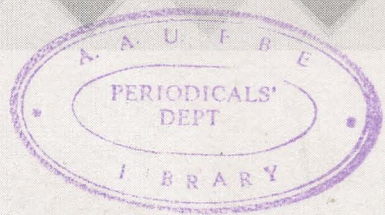


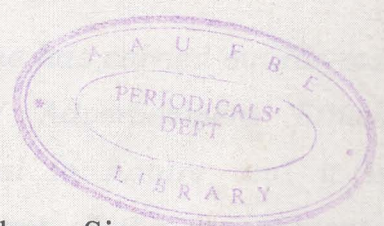
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ASSESSMENT OF ETV ADVERTISEMENT ETHICS

A PROJECT PAPER REPORT SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENT FOR THE DEGREE OF MASTERS OF BUSINESS ADMINISTRATION (MBA)

**ADDIS ABABA UNIVERSITY
FACULTY OF BUSINESS AND ECONOMICS
MASTERS OF BUSINESS ADMINISTRATION (MBA)
PROGRAM**



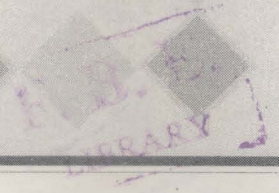
By Alemu Sime

Advisor: Dr. Gurmeet Singh

Faculty of Business and Economics

July 2005

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MBA
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Faculty of Business and Economics

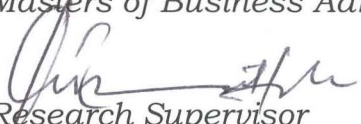
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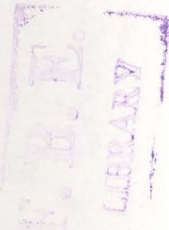
Ethiopia

CERTIFICATE

This is to certify that Ato Alemu Sime has carried out his research work on the topic, "Assessment of ETV Advertisement Ethics" under my supervision. This work is original in nature and it is suitable for submission for the partial fulfillment of the requirement for Degree of Masters of Business Administration.


Research Supervisor

01/07/2010
Ato Alemu Sime



DECLARATION

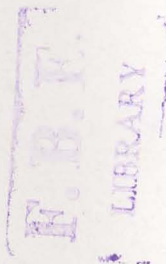
I Alemu Sime declare that this work titled, "Assessment of ETV Advertisement Ethics" is my own effort and study. I have produced it independently except for the guidance and suggestions of the research supervisor.

This study has not been submitted for any degree or diploma in this, or any other university/college. It is offered here in partial fulfillment of the requirement of the Degree of Masters of Business Administration.

Alemu Sime



Researcher



Acknowledgement

I would like to express deepest gratitude to my advisor Dr. Gurmeet Singh, for his unreserved and continuous valuable and intellectual advice. Without his support finalizing of the project within the given time was difficult.

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Abstract

This descriptive study for assessment of ethics in ETV advertisement has three parts. Questionnaires were used as tool to collect data for all the three parts, except for the first and second part supplementary interview was used. The first part of the study reveals that ETV advertisements have been conducted without any strong regulations and considering ethics in advertising has not got the necessary attention. The second study conducted on advertising agencies has shown that advertising enterprises entered in advertising business just for the sake income obtained with out any knowledge in the area.

The third part of the study that focused on consumers has indicated that half of the advertisements transmitted on ETV are unreliable. They are exaggerated and full of deceptive information. Based on these indications the study concludes that there are problems of ethics in ETV advertisement which have been resulted from many factors. If this situation continues the problems go to the worst and damage our culture and harm the economic activities.

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Operational Definitions

Advertisement – is the paid promotion of goods, services, companies and ideas by an identified sponsor.

Advertising agencies (enterprises) – refers to those business firm engaged in the activity of developing or producing and presenting advertisement.

Code of conduct – refers to a set of rules to provide guidelines for entities covering ethical and legal duties and obligations.

Ethics – refers to the set of moral principles or values. It also refers to the rightness or wrongness of moral behavior.

Norm – refers to expectations of how a person or persons will behave in a given situation based on established protocols, rules of conduct or accepted social practices.

Value – refers to an idea accepted by some individual, group or society.

Abbreviations

Ad (ad) – Advertisement

ETV – The Ethiopian Television

Chapter One

The Problem and its Approach

1.1. Introduction

Since 1992 Ethiopia has undertaken economic reform that transformed the economy from the centrally planned command economy to market oriented economy. The economic reform has been undertaken by the government by adopting the Structural Adjustment Program. The current economic policy of the country encourages the private sector, and many public enterprises have been privatized.

In market oriented economy competition is very high. Thus, business organizations operate under continuous competition to sell their products/service. Competition involves provision of quality products/services, low price and better customer handling. Moreover, informing the public that their organization provides better service/product than that of others plays a vital role in market oriented economy. Advertisement is the most common way of informing and persuading the public at large through electronic media and printed materials. Advertisement should be exercised within some standards of conduct (i.e. ethics), otherwise it may act immorally and loses customer confidence.

Successful marketing effort calls for more than just developing a good product, pricing it attractively, and making it available to target customers. Companies must also communicate with current and prospective customers, and what they communicate should not be left to chance. Today, marketers are moving toward viewing communications as the management of the customer buying process over time, during the pre selling, selling, consuming, and post consumption stages (Kotler and Armstrong, 1999:422).

In Ethiopia the concept of marketing and competition is at its infancy stage, therefore, there are many advertisements on Ethiopian Television that violates the norms and cultures of the Ethiopians. The purpose of this paper is to identify the causes of unethical advertisements and to recommend possible solutions.

1.2. Statement of the Problem

TV advertisements are increasing in Ethiopia now a days. In line with this unethical advertisements which are against our norms and cultures also increases. Such unethical advertisements include overemphasizing of materials standards, false and deceptive statements of advertising, and overusing of sexual appeals. If the situation continuous in such a way TV advertisements may loose the customers confidence. Therefore, actions should be taken before things will go to the worst situation.

Research Hypothesis

Unethical advertisements are shown on Ethiopian Television due to lack of code of conduct of advertising.

Major Research Questions

The research is designed to seek answers to the following questions:-

- What are the causes of unethical TV advertising in Ethiopia?
- Does ETV have some standards of conduct to make advertising?
- What is the position of advertising agencies towards having code of conduct of advertising so that make their TV advertisements ethical?
- Do customers rely on ETV advertisements?

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1.3. Objectives of The Study

The main objective of this study is to know what causes some ETV advertisements unethical. With this the study tries to identify each cause to the problems of ETV advertisements. After the problems are identified and known the research provides recommendation to eliminate the problems in the future.

Specific objectives"-

- To investigate whether ETV has code of conduct for advertisement
- To evaluate the reliability of ETV advertisement
- To identify unethical parts of ETV advertisement
- To identify factors that contribute for unethical advertisements on ETV.

1.4. Significance of the study

This research is expected to benefit ETV, advertising agencies, the government and the societies at large. ETV is benefited in such a way that it uses the output of the study to correct unethical problems, so that minimize the problem of losing public trust. Advertising agencies will be benefited from the output of the research to make themselves ethical and trusted advertising agencies. The government (policy makers) can use the findings of the study to formulate code of conduct. The society will be benefited if its norm and culture are respected. Finally the research may also serve other researchers who will conduct the study in the same area.

1.5. The Scope Of The Study

The study is confined to the ethical problems observed on ETV advertisements. The researcher limits its study to identifying the causes that contribute the unethical practice observed on ETV advertisement. The

study also confine in finding solutions to overcome the identified ethical problems.

1.6. The Research Methodology

The method used in the study is descriptive. Descriptive statistical analyses are used in the discussions and interpretations. Graphs, charts and percentages are widely used to present the results of the study.

1.6.1. The Research Design

The research design used in the study is survey design. Three different categories of population (ETV management, advertising agencies, and customers/ consumers) are used in the study, which denoted by study I, study II and study III respectively.

1.6.2. Population

The population of study I was the management of ETV whose assignment is related to advertising/ promotion. The population for the study II was advertising agencies who make advertisement on the Ethiopian Television. The population for the study III constitutes the customers/consumers who have access to the Ethiopian Television advertisement.

1.6.3. The Sample Frame

For the first study the sample frame was promotion manager of the Ethiopian Television. For the second study the sample frame was the know advertising agencies work on ETV advertisement. They reside in Addis Ababa distributed in different Kifle Ketemas.

The sample frame for the 3rd study was customers/consumers randomly selected from Addis Ababa and out of Addis Ababa.

1.6.4. Sample Size

The sample size for study I was managers in promotional sales and marketing research service of ETV. That of study II was 5 major and popular advertising agencies selected with the consolation of ETV managers. Study III constitutes 120 consumers of different back ground from different areas selected randomly.

The following table shows the sample composition of study III.

Table 1. **Sample Composition by sex, age, Education, Occupation and Income**

Item		No. of respondents	Percentage	Item		No. of respondents	Percentage
Sex	Male	80	66.7	Occupation	Government employee	68	50.7
	Female	40	33.3		Non Governmental organizations employee	24	20
	18-30 Yrs	59	49.2		Conducting own business	6	5
31- 40 Yrs	35	29.2	Student		22	18.3	
41-50Yrs	26	21.6	Br. 500-1000		60	50	
Education Level	10/12 completed	25	20.8		Monthly Income	Br. 1001-1500	50
	Diploma	82	68.3	Br. 1501-2000		10	8.3
	First degree	11	9.2				
	Post graduate	2	1.7				

1.6.5. Data Collection Technique

Data from ETV management for the study I was collected through questionnaire type I. For further clarification and information interview was used. The same technique was also applied for collecting data for study II, except that questionnaire type II was used in the later case.

Data collected from customers/consumers through questionnaire type III. Questionnaires were distributed randomly for college students, government and non-governmental organizations employees.

1.7. Limitation of The Study

So far there was no empirical study conducted regarding advertisement ethics. This is the major limitation of the study. Second marketing concept is new in the country. Due to this the respondents faced difficulty to evaluate advertising from marketing perspective.

2. Conceptual framework

2.1. Advertising

The term advertising originates from the Latin "advert" which means to turn round. Advertising thus denotes the means employed to draw attention to any object or purpose. In the marketing context, advertising has been defined as any paid form of non-personal presentation and promotion of ideas, goods or service by an identified sponsor. (Ramaswamy and Namakumari, 2003, 534)

Advertising consists of all activities involved in presenting to a group a non-personal, sponsor identified message about a product or organization. This message, called an advertisement, can be verbal and/or visual, and is disseminated through one or more media. (station and others, 1991:452)

According to Kolter and Armstrong (2004) advertising is any paid form of non-personal presentation and promotion of ideas, goods, or services by an identified sponsor.

Types of Advertising

Stations and others (1991) classify advertising as follows.

Product and institutional advertising:- All advertising may be classified as product or institutional. In product advertising, advertisers inform or stimulate the market about their products. Product advertising is subdivided in to direct-action and indirect-action advertising: (Ram sway and Namakumari2003)

- **Direct** – action advertising seeks a quick response. For instance a print ad with a coupon or an 800 number may urge the reader to send or call immediately for a free sample.
- **Indirect** – action advertising is designed to stimulate demand over a longer period of time. It is intended to inform or remind consumers that the product exists and to point out its benefits. Most network television advertising is of this type.
- Institutional advertising presents information about the advertiser's business or tries to create a good attitude build good wall –toward the organization. This type of advertising is not intended to sell specific product. Two forms of institutional advertising are:

- *Customer service advertising, which presents information about the advertiser's operations. Advertisements describing the variety of automobile repairs and services are an example.*
- *Public service advertising, which is designed to improve the quality of life and show that the advertiser is a responsible member of the community. Such ads may urge the public to avoid drugs or to support a local antipollution campaign.*

Primary and Selective Demand Advertising:- Primary demand advertising is designed to stimulate demand for a generic category of a product. This is in contrast to selective demand advertising, intended to stimulate demand for individual brands.

Primary demand advertising is used in either of two situations. The first is when the product is in the introductory stage of its life cycle. This is called pioneering advertising. A firm may run an ad about its new product, explaining the product's benefit, but not emphasizing the brand name. The objective of pioneering demand advertising is to inform, not to persuade, the target market.

The second use of primary demand advertising occurs throughout the product lifecycle. It is usually done by trade associations trying to stimulate demand for their industry's product. Thus the beef industry council's ads urge us to consume beef products. The council doesn't care what brand of beef products we buy, just that we use more of them.

Selective demand advertising essentially is competitive advertising – it pits one brand against another. This type of advertising typically is employed when a product has gone beyond the introductory life cycle stage. The product is reasonably well known and in competition for market share with several brands.

Comparative advertising is an important kind of selective demand advertising that is used for a wide variety of products. In comparative advertising the advertiser either directly – by naming a rival brand – or indirectly – through inference – points out differences between the brands.

Cooperative Advertising

Cooperative advertising promotes products of two or more firms that share the cost of the advertising. There are two types - vertical and horizontal. Vertical cooperative advertising involves firms on different levels of distribution. For example, a manufacturer and a retailer share the cost of the retailer's advertising of that manufacturer's product.

Horizontal cooperative advertising is undertaken by firms on the same level of distribution – such as a group of retailers – that share the costs of advertising. For example, all stores in a suburban shopping centers may run a joint news paper ad. This principal benefit is that by pooling their funds, the firm can achieve much greater exposure than if they advertised individually.

Objectives of Advertising

An advertising objective is a specific communication task to be accomplished with a specific target audience during a specific period of time. According to Kotler and Armstrong (2004) advertising objectives can be classified by primary purpose – whether the aim is to inform, persuade or remind.

Informative advertising is used heavily when introducing a new product category. In this case the objective is to build primary demand.

Persuasive advertising becomes more important as completions increases. Here, the company's objective is to build selective demand.

Some persuasive advertising has become comparative advertising, in which a company directly or indirectly compares its brand with one or more other brands. Comparative advertising has been used for products ranging from soft drinks and computers to batteries, pain relievers, car rentals, and credit cards.

Reminder advertising is important for mature products it keeps consumers thinking about the product. Expensive Coca – Cola television ads primary remind people about Coca – Cola rather than informing or persuading them.

Table 2. **Possible Advertising Objectives**

Informative Advertising	Persuasive Advertising	Reminder Advertising
<ul style="list-style-type: none"> • Telling the market about a new product • Suggesting new idea uses for a product • Informing the market of a price change • Explaining how the product works • Describing available services • Correcting false impressions • Reducing consumer's fears • Building a company image 	<ul style="list-style-type: none"> • Building brand preference • Encouraging switching to your brand • Changing customer's perception of product attributes • Persuading customer to purchase now • Persuading customer to receive a sale call 	<ul style="list-style-type: none"> • Reminding consumer that the product may be needed in the near future • Reminding consumer where to buy it • Keeping it in customer's mind during off-seasons <p>Maintaining its top-of-mind awareness</p>

Source: Kotler and Armstrong 2004: 495

Persuading Customers

According to Ramaswamy and Namakumari (2003) advertising should fulfill the following to persuade buyers.

1. Should be of interest to the audience

The first requirement is that the advertisement should capture the attention of the target audience. In other words, it has to get through the attention filter of the target audience. To achieve this, it has to provide the audience with information that is of interest to them. It may give them new information, or it may support the information they already have, or it may attempt to alter their existing view and beliefs. Some people like information that is communicated through stories, others like figures and data; there may be another category that may listen to information that is couched in real experience situations. There may also be good number of people who totally avoid un pleasant information, or information that upsets their existing faiths and beliefs. These complexities have to be tackled in developing the advertisement. In any case, the advertising message should interest the audience.

2. The Audience Should interpret the message in the intended manner

So, it is essential that an advertisement provide information that is of interest to the audience. Only then will the audience listen to it. It is also essential that the audience see the advertisement and interpret it in a way favorable to the advertiser. The same advertising message under a given setting can be perceived and interpreted by different people in different ways. In the same message, one may find optimism, another may find boredom and some others may perceive aggression. An array of audience

conditions, such as the needs, desires, status, values and motives affect their interpretation of a message. An advertiser or communication has to ensure that his message is interpreted in the intended manner, in a way favorable to his products/ offerings. (Ramaswamy and Namakumari 2003 : 534 – 35)

3. The Advertisement should Influence the Audience

It is not enough if the audience listens to the advertisement and interprets it the way the advertiser or communicator expects it to be interpreted. It should also appeal to the audience and influence their attitude, though process and purchase behavior in favor of the advertised offer.

It is generally agreed that purchases are governed by the attitude of consumers towards alternative product offers. Attitude change, there fore, becomes a universally accepted marketing goal. The advertiser/ communicator knows that if attitudes of the target customers can be manipulated and changed in his favor, behavior changes along the lines preferred by him will naturally follow.

More over source creditability is an important determinant of audience persuasion. Factors such as level of expertise, trustworthiness, culture, age and educational level usually decide the source's credibility with the audience of all these factors, trustworthiness is Perhaps the most important. (Ramaswamy and Namakumari 2003:538)

2.2. Marketing Ethics

Ethics is defined in a moral philosophy as that branch of philosophy dealing with values relating to human conduct, with respect to the rightness or wrongness of certain actions, and to the goodness or badness of the motives and ends of such actions. Ethics is concerned with the study

of moral behavior such as rightness or wrongness, goodness or badness as they are defined by individuals, groups, or people. (Tilaye Kasahun 1999,3). According to Pieter and Donnelly 1989, ethics is defined as a discipline of standards and practical judgment and questions relative to those standards. Ethics are standards of conduct. To act in an ethical fashion is to conform an accepted standard of moral behavior. (Stations and others 1991: 615)

Marketing executives face the challenge of balancing the best interests of consumers, the organization, and the society into a workable guide for their daily activities. In any situation they must be able to distinguish what is ethical from what is unethical and act accordingly, regardless of the possible consequences. (Station and et.el. 1991:615)

Marketing managers should practice ethical behavior simply because it is morally correct. Moreover, there are four pragmatic reasons for behaving ethically, according to stations and others (1991:615)

1. To reverse declining public confidence in marketing

Marketing's image is tarnished in many people's eyes. In addition to negative attention produced by consumer issues, highly questionable practices periodically come to light. For example, we hear about misleading package labels, false claims in ads, phony list prices, and infringements on well - established trademarks. Though such practices are limited to only small proportion of all marketing, the reputations of marketers in general are damaged. *Handwritten: [unclear]*

To reverse such situation business leaders must set high ethical standards and then enforce them.

2. To avoid increases in government regulation

Marketing executives must act in an ethical manner to justify the privilege of operating in our relatively free economic system. Nothing worthwhile comes without a price. Our economic freedoms sometimes have a high price, just as our political freedoms do. Business apathy, resistance, or taken responses to unethical behavior simply increase the probability of more government regulation.

3. To retain the power granted by society

The concept that social power begets social responsibility helps explain why marketing executives have a major responsibility to society. Managers wield a great deal of social power as they influence markets and speak out on economic issues. However, there is responsibility tied to that power. Thus it is logical that unethical behavior will result in an erosion of social power. If marketers do not use their power in a socially acceptable manner, that power will be lost in the long run.

4. To protect the image of the organization

Buyers of goods and services are most likely to come in contact with someone representing the marketing function, and that interaction forms their impression of the entire organization. You may base your opinion of a retail store on the behavior of a single sales perk.

2.3. Television Advertising

From the earliest days of the medium, television has been used as a vehicle for advertising in some countries. Since their inception in the late 1940s, television commercials have become far and away the most

effective, most pervasive, and most popular method of selling products of all sorts. TV is a voice – visual electronic medium. The audio-visual features and the large spectrum of execution possibilities make it a very versatile medium. (Mesfin. Workineh, 2004:18).

Televisions most important characteristics is obvious the combination of motion and sound. Products can be demonstrated as well as described. TV is highly preferred medium of advertising due to its lifelike display capabilities. (Station and et.el 1991; 459; and Rameswamy and Namakuari 2003:553)

TV advertising has its own advantages and disadvantages. The following are some of them.

Table 3.. Merits and demerits of TV advertising

Merits	Demerits
<ul style="list-style-type: none"> • Combination of sight sound, and motion • Appeals to senses • Mass audience coverage • Psychology of attention 	<ul style="list-style-type: none"> • Non- selectivity of audience • Fleeting of impression • Short life • Expensive

Source: Peter and Donnelly 1989:151 and Ramaswamy and Namakumari 2003:553)

Chapter Two

Review of The Related Literature

Both false and misleading ads only work insofar as consumers are unformed. (Ziniewicz). The Broadcast code for Advertising to children was created to guide advertisers in preparing broadcast commercial messages that recognize and respect the developing characteristics of the child audience. The content of the code is strong, specific and mandatory. (Responsibility and children's Advertisement).

It has been argued that government's regulation of advertising comes in conflict with the commercial free speech right of advertisers. Courts have ruled that commercial speech does not have the same right as religious, political, or other kinds of speech. (Ainiewicz).

Business organizations engaged in unethical advertising to get our attention and our money (Rebak). According to this researcher unethical advertising are based on deception, misdirection and other highly refined but sharply unethical techniques.

Rebak, distinguishes the ethical advertising from unethical ones in the following way. By defining unethical advertising "if the advertising lies to the customer promising one thing but then tries to deliver something else, that is unethical."

Most "Deceptive" advertising falls some where between "innocent truth" and "outright lie". It is obvious that outright lies are morally wrong. (Ziniewicz)

Fair Trade is a trading partnership, based on dialogue, transparency and respect, which seek greater equity in international trade. It contributes to sustainable development by offering better trading conditions to, and securing the rights of, marginalized producers and workers – especially in the South. Fair Trade organizations (backed by consumers) are engaged actively in supporting producers, awareness raising and in campaigning for changes in the rules and practice of conventional international trade. (N.J. Gould, 2003:342)

Fair Trade initiatives in the UK can be placed into three basic categories:

- *The socially responsible corporation/benign marketing agents;*
- *Branded product, and*
- *Products verified by third parties*
 - *Independent trade marking, indication third party verification;*
 - *Any of the above verified by a system of social auditing.*

One of the most important fair-traded items is coffee-although only representing 0.01 percent of world coffee production, it does involve two hundred co-operatives world wide representing the interests of 500,000 farmers in sixteen coffee-producing countries (APROM). In this article, coffee is taken as an indicative commodity of fair trade. (Bird and Hughes, 1997:161)

How, then, does Fair Trade contribute to resolving the consumption paradox? In response, it is necessary to specify the consumer interest not just in terms of psychic benefits but also the sustainability of the democratic order that guarantees them. In arguing for this self-interested altruism, I draw on my own experiences in anti- /green/ethical consumerism. These include: keeping a smallholding that evolved in to an organic market garden; support of numerous environmental campaigning groups; participation in the boycott of companies who contravene milk; and buying ethical investments. Although I remain committed to these issues,

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for the last decade Fair Trade has been the focus of my concerns and actions both in terms of product purchase and promotion through, for example, presenting to groups and selling in fairs. (N.J. Gould, 2003:343)

The increased levels of consumption that have accompanied our consumer-orientated culture have also given rise to some consumers questioning their individual consumption choices. This can be witnessed over the recent decades in which the dramatic increase in environmental awareness, which has resulted in the emergence of "green" consumerism, developed further in to "ethical" consumerism. Although also being concerned about general environmental issues, ethical consumers can be distinguished from green consumers by their additional concern for more wide-ranging issues, such as fair trade and armament manufacture. This distinction between "green" and "ethical" consumerism is important, as concern for a broader range of issues in ethical consumerism can add significantly to the complexity of consumer decisions. Ethical concerns are, for example, often on-going and irresolvable. Arguably, substantially more effort is therefore required on the part of the consumer in decision-making. (Shaw and Shiu, 2002:286)

"In short, today ethics in a business enterprise or a corporation has become significant because of the following reasons:

- i) We are a knowledge economy. People are vital in the knowledge economy and they are very much influenced by the culture of ethics and values.*
- ii) That honesty is the best policy is a truth that is being realized especially in the period of recession.*
- iii) The dramatic collapse of the South East Asian tiger economies highlighted the fact that if there is lack of transparency and crony capitalism, there is bound to be disaster.*
- iv) The end of the cold war has now focused the attention of the OECD countries on the issue of tackling corruption because supporting corrupt*

regimes or companies can no longer be justified on the ground of their ideological correctness.

- v) The collapse of Enron has brought home the fact that multinationals which are high flying can ultimately collapse if they are not rooted in basic values. The competitive edge today is provided today only by innovation and innovation is identified by one of the two basic essence of business by peter Drucker in his book *ESSENATAL DRUCKER*. Innovation is possible only if the right atmosphere prevails. A culture of honesty and ethics builds in the requisite element of trust. This also helps enterprises to attract and retain talent and also nurture talent."

(Vittal,pp.5-6)

We disagree with the assertion that advertising simply mirrors attitudes and values of the surrounding culture. No doubt advertising, like the media of social communications in general, does act as a mirror. But, also like media in general, it is a mirror that helps shape the reality it reflects, and sometimes it presents a distorted image of reality. (Foley and Pastore, 1997:2)

According to J.P. Foley and P. Pastore (1997) advertising has both benefits and harms depending on its usage. If it is used well advertising has economic, political, cultural and moral and religious benefits. On the other hand it has economic, political, cultural and moral and religious harms if it used badly.

- ✓ Japan Advertising Agency Association (1971) states that, they will respect the independent position of both the advertising company and the media company and cooperate fully with each. They also provide code of ethics which they think the advertising company and media company should fulfill. This includes being honesty, quality, information provision, respect ion of scientific facts and persuasion of beauty and strive to bring joy to the hearts of the people.

Advertisers are selective about the values and attitudes to be fostered and encouraged, promoting some while ignoring others. This selectivity gives

the lie to the notion that advertising does no more than reflect the surrounding culture. For example, the absence from advertising of certain racial and ethnic groups in some multi-racial or multi-ethnic societies can help to create problems of image and identity, especially among those neglected, and the almost inevitable impression in commercial advertising that an abundance of possessions leads to happiness and fulfillment can be both misleading and frustrating. (Foley and Pastore, 1997:2-3)

According to J.P. Foley and P. Pastore (1997) advertising has both benefits and harms depending on its usage. If it is used well advertising has economic, political, cultural and moral and religious benefits. On the other hand it has economic, political, cultural and moral and religious harms if it used badly.

Advertising also has an indirect but powerful impact on society through its influence on media. Many publications and broadcasting operations depend on advertising revenue for survival. This often is true of religious media as well as commercial media. For their part, advertisers naturally seek to reach audiences: and the media, striving to deliver audiences to advertisers, must shape their content so to attract audiences of the size and demographic composition sought. This economic dependency of media and the power it confers upon advertisers carries with it serious responsibilities for both. (Foley and Pastore, 1997:3).

In this context, the media of social communications have two options, and only two. Either they help human persons to grow in their understanding and practice of what is true and good, or they are destructive forces in conflict with human well being. That is entirely true of advertising. (Foley and Pastore, 1997:8)

Within this very general framework, we can identify several moral principles that are particularly relevant to advertising. We shall speak briefly of three: truthfulness, the dignity of the human person, and social responsibility.

a) Truthfulness in Advertising

Even today, some advertising is dimply and deliberately untrue. Generally speaking, though, the problem of truth in advertising is some what more subtle: it is not that advertising says what is overtly false, but that it can distort by implying things that are not so or withholding relevant facts. As pope John Paul II points out, on both the individual and social levels, truth and freedom are inseparable; without truth as the basis, starting point and criterion of discernment, judgment, choice and action, there can be no authentic exercise of freedom. The Catechism of the Catholic Church, quoting the Second Vatican Council, insists that the content of communication be "true and – within the limits set by justice and charity-complete"; the content should, moreover, be communicated "honestly and properly.

To be sure, advertising, like other forms of expression, has its own conventions and forms of stylization, and these must be taken into account when discussing truthfulness. People take for granted some rhetorical and symbolic exaggeration in advertising; within the limits of recognized and accepted practice, this can be allowable.

But it is a fundamental principle that advertising may not deliberately seek to deceive, whether it does that by what it says, by what it implies, or by what it fails to say. "The proper exercise of the right to information demands that the content of what is communicated be true and, within the limits set by justice and charity, complete.... Included here is the obligation to avoid any manipulation of truth for any reason.

b) The Dignity of the Human Person

There is an "imperative requirement" that advertising respect the human person, his right duty to make a responsible choice, his interior freedom; all these goods would be violated if man's lower inclinations were to be exploited, or his capacity to reflect and decide compromised.

These abuses are not merely hypothetical possibilities but realities in much advertising today. Advertising can violate the dignity of the human person both through its content what is advertised, the manner in which it is advertised- and through the impact it seeks to make upon its audience. We have spoken already of such things as appeals to lust, vanity, envy and greed, and of techniques that manipulate and exploit human weakness. In such circumstances, advertisements readily become "vehicles of a deformed outlook on life, on the family, on religion and on morality- an outlook that does not respect the true dignity and destiny of the human person.

This problem is especially acute where particularly vulnerable groups or classes of persons are concerned: children and young people, the elderly, the poor, the culturally disadvantaged.

Much advertising directed at children apparently tries to exploit their credulity and suggestibility, in the hope that they will put pressure on their parents to buy products of no real benefit to them. Advertising like this offends against the dignity and rights of both children and parents; it intrudes upon the parent-child relationship and seeks to manipulate it to its own base ends. Also, some of the comparatively little advertising directed specifically to the elderly or culturally disadvantaged seems designed to play upon their fears so as to persuade them to allocate some of their limited resources to goods or services of dubious value.

c) Advertising and Social Responsibility

Social responsibility is such a broad concept that we can note here only a few of the many issues and concerns relevant under this heading to the question of advertising.

The ecological issue is one. Advertising that fosters a lavish life style which wastes resources and despoils the environment offends against important ecological concerns. "In his desire to have and to enjoy rather than to be and grow, man consumes the resources of the earth and his own life in an excessive and disordered way..... Man thinks that he can make arbitrary use of the earth, subjecting it without restraint to his will, as though it did not have its own

requisites and a prior God-given purpose, which man can indeed develop but must not betray.

As this suggests, something more fundamental is at issue here: authentic and integral human development. Advertising that reduces human progress to acquiring material good and cultivating a lavish life style expresses a false, destructive vision of the human person harmful to individuals and society alike.

When people fail to practice "a rigorous respect for the moral, cultural and spiritual requirements, based on the dignity of the person and on the proper identity of each community, beginning with the family and religious societies, "then even material abundance and the conveniences that technology makes available "will prove unsatisfying and in the end contemptible. "30 Advertisers, like people engaged in other forms of social communication, have a serious duty to express and foster an authentic vision of human development in its material, cultural and spiritual dimensions. 31 Communication that meets this standard is, among other things, a true expression of solidarity. Indeed, the two things – communication and solidarity – are inseparable, because, as the Catechism of the Catholic Church Points Out, solidarity is "a consequence of genuine and right communication and the free circulation of ideas that further knowledge and respect for others. Foley and Pastore, 1997:9-11)

Recently, consumer vulnerability has drawn much attention in studies of marketing ethics. In numerous legal cases, the court system in the U.S. has defined vulnerable consumers as a group of people who, due to various idiosyncrasies, are sensitive and susceptible to the potential negative effects associated with using a particular product. Moreover, children do not have the same level of knowledge, experience, or maturity as adults to process commercial information. Many elderly people, due to their physical and/or mental conditions, also face challenges as consumers. In addition, some consumers may be prone to addiction or compulsion while others may be disadvantaged due to their social and economic conditions. Thus,

product harmfulness is heightened for consumers at a risk or disadvantage and poses ethical concerns. (Winter, 2003:367-68)

First, these studies emphasize that the concern with the ethical consequences of marketing practices in the United States is well grounded in the fundamental beliefs in social and moral equity, fairness, and justice for all people. (Karpatkin 1999)

Second caroches have emphasized the ethical risks inherent in market segmentation and differentiated marketing. Due to the boundary - expanding nature of marketing, ethical concerns may arise in certain situations when marketers cross such boundaries. The social discontent and ethical concerns associated with marketing stem from the functional limitations of the marketing concept. Contemporary marketing practices often rely on market segmentation, which divides consumers into submarkets based on characteristics such as age, gender, race, and nationality. To provide unique values to consumers and to avoid head-on competition, each market segment may require a unique marketing mix. (Macchiette and Roy 1994)

Third, extant studies have found that ethical concerns or dilemmas often arise when a marketer's perception is in conflict with that of consumers or the public. Thus, marketers must study the perception of the public when formulating marketing strategies in order to avoid potential misunderstandings. (Winter, 2003:369)

... existing research has documented significant gaps between marketers and consumers in their ethical philosophies as well as ethical evaluations of specific marketing practices (Singhapakdi et al. 1999).

A society has many avenues to ensure that marketing will benefit rather than harm consumers. Consumer activism, legislative activity, and

government enforcement help to guard against unethical conduct by corporation. While "obey the law" and legal clearance of marketing programs by companies may be necessary for ethical conduct, they are apparently not sufficient. Ethical decision-making for businesses requires companies to act in "enlightened self-interest" to ensure the integrity of their marketing programs. Today, many marketing organizations have adopted the consumer-centered business philosophy, making "customer satisfaction" their number one priority. If marketers truly subscribe to that mission, then consumers' interests should be given more weight in resolving potential ethical conflicts in marketing decisions (Smith 1995).

Normative theories of marketing ethics provide a basis for moral deliberation by practitioners and others of the many complex and often troubling ethical issues in marketing. As researchers and practitioners search for meaningful guidelines amidst complex interactions, the contingency approach provides a plausible framework for analyzing the ethics of the marketing exchange and can help sound decision-making in marketing and public policy. The contingency framework considers the parties to and objects of the exchange, and related marketing strategies. Thus, it is comprehensive and enables systematic analyses of the ethical implications of marketing across multiple dimensions and various scenarios. Analyzing the specific contingencies can help generate concrete guidelines for ethical decision-making. (Smith 2001)

Compared with the general normative theories of marketing ethics, the contingency approach is more flexible in analyzing the ethical implications of various situations based on the three contextual variables. Meanwhile, unlike ethical or moral relativism, the contingency approach stresses the universal principles of equity, justice, and fairness in analyzing specific scenarios, hence remains truthful to a normative theory. Because the framework considers different products and consumers with different levels of capability as well as the differential impact of marketing on

consumers, the perspective of justice provides the most compelling basis for the ethical evaluations of marketing practices (Smith and Cooper martin 1997). In a sense, the contingency framework serves as a bridge between the principled approach and the utilitarian perspective of marketing ethics, which seem to be incommensurable with each other. (Winter, 2003:381)

The ethical implications of other components of a marketing mix, i.e. distribution, promotion, and price, should be explored. Distribution strategies, for instance, may range from exclusive to selective or intensive distribution. These marketing practices, when interacting with consumer characteristics and product categories, may lead to ethical concerns. Given the increasing efforts by marketers to target various consumer segments with unique marketing mix strategies, the ethical implications of a marketing campaign based on market segmentation and differentiated marketing warrants systematic and rigorous examination before implementation. (Singhapakdi et al. 1999).

According to Ziniewicz the following are some types of deceptive or misleading advertising:

- Unsubstantiated Claims: Important scientific evidence or research data is missing.
- False Claims: Actual research data (unstated) contradicts the advertiser's claims.
- "Puffery": Transparent empty hype, use of superlatives, and emotionally charged words.
- Distraction: If you buy this product, you get status and popularity (sex sells).
- Omitted Information: Selective use of information, where important relevant information is left out.
- Special Effects or Fakery: What you see is not what you get.
- Hidden Additional Costs: Expensive shipping, handling, and the like.
- False Guarantees: Look for Post Office Box addresses.
- Surveys: Actually pitches for products and services.
- Outright Scams: Nigerian bank accounts and the like.

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- Fake Testimonials: I lost three hundred pounds in one week.
- Exaggerated Statements or Images: The hamburger really is a lot smaller than that.
- Misleading Price Claims:

According to Sue Nelson(2003:3-4) some of the special ethical practices for editors identified as follows

- *Take special care to understand the facts and context of the story;*
- *Guard against assumptions and preconceived notions – including your own;*
- *Ensure you have enough time and resources for sound editing. Noting should be printed that has not been reviewed by some one else;*
- *Heed your “gut instinct.” Don’t publish a story if it doesn’t feel right. Check it further;*
- *Consider what may be missing from the story;*
- *Beware of stories that reach conclusions based on speculation or a pattern of facts;*
- *Protect against being manipulated by advocates and special interests;*
- *Consider these questions: How do you know? How can you be sure? Where is the evidence? Who is the source? How does s/he know? What is the supporting documentation?*

Chapter Three

Data Presentation and Analysis

3.1. Result of Study I

(ETV Managements Response)

ETV has body which is concerned about advertisement /Promotion. It is organized at service level called Promotion and Marketing Research Service. This body is accountable to the vice manager of the Ethiopian Television Agency. The service has different sections and divisions organized under it.

According to the responses of ETV management 50% of the staff of the promotion service has filled with marketing professionals. The rest 50% were occupied by other supporting staff.

There is no television advertisement code of conduct enacted by the government. But to solve the problems related to ethical issue ETV produced by itself a type of guideline and manual for revenue generation that consists of ethical issue in it at the end of 2002. Before 2002 there was no any manual or guiding principle to regulate ETV advertisement. Even after enactment of the manual the problem is not avoided. This is because on one hand the manual is focused on revenue generation rather than regulating ethics and it is not communicated to the concerned body on the other hand. Moreover, the manual is not binding. Therefore, unethical advertisement is still a problem on ETV.

The organization has its own procedures to receive advertising orders. It follows the following procedure while receiving advertisement orders

1. If it is to transmit the prepared advertisement promotion production receives by checking its content, legality and duration of the advertising.
2. The second and detailed step is concerned on terms of payment. More than ten points have been discussed under this step about terms of payment for advertisement.

The objectives of the manual don't address ethical problems. It focuses on income generation. The following are the objectives:-

- To generate income, so that it enables to improve the quality of its program
- To support the overall economic development and commercial activities of the country.
- To inform the consumer so that they can buy quality products/services
- To create competitive environment.

The manual consist of 10 chapters out of which only sub article of one article discusses about advertising ethics. Accordingly, sub-article 1-3 of article one discusses the following ethics of advertising.

1. The characteristics of all product /services should be supported by evidence
2. If the advertiser want to refer the quality standard of a product he/she should confirmed the same by concerned quality standard assurance organization.
3. The advertiser shall accountable for claims by competitors, individuals, organizations whose image/good will have been violated.
4. Advertisements shall not deceive the consumers. They should present the reality
5. ETV shall protect children from mental and psychological harm.

6. *Advertisements shall not be copy of each other.*
7. *The use of symbols in advertisement shall not violate the law of the country.*
8. *Foreign product advertisements shall be produced by Ethiopian actors. Direct translation of voice is for bidden.*
9. *Indirect advertisement of other products is forbidden.*

In practice the above basic ethical principles have not been exercised. For example principle no 8 violated in Colgate Herbal advertisement.

→ *The main unethical problems on ETV advertisement are the following according to the management.*

- *Exaggeration of the quality service and duration of the product*
- *The inclusion of false information about price, warranty and the like in advertising*
- *Unfair competition i.e. disregarding the other product*

The reasons for such unethical practice of advertisements are the following as to mentioned by the ETV management

- *Misunderstanding and misconception of advertising*
- *Lack of rules and regulations regarding the regulation of advertising practice*
- *Lack of advertising experience in the country*
- *Lack of marketing know how in the country*
- *Lack of consumer responsibility on the side of suppliers of the product and advertising agencies*
- *Lack of organized consumers' society to protect their interests form any violation.*
- *Unprofessionally of the advertising agencies.*

To avoid the above mentioned unethical practices of advertisement the following comments are recommended by the management of ETV.

- The government should have to put some strong regulation concerning advertisement practice
- Consumers should have to organize, so that they can protect their interests and work against unethical advertisements.
- Advertising agencies should recruit professionals and expertise in marketing and advertising.
- Marketing concept should be developed so that awareness will be created on the advertisers as well as on the consumers.

3.2. Result of Study II

(Response of Advertising Agencies)

The sample consists of 5 advertising agencies. All of them have responded to all of the research questions. The result of their responses described as follow.

All of the respondents respond that they have employees to conduct their business, but out of 63 employees these agencies have, none of them are professional in the marketing or related fields.

100% (5) of the respondents enter in advertising business as a matter of chance because the business generates sound revenue especially prior to 2004 when there was 15% commission given by ETV to advertising agencies. By the time there were about 71 advertising agencies. But currently the number of the competent advertising agencies is not more than 10.

Regarding the advertisement code of conduct more or less all of them have not any written advertising code of conduct or guidelines. 3 (60%) of the respondents say that they have not any written ethical guidelines to make advertisement, but they consider some commonly known ethical issues while making advertisement. The rest 2 (40%) of the respondents

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explained that they have motto to serve the truth, though they haven't any written ethical guidelines or code of conduct to conduct advertisement.

All of the respondents agree that there are ethical problems on ETV advertisements. Some of these problems are mentioned below.

- ETV advertisements focus more on show (action (art) of the advertisers) rather than introducing the quality of the product, on what makes the product unique.
- There is lack of professionalism in the advertising agencies and lack of knowledge in the field of marketing and advertising.
- Unfitness of the narrator and the message address.

Example:- Male narrators advertise products that are used by females.

All of the 5 respondents agree that ETV advertisements should have binding code of conduct that regulates the advertisement activities. They also agree that advertisement should be regulated by its own code of conduct that is enacted by the government.

3.3. Result of Study III

(Response of Customers/ Consumers)

Part I

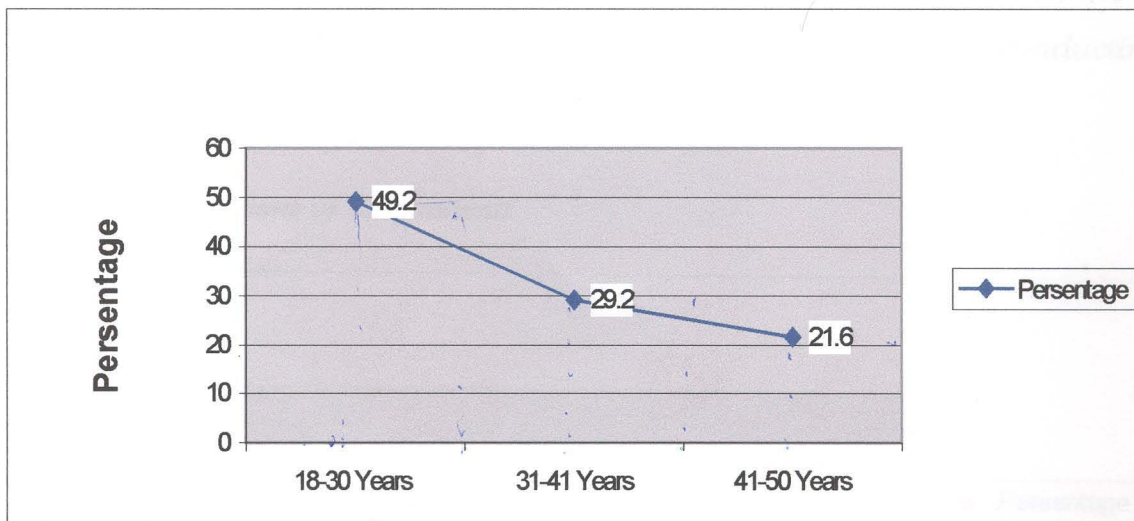
The respondents participated in study III were 120 in number. They were from both sexes, different age group, education background and occupation. The following table shows the demographic profile of the respondents.

Table – 4 Demographic Data Of Respondents

Item		No. of respondents	Percentage	Item		No. of respondents	Percentage
Sex	Male	80	66.7	Occupation	Government employee	68	50.7
	Female	40	33.3		Non Governmental organizations employee	24	20
Age	18-30 Yrs	59	49.2		Conducting own business	6	5
	31- 40 Yrs	35	29.2		Student	22	18.3
	41-50Yrs	26	21.6		Br. 500-1000	60	50
Educational Level	10/12 completed	25	20.8		Monthly Income	Br. 1001-1500	50
	Diploma	82	68.3	Br. 1501-2000		10	8.3
	First degree	11	9.2				
	Post graduate	2	1.7				

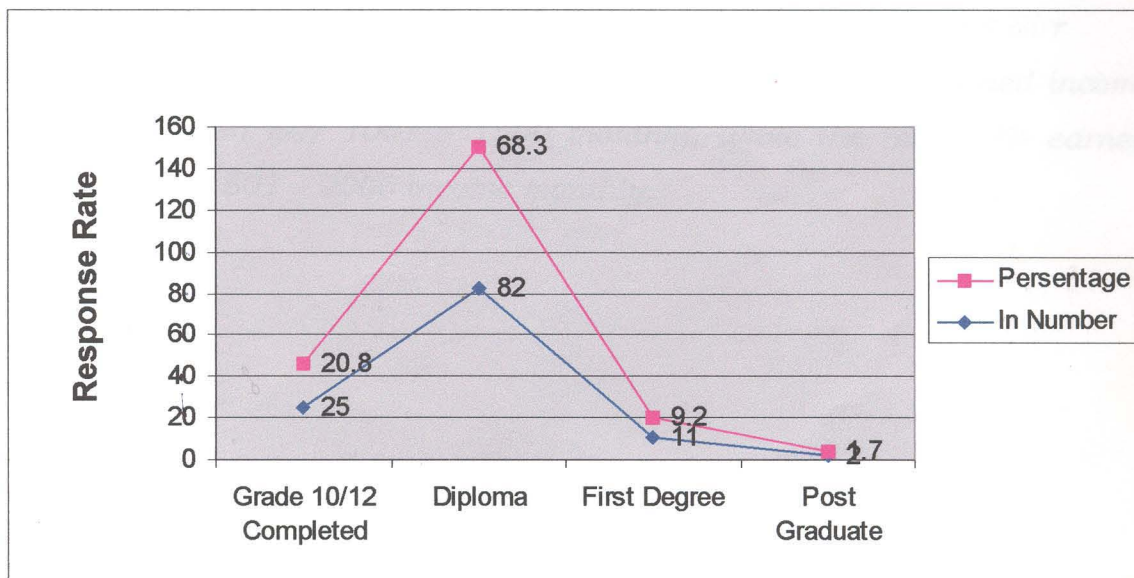
Out of 120 respondents of study III that have filled questionnaire type III 66.7% were male and 33.3% were female. Majority of the respondents fall to the age group of 18 -30 years (i.e. 49.2%). The next majority which is significant (29.2%) fall to 31 -40 years age group. The rest of the respondents (21.6%) fall in the age group of 41 – 50 years.

Chart – 1 Age Group of Respondents



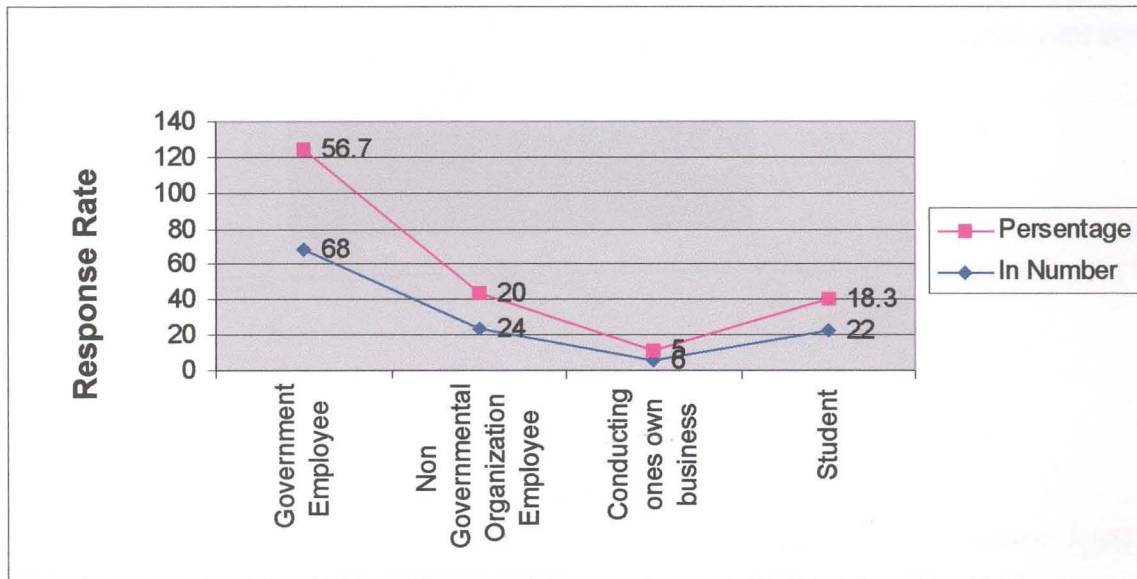
The respondents have different educational background. Accordingly, 68.3% of the respondents were diploma holders, 20.8% of the respondents have completed grade 10/12. The rest 9.2% and 1.2% of the respondents were first degree holders and post graduated respectively.

Chart 2- Educational background of respondents.



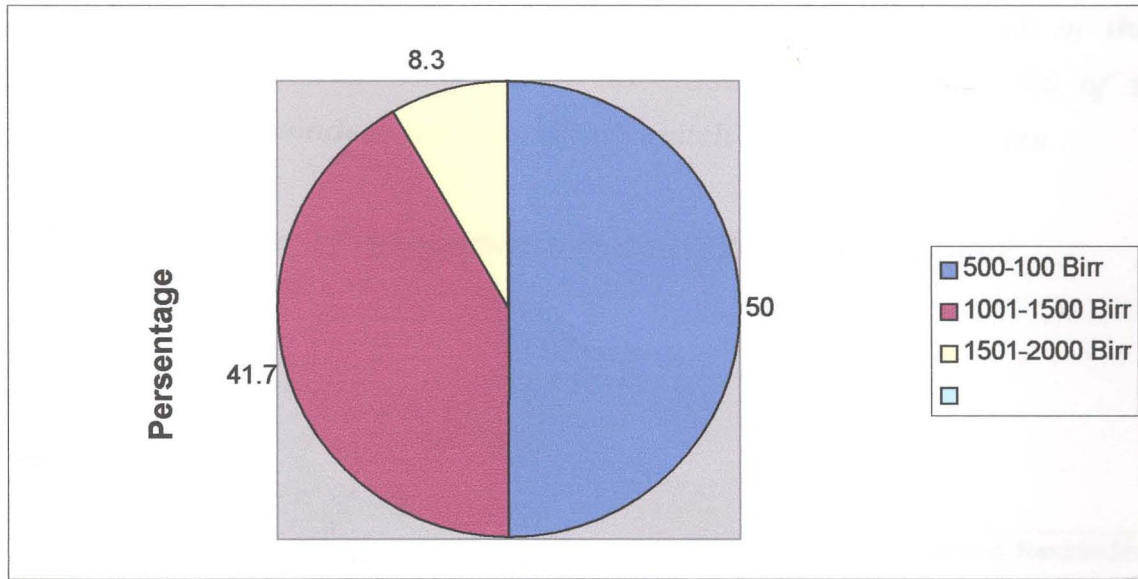
More than half of the respondents (56.7%) were government employees. There were also 20% non-governmental organizations' employee, 18.3% of the respondents were students, while the remaining 5% were conducting their own business.

Chart – 3 Occupations of Respondents



Half of the respondents (50%) earned monthly income of between Birr 500 -1000, the significant number of respondents (41.7%) earned income ranged between Birr 1001 – 1500 monthly, while the rest 8.3% earned between Birr 1501 – 2000 income monthly.

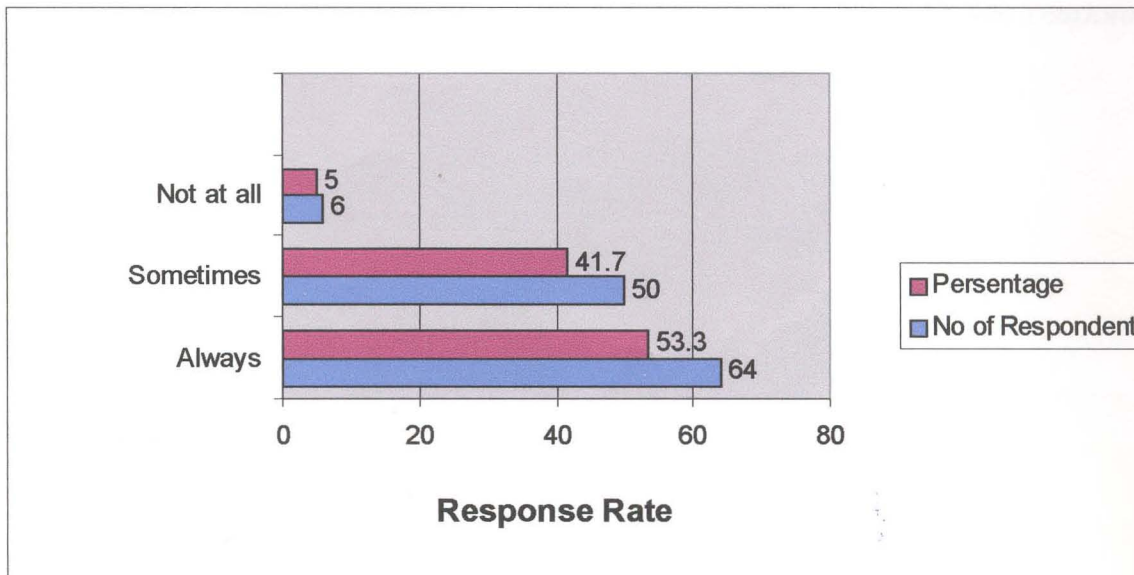
Chart 4- Distribution of respondents' income



Part II

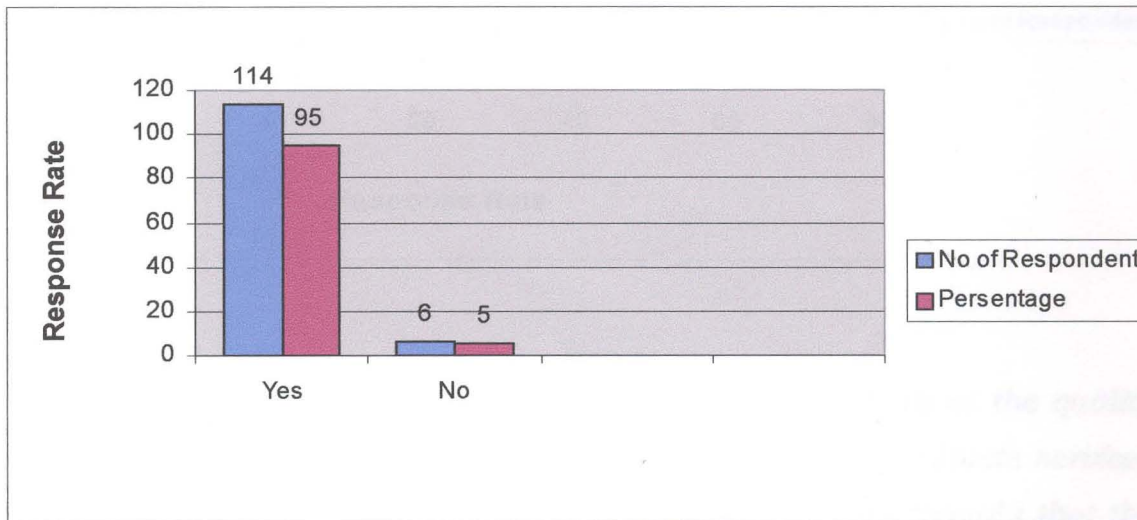
From the total of 120 consumers that have filled questionnaire type III 53.3% always watch ETV 41.7% of the respondents answered that they watch ETV sometimes. Among the respondents that responded they never watch ETV at all constitute only 5%.

Chart 5- How often respondents watch ETV



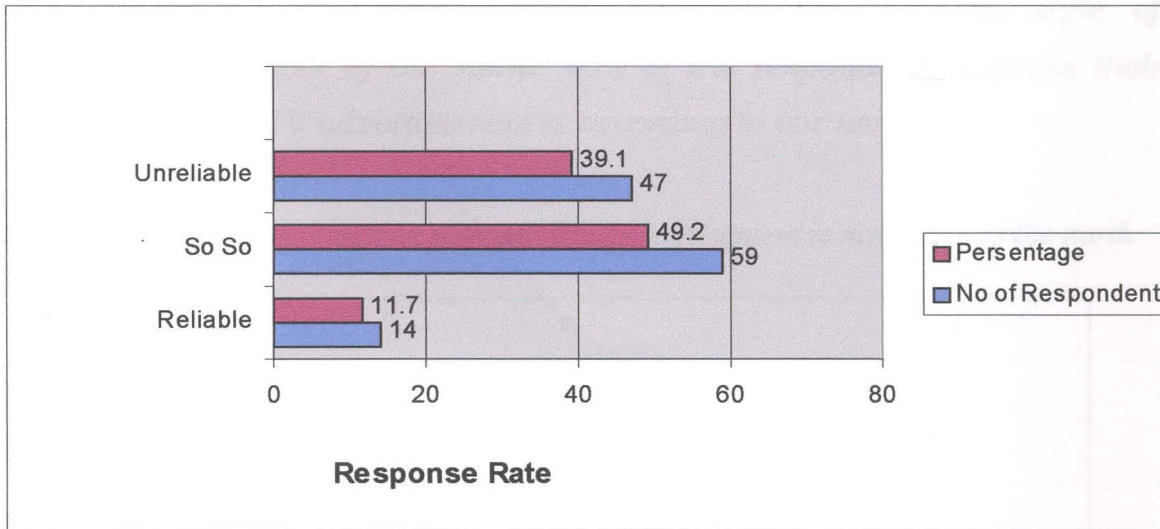
Asked whether they watch advertisements on ETV almost all of them (95%) answered that they watch advertisements on ETV. 5% of the respondents responded that they didn't watch ETV advertisements.

Chart 6- Number of respondents watch ETV advertisement.



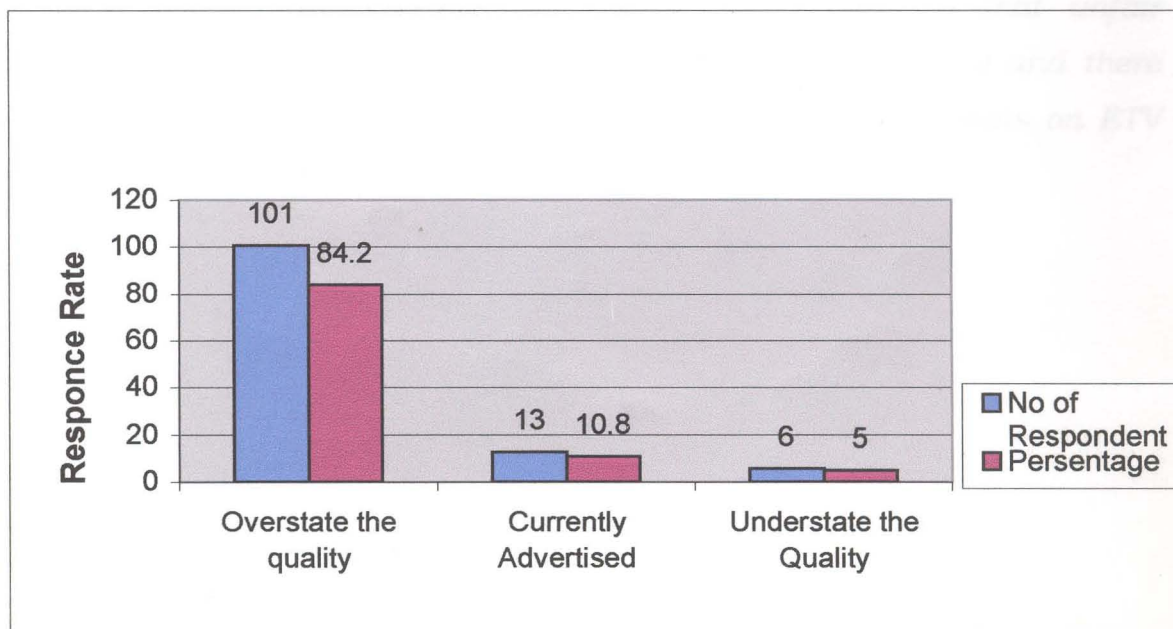
As regard to reliability (Q.3) the majority of respondents (49.2%) answered that some of the advertisements ^{are} reliable some of them are not (50 50). The significant number of respondents (39.1%) responded that ETV advertisements are unreliable. 11.7% of the respondents answered to the questionnaire that ETV advertisements are reliable. In cumulative response more than half of ETV advertisements are unreliable.

Chart 7:- Reliability of ETV advertisements.



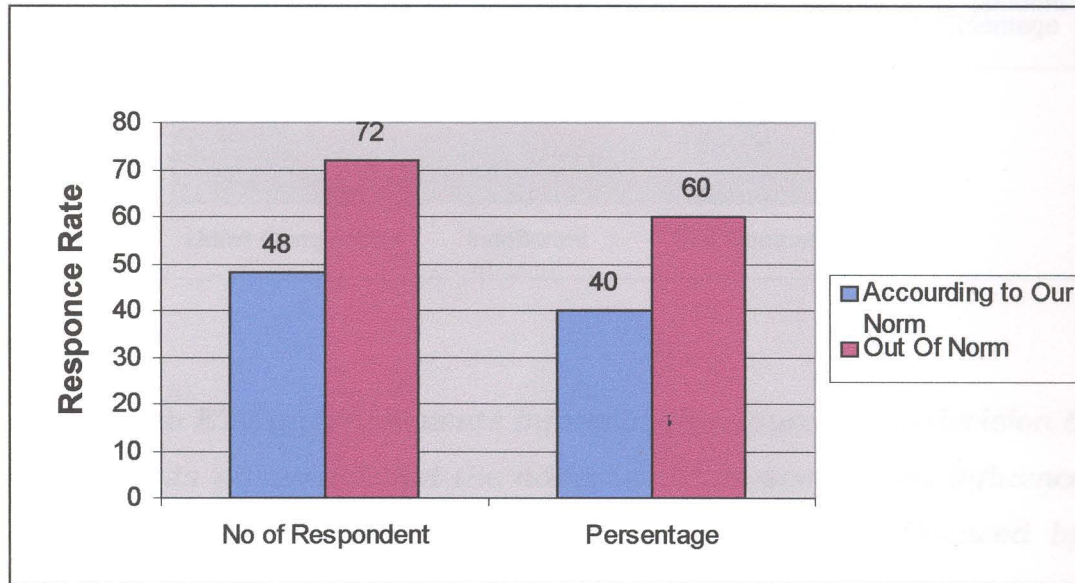
84.2 of the respondents to the questionnaire that asked about the quality (service) of a product advertised (Q.4) answered that the products services being advertised is overstated. 10.8% of the respondents thought that the products' quality or service is correctly advertised. There were also respondents (5%) who thought the products' quality or service is understated.

Chart - 8 Opinion of respondents on the nature of advertisements



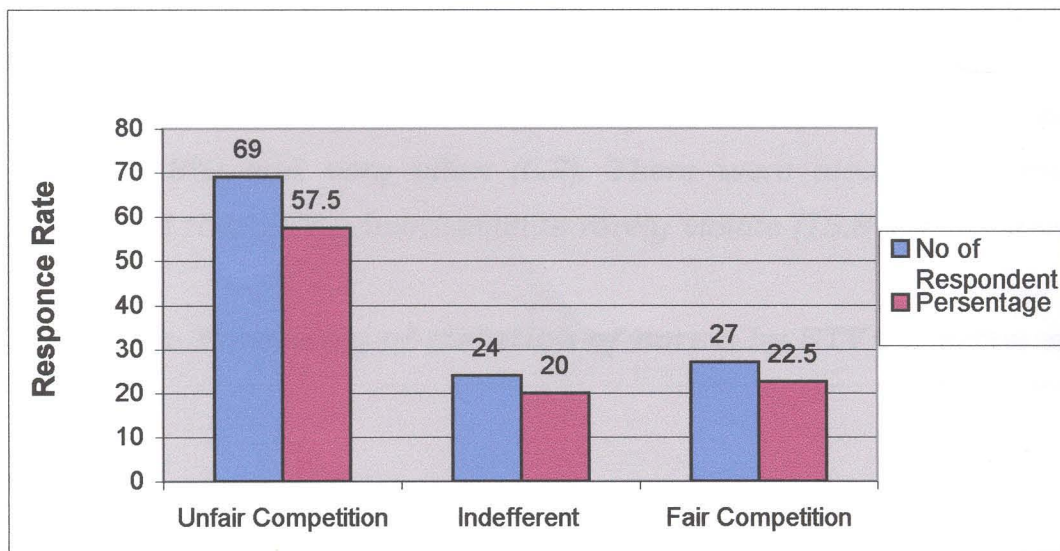
Majority of the respondents (60%) for Q.5 feel that the style of advertisement is out of our norm. 40% of the respondents express their feeling that the ETV advertisement is according to our norm.

Chart – 9 Respondents Opinion whether ETV advertisement is according to the north or not



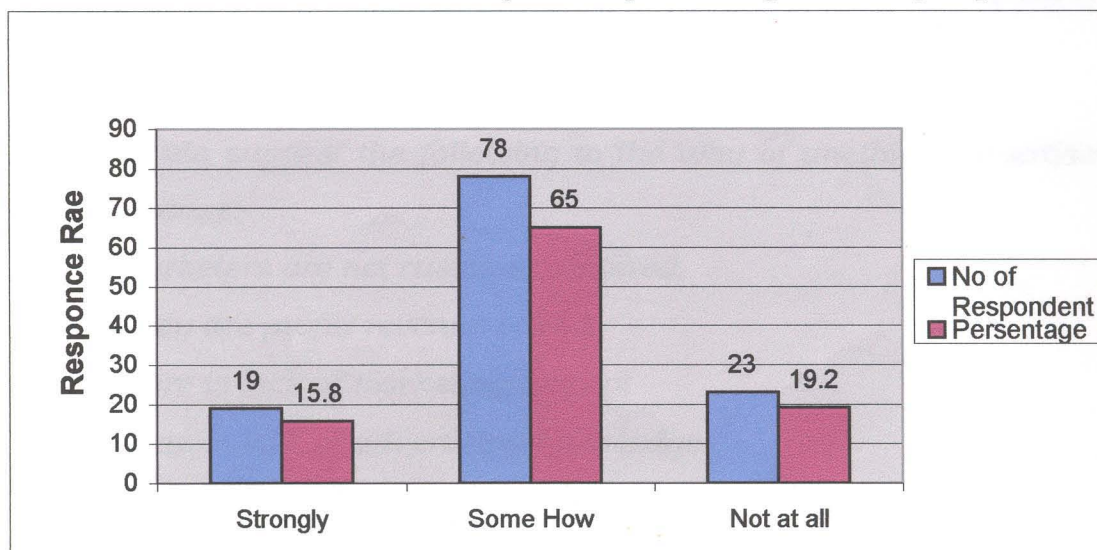
On the evaluation of fairness of the competition on ETV advertisements more than half (57.5%) of the respondents responded that unfair completion. Others responded that they are indifferent (20%) and there were also respondents (22.5%) who believe that advertisements on ETV reflect fair competition.

Chart – 10 Respondents Opinion on the fairness of competition



Asked how ETV advertisements influence their purchasing decision 65% of respondents answered that the advertisements some times influence their purchasing decision. 15.8% of respondents strongly influenced by ETV advertisement and 19.2% of the respondents responded that they were not influenced by ETV advertisements.

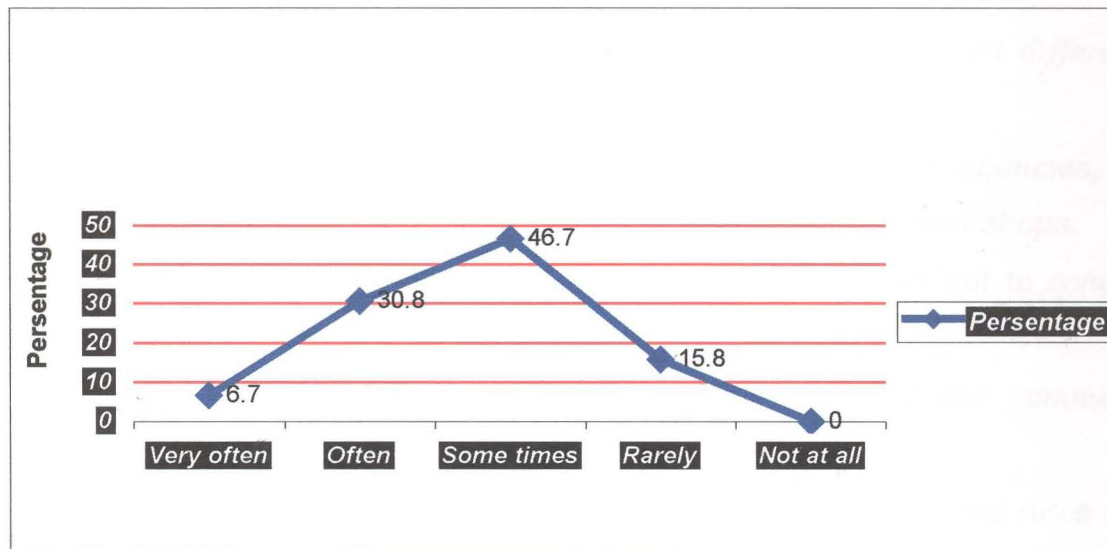
Chart – 11 How ETV advertisement influences purchasing decision of respondents



On frequency of ETV advertisement's violation of norms of our society the respondents had varied responses. 46.7% respondents answered that there were violation some times.

There were also respondents who responded that there were violations often (30.8%) and very often (6.7). There were also respondents who responded that ETV advertisements rarely violate (15.8%) the norms of our society.

Chart 12:- Frequency of violation of norms by ETV advertisements.



None of respondents answered that there were no violation of norms by ETV advertisements.

Respondents suggest the following to the why of unethical advertisement

(Q.9). Because:-

- Marketers are not customer centered.
- They are profit/revenue based
- There is lack of marketing concept
- There is lack of advertising knowledge
- There is lack of quality product
- There is lack of fair competition
- ETV also revenue oriented

- *There is lack of governing code of conduct*
- *There is lack of competent advertising organizations*
- *There is absence of sense of responsibility*
- *There is foreign media influence/ control affect*

The respondents recommended the following as solutions to solve the above mentioned problems.

- *ETV should avoid overstated / exaggerated advertisements.*
- *The advertisers should express what makes the product different/ unique rather than degrading that of others.*
- *ETV should develop the capacity of advertising agencies, by allowing them to get the marketing concept through workshops.*
- *Care should be taken not to violate our culture, and not to conduct unethical advertisement*
- *Collecting feedback from the consumers and use the comments given.*
- *The government should produce code of conduct and strict rules and regulation that can protect the interests of the society for advertisements.*
- *Consumers should organized to protect their interests and to fight against unethical advertisements*
- *Advertising agencies should aware of advertisement*
- *Producers should do their best to supply quality products rather than deceiving the consumers by unethical advertisement.*
- *Advertisements should depend on facts while expressing about the product*
- *Advertisement agencies and ETV should recruit qualified personnel, train in advertisement, assess what is ethical and what is unethical in the society; know the culture and norms of the society.*
- *Advertisements should be done to be reliable and develop confidence in the customers*

- *There should be some legal organ that control advertisement activities and take action whenever there is violation*

3.4. Summary of the Study

The result of the study indicates that most of the respondents are male. In our country's culture males are superior in making purchasing decision. Of course, the number of female respondents is significant (33.3%). Most of the respondents fall in the age category of early adulthood. As many research findings show age has implication in message evaluation. There are recent studies that indicate audiences become more skeptical about the message of advertisement as they are getting older. In terms of education most of the respondents are diploma holders and above (79.2%) so that they can analytically evaluate the advertisements.

Most of the respondents are employees of different organizations. Their monthly income of all of the respondents falls in the category of 500 -1000 and above. This witnesses that the respondents have purchasing power.

Even though, ETV has professional employees in marketing and promotion and marketing research section still the marketing concept and practice are at the infant stage. The management of ETV agreed that there is no strong regulating code of conduct at the governmental level. The manual which has produced by ETV and the government have not give attention to the problem of advertisement ethics. The procedures followed by conducting advertisement focused on revenue generation. Still what has been written in the manual is not functional.

There are unethical advertisements such as exaggerating the quality of product, lying and disregarding others product.

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There had been about 71 advertising agencies in Ethiopia prior to 2004 when there was 15% commission paid by ETV. But currently the strong advertising agencies are not more than 10. All of them have no professional employees in the area of marketing/ advertising. This indicates that they have been making advertisement without the knowledge of marketing. All of them enter into the business as a matter of chance because of high profit earned in the area. These could be main reason for unethical advertisements.

Advertising agencies have not any written code of conduct for advertising. They simply evaluate advertisements based on their personal judgment. All of the responded advertising agencies agree that there have been ethical problems on ETV advertisement. The respondents also agreed that there should be governing code of conduct enacted by the government.

The result of study III indicates that most of them watch ETV and its advertisements. Majority of the consumers participated in the study responded that some of ETV advertisements were unreliable. Most of the respondents put overstating quality of products as the major problem of ETV advertisements. And majority of them agree that ETV advertisements have been conducted out of our norm. There have been also unfair competitions as it was indicated by the study. The result of the study revealed that ETV advertisements some time influence the purchasing decision of consumers however.

All the three studies identify the cause of unethical practice in ETV advertisements and recommended solutions to alleviate the problem. Accordingly the following are causes and recommendations given by the participants of the study.

Major causes of unethical advertisements:-

- Lack of strong code of conduct that has enacted by the government*

- *Lack of knowledge and experience in the area of marketing and advertising*
- *Absence of strong consumer organizations*
- *Lack of quality product in the country*
- *Absence of sense of responsibility on the sides of parties involved in advertising business and supplier of products.*
- *Lack of government attention in the area.*
- *Lack of experience and knowledge in marketing and advertising.*

Recommended solutions

- *Strong code of conduct should be enacted by the government*
- *Awareness should be created in the area of marketing and advertisement*
- *Consumers should organized to protect their interest*
- *Producers should try to improve the quality of their product*
- *Firms/ individuals engaged in advertising business should develop sense responsibility.*

Chapter Four

Conclusions and Recommendations

4.1. Conclusion

The result of study has indicated almost all of the respondents agreed that there have been ethical problems on ETV advertisement. Because of such problems, the advertisements on ETV lose confidence and reliability.

The following are among the major unethical advertisements transmitted on ETV.

- Overstating of the product's quality, service and duration
- Providing false information about the product, its service and price as well as warranty provided.
- Disregarding of competitive products

The causes of unethical ETV advertisements are many. In the hypothesis it was indicated lack of advertising code of conduct as the cause of the problem. Of course, it is one of the major causes confirmed by the study. The following are the major cause of unethical ETV advertisements in addition to lack of advertising code of conduct.

- Lack of knowledge and experience in marketing and advertisement
- Absence of strong consumer organizations
- Lack of competent and quality product that is produced in the country.
- Advertisers (advertising enterprises) focus on the revenue they collected from the business rather than knowledge and discipline.

All of the respondents agreed that there should be advertising code of conduct that regulates the advertising practice. Moreover, the followings were recommended by respondents as solutions to alleviate unethical problems.

- The government should enact strong advertising code of conduct that regulates advertising.
- Marketing and advertisement awareness should be created in parties involved in marketing (advertising businesses)
- Consumers should organized to protect their interests
- Producers and suppliers should try their best to provide quality products.

4.2. Recommendations

As it has been shown in the study there are problems in ETV advertisements. Such problems may also be observed in other channels of advertisement if investigations will be undertaken.

Ethiopia enters in marketing economy. Market economy evolves competition which result in increasing of advertisements/ or other promotional mixes.

Yet advertisements have been conducted without any binding legal frame. The manual produced by ETV does not concern much about ethics of advertisement; rather it focuses on income generation. If the situation continues in this way our value, norms and cultures will be ruined. At the end of the day advertisements will loss reliability and confidence. The media (ETV) itself will also loss confidence and reliability. Such result harms all business persons, the government, the advertising agencies the nation's economy and the society at large.

Therefore, to avoid unethical advertising practices the following recommendations are in force.

- The awareness should be created regarding marketing and advertisement in all the society and business organizations.
- The government should enact advertisement code of conduct and other rules and regulations which regulate the marketing practice of the country.
- Consumers should organize, so that they can protect themselves from mal-practice of marketing. The government should facilitate the situation to organize consumers.
- Capacity building training and workshops should be conducted to business organizations including ETV and advertising agencies on market related issues and so that enable them provide the quality products and tell the fact to consumers.
- Government should establish one body which responsible to marketing and advertisement practices.
- Advertising agencies should base on knowledge of marketing. To arrive this, they are advised to recruit professional personnel.
- Basic requirements (criteria) should be set to enter in to advertising business.
- Producers should try there best to improve the quality of their products so that they can supply competitive products on the market.
- Advertisers should depend on the facts and express this fact whenever conducting advertising.
- ETV should collect feedback on advertisements transmitted on the channel.
- A forum should be established between producers, advertising enterprises and ETV. On this forum the problems of advertisements will be identified and solutions will be suggested.
- ETV should be concerned about values, norms and cultures of the society rather than running after money. As the government

institution, ETV has duty to promote good values and discourage the bad ones.

- *Business organizations should develop consumer responsibility. They should have to take care of consumers well being.*

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ANNEX I

Respondents Composition by Sex, Age, Education, Occupation And Income for study III

Item	Respondents	
	In Number	%
<u>Sex</u>		
Male	80	66.7
Female	40	33.3
Total	120	100.0
<u>Age</u>		
18 – 30 years	59	49.2
31 – 40 years	35	29.2
41 – 50 years	26	21.6
Total	120	100.0
<u>Education</u>		
Grade 10/12 completed	25	20.8
Diploma	82	68.3
First Degree	11	9.2
Post Graduate	2	1.7
Total	120	100.0
<u>Occupation</u>		
Government Employee	68	56.7
Non governmental organization employee	24	20.0
Conducting ones own business	6	5.0
Student	22	18.3
Total	120	100.0
<u>Income Per Month</u>		
Birr 500 – 1000	60	50
Birr 1001 – 1500	50	41.7
Birr 1501 – 2000	10	8.3
Total	120	100.0

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Annex II

Customers Opinion

PART II

	<u>No of respondents</u>	<u>Percentage</u>
1. The frequency of watch ETV		
Always	64	53.3
Sometimes	50	41.7
Not at all	6	5.0
2. Respondents Watch ETV Ad.		
Yes	114	95
No	6	5.0
3. Reliability of ETV Advertisement		
Reliable	14	11.7
So so	59	49.2
Unreliable	47	39.1
4. Nature of ETV Advertisement		
Overstate the quality	101	84.2
Currently advertised	13	10.8
Understate the quality	6	5.0
5. Whether ETV ad is according to the norm or not		
According to our Norm	48	40.0
Out of our norm	72	60.0
6. Fairness of Competition		
Unfair Competition	69	57.5
Indifferent	24	20.0
Fair Competition	27	22.5
7. How ETV ad. Influence Purchasing Decision		
Strongly	19	15.8
Somehow	78	65.0
Not at all	23	19.2
8. Frequency of violation by ETV advertisement		
Very often	8	6.7
Often	37	30.8
Some times	56	46.7
Rarely	19	15.8
Not at all	0	0

Annex III

Questionnaire Type I For ETV Management

The study is designed to identify unethical practices in ETV advertisement and recommend the possible solutions for the problems. Therefore, your contribution to the study by providing reliable and accurate information is very important to make the study successful.

Thank You!

1. Does ETV's organizational structure have marketing department/ unit/ division?

- A) Yes b) No

2. If your answer to question number 1 is a, what about the knowledge of the employees assigned to the position about the marketing (advertising) discipline?

- a) All of them are professionals
b) Half of them are professionals
c) Only few of them are professionals
d) No professionals in the department/ unit/ division

3. Is there any written code of conduct about ETV advertisement?

- a) Yes b) No

4. If the answer to number 3 is a, who has produced it?

5. If the answer to number 3 is b, do you think to have it in the future?

6. Would you please explain the procedures needed to conduct advertisement on ETV?

7. *What do you think unethical among the ETV advertisements?*

8. *What do you think the cause of such unethical advertisements?*

9. *What measures do you recommend to alleviate such unethical practices?*
