

Advertising and consumer sovereignty



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Advertising in the modern day has developed alongside the advent of business ethics as a scholarly and academic practice. As the ethical environment of business has seen a surge in study and discipline, advertising has undergone even more intense scrutiny and discussion.

Though advertising and criticism is no new marriage as it has been under the microscope since its takeoff in the 1930s, developments in both approach by advertisers and its critiques has lead to an even heavier discussion than before. The focal point of this critique revolves around the notion of consumer sovereignty and how it theoretically has been altered by the ad.

The aim of this paper is to address this very subject and propose that consumer sovereignty remains relatively untarnished by advertising. This paper will broach the subject by introducing the definition of advertising in the contemporary context, the general issues and criticisms of it, the more focused discussion concerning consumer sovereignty, as well as several mini case studies. Such arguments become critical in today's market as advertising seeks even more complex and clever ways to gain attention of the consumer, furthering the arguments against it.

The mention of said consumer also warrants a disclaimer for purposes of these arguments. It should be noted that here, the " consumer" is understood to be somewhat intellectual, rational, logical, and most importantly is able to exercise both the mental capacity and social freedom to make choices in the market. Without this understanding of the basic " consumer," outliers in the consumer population will sway arguments to the extreme and discredit both sides. It is the understanding that the whole

ethical framework of human life is our awareness that people ordinarily can choose.

Advertising is understood to be a form of communication to persuade a consumer. It stems from the need for a supplier/sender to call attention to their (products or services) availability for sale. Simply put, advertising is a promotion for goods and services. How these advertisements take shape varies greatly, especially in the dawn of the high tech where Internet advertisements have become main place, and often not more of an annoyance to the consumer than anything.

Advertising itself is fundamental in the operations of a business or organization to draw the needed attention from its consumer or receiver base. One would simply sit in the dark without some form of advertising. Furthermore, there is the case of the non-commercial advertisers that seek to promote items other than consumer goods. This may be promotion for a political party, public service announcement, religious organizations, or government agencies. Advertising has spread across mediums from the tangible to the digital, constantly evolving to match a shift in consumer taste and demand.

The goal of the advertiser is not only call attention to their product or service, but to further enhance the image of a product or service. Advertising is also not a one sided coin. It creates “ mutually beneficial exchanges” that benefit both consumer and producer. Beyond the basics of advertising benefiting the produces by drawing attention to their product or service, the consumer also gains from this form of communication. An advertisement

may directly capture someone's wants and desires, or inform about a subject.

They also help pay for services and or goods that the end user would have to pay a higher premium for, or not pay at all. The kind of information sent over the channel of advertising varies greatly as well. A large majority of advertises provide little direct information about the goods advertised. Instead, the information indirectly signals the quality of goods advertised. Some may take it further however, and provide essentially no information. Rather, they entertain, create favorable associations between sexual allure and the products advertised.

This creates a post for critics of advertising to stand upon, which will be further discussed as it pertains to consumer sovereignty and choice.

Advertising as an entity also falls under the accusation of wrong doing by both ethics (academic) and consumer ethics and perception. An ad that may be offensive, tasteless, stereotypes, or contain factual claims that are false may ultimately do more damage than good. " Shock and awe" ads fall victim to these perils more so than others, as an attempt to standout from the plethora of advertisements taken in by consumers everyday.

Regulations within the United States under the FTC aim to regulate advertising that is deceptive or unfair. Though these regulations are often perceived as loose and almost nonbinding, advertising in this sense must become self-responsible. Ads which do not adhere to this self-responsible character and go " wild" end up hurting both producer and consumer. Besides the cliché, " any publicity is good publicity," the ad, which does not

self-regulate, falls into the pitfall of alienating more of their base than attracting it. Both consumer and society will shun the producer to a certain extent.

This can be seen with tobacco companies and their regulations in advertisement since the 1960's . This presents the general criticisms that advertising undergoes, which will further lead into the controversy surrounding consumer sovereignty. The two major talking points is that advertising create desires in us that we feel the need to satisfy, by this action leads a population to depend on the producer of goods and services. The other major facet of criticism is advertisements acting as instruments of manipulation and exploitation.

The later discredits this paper's definition of " consumer. " The presentation here is that the consumer acts like a lemming, a brainless entity that is agrees and follows any information presented to them. The term " impulse buying" applies to this argument. Though this exists, the consumer still has made the conscious decision to become an impulse buyer. These impulse buyers don't have to buy; they have simply chosen carelessly. An advertisement in no way rewires the human brain to purchase or require the use of a service.

This directly correlates with the notion of consumer sovereignty and the basic right and understanding of the consumer having choice. Consumer sovereignty introduces the basic idea that the consumer is " King" or " Ruler" of the market. Their purchasing power is used to motivate and sway producers as to what to introduce to the market. The most fundamental

understanding here is that customers do not have to buy. Critics of advertising argue that it cripples consumer sovereignty, degrades it to a degree that, as introduced previously, the consumer will blindly make purchases.

Again, the noted understanding of consumer in this paper is critical here. However, as with impulse buying, having the capacity to reason does not mean that one will always reason. There are extremes that will counter this argument, but they are not definite. Meaning, overall the consumer has the ability to reason and may forgo this ability in some instances, but should not be generalized for the entire population. If this were true, as presented in the arguments against advertising, advertising beyond its most simple form would cease to exist.

However, advertising must be cleverly designed because people can ignore it. Not only that, but the flood of advertising means that an organization must find a way to stand out from the rest of the pack. As said, if consumer sovereignty has been relinquished, clever advertising (most notable example is Apple Inc) would not have to exist. Yet, choice still prevails as such ads continue to undergo updates and research to make them more appealing and effective. The case studies of tobacco and pharmaceuticals present themselves as ideal studies with concerns of advertising and consumer sovereignty.

The tobacco companies are the most publicized when it comes to the ethics of advertising and responsibly. The Cigarette Advertising Code in 1964 prohibited American tobacco companies from advertising toward young

people and prohibited fraudulent health claims, while promoting tobacco use only in a responsible manner. Though such guidelines could easily be classified as “grey,” public support was, and still is, in full swing. Here is yet another example of denying that advertising is inherently “evil.”

The self-responsible company, under both law and public pressure, moved away from such advertising without cutting profits or alienating a customer base. Should the law be thrown out, tobacco companies would still be under social pressure to adhere to the common understanding that is “unethical” to target an underage population or make fraudulent health claims.

Furthermore, with medical research presenting the numerous risks associated with smoking, the consumer (under the free market) still has the right to choose to purchase tobacco products.

This is not an argument that the consumer is uneducated of the risks and goes in blind, it expresses the idea that the consumer (educated and aware) still make these conscious choices to consume. The recent phenomena of pharmaceutical companies advertising directly towards the final end user has also drawn much criticism. By cutting out the middleman (the doctor who prescribes such prescription medication) the drug companies are seen as “pushers,” leading to hyper-consumption of such drugs for ailments.

Once again, the understood term of “consumer” in this paper comes into play. The rational consumer will not see an advertisement for a prescription heartburn medication and draw some conclusion that he or she might need the drug though they have no symptoms of the disease/ailment. However, referring back to the mutual benefit of advertising, the consumer will gain

knowledge of a newer (possibly better) drug on the market for a symptom they may already be diagnosed with. Though the consumer may not be a medical expert, it gains a certain amount of power for the patient for their purchase choices on medication.

Again, consumer sovereignty is not hindered, it is advanced. Advertising is not an evil being that thrives on the lame or weak. It makes our economic system work more effectively by giving the consumer the information they need to make informed product choices, thereby promoting competition and innovation. Increased consumer knowledge through advertising leads to better products and choices. With an ever-empowered sense of consumer sovereignty, the consumer can now further dictate what products a producer makes.

This holds true for both the large population and niche markets. One's livelihood may depend on their employers' development of advertising in the market, thus directly or indirectly benefiting their own good and value. If human life is a value, then advertising is a value. Advertising does not erupt from some alien source; it is consumed and produced by another human for the push for a better organization and way of life. In the free market, advertising is the mechanism that drives the awareness of the consumer of producer.