

A Study On Perception Towards Surrogate Advertising In Surat City

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Abstract: Surrogate advertising is one of the emerging ethical issues in advertising in India. This is used as a strategy to advertise products like liquor or tobacco advertisement of which otherwise, is banned in our country. It relates to advertising by duplicating the brand image of one product extensively to promote another product of the same brand. When consumers look at these advertisements, they associate these with banned products. Hence, such products are indirectly advertised, and therefore, influence their behaviour. The surrogate could either resemble the original product or could be a different product altogether, but using the established brand of the original product. The sponsoring of sports/ cultural/leisure events and activities using a liquor brand name also falls in the same category. This paper examines the various factor of surrogate advertising like evolution of surrogate advertising, their impact, and emerging trends in surrogate advertising, increased awareness. This paper will also study the influence of Surrogate advertisements on youth. Is the youth identifying the original product being advertised and will they purchase the original product by viewing such advertisements. Is the young generation also fascinated by the celebrities endorsing such events and products will be the main focus of this study.

Key Words: Surrogate, Advertising, Banned Products, Celebrity Endorsements, Influence Brand Image, and Awareness.

I. INTRODUCTION

Surrogate advertising is one of the emerging ethical issues in advertising in India. This is a corporate strategically approach in marketing of hard products i.e. banned to promote products. It relates to advertising by duplicating the brand image of one product widely to promote another product of the same brand. When consumers follow these advertisements, they associate these with banned products. Hence, such products are indirectly advertised, and therefore, influence their behaviour. Earlier in India it was started by Hindustan Unilever Limited (HUL) by extending lux soaps to shampoo, the main idea was not exactly the surrogate advertisement but with the advertisement of shampoo, Soap was also promoted because of the well established brand image of lux soaps; that is why sometimes it is also called brand extension advertising. Later on it was adopted by the marketers of banned to promote products including alcohol, tobacco & cigarettes. Surrogate advertisements include use of different advertising media like television commercials, bill boards and hoarding, and sometimes celebrity endorsement is also adopted as marketing strategy to make these advertisements work.

This is used as a strategy to advertise products such as liquor or tobacco which otherwise, is banned in our country. It relates to advertising by duplicating the brand image of one product extensively to promote another product of the same brand. When consumers look at these advertisements, they associate these with banned products. Hence, such products are indirectly advertised, and therefore, influence their behaviour. This type of advertising uses a product of a fairly close category, as: club soda, or mineral water in case of alcohol, or products of a completely different category, for example music CDs or playing cards to hammer the brand name into the heads of consumers. The banned product (alcohol or cigarettes) may not be projected directly to consumers but rather masked under another product under the same brand name, so that whenever there is mention of that brand, people start associating it with its main product (that is alcohol or cigarette).

The use of Surrogate advertising in India can be traced back to 1995 when the Cable TV Regulation Act 1995 was enforced which stated – “No advertisement shall be permitted which promotes directly or indirectly, production, sale or consumption of cigarettes, tobacco products, wine, alcohol, liquor or other intoxicants”. This ban on advertising of such products led to the emergence of surrogate advertisements in India in a big way. It is advertising in which a different product is promoted using an already established brand name. Such advertisements or sponsorships help in contributing to brand recall. The different products shown and used in the advertisements are called Surrogates. Surrogates could either resemble the original product or could be a totally different product, but using the established brand of an original product.(www. wiki/Surrogate Advertising).

CONCEPT OF SURROGATE ADVERTISING

a) Surrogate advertising means advertising of banned products like liquor, tobacco etc. Surrogate advertising is an advertisement of a brand extension in such a way that brings clear recall of the core product in the mind of the consumer. The literal meaning of Surrogate Advertising is duplicating the brand image of one product extensively to promote another product of the same brand.

It is technically acceptable to promote Smirnoff cassettes in television advertisements in India, but not Smirnoff vodka. For example, all those playing cards, soda water bottles, apple juices, mineral water and other product advertisements we see, are actually clever promotions for liquor and cigarette brands by the same name.

b) Surrogate is duplicating brand image of one product extensively in order to promote another product of the same brand. It also includes sponsoring of sports, cultural activities.

c) Liquor advertisements have direct influence on the consumer buying behaviour, so the company usually either goes for brand extension or promotions of events.

d) The concept of surrogate advertising at that time was not something new to the world as United Kingdom was facing the same from problem with advertising and marketing of such products from a very long time. The same trends were followed in India and the market was flooded by surrogate products.

HISTORY OF SURROGATE ADVERTISEMENT

It was believed that surrogate advertisement first emerged in Britain when wives start protesting alcohol advertisement which provokes million of husbands for drinking. The protest got massive response resulting in ban on advertisement of liquor product. In India surrogate advertisement is done mainly for tobacco and liquor product. This is because the advertisement of these products has been overtly banned as they are considered to be products that put adverse affect on the mind of the consumers and lead them to use substances that have an addictive affect and create uneasiness for the members of the general public who do not prefer using these substances. In our country, on an average around 15 million people consume liquor and approx 250 million people in some or other forms consume tobacco. In 1995, due to continuous efforts and awareness, Government of India imposed ban on tobacco and liquor advertisement in television through Information and Broadcasting Ministry by Cable Television Network (Regulation) Act. It was a huge setback for tobacco and alcohol industry as television and radio is one of the most effective media to influence people in a large scale. The companies started to endorse other products under the same brand to arrest the falling demand of the target product in the absence of publicity. As per Information and Broadcasting Ministry surrogate advertisement means advertisement of the product other than alcohol and tobacco by the manufacturer of alcohol and tobacco industry under the same brand name. For example - Mc Dowells water and soda (surrogate product) for Mc Dowells liquor (target product), Pan Masala (surrogate product) for Pan Parag Gutkha (target product), Gold Flake tennis tournament (surrogate service) for Gold Flake cigarette (target product). Actually the purpose of surrogate advertising is more of reinforcing brand recall than to boost the overall sales of the company. It is also true that the product through which the companies are marketing their main product may not necessarily be available in the market.

II. LITERATURE REVIEW

The basic question that needs to be answered is whether advertising make any material impact in the sales of alcohol or tobacco products. Kent M. Lancaster and Alyse R. Lancaster disregard that there is any difference in sales of tobacco and alcohol related products with or without advertising.

Parulekar Ajit Arun (2005), in his paper examines the impact of surrogate advertising of alcohol brands on their brand equity. The purpose of the study was masked through the experimental design in order to minimize manipulation effects. In the main study, subjects were sequentially exposed to television ads, one ad at a time, of the 20 brands used in the pre-test. The findings of the paper support the notion that brand equity will be least affected in consumers with prior consumption experience, ad exposure or brand knowledge of the alcohol brand.

Dr. S. G. KhawasPatil and Laxmikant S. Hurne (2011), studied the effectiveness of surrogate advertising and found few whisky brands are powerful in the market like Royal Stag / Officers Choice /McDowell's as their advertisements are more creative and powerful. According to the paper maximum respondents got the intention behind surrogate advertisements, i.e., to advertise liquor, whisky products. It means surrogate advertisements are effective in targeting their customers. Surrogate advertisement is a successful strategy because maximum respondents are changing their purchase decisions.

Ms Kirti Singh Dahiya and Ms Kirti Miglani started their research study "Emergence of surrogate advertisement" to check whether surrogate advertisements provide high brand recall or not, to find whether the products shown in advertisements are sold or not and study whether surrogate advertisements appeal the customer for the hidden product directly, found that Surrogate advertisements are only successful in creating brand recall of the hidden product in the advertisement. People do not get much influenced by these products advertisements while making their purchase, their purchase decision are mainly influenced by their financial status. Another major finding is that these products make people addicted to the products; people cannot resist themselves from consuming these products so in this scenario the role of advertising whether surrogate or direct is reduced at minimum.

Pradeep S. Mehta in his article "surrogate advertising- needed a spirited attack" stated that according to a market survey in 2001 revealed that advertising has a direct influence on the consumption habits of 431 million people in India and an indirect impact on 275 million 'aspirants' from the lower income group. Considering this and realizing that nearly 50 per cent of the television owners have access to cable channels, there is no doubt that the hidden call for alcohol consumption behind the surrogate advertisements is not escaping the eyes of viewers in the world's fourth highest liquor-consuming country. The very purpose of banning liquor advertisements is defeated by surrogate advertising. The companies whose products are subjected to the prohibition are following a different way of promoting their products like 'old wine' in a 'new bottle,' or with a soft-drink label somehow they are duplicating the image of well established brand.

Sharma, Rishi Raj; Chander, Subhash in their research study "Consumer Psychographics and Surrogate Advertising: An Application of Multiple Discriminate Analysis" stated that When consumers look at the surrogate advertisements, they associate these with banned products. The study concludes that surrogate advertising is not perceived positively by the various sections of

the society. The ethical perception of the targeted consumers affect the acceptability of surrogate advertisements and hence, the attitude of the consumers towards it, with majority of these consumers considering it as immoral and unethical. The advertisers need to modify and redesign their advertising strategies in accordance to the consumer psychographics, so that they can find a way out which is more ethical and positive for the society or their target market rather than resorting to surrogate advertising.

Dr. Abhijeet Agashe, Ms. Harleen Vij in their article "Ethical Issues in Surrogate Advertisement & its Impact on Brand Building" indicated that Direct marketing of surrogate products are totally unethical and hence been prohibited by the government. But it's the companies are now following the newest trend called the surrogate advertisements i.e., marketing unethical products ethically. The research studied the ethical issues involved in surrogate advertisement and its effect on brand image.

Varalakshmi.T in her study " An empirical study on surrogate advertisements: pioneering trend" concluded that Pros & Cons of surrogate advertising are just like a two sides of a coin. The trend followed by such ads could prove to be boon for big and established players as they result in higher brand recall value, thereby helping them to push their banned products further. At the same time, smaller companies and new entrants would find it difficult to establish themselves in the changed scenario. Though this upcoming trend is not healthy for the young consumers & others in the interest of the health of the community; Surrogate ads have proved themselves a strapping & successful marketing strategy for the forbidden goods today. Surrogate marketing at best fetch huge profit to the marketers, but leads customer to the water! Hence it's left to the customers whether to accept this or not.

III. OBJECTIVES

1. To study the concept of surrogate advertisements.
2. To describes the history and developments of surrogate advertising in India.
3. To study customer awareness about surrogate advertisements in Surat city.
4. To study the influence of surrogate advertisements, on consumer buying behaviour in Surat city.
5. To study the viewers recall of original product of a surrogate advertisements and its products.

IV. RESEARCH METHODOLOGY

A descriptive research was carried out by convenient sampling method which is a non-probability sampling method via a structured questionnaire; a sample size of 150 respondents was taken into consideration. A descriptive type of research design, which falls in conclusive type of design, has been used as it describes the data and characteristics about the population or phenomenon being studied. Primary data was collected through survey by structured questionnaire and secondary data through various books and websites were collected.

V. HYPOTHESES

H₀: There is no significant association between qualification of the respondents and their knowledge about surrogate advertisement.

H₁: There is a significant association between qualification of the respondents and their knowledge about surrogate advertisement.

Education * Advertisement of Alcohol/ cigarettes/ tobacco is banned which is the reason companies promotes the disguise products. Were you aware of it before?

			Advertisement of Alcohol/ cigarettes/ tobacco is banned which is the reason companies promotes the disguise products. Were you aware of it before?		Total
			No	Yes	
Education	Graduate	Count	14	40	54
		Expected Count	15.5	38.5	54.0
	Higher Secondary	Count	6	9	15
		Expected Count	4.3	10.7	15.0
	No Formal	Count	2	2	4

Education	Expected Count	1.1	2.9	4.0
Ph D	Count	1	1	2
	Expected Count	.6	1.4	2.0
Post Graduate	Count	20	55	75
	Expected Count	21.5	53.5	75.0
Total	Count	43	107	150
	Expected Count	43.0	107.0	150.0

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)
Pearson Chi-Square	11.011 ^a	16	.809	^b
Likelihood Ratio	12.779	16	.689	.812
Fisher's Exact Test	10.591			.815
N of Valid Cases	150			

a. 18 cells (72.0%) have expected count less than 5. The minimum expected count is .23.

18 cells have count less than 5, hence we fail to reject the H_0

As there are 18 cells which have expected count less than 5, so we doesn't met the assumption taken. The above tabulation indicates that as the p- value is .809, which is greater than 0.05 at 5% level of significance, so we fail to reject the null hypothesis

There is no significant association between qualification of the respondents and their knowledge about surrogate advertisement.

VI. ANALYSIS, INTERPRETATION & CONCLUSION

Demographic Information of the Respondents			
Characteristics	Measuring Group	Frequency	Percentage
Age	Below 20	30	20%
	20-30	74	49%
	30-40	27	18%
	Above 40	19	13%
Occupation	Student	86	57%
	Businessman	15	10%
	Professional	12	8%
	Housewife	7	5%
	Employed	30	20%
	Higher Secondary	15	10%

Education	Graduate	54	36%
	Post Graduate	75	50%
	PhD	2	1%
	No Formal Education	4	3%
TOTAL RESPONDENTS 150 100%			

Out of total 150 respondents majority of the respondents belongs to the age group of 20-30 years with 49%, followed by Below 20 years with 20%. Majority of the respondent's occupation are Students with 57%, followed by Employed with 20% and majority of the respondent's qualification is Post Graduate's with 50%, followed by Graduates with 36%.

When the respondents were asked regarding advertisement of alcohol/cigarettes/tobacco is banned which is the reason companies promotes the disguise products. Were you aware of it before? Majority 71.3% of the respondents were aware of it when the rest 28.7% were not aware of this practice. Thus we can say that the majority of the respondents are aware of surrogate advertisements.

Majority of the respondents (49%) strongly agreed to the question of should advertisement of disguise products be banned while the percentage of agreed were 17.3 and there were only 13% of the respondents who were against the idea of banning disguised advertising. Thus we can say that the views towards surrogate advertisements are largely negative.

When asked regarding buying disguised products which are available in the market majority 56% of the responses were negative while 18% said that they would buy it occasionally. Thus surrogate advertisements have a negative impact on buying behaviour of the Surat people.

When the respondents were asked while watching the advertisements of disguise products, do you recall the original product which they want to advertise? Majority of the respondents said yes with 66% while 34% said no. Thus surrogate advertisements successfully achieve its objective of creating a recall value in the minds of the viewers.

VII. REFERENCE

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