Is There a Theory of Deception in Advertising?

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The subject of deception in advertising has been debated frequently in the legal field for several decades. However, the marketing academician's interest in it is a fairly recent one in comparison. Despite its relatively short period of existence as a subject of research in marketing, a fair amount of work has been done towards defining, classifying and measuring deceptive advertising. This paper seeks to put together all the research done in these spheres and evaluate the framework thus developed against the criteria for a theory, to see how well equipped it is to explain past phenomena and predict future phenomena of deception in advertising.
INTRODUCTION

Advertising is charged with the responsibility of disseminating information about a product to its current and potential customers. Advertising brings about social persuasion through this dissemination. Thus when the information imparted is misleading, advertising is not performing its task and this can result in a loss to the consumer - a loss that can be economic as well as non-economic, or it could lead to an inappropriate allocation of resources.

The necessity of avoiding deception in advertising is well recognised. In 1914 the FTC passed the first advertising related regulation and followed it up with a series of amendments. In 1962 the American Association of Advertising Agencies formulated a Creative Code imposing a certain code of conduct on its members. It may seem a trivial issue in that advertisers need only to abide by this code. However there are certain basic issues that need to be resolved before any laws are enforced or codes of conduct imposed - particularly those of: what is deceptive advertising, when is deception involved, how many consumers need to misunderstand an advertisement before it is categorised as deceptive, and how is it to be detected and measured.
WHAT IS DECEPTIVE ADVERTISING?

What is deceptive advertising? The Webster dictionary defines deception as "the act of misleading through falsehood and misrepresentation", but this focuses neither on the effects of the advertisement on the consumer nor on how the consumer interprets the advertisement. Aaker (1) defines the concept taking into account the perceptual aspect. "Conceptually, deception is found when an advertisement is input into the perceptual processes of some audience and the output of that process (a) differs from the reality of the situation and (b) affects buying behavior to the detriment of the consumer". As Gardner (10) points out, this definition although incorporating perception, does not recognise the fact that the interaction of the advertisement with accumulated beliefs and experiences of the consumer can be instrumental in the advertisement being construed as deceptive. He is of the opinion that deception is largely a behavioral construct and has incorporated this in his operational definition of deception - "if an advertisement (or advertising campaign) leaves the consumer with an impression(s) and/or beliefs different from what would normally be expected if the consumer had reasonable knowledge, and that the impression and/or belief is factually untrue or potentially misleading, then deception is said to exist."
Howard and Hulbert (14) define the concept as "the case where a set of symbols is susceptible to two or more interpretations, one of which is false". According to Olson and Dover (20) who take an information processing perspective, "deception occurs when consumers acquire demonstrably false beliefs as a function of exposure to an advertisement".

In a later paper, Gardner (11) stated that any definition of deception must focus on the receiver. He postulated a modified version of his earlier definition, wherein his focus shifted to the "average consumer within a reasonable market segment". In effect, this later definition assumed that the focus should be on what the receiver perceived rather than on a literal meaning of the advertisement. However, Armstrong et al (3, 4) are of the opinion that if the deception is not material and does not have the effect of inducing buying behavior, it is not very relevant. Besides, they are of the view that it is the below average customer who is more susceptible to deception then the average or over average customer (in terms of knowledge). They posit that for deception to occur, the advertiser must make false claims—express or implied, and these claims must be believed. So if a consumer believes a claim that is actually false, it is deception. Furthermore, for a deceptive claim to affect a consumer's attitudes and behavior, it must be relevant to him. Haefner (12) in
his study, concludes very aptly that neither a dictionary definition nor an expert legal opinion can yield an accurate meaning of deception. "Deception is something that is perceived by the consumer and it is only he who can give it meaning".

**TAXONOMY OF DECEPTION**

The first formal delineation of various kinds of deceptive advertising was put forward by Aaker (1) who quoted several FTC decisions in individual cases and said that an advertisement was considered deceptive if the "gestalt" impression of it was deceptive, despite the claims within being literally true. Further, any ambiguous statement in an advertisement which could lead to two interpretations of it, one of which was false, would render the advertisement deceptive. The FTC also placed incomplete disclosures or omissions that could correct misconceptions, in the deceptions category. Puffery to the extent of a subjective statement was permissible, but an extension to the point of unreality was not. In fact, for an advertisement to be deceptive, Aaker (1) says that it must contain a material untruth, one capable of affecting purchase decisions.

This classification ignored the behavioral aspect of deception as it took no notice of the receiver's
point of view. Gardner (10) made what was one of the earlier concrete attempts to build a formal typology of deceptive advertising. He proposed three categories viz., the unconscionable lie where a complete false claim is made; a claim-fact discrepancy where some qualification of the claim is necessary for it to be properly evaluated; and the claim belief interaction where the advertisement interacts with the consumer's existing set of beliefs to leave a deceptive/misleading belief about the advertised item, without actually making any explicit or implied deceptive claims.

An integrated and expanded classification was proposed by Ford, Kuehl and Reksten (9) as follows:

* Misstated facts akin to claim fact discrepancies, where there is an actual difference between product benefits in actual use and those stated in the ad copy.

* Overstated benefits which screen allowable puffery from excessive puffery and refers to gross overstatements.

* Blatant lies which are totally false claims intended to be taken as true by readers.

* Omissions of relevant data or a misleading silence, insufficient or incomplete information regarding the product usage or negative benefits.

* Ambiguous statements and the like that create false impressions and lead the consumer to draw
incorrect conclusions.
* Intentional falsehoods where the advertiser creates a false impression which he intends the consumer to realise as false but which the consumer takes as true.
* False authority where a testimonial is being given by a person who has little or no authority of the product.
* False certification where false/improper methods are used to add substance to the claim.
* Obscure footnote where important information is given in small inconspicuous type.
* Euphemistic nomenclature where misleading brand names/nomenclature are used to convey product benefits.
* When credibility is sought by presenting the message in editorial typeface.
* Apparent authority where the source seems to be an authority.
* Technical overabundance of information to confuse the consumer.

These categories tend to be duplicative and make the typology cumbersome. They can however be collapsed into a more compact categorisation, which has just one perspective.

Another trilogy was suggested by Russo et al (22)
viz., fraud, falsity and misleadingness. Fraud focussed on the advertiser and referred to a deliberate intent on the part of the advertiser to create a false belief about the product, falsity referred to a claim fact discrepancy and misleadingness focussed exclusively on the consumer and referred to a belief fact discrepancy. Armstrong and Russ (2) gave a two way classification of deception, depending on whether the claim is about the product's attributes, usage etc., or whether it is due to false express claims, false impressions created by omitting relevant information, not substantiating claims etc. This bifurcation fits into the classification schemata developed by other authors as described above.

DETECTING AND MEASURING DECEPTION

The next issue is that of detecting and measuring deception in advertising. Gardner (10,11) suggests three techniques. The Normative Belief Technique assumes the existence of an optimal set of functional attributes for each product class as well as the existence of an acceptable range of probabilities associated with each attribute. However, Armstrong et al (4) have said that this ignores the valid individual differences in the importance of attributes. The Consumer Impression Technique assumes that learning from prior experience changes consumer responses to stimuli.
The Expectation Screening Technique is based on the fact that when consumers are exposed to an advertisement, they compare their perceptions of an advertisement with their anticipated expectations of the item being advertised and with appropriate frames of reference for evaluation, but is not focussed on the extent of deception only on the amount of information contained in the advertisement.

Armstrong and Russ (2,3) have postulated the Salient Belief Technique to measure deception. This assumes that deception occurs when consumers perceive and believe false claims either made or implied by an advertisement. Further, they reiterate that to be of any concern, these false claims must be relevant to a consumer's decision to purchase a brand. In another study, they suggest that a procedure for detecting deception should be based on a survey of a sample of individuals/consumers to detect how they interact with the advertisement in question. This procedure takes into account relevant consumers, basically current and potential users or influencers of purchasers, exposes them to an advertisement in the same way that an advertisement is pretested and then detecting the amount/extent of deception in the sample by seeking consumers' relevant claims perceived in the post exposure period and comparing them with expert opinion or results of product performance tests.
Another structure for objectively evaluating the effects of advertising on the consumer was developed by Howard and Hulbert (14) and this involves specifying the judgment criteria. In this article, the authors put forth 6 criteria for the same viz., timeliness, relevance, truthfulness, completeness and accuracy of the target audience - primarily to study what the claim is and how true it is.

In yet another study, Armstrong and Russ (2) have found that in measuring deception, perceived deception and functional deception be measured. In perceived deception, subjects are asked if advertisements, claims etc. are deceptive and in functional deception, brand attributes are used to measure deception (Normative Belief Technique re Gardner and Salient Belief Technique re Armstrong et al). They have supported their approaches to defining and measuring deception by a number of empirical studies that incorporated consumer beliefs into the measurement of deception.

Russo et al (22) proposed a procedure for identifying misleading advertising based solely on consumer beliefs. They carried out an empirical study to lend evidence in support of their claim that an advertisement is considered misleading if an exposed group holds more false beliefs than a control group. In
a later study, Gardner and Barbour (5) presented a methodology for detecting and measuring deception, wherein subjects were asked to compare features gleaned from an actual advertisement vs actual features. This they claimed was a practical way of detecting deception.

Thus it can be seen that although a lot of research has been done in this particular aspect of deception, no one standard procedure has evolved.

FURTHER RESEARCH FINDINGS

A study by Harris, Dubitsky and Thompson (13) has shown that subjects can be trained to better discriminate between asserted and implied claims but such training has complex, multidimensional aspects. Further studies have shown that after each successive training session the group was better able to discriminate between these claims than the time before. Thus they suggested that training has positive effects on the ability of subjects to discriminate. Extensions of this research show that the most effective training occurs when the subjects have an interest in the products being advertised. The authors of this paper very aptly point out that the main problem in detecting deception is really "how a statement is being interpreted by the reader". Another area of potential
research is in developing a standard measure or set of criteria for detecting deception. Wilkie (23) has offered 4 criteria to evaluate measures of deception. According to him, the response measurement should follow as soon as possible after the exposure to the advertisement. It should reflect claims made in the advertisement, the salience of exposures to these claims and should offer precision in remedy. In fact, he has advocated establishing standards for the measurement and detection of deception, and has identified two key issues to be studied therein: choosing a standard and deciding the acceptable range of deviation from the standard. It is evident that such a development is imperative for the evolution of a single or few accepted, tried and tested procedures for detecting deception in advertising.

A RESTATEMENT OF THE "THEORY"

The purpose of this paper is to examine how the concept of deceptive advertising fits the criteria for a theory. In order to do so, the research findings must be formalized (15).

Definition

As the definition of "deception" has evolved, certain key features have been highlighted by researchers in the
field. In essence, it is necessary to consider the process/phenomenon from the point of view of the receiver. Further, not only is the receiver important, how the communication is perceived by him and also the interaction with his existing belief set are of prime consideration. Finally, how the interaction took place and whether or not it induced any behavior detrimental to the well being of the receiver - whether physical, mental, material or emotional - play a crucial role in the decision of the potentially deceptive nature of the communique.

Therefore, in keeping with the above observations, the following definition is proposed: an advertisement is considered deceptive if, when input in the perceptual process of a consumer (receiver), the output of the process is different from what would be expected under conditions of reasonable knowledge (taking into account an average consumer), as a result of the interaction with the existing belief system; in that the impression created by the exposure to the advertisement is factually untrue and misleading, yet it is material and relevant and results in buying behavior detrimental to the receiver.

Classification

In the same vein as the definition, there was also an evolution of the classification schemata. Aaker's
three way classification took into account the gestalt view, incomplete disclosures and unreal extensions. There is almost unanimous agreement among researchers in the field that any typology or schemata must consider the receiver's point of view. Further, there is also a proposal to consider the behavioral aspect. While some researchers took into account the deliberate intent to deceive (on the part of the advertiser), some preferred to focus on the unintentional aspect. However, deception whether intended or unintended, is of import especially if it affects the consumer adversely. Therefore, in keeping with this view the following classification scheme is suggested.

Deceptive advertising can be classified on the basis of (a) intention to deceive, (b) deception caused by discrepant claims and (c) interaction between the consumer's existing belief system and the advertisement. This compact schemata includes all the elements of the hitherto proposed schemata. In other words, the intention to deceive is what Russo et al refer to as fraud, discrepant claims take into account claim fact discrepancies as well as deception being unintentional, and the third category being akin to Gardner's claim belief discrepancy and also misleading in Russo's terminology. Essentially, this scheme adopts that proposed by Russo et al, with a few clarifications and a clear delineation between the categories.
Measuring and detecting deception

As regards measuring and detecting deception, no one standard procedure has been developed, but researchers in the field agree on using consumer beliefs and perceptions as a measure. In fact, studies have shown that there exists a positive relationship between training and the ability of the consumer to detect deception. Researchers have evolved criteria for evaluating measures of deception and have also attempted to draw up standards and acceptable deviations thereof. These areas can be seen as potential research avenues in the field.

WHAT IS A THEORY

Hunt (15) has defined a theory as "a systematically related set of statements, some of which are lawlike generalizations, which is empirically testable". The purpose of a theory is to increase understanding. To do so it must be capable of explaining and predicting. Alderson (in 15) proposed a theory to be "a set of propositions that are consistent among themselves and which are relevant to some aspect of the factual world".

IS THERE A THEORY OF DECEPTION?
For a set of statements to be systematically related, they must be internally consistent. They should clearly define the concepts, the relationships between the concepts and all the inter relationships between the statements must be clearly delineated. Although there is no one universally accepted definition of deception, there is wide agreement of the fact that deception must be viewed from the consumer's angle, it must take into account the existing belief set of the consumer and its interaction with the ad message; and the vulnerability of the consumer. In other words, there is a definite relationship between the consumer's perceptual processes and deception. Further, there is a direct relationship between the vulnerability of the consumer and the probability of being deceived. The relevance/importance of the product/claim to the receiver plays an important role in that there is a direct relationship between the deceptive message having a detrimental effect on the consumer and the relevance of the claim. Thus there is a delineation of the inter relationships, there is a definition of the concepts and so the first criterion for a theory has been satisfied.

The second criterion for a theory is that at least some of the statements must be lawlike generalizations. In the definition itself, there are statements of the if-then form, and several others that can be re-structured in the if-then form without loss of
meaning, such as the relationships between the relevance of the claim and the tendency of the message to be considered deceptive; the vulnerability of the consumer and his tendency to be deceived. It is also very clear that these statements are not nonsensical nor are they strictly analytical. They refer to phenomena pertaining to the real world. Thus they can be said to have empirical content. In addition, these statements rule out accidental generalizations, in that they have the power to generate hypotheses, as has been demonstrated by the research in the field - it has gone beyond merely defining and characterising deception. Thus these statements can be said to exhibit nomic necessity. The concept of deception has its roots in marketing and advertising, especially the social aspects of these areas. Besides, with its behavioral implications, it borrows substantially from psychology. It has its foundations on the perceptual processes of the consumer and the effects thereof on buying behavior. It has implications for economic/social factors in its reference to the losses sustained as a result of deceptive advertising. In the context of the above, it would not then be wrong to claim that its components are well integrated into the wider body of knowledge. Thus, it can be said that there exist lawlike generalizations in this framework.

Finally, the last criterion for a framework to be a
theory is that it must be empirically testable. The research conducted in this field supports the contention that this criterion is satisfied. Thus deception in advertising can be said to be a theoretical structure. The next question then becomes - at what level is it a theory?

WHAT LEVEL OF A THEORY?

Merton (in 19) has proffered a three way classification of "theories" in sociology. Essentially, he propounded the notion of middle range theories, which were "theories intermediate to the minor working hypotheses evovlved in abundance during the day-to-day routines of research and the all-inclusive speculations comprising a master conceptual scheme or grand theory.

To elaborate a bit further on this, grand theories are formalized and permit the derivation of hypotheses through logical deduction from a system of logically connected concepts that are both theoretically and empirically defined and linked to the observable world. In the other levels of theory, hypotheses are derived more on the basis of plausible inference than logical deduction. Other bases which distinguish the various levels of theory are the scope and nature of the system of underlying and inter related concepts.
To the extent of the scope, deception does not deal with an all encompassing subject matter. It does focus on one aspect of advertising i.e. the social aspect, but does not attempt to explain advertising as a concept or phenomenon. Thus it can not be put on the level of a master conceptual scheme. Yet, to term it akin to a working hypothesis would be doing it an injustice. In this respect, it is more likely a micro theory, fairly evolved and moving towards a middle range theory.

This can also be seen from the way hypotheses are derived. Hypotheses, related to problems are conceptualized and derived more from inferences, and have several implicit assumptions. In other words, hypotheses are not logically derived - they are inferred. Also, the theory is more "observational" than "speculatory" in nature. All these preclude it at this point from being categorised as a grand theory.

To further support the claim that this would probably be more like a middle range theory, potential relationships with other grand and mid range theories are explored. One of the fairly obvious relationships is that with the theory of information processing. A general structure of information processing theory of consumer choice behavior uses the basic elements of processing capacity, motivation, attention, perception,
information acquisition and evaluation, use of memory, decision rules and processes, and consumption and learning. Apart from these basic elements, the operation of the theory is influenced by individual differences, situational differences and effects of different types of stimuli.

In explaining choice behavior, how an individual attends to and perceives information can have a major impact on choice. Perceptual encoding, where the individual having attended to the stimulus, interprets it; is one phase where potentially deceptive advertising can take root. In interpreting the stimulus, the individual forms some notion of the meaning of the information that has been attended to, and it can be possible that in the course of encoding, a misleading impression is formed which will influence the subsequent direction of attention and action.

Information that is processed is stored in long term memory. In making a choice, the consumer may retrieve information from memory and if the existing memory base has any deceptive or misleading elements, these can get transferred to yet another situation confounding the deception further. If upon searching memory, the available information is inadequate, the consumer will engage in a search for more information. This again leaves potential for deception if exposed to
such a message.

More than just the way individuals process information, it is the effect of the type of information being processed. Different types of stimuli are likely to undergo different types of processing (marginally different, not fundamentally so). The way in which a particular stimulus is presented is also likely to affect its encoding and therefore the attention and action stages of choice behavior.

Deceptive advertising or potentially misleading communication therefore has an impact on the actions of consumers through the information processing route. Thus to understand the exact impact (and the way it occurs) of such communications, we have to deal with more than just the nature of the message in question. We also have to consider its relationship/linkages with information processing and choice behavior.

The foregoing discussion reinforces the belief that while deception is certainly not at the mere working hypothesis stage, it can be related to other grand theories in fields other than just marketing. It is however not developed sufficiently to qualify for the grand theory status. In other words, it is at the stage of a middle range theory.
A CLASSIFICATION TYPOLOGY

a) INTENTION TO DECEIVE
includes i) overstated benefits
  blatant lies
  intentional falsehoods
  false authority
  false certification
  obscure footnotes
  euphemistic nomenclature
  (as in Ford et al)
  ii) fraud - deliberate intent on the part
      of the advertiser to create a false
      belief about the product (Russo et al)
  iii) Unconscionable lie - complete false
       claim (Gardner).

b) DISCREPANCIES BETWEEN CLAIMED AND FACTUAL DATA
includes i) mis-stated facts
  misleading silence
  (as in Ford et al)
  ii) falsity (Russo et al)
  iii) claim fact discrepancy (Gardner)

c) INTERACTION BETWEEN CLAIMED FACTS AND EXISTING BELIEFS
includes i) credibility sought (editorial typeface)
  apparent authority
  technical information overload
  (Ford et al)
  ii) Claim belief interaction (Gardner)
  iii) Misleadingness (Russo)


22. Russo, Edward J, Barbara L. Metclaf and Debra


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