

An effectiveness of misleading advertisement for new product Launch in Food Corporation

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Abstract

The present era is of mass production and mass distribution .Similar products are taken to the market. This involves stiff competition amongst the producers .Many firms adopt the vigorous means to maintain their existence in the market, as there are many substitutes in the market. This tendency is a struggle for the producers for their survival in the modern business world. All businessmen aim to make profit by increasing the sales at a remunerative price policy support by the advertisement.

INTRODUCTION

Misleading advertisements are those advertisements that deceive or are likely to deceive anyone who sees it. Misleading advertising may affect consumer's choices regarding what they buy. It's worth bearing in mind that it may be an offence for a trader to advertise goods or services if it is likely to delude and therefore cause loss, damage or injury to the consumer. An advertisement is misleading if it creates increases or exploits a false belief about expected product performance. The following are some examples of how advertisements can be misleading:

ADVERTISING OBJECTIVES

- To do the entire selling job (as in mail order marketing).

- To introduce a new product (by building brand awareness among potential buyers).
- To force middlemen to handle the product (pull strategy).
- To build brand preference (by making it more difficult for middlemen to sell substitutes).
- To remind users to buy the product (retentive strategy).
- To popularize some change in marketing strategy (change in price, improvement in the product etc...).
- To provide rationalization (i.e., socially acceptable excuses).
- To combat or neutralize competitor's advertising.
- To improve the morale of dealers and/or sales people (by showing that the company is doing its share of promotion).
- To acquaint buyers and prospects with the new uses of the product (to extend the product's life cycle).

FUNCTIONS OF ADVERTISING

The main objective of advertising is to stimulate or increase sales to all customers present, former and future. Advertising increases the present sales and potential demand of the product. The above objectives are realized by the functions of advertising. Following are the functions of advertising:

INCREASING THE NUMBER OF CUSTOMERS

➤ By Increasing the Customers and Widening the Market

Advertising through communication media informs consumers about the presence of a product in the market. This effective advertisement works in two ways. First, it stimulates demand and then it strengthens the stimulated demand.

➤ By Developing a Brand Loyalty

All traders or manufacturers aim to attract the prospects in favour of their products and services. Development of loyalty to one's brand among the customers is important.

➤ **Offset the Competing Brands**

Many similar products are flowing towards the market and consumers are tempted to buy them through various promotional measures. Further, advertising facilitates the creation, direction and extension of demand for the particular product or service.

INCREASING THE CONSUMPTION RATE AMONG THE PRESENT CUSTOMERS

Increasing Usage of the Products

When a product is introduced in the market, it is meant for a specific use. But when the product is put into use consumers may come to know of its uses. This is possible through research. Advertising, will explain the multiple uses to the masses.

Reminding the Consumers

The demand may be seasonal-cool drinks, wollendresses, air-coolers, etc. They are saleable during the season period; but during off season period, no sales may be possible. Again at the arrival of the season, customers may not remember the brand used by them, before making purchase. In these circumstances, advertising reminds the customers about the forgotten products.

Educating the Public

Advertisement being a connecting link between the producer and the consumers also plays its role by imparting knowledge. Consumers may not know the good or bad reactions of a certain product or services.

Shaping a Goodwill

Almost every firm wants to establish a good name in the society. Like a human being, a firm doing good services to the society or offering products-different from others, better and cheaper than other products etc .., earns a good name. Such a firm may ever be remembered by the consumers. The consumers may prefer a product, because of (1) low price (2) fashion (3) service after sales (4) multiple uses (5) quality merchandise (6) wider publicity. All these merits are known to the consumers through advertising, and sales are boosted automatically. Thus a firm can build goodwill for its products.

EVALUATION OF ADVERTISING

By the execution of the advertising programme, the responsibility does not come to an end,. It has to evaluate the advertising programme and this refers to careful exercise to evaluate the advertising results and the objectives, so as to assess the effectiveness of the advertisement programme.

1. EnquiryTest

The number of enquiries received against advertisement is a test to know the effectiveness of advertising. To give more encouragement, the following techniques can be adopted:

a. Couponing

Advertisements may carry coupons. The reader is encouraged to fill the coupons with address and return them to the advertiser. And in return, a detailed information of the product, generally, in the form of a booklet will be sent to the interested persons. An advertisement with the higher number of enquiries is considered favorable.

b. Split Run Test

The advertising copy is differentiated, inapproach, appeal or layout and of course with different address of the advertiser. The readers are encouraged to send enquiries. The copy generating larger number of enquiries is considered more effective.

2. Recognition Test

A sample of readers is selected with a view to measure the effectiveness of an advertisement,read by them .For this, a survey is conducted by the interviewer's .The readers have also read other advertisements, including the one tested. They are asked to identify them. Here, a copy, which is recognized by a large number of readers, is considered more effective.

3. Real Test

It is based on memory. It attempts to measure the communication effectiveness through a survey. The survey is made on those who have seen the advertisement. And copies of the publicity may be circulated among them. Opinions of both these (survey and copy) are collected from the people. Through this, the medium, accepted by the larger group is adopted.

ETHICAL ISSUES IN ADVERTISING

Because it is so visible most people have a view on advertising .Certainly, it has its critics as well as its supporters. Some of the key ethical issues include misleading advertising, advertising's influence on society's values and advertising to children .Misleading advertisement can take the form of exaggerated claims and concealed facts. For example, the Food and Drug Administration in the USA has warned Pfizer about making misleading claims regarding the safety and efficiency of its drugs, Celebrex. A Celebrex print ad had claimed that the drug was more effective than competing brands for the treatment of osteoarthritis when there was no clinical evidence to support these claims.

EXISTING LEGISLATIONS

There are a number of legislations that have provisions to deal with misleading Claims and advertisements

1. The Drugs and Cosmetics Act, 1940.
2. The Drugs and Magic Remedies Act, 1955.
3. Food Safety and Standards Act, 2006.
4. The Cigarettes and other Tobacco Products (Prohibition of Advertisement and Regulation of Trade and Commerce, Production, Supply and Distribution) Act, 2003.
5. The Advertisements aired on private satellite TV channels are regulated under the Advertising Code prescribed in rules framed under Cable Television Network (Regulation) Acts 1995.
6. The misleading Advertisements in print media, which are volatile of 'Norms of Journalistic Conducts' are being adjudicated by the Press council of India under Section 14 of the Press council Act 1978.
7. The Food Safety and Standards Authority also provides for penal action against misleading advertisement pertaining to food products.

PROBLEMS OF MISLEADING ADVERTISEMENT

Misleading advertisements are those advertisements that deceive or are likely to deceive anyone who sees it. Misleading advertising may affect consumer's choices regarding what they

buy. It's worth bearing in mind that it may be an offence for a trader to advertise goods or services if it is likely to delude and therefore cause loss, damage or injury to the consumer.

An advertisement is misleading if it creates increases or exploits a false belief about expected product performance. The following are some examples of how advertisements can be misleading:

- The conditions of delivery of the goods or services diverge to that advertised. (Example: 'free delivery' actually involves a fee or charge)
- Claims made about the characteristics of goods and services consisting a fake declaration of fact. (Example: A product weighs 800g instead of 1 Kg)
- The attributes of the advertiser, the advertiser's identity etc. are exhibited falsely. (Example: A made in India labeled product actually a product which is Made in China)
- The price or manner, in which the price is calculated, is altered. (Example: Goods are not offered at sale prices, but advertised as such)
- Advertisements can be illusory in other ways as well. For example, if the advertisement conceals some important facts. (Example: '60% Discount on everything' – really only applies to certain things).

Conclusion

Advertising is one of the key promotional tools in the contemporary marketing world. The role of advertising has changed from just informational to strategic, in the sense that today it plays a key role in brand positioning, brand personality and even brand and corporate revivals its growing significance is reflected by use of multi-dealer marketing and even for marketing instrument.

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