# Information in Advertising Industry to Fulfill Consumers Business Information Needs

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#### **ABSTRACT**

Advertising is an industry that contributes in the economic growth of a country. Advertising involved pouring information to the public and audience by an advertiser and firm on the products and services provided by them. This can be done by using several media that are available, which are printed media, electronic media, and Direct mail, Outdoor, Transit and Supplementary Media that are crucial to disseminating the information. The selection of media is important because it will be measured in order to determine the effectiveness of an advertising campaign. Advertising creates a parameter where firms compete in a free market economy which will motivate them to be more innovative and creative thus it will bring a lot of benefits to the economy. The issues of advertising industry must be discussed to enable public to know the importance of advertising industry. Objective of this study is to examine people awareness and perception on advertising as sources of information in order to fulfill their business information needs as a consumer in the market. This study will be initiated by reviewing literatures on the use of information in advertising industry that used to disseminate information as well as to present adequate information in an ethical manner. By doing so, it does not compromise the accuracy of the information as well as to create innovation on creating effective advertisements in every channel. A study has also been undertaken through questionnaires survey among managers, marketing staff, designers and public respondents. Findings show that somehow most of the respondents are still lack of understanding in the use of information in advertising industry and how to use it without breaching the intellectual property. The study indicated that most of the respondents have low knowledge in advertising information. However, they agreed with advertising and information has a strong connection and advertising information is a powerful tool of information sources in providing reliable data. Most of the people depend mostly on advertising and media to find their needed information. They need information to perform tasks, making decisions and perform actions. It is time consuming when crucial information is not there to be used or not updated to comply with fast changing situations in modern Information Technology era. Majority of the respondents (63%) agreed that advertising provide needed information, 6% totally agreed and 31% disagreed with the statement. Findings show that information content of advertising may influence how people think about certain product or service. The overall results demonstrated that the respondents rely quite significantly on advertising to obtain information on products and services.

Keywords: Advertising; Information; Advertisement; Economy; Consumer

## INTRODUCTION

Advertising has served our nation and society for ages. It occupies a special historic place in society in the world. It is linked to the principle that our nation has practiced since the birth of our country; democracy. It is a source of vital information in our market based economy and has been crucial part on boosting our economic strength. Advertising help to align with the power to transform the technological capability, information access and entrepreneurship capability. It is an industry that contributes to all major industries in a country by helping them to source and send out information to the consumers, business players and to the world. It represents an important means by which organizations communicate with their customers on both current and potential products and services that they are offering. The specific objectives of an advertising campaign may adopt many forms such as to:

- Create awareness of new information of product or brand
- Inform the world of the product information and benefits
- Create the desire based on the information given in the advertisement ethically
- Persuade customer and consumer to purchase products or service based on correct information on the product.

Since advertising role is to fulfil information needs, it was related to Information management. Information management is an interdisciplinary field that draws on and combines skills and resources from librarianship and information science, information technology, records management, archives and general management. It focuses on information as a resource, independently of the physical form in which it occurs. Books and periodicals, data stored on local or remote computers, microforms, audio-visual media and the information in people's heads are all within its scope. Some of the main topics that the practitioners are concerned especially that relates to channelling information are database design and data structures. construction and the used of controlled vocabularies storage records in physical and electronic form, information audits and review of information resources of organizations and documentation (Will, 2008). Information management in this information age is the way how organizations manage their information strategically. This is to control the flow of the information dissemination to the public by using advertising. In this case information management is very important where without sophisticated, powerful, relational database or system this information is of little use (Sheldon, 1994). Until it can be manipulated in order to identify buying trends, personal social and regional variations, the effect of shelves allocation and the success of promotion, retailing and service promotion will remain a crude bulk shifting discipline.

An understanding of the advertising role in delivering information and the use of it in the free market will be the major focus that would contribute significantly to the productivity that will boost up economic growth. This paper will discuss the role of advertising in channelling information and to discuss the effective use of information in advertising ethically.

### ADVERTISING AND INFORMATION

Advertising role is to provide information to the consumers. It can be defined as is the nonpersonal communication of information normally paid for and usually persuasive in nature about products, services or ideas by identified sponsors through the various media (Taflinger, 1996).

Advertising literature is the recognition that there are important instances in which advertising can and does provide the kind of information to consumers who considerably improve the functioning of markets. This improvement is manifested in a number of different ways. Advertisements providing truthful information about the price of a product and its attributes reduce the time and effort that consumers need to expend searching for the products that best satisfy their needs. Advertising can also provide for greater rivalry among firms because the better flow of information brings more firms into competition with each other. The ability to advertise new products and services encourages innovative activity by firms and organizations. It provides truthful information about the price of a product, services and its attributes reduce the time and effort that consumers and public need to expend searching for the products that best satisfy their needs.

The world has increasingly recognized the importance of advertising as a source of useful information. It is an important industry where the ability to spur innovative activity by providing firms with an effective way of informing consumers and people about the availability of new products, or new enhancements of existing products and services. Clearly, a firm or an organization will be more likely to invest in improving its product if it has the means of informing consumers about the existence of the improved product and of its advantages. Arrow et.al. (1990) states "Advertising is a powerful tool of competition. It provides valuable information about products and services in an efficient and cost-effective manner. In this way, advertising helps the economy to function smoothly - it keeps prices low and facilitates the entry of new products and new firms into the market." According to Rogers S.C (1995) advertisers should provide significant information so that public has reasons to make intelligent choices. He also stated that "The body of advertising is information, its heart is imagination, and its soul is repetition". He suggests that providing useful information all that matters in good advertising in the public interest.

Advertising generally occurs to report about specific features of good using information in communication processes. Nelson (1970, 1974) first defined advertising expenditure as imperfect information intended for customers adopting the hypothesis that "advertising for experience qualities is dominantly indirect information and advertising for search qualities is

dominantly direct information", and he suggested the influence that the advertising's expenditure has on affecting future business. In order for an advertisement to be informative, it must convey some information about match value. Butters (1977) find that advertising level is inadequate when consumers search information about products and services but the conclusion was reached when public engage in a sub-optimal search strategy where as he model consumers with an optimal search strategy. Public concern suggested that the level of creativity is secondary comparing to the content of the information involve as it suggests only the cosmetic value of the advertisement. Another explanation, grounded in rational consumer behaviour, is that the use of uninformative advertisements conveys indirect information by signalling to the consumers that the product is of high quality (Nelson, 1974, Milgrom and Roberts, 1986), but of course this is only portrays when only the product or services differ from quality. As mentioned by Comanor and Wilson (1974), any advertisement will at least inform the public of intended use of the product or service class. Even if no brand specific information is included, information regarding the existence of the product or service class is useful to public who find it prohibitively expensive to acquire the information on their own.

Information play significant impact in daily life of a person and based on the research, most of the consumers depends mostly on advertising and media to find their needed information A study by Dearman, Kellar and Truong (2008) revealed that the purpose of the information needs was of a personal (87.3%, 749/858) or work/school (12.7%, 109/858) nature. The majority of the personal (82.1%, 615/749) and all the work/school (100%, 109/109) information needs were to support a task, such as: making a decision; performing an action; compiling information; or to find a thing, asset or location. Wilson (1981) assumes two propositions. First, the information needs are secondary needs, caused by primary needs, which in accordance with definitions in psychology can be defined as physiological, cognitive or affective. Cognitive needs rise as an attempt to find sense and order in the world, and are the realization of a need to explain and make sense out of phenomena, but also can be simulated by common, non-utilitarian curiosity. The rise of a particular need is influenced by the context, which can be the person, him or herself, or the role the person plays in work and life, or the environments (social, political, economical, and technological, etc.). The elements of the context intertwine; sometimes they condition each other, which were underlined in the earlier version of Wilson's model (1981).

The information needs of Individual features form by a unique personality and strongly determined information behaviour of an individual.

"Personality is a set of unique and relatively stable individual features of a person, which express his/her identity, and are developed in a process of biological, psychological and social development by person's environment and his/her own cognitive activity. (Olechnicki & Zalecki, 2000)."

Personal characteristics influence choice and hierarchy of information needs, and how strong they are. However, numerous cognitive needs have their main cause outside a person. They arise as a consequence of social roles a person plays or are induced by the environmental conditions.

"Social role is a defined, socially conditioned and internally cohesive set of rules and expectations in reference to the desired behaviour of an individual in specific situations connected with his/her social position. It is also a set of basic privileges, rights and regulations that relate to the person's position in a group. An individual can simultaneously play many social roles, among them - professional roles. (Olechnicki & Zalecki, 2000)."

In spite of individual predisposing features, the information needs of a medical doctor differ from those of a nurse, and the needs of the same persons vary depending on the changes in the environment. The features of the roles a person plays in life, including professional roles, is the effect of the behaviour patterns established in a society for the particular role, for example, mother, leader, manager, doctor or member of a particular group. The features of a professional role are strictly connected with the occupied position, job character, and a place in professional hierarchy. Certain roles indicate specific information needs. Finally, the

environment, within which life and work of information user take place encompasses social environment, its organizational structure, including the information services and systems, economic situation, technology, culture, tradition, etc. The environment conditions the occurrence of specific needs; for example, they differ in periods of political and economic changes from the needs present in a time of stability. In analyzing the users' environment we can consider the macro-environment (socio-political and economic system of a country or industry sector), mezzo environment (that is, regional environment, local community, a particular city) or the micro-environment of a single organization. Formal and informal information sources and channels function on all levels. Their characteristic features may influence (stimulate or hinder) information needs and determine the behaviour. These contextual factors influence not only the occurrence, and determined the type of a need, but they also affect the perception of information barriers, and the ways in which a need is satisfied. Factors conditioning information behaviour can be supportive or preventive. To indicate this twofold impact, Wilson uses a term 'intervening variables', instead of 'barriers', which were used in his 1981 model.

### **FINDINGS**

In this descriptive statistics table, the way of statistical sample distribution with regard to the variables such as gender, age, education and the level of exposure in Advertising.

**Table 1: Sample Demographics** 

Measures	Items	Frequency	Percent
Gender	Male	25	47.2
	Female	28	52.8
	Total	53	100
Profession	Government	41	77
	Private	12	23
	Total	53	100
Age	Below 20	0	0
	20-30	37	70
	31-40	13	24
	41 and above	3	6
	Total	53	100
Education	Diploma	0	0
	Degree	37	70
	Masters Degree	16	30
	PhD	0	0
	Other	0	0
	Total	53	100
Level of exposure in	Very Low	9	17
Advertising	Low	18	34
	High	24	45
	Very High	2	4
	Total	53	100

As indicated by Table 2, the findings show majority of the respondents agree with the statement which represents 70% of them. 13% which is 7 respondents responded with totally agree; while 15% answered with disagree followed 2% totally disagree. It can be time effective when the information directly channelled to the public rather than letting it to be searched by them. Most of the people depend mostly on advertising and media to find their needed information. They need information to perform tasks, making decisions and to perform actions. It is time consuming when crucial information is not there to be used or not updated to comply with fast changing situations in modern Information Technology era.

Table 2: Advertising Can Save Time without Having Public to Search Information

		Frequency	Percent
Valid	Totally disagree	1	2
	Disagree	8	15
	Agree	37	70
	Totally agree	7	13
	Total	53	100

Table 3: Advertising Often Persuade People Rather than Giving Needed Information

		Frequency	Percent
Valid	Totally disagree	1	2
	Disagree	5	9
	Agree	34	64
	Totally agree	13	25
	Total	53	100

As depicted by Table 3, majority of the respondents 64% agree that advertising tend to be persuasive, 25% totally agree, 9% disagree with the statement and only 2% totally disagree with it. Majority of the respondents agree that advertising tend to be persuasive rather than focusing on telling what truly lies within the advertisement. This persuasive action can be interpreted when giving out unnecessary persuasive information to attract people. This indeed the advertising but we must realize it is all about advertising information what needed information. It is good to balance between persuasion in advertising and reliable information in the advertisement. These persuasions give people perceptions towards products and services. Information needs to take directs route while advertising tend to be over creative and it may cause unnecessary persuasion.

Table 4: Advertisement as Provider of Information Needed

		Frequency	Percent
Valid	Totally disagree	0	0
	Disagree	16	31
	Agree	33	63
	Totally agree	3	6
	Total	53	100

Majority of the respondents 63% were agreed that advertising fulfil their information needed, 6% totally agree and 31% disagree with the statement (Table 4). Based on the results, the respondents rely quite significantly on advertising to obtain information on products or services. There are mixed opinions among respondents where although they suggest that advertising is very persuasive they still realized that it is the best sources of information. Although it is crucial for sources of information, these information needs may vary depending on the situation and changes of environment and also depends on the crowd that needed the information. These are important where it is useless to advertise or give out information based on false audience and sometimes false information. As suggested by Wilson, information needs

is secondary and the primary is cognitive needs where the realizations and awareness of the needs influence by situations and environments.

**Table 5: Advertising Information Provided Satisfy Information Needs** 

		Frequency	Percent
Valid	Totally disagree	0	0
	Disagree	28	53
	Agree	22	41
	Totally agree	3	6
	Total	53	100

Table 5 shows that 53% disagree with the statement, 41% agree with the statement while 6% totally agree. As expected, the responds were quite significant where it shows almost 50% agree with the statement and other half disagree. It means that the information provided may or may not fulfill the needs of the respondent based on their environment and cognitive needs. Different respondent have a different situation which creates awareness and realization on what needed and what not needed. Sometimes it does not serve the needs of the individual when talking about advertising information and people have to search for the information. Most of the respondents who disagree, think that advertising does not provide them with needed information (23% of the respondent) while 19% thinks it is a source of information needs but thinks that it is not satisfying.

Table 6: Extra Effort by Searching Information Knowing that it should be Presented in Selected Medium i.e. TV, Radio etc.

		Frequency	Percent
Valid	Totally disagree	0	0
	Disagree	1	2
	Agree	34	64
	Totally agree	18	34
	Total	53	100

This statement shows Table 6 that almost 100% agreed where 34% totally agree and 64% agree. Only 2% disagree with the statement. Majority of the respondent responded that the vital information should be properly channelled rather than expecting the public to search for related information. In Information Management field, information is processed data that is very important with the right tool where it focuses on distribution of the information. It involves controlling the structure, the process and the delivery of information. Advertising information is more to channelling and delivering needed information by using medium in advertising as discussed earlier thus eliminating or reducing time spent in searching the information. It can be said that vital information should be advertised rather than we as a consumer spend much time in browsing and searching for it.

Table 7: Advertising Information is a Powerful Tool of Information Sources

		Frequency	Percent
Valid	Totally disagree	1	2
	Disagree	2	4

Agree	28	53
Totally agree	22	41
Total	53	100

53% totally agree that Advertising Information is a powerful tool of information sources, 41% agree, 4% disagree and 2% totally disagree with the statement (Table 7). The majority of the respondents think that Advertising Information is a powerful tool of information sources and this is crucial in this study because in order to proceed, the need of a respondent who really understands Advertising and Advertising Information so it can provide reliable data. It shows that they agree that information should be advertised rather than searched from various resources. They also agree that advertising is a very useful medium and on of the ways to obtain information. Some may not be aware of the information is vital until it is advertised to them.

Table 8: Advertising Information is an Efficient and Cost Effective Source of Information and Information Provider.

		Frequency	Percent
Valid	Totally disagree	1	2
	Disagree	4	7
	Agree	30	57
	Totally agree	18	34
	Total	53	100

Table 8 shows 18 (34%) respondents totally agree that Advertising Information is an efficient and cost effective source of information, 30 (57%) respondents agree, 4 (7%) respondents disagree and 1 (2%) respondent totally disagree. An early study by Rogers S.C (1995), advertising is a powerful tool that provides valuable information to the public. According to him advertising should provide relevant information so that it can be an effective source of information. With right medium, it can be cost effective too. It is vital for the advertiser to inform and advertise the right information, what needed to know and what not needed. It also shows that the public and even the advertisers know that advertising can be crucial on providing the needed information.

### RECOMMENDATION

Advertising industry has been in the existence for centuries. It has been an important entity to source out information to the community on certain products and services that are available and will eventually help countries to compete in the competitive market. It became a huge industry in its own right and it is a significant contributor in the economy. By referring to the fact above, it is strongly recommended that every individual especially the player in the industry to really understand the importance of advertising, the role and use of it as an important source of information.

Organizations should concentrate to increase efficiency and effectiveness of their advertising capability in the market where it is proven in the early discussion that it plays a major role in the market to gain competitiveness among players and to gain trust from their potential consumers and customers. Thus, in order to achieve that, the measures of effectiveness of advertising through the stages of measures which are input, processes and outcomes must be taken seriously.

It is also crucial to know several media and channels in advertising industry that are available today. When that is achieved, it is easy to protect our right and to retrieve information more efficiently and to prevent deceptive information that will eventually sooner or later violate our privacy policy, unethical behaviour conduct, intellectual property breach, social responsibility misconduct and sensitivity neglect.

#### CONCLUSION

As a conclusion, we can see that advertising role in the economy is significant. It is by far a source of information that we often seek on our daily life. Without realizing it, we depend strongly in advertising in every aspect to boost up our economic strength. There are several medium to channelled out information in advertising entity which are the printed media, Electronic Media, Direct mail, Outdoor, Transit and Supplementary Media. Besides, it provides greater rivalry among firms and organizations, thus will lead them into a greater encouragement into innovative activities which will benefit in the economy. Advertising is measured into several levels of effectiveness, which consists of inputs, processes and outcomes of the advertisement. However, issues that related to misleading, lack of inputs, intellectual property issues, advertising law issues and sensitivity of advertising must be made into an important agenda in improving the economic growth if the consideration goes to advertising industry.

Furthermore, advertising has played a critical role in the development of the Internet, where millions of people now get their news and entertainment and engage in commerce. The online media has developed at an extraordinary pace. Traditional media, both print and broadcast, are developing important additional roles in the new electronic media mix and are reaching ever more diverse audiences. Malaysians now have access to more information than ever before in our history. Advertising plays a substantial role in keeping information costs at a minimum for consumers.

The health of the media contributes to the democratization of knowledge and information in our society. Without advertising support, people would either have to pay for all of the news, information and entertainment they now receive on a subsidized basis or the government would have to provide financial support for the media. Due to advertising, both the rich and the poor in Malaysia have more access to information than at any time in our history. Whether you live in a remote rural area or a large city, everyone can obtain more information at no cost or low cost, due to the financial support of advertising. By supporting multiple voices, advertising provides more competition in the marketplace of ideas.

Without advertising regulations in place within the industry and community, it can distort the information by disseminating false or deceptive claims. These claims may induce consumers to purchase products or services that, had the consumers not been misled by the deceptive advertising. When this happens, the government may need to step in to restore the integrity of the market. It may take various steps, including case-by-case law regulations to prevent false and deceptive advertising and issuance of regulations to address particular practices that mislead consumers about material attributes of goods and services in the market. It is also to make sure the integrity and maintain harmonious environment in our multiracial society.

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