

A Review on Impact of Deceptive Advertisement on Consumer Behaviour

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Abstract: An influential tool nowadays for any organization is Advertisement, as it not only helps in communicating the information to the customers about new product launched in the market but also induces them to purchase them. Companies usually follow unethical means to advertise their products, the term used for it is Misleading Advertisements. Misleading or false Advertisements is the use of wrong statements in advertisements for influencing customers to purchase the products, but it may negatively impact many customers. Many governments around the world use regulations and frame policies to control false and misleading advertisements, as advertisements have the potential to induce customers to buy products. The concept of the advertisements was that all the necessary information related to the product should be provided to customers using a global media that is the advertisement. This study is conducted to comprehend the impact of advertisements on customers using Medias and what can be done to improve the effectiveness.

Keywords—Deceptive, Advertisement, Consumer Behaviour

I. INTRODUCTION

Another form of communication, that is, Advertisement is to draw the attention of the customers. Advertisements now have become an integral part of business organizations today. Also business organizations have seen a boom since introduction of Advertisement as a method of communication. Anything and everything can be known about the product, how it looks like or what is the use of it, which is why Advertisements are very essential from awareness point of view. It itself is not an issue as it is an important means for growth of any company but reaching target customers is.

Also when advertisements are used to persuade the customers by way of ethereal claims, it is against the interests of the customers. An advertisement turns into false or misleading, when deceptive or untruthful statements are used in advertising. Any incorrect understanding of the product given to the customers leads to Misleading Advertisement.

Essentially ‘Truth’ refers to that all-important information should be on the label of the product as well as contents mentioned on the label should be correct, as the customers have the right to know what they are buying. The growth rate of Indian Advertising Industry rates from 32% to 36%. Estimation is that advertising is 1650 corers industry which accounts for 90.45% of the India’s Gross Domestic Product (GDP).

Indian Advertising has seen magnificent growth after the entry of MNCs and other major brands, for the past three decades. India is becoming a preferred market for such big companies. Advertisement in India is rising at a very rate. Rise in the number of brands in increasing because of the purchase behaviour and capacity of purchasing of the present generation. This has led to the cut throat competition among the existing brands. Because of so tuff competition and expectations of the customers, our lifestyle has changed drastically.

II. RELATED WORK

Murphy and Cunningham [1] state that linking advertising with sales impact is not appropriate as other marketing variables such as economic factor, market factor, etc., affect the company sale.

Hershey and Linda Friedman [2] suggest that three types of endorsers are widely used in advertising celebrity, professional expert, typical consumer, celebrity endorsers are generally attractive (or) likeable media personalities. Expert endorsers will possess expertise and typical consumer endorsers draw their appeal from similarity. They conclude that a celebrity endorser is more effective when promoting products high in psychological and social risk. Rhea, Steven, Valerie (2005) have described that unethical behaviour of marketing negatively impacts on the expectations of customers.

John, Rosemary, Matthew (2011) have presented the weight loss advertisements affect the consumers badly due to its product's consumption. The study focuses on the sample size of 50 respondents from America and tests multiple factors by using correlation method and the results show that less educated females influence more by advertising than better educated females.

Monika, Rasa [3] have explored consumer's purchasing decision is ending up through deceptive practices in advertisements at high prices and low quality. The research focuses on qualitative research approach in Europe and finds the advertisements should be fair and decent. From the purpose of study, European Union introduced law and rules for the protection of consumers from misleading advertisements, and proper education and awareness for consumers will protect them by misleading advertising.

Maicibi, Nok, Yahaya (2013) have highlighted that false advertisements create misuse of customer loyalty in organizations. The research focuses on qualitative research approach in America. The study examines the organizations create cost for them by misrepresentation and corruption in advertising. The study concludes that organizations should control and tackle unethical concerns to keep organizations competitive and healthy.

Victor (2014) has described that on regular basis consumers are facing manipulation in advertising. The research focuses on qualitative research approach in Romania and finds that manipulative advertising affects negatively to values and harmfully to environment. The implications for future study show that strong law against manipulation will reduce deceptive practices.

FALSE CLAIMS AND MISLEADING ADVERTISEMENT

As provided under Section 36A (1) of the MRTP Act, the following statements, whether made orally or in writing or by visible representation, would amount to an unfair trade practice:

- Falsely representing any re-built, second hand, renovated, reconditioned or old goods as new goods.
- Falsely representing that the goods are of a particular standard, quality, quantity, grade, composition, style or model.
- Giving any warranty or guarantee about the performance, efficacy or length of life of a product that is not based on an adequate test.
- Falsely representing that the services are of a particular standard, quality or grade.
- Representing that the seller or supplier has a sponsorship, approval or affiliation which he does not have.

- Making a false or misleading representation about the need or usefulness of any good or service.
- Representing that the goods or services have sponsorship, approval, performance characteristics, accessories, uses or benefits, which such goods or services do not have.
- **Initiatives by the government**
 - a. The Consumer Protection Act, 1986
 - b. The Emblems and Names (Prevention of Improper Use) Act, 1950
 - c. Trade and Merchandise Marks Act, 1958.
 - d. Cable Television Networks (Regulation) Act, 1995
 - e. Indecent Representation of Women (Prohibition) Act, 1986
 - f. Monopolies and Restrictive Trade Practices Act, 1969
 - g. Drugs and Cosmetics Act, 1940
 - h. Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954
 - i. Pre-natal Diagnostic Techniques (Regulation and Prevention of Misuse) Act, 1994
 - j. Prevention of Food Adulteration Act, 1954/ Food Safety and Standards Act, 2005
 - k. Prize Chits and Money Circulation Schemes (Banning) Act, 1978
 - l. Prize Competition Act, 1955
 - m. The Young Persons (Harmful Publications) Act, 1956
 - n. Insurance Regulatory Development Authority & Telecom Regulatory Authority of India
 - o. Securities and Exchange Board of India, Reserve Bank of India & Medical Council of India

What to do: So, at a cursory glance to the above discussion it can be said that false and misleading advertisement has posed a serious threat to the consumer in general and to the society at large. However, we should take the following precautionary measures in order to check and stop this evil practice:

- 1) Before purchasing any product asking by ourselves : Whether, why, when, where, how, how much, how often, how long, etc.
- 2) Not to promote products which are hazardous or harmful to the society or individuals, particularly minors and observe fairness in competition keeping in mind consumer's interests
- 3) Primary demand, buying motives, hidden qualities, differential advantage and money in every marketing situation, must be analyzed carefully to determine the advertise ability of a product.
- 4) Consumer Oriented advertisement will have to be truthful and ethical
- 5) It should not mislead the consumer
- 6) Make truthful honest representations and claims which is essential to prohibit misleading advertisements
- 7) Not to be offensive to public decency or morality

III. CONCLUSION

Deceptive advertising is illegal in most countries. However, advertisers still find ways to mislead consumers in ways that are legal, or technically illegal. Marketers have just one aim in mind – sell as much as possible to as many as possible. They do not mind using unethical practices. For them, reaching the end is more important than the means. Misleading advertisements makes tall claims making an impact on the buying behaviour of the customers. There are certain wise consumers who go by the fact, but there is a huge group of customers that fall for the claims presented in the advertisement. So the governing agencies enforce stronger laws to warn anyone involved in a proven misleading advertisement.

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