

# ADVERTISING: HOW DOES IT WORK?

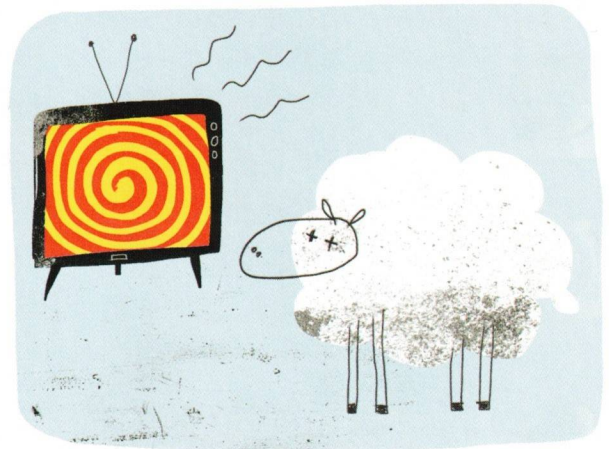
More than 100 million people watch the Super Bowl on television every year. Companies that want to promote their product or service during the broadcast of the event must spend close to US\$5 million for 30 seconds of advertising. They know that this promotion will have enormous economic benefits.

Advertising works by delivering a message that is designed to draw attention. It does so to trigger the desire to purchase in as many consumers as possible. **Advertising** is a significant social phenomenon in that it directly influences consumer habits.

## The ABCs of advertising

The main role of advertising is to prompt consumers to purchase goods from the brand being promoted. To achieve this, it must deliver the message from the source (the company selling the product) to the recipients (the consumers) and ensure that the message is persuasive. To sell a product or service, advertising establishes a direct communication between a company and a target group. It can also be used by governments or other organizations to distribute a public service announcement to as many people as possible.

To reach a wide audience, advertising employs multiple strategies. It adapts to current trends and social ideas, transmits cultural values and may even dictate the fashions and behaviours of the moment. It may also reinforce stereotypes, exploiting the consumer's tendency to conformism, or it may rebel against stereotypes, appealing to the consumer's desire to be a nonconformist. Indeed, advertising is willing to push the limits to succeed in persuading customers.



## Four main goals

The primary goal of advertising is to sell a product (commercial goal), even though in so doing, it may also provide information on a service or share information (informative goal).

However, advertising does not try to reach its goal directly ("Hey, you, buy this product!"), as that simply would not work. Instead, it takes an indirect approach and tries to convince consumers by appealing to their intellect (knowledge, reasoning), their emotions (desires, feelings) and their will (decision to buy).

Four goals guide the design and creation of an advertisement: to inform, to develop awareness, to modify behaviour and to create needs.

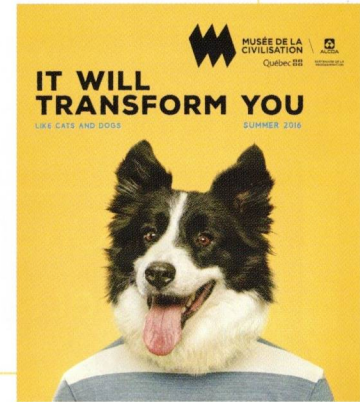
Usually we can identify the main goal of an advertisement, but sometimes two or more goals are combined to achieve the intended goal—for instance, developing awareness and modifying behaviour.



## TO INFORM

An advertisement is first and foremost a message. It is typically an image accompanied by a short text, sometimes with information added to increase its credibility (results of studies, endorsement by an organization, etc.).

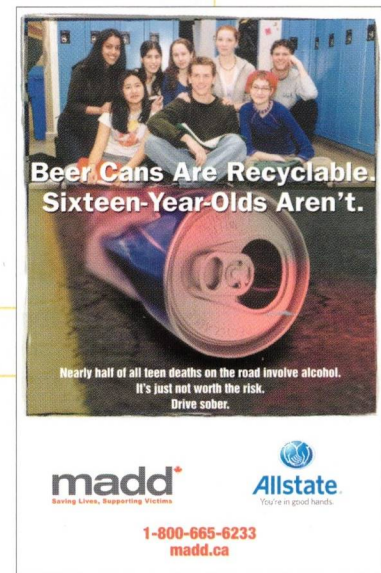
The goal may be to announce the existence of a product or service, or someone's candidacy for an election, without necessarily having any commercial aim, at least in the short term. For example, travel, real estate and insurance are products that are often the subject of informative advertising, since buying them requires thought beforehand. But in every instance, the creators of advertisements are not objective: they choose information that will showcase the product or service and withhold information that could make it less desirable.



## TO DEVELOP AWARENESS

Developing awareness means appealing to people's consciences to trigger a reaction to certain phenomena or social concerns. Governments use advertising to make public service announcements on subjects such as free vaccinations, school bullying, and so on.

Companies can also tug at our heartstrings for commercial purposes. For example, Nike's advertising campaign with the slogan "Equality has no boundaries" aims to raise public awareness about discrimination based on gender, sexual orientation, ethnicity and religion, hinting that you can support these causes by buying cool footwear.



## TO MODIFY BEHAVIOUR

Advertising tries to make us buy products we do not normally consume or to make us consume more. It seeks to change the opinion we may have of a product and to influence our consumer choices. By creating brands with strong identities, advertising attempts to seduce us and inspire our loyalty. We may even end up promoting the brands ourselves!

While advertising often aims to change consumer habits from a commercial point of view, it can also have a social dimension. This occurs when advertising seeks to develop awareness in order to bring about a change in the behaviour of individuals in society. An example of this is MADD's advertisements on the dangers of drinking and driving.

## TO CREATE NEEDS

If humans were concerned only with satisfying their basic needs, they would buy only what they needed to survive. Advertising must make people think they need more, that they have a void that must be filled. By presenting an idyllic vision of a world filled with luxury, seduction or a sense of belonging, advertising encourages people to consume products that will grant them access to this perfect world.

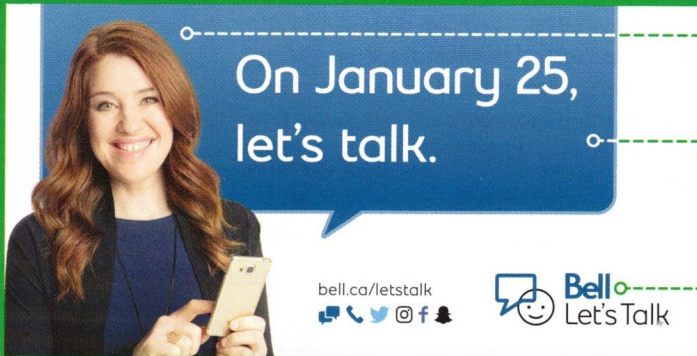


Advertising confuses need with desire. The need for nourishment and the desire for a hamburger from a fast-food restaurant get mixed up, as do the need to communicate and the desire for the latest model of telephone, or the need for clothing and the desire to wear the latest expensive fashion. Advertising does not create needs, since needs already exist, but rather stimulates desire and manipulates emotions that go beyond those needs.



# Anatomy of an advertisement

An advertising campaign is the marketing of products or services through advertisements. Many strategies are used to capture attention and communicate a message instantly so that it lodges in the consumer's memory.



Bell's Let's Talk advertising campaign was created to fight the stigmatization of mental illness and encourage people who have a mental illness to seek the help they need. This campaign allows Bell to promote its brand image while simultaneously developing public awareness of the chosen cause.

## Images

Advertisements often use images to deliver a message that is easy to understand at a glance. Because humans receive 80% of their information visually, there is good reason to use this strategy.<sup>1</sup>

## Tagline

A tagline is a phrase or an expression whose function is to capture the attention of an audience. It should be easy to understand and remember. The tagline may be a slogan or a message that provides information or explains the image. In both cases, the tagline stimulates the imagination and provokes curiosity.

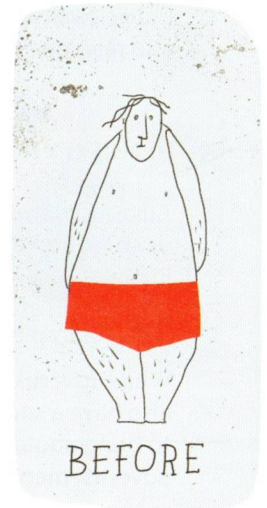
## The slogan and the jingle

A slogan is a concise phrase promoting a product or a brand. Slogans can be poetic or rhythmic, containing plays on words, rhyme or repetition. Slogans are often funny, and they always grab your attention and are easy to remember.

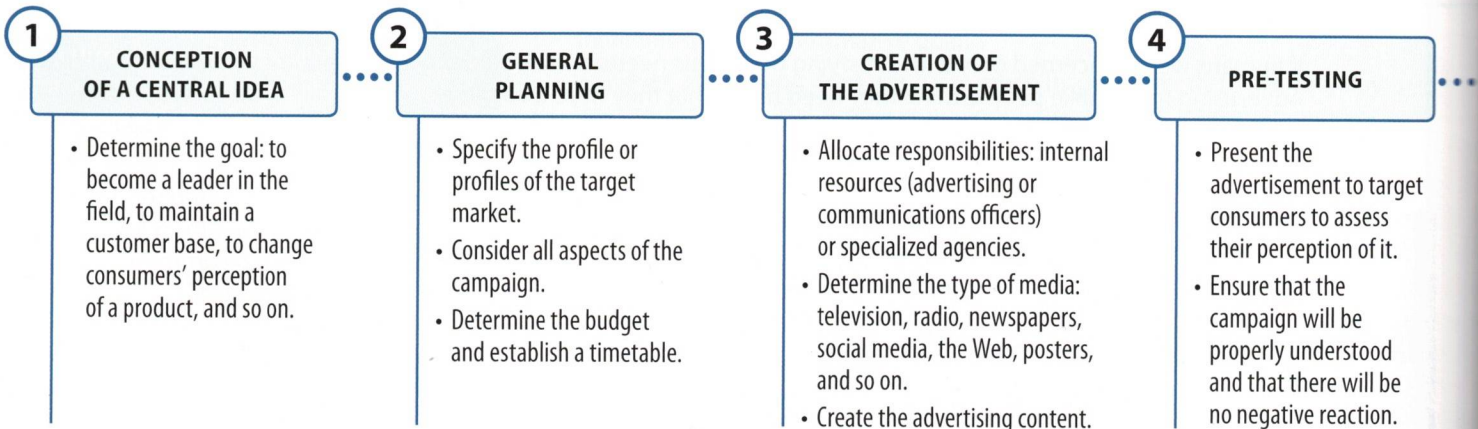
The jingle is often related to the slogan. It is a catchy tune that consumers associate with the product, and it is memorable, no matter how much we may prefer otherwise. You may hear it on the radio, on television, at movie theatres or on the Internet. For example, the slogan "I'm Lovin' It" and the five musical notes taken from the song of the same name by Justin Timberlake were first used by McDonald's in an advertising campaign in 2003. The jingle has been lodged in our minds ever since.

## Logo

A logo is a customized graphic representation. It is often a simple symbol with a distinctive colour, design and typography. The goal of the logo is to identify the brand at a glance and to build consumer loyalty.



## The process of creating an advertising campaign



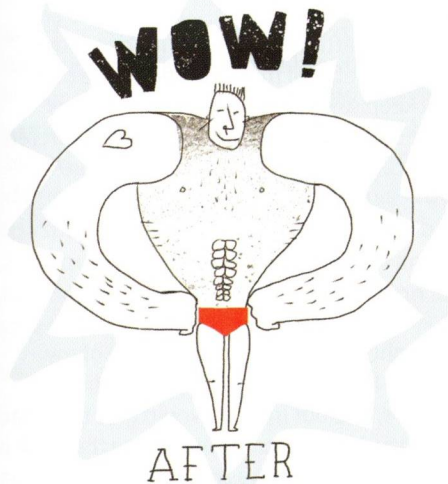
1. Québec government, *Le marketing sensoriel*, 2010.



## Advertising strategies

The following strategies are commonly used in advertising campaigns.

| STRATEGY   | GOAL  |
|--|---|
| Facts, numbers and statistics                            | to give the product credibility   |
| Repetition   | to increase the probability that consumers will memorize the message  |
| Scarcity effect  | to create a false sense of urgency so that consumers buy the product immediately, without thinking  |
| Appeal to logic  | to convince consumers that they are making the right decision in buying the product   |
| Comparison and incomplete comparison                     | to disparage the competition  |
| Ambiguity  | to disguise or omit information   |
| Appeal to emotion/excitement                             | to tug at consumers' heartstrings or make them feel that their happiness depends on buying the product  |
| Humour   | to attract the attention of consumers, to create complicity and a feeling of good will  |
| Worship of an ideal, desire for popularity               | to give the impression that the product will change consumers' lives by inspiring the admiration of others  |
| Use of a specialist or celebrity as a spokesperson       | to give credibility to the company or organization offering the product and to encourage consumers to buy the product because they identify with the star |
| Product placement (in movies, television programs, etc.) | to give the impression that a product is really used by well-liked characters   |



### Advertising is everywhere!

It is almost impossible to escape. Advertising is part of our daily lives.

- On the radio, on television and at the movies, where it combines sound, image and text on the big screen: the perfect mix to inspire emotion
- In cities, on the sides of highways, in public places, even in bathrooms
- In newspapers and magazines, in our mailboxes, in our emails
- And of course, on the Internet, in banners, pop-up windows, videos, targeted advertisements, and so on

5

#### COMMUNICATION PLAN

- Determine the media platforms based on the budget. For a television campaign, what channel will the advertisement appear on? On what program? At what time? How many times will it air? On multiple channels at once?

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#### LAUNCH

- Pay attention to consumers' reactions. Are they discussing the advertisement on social media? Do they appear to be grasping the message? Is the advertisement generating visits to the brand's website?
- Quickly measure the impact and, if necessary, make adjustments to the communication plan.
- Monitor the progress. Decide whether to continue the advertising campaign or end it.

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#### POST-TEST (EVALUATION)

- Identify the successes and points to improve.
- Analyze the results.

#### ACTION

1. Think of an advertisement that made a strong impression on you. Why did it have this effect?
2. Do we sometimes confuse advertising with information?
3. Are you influenced by advertising? If so, how? If not, why not?



## Advertising: issues and trends

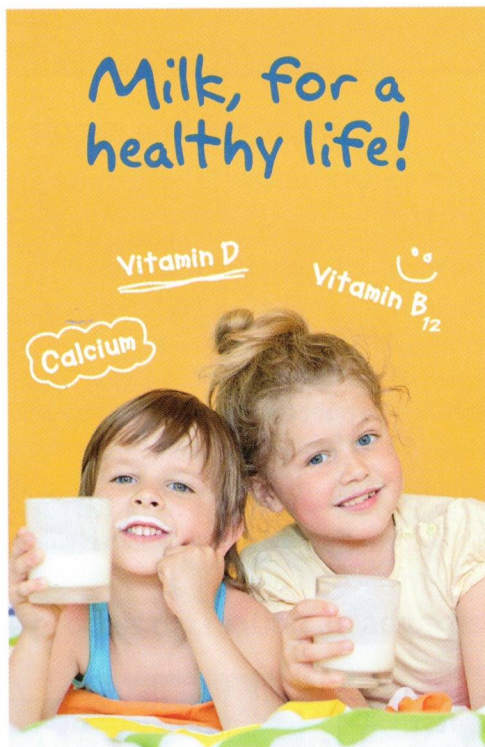
Advertising formats are constantly being changed to keep up with the latest trends. Today, those in charge of marketing and digital development in companies have good reason to exploit Internet users' enthusiasm for sharing content. Sharing with friends, "liking" or commenting on sponsored advertisements on social media means helping to spread the message for free.

Advertising agencies compete in order to come up with imaginative ways in which companies can use ads to personalize the consumer experience. For instance, one agency created a "complete immersive experience"<sup>2</sup> by transforming a bus shelter into an orange grove in order to stimulate the passengers' five senses, particularly smell, to persuade them to buy the orange juice being promoted.



### UNDER THE MAGNIFYING GLASS

#### True or false? For or against? Sami's and Naomi's perspectives



#### SAMI

I saw this ad in the newspaper. Then I saw a similar one on TV. In the evening, I saw on my newsfeed that my friend Faisal "liked" the ad. He added a heart emoji. This is advertising hype, and it's overblown. The ad is about the nutritional benefits of milk, but I don't like milk. I don't understand why they keep saying it's good for your bones and good for your health. I've seen reports that have a totally different perspective and are quite critical. Milk doesn't necessarily improve your health!

#### NAOMI

This ad made me smile. I thought it was cute. It reminds me of my childhood. My little brother and I would always drink milk when we watched our favourite TV shows, and our mother would give us a snack. Back then, I drank milk every day. My mother often told me that milk is good for your health. Now I realize that she was right, because milk has vitamins and calcium. I should drink more milk after I exercise, rather than drinking energy drinks; it is a healthier option.

### MY PROFILE

After reviewing the *Under the magnifying glass* box above, answer the following questions.

- Which of the advertisement's goals seems to have worked for Naomi? Explain your answer.
- In your opinion, which advertising strategies are being used in this advertisement? Are they effective?
- Do you identify more with Sami or Naomi? Why?

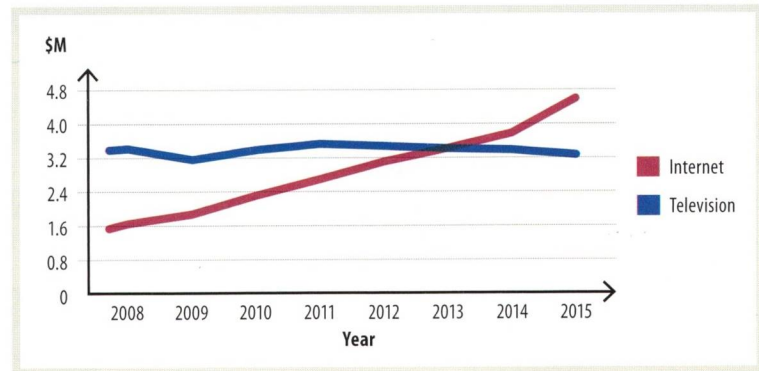
2. Isarta, "Échos de l'industrie," *Isarta Infos*, November 7, 2016.



## Social media

Ninety percent of Québec families have Internet access, and a growing number of Internet users are active on social media. Of these, 33% of adults aged 18 to 24 and 44% of adults aged 25 to 44 consult social media in order to obtain information on a product or service before purchasing it.<sup>3</sup> Businesses are starting to infiltrate social media in order to gain access to consumers and simultaneously collect precious information about their surfing and consumption habits.

## Comparison of advertising revenue for the Internet and television in Canada from 2008 to 2015



Data from: IAB Canada, 2015 Actual + 2016 Estimated Canadian Internet Advertising Revenue Survey Detailed Report, 2016.

## Native advertising

Native advertising is advertising content that is designed to blend in with the content of a website. Unlike banners or popup windows, it is not intrusive since it is adapted to the context of the site that contains it, and even resembles the content of the site. Because it is often of high quality and related to the surrounding content, it has a greater chance of being viewed by consumers. Like **advertorials**, which are advertisements written by companies to resemble newspaper articles or editorials, native advertising raises questions about transparency and ethics,<sup>4</sup> since the line between objective information and advertising is unclear.

## Viral advertising

Viral information is any information transmitted very rapidly by word of mouth or via anything from cell phones to tablets. Having an advertisement go viral is the dream of all advertising companies . . . and of any business that hires their services. On social media, for instance, an advertisement that spreads very quickly through multiple shares and enthusiastic comments has a good chance of going viral. In the end, a large part of the target audience is reached because of the buzz created by Internet users and their contacts. All these contacts become potential consumers as well as being the means by which the advertisement is circulated.

## The anti-advertising movement

For many, advertising is an invasion of space and amounts to visual pollution. Some criticize the traditional and stereotypical representations of gender roles, as well as advertisements with overt sexual connotations. Others talk about manipulation and denounce some of the methods that advertisements use to infiltrate the daily lives of consumers. An anti-advertising activist movement has emerged. People band together on the Web and on social media, attacking certain advertisements and calling for boycotts of the brands they promote.

A minimalist movement has also been developing in reaction to hyper-advertising and our consumer society. For instance, because of strategies used by large food retailers to market their products and control information, more and more people are adopting community-based and ecological ways of eating, such as veganism.

## ACTION

4. "The impact of advertising on consumption is negligible." Do you agree with this statement? Justify your answer.
5. Are you for or against advertising? Explain why.

3. CEFRIQ, *Portrait numérique des foyers québécois*, 2016, and *Les médias sociaux: plus présents dans le processus d'achat des Québécois*, 2015.

4. B. Bathelot, "La publicité native," *Définitions marketing*, 2016.



# WHAT ARE THE LIMITS OF ADVERTISING?

While advertising can be used to raise awareness of various issues, it is most often used by companies for commercial purposes. Governments have adopted laws in order to protect the public from fraudulent commercial practices. Resources are available to promote and enforce consumer rights. They inform consumers about the **laws** that protect them and support consumers who wish to take legal action or file a complaint against merchants.

## Laws that regulate advertising

### The Consumer Protection Act

In Québec, the *Consumer Protection Act* imposes strict regulations on merchants, among others, in their commercial practice in terms of labelling and advertising. The Act states that any message intended to promote a good, a service or an organization is an advertisement. As such, it is considered a promise, and the merchant is obliged to offer what is stipulated in the advertisement. For example, if an individual signs a contract with a merchant as the result of an advertisement, he or she is entitled to receive exactly what the merchant stipulated in the advertisement, even if it is not written in the contract.<sup>5</sup>

The *Consumer Protection Act* covers everything relating to the advertising of credit and warranties, cars and travel, all-inclusive pricing, sales and promotions, promotional contests, and so on.

### GET HELP!

#### RESOURCES FOR CONSUMERS

- Do you think the *Competition Act* has been violated? To make a complaint, you can contact the Competition Bureau.
- Did you see or hear an advertisement that does not meet Canadian standards? Contact Advertising Standards Canada.
- Have you dealt with a merchant who does not respect the rules of advertising? You can report it to the Office de la protection du consommateur.

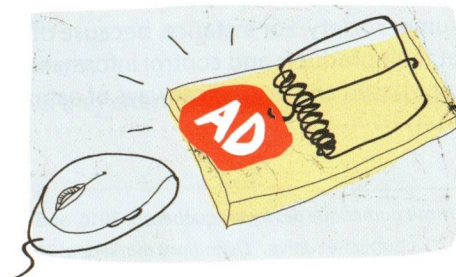
Any person found guilty of false or misleading advertising may be subject to a fine or imprisonment.

### The Competition Act

The *Competition Act* is a federal law that governs the conduct of businesses in Canada. It includes a section on misleading commercial practices, including advertising and telemarketing. It is up to the Competition Bureau to apply this law, along with the *Consumer Packaging and Labelling Act* (except for foods) and the *Textile Labelling Act*.

### Canada's anti-spam legislation

The prohibitions of the anti-spam legislation, which came into effect in July 2014, include sending commercial email messages without the consent of the recipients and using false or misleading information to promote products or services.<sup>6</sup> Canada's anti-spam legislation offers recourse against unsolicited commercial emails, misleading or otherwise, and against any form of online fraud.



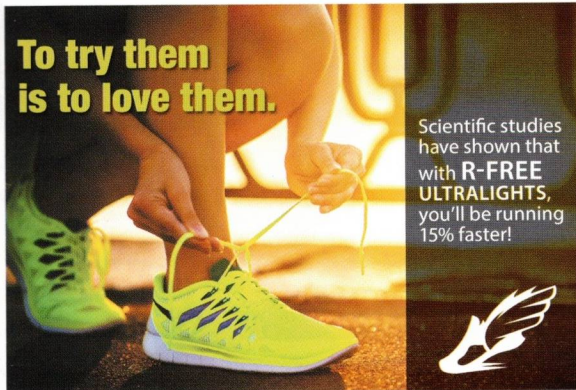
5. Éducaloi, "Advertising Aimed at Youth," 2017.

6. Government of Canada, "Canada's Anti-Spam Legislation," 2017.



## The Canadian Code of Advertising Standards

Developed by the advertising industry in the 1960s, the Canadian Code of Advertising Standards establishes the criteria for the acceptability of advertising. It is administered by a non-profit organization, Advertising Standards Canada (ASC), whose goal is to promote professional advertising practices and responsible self-regulation by the industry. The organization receives and handles consumer complaints. It does not have the force of law, but if it decides that an advertisement violates the Code, it may require the advertiser to modify or withdraw the advertisement.



A company claims that scientific studies show that its sneakers will make you run 15% faster. You are right to be skeptical. What studies? Who participated? How exactly were the results interpreted? This fictional advertisement is not very different from various real advertisements that present partial—in other words, unfounded—information. Often,

the tests they refer to were conducted on a very small sample, in conditions designed to obtain favourable results. ASC looks carefully at this type of advertisement, usually in response to complaints from consumers who believe an advertisement is misleading, if not downright dishonest.

## Prohibited advertising practices

The following list presents some practices that are prohibited for merchants, manufacturers and advertisers under the *Consumer Protection Act* and the *Competition Act*:

- false or misleading representations
- falsely attributing a particular advantage to a good or service
- falsely attributing a dimension, weight, measurement or volume to a good
- falsely claiming that a good or service meets a specified standard
- falsely claiming that a monetary benefit will result from the acquisition or use of a good or service
- falsely disparaging a good or service offered by a competitor
- violating a competitor's intellectual property rights
- falsely advertising a price reduction
- double ticketing of prices
- advertising a good in insufficient quantity to meet public demand without specifying the exact quantity in stock
- refusing to sell a product advertised on sale under the pretext that the quantity is exhausted (the advertisement must specify the exact quantity in stock)
- omitting the merchant's identity and status
- distorting the meaning of information, an opinion or a testimonial
- creating a promotional contest and not divulging the number and approximate value of prizes to be won
- targeting an advertisement to children under 13 years of age

## Advertising and children

Since 1978, the *Consumer Protection Act* has prohibited commercial advertising that targets children under 13 years of age, except under certain conditions (for example, in a children's magazine, in a store window or a display, or in a notice for a children's performance).<sup>7</sup>

While there is a strong consensus in favour of the law in Québec, some groups, such as producers of children's television programs, would like to see the return of advertising that targets children.



<sup>7</sup> Office de la protection du consommateur, *Advertising Directed at Children under 13 Years of Age*, 2012.



# Profiling and targeted advertising

Like all Internet users, you leave a digital footprint when you surf the Web: IP address, pages visited, keywords entered in browsers, and so on. This information can be highly valuable to advertising networks that specialize in distributing advertisements to a large number of sites. These companies use the information to create user profiles.

Thanks to cookies from the websites you visit, which are stored on your hard drive, **advertising networks** gather information that can be used to offer lists of target consumers to **advertisers** (for example, a sports store) and to **content providers** (for example, a major public social media website).

This is what is known as **profiling**. This **targeted advertising**, also called online behavioural advertising, directly targets consumers based on their consumption habits and their fields of interest.

The use of various Internet browsers is free because these browsers are financed by advertising. However, it is essential that online advertising practices respect the right to privacy and conform to the law.

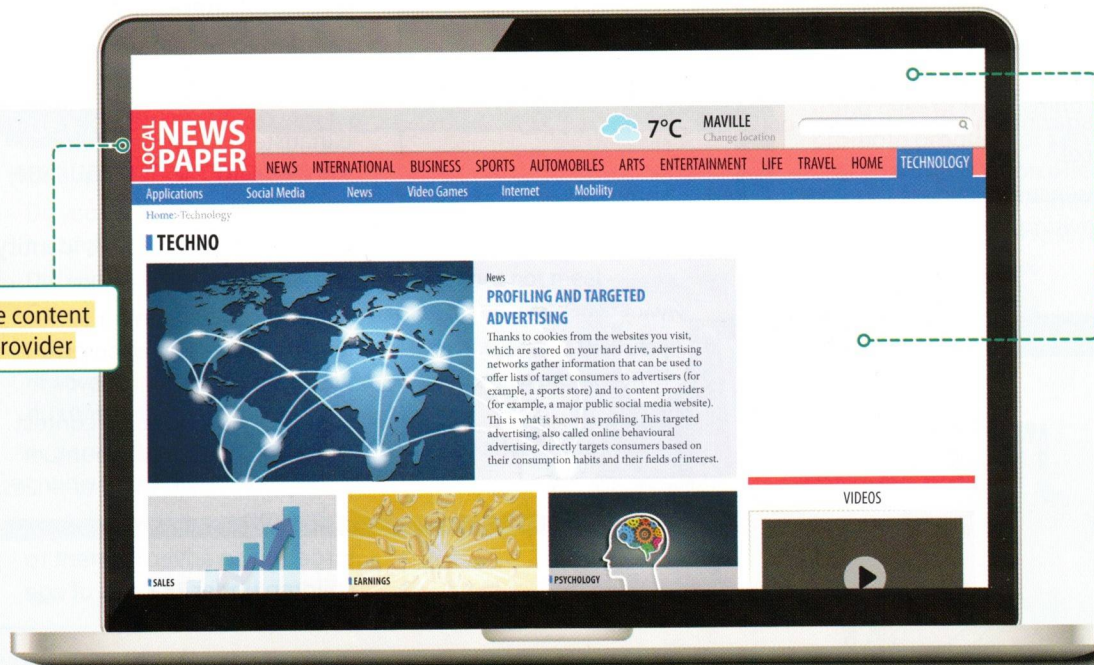


## BE CAREFUL!

### Cover your tracks!

Erase your cookies and browsing history regularly, especially when using a public computer. Think twice before activating geolocation on your mobile device. Provide as little information as possible.

Aside from disconnecting, there is no way to completely prevent being tracked, but you can avoid certain pitfalls.



The content provider

The content provider leaves empty spaces and asks an advertising network to fill this space.

An advertiser provides an advertisement to an advertising network so it can be disseminated.



## Is it possible to refuse to receive advertisements?

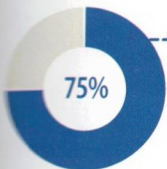
To stop receiving unaddressed advertising mail, put a note on your mailbox. To stop receiving phone calls from telemarketers, join the National Do Not Call List (DNCL). Software can be used to block online advertising as can changing the settings in your browser.



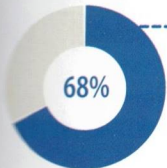
### Being cautious with your personal data

Your personal data and contact information are worth their weight in gold to online services and retailers. The more information you reveal, the more targeted and abundant the advertising will be. For example, there is no rule that says you must give your email address or telephone number when you are asked for them at a store. Refusing to give this information means you will avoid newsletters, but more importantly, your contact information will not be circulated without your consent.

## Opinions of students aged 10 to 17 on the use of personal information by companies



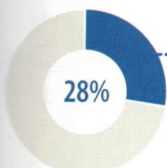
“I would like more control over what companies do with my photos and information.”



“If a company has a privacy policy, that means it will not share my personal information with others.”



“Companies are not interested in what I say or do online.”



“I like it when companies use the information I post to decide what products to advertise to me.”

Data from: MediaSmarts, “Online Privacy, Online Publicity,” *Young Canadians in a Wired World*, 2014.



## FINANCIAL ADVICE

### DO YOU BELIEVE IN THE TOOTH FAIRY?

Of course not. But when you think about how some people let themselves be influenced by advertising, you might wonder whether people still do.

Whether by using telemarketing techniques or through email, scammers excel at presenting “incredible offers” to consumers to get them to buy products or

services that they do not really need. They also succeed in deceiving them in order to steal their identity or use their credit card numbers. Scam artists show astonishing creativity in finding ways to con people with false promises.

Always remember: when it seems too good to be true, it is.

## KNOW THE LAW

### PRIVACY PROTECTION

The Office of the Privacy Commissioner of Canada has published guidelines for online behavioural advertising. Advertisers, as well as the media on which the advertisements are displayed, must clearly inform you of their objective of collecting and using your personal information, and must obtain your consent to use your information or share it with other organizations.

In Québec, personal information is protected by the *Act Respecting the Protection of Personal Information in the Private Sector*. At the federal level, the *Personal Information Protection and Electronic Documents Act* applies.

## ACTION

- Using the medium of your choice (website, social media, magazine, newspaper, television program, etc.), find an example of an advertisement that you think is misleading. Describe the advertisement and the product being advertised, and explain why it makes you suspicious.
- Have you ever received targeted advertisements online? What advantages or disadvantages did they have for you? Provide specific examples.