.

CONCLUSION

At the present time the advertising ethics in the society is quite flexible and causes problems for society. In order to have the best solution for the advertising ethical problem, the requirement of some co-operation between the related organizations and the government are very important. And the good ethics should be clear and can be practical in the real situation.

Due to justify the advertising, there are many people from all walks of life that have the different backgrounds, such as, sex, age, education, religion, culture, nationality, need, demand, and expectation. Therefore, we cannot justify the ads at the first time we see, because the same ads in different periods of time and different cultures will have different results. For example, the ads that focus on target audiences, gays were banned in the 1950s, it will be acceptable now, and also tobacco advertisement was acceptable in the 1950s. Today, there are many people from many organizations complain that ads cause so much violence in human beings. In the reality, the advertising just provides the information to the audiences and persuades the people to buy the product that was advertised. However the advertiser did not put the gun and order the audiences to buy that product. The consumers buy it, because they believe that it is suitable for them. One more thing, if individuals have sufficient analytical skills and their rational behavior, no one can make them to buy product that was advertised too. Dan Shaver (2003) supports that:

Ethic is an area that requires each individual to talk a stand, In the end, each individual must not only decide what is right and what is wrong but must also be able to justify these personal decisions to critics. When making these difficult moral choices, there are many places to turn for guidance, including: personal conscience, company policy, industry standards, governmental law or regulation, and organized religion (p. 291).

Therefore, the ethic is difficult to evaluate because it is so broadly practiced, and because different countries, customs, religions will have different ethics. Moreover, whether some advertisements will be justified as good or bad for the society depends on different backgrounds. For example, if in the advertisement, a son plays with his dad's head, it will be acceptable in the US. However, it will be banned from the Thai culture, because the Thai respect the people who are older at age, so they cannot touch or hit the older person's head. This is just the example to make you clear that different cultures will have different advertising ethics. Therefore, in order to justify whether the advertisement, is good or bad, I really want the people to think that there is nothing in the world that is absolutely perfect. If there is something wrong we have to consider the opinion of the majority not only a few people, because in the real world every business and individuals should help each other so that we will live happily in this world and get the new beneficial product to enhance the human life.

REFERENCES

Bayer, R., Kiesig, V. (2003). Is child-centered tobacco prevention a trap?. *American Journal of Public Health* 93, p. 369.

- Brenkert, G. (1998). Ethics in advertising: The good, the bad, and the church. *Journal of Public Policy & Marketing* 17, p. 325.
- Delton, C., Carlos, M., Lucian, C. (1994). Has advertising by CPA's promoted a trend toward commercialism?. *Journal of Applied Business Research* 10, p. 98.
- Joel, D. (1994). Good ethics is good for business: Ethical attributions and response to environmental advertising. *Journal of Business Ethics* 13, p. 873.
- Keane, J. (1986). On Professionalism in Advertising. *Journal of Advertising* 3, p. 6.
- Longman dictionary of contemporary English. (2003). Edinburgh Gate, UK: Pearson Education Limited
- Madeley, J. (2003). Tobacco advert ban?. *Appropriate Technology* 30, p. 32.
- Ringold, D. (1998). A comment of the Pontifical Council for social Communications' Ethics in advertising. *Journal of Public Policy & Marketing* 17, p. 332.
- Schultze, Q. (1985). The Making of Modern Advertising. *Journal of Advertising* 14, p. 62.
- Shaver, D. (2003). Toward an Analytical Structure for Evaluating the Ethical Content of Decisions by Advertising Professionals. *Journal of Business Ethics* 48, p. 291.
- Thai Farmers Research Center. (2009). *Ad-year 2552 outlook: slow economic conditions*. Retrieved December 18, 2009, from www.wiseknow.com/blog/2009/09/14/3404/



Mr. Pheraphol Kherathithanakann holds a MBIT (Master of Business Information Technology) from University of La Verne, U.S.A. and B.A. (Bachelor's of Arts) from Bangkok University. His professional interests are innovative media, ambient media, creative events, English language teaching, how to be good at participation in class. He is currently an instructor of Advertising Department, School of Communication Arts, Bangkok University. His work experiences are in 2007-2009 Business Development Manager for Inori Co.,Ltd., in 2003-2006 Marketing and Restaurant Manager for Super Bowl Co.,Ltd. U.S.A., in 1994-2003 Photographer, Camera Service, Co., Ltd. (Thailand and U.S.A.), and in 1999-1999 Customer Services, American Express (Thailand) Co., Ltd.