

Marketing – A Major Menace to Society

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Abstract

Today we live in a World in which market triumphalism is seemingly the only game in society. Recent Years have seen a boom in the Marketing Industry. Since the 1980's an increasing number of advertising, marketing and consulting agencies have emerged, providing psychological and anthropological insight into the behaviour and attitudes of children and adolescents. Marketers are thus exerting greater and greater influence over what children and adolescents eat (increasing amount of fast foods and sugar filled beverages), how they dress (with little regard for what is age – appropriate), and how they behave (increasingly restless and aggressive).

They are being trained in these attitudes and behaviors by multibillion-dollar industry. They target the vulnerable consumer group with a steady stream of messages that emphasis self-indulgence, instant gratification and materialism. These attitudes are antithetical to what parents seek to teach their children and also antithetical to the attitudes and values that make for healthy living and democratic life.

This paper suggests that marketing to vulnerable consumer groups contributes to panoply of problems for them, their parents and to their society.

Introduction

Young people are hot property right now. Marketing, in contemporary times, has seen a tumultuous change in the way its impact on society that too directly on Vulnerable group of customers. The oft cited dictum that only change is constant in the marketing genre is an appropriate one. While the globe is indeed becoming a smaller place, marketers have to bear in mind national, local and cultural sensitivities. Very often, in the hope of tapping a larger consumer base, marketers jump headlong in new markets without keeping in mind ethnic and social issues typical to certain areas. While marketers do have to act with celerity in gaining footholds in emerging markets such as China and India, care has to be taken in ensuring that the mores, etiquettes of the land are not encroached upon.

Young-minded people are much more heterogeneous in their needs than more settled “30-somethings” with family and Kids. Youngsters are constantly in a process of finding/defining their own identity/independence. Marketers segment the youth market by distinguishing trends and subcultures within the age groups and demographics. As a very illustrative model of segmentation, a Dutch youth marketing specialist has developed its classification of the whole segment. This is presented in the figure below.

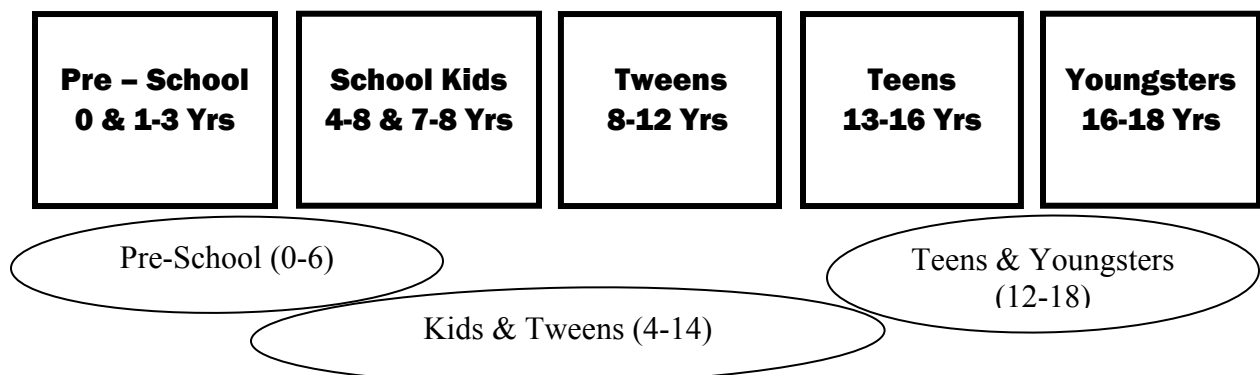


Figure 1: Youth Segmentation Model

Source: modified from Kids wise, 2005

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Empirical Evidences of the Impact of Marketing to Vulnerable Customers:

1) A study published on *May 2004* by *Tim Kasser* found that the Vulnerable consumer groups view a wide range of problems common in youth as influenced by the practices of the youth marketing industry. Some of those problems are listed below,

Table 1: Youth Problems and Marketing

The youth marketing industry contributes to youth:	% Sample Agree	% Sample Disagree
Nagging parents for things they want to buy.	91.3	4.1
Defying authority figures.	56.9	14.6
Being too materialistic.	93.3	2.3
Being overly sexual.	90.1	4.3
Being violent or aggressive.	78.0	6.3
Having poor values.	63.9	12.8
Eating unhealthy foods that cause obesity.	89.2	4.1
Becoming bullies.	39.8	18.3
Not caring about school.	32.0	22.2
Feeling badly about themselves for not having the products they see advertised.	85.0	3.8
Being less creative and imaginative in their play.	79.8	7.1
Playing with toys that promote unhealthy behavior.	72.7	7.4

2) A study published in the December 2006 issue of the peer-reviewed journal *Archives of Pediatrics and Adolescent Medicine* found that exposure to tobacco marketing, which includes advertising, promotions and cigarette samples, and to pro-tobacco depictions in films, television, and videos more than doubles the odds that children under 18 will become tobacco users. The researchers also found that pro-tobacco marketing and media depictions lead children who already smoke to smoke more heavily, increasing the odds of progression to heavier use by 42 percent. 81.3 percent of youth (12-17) smokers prefer Marlboro, Camel and Newport – three heavily advertised brands. Marlboro, the most heavily advertised brand, constitutes almost 50 percent of the youth market but only about 40 percent of smokers over age 25.

3) A study in the *American Journal of Public Health* showed that adolescents who owned a tobacco promotional item and named a cigarette brand whose advertising attracted their attention were twice as likely to become established smokers as those who did neither.

4) A survey released in March 2006 showed that kids were more than twice as likely as adults to recall tobacco advertising. While only 28 percent of all adults recalled seeing a tobacco ad in the two weeks prior to the survey, 53 percent of kids aged 12 to 17 reported seeing tobacco ads.

5) The World Health Organization projects that tobacco use may account for more than 1.5 million deaths in India by 2020.

6) In 2002, a Joint World Health Organization/Food and Agriculture Organization of the United Nations (WHO/FAO) Expert Consultation concluded that the heavy marketing of fast food and energy-dense, micronutrient-poor foods and beverages is a “probable” causal factor in weight gain and obesity. The following year, a systematic review commissioned by the United Kingdom’s Food Standards Agency (FSA), and probably the most comprehensive study of its type conducted to date, found that advertising does affect food choices and does influence dietary habits.

7) In 2006 Business world - Hansa Research Survey Researchers concluded that Marketers spend huge sum on targeting the young, to get connected with them in their new media spaces.

Marketers no more target Parents: The Decision Makers are the Kids

Marketers plant the seeds of brand recognition in very young children, in the hopes that the seeds will grow into lifetime relationships. According to the Center for a New American Dream, babies as young as six months of age can form mental images of corporate logos and mascots.

This is the new mantra of marketers. Gone are the days when kids were targeted by FMCG companies for milk and milk products, biscuits, detergents, soaps, pens and chyawanprash. If you want the purse a string loosened, targets the kids, is the new theory- An extract - "Pester power of kids"

"A child is the best negotiator in a family"- Gavin Kennedy, author of the book 'Everything is negotiable.'

Today's kids have more autonomy and decision-making power within the family than in previous generations, so it follows that kids are vocal about what they want their parents to buy. "Pester power" refers to children's ability to nag their parents into purchasing items they may not otherwise buy.

If an anthropologist from mars in the year 1900 had searched for the most influential messages shaping the character of the young Earthlings, the alien probably would have returned home with a reader (school book) packed with sentiments such as: "You must not lie. Bad boys Lie, and swear, and steal". The scout Oath and the latest materials from the Moral classes and Sunday school movements probably also be included in the Martian's report. BUT if this same research were taking place today, our visiting scholar would almost certainly return home with a lot to say about advertising and entertainment products connected to advertising.

And what is today's advertising teaching children?

- That you should "have it your way".
- That you should "obey your thirst".
- That you should "make your own rules"
- That you should "just do it"

The essential philosophy of contemporary advertising is that we deserve whatever we want.

According to the Kaiser family Foundation, children on average spend about 40 hours per week outside of school plugged in to television and other entertainment media, courtesy of which they encounter an estimated 40,000 advertisements per year. Researchers report that 3-year olds today are typically capable of recognizing as many as 100 brand names. So Marketers are aggressively developing the children's market.

Factors driving marketers to target children:

- 1) **Fewer children per parent:** As is seen in developed countries across the world and also witnessed in India, there is a push forward towards development and the number of children per parent reduces.
- 2) **Dual working families:** With both parents working in many families, the child does not get as much attention, he isn't 'taught' the ropes. He is more susceptible to messages thrown at him by marketers and the media
- 3) **Changing Demographics:** India has a population of 350 million below the age of 15, a whopping market equal to the whole of Eastern Europe. The size of this market is one factor which decides how attractive this market is, the other is the simple reason that kids love branding.

Today, children are subjects of focus groups and other market research activities nearly wherever they go, from schools to camps in all their Play-time, snack-time and Tot-time

A study by BrandChild (Martin Lindstorm) reveals that there are six distinct characteristics that go to make up the most successful brands and toys worldwide: Fear, Fantasy, Mastery, Humour, Love and Stability. The marketers have exploited the above values to increase their sales. Since the 1980's an increasing number of advertising, marketing and consulting agencies have emerged, providing psychological and anthropological insight into the behaviour and attitudes of children

and adolescents. Marketers are thus exerting greater and greater influence over what children and adolescents eat (increasing amount of fast foods and sugar filled beverages), how they dress (with little regard for what is age – appropriate), and how they behave (increasingly restless and aggressive). They target the vulnerable consumer group with a steady stream of messages that emphasize self-indulgence, instant gratification and materialism. These attitudes are antithetical to what parents seek to teach their children and also antithetical to the attitudes and values that make for healthy living and democratic life.

Menacing through Food Marketing:

Any food manufacturer will always strive to increase the sale of his product or service to the maximum extent and leave the negative consequences to be the result of the free choice of consumers – a natural phenomenon. Some food products like energy dense fast foods, burgers, sweets, and carbonated soft drinks are not so harmful as compared to alcoholic drinks, cigarettes or drugs etc., but as mentioned are poor in nutrients with rich fat, sugar and salts content causing obesity and other diseases. Most people especially the young children and the teenage group get addicted to them quickly mainly due to reasons like emulating of Western culture, the environment of nuclear family with sometimes both the parents working, peer coercion in the school/college/office etc. These addicted categories are the company's treasures who later become heavy users as the days pass by accounting for their high profits.

Let us understand this with an example:

Presume a teenager is addictive of eating a cheese pizza daily. This promises the company a patron for life and each such new addict expectedly generates a 25-year to 30-year profit stream for the pizza company if the consumer continues to favor the same brand. Suppose the teenager starts eating at the age of 15, eats for 25 years and stops further consumption due to obesity and doctor's advice. If she spends an average of Rs. 10,000/- a year on the pizza, she will spend Rs. 2,50,000/- till she reaches 40. If the company's profit rate is 20%, she is worth Rs. 50,000/- to the company. Which company will not try to attract such a heavy user who is contributing Rs. 50,000/- to its profits? And this profit is the minimum as the lady stopped eating at 40. What if the addiction continued and she consumed the same for another few years neglecting its ill effects? This is the thing that generally happens, as most of the people are unable to control themselves due to the temptations created by these food marketers with their innovative methods.

Are you aware that Coca-Cola is aiming to get people to start drinking Coca-Cola for breakfast instead of nutritional Break fast?

And with best of the marketers working for them, it is just a cakewalk to transform the consumer eating habits. Let us observe few of the strategies of the marketers Six marketing techniques widely used by companies to promote food to children were singled out: television advertising, in-school marketing, sponsorship, product placement, Internet marketing and sales promotions.

1. Television:

Children are found to be most avid and captive viewers of television. The strongest of all the media in the modern world; television is highly used by food marketers to advertise their products with particular target on children. Breakfast cereals, soft drinks, snacks, and fast foods are the common food products advertised frequently through this medium. The effect has been so great over the past few years. that there have been strong proposals to restrict television advertising, particularly to children in many countries including India, Australia, Brazil, Germany, United Kingdom, Ireland, Italy, New Zealand, Poland and France. Television ads carried various clauses emphasizing companies not to exploit the credulity of people; be harmful to their physical, mental or moral health; make them feel inferior to others who possess the products; or induce them to unduly pressurize their parents/guardians into purchasing the product. *For Example in India*, objections have been raised against advertisements that showed mothers

benchmarking their children to the so called ‘super-kid’ - one who excels in studies and sports alike simply because he consumes a particular health drink.

On an ethical standpoint, marketers have to exercise restraint in exploiting such social paradigms to their commercial advantage.

2. In-premises marketing:

The food marketer visits the place of customer like schools, colleges, offices or homes and promotes the products. This strategy is used to target all categories of people as all of them would gather together at their respective places. This strategy is found to be second best to television advertising as it has also attached lot of controversy and debate in recent years. The techniques used are direct advertising (eg. Signage in canteens), indirect advertising (eg. Sponsorship of events) and product sales. Most of the items like soft drinks, confectionary, snacks, ice-creams, instant noodles, etc, which do not even contain the minimum nutritional value (MNV) required are usually sold. Some of the restrictions used especially in schools are prohibiting commercial solicitation, non-distribution of advertisements and other marketing material without the consent of the parents in advance, not allowing the marketing activities unless the head teacher believes it has an educational objective. In Japan, the meal provided under the school lunch program is the only food to be eaten within school premises.

3. Sponsorship:

In sponsorship, the food companies provide funds and other resources to an event or activity in return for access to the exploitable commercial potential associated with that event. Sponsorship has the benefits of reaching globally at less cost than conventional advertising when the event sponsored is broadcast worldwide. Food companies sponsor wide range of activities like sporting events, television programs and musical events. The main advantage to the marketer under this strategy is that being a sponsor, he may have influence on the program content and cause program dilution where much publicity for his company and products would be demanded and created among the audience. Some of the regulations under sponsorship include banning sponsorship of children's program, not encouraging purchase or rental of the products or services of the sponsor, etc.

4. Internet marketing:

Consumers at present are widely targeted with this new but rapidly expanding strategy with a range of internet-based marketing techniques. The ideal target group under this strategy is mainly young people, as they tend to browse the net for longer durations. The strategies used are interactive games and activities, competitions, attractive sites with flashy graphics, chat and e-mail facilities. Keeping the children and teenagers in mind, the website is made more interactive, providing free downloadable games & general information. Subsequently, personal data of the visitors are collected for future promotions and sale of database.

Exploiting Social Paradigm

In the hopes of making a fast buck, marketers often resort to exploiting social paradigms typical to certain areas. In India, for example, a large multinational corporation ran an ad campaign that depicted a young woman who because of her dark facial complexion was unable to find jobs. But as the ad showed, as soon as the woman started using the facial whiteness cream manufactured by the corporation, she got the job of her choice. Needless to say, there was a big backlash against it and the ad campaign had to be scrapped.

Menacing through Tobacco Marketing:

India is the second largest producer and third largest consumer of tobacco worldwide. Of the 1.1 billion smokers worldwide, 182 million (16.6%) live in India accounting for consumption of 102

billion cigarettes per year. The 2000 Global Youth Tobacco Survey (GYTS) of youth aged 13–15 years in 12 Indian states, estimated that tobacco use in any form was greater than 40% in nine north eastern states. Numerous internal tobacco industry documents, revealed in the various tobacco lawsuits, show that the tobacco companies have perceived kids as young as 13 years of age as a key market, studied the smoking habits of kids, and developed products and marketing campaigns aimed at them. They continue to advertise cigarettes in ways that reach vulnerable underage populations. For example, the cigarette and spit-tobacco companies continue to advertise heavily at retail outlets near schools and playgrounds, with large ads and signs clearly visible from outside the stores. The following are just a few of the many more internal company quotes about marketing to kids:

Philip Morris: “Today’s teenager is tomorrow’s potential regular customer, and the overwhelming majority of smokers first begin to smoke while still in their teens. The smoking patterns of teenagers are particularly important to Philip Morris.”

RJ Reynolds: “Evidence is now available to indicate that the 14-18 year old group is an increasing segment of the smoking population. RJR-T must soon establish a successful new brand in this market if our position in the industry is to be maintained in the long term.”

Brown & Williamson: “Kool’s stake in the 16- to 25-year-old population segment is such that the value of this audience should be accurately weighted and reflected in current media programs all magazines will be reviewed to see how efficiently they reach this group.”

Lorillard: “[T]he base of our business is the high school student.”

U.S. Tobacco: “Cherry Skoal is for somebody who likes the taste of candy, if you know what I’m saying.

Menacing through Social Networking Sites:

A new Jupiter Research report, "Social Networking Sites: Defining Advertising Opportunities in a Competitive Landscape," finds social networks to be a way for advertisers and marketers to break through the clutter and enlist brand advocates for their cause. In 2007, as many as 48 percent of brand marketers will deploy marketing on social networking channels. Last year, about 38 percent were messaging on the channel. Marketers engage in several tactics on sites such as MySpace. Roger Clark in *Very Black Little Black Books* says, “The new dimension that social networking services bring is that they entice users to disclose personal data about their friends, business contacts or acquaintances.” This is a disturbing feature, requiring careful analysis. Purpose of marketers, however, is not to analyze the implication on privacy and social aspects of the phenomenon but to assess its potential from a marketing perspective. This wealth of personal data makes for a plethora of knowledge databases which can be exploited for the effective profiling of target audiences and consumers (current and potential) on the basis of their demographics, psychographics and behavioural trends.

Social networking sites such as Orkut.com and Myspace.com have completely changed the way people connect online. They create a sense of community among users and are virtual hang-out joints – a place where youngsters spend several hours of their day. And by their very nature, social networks have large user bases. Orkut, for example, has nearly 2.5 million Indian users on its network. And there are plenty of other social networks out there too – Gazzag, Hi5, Facebook.... the list goes on. For Youngsters, it is their personal space - one they return to for making friends, seeking advice or simply hanging out. From the marketer’s perspective, online communities do more than create a brand recall. For one, prolonged use will create brand loyalty (several girls on HLL’s Gangofgirls do not use other networking sites). Two, it offers marketers a chance to have a one-on-one dialogue with users, build a relationship and tap into their psyche. So across the world the Marketers are trying to get in to the social networking sites.

Conclusion - Good Marketing Citizens

Marketing to vulnerable consumer groups contributes panoply of problems for them, their parents and to their society. All in all, it can be seen that ethical issues in marketing in the context of developing countries is highly sensitive to cultural, social and ethnical issues. The larger issue is thus not merely an occidental versus an oriental one. For the marketing fraternity to be a good ethical citizen, the onus lie on themselves-for indeed, marketers have to stop indulging in unethical practices and start respecting local mores and values.

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