

WHAT'S NEW



## Is “Advertising” Really a Dirty Word?

[By Roshan Tolani]

Ethics have always been an important aspect of every business activity, although the term has meant different things at different times in different lands to different people. Nonetheless, as ethical concerns are an inseparable element of business, advertising cannot ignore them.

Traditionally, the short-sighted business world has tended to isolate ethics and self-regulation from profits at the cost of excellence and permanence. The shallow gains and premature exits of such brands and companies have proven time and again that to sustain success, a business needs to care for society, too.

### Ethics and the Advertising Industry

Sadly, the advertising industry has rarely cared to look beyond immediate marketing objectives. The argument in the industry is that it is the government’s job to judge what is right and what is wrong. Shirking its own responsibility for regulation, the industry has belittled business values, and agencies have harmed their balance sheets.

Is it any wonder society treats “advertising” like a dirty word? Do we have any right to question the public’s dwindling respect for advertising professionals? And do we really need to hire research agencies to find out why seemingly brilliant ad campaigns flop?

### The Latest Findings

The findings of recent surveys have substantiated our fears. A Gallup survey conducted in the U.S. found that only 10% of those polled considered ethics in advertising “very high” or “high.”

In another U.S. poll, when people were asked to name five areas that required governmental regulation, their responses reflected market failures. The top five areas named included water pollution, toxic waste, air pollution, nuclear safety, and advertising.

The industry’s biggest challenge today is the anti-brand, anti-corporate, anti-advertising perception prevailing in society.

“Like it or not, this is the environment in which we are operating,” said Stephan Loerke, the managing director of the Brussels-based World Federation of Advertisers. “Marketers are portrayed as manipulative and dishonest and advertising as a ubiquitous irritant,” Loerke told delegates at the 75<sup>th</sup> anniversary celebration of the Association of New Zealand Advertisers (ANZA) in Auckland.

### The Usefulness of Advertising

The public’s loss of trust in the industry and its work is disappointing, as all of us recognize the significance of advertising for any business activity. It is alarming not only for industry professionals and brand owners but also for all who are concerned with the economic well-being of the world’s nations. It affects governments, intelligentsia, and the public.

We often hear critics and lobbyists calling for bans on advertising. Bans and restrictions

in a free-market society won’t work. Being a major contributor to brand competition, advertising not only provides information but also promotes innovation and can facilitate consumer satisfaction.

The fact is no brand can progress without advertising. Companies, individuals, events, and concepts all rely on advertising. Elections are won and community events are held successfully based on the strength of advertising. Governments and nonprofit organizations often use advertising to raise awareness of causes such as anti-AIDS campaigns and fighting terrorism.

### Self-Regulation in Advertising

In the face of these attacks against the industry, it is our responsibility to regulate our operations. And we must do it ourselves. Self-regulation is not a quick-fix solution; it will be completely ineffective without commitment from and the integrity of one and all.

Self-regulation may require the following:

- the development of a self-regulatory code of conduct covering all forms of media that is sensitive to ethics, legalities, decency, and truthfulness in advertising
- provisions for monitoring and



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accountability, including a policy allowing for the removal of ads that violate the code

- greater participation of advertising professionals in the regulatory process
- the inclusion of non-industry players in the process
- consumer awareness of the self-regulation system
- simplification of the complaint process against ads
- transparency throughout the entire system

These reforms will achieve three goals: they will make the industry accountable for its actions, they will make regulators and critics think twice before attacking the industry, and, finally, they will lead the public to trust ads, advertisers, and agencies.

**The Last Word**

Reputable companies and advertising agencies avoid telling lies. They realize the cost of being caught. A dent in trust can prove to be much costlier than the failure of an ad campaign or, for that matter, even a brand.

The challenge before advertisers and agencies is to ensure that ads reflect our values. We must endeavor to see that “advertising” does not remain a dirty word.

**ON THE NET**

Industry Seeks Image Boost  
[www.adweek.com/aw/national/article\\_display.jsp?vnu\\_content\\_id=1003585144](http://www.adweek.com/aw/national/article_display.jsp?vnu_content_id=1003585144)

Ethics in Advertising  
[www.aef.com/on\\_campus/classroom/speaker\\_pres/data/6000](http://www.aef.com/on_campus/classroom/speaker_pres/data/6000)

Self-Regulation: The Advertising Industry's Commitment to Truth and Substantiation in Advertising  
[www.metrocorpounsel.com/current.php?artType=view&EntryNo=6628](http://www.metrocorpounsel.com/current.php?artType=view&EntryNo=6628)