

Role of Advertising Standard Council of India in Promotion of Advertisement of FMCG

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Abstract – Advertising is a powerful tool of communication force, highly visible that helps to sell goods, services, and ideas etc. Advertising reflects the need of the times, whether we like it or not advertisements are seen everywhere. Although Advertising holds just one part of the entire promotional mixture, it is mostly regarded as the main face of a holistic marketing combination campaign set-up. Promotion or advertisement is the collaboration of all endeavors began by sellers for establishing information sources or outlets as well as continuation to augment the intensity of a particular commodity or service. In this paper we will use secondary data approach. The result of the study shows that ASCI have adopted a code for self-regulation in advertising in FMCG. The code is a commitment, a promise, to honest advertising and to fair competition in the market. Thus, the thinking among the advertising fraternity in FMCG was “Regulate yourself, or someone else will”.

Keywords: Advertising Standard Council of India (ASCI), Advertisement, FMCG Industry

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I. INTRODUCTION

Although Advertising holds just one part of the entire promotional mixture, it is mostly regarded as the main face of a holistic marketing combination campaign set-up. Advertising is immensely visible as well as pervasive to become a vital Socio-Economic subject while considering social structure of India.

Promotion or advertisement is the collaboration of all endeavors began by sellers for establishing information sources or outlets as well as continuation to augment the intensity of a particular commodity or service (Sidhu, et. al., 2015). As far as marketing amalgamation is concerned, promotional venture is mostly seen as a supportive part and the resolutions in reference to this should be comprehensive and well-suited along the line of the remaining elements, especially commodities and brand decisions, for ensuring an efficient and useful holistic marketing mix planning. There are four fundamental parts in the promotional mix concept, namely:

1. Advertisement
2. Individual Selling
3. Sales Promotion, and
4. Publicity

- Advertisement represents the non-individual sharing of information by paid mass-media and here the sponsorship comes from sponsor firms.
- Personal or individual sales are another methodology of non-individual sharing of information, vis a vis directly, or by contacting staffs and clients/audience of the sponsor firms. Here also, sponsor firms are the origin of information/data
- Sales promotion depicts the information sharing by means a broad range of actions apart from individual sales, advertisement and promotions or publicity that boost client buying as well as efficiency of service providers.
- Publicity includes both non-individual as well as individual information sharing and no direct organizational payment exists. Besides, the resource origin is not the firms as well.

A. Origin and Development of Advertising

The origin of advertising operation is thought to be current although it's not true. As per the records, the ancient Roman civilization had a practice of advertising, although the oldest evidence of

advertising originates in the middle ages, with the use of surname indicating a person's profession. After that, comes the recurrence of visual signs to indicate trader's operations as well as a way to locate the origin of commodities. This very practice is used till date (Tandon, 2018).

Previously the seller went on top of their voices to invite buyers and let them know about the products or services. In case there are several sellers in the same locality selling the same goods or services, the individual charm worked to sell the goods. Showcasing or informing others about his benefits was a major aspect in this method and through this; the traders or sellers had to do entire advertisement by themselves.

When retail shops of FMCG came into the picture, the sellers became more alert to attract visitors. As they felt, promoting own commodities and making those visible from buyers' perspective was elementary. Signboards in noteworthy places throughout a town or city in printed formats also appeared.

Even if buyers came and collected services or goods for once, the competition is still there to impact. So, the signboards or advertising features appeared to make buyers realize that the seller was still there with his goods and services. A few times, sellers would indulge in talking to the previous and current consumers or purchasers, or become associated with some social groups for having continuous contact with current as well as potential buyers.

With more developed market and increasing consumers, the relevance to attract buyers magnified as well. Advertising methodologies became more evident to inform people regarding the services and goods. As these ways were cost-effective to reach more audience and buyers. Although such advertising techniques held usefulness to inform as well as remind buyers, the entire promotional work wasn't done by them. As advertising methods were only used to reach the customers, however, the seller or trader had to use individual efforts to persuade already attracted buyers (Samuel, 2002).

Meanwhile, the hand press was invented and it magnified the potential scopes of advertising. During the time of Shakespeare, posters appeared to foster the demands of present goods. Afterwards, pamphlets emerged in this regard, and previous pamphlets had the reference of the sponsorships of organizations for generating brand value and reputation for their actions. Cheaper handbills as well as posters inspired seven publishers to use other techniques as well.

In advertisements, messages and information are given to propagate. The mediums of conveying the message include:

- Newspapers, journals, magazines,
- Radio and television platforms
- All types of Circulars (whether shared by email, by individual, by traders, or by inserting with packages);
- Dealer help materials,
- Window displaying as well as counter-display representation and endeavors;
- Motion pictures as well as store signs are utilized to advertise,
- Innovative advertising information along with the exclusive identity (Signature) of the advertiser
- Label stags as well as other literature alongside the products.

B. Profile of ASCI

In 1985, Mumbai saw the foundation of the ASCI (The Advertising Standards Council of India) by some elites of advertisement. There are four types of members in ASCI which are:

- Advertisers
- Advertising Agencies or firms
- Media platforms like newspapers, Television, outdoor
- Other professional or ancillary services in association with advertisement trade and culture.

Every single section in reference to the advertisements came jointly to follow some norms on their own. The purpose of these regulations is 1. Protecting the client's concern and interest, 2. Ensuring justified competition among rivals

As per the section 25 of the Indian Companies Act, 1956, ASCI are authenticated for a Non-profit organization and the main function of ASCI is promoting self-regulatory features in the sphere of advertisement. ASCI are a voluntary self-regulatory organizations and nongovernmental entity. Annual subscriptions are the only way of generating funds for ASCI.

C. Ethics in Advertising

It's important for an advertisement provider to carry ethical consciousness as well as social duty. A wrong and misappropriated message can be harmful for the brand value of the commodity/firm.

So, the advertiser should be moralistic and showcase that virtue while making ads. Ethical value reciprocates a preference between true and false as well as right and wrong for a specific cultural ambience at certain point.

(The Advertising Standards Council of India) directly uplifts and upholds self-regulation in Advertising.

A piece of advertisement is just a public notification to give message as well as attract support or some other kind of reaction. Although in case of freedom of speech and interaction procedure, it goes to the ad givers to put up ethical and moral professional culture. There are two fundamental aims of advertisements, to share information and continue and both these aims are different although present at the same time.

The focus of the study is again put on the claims shown by the advertisement givers alongside their impact on buyers. A 10 year old boy. Rahul reportedly committed suicide as his health drink failed to justify its claim to make the drinkers tall. The boy tried this protein rich health supplement to become taller however remained shortest in his class which made him vulnerable enough to take away his own life!

In spite of having a broad range of how individuals receive things seriously, it's a truth that majority of the audience accepts what the advertisements say. However, organizations selling commodities by disseminating wrong information, especially in case of health and wellness can turn out to be harmful not just from monetary angle, but also from wellbeing perspective.

Advertising depicts to be a way of interaction to approach potential buyers or clients to buy or use some specific commodities and Services. Several broadcast platforms are used for delivering their messages such as radio, newspapers, televisions, movies, periodicals, videogames as well as the Web platforms. For advertising category, creating false claims and misleading notions, bait-and-switch provisions are unauthorized as well as immoral.

The present research work will be based entirely on secondary data. The secondary resources comprises of peer reviewed journals, magazines, articles and so on. By using these secondary resources, different role of advertising standard council of India in promotion of advertisement of FMCG has been analyzed.

For the collection of secondary data research there are various indefinite resources through which information can be collected. The researcher must be using the data which is being collected prior to do the research and may be used for some other reasons before. The most commonly resources from which data could be collected are: newspapers,

magazines, articles, journals (manuals and e-journals both), financial reports and some internal organizational documents could be a part of secondary data.

II. LITERATURE REVIEW

A. Growth of advertising industry in India

According to Tandon (2018) while looking at the Advertisement sector of India, it can be said that the entire sector has witnessed a tremendous development and become FMCG sector from a mere micro and small trading venture (Tandon, 2018). From Socioeconomic perspective also, Advertisements as well as other promotional methods are now part and parcel. Because of the booming innovative technologies, accessibility of novel media, as well as the rise in the aspiring middle-class social strata has become more prolific in this sector. The competition means to allure, make and give more valuable commitments as well as hold clients. International MNCs and organizations as well as tiny local markets like kirana stores are depending on advertisements to make good brand image for their in-house commodities as well as services.

Majority of this boom in Advertisements was noticed in post-World war II as well as within the middle half of the 1950s. In sales, advertising sector, merchandising as well as public relations departments of this arena are handled by efficient professional heads.

B. Need for Self-Regulation in Advertising

In the study of Sidhu, Sharma, Shiny and Shivani (2015) as the assumption of wrong, misleading and derogative or offensive advertisements being more common in number, this, in turn, the consumer's faith in advertisements is not rock-solid anymore (Sidhu, et. al., 2015). In several serious instances, the disappointment and resenting attitude is on rise. Consequently, the rivalry turns into bitter and provisions of unfair means appear in the picture when commodity/service marketer's use wrongly made and misleading advertising. The market thinking and reaction becomes confused and litigating incidents become more evident. In such a corrosive Environment, the State would start some norms and complex processes to make the whole aspect complicated and hard for concerned authorities, even for hardworking and truthful advertisement providers. Therefore, the thought within this community of FMCG said to regulate own, otherwise some other would.

A self-regulatory purview of Advertisement in FMCG has been taken by ASCI in the form of a code which is like a promise for making true and authentic Advertisements along with sustaining a healthy and positive competitiveness in the

respective market. It supports and protects the real and justified concerns of clients as well as other relevant parts like advertisers, mass-media, organizations etc. whoever is associated in making or placing these Advertisements. Better regulations and adoption of such codes ensure:

- i. Less number of false, or wrong claims
- ii. Just a handful of misleading advertisements
- iii. Rising intensity of positive feelings and respectful attitude when it comes to the advertisements

ASCI have no personal membership classes. Organizations falling under any of these aforementioned classes of membership are able to be associates. An organization has entitlement to select a member.

C. ASCI's Code for Self-Regulation in Advertising

This Code for Self-Regulation has been drawn up by people in professions and industries in or connected with advertising, in consultation with representatives of people affected by advertising and has been accepted by individuals, corporate bodies and associations involved in or otherwise bothered with the practice of advertising with the following as basic guidelines with a view to attain the acceptance of fair advertising practices in the best interests of the ultimate consumer: Self-regulation code of ASCI is presented in this study under this paragraph. ASCI have divided their code in four chapters. For the purpose of this study the said chapters have been referred to as clauses to avoid any confusion between chapters of this study and chapters of ASCI (Ciochetto, 2004).

Code for Self-regulation in Advertising adopted by the members of ASCI is as follows:

The purpose of the Code is to benchmark the content of advertisements, not to hamper the sale of products which may be found insulting or offensive in any manner, for whatever reason, by some people. Thus, that advertisements for such products are not themselves offensive, there will normally be no ground for objection to them in terms of this Code.

D. Declaration of fundamental principles

Khandai and Agrawal, (2012) states that this Code for Self-Regulation has been drawn up by people in professions and industries in or connected with advertising, in consultation with representatives of people affected by advertising, and has been accepted by individuals, corporate bodies and associations engaged in or otherwise concerned with the practice of advertising, with the following as basic

guidelines, with a view to achieve the acceptance of fair advertising practices in the best interest of the ultimate consumer [5]:

- i. To ensure the truthfulness and uprightness of representations and assertions made by advertisements and to safeguard against misleading advertisements.
- ii. To make sure that advertisements are not offensive to generally accepted standards of public decency.
- iii. To protect against the indiscriminate use of advertising for the promotion of products which are considered as perilous to society or to individuals to a degree or of a type this is intolerable to society at large.
- iv. To see to that the advertisements observe fairness in competition so that the consumer's need to be informed on choices in the market-place and the canons of generally accepted competitive behavior in business is both looked after.

If and when there may be conflicting and contradicting views about the acceptability of an advertisement, whether it is challenged from within or from outside the advertising business, The Code's rules form the basis for final judgement. Both the general public and an advertiser's competitors have an equal right to anticipate the content of advertisements to be presented fairly, intelligibly and responsibly. The Code applies to all i.e. the advertisers, advertising agencies and media.

E. Government General Rules of Conduct in Advertising in India

As per Verghese's Committee Report (1978), the following are the general rules of conduct in advertising:

1. Advertising should be designed in a way so as to conform to the laws of the country and should not offend any morality decency and religious susceptibilities of the people.
2. No advertisement should be permitted
 - (i) Which cleaves any race, caste, color, creed, nationality except wherein such usage would be for specific purpose of effective dramatization,
 - (ii) Which is against any of objectives, principles of provisions of the constitution of India;

- (iii) Which will lead to incite people to crime or to promote disorder, violence or breach of law,
 - (iv) which portrays criminality as acceptable, or furnish details of crime or imitation thereof;
 - (v) which would be hostile to friendly relations with foreign states;
 - (vi) Which exploits the national emblem For Doordarshan only?
 - (vii) No cigarettes and tobacco products;
 - (viii) Advertisement wholly or mainly must not be directed towards any religious or political end and have any relation to any industrial dispute
 - (ix) Advertisement for services in relation to the following are not acceptable (a) Moneylenders; (b) Chit fund and saving schemes; (c) Unlicensed employment service; (d) Matrimonial agencies; (e) Fortune -tellers, etc. and those with claim of hypnotism
 - (x) Betting tips and guide books, etc., relating to horse racing or other games of chance shall not be entertained
 - (xi) No advertisement shall contain references which are likely to lead public to infer that the product advertised or any of its gradients has some property or quality which is incapable of being established e.g. care for baldness, i.e. no misleading.
 - (xii) Scientific or statistical aspects from technical literature.
 - (xiii) Advertisers or their agents must be ready to produce evidence to validate any claims or illustrations.
 - (xiv) Advertisement should not contain disparaging reference to another product or service.
 - (xv) Imitation likely to mislead viewers
 - (xvi) Visual and verbal representation of actual and comparative prices and costs must be accurate and should not be misinformed.
 - (xvii) Testimonials must be genuine and must not be used in a manner likely to mislead the viewers.
1. In all other respects, the DG, AIR/DD will be guided for purpose of commercial broadcasting and telecasting on AIR/DD by

code of Ethics for advertising in India issued by the advertising council of India as modified from time to time.

2. Notwithstanding anything contained herein, this code is subject to such modification/direction as may be made/issued by the Government of India from time to time (Hemamalini and Kurup, 2014).

F. Social & Legal Implications of Television Advertising

Amongst all the available media, the most effective way of promoting a product or service are considered to be the advertisements on television, it is because of two reasons; 1) it is easily approachable medium of communication and 2) it brings audio- visual action to the homes of potential consumers. For this reason, television was considered as 'a surrogate salesman' by Lawrence Samuel (Gopakumar, 2004).

Ciochetto (2004) was of the view that advertising influenced social attitudes. It is a proven fact that 'advertising can persuade/influence someone to buy a product that they have never previously purchased' [4]. Hemamalini and Kurup (2014) have been of the opinion that advertisements drive customers' interest for buying or to the desire for purchasing [6]. Gopakumar (2004) while tracing the history of television advertising in India in his thesis advertising in Kerala: its Influence on Select Consumer Non- durables mentioned that the first television commercial was introduced on 1st January 1976 and that the emergence of color television and satellite TV hurled television advertising to an unparalleled height [7].

Television advertising promotes sales of products because they are good at and succeed in manipulating 'people's strongest desires and greatest fears to convince them to purchase the proffered products' (Kanner and Soule, 2016). As stated on the website of Indian Brand Equity Foundation, by 2017, Indian advertising industry is estimated to be Rs 63,000 crore (US\$ 10 billion) with both print and TV having a share of 38-40% each by 2017 (Advertising and Marketing Industry in India). A report in Business Standard mentioned that TV ad volume grew 111%. A report in live Mint advised that expenditure on television advertising has been move forward by sectors like e-commerce, automobiles, fast-moving consumer goods (FMCG), consumer durables, and banking, financial services and insurance. On the other hand while debating over international advertising in the book Advertising and Societies: Global issues, Frith and Mueller (2010) have put forth their observational view about the manner in which advertisements apart from providing information,

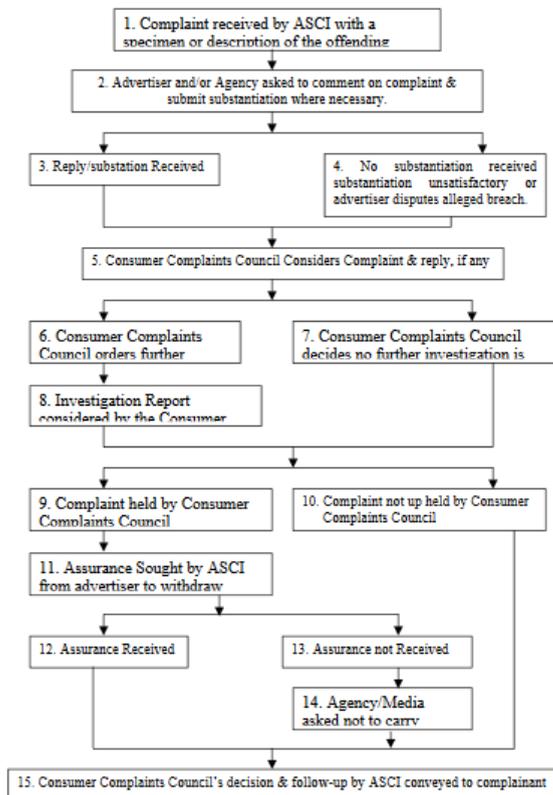
transmit values and effect behavior of both individual as well as value-forming institutions [11].

G. Consumer Organizations

Based on a variety of interests, including product safety, reasonable choice and the right to information, consumer themselves are highly motivated to act as regulatory agents. The deed of individual consumers or group of consumers designed to exert power in the market place, is not a recent phenomenon, consumers want a greater say in the whole process of product development, distribution and information dissemination. They generally try to insist on firms by withholding patronage through boycotts and some boycotts have really been effective. The other highlighted consumer effort to bring about regulation is through established consumer organizations (Majumder, 2015).

The voluntary control in advertising is form of advertising self-regulation. It is wholly voluntary, not the outcome of group pressure, reflecting the top management policy, its sense of public responsibility and its enthusiasm to survive and grow in a competitive arena in which consumer confidence is crucial. Almost all big advertisers maintain a careful system of legal review and appraisal supported by factual data to vindicate claims. Many industries and trade associations have developed some type of advertising self-regulation; it is good for advertising community as a whole and promotes the credibility and effectiveness of those industries adopting it. Self-regulation of advertising often can forestall government regulation, being more effective in settling disputes compared to the inconvenient and expensive legal process. Additionally, there are public relations and goodwill benefits for those industries that hear complaints about members' advertising practices. In spite of the best intentions of these voluntary trade codes, they often prove futile due to lack of enforcement power with the associations because of antitrust laws, which debar any action that might be considered as interfering with open competition (Bansal, 2015).

ASCI have also established a Consumer Complaints Council (CCC) to scrutinize complaints received, 14-member sub-committee of ASCI constitutes people from various walks of life – Medicine, law, media. The committee hears a complaint from a member of the public and examines it on the basis of the code. Comments from the advertisers or the ad agency are asked & to submit a corroboration. If the complaint is with ASCI, the advertiser has to extract the ad. The full process takes nearly about two months. The following figure presents the method of processing a consumer complaint in ASCI.



III. CONCLUSION

The present paper analyzed the role of advertising standard council of India in promotion of advertisement of FMCG. The paper came to a conclusion that, although, Advertising is only one element of the promotion mix, but it often taken to be prominent in the overall marketing mix design. Due to its high visibility and pervasiveness it is an important social and economic topic in Indian society. An advertisement is generally a public notice meant to transmit information and invite patronage or some other response. However, where freedom of speech and communication exists, it is largely up to advertisers themselves to ensure ethically responsible practices in their profession. The paper also found that Advertising is a form of communication that attempts to persuade potential customers to purchase or consume more of a particular brand of product or services. It basically focuses in promoting products and services of different brands. From a small scaled business to FMCG industry, the Indian advertising industry has seen a commendable growth. Advertising and other forms of promotion have become an important part of our society and economy as a whole. Furthermore, ASCI have adopted a code for self-regulation in advertising in FMCG. The code is a commitment, a promise, to honest advertising and to fair competition in the market. It stands for protection of legitimate interests of consumers and all concerned with advertising, i.e., advertisers, media, advertising agencies and others who help in the creation or placement of advertisements. Also, the thinking

among the advertising fraternity in FMCG was “Regulate yourself, or someone else will”.

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