

Analyzing Unethical Advertisements and Examining Ethical Business Practices

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HSB Undergraduate Student
Business Ethics Paper Competition
Spring 2014

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The research performed for this paper was done for my Summer Scholars research project. It was done as a way to provide knowledge to young business professionals entering the business world who will be involved in their company's advertising in some aspect, whether it is from creating the advertisements or from dealing with the aftermath of the advertisements. It was also performed to inform marketing professionals on how consumers view advertisements and how to create an advertisement that does not lead to unfavorable publicity.

Advertising Ethics Background:

Companies use advertisements to make current and potential customers aware of the features and benefits of their products. By advertising regularly, a company can reinforce their positive brand image so that their product becomes first choice when the consumer next makes a purchase. Most companies try their best to release advertisements that reflect the information that customers feel is important when choosing a product in an effective and ethical manner.

However, when companies are not cautious about the advertisements that they release, they may create an advertisement that is not well perceived by their audience and is very detrimental to their reputation.

When studying unethical advertisements and how they affect how consumers feel about the company's brand, it is important to first study ethics in advertising. It is vital to understand how consumers judge advertisements so advertisers can approach the creation of an advertisement with an idea of how it will be received. Consumers judge advertisements based on the principles of idealism, pragmatism, and relativism (Dean 2005). Idealism emphasizes universal statements of right and wrong; not the consequences of the actions or the function of time, place, or culture. In this case, most will view a concept in an advertisement as right or most will view the concept as wrong, there is not much of a gray area. Relativism, on the other hand, is not based on universal rules but is indeed based on the time, place, and culture of the audience who is viewing the advertisement. An advertisement in this case may be acceptable to one culture but extremely offensive in another based off of the beliefs and norms of the people in that culture. Pragmatism is based off of the belief that the advertisement results in the greatest good for the greatest number of people. It is valuable for companies to think of how individuals may

arrive at an ethical judgment about an advertisement based off of these principles, but it also a good idea to have standards of ethics to evaluate advertisements as well.

The Vatican Pontifical Council for Social Communications states that there are three principles that companies should follow when creating and releasing advertisements to the public. First, the council says that an advertisement should be truthful and should not “deliberately deceive, distort the truth, or withhold relevant facts” (Dean 2005). Second, an advertisement should take into account human dignity and should not “pander to the base desires of man by appealing to lust, vanity, envy, or greed and should not target vulnerable groups such as children, the poor, the elderly, and the culturally disadvantaged” (Dean 2005). Lastly, the principle of social responsibility states that advertising “does not promote a lavish lifestyle that contributes to the waste of resources and the despoiling of the natural environment” (Dean 2005).

The American Advertising Federation’s Advertising Principles of American Business bring forth another set of ethical advertising principles for businesses to follow. First, the principle of truth says that: "Advertising shall tell the truth, and shall reveal significant facts, the omission of which would mislead the public” (The Advertising Principles of American Business). The second principle, substantiation, says that: "Advertising claims shall be substantiated by evidence in possession of the advertiser and advertising agency, prior to making such claims” (The Advertising Principles of American Business). Comparisons, the third principle, states that "Advertising shall refrain from making false, misleading, or unsubstantiated statements or claims about a competitor or his products or services" Lastly and most importantly, the American Advertising Federation comments on taste and decency: "Advertising shall be free of statements, illustrations or implications which are offensive to good taste or public decency"

(The Advertising Principles of American Business). When analyzing an advertisement, marketing managers should look at these principles to avoid releasing an advertisement that is likely to offend consumers and ruin their reputation, as "consumers are a major participant in the business process and not considering them in ethics research will likely result in an incomplete understanding of business ethics" (Vitell and Muncy 585).

Methodology:

To complete the prescribed research, three unethical advertisements were selected and fully analyzed. To see the selected advertisements, please reference the appendix. The criteria used to select the advertisements was based on how well known the advertisement was and how many consumers were exposed to the advertisement. The advertisements chosen were also each from a different product realm with a different target market. There is an advertisement from the automobile industry, the personal care industry, and the food industry. When choosing the advertisements, it was also determined to pick three advertisements with three different advertising concepts and thus three different advertising mishaps.

The first stage of analysis was researching the company and looking at the following components of the advertisement: signs, symbols, figures, plot, themes, language used, and techniques. The second stage of analysis was creating a survey and sending it out to marketing students to see how the advertisements were perceived. The survey delved into what the advertisement said about the product, what does not seem to fit together, what impressions the students took away from the advertisements, and how the advertisement affected their desire to buy the product being advertised. The advertisements chosen were: Ford Figo, Nivea for Men, and Caribú Chocolate.

The first advertisement that was analyzed was an advertisement by Nivea, a brand owned by the German company, Beiersdorf. Nivea is the number one skin care line in Europe and is sold in more than one hundred companies, generating sales of approximately eight billion dollars every year. Nivea is also one of the top supplier's of men's face care with its Nivea for Men line. The Nivea for Men advertisement (Appendix, Figure 1) portrays a well-groomed African American male and reads, "Look like You Give a Damn. Re-Civilize Yourself". It appeared in *Esquire's* September 2011 magazine. The advertisement suggests that this African American male was originally disheveled, uncivilized, and did not look like he cared about anything. After using the Nivea for Men line, it is perceived that the African American male turned into a well groomed handsome man who then "looks like he gives a damn". The advertisement received a great deal of criticism through social media outlets and prompted a Facebook response on August 18, 2011 from Nivea saying, "Thank you for caring enough to give us your feedback about the recent "Re-civilized" Nivea for Men ad. This ad was inappropriate and offensive. It was never our intention to offend anyone, and for this we are deeply sorry. This ad will never be used again. Diversity and equal opportunity are crucial values of our company" (Nivea Apologizes for Wanting to 'Re-Civilize' Black Man). Beiersdorf sent many mixed signals to their audience when releasing this Nivea for Men advertisement and recognized afterwards that the message that they sent to their customers was not one that they intended on.

Each and every element of the advertisement portrays an idea to the audience. First, the figure in this advertisement is two different portrayals of African American males, one that is not well groomed which is then translated to mean careless and uncivilized. The second is a well groomed African American male who is dominant in the advertisement as the action is the well-groomed African American imposing force on the, what seems as, lesser African American male

and throwing the head away. This advertisement could prove to be offensive for a few different messages that it is sending. First, it is implying that an African American male with facial hair and hair of longer length is sloppy and uncivilized. There could very well be African American males with longer hair and facial hair who are civilized and would be offended by the assumption that they do not care just because they choose to keep their hair a certain way. Second, an African American male with facial hair and longer hair may be offended by the assumption that somebody with no facial hair and shorter hair cares more and is considered civilized. Third, the same person may think that the advertisement is offensive because it is showing violence towards an African American male with facial hair and longer hair. A well groomed African American male may even find this advertisement offensive for implying that they think they are above a lesser groomed African American male. This advertisement could have been seen from many different angles, leaving the door wide open for misinterpretation.

The advertisement is effective in terms of the message that it is portraying, which is that if a man uses the Nivea for Men line, they will be a better man. However, Nivea executed the delivery of this message poorly. Survey participants were unsure of the message that Nivea was trying to send and most did not understand the concept. One survey participant stated, “There is confusion. How is re-civilizing yourself related to throwing the head of a man?” and another said “I don’t understand it”. The feelings derived from viewing this advertisement are not the type of feelings a company would want their consumers to feel. For example, survey participants said “It seems very violent and uncivilized”, “It doesn’t seem like the typical Nivea advertisement”, and “I see that this man is holding a head which is kind of scary”. The advertisement does not teach the audience anything about the details of the skin care product, it relies heavily on the impression that the audience will take away from viewing it; the impression that a man who uses

Nivea skin care products is a person of higher regard in society. After viewing this advertisement, 40% of survey participants said that they think differently about the Nivea brand. This clearly shows that consumers really do search for ethicality in advertisements and offensive advertisements cause consumers to view the brand differently.

The second advertisement that was analyzed was the Ford Figo advertisement. Ford Motor Company is one of the world's largest automakers. Ford global reach is vast, and it generates 57% of its total sales from the US. Other sizable markets include Canada (7% of sales), the UK (7%), and Germany (6%). The advertisement (Appendix, Figure 2) was created to sell the Ford Figo car in India. The most controversial of three advertisements for the Ford Figo, meant to allude to the Indian hatchback's spacious trunk, showed former Prime Minister Silvio Berlusconi of Italy (a frequent criminal defendant) flashing a victory sign while driving a vehicle with three scantily clad gagged women in the rear. The Figo is known for its luggage capacity and the advertisements all featured Ford's tagline for the car: "Leave your worries behind with Figo's extra-large boot." Two other versions of the advertisement show the reality television star Paris Hilton kidnapping the Kardashian sisters and the Formula 1 driver Michael Schumacher abducting three of his rivals. The advertisements were never used for a Ford campaign, but were uploaded by employees to the internet. Soon after posting, they spread quickly through social media and attracted criticism for their sexist message, particularly as India grapples with numerous high-profile incidents of violence against women.

This advertisement was viewed as unethical by women and the American Federation of Advertising Ethics would not approve of this advertisement as it "suggests that advertising should not pander to the base desires of man by appealing to lust, vanity, envy, or greed. This advertisement appeals to lust and greed. A survey respondent said "It does not provide a very

good image for Ford. It seems like Ford is condoning kidnapping ladies. The one thing that really stands out is the fact that all of the women are wearing low-cut tops, very short shorts, and are large breasted. Also, the driver is a male, which makes me think that the man does not have very good intentions in kidnapping the women”. Furthermore, the advertisement is offensive to public decency, which is another one of The American Advertising Federation’s advertising principles. None of the survey respondents spoke of what the advertisement was meant to advertise, which is the extra-large trunk that the vehicle has, showing that the advertisement did not prove its point in the first place. Others said that “it would be shocking if Ford actually did this” and “I would not buy a Ford if this was an actual advertisement”.

The third advertisement (Appendix Figure 3) was from Caribú Chocolate, a Peruvian chocolate company that little is known about. The advertisement chosen from this company reads “The Dark Side of Sweetnes”. The advertisement is supposed to show the message that their Caribú line of bitter chocolate is a very dark chocolate, but to do that Caribú shows the girl in the advertisement performing a “dark” action of putting a baby chick through a meat grinder. 100% of the survey respondents said that they felt this advertisement unethical and “did not make them feel good”. This advertisement could be offensive to a few different groups of people. First, it is offensive to those who are concerned with animal rights as this advertisement clearly shows abuse to animals. It may also be offensive to parents in the respect of portraying bad parenting skills considering children of this age should have no way of getting in contact with a meat grinder and a baby chick. Also, it could portray bad parenting in the sense that the young girl was not taught proper principles of treating animals. This advertisement could also be offensive to anybody who has younger siblings and could relate to the disgust of their sibling making a poor decision such as putting a baby chick through a meat grinder.

This advertisement is unethical for involving children in a controversial topic of animal rights. The American Federation of Advertising ethics does not condone advertisements that condone targeting children as “advertising should not exploitatively target vulnerable groups such as children, the poor, the elderly, and the culturally disadvantaged.” (Dean 436) Survey respondents did not see the connection between the young girl putting a baby chick through a meat grinder as one said “I’m not sure what it is trying to show for its product”, proving that the advertisement was more distracting than helpful.

Importance of Advertising Ethics:

After analyzing the various advertisements and determining that they are unethical, I researched why this is important to business professionals. How a company behaves ethically affects how their customers view them, can make or break their corporate reputation, and can give them a positive or negative brand image. When companies release unethical advertisements, it is often times very difficult for them to fully recover. The importance of releasing ethical advertisements is clear when you realize that "It takes years and concentrated focus on image building through doing good for their stakeholders and being seen to be doing good, reputations can be destroyed in quick time, sometimes overnight" (Worcester 577). "The recent corporate scandals and their impact on ordinary people have heightened scrutiny on "special treatments" and have increased customer's sensitivity to seemingly questionable practices of the firm" (Valenzuela, Mulki, and Jaramillo 277).

After an unethical advertisement has been released, a company must work overtime in an attempt to fix their brand image. Most of the time, the department in an organization that handles the aftermath of these advertisements is the Public Relations department. Public relations is the professional maintenance of a favorable public image by an organization or a famous person.

Negative publicity is bad for the company and for the public. Once a dilemma surfaces, the company must decide how to publicly respond to the incident and the public has to decide how to interpret the negative information about the company and how they go about fixing the problem. It should be noted that individuals pay more attention to negative publicity than they do to positive publicity. Negative information stays in people's minds longer than positive information does, so it is crucial that the company takes all necessary steps and makes a strong effort to regain their positive image.

When negative publicity has to be addressed, a company representative has two options. First, they have to choose to either respond or not to respond. Second, if the company chooses to respond, they must choose to use a direct response or qualified response. A direct response presents a claim that is supportive of the company. A direct response may refute the negative publicity without even mentioning the validity of the original negative information. A qualified response is when in addition to presenting the positive information; the company also mentions some aspect of the negative publicity that isn't very important to the public. (Henard 10). When responding to these issues, companies should keep the following three rules in mind. The first response rule is to understand the dynamics of the situation. By understanding the dynamics of the situation, a company can formulate a response that is best suited for the situation. The second response rule is to always respond to negative publicity. There is never an appropriate time to leave your brand image tainted, so it is crucial that if negative publicity occurs to deal with it appropriately. The third response rule is to plan ahead. Ideally, if companies plan for these situations in advance, they can be ready for when it does occur. A company can plan ahead in two ways. First, a company needs to assess its marketplace and come up with a response strategy in advance. By doing this, a company will be able to come up with a response faster than

if it had no concept of what it would do in a negative situation. Second, a company should conduct activities that increases their number of loyal customers and builds their image so that when an issue comes up their customers are more likely to stick with them.

Recommendations:

Instead of putting out unethical advertisements, companies should familiarize themselves with ethical frameworks. Avoiding unethical advertisements will foster a good corporate reputation, which is beneficial as it “enhances the company's culture and morale, increases sales, helps launch new products and services, increases awareness among publics of importance, and creates a climate of good will towards the organization” (Laczniak 10). I feel that the biggest issue for marketing companies (and all companies in general) is the gap between the manager’s ethics and the ethics of their audience. This is known as the societal expectations/ethical reality gap. This gap is created when “society requires better ethical conduct from marketers than they are providing" (Laczniak 94). To do this, managers must be educated on their company’s code of ethics and the value of ethics in their organization. CEOs must also hire managers that have a moral compass and who they can trust with the reputation of their business. Managers should possess Rest's 4 Elements of Ethical Action (Johnson 62-64). The first is moral sensitivity (recognition); being able to interpret that there is an ethical problem at hand. Second is moral judgment: deciding which course of action is morally right. Third is moral motivation: prioritizing moral values over other values. The final value is moral character: executing and implementing the moral intention despite obstacles. Showing managers that ethics are a crucial part of being a strong company will help to ensure that managers make ethically sound decisions.

When determining whether or not an advertisement is ethical or a decision surrounding the release of an advertisement, I suggest using Garrett’s Proportionality Framework as it is

applicable to most situations and is easy to understand. An ethical framework is a general set of guidelines that can be applied to many different situations when dealing with an ethical dilemma. Garrett came up with the Proportionality Framework, which contends that ethical decisions consist of 3 components: “intention: the motivation behind a person's actions, means: the process or method used to effect intention and bring about specific ends, and ends: outcomes, results, or consequences of actions” (Laczniak 12-13). These three components come together to create Garrett's Principle of Proportionality. "I am responsible for whatever I will as a means or an end. If both the means and end I am willing are good, in and of themselves, I may ethically permit or risk the foreseen but unwilled side effects if, and only if, I have a proportionate reason for doing so. To put it another way: I am not responsible for unwilled side effects if I have sufficient reason for risking or permitting them, granted always that what I do will, as a means or an end, is good" (Laczniak 13). The Proportionality Framework has three phases. You start with the first phase, and work through the other two. Phase 1 is given the situation, what is willed as means and end? If a major evil (the loss of a significant capacity that an entity needs to function) is willed, the action is unethical and should not be taken. Phase 2 is given the situation, what are the foreseen but unwilled side effects? If there is no proportionate reason for risking or allowing a major evil or willing a minor evil (harm to some means that are useful but not necessary for an entity's operation) the action is unethical and should not be taken. Finally, phase 3 is given the situation, what are the alternative actions? If there an alternative to the end which would provide more good consequences? Not to select this alternative would be unethical. This framework is simple for business professionals to follow makes determining if a decision is ethical or not much easier.

Through the research that was done, I was able to learn more about ethical business

practices and their importance for a long lasting positive corporate reputation. The research I did also fits under the mission statement of the Arrupe center as “The mission of the Arrupe Center is to assure that students are equipped to engage in careful, sustained, and critical reflection on ethical issues and are prepared to use that reflection in their business decision making. (Pedro Arrupe Center for Business Ethics)”. While completing my research, I have engaged in thoughtful reflection about the importance of business ethics. As a graduating senior, I am confident that I will go into the business world to make ethical decisions that will have a positive impact.

Appendix:



Nivea Advertisement, Figure 1



Ford Advertisement, Figure 2



Caribú Chocolate Advertisement, Figure 3

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