

Malaysian Advertising: Time for Stock Taking

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Introduction

The year 2008 may perhaps be remembered as an exhaustible experience to most Malaysians. After the loss of a solid three-quarter majority of seats in Parliament by the ruling Barisan Nasional party, issues came in continuous avalanches.

It started with endless bickering and brickbat on who to blame for the poor election performance, followed with rising crimes, corruption, deteriorating inter-racial relationship between the political leaders, and deleterious social behaviors like drug-taking and deviant religious practices.

As we brood 2009 with the gloom and doom predicted by the economic and financial soothsayers, as a result of the financial market meltdown in the USA and its export worldwide, it is a right time for stock taking. As the legendary UCLA basketball coach, John Wooden, famous adage: *Failing to Prepare is Preparing to Fail*.

However, this writer shall delve in one particular economic activity that he thinks he knows best: advertising. Yes, advertising. An economic activity that many of its proponents say prospers on soil of a democratic government, a free media, and a receptive culture; whatever that means.

At the same time, there are several books written less glamorously about advertising. Like, *The End of Advertising as We Know It*, by the former chief marketing officer of The Coca-Cola Company, Sergio Zyman; or even *Clueless in Advertising*, by May Lwin and Jim Aitchison; and the famous *The Hidden Persuaders* by Vance Packard.

But one thing is for sure. Advertising is big money. As the numbers get added up, by the end of 2008, Malaysia's advertising expenditure is expected to hit RM6 billion! So, how will it fare in 2009?

According to Ms Florence Oong, Asia Pacific director of communications insights of Omnicom Media Group, it will not grow beyond 5%, whereas in 2008 the expected growth was about 11%, far higher than the GDP growth of 5% for the year, as reported in the *Star*, 13 November 2008.

But again, one must not forget that advertising is a *leading* economic indicator. If advertising is growing, then the assumption is that businesses see growth too. After all, you don't say advertising is doing business in a positive future for nothing!

For a clearer stock taking of the issues pertaining to advertising that have hit the mainstream newspapers since the last five years ago are these:

Advertising is ambiguous

This is based on the assumption that when advertisements are ambiguous, they can be deceiving. The continuing saga on this issue has been leveled against a string of products that include the airlines, slimming services and products, and banks. The issue was first highlighted in a consumer complaint in the *Sun*, 29 August 2002, readers' column, with the headline *Banks ads don't tell the whole story*. The reader was alarmed of advertisements promising interest earned on fixed deposits at 150% per annum, 63.20% per annum, and so on, while the base lending rate was 6.40% per annum.

The catch, according to this reader, is that to enjoy such high interest rates a depositor must place a certain amount of money in unit trusts and another amount in fixed deposits; and this is only told when the depositor goes to the bank. A similar outcrop of advertisements following this technique then appeared in several other products that include the budget airlines with between RM0.00 to RM9.00 fare to several destinations, and weight-loss centers.

The *New Sunday Times*' 9 January 2005 science column with its headline *Little evidence weight-loss programmes are effective*, alleged that "advertisements for weight loss centers often make it seem that success is guaranteed for anyone who really wants it. They feature smiling, thin, healthy people..."

In fact, at a Consumer Claims Tribunal, *Sun*, 28 August 2002, reported a lady won her case against a local slimming salon on misleading claim. She sought RM4,300 as full refund of the money she had paid for the treatment, but was awarded RM1,085 or 25% of the amount. The reason: she wanted to lose between 4 kg to 5 kg of body weight, as was promised in the advertisement. Instead, after undergoing the treatment, the success rate was 75%. So, she was refunded the value that was not fulfilled by the salon.

It should be noted when the tribunal chairman cautioned the company on the choice of words in its advertisements. "The phrase *To attain a sleek and trim figure* must be supported by a reminder that results could only be seen if those seeking treatment put in extra effort and time," he added.

Advertising conceal relevant facts and information

The belief by the general public is that the concealment of relevant facts and information can mislead consumers, besides undermining truth telling. When advertisers conceal facts they suppress information that is unflattering to their products.

But then, can we expect the petroleum companies to mention in their advertisements for consumers' attention that the use of their products produces the lethal gas carbon monoxide and contribute to global warming? Maybe we can. After all, health warning and gruesome pictures of affected organs will be published on cigarette packs come January 2009.

This issue gained prominence when consumer associations were concerned with the high frequency of fast-food television advertisements in early 2007, as reported in *Utusan Malaysia*, 19 March 2007. The advertisements failed to draw the attention on the deficiency of nutrients and balanced diet in fast-food. It prompted the Ministry of Health to get the cooperation of the fast-food manufacturers to place their advertisements off prime time programmes.

In early 2008, the British Advertising Standards Authority accused two Malaysian television advertisements shown there on palm oil as misleading when a claim was made that the product was environmental friendly. The regulatory body was of the opinion that the mass palm oil plantations in Malaysia did not sustain and promote biodiversity, *Utusan Malaysia*, 10 January 2008.

Advertising is devoid of good values

This issue is related to the general public need for more moral and ethical values in advertisements. It came to the fore front when women's organizations, consumer associations, voluntary bodies and individuals reacted disapprovingly to cosmetic print advertisement that display "the back view of a woman clad only in panties, bending with her legs crossed and showing her bottom" to readers, *New Straits Times*, 21 August 1995. They regarded the advertisement as "indecent, containing sexual elements and an exploitation of a woman's body..."

Since then, the call for greater moral and ethical values has surfaced in the newspapers. In his column *Getaran Seni*, Ku Seman Ku Hussein, said that advertisements, especially those on television, besides selling products and corporate image, they also contributed to the development of values in society, *Utusan Malaysia*, 10 July 2006. "Their production should be monitored so that discordant values in them can be checked," he added.

Shahril Anuar Abdul Ghalim claimed that far too many television and magazine advertisements that did not take into considerations the sensitivities in Malaysian society. "From the way the actors talk, dress, mix and in many other aspects, they mimic the West," he wrote, *Utusan Malaysia*, 5 June 2008.

Erotic, violent behavioral tendencies and decadent social values were visually promoted without fear. This happened because the advertisements were determined

by foreign advertising agencies that monopolized almost 80% of television advertising and whose understanding of local values is questionable, said *Mingguan Malaysia*, 15 July 2007.

Even the former Mufti of Perlis, Dr Mohd Asri Zainul Abidin, found displeasure in the advertising of a local telecommunication company's promotion named "100 Days 100 Cars Contest". "In this contest, we have to pay or be charged RM5 to anticipate or answer the question. This is betting, and betting is one form of gambling, which is sinful," he emphasized, *Utusan Malaysia*, 5 June 2008.

Reinforcement of made-in-Malaysia television advertisements

This is a call by the Federation of Screen Guilds of Malaysia and the Association of Malaysian Television Advertising Producers. They wanted to see Malaysian values in advertisements. And to achieve this, the television advertisements should be made 100% by Malaysian talents; i.e. producers, directors, talents, production crews, including post-production work by Malaysian laboratory technicians, editors, animators and sound mixers.

The issue boils down to one major need: to protect local employment. If the television advertising industry allocates 15% for commercial production expenses out of the total television advertising expenditure of RM1.8 billion in 2007, then this employment market is worth RM270 million. This market is quite sizeable and employs thousands of trained workers.

Recognizing the importance of the market and further loss of local employment, the Malaysian cabinet imposed in July last year the requirement that at least "70% of television advertisements must contain the Malaysian identity," said the former Minister of Culture, Arts and Heritage, Datuk Dr. Rais Yatim, *Utusan Malaysia*, 15 July 2007. To reinforce this need further, in the same feature story stated above, the president of the Association of Malaysian Television Advertising Producers, Datuk Mustapha Maarof, called on the broadcasters or television stations to uphold this requirement as it was part of their social responsibility.

The problem with this issue is enforcement. The Made-in-Malaysia policy was made in 1990 and it was adequately enforced by the Ministry of Information. However, about five years ago, its enforcement was placed with the new Ministry of Energy, Air and Communication when it was set up. But then, the new ministry lacked expertise and manpower to fully enforce this policy. These major unresolved issues in the advertising industry in 2008 will now come into 2009. The regulatory bodies responsible for professional and ethical advertisements must buck up and live up to their responsibilities.

The critics of advertising are growing by the day. They view the imaginative, symbolic and fabricated superiority of an advertisement's content that seldom promises real human needs as manipulative and distorting, while it creates a dehumanized society built on plastic values.

A recent case in point is British Advertising Standards Authority assertion that a poster advertisement on the film *Wanted* that starred Angelina Jolie was promoting violence. ASA sided with the 17 complainants on this issue. In Malaysia, a stronger call was posted when *New Straits Times* published in its 10 August 2003 issue, a complainant's concern with the headline *It's time consumers got tough with misleading claims in ads*. As consumers, they realize that they depend on business to satisfy their needs.

They also know that they lack technical expertise on how those products are produced. Therefore, as they offer money for products they need, they believe manufacturers would not harm or injure them when they consume the products. Thus, consumers put full responsibility on manufacturers to ensure that the quality of the products measure up to the claims made by their advertisements.

The power of advertisements is never in doubt, especially television commercials. They have the power to create demand that did not exist before. People are stimulated to buy and seek products in response to needs they had never before acknowledged – because the sense of “need” is newly created, obviously under the strong influence of the advertising writers, graphic artists, social scientists, market researchers and product manufacturers – all brought together in the electronic, print and outdoor mass media where avoidance of exposure is next to impossible.

Not many people dispute that advertising is larger than life. The question is how much larger? To what extent can advertising practitioners stretch the truth? Or inflate the fact, blur the truth? There is also the question of exaggeration.

The main problem with exaggeration is to know how far to go, and how far not to go. A practitioner of advertising can be treading on thin ice here. When he or she mixes fact and fiction so convincingly, a reader or viewer cannot tell whether the advertising message is serious or a joke.

As mentioned before, the current raging controversy in this country is advertisement for health food and slimming products. Manufacturers of vitamins and other dietary supplements are thought to be notorious for exaggerating the possible benefits of their products. These are “anti-aging”, “weight-reducing”, and “whitening” skin-care products that represent more than RM32 billion of the growing dietary supplement and cosmetic industry.

According to Shaw (2002), from beauty creams to diet pills, consumers use products believing that they would not be harmed or injured by them. However, the problem is that promises made by advertisements are rarely kept, adds Shaw.

Therefore, for 2009 and beyond, all the players in the industry must convene to deliberate and seek amicable solutions to all the major issues discussed here. The authorities that monitor and regulate advertisements, be they with the powers of Parliament or self-regulatory, like the Association of Accredited Advertising Agencies, Association of Advertisers, Advertising Standards Authority of Malaysia, Ministry of Energy, Water and Communication, Ministry of Health, Ministry of Domestic Trade and Consumer Affairs, and the Ministry of Information, need to have a sound moral conduct that rests on a strong desire to provide consumers with clear, usable information

about price, quality, and usage advice so that these consumers can make intelligent comparisons and choices.

Failure to do so will further strengthen the call for greater legislation, as voiced by one complainant: "Falsely inducing a person to buy a product or service based on a false claim should be a criminal offence", *New Straits Times*, 10 August 2003.

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