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Traditional and emerging ethical concerns in advertising

Abstract

Ethical issues surrounding advertising have been well-discussed. However, over time and alongside societal and media changes, different questions have moved to the forefront in the discussion on advertising ethics. This paper presents an overview of traditional ethical issues of importance in the United States, and analyzes the changes that have come about as a result of newer, more interactive media for ad placements. Although many of the traditional ethical dilemmas remain, the more personalized and interactive nature of new media and an expanded landscape for advertisers to stake their claims have introduced new issues that were previously not of concern, such as privacy.

Keywords: advertising and society, advertising media, deception in advertising, subliminal advertising

JEL Classification: A13, M37

1. Introduction

Advertising ethics has been described as "what is right or good in the conduct of the advertising function. It is concerned with questions of what ought to be done, not just with what legally must be done" (Cunningham, 1999, p. 500). Although what is legal and what is ethical can be completely separate, some issues in controversial advertising fall under the legal realm (for example, the Food and Drug Administration (FDA) requires different information for different Direct to

Consumer pharmaceutical advertising appeal types, and warning labels on tobacco ads are essential), whereas others are purely ethical questions (Is it ethical to advertise to children? Is it ethical to advertise unhealthy food or harmful products?).

Most advertising is, however, not subject to restrictive legal regulation other than the Federal Trade Commission's deceptive and unfair advertising standards, and this makes ethical questions even more vital to the conversation. A five-part test called TARES is one way of operationalizing ethics; this test guides advertising practitioners and researchers in reviewing five principles that should be part of an ethical ad (Baker & Martinson, 2001). These principles include "Truthfulness (of the message), Authenticity (of the persuader), Respect (for the persuadee), Equity (of the persuasive appeal), and Social Responsibility (for the common good)" (p. 148).

It is an advantage for advertisers to be viewed as ethical, although that perception is far from commonplace among the general U.S. population, as a Gallup poll in 2017 found that respondents ranked advertising practitioners as among the lowest in honesty and ethics, with only 2% of respondents rating their ethical standards as "very high" and 34% rating their ethical standards as "low" or "very low." The only professions ranking beneath advertising practitioners in terms of honesty and ethical standards were members of Congress, car salespeople, and lobbyists. This Gallup report included data beginning in 1976, and overall the numbers have stayed steady since then. In the United States, advertising practitioners have remained among the lowest in perceived honesty and ethics for over 40 years.

The controversial nature of advertising has been discussed and written about for decades. In the past, conversations have focused on topics such as advertising to children, advertising products such as alcohol or tobacco, and even whether subliminal advertising exists and is ethical. Hyman, Tansey, and Clark (1994) identified 33 topics with ethical questions, including use of deception, use of sexual appeals, and ads for cosmetic surgery. In 1997, when direct to consumer pharmaceutical advertising became legal, questions were raised about ethics in that area as well.

This paper will review and analyze the current state of ethics in advertising in the United States. What are the current issues that are most worrisome? How do these differ from concerns of the past? How are newer media changing the ethical environment for advertising?

2. Traditional ethical concerns

2.1. Subliminal advertising

Traditionally, one of the biggest issues in advertising ethics has been the issue of subliminal advertising. A study by James M. Vicary was reported ("'Persuaders' get deeply hidden," 1957), in which moviegoers were exposed to the subliminal

messages of "eat popcorn" and "drink Coca-Cola" and reportedly bought more concessions as a result. Although his study was discussed in various news outlets, he did not publish a scholarly journal article about the study. Soon thereafter, Vicary admitted that his results were fabricated. Yet, this is one of the issues that is often brought up when advertising ethics is discussed. The discussion of Vicary's research sent society into a frenzy about the potential for media manipulation of audiences. For a number of years, researchers discounted Vicary's claims (for example, cf. Moore, 1988; Pratkanis & Greenwald, 1988), but more recent studies have reported the possibility of subliminal advertising effects (Verwijmeren et at., 2010). This remains a concern to many, especially with popular press articles or blogs such as "9 Ads With Subliminal Messages You've Probably Missed" which discusses characteristics of ads which are in plain view and do not fit the definition of subliminal advertising (Schweigert, 2018). These articles feed fuel to the fire, but it seems that the academic research world has not yet come to an agreement about whether subliminal advertising is possible. And the ethical issue remains: If it is possible, should it be used?

2.2. Advertising to children

Another debate has concerned whether advertising to children is ethical. Children are less likely to understand the persuasive intent of advertising, and may not understand the difference between what is shown and what they are buying. According to Wilcox et al. (2004), two processing abilities are necessary to comprehend persuasive messages (advertisements). The audience member must be able to correctly classify any message as commercial or noncommercial, but they also must understand the intent of the message as persuasive, and therefore biased. The authors explained that children under 4 or 5 years of age are typically not able to discern these differences—it is not until children are 7–8 years old that they are able to understand the persuasive characteristic of advertising. Yet, countless television programs and phone or tablet apps are aimed toward children under the age of 8.

If children cannot accurately process advertising messages, how does advertising impact them? Concerns about the ethics of advertising to children have led to some changes in self-regulation by the advertising industry itself within the United States. For example, the Children's Advertising Review Unit (CARU) was created in 1974 by the National Advertising Review Council (NARC) and is associated with the Council of Better Business Bureaus (CBBB). A revision occurred in 1996 to address online advertising and information collection, and again in 2014 to add to the Children's Online Privacy Protection Act (COPPA). All guidelines for advertising to children are outlined in the Self-Regulatory Program for Children's Advertising (2014).

The advertising industry is not the only interested party when it comes to advertising and children. In 2000, the American Psychological Association formed a Task Force on Advertising and Children, which delivered a report in 2004 outlining research on how advertising impacts children and families, how

psychological tactics may be used in advertising to children, and other related topics (APA, 2004). A report by Lapierre et al. (2018) called for additional research to better understand how advertising impacts children, how psychological development may influence how children react to messages, challenges with newer media, and how to alleviate problems.

Studies around the globe have looked at how advertising impacts children; for example, Sevik, Sevik, and Zivkovic (2017) found that advertising to children leads to increased materialism as well as higher levels of parent-child conflict due to children requesting or even demanding items they had seen advertised. A particular area of interest, research on advertising to children has focused on fast food or other unhealthy foods, and many of the studies are combining the issues of advertising to children and advertising unhealthy food (for example, Fleming-Milici & Harris, 2018; Frechette, 2015), as this may lead to obesity and other health problems and harmful habits from a young age. Earlier studies focused on television advertising (Gantz et al., 2007) whereas current research also includes web and app advertising (FTC, 2012).

2.3. Advertising of harmful products

Advertising of hazardous or harmful products is another angle that those studying the ethics of advertising have identified. Advertisements for tobacco and alcohol products have historically experienced limits in media placement. For example, hard liquor was not shown on television ads from 1948 to 1996 due to a voluntary ban by the hard liquor companies (Elliot, 1996). In 1996, the Seagram Company pioneered the return to television advertising for hard liquor, followed by other companies who could not risk being put at a disadvantage. Cigarette advertising on television was brought to a halt in 1971 and has not resumed. Those opposing this advertising are typically in opposition to the products altogether, but many also worry about children being targeted, whether intended or not. But advertisers can often get around any bans by using product placement, which shows the product in use during the content of a show or movie.

2.4. Promoting materialism

Advertising introduces consumers to the latest products and trends. It encourages the collection of more items, and showcases material items as good, which ultimately encourages more materialism in society. As Zinkhan (1994) states: "Commercial messages often portray materialism as a "value" (which consumers are encouraged to adopt)." (p. 1). In some cases, it is not that products advertised are harmful or dangerous, but that they are depicted as necessary when they are not, leading consumers to strive to obtain certain brands or products, even if these items are out of their budget. It may not be that one ad convinces someone that a luxury car or the latest technological gadget is a need rather than a want; but the continuous barrage of these messages leaves the consumer feeling that everyone else has something they don't. Schor (1999) explains this phenome-

non as "a relentless ratcheting up of standards" (p. 1), in which the average person tends to believe they need more and more possessions in order to be happy and fulfilled.

2.5. Advertising appeal types

Some advertising appeals are considered unethical by their very nature. Advertising through the use of sex appeals (for example, see Blair et al., 2006) and fear appeals have been the focus of much research attention throughout the years. Particularly troubling regarding sex appeals is sexual content that is not related to the use of the product. For example, LaTour and Henthorne (1994) found that use of a sexual image such as partially nude bodies and sexually suggestive poses in an ad for jeans was rated as more unethical than was an ad for the jeans with less sexual content. This would differ from products that are clearly related to sex, such as condoms.

The controversies surrounding fear appeal tactics have also been debated in previous literature (Duke et al., 1993; Hastings, Stead & Webb, 2004). Fear appeals may lead to anything from momentary discomfort or unease, to longer term psychological distress. In some health-related areas, fear appeals may make sense—they aim to "shock" people into paying attention and making necessary and healthy lifestyle changes (Brown & Whiting, 2014). On the other hand, when fear appeals are used for consumer products or services such as car insurance or a home security system (or even laptop computers and diskettes, as researched by Cochrane and Quester (2005)), does the potential benefit outweigh the risk?

Foerster and Branter (2016) discussed the potential of using humor to cover up or distract from an unethical appeal. Humor may disarm audience members and/or make them less likely to counterargue a message (Gass & Seiter, 2003), and less likely to react negatively to deception in a message (Hsieh, Hsu & Fang, 2010). The use of humor could also lead audiences to be less offended by an unethical message, and it may alleviate concerns or hesitance about privacy issues. Humor may be perceived by audience members as adding the value of entertainment to the message, a concept that has been shown to lead to more positive attitudes toward messages; for example, in-app advertisements (Sigurdsson, Menon, Hallgrimsson, Larson & Fagerstrom, 2018).

3. Today's issues

In today's advertising world, we may still hear of those topics now and then. Indeed, most of the topics above continue to be regularly studied. However, there are newer issues which also lead to ethical questions, and which the research is just starting to identify. New media has opened the door for a variety of ethical issues to arise. For example, concerns have arisen regarding the way marketers and advertisers can track who has seen what online—and how far they take their

communication with those audience members once they are identified is also an issue. Advertising is becoming more personalized as it becomes more intrusive. Social media sites such as Facebook identify keywords for which audience members have searched, and show them ads for the same products. Cleff (2007) remarked upon privacy issues in mobile advertising, mentioning that "mobile advertising may become extremely intrusive practices in an intimate personal space" (p. 225), and suggesting that mobile advertising would need to be permission-based in order to be successful. More recently, privacy concerns have become more focused on what data is being collected, and consumers may be willing to give up privacy or personal information if they receive a benefit. For example, Brinson and Eastin (2016) mention perks such as customized rewards, offers, and advance notice of special offers to consumers who are willing to share information with a company.

People are concerned about privacy, especially when it comes to kids—and the issue of advertising to children and teens continues to be the focus of much research. According to Pew Research, 81% of parents are very concerned or somewhat concerned about their child's information being available to advertisers. Sometimes, advertisers seem to have incorrect information, since 30% of teens have received "clearly inappropriate" ads (although the study did not differentiate between ads that were meant for younger or older audiences).

Montgomery, Chester, and Milosevic (2017) discussed data-mining by advertisers on children as a separate issue from the more general fear of children voluntarily disclosing their own personal information online. This study pointed out that as advertisers get more information on an individual child, ads can be more personalized and therefore more influential. A report by the Federal Trade Commission in 2012 found that mobile apps for children were not using appropriate disclosure statements about what information they would collect and what options were available for children inside the app, such as in-app purchases (FTC, 2012).

4. Conclusion

A wide variety of ethical issues in advertising have been explored and discussed over the past decades. Many of those are still generating debate, while new technologies and new media have introduced new areas of ethical concern, particularly in the area of privacy. Although self-regulation is practiced in the United States advertising industry, the field is changing so rapidly that there may always be new tactics, media placements, or other issues for which there are no pre-existing ethical guidelines. Advertising practitioners may be more or less on their own to make these judgment calls, and if they don't do it well, additional regulations could be promulgated by the Federal Trade Commission.

Future research to investigate thoughts of advertising practitioners on ethics of the industry, their own firms, and the firms of their competition. And although standards of industry self-regulation on and data on American consumers and

advertisers have been the focus of this paper, research on advertising ethics, industry guidelines, and laws from other countries would be vital to our understanding of how advertising ethics are considered, discussed, and practiced around the world.

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