



**THE IMPACT OF CONSUMERS' PERCEPTION TOWARDS
UNETHICAL PRACTICES IN SOCIAL MEDIA ADVERTISING –
WITH SPECIAL REFERENCE TO CHENNAI CITY**

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ABSTRACT

The purpose of this study is to investigate unethical advertising from the standpoint of businesses and their customers. The thesis seeks to identify customer perceptions about unethical advertising. The paper investigates the concepts of business ethics, marketing ethics, and unethical advertising. Advertising is the most important aspect of marketing. Advertisements are distributed to the general public via television, radio, magazines, newspapers, and the internet. Today's technology allows for new and successful marketing methods. For corporations, ethics is still a major concern. Businesses do not adhere to marketing ethics requirements. Advertisers generate immoral content in order to enhance product and service sales. The quantitative method was used to collect data for this investigation. The study's sample method is non-probability sampling. Quota sampling is used to investigate disparities in age groups. A web-based questionnaire is used to perform the research. The study's findings are assessed descriptively. Customers are aware of unethical advertising, according to the findings. People are either upset by unethical advertising or ignore unethical cases. Some people are inclined to boycott corporations that advertise in an immoral manner, while others are simply frustrated by the companies' activities.

Keywords: Business ethics, marketing ethics, unethical advertising, consumer attitudes

INTRODUCTION

This paper is about unethical advertising. The author chose the issue because he finds ethics in advertising to be a very interesting and topical topic. The paper explores people's attitudes towards social media advertising, particularly if it is deemed immoral. Advertising has evolved significantly over the years, and individuals are exposed to it on a daily basis. It is widespread throughout the world and nearly impossible to avoid. The advancement of technology allows advertisements to spread faster than ever before over the internet. These changes have been made possible by the emergence of social media in particular. It has gotten increasingly difficult for advertisements to capture the attention of consumers, and as a result, businesses are resorting to more immoral tactics to gain attention.

The research dilemma is that business organizations create unethical advertising to attract customers, yet there is insufficient knowledge on how unethical advertising affects customers. Unethical practices reflect poorly on corporations. Corporate profitability will suffer, colleagues' relationships will suffer, and work satisfaction and performance may suffer (Keith *et al.* 2008, 81) Each year, advertisers release contentious commercials and advertisements that are chastised for being improper. People's tolerance is being tested, and businesses should think more about how to provide ethical content. The study's goal is to discover people's perceptions towards unethical advertising and how it affects them. To understand unethical advertisements, it is necessary to study advertising ethics.

LITERATURE REVIEWS

Social Media

Kumari, Patthey and Anute, (2022) SEO and Social Media marketing are extremely important for the company to make them visible.

Business ethics

"Ethics (also known as moral philosophy) is a field of philosophy concerned with systemizing, protecting, and proposing ideas of ethical and immoral behaviour." (Belch, Bech 2009 referenced in Huq *et al.* 2016, 13) Basic guidelines for employees and customers are also determined by business ethics. On working days, businesses have ethical requirements that must be met. Acceptance of varied professional practises, vocational identities, and maturities will be aided by business ethics. Companies should encourage high standards and staff assessing oneself. (Munjal 2016, 238)

Setting moral standards and ideals for an individual or group is what ethics is all about. It is a choice between right and wrong, as well as between good and terrible. (Sidhu *et al.* 2015, 115)

"Business ethics is an investigation of business circumstances, operations, and choices where problems of morality and wrongdoing are addressed." (Crane, Matten 2010, 5)

Marketing ethics

Marketing is the process of creating and providing products and services to customers through interaction with customers and other companies. (The American Marketing Association 2013)

Marketers must adhere to six ethical values: honesty, respect, accountability, fairness, transparency, and citizenship. Marketers must understand their customers' requirements and desires in order to provide them with the finest potential solutions. Communication and privacy must be protected by adhering to government rules and regulations. (Anastasia 2015)

Ethical marketing adheres to the law and best practises. Marketers, advertising agencies, and the media must embrace all

standard commercial practises. All of their actions should include social and professional duties. According to the International Chamber of Commerce, marketing should not erode consumer trust. (Paloranta 2014, 2)

Consumers' basic rights are human rights that are designed to protect them. Consumers have four fundamental rights: the right to be safe, the right to be informed, the freedom to choose, and the right to be heard. (J. F. Kennedy 1962 referenced in Huq *et al.* 2016, 14)

Unethical advertising

Viewers have unfavourable emotions as a result of unethical advertising. Consumers are confused about the product as a result of unethical advertisements. Advertisements should be honest and ethical because consumers are the ones who see them. (Vaux 2018)

Unethical advertising is generating and misrepresenting ethically harmful content to consumers via mass media platforms. Advertising is unethical if it tries to harm competitors' products, provides inaccurate or misleading messages and information, makes inflated claims, is morally corrupted, or has a negative impact on people's lives. (Huq *et al.* 2016, 10)

Advertisers are making even more false and exaggerated claims about their products, goods, and services. Due to unethical advertising, businesses may lose their trust and competitive position in the market. (Sidhu 2015, 115)

Unethical advertising types

Puffery's claims are subjective rather than objective. In comparison to other unethical forms of advertising, puffery is still regarded a lawful and recognised advertising strategy. (Myers 2018)

According to Munjal (2016) Surrogate advertising promotes illegal products such as cigarettes and alcoholic beverages. Because these product promotions are harmful to people's health, they should be avoided. Even though it is illegal, alcohol and cigarette industries find innovative

ways to sell their brands. Some critics are concerned about commercials that urge individuals to smoke and drink.

Unethical behaviour and consumers' attitudes

The advertising process is influenced by consumer perceptions. Ads that are misleading can lead to the use of unhealthy items. False advertising harms the company's reputation. False advertising generates unfavourable feelings and impressions among consumers. Manipulation has a harmful impact on morals and the environment. Unethical action has an impact on consumer expectations and generates unfavourable word of mouth about the organisation. (Nimrah, Shah 2015)

Paloranta (2014) thinks that Marketing is judged based on the image it projects to its target audience. Marketing is viewed by consumers as rational, attentive, and watchful. They respond to advertising because it provides them with important information and is readily available and visible to them.

OBJECTIVES OF THE STUDY

- To understand ethics in advertising
- Identify the views regarding unethical advertising
- Analyse the results regarding unethical advertising

METHODOLOGY

The quantitative method was used to collect data for this investigation. This strategy was chosen since it provides more information on the members in the group. It provides a larger sample size and more information regarding potential variations across age

groups. Non-probability sampling is the sample procedure, whereas quota sampling is the sampling technique. The data are interpreted using descriptive statistical analysis. The data used are both primary and secondary data. The questionnaire uses primary data because the data is being collected to solve the research challenge. Secondary data is utilised to supplement previously obtained theoretical foundation.

Sampling Size and its composition

In the study, the survey approach is employed to collect primary data. To obtain primary data, the survey technique employs a well-crafted questionnaire and the convenience sampling technique. In this investigation, a non-probability sampling technique was applied. The method was chosen because it does not rely on chance. Because the study was only available to persons who could use the internet, probability sampling was not possible. Furthermore, the procedure was chosen since it was inexpensive and time-saving. Quota sampling was employed to help calculate the correct population proportions. The questionnaire has 108 respondents.

QUESTIONNAIRE DESIGN

To acquire primary data, a well-structured questionnaire was used. The first component requested personal information as well as generic advertising choices. The second portion addressed concerns regarding unethical advertising.

Statistical tools used

The following statistical tools were used to obtain results:

- Percentage Analysis
- ANOVA Test (One-Way Classification)

ANALYSIS AND DISCUSSION

S. No.	Questions	Options	Percentage of Response
1	Gender	Male	47%
		Female	53%
		Total	100%
2	Age	Below 25	37%
		26-35	26%
		36-45	20%
		Above 55	17%
		Total	100%
3	What kind of advertisements they see most frequently	Online advertisements	58%
		Television advertisements	12%
		Radio advertisements	10%
		Newspaper advertisements	9%
		Advertisements on the street	7%
		Magazine advertisements	3%
		Billboards	1%
		Total	100%
		Funny advertisements	4%
		Informative	13%
4	Kind of advertisement they like	Unique	8%
		Creative	3%
		Emotional	1%
		Meaningful	9%
		Straightforward	11%
		Genuine	47%
		Inoffensive	2%
		Offensive	0%
		Purpose marketing	1%
		Retargeted message	1%
		Total	100%
		To remain updated and gain knowledge of the product/service	34%
		To be aware of the product/service	32%
		For entertainment	15%
5	Reasons to watch advertisements	I do not pay attention to advertisements/commercials	7%
		To know the features of specific brand	12%
		Total	100%
		Yes	67%
		No	33%
		Total	100%
6	Have ever bought a product or service because they liked the advertising	Strongly Agree	12%
		Agree	30%
		Neutral	32%
		Disagree	21%
		Strongly Disagree	5%
		Total	100%
		Exaggeration	62%
		False brand comparison	11%
		Unverified claims	2%
		Stereotyping women or men	19%
7	Whether unethical advertising has influence on them	Surrogate advertising	3%
		Using children as part of advertising	3%
		None of these	0%
		Total	100%
		Exaggeration	62%
		False brand comparison	11%
		Unverified claims	2%
		Stereotyping women or men	19%
8	Most unethical advertising types	Surrogate advertising	3%
		Using children as part of advertising	3%
		None of these	0%
		Total	100%

9	They have decided not to buy a product or service due to an unethical advertising	Yes	64%
		No	36%
		Total	100%
10	What would be their actions, if a company where they are loyal customer, advertise unethical way	Disappointed but continue to be loyal customer.	47%
		Boycott this company	36%
		It not their business	9%
		Do not pay attention to the case	8%
		Total	100%
		Strongly Agree	19%
11	Companies are aware when they advertise unethical way	Agree	36%
		Neutral	30%
		Disagree	13%
		Strongly Disagree	2%
		Total	100%

ANOVA TEST
ONE – WAY CLASSIFICATION

Age and Impact due to Unethical advertisement	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Below 25	8	3	15	4	3
25-35	12	2	6	4	3
35-45	2	3	4	3	1
Above 45	4	10	3	8	2

NULL HYPOTHESIS:

H₀: There is no relationship between Age and Impact due to Unethical advertisement.

ALTERNATIVE HYPOTHESIS:

H₁: There is relationship between Age and Impact due to Unethical advertisement.

X ₁	X ₂	X ₃	X ₄	X ₅	X ₁ ²	X ₂ ²	X ₃ ²	X ₄ ²	X ₅ ²
8	3	15	4	3	64	9	225	16	9
12	2	6	4	3	144	4	36	16	9
2	3	4	3	1	4	9	16	9	1
4	10	3	8	2	16	100	9	64	4
26	18	28	19	9	228	122	286	105	23

$$N = 4+4+4+4+4 = 20$$

$$T = 26+18+28+19+9 = 100$$

$$\frac{T^2}{N} = \frac{(100)^2}{20} = \frac{10000}{20} = 500$$

$$\begin{aligned} SST &= \sum X_1^2 + \sum X_2^2 + \sum X_3^2 + \sum X_4^2 + \sum X_5^2 - \frac{T^2}{N} \\ &= 228+122+286+105+23-500 \\ &= 764-500 \end{aligned}$$

$$SST = 264$$

$$\begin{aligned}
 \text{SSC} &= \frac{(\sum X_1)^2}{N_1} + \frac{(\sum X_2)^2}{N_2} + \frac{(\sum X_3)^2}{N_3} + \frac{(\sum X_4)^2}{N_4} + \frac{(\sum X_5)^2}{N_5} - \frac{T^2}{N} \\
 &= \frac{(26)^2}{4} + \frac{(18)^2}{4} + \frac{(28)^2}{4} + \frac{(19)^2}{4} + \frac{(9)^2}{4} - 500 \\
 &= \frac{676}{4} + \frac{324}{4} + \frac{784}{4} + \frac{361}{4} + \frac{81}{4} - 500 \\
 &= 169 + 81 + 196 + 90.25 + 20.25 - 500 \\
 &= 556.5 - 500
 \end{aligned}$$

SSC = 56.5

SSE = SST – SSC

= 264 – 56.5

SSE = 207.5

Source of Variance	Sum of Square	Degrees of Freedom	Mean sum of square	Variance Ratio
Between Column	SSC = 56.5	C-1 = 5-1 = 4	$MSC = \frac{SSC}{C-1}$ = $\frac{56.5}{4}$ = 14.125	MSE > MSC $F = \frac{MSE}{MSC}$ = $\frac{14.125}{13.833}$ = 1.021
Error	SSE = 207.5	N-C = 20-5 = 15	$MSE = \frac{SSE}{N-C}$ = $\frac{207.5}{15}$ = 13.833	

No. of degrees of freedom = (C-1 , N-1)

= (5-1 , 20-5)

= (4 , 15)

5% level of significance = 3.06

Table value = 3.06

Calculated Value = 1.021

Here Table Value > Calculated Value

Therefore **H₀** is accepted and **H₁** is rejected

RESULT:

There is no relationship between Age and Impact due to Unethical advertisement.

FINDINGS

Respondents prefer to watch most commercials online. Because technology has advanced over the years, people are expected to view advertisements mostly through electronic means. Respondents like to watch advertising that are amusing, instructive, original, and innovative. The reasons for watching these adverts are to be

informed about the product and to be aware of it. Advertisements let people learn more about a product. People watch them for entertainment as well, yet they may pass undetected by when utilising modern devices. Most people are forced to observe commercials while watching television, listening to the radio, reading newspapers and periodicals, or surfing the internet.

Unethical advertising is not profitable over time. Although firms receive attention at such time, it does not stay long, and as a result, organisations may lose reputation. When considering unethical advertising, advertisers should consider marketing ethics. Ethics is the moral principles of what is right and wrong, or what is good and what is bad. That is, ethical advertising is correct and good advertising, whereas unethical advertising is incorrect and harmful advertising. Cultural, religious, gender, political, and ethnic issues must be handled with care. Some themes are not deemed unethical in some countries, while others are absolutely prohibited from advertising.

CONCLUSIONS

There should be greater broad debate on the subject so that people are more aware of unethical advertising practises. Advertising should be regulated on a worldwide scale. Advertising standards and laws must be obeyed. More councils should be formed to defend ethical advertising and protect consumers' interests. Advertising should be honest and ethical.

Advertisers should become more familiar with ethical frameworks and develop more standard principles and rules. Before releasing the advertisement, there should be strict oversight. Advertisers must remember to consider their clients' demands. They should not make promises that they cannot keep. Companies' ethical reputation suffers as a result of repeated unethical advertisements. It is critical to be aware of what is being advertised at the moment. People should boycott the company if it advertises in an immoral manner.

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