

Advertising regulation assignment

[Art & Culture](#)



**ASSIGN
BUSTER**

Advertising regulation is essential for the free functioning of the markets. It is necessary to regulate advertising to ensure that there is a free flow of goods and services that offered for sale. Advertising that provides useful information to consumers on one side and on the other side enables firms to promote their products. However, if advertising is used for deception of consumers, dishonest information, or misleading consumers, there can be failures in the market. There can be breakdown of markets or mistrust of companies that are marketing their odds.

To remove such anomalies from the market it is necessary to have Advertising regulation (Surgeon. L, Tenor. M, & Henderson. S, 2010). When advertising distorts the market by giving deceptive information, these induce consumers to buy goods that they would not have purchased had they not been misled by the advertising. At this stage the government needs to step in with Advertising regulation and restore honesty in the market. The intervention by the government includes forming laws and regulation, enforcing those laws, and examining individual cases.

The government also needs to set standards for certain types Of advertising so that consumers are not misled. For instance, if a loan is being advertised then the government standards will require the advertiser to give full terms of the loan offered. Similarly, in case of medicine advertising the government can require that the entire list of side reactions should be advertised.

Advertising regulation is required to ensure that advertising claims are truthful and there is no deception or misleading of consumers. One of the most pernicious types of advertising deceptions are those that make false claims about objective facts.

In several cases the claims are such that the consumer finds it difficult to verify them. In such cases there is a strong need for regulation. Consider the case of claims made by a slimming formula; the consumer has no way of assessing its effectiveness. If the consumer is misled, the regulatory agency should be able to verify the claims made so that the consumers are not misled. Consider the case where advertising is targeted at children. This segment is a susceptible segment because children are more likely to be waded by exaggerated claim (Surgeon. L, Tenor.

M, & Henderson. S, 2010). Further, if a prescription drug is targeted at the general public then there is strong need for regulation. From a different perspective if advertising is immoral, unethical, or unscrupulous it should be regulated. If there are advertisements that cause injury to people such advertising should be regulated. Most importantly, advertising that causes fraud to the consumer should be regulated. In case of fraud, if advertising makes claim about a product or services that brings benefits to the consumer that the product goes not bring there is a fraud.

If the service does not provide the benefits claimed in the advertising there is a fraud. Advertising regulation is required in these cases. One of the most important areas where Advertising regulation is required is health related products and services. Currently, there is a spurt of direct to consumer advertising. This information is directly aimed at the patient and commercial information is touted as educational information (Wolfe. S, 2002). Advertising regulation is required to protect patients.

This problem is exacerbated in case of direct to consumer advertising of prescription drugs. The advertising increases the sales of these medicines but later it is found that these drugs have serious risks (Donahue. J, Coevals, M, & Rosenthal. M, 2007). Advertising regulation is necessary in these cases. Also there are products whose advertising leads to harmful social effects. For instance, alcohol advertising may lead to social harm and abuse. Advertising regulation is required for alcohol advertising (Manson. H, 2011). There is a movement against Advertising regulation.

The reasons even are that Advertising regulation is against the basic tenets of freedom of speech. Those against Advertising regulation propose that there should be self-regulation. Those associations of advertisers can decide what good advertisements are and which advertisements should be disallowed. Such claims say that there should be social control of advertising. However, these arguments are not acceptable because State control and regulation affects all the advertisers and does not allow differences in standards nor does it allow some advertiser to run free and advertise what he likes.