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A STUDY ON CUSTOMER ATTITUDE TOWARDS ETHICS FOLLOWED IN ADVERTISING

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ABSTRACT

Advertising is not a matter of thinking up cute pictures or writing clever slogans, but a serious business tool. The ultimate purpose of advertising is to assist in the selling of the product. Advertising is the communication relayed from companies to persuade an audience to purchase their products. From a marketing context, advertising could be defined as "a paid form of non-personal communication about an organization and/or its products that is transmitted to a target audience through a mass medium." Therefore it is one kind of promotional activity, separate from publicity, sales promotion and personal selling. Today, audiences have well-developed advertising savvy, and they can no longer interrupt people with inane, uninteresting advertising designed to "push product." This neither captures their attention, nor their purchase decisions.

Ethics is the most important feature of the advertising industry. Though there are many benefits of advertising but then there are some points which do not match the ethical norms of advertising. An ethical advertisement is the one which does not lie, doesn't make fake or false claims and is in the limit of decency. Nowadays, advertisements are more exaggerated and a lot of puffing is used. It seems like the advertisers lack knowledge of ethical norms and principles. Advertisers just don't understand and are unable to decide what is correct and what is wrong. Ethics also depends on what people believe. If the advertisers make the advertisements on the belief that the customers will understand, persuade them to think, and then act on their advertisements, then this will lead to positive results and the advertisement may not be called unethical.

KEY WORDS: *Advertising, Ethics, Marketing, Belief*

INTRODUCTION

Advertising is not a matter of thinking up cute pictures or writing clever slogans, but a serious business tool. The ultimate purpose of advertising is to assist in the selling of the product. Advertising is the communication relayed from companies to persuade an audience to purchase their products. From a marketing context, advertising could be defined as "a paid form of non-personal communication about an organization and/or its products that is transmitted to a target audience through a mass medium." Therefore it is one kind of promotional activity, separate from publicity, sales promotion and personal selling. There is a powerful mythology that advertising does convince people to purchase things they neither need nor want. And clearly, the history of advertising is full of delicious examples of how people have been convinced, cajoled, seduced into purchasing new things that, once non-existent, are today essential. But as individuals, communities and cultures mature, so has advertising, and the audiences they advertise to. Today, audiences have well-developed advertising savvy, and they can no longer interrupt people with inane, uninteresting advertising designed to "push product." This neither captures their attention, nor their purchase decisions.

Ethics is the most important feature of the advertising industry. Though there are many benefits of advertising but then there are some points which do not match the ethical norms of advertising. An ethical advertisement is the one which does not lie, doesn't make fake or false claims and is in the limit of decency. Nowadays, advertisements are more exaggerated and a lot of puffing is used. It seems like the advertisers lack knowledge of ethical norms and principles. Advertisers just don't understand and are unable to decide what is correct and what is wrong. Ethics also depends on what people believe. If the advertisers make the advertisements on the belief that the customers will understand, persuade them to think, and then act on their advertisements, then this will lead to positive results and the advertisement may not be called unethical.

STATEMENT OF THE PROBLEM

Advertising as a matter of fact is the most leading and predominant aspect of effective marketing. Yet it also can do and often does, grave harm to individuals and to the common good. This is due to the unethical aspects that

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are being pertained in the advertisements. Likely the ethical and unethical aspects are also based on the views of the consumers. Yet now-a-days since the levels of ethics are being highly observed in the advertisements, an attempt has been made in this research to analyze the various aspects and levels of ethics that are being pertained in the advertisements at present scenario.

SCOPE OF THE STUDY

The present study has been attempted to analyze the consumer's perception towards the ethical and unethical aspects of advertising. In such a scenario, this study focuses on highlighting the views of consumer towards the advertisements being made through various media. The study has concentrated on idealizing the consumer's awareness, perceptions and level of satisfaction towards advertisements.

OBJECTIVE

- To determine the customer attitude towards ethics followed in advertising.

METHODOLOGY

- **Type of research**

This research is carried out from the view point of the objectives of the research, hence exploratory type of research has been adopted.

- **Source of data**

Primary data

Primary data is information that is collected specifically for the purpose of research project. Normally the major method of collecting primary data is the questionnaire. Questionnaires are basically with a set of carefully designed questions posed to the target population. Hence through this method the required data is being collected.

Secondary data

Secondary data is information that has already been collected for a purpose other than the current research project but has some relevance and utility for the research. In this research, secondary data has also been considered.

- **Sample size**

Sample size determination is the act of choosing the number of observations or replicates to include in a statistical sample. The sample size is an important feature of any empirical study in which the goal is to make inferences about a population from a sample. In these research 600 respondents has been used as the sample size for collecting the required data.

- **Area of the study**

Coimbatore also known as Kovai, is a city in India. It is the second largest city and urban agglomeration in the Indian state of Tamil Nadu. It is one of the fastest growing in India and a major textile, industrial, commercial, educational, information technology, healthcare and manufacturing hub of Tamil Nadu. It was the capital city of the historical Kongu Nadu and is often referred to as the Manchester of South India

- **Tools and techniques used**

The various tools and techniques used to analyze the data and arrive to a solution are given below.

1. Percentage analysis
2. Chi-square analysis
3. Multiple regression analysis
4. Factor analysis

LIMITATIONS

However the study is also hedged with some limitation. They are

1. The research is being carried out in Coimbatore district alone.
2. The conclusions drawn from the study are applicable only to the area studied and may fluctuate with regard to other areas.

REVIEW OF LITERATURE

Fam & Grohs (2007) in their research on "Cultural values and effective executional techniques in advertising", explains that much advertising directed at children apparently tries to exploit their credulity and suggestibility, in the hope that they will put pressure on their parents to buy products, of no real benefit to them. It is commented

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that advertisements like this offends against the dignity and rights of both the children and parents; it intrudes upon parent-child relationship and seeks to manipulate it to its own base ends.

Richard Beltramini (2011) presented an article on "From platitudes to principles – An advertising ethics call to action". In the article it is cited that many unresolved questions which included, What is advertising's role in today's new economy? What should be done about advertising targeting vulnerable groups or idealizing narrowly defined stereotypes or perpetuating negative images? Does advertising overuse borrowed interest device (eg. Sex, gambling, violence) to gain attention in an uber-cluttered media environment? Does advertising embrace non-traditional medias covertness, employing street teams, brand ambassadors and so on, turning innocent encounters into defenseless promotional events? The article comments that the biggest roadblock in the way of ethical marketing practices is the lack of committed attitude to utilize ethical advertising practices rather than seeking innovative methods of circumventing scrutiny.

Raghunathan (2013) conducted a detailed study on "Defining ethics in a changing society". The study places emphasis about the ethics needed in a society. It clearly states that an individual needs personal ethics for their self-worth. The study observes that being ethical wins the approval of society, reduces conflicts and earns greater self-esteem. The study states that society being large, ethics changes very little, but when the ethical values undertaken by a professional body or organization decides to embrace change can more often lead to favourable society changes. The study concludes that often it is not always easy to see how ethical conduct can help society, when evidence seems to abound that not being ethical frequently is to their advantage.

Suguna (2014) conducted a pilot study on, "Customer perception on unethical advertising: A study on reliability and validity". From the pilot study it is clear that the factors such as medical, awareness, society, negative advertising, fake advertising 32 and general advertising pertaining to unethical aspects of advertising are considered to be reliable and valid. Hence these factors are considered for future studies, because they support the aspect of unethical advertising in a most predominant way. These factors related to the study were obtained by literature of the previous studies relating to this topic. And as a matter of fact, this study finding can be used as a major review for the future project which would be more supportive.

Suguna and Chinnadorai (2015) conducted, A study on unethical aspects of advertising: Customer perception. The study opined that, ethical values in advertisements will increase the market share for the advertised product, hence the advertisements should pertain the ethical value. Majority of the respondents hold a view that women are more exploited in the advertisements, and hence those unnecessary misuses of women should be avoided which adds to the ethical aspect of advertising. The respondents also opine that the advertisements are lacking decency, misleading customers and not having a proper instructive message. Hence the advertising companies should focus on these factors before advertising to make it more meaningful and also ethical.

ANALYSIS AND INTERPRETATION

A study for a sample size of 600 respondents was conducted to test the results of the objectives framed. The questionnaire was scientifically administered to the respondents. This questionnaire was divided into two parts A and B. Part A relates to the personal questions. Part B was framed and classified as objective oriented questions. These objectives were identified according to the literature that has been reviewed. These factors were tested in SPSS 21. The following data were the results of the analysis.

Table 1: Percentage Analysis for personal factors

Factors		**Number of respondents**	**Percentage**
Gender	Male	315	52.5
	Female	285	47.5
	Total	**600**	**100**
Factors		**Number of respondents**	**Percentage**
Marital status	Married	326	54.3
	Unmarried	274	45.7
	Total	**600**	**100**
Factors		**Number of respondents**	**Percentage**
Age group	Upto 20 yrs	165	27.5
	21-40 yrs	288	48
	41-60 yrs	137	22.8
	Above 60 yrs	10	1.7
	Total	**600**	**100**

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Factors		**Number of respondents**	**Percentage**
Educational level	No formal education	31	5.2
	Up to school level	148	24.7
	Under graduation	253	42.1
	Post graduation	129	21.5
	Professional qualification	36	6
	Others	3	0.5
	Total	**600**	**100**
Factors		**Number of respondents**	**Percentage**
Occupational status	Agriculture	75	12.5
	Business	171	28.5
	Employed	199	33.2
	Professional	117	19.5
	Others	38	6.3
	Total	**600**	**100**
Factors		**Number of respondents**	**Percentage**
Type of family	Nuclear family	375	62.5
	Joint family	225	37.5
	Total	**600**	**100**
Factors		**Number of respondents**	**Percentage**
Number of children	Nil	276	46
	1 child	133	22.2
	2 children	119	19.8
	3 children	53	8.8
	4 children and above	19	3.2
	Total	**600**	**100**
Factors		**Number of respondents**	**Percentage**
Family monthly income	Below Rs.10000	63	10.5
	Rs.10001 to Rs.20000	173	28.8
	Rs.20001 to Rs.30000	160	26.7
	Rs.30001 to Rs.40000	79	13.2
	Above Rs.40001	125	20.8
	Total	**600**	**100**
Factors		**Number of respondents**	**Percentage**
Ethical advertisement to increase market share	Strongly support	84	14
	Support	264	44
	Neutral	192	32
	Do not support	60	10
	Strongly do not support	0	0
	Total	**600**	**100**
Factors		**Number of respondents**	**Percentage**
Ethical standard in ads	Very high	83	13.8
	High	147	24.5
	Moderate	221	36.8
	Low	90	15.1
	Very low	59	9.8
	Total	**600**	**100**

The above table indicates the percentage analysis of various personal factors.

CHI SQUARE

Hypothesis

H_0 The personal factors of the respondents have no significant influence on the reason for not refraining from buying a product even if the advertisement is perceived as unethical.

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Personal factors	Chi square values	p values	Significant/ Non- Significant
Gender	2.488	0.477	**NS**
Age group (years)	13.709	0.133	**NS**
Educational level	31.460	0.008	**S**
Occupational status	13.039	0.366	**NS**
Family monthly income	13.523	0.332	**NS**
Marital status	5.593	0.144	**NS**
Type of family	10.134	0.017	**S**
Size of family	11.839	0.223	**NS**
Number of children	35.438	0.000	**S**

Note: S-Significant @ 5% level (p value ≤ 0.05); NS-Non Significant @ 5% level (p value > 0.05)

It is found from table that, the hypothesis is rejected (significant) in 3 cases and the hypothesis is accepted (non-significant) in 6 cases. It is concluded that Educational level, Type of family, and Number of children of the respondents have significant influence on the reason for not refraining from buying a product even if the advertisement is perceived as unethical.

Hypothesis

H_0 The personal factors of the respondents have no significant influence on the reaction towards unethical advertisements.

Personal factors	Chi square values	p values	Significant/ Non- Significant
Gender	18.518	0.001	**S**
Age group (years)	27.572	0.006	**S**
Educational level	20.797	0.409	**NS**
Occupational status	34.255	0.005	**S**
Family monthly income	35.886	0.003	**S**
Marital status	10.945	0.027	**S**
Type of family	6.964	0.138	**NS**
Size of family	15.448	0.218	**NS**
Number of children	12.930	0.678	**NS**

Note: S-Significant @ 5% level (p value ≤ 0.05); NS-Non Significant @ 5% level (p value > 0.05)

It is found from table that the hypothesis is rejected (significant) in 5 cases and the hypothesis is accepted (non-significant) in 4 cases. It is concluded that Gender, Age group, Occupational status, Family monthly income, and Marital status of the respondents have significant influence on the reaction towards unethical advertisements.

MULTIPLE REGRESSION ANALYSIS

Satisfaction related factors towards ethics followed in advertising through various media

The results of multiple regression analysis is presented in this section by taking total satisfaction of the respondents on the factors towards ethics followed in advertising through various media as dependent variables and print media, television, radio, mobiles, internet and other factors as independent variables. The stepwise regression is employed by introducing one factor at each stage and the values of correlation co-efficient (R), co-efficient of determination (R^2) and the incremental value in R^2 are recorded. The results are presented in a table with fruitful interpretation.

The table 87 describes the results of multiple regression analysis in terms of independent variables introduced at each stage, correlation co-efficient (R), the co-efficient of determination (R^2) and the incremental value in R^2.

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Satisfaction related factors of ethics followed in various media

Independent variables introduced	Correlation Co-efficient (R)	Co-efficient of determination (R^2)	Incremental value in R^2
Print media	0.629	0.395	0.395
Television	0.766	0.586	0.191
Radio	0.819	0.671	0.085
Mobiles	0.907	0.822	0.151
Internet	0.944	0.890	0.068
Other medias	1.000	1.000	0.11

It is found from the table, that among the various satisfaction related factors of ethics followed in advertisements of various media print media explains 39.5% followed by television with 19.1% on the dependent variable total satisfaction. It is concluded that among the various factors considered print media explains the maximum of 39.5% on the dependent variable total satisfaction when compared to the other factors of ethics followed in advertisements of various media.

FACTOR ANALYSIS

Satisfaction related factors towards ethics followed in advertising through various media

The factors considered to assess the level of satisfaction of the respondents relating to the various factors towards ethics followed in advertising through various media are placed on a five point scaling technique similar to Likert scaling. Based on the consolidated opinion of the respondents the extraction method of principal component analysis is performed using Varimax Kaiser Normalization method. The factors are categorized under 2 groups because of the Eigen value greater than 1 (2.245, and 1.318). The results are presented in a table with interpretation.

The table describes the results of factor analysis in terms of factors in different groups and their factor loadings on the satisfaction factors relating to ethics followed in advertising through various media.

Satisfaction related factors towards ethics followed in advertising through various media

Factors	Group 1	Group 2
Television	0.717	
Radio	0.708	
Mobile	0.704	
Internet	0.603	
Print media		0.617
Other media		0.687

It is found from the table, that the satisfaction related factors are classified under 2 categories or groups such as group 1 (Highly preferred media related) and group 2 (Print media related) based on their Eigen values. It is concluded that the satisfaction related factors of ethics followed in advertisements of various media are classified under 2 groups such as group 1 (Highly preferred media related) having television with high factor loading of 0.711 and group 2 (Print media related) with other media having high factor loading of 0.687.

FINDINGS

Percentage Analysis

- Majority (52.5%) of the respondents selected for the study are male.
- Majority (54.3%) of the respondents selected for the study are married.
- Maximum (48%) of the respondents belonged to the age group of 21-40 years.
- Maximum (42.1%) of total respondents are qualified up to under graduation level.
- Maximum (33.2%) of the respondent's occupational status is they are being employed.
- Majority (62.5%) of the respondents selected for the study belonged to nuclear family.
- Maximum (46%) of the respondents taken for study have no children in their family.
- Maximum (28.8%) of the respondent's family monthly income is Rs.10001 to Rs.20000.
- Nearly (44%) of the respondents supported the aspect of having ethical advertisement to increase market share.

Chi Square Analysis

- It is found that, the hypothesis related to personal factors of the respondents have no significant influence on the reason for not refraining from buying a product even if the advertisement is perceived as unethical. The hypothesis is rejected (significant) in 3 cases and the hypothesis is accepted (non-significant) in 6 cases. It is concluded that Educational level, Type of family, and Number of children of the respondents have significant influence on the reason for not refraining from buying a product even if the advertisement is perceived as unethical.
- The hypothesis related to the personal factors of the respondents have no significant influence on the reaction towards unethical advertisements. It is found that, the hypothesis is rejected (significant) in 5 cases and the hypothesis is accepted (non-significant) in 4 cases. It is concluded that Gender, Age group, Occupational status, Family monthly income, and marital status of the respondents have significant influence on the reaction towards unethical advertisements.

Multiple Regression Analysis

- It is found that, among the various satisfaction related factors of ethics followed in advertisements of various media print media explains 39.5% followed by television with 19.1% on the dependent variable total satisfaction. It is concluded that among the various factors considered print media explains the maximum of 39.5% on the dependent variable total satisfaction when compared to the other factors of ethics followed in advertisements of various media.

Factor Analysis

- It is found that, the satisfaction related factors are classified under 2 categories or groups such as group 1 (Highly preferred media related) and group 2 (Print media related) based on their Eigen values. It is concluded that the satisfaction related factors of ethics followed in advertisements of various media are classified under 2 groups such as group 1 (Highly preferred media related) having television with high factor loading of 0.711 and group 2 (Print media related) with other media having high factor loading of 0.687.

SUGGESTION

- The customers opine that ethical values in advertisements will increase the market share for the advertised product, hence the advertisements should pertain the ethical value.
- It was found through the study that the respondents feel that if the advertisements are ethical then it tends to increase market share.
- The role of media plays a vital role in advertising. Therefore, the media agencies should ensure that all the advertisements must be with professional ethics and codes of ASCI (Advertising Standards Council of India) norms.

CONCLUSION

The advertising as a part of business activity need to be more ethical and self-regulated for creating better image and goodwill about the products and company. Any sorts of unethical presentation of advertisements may remain attractive but will not gain customer priority. Ethics is an essential part in the field of advertising. It needs to be voluntarily followed rather than statutory implementation. The business should always aim at attracting customers for their products through various advertising strategies but should not forget to follow the ethical standards. It should not be mistaken that ethics is a means for creating or gaining image but it is an aspect which increases the goodwill image of the business.

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