

ETHICS AND ADVERTISING: IS IT POSSIBLE TO BE AN ETHICAL ADVERTISER?

(Etika dan Periklanan: Mungkinkah Menjadi Pengiklan yang Beretika)

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ABSTRACT

Today advertising activity is growing rapidly in terms of quantity and creativity. However, it has encouraged companies abusing advertising in attracting the consumer attention (Fisher and Lovell, 2003). Manipulation of information or fraud through the advertising media has been done by marketer. Furthermore, there are many ads that lack of business ethics such as advertising targeted to children, advertising dangerous products (such as cigarettes, alcoholic beverages) as well as exploitation of women as commercials. Therefore, advertising has become a controversial issue in today's business activity.

Having considered the importance of business ethics in enhancing the company reputation and long-term benefits, the company is taking into account ethics in their ads (Smith and Johnson, 1996). Moreover, today's consumers and also society involves norms and cultural values as part of advertising, thus advertisers must consider the importance of consumer perception on the ads. It means positive consumer's perception on the advertising message will also contribute positively to the company's achievement of advertising objectives.

Keywords: Advertising, business ethic

ABSTRAK

Aktivitas periklanan yang semakin marak saat ini, baik dari segi jumlah maupun kreativitas. Aktivitas ini telah mendorong perusahaan untuk menyalahgunakan iklan untuk menarik perhatian konsumen. Manipulasi informasi maupun penipuan melalui media iklan telah banyak dilakukan oleh para pelaku bisnis. Lebih jauh lagi banyak pula tampilan iklan yang dinilai tidak memiliki etika bisnis seperti iklan yang ditargetkan bagi anak-anak, iklan produk-produk berbahaya (rokok, minuman beralkohol) maupun eksploitasi wanita sebagai bintang iklan. Iklan menjadi suatu isu yang cukup kontroversial dalam dunia bisnis saat ini. Mengingat pentingnya etika bisnis dalam meningkatkan reputasi serta keuntungan jangka panjang, saat ini, perusahaan mulai mempertimbangkan faktor-faktor etika khususnya dalam keputusan membuat iklan. Konsumen maupun masyarakat melibatkan norma serta nilai-nilai budaya sebagai bagian dari iklan sehingga pengiklan harus mempertimbangkan pentingnya persepsi atau penilaian konsumen terhadap iklan. Persepsi positif dari konsumen akan pesan

iklan yang disampaikan akan memberikan kontribusi yang positif pula terhadap pencapaian tujuan iklan.

Kata Kunci : Iklan, etika bisnis

INTRODUCTION

The marketers can use several types of promotion strategies to communicate with and influence the customers to buy a product. Although public relations, sales promotion, direct marketing and personal selling are a part of promotion tools, advertising as one of the most visible form of the promotion strategy can reach a large number of customers (Hollensen, 2001; Harker and Harker, 2000 cited Mellahi and Wood, 2003). Therefore, advertising has become an essential component of business activity and it has been widely use (Chryssides and Kaler, 1996). However, advertising is a common area in which the marketers manipulate information and deceives consumers (Fisher and Lovell, 2003). Accordingly, advertising has also become a controversial issue in today business world.

Furthermore, even though the advertising activities are ethically neutral, but it can be carried out in ethical or unethical ways (Fill, 1999). Thus, this paper will attempt to analyse the ethics in advertising. The first section will define concepts of ethical

advertising and approaching the ethical decision in advertising. The second section will examine some arguments that for and against advertising. The third section will consider some ethical issues related to advertising, including advertising to children, the portrayal of women in advertising as well as the advertising of so-called harmful products such as cigarette, tobacco and alcoholic beverages. Finally, this paper will attempt to determine whether or not the advertiser can be ethical.

THE CONCEPTS OF ETHICAL ADVERTISING

The advantages of ethical behavior in business have encouraged some companies to consider ethics in their business decision-making. The companies believe that they will get better reputation, cut cost for illegal regulations as well as long-term profit by considering ethic in business (Smith and Johnson, 1996). As a result, in term of making decision regarding advertising, the company has also considered ethical factors. Therefore,

this section will now consider some concepts of ethical in advertising.

Davis (1994) proposed two ethical attributions in response to advertising, which are labeled advertiser ethical attributions and message ethical attributions. While in advertiser ethical attributions consumer attempts to determine the underlying ethics of the advertiser, in message ethical attributions reflect the extent to which a consumer feels that the message itself is either ethical or unethical. These concepts assume the independence of message ethical attributions from advertiser ethical attributions.

Although an advertiser has concerned about the ethical attributions in promoting products may still present a message seen as biased and manipulative when the consumer has negative perceptions towards the message of the advertising. This indicates that every person view ethical aspects in advertising in different ways. Moreover the free market theory of Adam Smith recognized this condition as imperfect markets, which are the consumers and marketer is not symmetrical and the line between telling truth and lying about products is very thin (Weiss, 2003). In brief, every advertising decision has an ethical dimension and also there is a distinction

between personal (consumers) and professional (advertiser) ethical dimension (Schlegelmilch, 1998; Shaver, 2003).

Furthermore, since the advertising facilitates to achieve the goal of consumers and advertiser, thus in moral point of view the advertising should be fair by providing adequate information about product without deceptive, misleading or coercive (De George, 1999). Therefore, there are two clear yardsticks for assessing the ethical value of advertising, which are truth telling and social benefit (Shaver 2003; Bishop, 1949 cited Pratt *et al.*, 1994). Specifically, Weiss (2003, p.170) identified a corporation's ethical responsibility in advertising is *to inform and persuade consumer in ways that do not lie, deceive, conceal, or withhold the truth*. Nezebenzahl and Jaffe (1998) added that an ethical advertising does not create harms to the consumer. This author defined harm as violation of autonomy by control or manipulation, invasion of privacy and the violation of the right to know.

The concept of ethics in advertising has raised our understanding that the ethical standards of advertising not only require the advertiser to tell the truth about the products but also should meet the practical requirements of society. Since

the ethical of advertising requires social benefit, thus standards of ethics for advertiser tend to be utilitarian, relativistic, and not rigid (Pratt *et al.*, 1994). This represents that there is no absolute approach in analysing ethical issues for a specific advertising case.

Consequently, there are a number of ways in making ethical decision, particularly in the ethical advertising. Thus, the following section will consider ways of approaching the ethical decision in advertising.

APPROACHING THE ETHICAL DECISION IN ADVERTISING

In approaching an ethical dilemma, the scholars have divided the concept of ethics into two major categories: the teleological approach and the deontological approach (Nantel and Weeks, 1996; Pratt *et al.*, 1994). A form of teleological ethics, the utilitarian approach considers the outcomes of an action, which is result in "the greatest happiness for the greatest number" as the moral objective (Harvey, 1994). On the other hand, the deontological approach regards duty as the fundamental moral objective of an action (McEwan, 2001).

Specifically, in term of advertising, the utilitarian approach more likely to consider the financial as well as self

esteems goals more than social benefits in the advertising decision. However, the deontological approach could encourage advertiser to consider some ethical values in the advertising and setting aside personal financial and social rewards for the public good (Fraedrich and Ferrell, 1992 cited Pratt *et al.*, 1994). It implies that the value of deontological ethics is critical to advertising since it will encourage the advertisers to consider the principal of ethics to meet the practical requirements of society.

Furthermore, some advertising codes of ethics have been made as a reflection of ethical judgments in society (Schlegelmilch, 1998). The advertising codes of ethics have encouraged the advertisers to be ethic in making advertising. Commonly, advertising codes of ethics are written in precise deontological terms, for example, "must recognize," "will not," "shall tell the truth," "shall refrain from." (Pratt *et al.*, 1994). However, since the United States has a liberal attitude toward advertising, the members of American Advertising Federation are likely do not apply the value of deontology in making the ethical decision consistently (Beets, 1991 cited Pratt *et al.*, 1994). In contrast, advertising is regulated more strictly in Japan, for instance the Fair

Trade Commission has developed strict guidelines for comparative advertising (Schlegelmilch, 1998). In Indonesia, although the advertising is regulated as strict as in Japan, some advertisers keep manipulating information and deceive consumers (www.ylki.or.id/). This indicates that there is no standardization of advertising codes across the world and the codes are different from one country to another. Interestingly, yet in the European Union, there is no significant standardization of advertising for all members (Schlegelmilch, 1998). Moving from the reality that there is no significant standardization of the advertising codes of ethics, the discussion towards the value of advertising has now continued to a variety of arguments for and against advertising. Therefore, the following section will consider some arguments for and against advertising.

ARGUMENT FOR AND AGAINST ADVERTISING

As aforementioned, advertising has become the most controversial area rather than the other communication marketing strategies (Smith and Johnson, 1996). Consequently, it is not surprising when advertising become the most regulated area in marketing. Moreover, although the control towards

the advertising practices has grown rapidly, the abuses of advertising are still continuing (Nantel and Weeks, 1996). Accordingly, variety arguments have been concerned towards both positive and negative aspects of advertising.

The initial criticism towards advertising is that advertising is just a waste of money as it is actually unnecessary business cost (Smith and Johnson, 1996; Bradburn, 2001). This statement tends to view the values of advertising as expenses for business in the short time. Yet, they do not consider the benefits of advertising for business in the long term such as the evidence that advertising can keep the business going, build a good company's image and reputation (Bradburn, 2001). This means although advertising is an expense, it also can generate some extra revenue for the company as an effective advertising can attract many new customers. Interestingly, it can also be argued that actually advertising is free. The reason is that advertising can increase sales and it will result in the reduction of production cost; therefore the advertising is free as this cost reduction pays for it (Bradburn, 2001).

Another criticism is that advertising often too persuasive, thus it will encourage consumerism (Cohan, 2001).

This indicates that advertising is potentially in attracting the consumers to consume a variety of products beyond the basic needs to include luxury items and technological innovations (Shah, 2005). Although the consumption beyond basic needs is not necessarily a bad thing, the consumerism considers as the wasteful use of resources, labor and capital. However, Bradburn (2001) argued that advertising as communication tools can be used not only for promoting products but also for social marketing such as religions or charities.

A further argument is that advertising is potential to deceive the consumers (Cohan, 2001; Smith and Johnson, 1996). For instance the Advertising Standards Authority in UK has criticised Virgin Trains for promoting that all fares were half-price when the specific conditions did not allow the passengers to get half-price (Milmo, 2001 cited Fisher and Lovell, 2003). Another example is that advertising to children who are unable to judge the truth of advertising claims, thus targeting children in advertising is possible to deceive them (Bradburn, 2001). However, Weiss (2003) argued that the consumers including children need some information about products, thus

advertising is important to provide information for them.

As a complex issues in advertising has resulted in a large number of arguments and this paper has attempted to analyse some of them. Generally speaking, since there are many who take into account norm, context, and culture as part of the advertising, the arguments towards ethical in advertising will continue growing. This means that the issues in advertising will draw our attention to think about the social issues. Accordingly, this next section will consider some issues in advertising that might rise out understanding regarding ethical advertising.

ETHICAL ISSUES IN ADVERTISING

Ethical issues in advertising arise when the advertising result in a harmful and negative effects on individual and society (Weiss, 2003; De George, 1999). Controversial advertising will cause some negative reactions such as negative publicity, attracting complaints to advertising regulatory bodies, falling sales, and product boycott (Waller and Fam, 2003). For instance, Benetton is known for its controversial advertising, which has drawn the public attention to war, disease, death and racial issues,

have threatened to damage the company's sales figures.

Specifically, the most controversial advertising in today market are the use of deception advertising to children, sexual appeals by using women as object as well as the advertising of harmful products such as cigarette, tobacco and alcoholic beverages (Waller and Fam, 2003; Nebenzahl and Jaffe, 1998). The advertisers, therefore, should become aware with these issues to avoid the negative reactions from publics. The following section will now consider ethical issues in advertising.

Advertising to Children: Is It Ethical?

Children are one of the potential markets, moreover the children are also a future market for companies and thus marketers have long targeted children in their advertising campaign (Moore, 2004). However, children, especially younger children tend to be vulnerable and live in the world of real as well as imagination (Austin and Reed, 1999; www.adstandars.com). Advertising to children, therefore, should respect and not abuse the power of the child's imagination (Cannon, 1994).

Furthermore, some advertisers are questioning whether or not they responsible to protect children. They argued that the parents are more

responsible in ensuring their children are protected from unethical advertising practices (De George, 1999). This argument comes from the reality that although advertising aimed at children, their parents will make the final decision, thus the parents responsible in making the best decision for the children.

However, in some countries, parents give children some amount of money to make their own purchases, the advertisers, therefore, should attempt to explain the product honestly because children do not have the analytical abilities and judgment of adults (Austin and Reed, 1999; Schlegelmilch, 1998). One of the recent issues regarding the negative impact of advertising to children come from research that is conducted by the Center for Science in the Public Interest (CSPI). CSPI found that there is a relationship between the advertising of high fat, high sugar foods aimed at children with the growing health problems such as childhood obesity and poor diets (Moore, 2004).

The ethical issues in advertising to children have also presented challenges for the international advertisers since the regulation has continued controlling advertising to children in any country. For instance in Germany, advertising specific types of toys is banned; in

Greece, TV advertising of toys is banned until 10 o'clock in the evening and Great Britain has laws dealing with the advertising of tobacco and alcohol to children and in (Schlegelmilch, 1998). However, although some countries have regulated advertising to children, in general advertising to children is not likely to be very controversial issues (Schlegelmilch, 1998). Conversely, ethics in the portrayal of women in advertising is becoming a popular topic. Thus, the next discussion will consider the issue.

The Portrayal of Women in Advertising

The portrayal of women in advertising is becoming a popular topic in recent days. Moreover, it is commonly believed that companies could increase their sales rapidly when adopting sexual appeal in the advertisements (Prendergast and Hwa, 2003; Cohan, 2001). This might the advertisers can use women's sex appeal to attract consumer's attention toward products. However, controversial arguments regarding this issue tend to be never-ending since the use of women's sex appeal in advertising has negative effect to the society.

The initial issue is that the portrayal of women as sex objects to sell products has not only dishonored women, but

also encouraged men to violence them (Chryssides and Kaler, 1996; Cohan, 2001). However, the advertising has also influenced the consumer to see sex treated as a fact of life and as beautiful as well as full of excitement and delight (www.cultsock.ndirect.co.uk).

Therefore, it is not surprising when women wanted sexy underwear to be available in department stores.

Furthermore, today advertiser has recognized that the inappropriate use of sex appeals in advertising, such as exploiting the female body might impact a negative attitude towards products (Hollensen, 2001). For instance the use of sex appeals in advertisements have encouraged consumers to put pressure on advertisers to change their advertisements or even boycotted the company and its products (Tilles 1998; Wong 2000; Schwartz 2001 cited Prendergast and Hwa, 2003).

Consequently, the use of sex appeal should be appropriate to the product category being advertised such as male/female underwear, condoms, and female hygiene products in order to create an acceptable advertising (Waller and Fam, 2003; Bradburn, 2001). Additionally, Cohan (2001) suggested that advertising could be successful in generating sales without portraying women as sex objects. In other words,

the effectiveness of advertising is not just depending on the appeal of advertising but also on the product and service presentation itself.

This paper will now consider the advertising of harmful products.

The Advertising of Harmful Products

Surprisingly, the advertising campaign today can persuade people to consume products harmful to themselves such as tobacco, junk foods and alcoholic drinks (Nantel and Weeks, 1996). This might be because advertising used illogical strategy of persuasion and gave their consumers more of illusion than truth. Moreover, since the nature of products such as cigarettes and alcohol, which can cause ill health and death; therefore the advertising of these products has become another ethical issue in today business. Thus, the companies of these products should consider ethic in their advertising strategies.

The companies of harmful products should not target in low-income communities and young adults in their advertising (Youman, 1990 cited Nwachukwu and Vitell, 1997). Otherwise, the inappropriate advertising strategies may lead to an increase in alcoholism and a lower rate of smoking cessation within communities and young adults. Moreover, although the

companies of these products argued that there is no real evidence that the advertisements can increase consumption, the advertising of harm product has been controlled intensively through regulation, taxation or banning (Bradburn, 2001; Kirkpatrick, 1994).

CONCLUSION

Managing ethics in the advertising is a difficult and controversial one. After analysing some ethical issues in advertising, it can be summarised that the visibility of advertising challenges advertisers to be more committed to legal and high ethical standards. In addition, the consumers, regulators and the society have considered ethic in responding to the advertisements, therefore ethics in advertising is critical. Furthermore, it is doubtful whether it is possible to be a true ethical advertiser and not merely in respecting the rules in the business ethics. This might be because there is no significant standardisation in evaluating ethical dimensions of advertising since consumers and society tend to take into account norms, context, and cultures as part of advertising. Moreover, the ethical codes in the past are still need to be reassessed for relevance today and in the future. Consequently, although an advertiser has concerned about the ethical

attributions in advertising may still perceive as offensive advertising when the consumer has negative perceptions towards the message of the advertising. Additionally, today consumers prefer advertisers whom they perceive to be ethical and present ethically perceived advertising messages. Therefore, advertisers should also recognise that consumers' perception to the advertising is critical in evaluating whether or not the advertising is ethical. Specifically, in the international market, the advertiser should consider cultures and beliefs in the specific countries in creating an acceptable advertising image. In brief, the advertisers can present advertising that has the greatest potential to lead to positive consumer's perception toward advertising message and advertiser.

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