

Advertisements, Asymmetric Information and Unfair Trade Practices in India

Ganesan Thangadurai*, Muthusamy Sabesh Manikandan**

ABSTRACT

Advertising is one of largest sources of revenues in the world economy. It generates employment both directly and indirectly and influences a large section of the people. In India, advertisements reach about 75 percent of the population through television, and almost the entire population through radio. Certain television programmes enjoy a viewership of more than 100 million. The competitive and buyer's market needs a truthful and ethical advertising, whereas the advertising industry has been frequently criticised for putting out misleading or exaggerated claims in respect of product, goods and services advertised. Further the market forms the unfair trade practices by providing the asymmetric information by deceptive advertisements. Therefore the institutional measures are emerged inevitable in India to protect the consumer from the exploitation. The consumer protection act was introduced in 1986 to protect the consumer rights and its Section 6 describes the rights of the consumer and Section 2(r) defines the unfair trade practices. The Advertising Standard Council of India (ASCI), a voluntary self-regulating organisation was established in 1985 to provide the guidance to the advertisement standards. ASCI committed to the cause of Self-Regulation in Advertising, ensuring the protection of the interests of consumers.

Keywords: Advertisement, Deceptive advertisement, Asymmetric Information, Unfair Trade Practices, Consumer Protection

INTRODUCTION

The human race is a constant pursuit of fulfillment. Apart from the necessities of food and shelter, one learns to desire many things, which also became indispensable over a period of time. Despite an average economic system caters to the needs as well as desires of its people, advertising is an integral part of this activity and is one of the most visible elements in providing information about products, services and ideas. However, an advertisement moves market minds. Advertising interest entices, intrigues and entertains. Moreover, it involves people with products and building relationship between customers and brands. It also creates a life style as a whole.

The term advertising is derived from a Latin word 'advertere', which means to turn attention towards a specific thing. The dictionary meaning of the word advertising is 'to announce publicly' or 'to give public notice' (Trehan & Trehan, 2010). Moreover, advertising is as old as civilisation itself. It is very difficult to point out its development in world. Nevertheless, to advertise means merely to announce or to inform in earlier times. This form of advertising dates back 3000 BC ancient in Greece and Rome. In those days, signs and symbols were used to carry information well before the development

of printing and the posters announcing an event were probably the well known first form of advertising. These date back to gladiatorial contests in Ancient Rome. The first advertisements, however, which fit our full definition of advertising (i.e., paid for, occupying space in a media form) appear in newspapers in the seventeenth century. Because, "advertising is any form of paid non-personal presentation of ideas, goods or services for the purpose of inducing people to buy". These tended to be straight forward statements of fact, without any fancy typesetting or illustrations, and were often indistinguishable from the news stories around them. At the same time, the advertisements were used to make aware of the thing among the general public and consumer public. Later on, the advertisements became an effective tool to market the product in the market economy.

Nowadays, advertising industry ranks 5th amongst the big industries, next to the oil, automobiles, computers, and electronics which are four key industries in the world (Trehan & Trehan, 2010). Since the growth in transportation, communication and mass production leads to the growth of massive advertising, the advertisements are needed to communicate with the large target-audience, to sell the massive production. Moreover, the growth of literacy leads the growth of newspapers, magazines and all other mass media. The increase in income leads

* Assistant Professor, Department of Commerce, Ayya Nadar Janaki Ammal College, Sivakasi, Tamil Nadu, India. Email: gt.durai@gmail.com

** Assistant Professor of Economics, Department of Economics, Ayya Nadar Janaki Ammal College, Sivakasi, Tamil Nadu, India. Email: sabeshmanikandan@gmail.com

to massive use of radio, T.V., telephone, computers, etc. which leads to the growth of audio-visual advertisements in the modern world. A large number of commercial messages are exposed than in the past not only by in the quantity increased but the quality of advertisements also has improved considerably after the introduction of liberalisation, privatisation and globalisation (Trehan & Trehan, 2010). As a fact millions of dollars annually were poured into the coffers of advertising agencies as manufacturers sought to inform newly prosperous consumers of the dazzling array of new goods they could purchase that they never previously knew they needed (Shah, 2012). The world of advertising has come a long way. Some people describe it as an untrue, misleading, and obscene. Advertising Industry has been facing a lot of criticism in the recent times as the advertising practices have not always been ethical. In today's competitive market, due to free allowances, the advertisers are sometimes following the unethical practices to fight the competition (Ajay, 2014).

ISSUES IN ADVERTISING

Deceptive Advertising

As advertisements aim to influence or persuade customers into buying products that they promote, many a time advertisements illegally use false statements and misrepresentations about their products in violation of customers' right to know exactly what they are purchasing. The following acts are considered unfair or deceptive practices: a) false promises, b) incomplete description, c) misleading comparisons, d) bait and switch offers, e) visual distortions, f) false testimonials, g) false comparisons, h) partial disclosures, i) small – print qualifications, and j) laboratory application.

Misleading Prices

Companies often hide prices of products / services advertised in order to attract larger customer base. The prices they advertise often do not disclose additional charges and the overall cost to the customer.

Comparative Advertising

Comparative advertising is another unethical practice of advertising besides fraudulent and deceptive advertising. Similarly making the packaging or the names sounding similar to the major brands in the market, the competitor's sells their brands like. Plagiarism or imitation in

advertising copy is also flourishing in advertising world today. One copy says, "Believe in the best" and another "Better than the Best". One claims for the flattest screen, other flatter than the flattest.

Failure to Maintain Standards

At times sellers cleverly bypass established standards applicable to the products by adopting a different standard which provides a sense of enhanced efficacy of the goods / services in the mind of the customer. This also provides unfair advantages to the seller over its competitors.

Labeling Issues

Labeling on products can also be misleading. They may at times, misrepresent or obfuscate the actual weight of the packets or adopt a different standard of measurement contrary to the generally accepted standards. The packaging of products may also use exotic high sounding words such as "organic", "eco-friendly", "natural", "mild" etc. without a proper explanation of the terms and such terms may even be used for products that have nothing to do with such concepts.

Advertising and Sex

Critics often accuse advertising for portrayal of women as glamour props. Provocation of women in advertisements of suitcases, shaving foams or creams, tyres, pens, shoes etc. does not make any sense at all.

Surrogate Advertisements

Whenever the advertisements for certain products like tobacco or liquor which have adverse effect on health and are restricted or banned, the manufacturers tend to launch new products with similar brand names. A blitzkrieg of advertisements is launched in the media for such new products with an aim to reinforce or sustain the banned products / advertisements.

Excessive

In today's world on an average 1000 commercial messages are exposed per day. The advertising clutter is even worrying the advertising professional about the negative impact of advertising proliferation. With the increase in brand and the mass media options to choose from, there is a boom in advertising industry today.

STATEMENT OF THE PROBLEM

Advertisement is a paid form of presentation, mediated form of communication from an identifiable source, designed to persuade the receiver to take severe action, now or in the future. However, there are people who do believe that advertisement is a pack of lies and it manipulates and bluffs the audience (Steel, 1998). Obviously the advertisements are used to sell inferior goods in the market at large extent through its power.

However, advertising is one of largest generators of revenues in the world economy. It generates employment both directly and indirectly and influences a large section of the people (Bullis, 1997). In India, advertisements reach about 75 percent of the population through television, and almost the entire population through radio. Certain television programmes enjoy a viewership of more than 100 million (Raney, 2000). Advertising revenues in 2015 grew at a growth rate of 14.7 percent over 2014, to reach Rs. 475 billion, of which print (43 percent) and television (37 percent) captured the lion's share. The television industry in India is expected to grow at a CAGR of 15 percent and estimated at Rs. 1098 billion in 2020, and (KPMG – FICCI, 2016). Despite the quality of consumer attention has been falling in recent decades. Moreover, consumers¹ have lost their interest in the information content of advertisements as they can access more and better information on-demand on the websites. In addition, the price of high quality attention has skyrocketed, increasing as much as nine-fold in the couple of decades. Marketers have responded by advertising more to compensate for this, or by pursuing other means, such as price promotions, to acquire customers. This has adverse effects on both current profits and future revenues (Teixeira, 2014).

The competitive and buyer's market needs a truthful and ethical advertising. Whereas the advertising industry has been frequently criticised for putting out misleading or exaggerated claims in respect of products, goods, and services advertised. Further the market forms the unfair trade practices^{2,3} by providing the asymmetric information⁴ by deceptive advertisements. Therefore the institutional measures are emerged inevitable in India to protect the consumer from the exploitation. The

Consumer Protection Act was introduced in 1986 to protect the consumer rights and its Section 6 describes the rights of the consumer and Section 2(r) defines the unfair trade practices. Consequently the Government of India traced ethical code.

The Advertising Standard Council of India (ASCI), a voluntary self-regulating organisation was established in 1985 to provide the guidance to the advertisement standards. ASCI committed to the cause of Self-Regulation in Advertising, ensuring the protection of the interests of consumers. The main objective of ASCI is to promote responsible advertising thus enhancing the public's confidence in advertising. The ASCI was formed with the support of all four sectors connected with advertising, viz. advertisers, ad agencies, media (including broadcasters and the press) and others like market research companies etc. The Consumer Complaints Council (CCC) is the heart and soul of ASCI's. If any advertisement fails to maintain the prescribed standards, advertising is liable to cover the legal grounds in India. There are several laws in India that relate to advertising. Some of these enactments are:

- (i) **Consumer Protection Act, 1986:** Section 6 of the Act grants consumers the right to be informed about the quality, quantity, potency, purity, standard and price of goods or services, as the case may be so as to protect the consumer against unfair trade practices. Section 2(r) of the Act, under the definition of the term "unfair trade practice", covers the gamut of false advertisements including misrepresentations or false allurements. Redress against such unfair trade practices pertaining to false advertisements may be sought under the Act.
- (ii) **Drug and Magic Remedies (Objectionable Advertisement) Act, 1954:** This Act purports to regulate the advertisements of drugs in certain cases and to prohibit the advertising for certain purposes of remedies alleged to possess magic qualities and to provide for matters connected therewith.
- (iii) **Drugs and Cosmetics Act, 1940:** Section 29 of the Act imposes penalty upon whoever uses any report of a test or analysis made by the Central Drugs Laboratory or by a government analyst, or any extract from such report, for the purpose of advertising any drug.
- (iv) **Food Safety and Standards Act, 2006:** Section 53 of this Act provides a penalty of up to Rs. 10 lakh for false and misleading advertisements relating to the description, nature, substance or quality of any food.
- (v) **Indecent Representation of Women (Prohibition) Act, 1986:** This Act is aimed at prohibiting indecent representation of women through advertisements or in publications, writings, paintings, figures or in any other manner and for matters connected therewith or incidental thereto (Section 3 and 4 of the Act).

1 Section 2(1)(d) of Consumer Protection Act, 1986.

2 Section 2 (1)(r) Consumer protection Act, 1986.

3 Section 2 of MRTP Act 1986.

4 Section 2 (1)(f) Consumer protection Act, 1986, as amended by the amendment Act 1993.

- (vi) **Prenatal Diagnostic Techniques (Regulation and Prevention of Misuse) Act, 1994:** Advertisement in any manner regarding facilities of pre-natal determination of sex available at any genetic counseling centre, laboratory, clinic, or any other place is prohibited under this Act and has been made a punishable offence under the Act (Section 22).
- (vii) **Young Persons (Harmful Publications) Act, 1956:** Section 3 of the Act, inter alia, imposes penalty for advertising or making known by any means whatsoever that any harmful publication (as defined in the Act) can be procured from or through any person.
- (viii) **The Representation of People Act, 1951:** The display to the public of any election matter by means of cinematograph, television, or other similar apparatus in any polling area during the period of 48 hours ending with the time fixed for the conclusion of the poll for any election in the polling area is prohibited under the Act (Section 126).
- (ix) **Monopolies and Restrictive Trade Practices Act, 1969:** This Act defines unfair trade practice to cover several acts aimed at promoting the sale, use of supply of any good, or the provision of any services which cause loss or injury to the consumers of those goods and services. Disobedience to Act has been made punishable with imprisonment for a term and fine up to Rs. 10,000 or both.
- (x) **The Prize Competitions Act, 1955 (Act 42 of 1955):** Any competition whether a crossword, ad prize, missed word, prize competition, picture prize competition in which prizes are offered for the solution without proper license from the authorities.

Henceforth, the impacts of the deceptive advertisements turn the consumers to redress their grievances through the legal forum. For instance the complaints against advertisements of Triumphant Institute of Management Education, Cadd Centre India Private Limited – (Dream Zone School of Interior Design), Accurate Group of Institutions were upheld because of unsubstantiated claims that they ‘provide 100% placement/AND/OR they claim to be the no.1 in their respective fields’ (ASCI-CCC Decisions: January 2014). Further, the information given by the Hindustan Unilever Ltd. as “Gives fair look for eight hours” (Fair & Lovely Men Charcoal Face Wash) was challenged, but this advertisement was upheld by the Advertising Standard Council of India (ASCI) as it was not substantiated adequately (ASCI-CCC Decisions: July 2015). ASCI is an institution which redresses the consumer grievances where the complaints are received about any product or service. The ASCI processes the complaints through respective legal opinion with the suitable legal grounds. It registers the complaints under

different categories such as personal care and health, education, food and beverages, media and entertainment, e-commerce, telecommunication, automobile, and others. Strengthening its mission towards self-regulation in advertising, Department of Consumer Affairs (DoCA), of the Ministry of Consumer Affairs, Food & Public Distribution has officially partnered with Advertising Standard Council of India (ASCI) to augment the efforts on stopping misleading advertisements. The ministry had appointed ASCI to monitor its website www.gama.gov.in that was launched in 2015. GAMA is an acronym for Grievances Against Misleading Advertisement. With this background the present study made an attempt to highlight the impact of deceptive advertisements on the consumer public with the objectives of : (i) to analyse the magnitude of deceptive advertisement and its complaint with the ASCI, (ii) to analyse the extent of advertisements upheld by ASCI over a period, and (iii) to find the impact of asymmetric information in the advertisements, in India.

HYPOTHESIS

The collected information was arranged on the basis of year under different categories for the analysis. The distributed data reveal that the complaints and advertisements upheld are noticed declined over a period of time, therefore the null hypothesis formed that there is no significant difference between the sample means (that is the average number of advertisements upheld over a period of study do not differ significantly).

MATERIALS AND METHODS

The present study is descriptive in its nature and it uses the both qualitative and quantitative data for its analysis. The data sources were obtained from the ASCI (Advertising Standard Council of India), Mumbai, an voluntary self-regulated organisation. The prescribed rule under the Advertising Code (Rule 7(9)) precedes the role of ASCI. The present study only considered the information available on the upheld advertisements during the period 2013-16. The ASCI has month-wise information on upheld advertisement and the list of advertisements upheld. It listed the upheld advertisements since 2012. At the same time it also published the data for 2016 is only available for the month of January. Hence the present study considered 36 months (from 2013 to 2016) for the analysis. The data were classified and arranged year-wise for the analysis. The appropriate statistical tools such as percentage, mean, test of homogeneity, and ANOVA have been employed to discuss the information statistically. The present study only considers the complaints registered

with ASCI on the basis of deceptive advertisements for the period from January 2013 to January 2016 and the decisions upheld by the ASCI.

ANALYSIS AND DISCUSSION

The Department of Consumer Affairs redirects the complaints received by it to ASCI to avoid duplication of processing of complaints against advertisements. Further, the complaints are evaluated across media like print, packaging, internet, outdoor, wall paintings, posters, bill boards, etc. Table 1 reveals the complaints received by the ASCI and the advertisements upheld.

ASCI received 4689 complaints from 2013 to 2016 from consumers and industry, against advertisements which were considered as false, misleading, indecent, illegal, leading to unsafe practices, or unfair to competition, and consequently in contravention of the ASCI Code for self-regulation in advertising. Out of the 4689, a majority 3621 (77.22 percent) advertisements were upheld during the period 2013 to 2016. The total number of complaints increased from 1490 in 2013 to 1589 in 2015 which is 6.64 percent increase over the year 2013, whereas in case of upheld advertisements, it has come down to 1100 in 2015 from 1299 in 2013. About 15.32 percent of advertisements upheld reduced in 2015. Table 1 reveals that there is a high positive correlation $r=0.980$ ($p=0.020$) (@ 2 percent level of significant) between the number of complaints and actions taken against the complaint during this period. It could be concluded that the proportionate of the complaint received by the ASCI deserves to be upheld which leads the unfair trade practices by providing the asymmetric information in the market.

The number of advertisements upheld category-wise is presented in Table 2. In 2013, ASCI's Consumer Complaints Council (CCC) upheld 1299 complaints out of 1490 advertisements. Out of 1299 upheld advertisements 555 belonged to personal care and health category, followed by 529 belonging to education category, 51 to food and beverages category. 17 advertisements were listed in e-commerce category, 9 in automobile, 8 in telecommunication, 6 in media and entertainment, and 124 advertisements from others categories.

A total of 1171 advertisements were upheld against 1508 complaints in 2014. Out of 1171, 682 belonged to personal care and health category followed by 322 belonging to education category and 35 to food and beverages category. 16 advertisements were listed in automobile, 15 in e-commerce, 5 in telecommunication, 1 in media and entertainment, and 95 advertisements from others categories.

In 2015, ASCI-CCC received 1589 complaints, of these 1100 advertisement were upheld. Out of 1100 advertisements against which complaints were upheld, 501 belonged to personal care and health category followed by 301 belonging to education category and 27 to food and beverages category. 25 advertisements were listed in telecommunication, 20 in e-commerce, 13 in media and entertainment, 3 in automobile, and 210 advertisements from others categories.

In the year 2016, CCC-ASCI upheld 51 advertisements out of 102 complaints. Out of 51 advertisements against which complaints were upheld, 13 belonged to education category followed by 12 to food and beverages category and 11 belonged to personal care and health category. 6 were listed in e-commerce and 9 advertisements in others categories.

In total, CCC-ASCI upheld 3621 advertisements out of 4689 complaints. Out of 3621 advertisements against which complaints were upheld, 1749 belonged to personal care and health category followed by 1165 belonging to education category and 125 to food and beverages category. 58 advertisements were listed in e-commerce, 38 in telecommunication, 28 in automobile, 20 in media and entertainment, and 438 advertisements from others categories.

Personal Care and Health

The CCC found a total of 1749 claims in health care and personal care product or service advertisements to be either misleading or false or not adequately / scientifically substantiated and hence violating ASCI's Code from 2013 to 2016. For example Rajasthan Aushdhalaya Pvt. Ltd. (Dr. Relaxi Oil & Capsule): The claims in the advertisement, "Prescribed by thousands of doctors", "The only remedy for joint pains", and "Largest selling medicine for joint pains", were not substantiated (ASCI-CCC, 2016). A total of 1749 advertisements were upheld in the category of personal care and health. Out of the 1749 advertisements, a highest of 682 advertisements were upheld in 2014 which constitutes 39 percent of the total. It was followed by 555 (31.7 percent) advertisements upheld in 2013, and 501 (28.6 percent) advertisements in 2015. 11 (0.6 percent) advertisements were upheld in 2016. The measure of central tendency was to understand advertisements upheld over a period. On an average, 56.83 percent advertisements were upheld in a month in the year 2014. Similarly 50.45 percent advertisements were upheld in 2013. It was 41.75 percent in 2015. It is obvious that a majority 682 (39 percent) advertisements upheld with an average of 56.83 in 2014 and 555 (31.7

per cent) with an average of 50.45 in 2013 which were greater than the overall all mean i.e., 48.58.

Education

In regard to the complaints received by the CCC-ASCI, a total of 1749 advertisements were upheld in the category of education. For example Podar World School - Podar Jumbo Kids: The claims “Ranked # 1 Pre-School by Education World”, “88 years of experience”, and “British Council International School Award 2014-2017”, were not substantiated (ASCI-CCC, 2015). Out of 1165 advertisements, a highest of 529 advertisements was upheld in 2013 which constitutes 45.4 percent of the total. Correspondingly 322 (27.6 percent) and 501 (25.8 percent) advertisements were upheld in 2014 and 2015 respectively. A sum of 13 (1.1 percent) advertisements was upheld in the year 2016. The measure of central tendency was worked out to understand advertisements upheld in a year. On an average, 48.09 advertisements were upheld in 2013 and 26.83 advertisements were upheld in 2014. It declined to 25.08 in 2015. It is obvious that a majority 529 (45.4 percent) advertisements were upheld with an average of 48.09 in the year 2013 which is greater than the overall all mean i.e., 32.36.

Food and Beverages

In regard to the category of food and beverages a total of 125 advertisements were upheld by the CCC-ASCI. For example Pepsi Foods P. Ltd (Pepsi): The advertisement of Pepsi shows the scene of the “shopkeeper ignoring the person asking for water” which disparages a good dietary practice (ASCI-CCC, 2015). Out of the 125 advertisements, 51 advertisements were upheld in 2013 which constitutes 40.8 percent of the total. About 35 (28.0 percent) and 27 (21.6 percent) advertisements were upheld in the year 2014 and 2015 respectively. A sum of 12 (9.6 percent) advertisements was upheld in 2016. The measure of central tendency was worked out to understand the advertisements upheld in a year over a period of study. On an average, 3.47 advertisements were upheld over a period from 2013–2016. In the year 2016, on an average 12 advertisements were upheld. It has registered 2.92 and 2.25 advertisements upheld in the year 2014 and 2015 respectively. It was 4.64 in 2015. It is obvious that a majority 12 (9.6 percent) advertisements was upheld with an average of 12.00 in the year 2016 which is greater than the overall all mean i.e., 3.47.

Media and Entertainment

A total of 20 advertisements were upheld in the media and entertainment category as the complaints received by the CCC-ASCI. For example Bennett Coleman & Co Ltd. (Alive App): The claim in the advertisement, “Download Alive app and get a free recharge Rs. 50 Recharge from Paytm”, was false and misleading (ASCI-CCC, 2015). As a result, the advertisement was upheld. Out of 20 advertisements, a highest of 13 advertisements was upheld in the year 2014 which constitutes 65.0 percent of the total. Out of remaining, 6 (30.0 percent) advertisements were upheld in 2013 and 1 (5.0 percent) advertisement was upheld in 2014. The measure of central tendency was worked out to understand the advertisements upheld in a year over a period of study. On an average, 0.56 advertisements were upheld by ASCI during 2013–2016. In the year 2015, on an average 1.08 advertisements were upheld. It was only 0.55 in 2013. It is obvious that a majority 13 (1.08 percent) advertisements were upheld with an average of 1.08 in the year 2015 which is greater than the overall all mean i.e., 0.56.

E-commerce

As far as the e-commerce category is concerned, a total of 58 advertisements complaints was received by the CCC-ASCI. For example Flipkart Internet Private Limited (Tek-Tron Velroc Safety Outdoor Shoes): The website communication claims MRP of a particular product as Rs.599, when actually printed MRP on product is Rs.499 which is being offered as the discounted price. This distorts facts and is therefore misleading the consumers as to actual discount being offered (ASCI-CCI, 2015). Out of 58 advertisements, a highest of 20 advertisements was upheld in the year 2015 which constitutes 34.5 percent of the total. About 17 (29.3 percent) and 15 (25.9 percent) advertisements were upheld in 2013 and 2014 respectively. Only 6 (10.3 percent) advertisements were upheld in 2016. The measure of central tendency was worked out to understand the advertisements upheld in a year over a period of study. On an average, 1.61 advertisements were upheld by ASCI during 2013–2016. In the year 2015, on an average 1.67 advertisements were upheld. It was 1.55 in 2013 and 1.25 in 2014. In contrast to this, it was 6 in 2016 which constitutes 10.3 percent of the total. It is obvious that a majority 20 (34.5 percent) advertisements were upheld with an average of 1.67 in the year 2015 which is greater than the overall all mean i.e., 1.67.

Telecommunication

In regard to the telecommunication category the complaints received by the CCC-ASCI was 38. For example Bharti Airtel Ltd. (50 % Cash back): The advertisement by Airtel showcases a girl entering a room of friends in the night and tells them to use internet on their phone in the night because they will get 50% cash back the next day. Regardless of the disclaimer, the word “Cash Back” in the claim “50% cash back on night internet” is incorrect and is misleading (ASCI-CCC, 2015). Out of the 38 advertisements, a highest of 25 advertisements was upheld in 2015 which constitutes 65.8 percent of the total. About 8 (21.1 percent) and 5 (13.2 percent) advertisements were upheld in 2013 and 2014 respectively. The measure of central tendency was worked out to understand the advertisements upheld in a year over a period of study. On an average, 1.06 advertisements were upheld by CCC-ASCI during the period from 2013-2016. In the year 2015, on an average 2.08 advertisements were upheld. It was 0.73 in 2013 and 0.42 in 2014. It is obvious that a majority 25 (65.8 percent) advertisements were upheld with an average of 2.08 in the year 2015 which is greater than the overall all mean i.e., 1.06.

Automobile

The CCC-ASCI, upheld a total of 28 advertisements in the automobile category during 2013-16. Out of the 28 advertisements, a highest of 16 advertisements was upheld in 2014 which constitutes 57.1 percent of the total. About 9 (32.1 percent) and 3 (10.7 percent) advertisements were upheld in 2013 and 2015 respectively. The measure of central tendency was worked out to understand the advertisements upheld in a year for the period of study. On an average, 0.78 advertisements were upheld over a period from 2013–2016. In the year 2014, on an average 1.33 advertisements were upheld. It was 0.82 in 2013 and 0.25 in 2015. It is obvious that a majority 16 (57.1 percent) advertisements was upheld with an average of 1.33 in the year 2014 which is greater than the overall all mean i.e., 0.78.

Others

A sum of 438 advertisements was upheld under others category by CCC-ASCI during 2013-2016. Out of 438 advertisements, a highest of 210 advertisements was upheld in 2015 which constitutes 47.9 percent of the total. 124 (28.3 percent) and 95 (21.7 percent) advertisements were upheld in 2013 and 2014 respectively. Only 9 (2.1 percent) advertisements were upheld in 2016. The measure of central tendency was worked out to understand the

advertisements upheld in a year over a period of study. On an average, 12.17 advertisements were upheld over a period from 2013–2016. In the year 2015, on an average, 17.5 advertisements were upheld and 11.27 in 2013. It was 9.0 in 2016 and 7.92 in 2014. It is obvious that a majority 210 (47.9 percent) advertisements were upheld with an average of 17.50 in 2015 which is greater than the overall all mean i.e., 12.17.

Total Advertisements Upheld

A total of 3621 complaints were upheld by CCC-ASCI for the period 2013-2016. Out of the 3621 advertisements, a highest of 1299 advertisements was upheld in 2013 which constitutes 35.9 percent of the total. About 1171 (32.3 percent) and 1100 (30.4 percent) advertisements were upheld in 2014 and 2015 respectively. A sum of 51 (1.4 percent) advertisements was upheld in 2016. The measure of central tendency was worked out to understand the advertisements upheld in a year over a period of study. On an average, 100.58 advertisements were upheld over a period from 2013–2016. In the year 2013, on an average 118.09 advertisements were upheld. It was 97.58 in 2013 and 91.67 in 2014. It is obvious that a majority 1299 (35.9 percent) advertisements were upheld with an average of 118.09 in the year 2013 which is greater than the overall all mean i.e., 100.58.

Test of Homogeneity of Variances

The test for homogeneity of variance was worked out to satisfy the assumption that is necessary for interpreting ANOVA results. The homogeneity of variances is tested and presented in Table 4. Levene’s test for homogeneity of variances assesses where the population variances for the groups are significantly different from each other. Therefore the null hypothesis states that the population variances are equal. The Levene statistics for personal care and health has value of 2.130 and the p value of $P=0.135$. Since the p value (0.135) is greater than 0.05, it could reject the null hypothesis and conclude that these data do not violate the homogeneity of variance. Similarly the Levene statistics for e-commerce and others has value of 1.565 ($p=0.222$) and 0.933 ($p=0.404$) respectively. Since the p value for e-commerce ($p=0.222$) and others ($p=0.404$) is greater than 0.05. It could reject the null hypothesis and conclude that these data do not violate the homogeneity of variance – assumption.

Analysis of Variance (ANOVA)

Analysis of variance is used to analyse the variance to which a response is subjected into its various components corresponding to various sources of variation. Table 5 portrays the result of analysis of variance. The F value for Personal Care and Health is 1.822, the corresponding p value is 0.163. Since the level of significance (i.e., $p=0.163$) is greater than 0.05 (significant @ 5 percent level), it accepts the null hypothesis and concludes that there is no significant difference in the upheld advertisements over the period of the study. Further, the F value for Education is 1.981 the corresponding p value is 0.137. Since the level of significance (i.e., $p=0.137$) is greater than 0.05 (significant @ 5 percent level), it accepts the null hypothesis and concludes that there is no significant difference in the upheld advertisements over the period of the study. Correspondingly, the F value with P value for Media and Entertainment ($F=0.818$, $p=0.494$); E-commerce ($F=0.873$, $p=0.466$); Telecommunication ($F=2.120$, $p=0.117$), and Automobile ($F=1.447$, $p=0.248$) is greater than the table value (significance @ 5 percent level) 0.05. Since, the level of significance i.e., the p value of 0.494, 0.466, 0.117, and 0.248 for Media and entertainment, E-commerce, Telecommunication, and Automobile respectively is greater than 0.05, it accepts the null hypotheses and concludes that there is no significant difference in the advertisements upheld over the period of study.

On the other hand, the F value for Food and Beverages is 3.763, the corresponding p value is 0.020. Since the level of significance (i.e., $p=0.020$) is lesser than 0.05 (significant @ 5 percent level), it rejects the null hypothesis and concludes that there is a significant difference in the upheld advertisements of Food and Beverages over the period of study. Likewise, the F value for Others category is 3.484, the corresponding p value is 0.027. Since the level of significance (i.e., $p=0.027$) is lesser than 0.05 (significant @ 5 percent level), it rejects the null hypothesis and concludes that there is a significant difference in the upheld advertisements of others category over the period of study. It is obvious that the advertisements are continuing considerably to be false, misleading, indecent, illegal, leading to unsafe practices, or unfair to competition. Further it contravened the ASCI Code for Self-Regulation in Advertising in India.

CONCLUSION

The Department of Consumer Affairs (DoCA) had appointed the Advertising Standards Council of India (ASCI) continuing with the mission to address misleading advertisement that a majority 682 advertisements

upheld with an average of 56.83 in 2014 and 555 with an average of 50.45 in 2013 in the personal care and health category followed by 529 advertisements upheld with an average of 48.09 in 2013 in education category. At the next level a majority of 12 advertisements was upheld with an average of 12.00 in 2016 in food and beverages category and 20 advertisements upheld with an average of 1.67 in the year 2015 in E-commerce category. But the ASCI-CCC puts its efforts to avoid unfair trade practices; and it plays a vital role to protect the consumer rights by giving some relief in the form redress. To monitor the web portal Grievances Against Misleading Advertisements (GAMA) was launched in the year 2015. However, all the complaints received by the GAMA are being diligently processed by ASCI. Majority of these complaints came from individual consumers as well as few consumer organisations like the Consumer Education and Research Centre (CERC). Moreover, the portal received complaints against advertisements of products and services from almost all sectors (telecom, banking, consumer durables, etc. and emerging sectors like e-commerce) across a range of advertising media (TV, Print, Web-sites, other digital mediums, etc.). Some of the well known brands' advertisements which were complained against were not only processed by ASCI but also the advertisers either withdrew the advertisements or modified them as appropriate within the stipulated period. However, it reveals that that a majority 682 (39 percent) advertisements were upheld with an average of 56.83 in 2014 and 555 (31.7 percent) with an average of 50.45 in 2013 in the personal care and health category followed by 529 (45.4 percent) advertisements upheld with an average of 48.09 in 2013 in education category. At the next level a majority 12 (9.6 percent) advertisements were upheld with an average of 12.00 in 2016 in food and beverages category and 20 (34.5 percent) advertisements were upheld with an average of 1.67 in the year 2015 in e-commerce category. It could be safely concluded that the asymmetric information of the advertisements unfair trade practices in all aspects particularly the personal and health care products and educational sector are prevalent, because these two sectors have the high demand in the market in the name of personality development and human resource development.

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APPENDIX 1

Table 1: The Complaints Received by the ASCI and the Advertisements Withheld from 2013 to 2016

S. No.	Year	Advertisements upheld		Complaints received	
		No. of advertisements	%	No. of complaints	%
1	2013	1299	87.18	1490	100
2	2014	1171	77.65	1508	100
3	2015	1100	69.23	1589	100
4	2016*	51	50.00	102	100
	Total	3621	77.22	4689	100
		r=0.980 (p=0.020)			

Source: ASCI, various reports.

Note: * considered one month data which is available for 2016

Table 2: Category-wise Distribution Upheld Advertisements by ASCI during 2013 – 2016

S. No.	Category	Year				Total
		2013	2014	2015	2016*	
1	Personal Care & Health	555 (42.73)	682 (58.24)	501 (45.55)	11 (21.57)	1749 (48.30)
2	Education	529 (40.72)	322 (27.50)	301 (27.36)	13 (25.49)	1165 (32.17)
3	Food and Beverages'	51 (3.93)	35 (2.99)	27 (2.45)	12 (23.53)	125 (3.45)
4	Media and Entertainment	6 (0.46)	1 (0.09)	13 (1.18)	0 (0.00)	20 (0.55)
5	Ecommerce	17 (1.31)	15 (1.28)	20 (1.82)	6 (11.76)	58 (1.60)
6	Tele-communication	8 (0.62)	5 (0.43)	25 (2.27)	0 (0.00)	38 (1.05)
7	Auto mobile	9 (0.69)	16 (1.37)	3 (0.27)	0 (0.00)	28 (0.77)
8	Others	124 (9.55)	95 (8.11)	210 (19.09)	9 (17.65)	438 (12.10)
9	Uphelds	1299 (100)	1171 (100)	1100 (100)	51 (100)	3621 (100)

Source: ASCI, various reports.

Note: * considered one month data which is available for 2016

Table 3: Descriptive Analysis of Category Wise Advertisements Upheld during the Period 2013-2016

Year		Personal Care & Health	Education	Food and Beverages'	Media and Entert- ai- nment	E- com- merce	Tele- commun ication	Auto mobile	Others	Total	Uphelds
2013	Sum	555	529	51	6	17	8	9	124	1490	1299
	Mean	50.45	48.09	4.64	.55	1.55	.73	.82	11.27	135.45	118.09
	% of To- tal Sum	31.7%	45.4%	40.8%	30.0%	29.3%	21.1%	32.1%	28.3%	31.8%	35.9%
2014	Sum	682	322	35	1	15	5	16	95	1508	1171
	Mean	56.83	26.83	2.92	.08	1.25	.42	1.33	7.92	125.67	97.58
	% of To- tal Sum	39.0%	27.6%	28.0%	5.0%	25.9%	13.2%	57.1%	21.7%	32.2%	32.3%
2015	Sum	501	301	27	13	20	25	3	210	1589	1100
	Mean	41.75	25.08	2.25	1.08	1.67	2.08	.25	17.50	132.42	91.67
	% of To- tal Sum	28.6%	25.8%	21.6%	65.0%	34.5%	65.8%	10.7%	47.9%	33.9%	30.4%
2016	Sum	11	13	12	0	6	0	0	9	102	51
	Mean	11.00	13.00	12.00	.00	6.00	.00	.00	9.00	102.00	51.00
	% of To- tal Sum	.6%	1.1%	9.6%	.0%	10.3%	.0%	.0%	2.1%	2.2%	1.4%
Total	Sum	1749	1165	125	20	58	38	28	438	4689	3621
	Mean	48.58	32.36	3.47	.56	1.61	1.06	.78	12.17	130.25	100.58
	% of To- tal Sum	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Compiled from ASCI's in various years

Table 5: ANOVA

Category		Sum of Squares	df	Mean Square	F	Sig.
Personal Care & Health	Between Groups	2828.106	3	942.702	1.822	.163
	Within Groups	16560.644	32	517.520		
	Total	19388.750	35			
Education	Between Groups	4098.813	3	1366.271	1.981	.137
	Within Groups	22065.492	32	689.547		
	Total	26164.306	35			
Food and Beverages	Between Groups	109.260	3	36.420	3.763	.020
	Within Groups	309.712	32	9.679		
	Total	418.972	35			
Media and Entertainment	Between Groups	6.328	3	2.109	.818	.494
	Within Groups	82.561	32	2.580		
	Total	88.889	35			
Ecommerce	Between Groups	20.912	3	6.971	.873	.466
	Within Groups	255.644	32	7.989		
	Total	276.556	35			
Telecommunication	Between Groups	19.874	3	6.625	2.120	.117
	Within Groups	100.015	32	3.125		
	Total	119.889	35			
Auto mobile	Between Groups	7.669	3	2.556	1.447	.248
	Within Groups	56.553	32	1.767		
	Total	64.222	35			
Others	Between Groups	576.902	3	192.301	3.484	.027
	Within Groups	1766.098	32	55.191		
	Total	2343.000	35			
Uphelds	Between Groups	6892.258	3	2297.419	1.353	.275
	Within Groups	54326.492	32	1697.703		
	Total	61218.750	35			