Ethical Dimensions of Advertising Executions

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ABSTRACT. This paper suggests a framework for determining the ethicality of disguised and obtrusive advertising. While most discussions of advertising ethics deal with deception or fraud, the proposed framework is based on the way messages are presented to audiences. Suggestions for measurement and future research are given.

Introduction

In this paper the authors examine the ethics of what we call disguised and obtrusive advertising. Disguised advertising messages are those that individuals may not perceive as being sponsored because the source of the message is unclear, or because they are presented as editorial material, rather than advertisements. Obtrusive advertising consists of messages that are background to more salient stimuli or messages. Zinkhan (1994) questioned the ethics of employing such advertising and suggested that the issue be investigated. We accept this challenge by first discussing the subject of advertising and ethics. This will be followed by outlining the dimensions of what may be considered disguised and obtrusive advertising. Finally, we suggest a framework for determining whether disguised and obtrusive advertising messages are ethical.

Advertising has been defined (Kotler, 1997, p. 637) as "any paid form of non personal presentation of ideas, goods, or services by an identified sponsor" [italics ours]. Thus, the criteria for defining advertising is that it is a paid for communication and the intended audience can identify the sponsor. Advertising is a selling cost whose purpose is to "provide information to . . . individuals and organizations who may want it for their decisions" (Dirksken et al., 1977, p. 66). On the other hand, there are occasions when a sponsor may promote a product or service by means of public relations, namely, by "planting" information in the news media designated as a "press release", or "news release", which is presented in the form of an editorial. These publicity messages are not paid for by the sponsor and in most cases the sponsor/source is not identified because the media editors are free to edit the content as well as decide whether to communicate them or not. There is increasing use of "paid attempts to influence audiences for commercial benefit using communications that project a non-commercial character"
Deception is generally defined (Hyman, 1990) as false or misleading claims in advertising. For example, the Federal Trade Commission in the United States has ruled that misleading claims need only encourage, not cause mistaken actions by consumers that may cause injury. A classic case in this regard was a complaint made to the FTC Commission against the Ted Bates advertising agency regarding an advertisement for Palmolive Rapid Shave. A claim was made that Rapid Shave would soften sandpaper sufficiently to permit shaving the sand grains from the paper. To illustrate this claim on television a sheet of Plexiglas covered with sand was substituted for sandpaper (Engel et al., 1983). The advertisers claimed that the use of Plexiglas was needed because of “technical requirements” of television in order to properly carry out the demonstration. The Commission, however, held that the advertisement was false and misleading. Thus, from a deontological perspective, an advertising claim is potentially deceptive if it can be shown to encourage mistaken actions by consumers, i.e., actions that have the potential to be harmful. In the Palmolive case, leading consumers to believe that the product possesses attributes that it does not have.

Ethical issues related to advertising content include the use of informative versus emotional, persuasive advertising (Arrington, 1982; Durham, 1984; Crisp, 1987; Lippke, 1989), using messages such as fear (Rotfeld, 1989; LaTour and Zahra, 1989) and sexual appeals (Boddeywn, 1991; LaTour and Hawthorn, 1994), advertising to children (Kunkel, 1988) and minorities (Hacker et al., 1987). Another issue is whether restrictions should be placed on the advertising of so-called harmful products such as cigarette, tobacco and alcoholic beverages.

While both advertising deception and advertising content have received considerable attention in the ethics and legal/marketing literature (see, e.g., Nicosia, 1974; Olson and Dover, 1978; Barbour and Gardner, 1982; Carson et al., 1985; Grunert and Dedler, 1985; Hyman, 1990; Kaid, 1991; Pierce et al., 1991; LaTour, 1994), the ethicality of disguised and obtrusive advertising has not been investigated.

The ethicality of advertising may be deter-

Ethics and advertising

In a recent survey of the advertising ethics literature, Hyman et al. (1994, p. 6) found that “only a handful of topics dominate . . . recent research [in advertising ethics]”. And, these topics tend to be highly concentrated in two areas: advertising deception and advertising content.
mined by the extent to which it harms consumers. Harm may be defined as: (1) violation of autonomy by control or manipulation, (2) invasion of privacy and (3) the violation of the right to know.

Violation of consumer autonomy

Most individuals want to determine their own destiny and be rather free to do so with a minimum of external control (Young, 1986). Therefore, consumers’ desires will be autonomous if they are not induced by some outside influence — such as advertising — against their will (Crisp, 1987). What sort of desires are we talking about? Arlington (1982) Crisp (1987) and Lippke (1989) distinguish between the recognized (Dworkin, 1988, p. 20) schema of first and second-order desires:

. . . autonomy is conceived of as a second-order capacity [a desire to fulfill a first-order desire] of persons to reflect critically upon their first-order preferences, desires, wishes [e.g. a desire for a Club med vacation] . . . and the capacity to accept or attempt to change these in light of higher-order preferences and values.

Arlington argues that an autonomous desire is a first-order desire. He gives the example of a product such as Grecian Formula 16 bought (a first-order desire) because the consumer wants to look younger. However, the question is whether the desire to look younger is inherent, i.e., originated with the person, or is a consequence of advertising. If the desire is inherent, than it is autonomous.

Crisp (1987) and Lippke (1989) raise objections to the sorts of advertising that use puffery, i.e. imply that by using the hair preparation, the person will not only look younger but will become more attractive to the opposite sex. If the advertisement for Grecian Formula 16 implied that by looking younger the consumer of the product would have a better sex life, then it is questionable whether Grecian formula 16 is a first-order, ergo autonomous desire. Such advertising (puffery) is an invasion of a person’s autonomy because it “links, by suggestion, the product with . . . unconscious desires for [for example] power and sex”. Thus, according to this argument, appealing to unconscious desires through implicit messages violates consumer autonomy.

Invasion of privacy

Another argument is that advertising invades an individual’s privacy (Rotzoll, 1986, p. 138). While in most cases an individual has the option to read an advertisement, such as in newspapers and magazines, or to zap television commercials, there are cases where ads are not easily avoided, such as in public transportation vehicles (especially when they are crowded making moving about very difficult) and sports arenas. Therefore, exposure to advertising is not always voluntary (Lippke, 1988, p. 49). Moreover, a person may be unaware that s/he is being exposed to advertising as in the cases of product placement and sponsor unidentified press releases.

Violation of the right to know

A special message was sent to the U.S. Congress by President Kennedy in 1962, with the purpose of strengthening consumer protection. Contained in this message were four basic consumer “rights”: Safety, choice, a hearing of consumer interests and the right to be informed. In our perspective, the right to be informed is synonymous with the right to know if a message is sponsored. Of all the media, the only attempt to regulate sponsor identification was initiated by the Federal Communications Commission for broadcast media under the principle that “listeners are entitled to know by whom they are being persuaded” (Federal Communications Commissions Reports, 1963). However, this ruling does not cover feature films that contain product placements and in many cases even television programs.
Disguised advertising

Because disguised advertising is not perceived as being sponsored, the perceptual process generates an impression that is deceptive because the message may be misinterpreted or a disclaimer may not pass through the attention filter (Aaker and Myers, 1975). Take for example, product placement in movies. Product placement (PPL) is defined as the inclusion of consumer products or services in motion pictures distributed in theaters by major Hollywood studios in return for cash fees or reciprocal promotional exposure for the films in marketers’ advertising programs (Fleming, 1990; Clark, 1991; Balasubramian, 1994). Examples are a soft drink product served in a filmed setting or a fast food restaurant whose name is prominently displayed while being frequented by the actors in several scenes. Both the restaurant chain and the soft drink processor pay for this exposure. Movie studios actively promote product placement. For example, the Walt Disney Company provided a price list for the film “Mr. Destiny”. A visual product display cost $20,000, a brand-name mention, $40,000 and $60,000 if an actor used the product (Magiera, 1990). In most cases however, filmmakers do not realize that product placement is in fact a paid commercial. From a category-based social psychology framework (Chaiken et al., Petty et al., 1983; MacInnis et al., 1991), we would say that filmmakers lack the opportunity and ability to filter product placement advertising, because it does not appear to be sponsored by a commercial source (disguised). Disguise is deceptive and violates the consumers right to know.

The degree to which the sponsor is disguised is determined not only by the extent to which the source is concealed, but also by the degree that consumers believe the message to be non-sponsored information and news. Cases in point are video news releases (VNR) such as InfoVision, broadcast on channels 7 and 25 in Boston, called “New England Today.” This program is styled as a newsmagazine detailing stories about a broad range of companies including food, educational and health care institutions, which costs the sponsor about $22,000 for two and a half minutes. While this particular program begins each broadcast with a disclaimer that the show “is not produced by the television station that you are watching. It is created by InfoVision, a company dedicated to shaping the future of informational television”, not all video programs do. Moreover, even with such a disclaimer, not all viewers discern the program as a paid advertisement. Note that in the case of InfoVision, the company does not disclose who actually paid for the news story. It is the concealment of the sponsor or of the fact that the message is in essence a paid advertisement that presents an ethical dilemma. Not knowing that communication is in essence a paid advertisement, consumers may not attempt to mentally tune-out the message, something they might choose to do if they had knowledge of its commercial nature. Moreover, consumers may be led to believe the veracity of messages when they are communicated by a media source that is taken to be independent of a commercial sponsor.

Obtrusive advertising

An example of obtrusive advertising is the use of billboards in sports arenas when games are broadcast on TV. When a viewer watches a game, his attention is focused on the action that takes place on the playing field, while the billboards serve as background to that activity. An analogous situation in advertising is the controversial area of subliminal persuasion, messages that are below the threshold of normal perception. Although the intended audience exposed to such messages does not sense them on a conscious level, it is purported to perceive them subconsciously (Bargh, 1988; Marcel, 1988; Janiszewski, 1990). While obtrusive advertising is clearly supraliminal, it is subattentive, i.e., it escapes the attention of the viewer and may, not unlike subliminal communications, impact the consumer’s buying behavior while s/he is not aware of it.

The degree of message obtrusiveness is the extent to which the advertisement is secondary to more attention grabbing information. In this context, advertisements range from a low to high degree of obtrusiveness. For example, most
television advertising is designed to be the focal point of attention, even though it is a low-involvement (Krugman, 1969) medium. Background “noise” is limited so that the viewers’ attention will not be distracted from the advertising message. Therefore, the degree of obtrusiveness is extremely low. On the other hand, TV targeted commercial billboards in sports arenas (CBSA) appear as background to the central action (the game) and are not the focus of attention. These types of advertisements (including, e.g., PPL) are embedded within the program and are not the focal piece of information as is the case with all other forms of ads. Because the stimulus of such ads are secondary to other stimuli, their effectiveness has been questioned (Nebenzahl and Hornik, 1985). While their conclusions were based on advertising recall measures, a more recent brand choice experiment (Nebenzahl, 1997) has found that product placement does effect brand choice. In this study, respondents were shown one of several versions of a video clip, where some versions included product placements and others did not. The proportion of respondents selecting one of the tested brands was significantly higher when it was placed in the video clip than when it was not. Given the nature of such ads (short and frequent background messages), one might suspect that they act as a subattentive stimulus generating perception below the conscious threshold. As such, obtrusive advertisements violate consumer autonomy and invade consumer privacy.

The remainder of this article treats two issues (1) the motivation to use obtrusive and disguised advertising, and (2) how the dimensions of obtrusive and disguised advertising may be determined.

The motivation to use disguised and obtrusive advertising

The motivation to increased usage of concealed advertising is fourfold: (1) the increased clutter and distraction in more traditional advertising vehicles (MacInnis et al., 1991) exemplified by the proliferation of messages and the predilection of audiences to avoid commercials as in television “zapping” (Yorke and Kitchen, 1985), (2) the spiraling cost of other media, (3) the fact that younger and more affluent consumers watch relatively less television than the average, and therefore avoid exposure to programs, forcing marketers to find new channels of communication that can help them achieve their marketing communications goals (Bogart and Lehman, 1983) and (4) the refusal of public TV stations to accept commercial advertising. These four factors together mean that the cost of effectively motivating consumers has increased substantially. Disguised and obtrusive advertising is more cost effective when it succeeds in avoiding audience alienation.

Dimensions of advertising executions

In this section we propose a two-dimensional model (Figure 1) to determine the ethics of communication disguise and obtrusiveness. The two determinants are (1) Disguise – the degree of source concealment, i.e., the extent to which the sponsor is identified and/or is able to cloud the fact that the message is a paid advertisement and (2) Obtrusiveness – the degree to which the message is secondary to more salient communication such as a sports contest or a scene in a movie.

Application of the model as shown in Figure 1 suggests that communications located in quadrants 2, 3 and 4 are of questionable ethics. Relatively, the problem of ethics is less severe in quadrants 2 and 3, and most severe in quadrant 4. For example, a video news release (VNR) is high on concealment, but low on obtrusiveness, that is the message is the focal piece of information and is not intended to generate perception below the conscious level. TV targeted billboards in sports areas (CBSA) are high in obtrusiveness, but low in source concealment, quite the opposite of VNR. While it is obvious to the audience that the billboards are paid advertisements, perception of them may be more subattentive than conscious attention. Finally, product placement (PPL) may be both high on source concealment and obtrusiveness and there-
fore the least ethical form of advertising. In this category – even though to a lesser degree – are unidentified short commercially sponsored films (USCSF) in motive theaters and unidentified press releases (UPR) where the source is concealed. An example of the latter is an article in printed media extolling a product, that in reality has been paid for by the sponsor. UPR is being used in many Russian publications. As a result of dwindling government funding, many periodicals are in financial difficulty. Newspapers send a staff journalist to meet with company representatives and the result is an article that is reviewed by the client before publication. Usually, the text does not indicate that the article is really a paid advertisement (Babakian, 1993). USCSF and UPR advertisements in quadrant 4 are relatively high on the dimension of source concealment and somewhat high on the dimension of message obtrusiveness.

Also listed in quadrant 4 is a relatively new promotional technique – the use of fragrances to enhance sales in retail stores. The assumption is that because smell is believed to be the most closely linked of all the senses to memory and emotions, stores can use it to put people in the mood to shop (Miller, 1993). Scent however, is part of store ambiance, like background music or lighting, all of which are supraliminal. In this regard it belongs in quadrant 4, because it is highly disguised as a promotional device and very much in the background.

To sum up, communications positioned in quadrant 4 are the least ethical because they are deceptive and violate consumer autonomy, privacy and the right to know. Communications in quadrant 3 violate consumer autonomy and the right to know, while those in quadrant 2 are deceptive and violate consumers’ right to know.
Estimating model parameters

Up to now, we have presented a theoretical model that describes what we have termed disguised and obtrusive advertising. Having suggested a two-dimensional model that graphically displays various sorts of communications, we now turn to the measurement of these parameters.

The measurement of disguised advertising follows its definition, namely, messages that individuals may not perceive as being sponsored because the source of the message is concealed, or because they are presented as editorial material, rather than as advertising. In order to measure the extent of disguise, one has to determine the likelihood that the average person will not be able to discern the fact of sponsorship. This likelihood may be measured in two ways, first, by using content analysis in order to evaluate a-priori the extent of disguise; and second, through surveys that estimate the proportion of respondents who believe that the message is not sponsored by a commercial source. In either case, disguise may be measured on a 0 to 1 scale that represents the probability that the average consumer believes that the message is not sponsored. For example, say that 0 represents a situation wherein all consumers are aware that the message is commercially sponsored and also know who the true sponsor is. The number 1 represents a situation wherein no consumer is aware that the message is commercially sponsored.

Content analysis of messages may follow the suggested guidelines as shown in Table I.

<table>
<thead>
<tr>
<th>Scale value</th>
<th>Information content of the message</th>
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<tbody>
<tr>
<td>0.00</td>
<td>The message contains a clear statement that it is commercially sponsored and the sponsor is clearly identified.</td>
</tr>
<tr>
<td>0.25</td>
<td>The message tries to shed its commercial nature by being presented as a press release.</td>
</tr>
<tr>
<td>0.50</td>
<td>The message is presented in editorial format, but the commercial sponsor is identified.</td>
</tr>
<tr>
<td>0.75</td>
<td>The message is presented as editorial material prepared by an uninterested third party.</td>
</tr>
<tr>
<td>1.00</td>
<td>The fact of sponsorship is completely concealed.</td>
</tr>
</tbody>
</table>

Consider the presence (or absence) of source identifying statements, such as “company sources claim that . . .”, “tests conducted by the XYZ company prove that . . .” and the like.

The probability that the average consumer believes that the message is not sponsored may also be measured by consumer surveys. In such surveys, respondents are exposed to an object message and are asked to identify the sponsor. The proportion of those who fail to identify the true sponsor constitutes the measure of disguise.

Obtrusiveness — the degree to which a message is secondary to more salient communication — may be measured by the difference between unaided recall and recognition (Singh et al., 1988; Norris and Coleman, 1992; du Plessis, 1994; Babin and Thompson, 1996). In unaided recall, a person is asked to describe the content of a message as he or she recalls it. Usually, only salient information is recalled. In tests of recognition, elements of the message are presented, together with elements that were not included in the message, and the person is asked to point to those elements he or she recognizes as being a part of the message. Typically, secondary information that is not recalled may be still recognized. Thus, consumer surveys may be conducted in which exposure to the object
message is followed by unaided recall and recognition tests, in this order. The measure of obtrusiveness is estimated from the percentage of respondents who recall and the percentage of respondents who recognize the sponsorship and/or the sponsor using the following formula:

$$Obtrusiveness = 1 - \frac{\text{Recall Percent}}{\text{Recognition Percent}}$$

In this formula, the ratio between the percent of those who recall to those who recognize the sponsorship and/or the sponsor is a measure of saliency and should be in the 0–1 range, because recognition is known to be always higher than a previously conducted unaided recall. The closer the ratio to the number 1, the less the difference between the two measures and the more salient is the tested information. By subtracting the ratio from 1, a measure of obtrusiveness, also ranging from 0 to 1, is obtained. For this measure, high values represent high levels of obtrusiveness.

Application of these measures will enable the researcher to position various types of messages on the ethical dimension graph as shown in Figure 1. Since these concepts have not been tested empirically, our positioning of communications in Figure 1 may shift somewhat.

Discussion

Empirical research related to the ethical dilemma of concealed or unidentified advertising has been limited to only a few of the advertising examples cited above. In a survey of 100 advertising agency senior executives (Sandler and Secunda, 1993), it was found that while they substantially agreed that product placement is a subtle form of advertising, they disagreed that it is deceptive. However, the same group of executives disagreed that commercials and newsreels/short subjects promoting products should be shown in theaters. Critics like Jacobson (1988) have protested against product placement in films, observing that “the infusion of products into films threatens cinema as an art form. Audiences are never told that they are the object of a uniquely insidious and deceitful form of advertising.” However, in

a survey of university students’ attitudes towards PPL, Nebenzahl and Secunda (1993) found that only a small minority objected to the practice on ethical grounds.

Secunda and Nebenzahl (1995) studied consumers’ attitudes toward intermission time utilization in movie theaters. An increasing number of theaters are using short commercially sponsored films (SCSF) as “time fillers” when the featured film is of shorter length than normal and theater management needs to provide programming material that would allow them to schedule programs on the hour, instead of at irregular clock times (Lipman, 1990). When given the choice of paying higher admission prices or viewing SCSF, respondents opted for the films. Respondents were then informed about the commercial sponsorship of these films, but this fact did not alter the rating of this medium. Apparently, utilitarianism was the consideration; it was less painful to be subjected to SCSF than pay a higher price for admission. This would seem to imply that consumers are not much concerned about the morality of using sponsored news films in theaters, although the authors did not directly address this issue in their study.

In our view, consumer attitude toward obtrusive advertising is but one (normative) indicator of the ethics of this sort of promotion. What needs to be answered is whether disguised and/or obtrusive advertising violates the principle of consumer autonomy, privacy and right to know. From a deontological perspective, any reduction of consumer autonomy and the right to know and/or invasion of privacy is unethical, such as advertising that creates a first-order desire using messages that are either strongly disguised and/or obtrusive. Even from a teleological point of view, disguised or obtrusive messages would be unethical because the gains to the sponsors of such advertising could not outweigh the losses to autonomy and privacy of the large number of consumers exposed.

Some may assert that loss of autonomy is a necessary but not sufficient condition to conclude that advertising is unethical. A sufficient condition is that consumers perceive the advertising. The claim that disguised and obtrusive advertising are unethical is based on the
extent to which target audiences attend to such messages. In other words, such advertising would first have to capture the attention of consumers and then be effective in influencing their behavior. Burnkrant (1976) and Burnkrant and Sawyer (1983) found that if consumer readiness to process brand information increases, the level of information processing increases. The assumption is that as the degree of disguise increases, consumers are less able to apply defense mechanisms against the ad and therefore their motivation to attend to the ad increases. Moreover, the use of affect-laden executional cues (Petty and Cacioppo, 1986), rather than strong message arguments in disguised ads may be effective in producing brand attitudes.

Most advertising messages are designed so that the intended audience perceives them at the conscious level. However, we have shown that high obtrusive advertising messages may be perceived at unconscious or subattentive levels. Therefore, like the case of disguise, as the degree of advertising obtrusiveness increases, consumers increasingly attend to the ads at the subconscious level. While there is some evidence – as shown above – in the marketing and psychology literature to substantiate the relationship between disguised and obtrusive advertising and audience attentiveness, more research is needed to determine the degree of causality. Assuming that causality between disguised and obtrusive advertising and consumer attentiveness is shown, what if any action should be taken and by whom?

References

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