



## The ethical problems and their consumer effect on advertising in India

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### Abstract

The site of data collection from 548 respondents. We selected this sample with the respondent's gender, age, income, and degree of education in mind, among other socio-demographic factors. The sample was carefully selected to include male and female respondents of varying ages. The findings show that various age groups and genders see the problem of advertising ethics differently. This research provides strong evidence that consumers' sensitivity to ethical concerns grows in tandem with their age and level of education. When asked about their purchasing intentions, more women said they would stop buying a company's product if it aired ads that they felt were immoral.

**Keywords:** Advertising, consumer, effect, problems, education

### Introduction

Businesses, industries, and governments rely on advertising, which is a natural and fascinating aspect of our society. However, advertising is often misinterpreted despite its pervasiveness and constant change. Drawing from Marketing and Behavioural sciences. A powerful instrument for marketing and communication, it may enhance sales via the dissemination of information and the power of persuasion. Democracy is all about persuasion. A genuine intellectual process exists solely in the realm of persuasion. The process of persuasion is crucial to the success of any enterprise, whether it be a religious conversion, an innovation, a company, or an educational institution.

"The universal rising of standards of contemporary civilization across all groups of people over the first half century would have been unthinkable without the distribution of the awareness of better standards by means of advertising," said Franklin D. Roosevelt, former president of the United States. Businesses and government agencies alike rely on advertising to reach their target audiences via various forms of mass media. This industry is intricately linked to the social and psychological demands of consumers as well as personal selling, product creation, servicing, and research. Advertising, which is both received in a cutthroat market and ingrained in our popular culture, serves several purposes for the government, from energy conservation to recruiting. Even when other people provide

space and time, ads used to promote varied causes such as health, anti-dowry, alcoholism prevention, animal cruelty prevention, wildlife preservation, AIDS awareness, natural resource conservation, etc. are still classified as advertising.

Research conducted by advertising firm Dents indicates that the Indian advertising industry is projected to recover to pre-pandemic levels by 2022, seeing a 12.4% increase. The print, film, outdoor, and radio industries will lag behind digital and television in terms of recovery time. The share of digital advertising in total ad revenue was 21% in 2019, with projections showing that it will reach 29.4% in 2021 and 32.7% by the end of 2022. A survey states that advertising expenditure in the Asia Pacific (APAC) region is anticipated to exceed levels seen before the epidemic, a year sooner than originally anticipated. After 2020, Forecasts indicate that India and Australia will see much greater growth rates than the global average.

Contrarily, advertising budgets in China are projected to surpass pre-outbreak levels. By 2021, advertising expenditure in the Asia-Pacific area will have climbed 8.0% to \$229 billion. Worldwide ad expenditure is anticipated to reach \$634 billion, representing a slower pace of rise than this. Investment in advertisements in India is anticipated to grow at a pace that is somewhat lower than that of the US, Canada, and Australia. The research indicates that after a 12.9 percent drop in 2020, advertising expenditure in India is expected to climb 10.8 percent in 2021. Despite the

ongoing pandemic impact on the nation, television continues to dominate India's media landscape, with a share of 40.9% of total expenditure and a growth rate of 7.7 percent when compared to 2020. But according to Dentsu International CEO Ashish Bhasin, TV ads will still have a 40.9% market share for the foreseeable being.

**Literature Review**

Dutta R. (2013) [1] It was proposed that three categories of Green Behaviour may be used to categories consumers: energy cautious, energy preserver, and green patronize. A person may be an energy preserver if they are concerned about preserving energy, an energy prudent if they are concerned about saving money, and a green patron if they are actively working to rescue the environment. The study's participants were more driven by financial concerns.

Karthik (2013) [2] gained knowledge on the impact of advertisements on interpersonal communication and the extent to which they convey information. Advertising on these sites reaches large audiences because of the high volume of potential customers, the specificity of their demographics, and the amount of time people spend online. In order to better target advertisements to customers, informal organizations provide marketers with access to profile statistics. One of the simplest ways to disseminate content, with high availability and easy client association. The interpersonal organization's business is trusted when it produces proposals that lead to transactions. Advertisers see informal groups as a great place to reach their target demographic.

Suki N.M. (2013) [3] found that consumer ecological behaviour is most affected by environmental knowledge (31=0.349,  $p < 0.05$ ), but the relationship between a healthy lifestyle and consumer ecological behaviour was found to have no significant effect (standardized beta coefficients of 0.197 at  $p > 0.05$ ). It follows that consumers' eco-consciousness is unaffected by their interest in leading healthy lifestyles. In order to live a stress-free existence, consumers practice good lifestyle habits including maintaining a healthy work-life balance. Like them, they lead organized and systematic lives. Their ecological behaviour has been impacted by these.

Ampofo, A (2014) [4] Research seeks to examine the influence of advertising on consumer purchasing behaviour, taking into consideration the demand for cosmetic products among persons in and around Nagarabhavi, Bangalore. Using regression analysis on data from 100 respondents (most of whom were young), we discovered that while

advertisements do influence people's cosmetics spending, other factors, including disposable income, product price, brand, and personal recommendations, significantly outweigh ads. Our group finally settled on the idea that advertising benefits businesses and consumers alike after considerable discussion. Its purpose cannot be met by anything else. This is why it's crucial for companies to have strategy and plans in place, along with the understanding of when and where to advertise. Unless consumers are informed, businesses will keep items in stock regardless of demand.

Sarumathi, S. (2014) [5] researched a number of elements that have been demonstrated to impact people's ecological behaviour; these factors have been further categorised as either internal (knowledge, attitude, beliefs, awareness, consciousness, concern), external (media, family, culture), or situational (economic incentives and laws). He went on to examine how characteristics such as education, eco literacy, and geographical area affect or create differences across demographic groups in terms of their willingness to spend more for environmentally friendly items. Additionally, he said that there is a growing expectation for corporations to demonstrate social responsibility, and that this expectation differs from person to person.

**Research Methodology**

Here are the places where we will be gathering information:

**Primary data**

Data from interviews, surveys, and observations are all part of the main source. In order to collect primary data, questionnaires will be designed.

**Secondary data**

Among the many types of secondary sources include books, journals, magazines, the internet, television, and even some online theses and dissertations. According to Indian Publicity Ethics Analysis, a portion of Indian publicity will be used.

**Data Analysis**

In order to govern communication between buyers and sellers, this research aims to analyses understanding the use of ethics in advertising. Researchers looked at how demographic factors including age, gender, wealth, and education affected how people saw ethical dilemmas in ads. The data was processed for analysis using the Statistical Package for the Social Sciences, version 20.

**Table 1:** Cross Tabulation for Effect of opinion on deceptive advertising on youth behaviour is independent of age.

	Age group				Total	
	Post Graduate	Graduate	Non-Graduate			
My attitude is unfavorable towards the company that adopts unethical practices to promote its goods and services.	Strongly Disagree	1.0%	1.5%	1.5%	0.0%	1.3%
	Disagree	3.5%	3.0%	9.8%	5.7%	4.9%
	Neither Agree nor Disagree	22.4%	29.1%	36.4%	12.9%	28.4%
	Agree	51.2%	46.2%	35.6%	38.6%	45.5%
	Strongly Agree	21.9%	20.1%	16.7%	42.9%	19.9%
	Total	100.0%	100.0%	100.0%	100.0%	100.0%

**Table 2:** Test of Significance of Association of Effect of opinion on deceptive advertising on youth behaviour is independent of age.

	Value	df	p-value
Chi-Square	20.105	8	0.010

According to Table 2, we may reject the null hypothesis and conclude that there is a significant difference in opinion

**Table 3:** Cross Tabulation for Effect of opinion on deceptive advertising on youth behaviour is independent of gender

My attitude is unfavorable towards the company that adopts unethical practices to promote its goods and services.	Gender		
	Male	Female	Total
Strongly Disagree	2.1%	0.7%	1.3%
Disagree	5.9%	4.1%	4.9%
Neither Agree nor Disagree	20.9%	34.5%	28.4%
Agree	46.4%	44.7%	45.5%
Strongly Agree	24.7%	16.0%	19.9%
Total	100.0%	100.0%	100.0%

According to Table 3, 71.1% of men agreed or strongly agreed with the statement, however only 60.7% of women did the same.

**Table 4:** Test of Significance of Association of Effect of opinion on deceptive advertising on youth behaviour is independent of gender

	Value	Df	p-value
Chi-Square	16.363	4	0.003

We may reject the null hypothesis since the p-value in Table 4 is less than the significance threshold (0.05). When asked about the remark, male and female respondents had very different opinions. In comparison to females, the percentage of men who agree or strongly agree with this statement is much greater.

**Table 5:** Cross tabulation for effect of opinion on advertisement with sexual suggestive theme on youth behaviour is independent of age

		Age Groups				Total
		18 – 23	23 – 28	29 – 34	Above 39	
It is unethical to use strong sexual appeals in advertisements.	Strongly Disagree	4.9%	3.1%	3.1%	0.0%	3.4%
	Disagree	11.2%	8.8%	4.1%	7.1%	8.6%
	Neither agree nor Disagree	20.0%	10.0%	10.3%	4.3%	13.2%
	Agree	33.7%	38.1%	36.1%	31.4%	35.2%
	Strongly Agree	30.2%	40.0%	46.4%	57.1%	39.7%
	Total	100.0%	100.0%	100.0%	100.0%	100.0%

Based on the data in Table 5, it can be seen that 63.9% of the respondents in the 18–30 age bracket, 78.1% in the 31–45 age bracket, 82.5% in the 46–60 age bracket, and 88.5% in the 'Above 39' age bracket agreed or strongly agreed with the statement.

among the respondents of various education levels regarding the assertion that their attitude would be changed since the p-value of 0.010 is less than the threshold of significance (0.05). Opinion on misleading advertising's impact on young people's actions is age-neutral. When compared to respondents with lower levels of education, the percentage of postgraduates who agree or strongly agree with this statement is much greater.

**Table 6:** Test of Significance of Association of Effect of opinion on advertisement with sexually suggestive theme on youth behaviour is independent of age.

	Value	Df	p-value
Chi-Square	33.042	12	0.001

Table 6 shows that the p-value is less than the significance threshold (0.05). So, we may say that the null hypothesis is not true. Respondents of all ages have widely divergent views on whether or not it is ethical for ads to make overt sexual solicitations. When compared to other age groups, the percentage of respondents who fall into the "Above 39" age bracket who agree or strongly agree with this statement is much greater.

**Accuracy of the Sample Test**

Examining the suitability of Factor Analysis was done using Bartlett's Test and the Kaiser-Meyer Olkin (KMO) measure of sample adequacy. One statistical tool for determining if Factor Analysis is suitable is the KMO Test. The test determines if the sample is sufficiently representative of the whole model and of each individual variable. While an index more than 0.5 is considered acceptable, KMO values range from 0 to 1. Factor analysis is suitable when the value is between 0.5 and 1, but it may not be suitable when the value is less than 0.5. There is a test statistic called Bartlett's Test of Sphericity that may be used to check whether the variables in a population are uncorrelated. A Bartlett's Test of Sphericity value below 0.05 is required for Factor Analysis to be deemed appropriate. Here are the KMO values and the results of Bartlett's Test of Sphericity listed in the table. If the population-level variables are uncorrelated, then Bartlett's test of sphericity rejects the null hypothesis.

Ascertain the validity of the hypotheses about the interplay of the variables.

**Table 7:** Kaiser-Meyer Olkin (KMO) and Bartlett's Test measure of sampling adequacy

Component	Statistical tests		
1.	Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.730
	Bartlett's Test of Sphericity	Approx. Chi-Square	682.44
		Df	6
		Sig.	<0.001
2.	Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.593
	Bartlett's Test of Sphericity	Approx. Chi-Square	695.768
		Df	6
		Sig.	<0.001
3.	Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.812
	Bartlett's Test of Sphericity	Approx. Chi-Square	1334.468
		Df	10
		Sig.	<0.001
4.	Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.720
	Bartlett's Test of Sphericity	Approx. Chi-Square	965.390
		Df	6
			Sig.
5.	Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.724
	Bartlett's Test of Sphericity	Approx. Chi-Square	509.268
		Df	6
		Sig.	<0.001
6.	Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.500
	Bartlett's Test of Sphericity	Approx. Chi-Square	90.530
		Df	1
		Sig.	<0.001
7.	Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.823
	Bartlett's Test of Sphericity	Approx. Chi-Square	1682.496
		Df	6
		Sig.	<0.001
8.	Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.698
	Bartlett's Test of Sphericity	Approx. Chi-Square	503.021
		Df	3
		Sig.	<0.001

All instances had KMO greater than 0.5, as shown in Table 7.

The significance level of Bartlett's test of sphericity is always less than 0.001. We reject the null hypothesis (H<sub>0</sub>) since the p-value is less than 0.05. This suggests that there could be a strong correlation between the variables. Factor analysis seems to be a viable option based on the outcomes of the KMO and Bartlett's tests.

To get to the factors, we employ principal component analysis. Out of the original 31 variables, only 8 factors with Eigen-values greater than 1 remain.

What follows is a description of the eight properly labelled components that were culled from a set of thirty-one assertions in order to reveal the data's essential dimensions for comprehending how consumers see advertising's ethical implications.

### Conclusion

"The structured and composed non-personal delivery of information about things (goods, services, and ideas) by a recognized sponsor through multiple media." That's William Frens's definition of advertising. We may then deduce that no product available to consumers can produce the desired shift in demand in the absence of advertising. The research subject - " understanding the use of ethics in advertising as a way to govern communication between buyers and sellers- A study with reference to selected consumer goods" - provides crucial insights into consumer behaviour,

addressing important questions such as how consumers choose and buy products, what factors influence their product choices, and how they behave when making a purchase. Determining the role of advertising in this situation is the major purpose of this study. It is essential for marketing campaigns to generate demand for consumer items that cater to our own interests, such food, clothes, and other essentials for the house.

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