



## Persuasive and Misleading Advertising

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### ABSTRACT

*In recent times, more and more complex business models are emerging. Along with evolving time there is a shift from the primary objective of profit motive to societal welfare. But till today marketing lies are a common phenomenon. As competition is high among sellers, therefore in order to gain more market share or to earn high profits marketing lies*

*are practised.*

*60 respondents were surveyed in the city of Mumbai to know the consumers attitude regarding marketing lies and to arrive at conclusions.*

**KEYWORDS : – Marketing lies, misleading, deception, rights.**

### Introduction

The aim of marketing is to make selling superfluous. It revolves around understanding the customer and developing those products, services or brands which satisfy their wants and fits them totally.

Marketing is wider than selling and much more dynamic. Selling seeks profits by pushing products on the buyer, marketing too seeks profits but not by aggressive pushing of the product but by meeting the needs of customer and creating value satisfaction for them.

When business makes use of wrong tactics and practices to sell their product or services to consumers, it is called marketing lie. It can be also termed as unethical marketing practices.

These lies can help the firm to gain profits in the short term but in the long run they negatively affect the organisations. Unethical marketing can destroy the business reputation and can lead to legal troubles.

False advertising or deceptive advertising means promoting the product by making false claims or by using misleading statements. It is almost like window dressing i.e. presenting better picture of the product or service.

This kind of thing may benefit businesses in the short run as their sales will increase leading to rise in profits. This can be also termed as short sightedness or marketing myopia. But in the long term it will lead to huge losses to the organisation.

### Some examples

#### Maggi

The recent Maggi controversy is a classic example of marketing lie as the controversy is linked to false labelling and misleading advertisement. On the cover of Maggi Noodles it was printed that no added Monosodium Glutamate (MSG) but when samples of Maggi were tested MSG was found in it.

Also the advertisements claimed 'Tasty bhi, healthy bhi'. But empirical testing showed that lead in Maggi was higher than the prescribed permissible limits.

### Universities

The marketing lie is also practised by Universities and Coaching Centres as their advertisements promise highly expert teachers etc in order to enrol more students for their programme.

### Listerine as a Cure-All

Listerine the first over-the-counter mouthwash sold in the United States, claimed to be a cure for sore throat, common cold and an anti-bruising, anti-sting agent. However in 1975, the Federal Trade Commission negated all these claims.

### Lydia Pinkham's Vegetable Compound

Lydia Pinkham a local medicine woman tried to sell a remedy to cure all ailments suffered by women and made \$400,000 yearly. This

led to Federal Trade Commission tightening its laws.

### ANALYSIS AND INTERPRETATION

#### Opinion of the respondents on whether the claims made by marketers for products or the services are really true

Only 4.3% of the respondents believe that the claims made by the marketers or illustrations given by them are really true while 56.5% disagree with the claims and 39.2% of the people are uncertain about it.

As majority of the people disagree with this, gives a clear indication that they had been cheated directly or indirectly at some point in their life. As the buyers do not easily believe the claims made by the sellers about the product or service shows that buyer of today is aware and has knowledge about the product or service which has to be bought.

Companies cannot make the buyers purchase the product or service by giving misleading statements or false advertisements.

It also shows a shift by the companies from production orientation to marketing orientation and from product orientation to customer orientation.

Also 87% people claim that they have been cheated when they bought a product by seeing visuals. While in case of services often people have been dissatisfied with it. In case of product chances of cheating become less as product is visible and patent defects can easily be found out but in case of services chances become relatively high.

#### How the consumer makes a decision to purchase the particular product or the particular service

As majority of the people state that they do not believe the claims while buying the product or services. So, 54% people consider the product according to their suitability/necessity, 40% people take reviews or suggestions of others in choosing the product or service, 4% of the people stated that they take into account all the factors i.e. suitability, price, brand name, reviews while choosing the product whereas remaining go with the reputed brands.

But in case of services mostly people rely on feedback, review and suggestions of others along with service provider goodwill.

This means that 'caveat emptor' is gaining importance these days and people choose the product or service wisely. Before making the decision to take the particular product or service the buyers conduct a research, compare and make analysis and then make any decision.

#### Whether people reject the goods after being cheated in terms of misleading illustrations, false claims etc

From the survey it is found out that it depends according to the product, if it is a food product and the product is completely different from visual or specification given, after it has been served mostly people

ple haven't rejected it. But people have exercised their rights by filling feedback form. Also they have given their reviews/recommendations so that other people will be careful while dealing with the product.

### ONLINE BOOKING

If it is consumer durables, people have rejected it. In cases of online buying some people have accepted the goods in case of color difference but rejected it when the quality differs or if any defect is there in the product.

But in case of any other product like gold, television, handset etc. people have rejected the product. In that case, the question of acceptance was very rare.

### PERSONALLY BUYING THE PRODUCT

In the case of product, the salesman shows the product which completely varies from the sample. Bait and switch policy is adopted in most of the cases. Even at the time of the exchange the product selected by the consumer is replaced with completely different product. In the bait and switch policy, the company exchange the product with substitutes in order to let go the old stock.

### SERVICES

If any service is concerned, the price of which is paid in advance, the consumers continue with the service although it is not of the satisfactory level as amount is not refundable in majority cases.

And if amount has not been paid the consumer in most of the cases discontinue with the service. It is important that before taking the service the consumer should know the terms and conditions and be aware. After being cheated the service provider easily escapes, as it is easy to put blame on consumers. For instance, if services of doctor are taken and after taking prescribed medicines on time and by following instructions, if there is no change in health of consumer the doctor easily says that take medicines for some more years as you are aged and in your case after some more time you will see the effect or provide with any other reason.

Only option left for the customer after being cheated is to recommend others to not use a particular product or take specific service and it is an important tool as many people rely on reviews and recommendations when they purchase some new product or take service from different service provider.

Whether people are aware of their rights as consumers' for the protection against marketing lies

When asked about the rights the people have as consumers, most of the people know their rights and they told the rights that were given to them by The Consumer Protection Act, 1986. But nowadays along with knowing the rights it is also really important to exercise these rights as these are specified to safeguard the interest of the consumer.

Illiterate people don't know their right so they are vulnerable and easily exploited and also literate people who know their rights, in case of unfair trade practices hardly practise their right to seek redressal and right to be heard as they consider it is time consuming and monotonous process.

Also it is vital to impart education, training and knowledge to illiterate people regarding their rights as consumers and to make them understand about the possible mal practices and victimisation on account of their lack of knowledge.

### What prompts marketeers to present a wrong picture

Marketers present a wrong picture of the product as they think that consumers are not aware and it becomes relatively easy for them to sell their products either by misbranding, misleading advertisements or following any other unfair trade practise. As seen consumers in India know their rights but very few practise them. Initially market share of the company which does marketing lie rises and company achieves break even in most cases. Also there is no strict enforcement of laws by the government.

### RECOMMENDATIONS

#### Buyers:

Buyers should be aware about the terms and conditions of using the

product or taking any service. They should have complete knowledge about the product. For instance, ingredients, expiry date, price etc.

Buyers should know the consequence of using the product/service.

Several rights are given to the consumers by the Consumer Protection Act 1986 to protect the interest of the consumers. Buyers should exercise these rights and be a well informed consumer. These rights include- Right to Safety, Right to be informed, Right to choice, Right to be heard, Right to seek Redressal and Right to consumer Education.

Buyer should be updated. They should make buying decision only after adequate research and taking reviews about it from potential buyers and then by comparing and analysis make buying decision. Now several websites have been also started to take feedback of the consumers.

#### Government:

Government authorities should take strict action against those marketers who follow unfair trade practices and try to deviate the consumers.

By ensuring quality check of the manufacturing food products and conducting survey in case of services.

Government authorities should take strict action and claim high compensation from marketers who follow unfair trade practices.

Take decision of banning or boycotting the product or service which go against the prescribed norms or standards.

#### Media:

Media can play an important role by making consumer aware about their rights and also by informing customers about the various form of exploitation by marketers.

#### Conclusion

With the latest maggi controversy in India, the consumers of Indian market are now becoming aware. The government authorities have also recognised the need to have strict laws and rules regarding unfair trade practices. The need of the hour today is that consumers should know their rights. But only knowing the rights will not change the situation of the market, it is equally significant that the consumers practise those rights. But as large population of our country is illiterate, they can easily become puppets in the hands of these marketers. So illiterate people also have to be made educated about their rights and media can play a great role to solve this issue. As buyer is ultimately the king in the market and if he/she is aware and informed no marketer will dare to practise marketing lies.

#### Research methodology

The research study about the marketing lie was conducted in Mumbai and the primary and secondary sources of information were used.

The technique used for primary data collection was survey. Along with it questionnaire was also designed to elicit maximum information from the respondent. The questionnaire comprised of open ended and close ended questions. Close ended questions which require more input from the respondent so that their behaviour can be judged and open ended questions which necessitate simple answer.

The secondary sources like internet, books, articles, news paper clippings etc also provided a lot of information and case studies helped to know the topic better.

The sample of survey correspondents comprised of age group of 15 to 30 years and in total 60 respondents was questioned and their responses were recorded.

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