

## EFFECT OF SURROGATE ADVERTISING IN ALCOHOL INDUSTRY

Mayank Pant<sup>1</sup> & Kumar Ashutosh<sup>2</sup>

<sup>1</sup>Assistant Professor, Uttarakhand University, Arcadia Grant, Chandanwari Prem Nagar, Dehradun, Uttarakhand, India

<sup>2</sup>Research Scholar, Uttarakhand University, Arcadia Grant, Chandanwari Prem Nagar, Dehradun, Uttarakhand, India

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### ABSTRACT

Advertisements are used to get the attention of people thereby forming a distinct image in one's mind. Alcohol and cigarette advertisements were found to have severe impact on people due to increased consumption rate. So Indian government banned alcohol and cigarette advertisements in 1995 (Nathwani 2016)[6]. This gave birth to the rise of surrogate advertisements in India. Surrogate advertisement is a form of advertisement used to advertise banned products by replacing them with a surrogate product. In India we can find many surrogate advertisements like Bacardi using music CD's, McDowell's and Bagpiper using soda water as surrogate to promote its alcoholic products. The purpose of this study is to study how surrogate advertisement has evolved, incidents leading to rise of it, effect of surrogate advertisement in India. How these advertisements can affect youth, whether they are influenced by the role models pitched in to advertise the brand.

**KEYWORDS:** Government Banned Alcohol, Regulating the Advertising Industry

### INTRODUCTION

Advertisements are a mode of communication used to create a distinct image of a product in one's mind aimed at increasing sales. A successful advertising campaign will spread word about the product, attract customer's and increase sales. There are various modes to advertise and the most suitable advertisement for a specific product depends on customers. For example if you know customers use specific website, then going for online advertisement is a better option

### LEGAL BOUNDARIES

There is no central statutory authority in India regulating the advertising industry. Indian Advertising market is controlled by the Advertising Standard Council of India (ASCI), which is a non-statutory body. And it has imposed certain regulation on the advertisement of the banned products like Tobacco, Alcohol, cigarettes etc. The Cable Television Networks rule [7], 1994 under the Advertising code imposed a Ban on the direct or indirect promotion of the sales, production and consumption of cigarettes, tobacco products, wine, alcohol, liquor or other intoxicants.

ASCI code and Cable Television Networks rule, 1994 states that

- Visual content of the advertisement must depict only the product being advertised and not the prohibited or restricted product in any form or manner:

- The advertisement must not make any direct or indirect reference to the prohibited or restricted products
- The advertisement must not create any nuances or phrases promoting prohibited products
- The advertisement must not use particular colours and layout or presentations associated with prohibited or restricted products
- The advertisement must not use situations typical for promotion of prohibited or restricted products when advertising the other products.

### Origin of Surrogate Advertisements

Now this led the companies to find the loopholes in the rules to promote their brand and recover the loss that has risen from the ban on the advertisement of alcohol. Companies started launching new legal products with same brand name so that consumers can be aware about their brand. And this led to the origin of surrogate advertisements in the name of “brand extension”. There are numerous such example like 502 pataka chai is a “Brand Extension” of 502 biddi, Bacardi Music Cds is “Brand Extension” of Bacardi Whiskey.

### Advantages of Surrogate Advertisement

- These companies are some of highest revenue earners for the government due to high taxes and other regulations.
- Create brand awareness and brand image to the people
- These brands provide good value for money.
- Brands organize charity and various public awareness events.
- Gives a chance to banned products to get market exposure.

### Disadvantage of Surrogate Advertisement

- Public awareness: - there are two aspects of it, one where people understand the surrogate advertisement and hidden meaning but those people are already using that product. Other is those who don't understand such advertisement have no effect of such advertisement. Public is not so naive that they will just go and buy your brand on the basis of your brand.
- Wastage of money: - Alcohol and tobacco companies are spending lots of money on the advertisements to create awareness of brand even though they are not allowed to use associate their brand and product.

### LITERATURE REVIEW

The attempt of the study was to find the consumer perspective on the surrogate advertisement of the alcohol industry in India. 2. [4] According to Singh (2015) surrogate advertisement literally means the method of duplicating the brand image of a particular product extensively for the promotion of another product of the same brand. It is generally done when the advertisement of one product is not allowed in a particular country. [4] Singh (2015) reported the various industries which uses the surrogate advertisement method for their ads and promotions and their surrogate product through which they promote it. It also stated the various laws and regulation which are there which forces these industry for the use of surrogate but it neither reported the consumer's perception of these advertisement methodology.

According to Panda (2017) the essential one of the important features that surrogate does is the recall of the brand amongst the consumers rather only sales. In surrogate the advertisement could either resemble of the original product or it can be a new and different product altogether. Various other research studies were conducted to identify the surrogate advertisement in India. Why is surrogate advertisement implemented in the country? In India surrogate is generally used for the promotion of liquor and tobacco products. According to the article Advertisement Law in India (2012) it implements various laws which prohibit the direct advertisement of alcohol and tobacco in the country. According to Panda these laws were implemented because these products put adverse effects on the health and mind of an individual and lead the individual to substances which have an additive effect. It is also responsible for the discomfort to the public. The tobacco and the alcohol industry have to put various efforts to promote their product amongst the consumers by various means like sponsoring sports events or cultural meets, advertisement in newspaper etc. Panda[5] (2017) tried to understand the meaning of surrogate in India. Why is surrogate needed in the country? It also tells us about the ethical issues and whether to ban these indirect way of advertising in the country. The study also suggested few ways through which the legislation may tackle the problem of the increase in surrogate advertisement.

According to Dodrajka (2011) in which she analyzed the liquor sales in Delhi and concluded about the increase in sales in the industry due to surrogate advertisement. In the study it was also stated that they conducted a survey to find the effect of these advertisement amongst the consumers in which she took a survey of about 100 consumers and tried to come up with an answer. She took all the industry under a single umbrella and didn't differentiate the tobacco, cigarettes and the alcohol industry separately neither she come up with the gender differences in the perception of the population. Our study aims in finding the perception of alcohol industry's surrogate advertisement on the consumer.

## **RESEARCH OBJECTIVE**

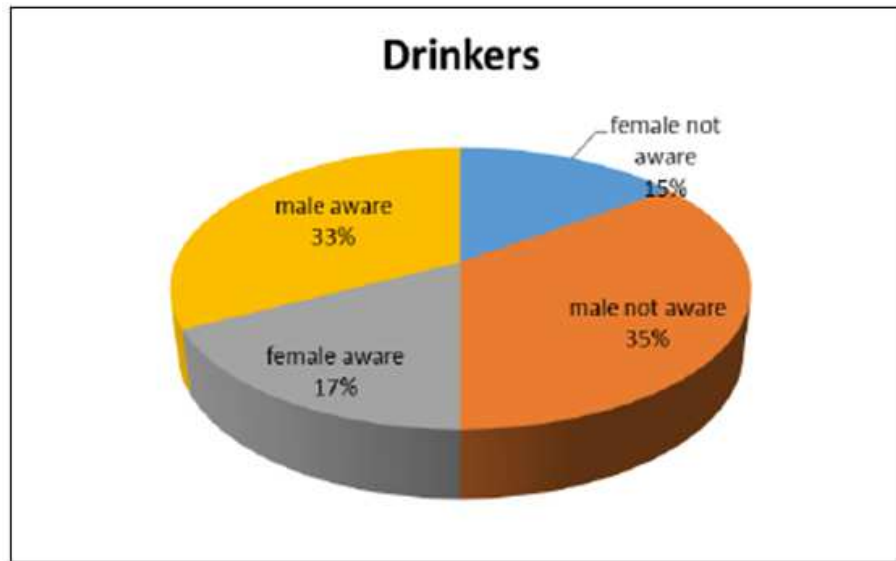
The main objective of the research is to study the consumer's perception of surrogate advertisement of alcohol industry in India. For the given objective some other objectives for the study are:

- To find the awareness of consumer about surrogate advertisement. i.e. Is the company successful in surrogate advertisements?
- To analyze what are more effective modes of effective advertisement?

## **INFERENCES**

### **Objective 1**

To find the awareness of consumer about surrogate advertisement i.e. is the company successful in surrogate advertisements?



**Figure 1: Showing the Awareness of Surrogate Advertising in Drinkers among Different Groups**

The above pie chart shows that only 50% of the people who drinks whether occasionally or regularly were aware about the surrogate advertisement. So it can be inferred that even people who are using the product are not getting the message that company wants to convey. Among the total sample size females were 32.6%. And from the above data it is clear that gender has no particular impact on the perception of advertisement.

## Objective 2

To analyze what are more effective modes of effective advertisement?

**Table 3. Analysis of total sample**

	Mean	Sample Standard Deviation	Sample Variance	Population Standard Deviation	Population Variance
Online	2.778947	1.4156	2.0039	1.408	1.9825
Television	3.157895	1.2743	1.6238	1.268	1.6078
Newspaper	2.494737	1.0197	1.0398	1.014	1.0282
Radio	1.821053	1.0312	1.0634	1.026	1.0527
Word of Mouth	3.073684	1.4384	2.069	1.4384	2.0478

The advertisement portrayed drinking as a great way to meet people | The male and female actors who were drinking were physically attracted to each other | The advertisements were funny | The people drinking looked attractive |

The people drinking looked like they had strength and muscular |The people drinking looked attractive | Advertisement were motivational | Celebrity was part of advertisement Most of the consumers (47.7%) said that alcohol ads portrayed drinking as a great way to meet people. While ¼ th of the population i.e. (25%) found the ads to be funny.

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