WHO ARE THEY? A PROFILE OF COMPLAINANTS ABOUT ADVERTISING IN AUSTRALIA

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ABSTRACT

Advertising expenditure in Australia has almost doubled in the last 10 years even though some advertisements may be "unacceptable." We investigated consumer complaint responses specifically within the area of advertising in Australia. Our findings indicate that these complainants to be older, more highly educated and more likely to be female, than the population at large.

INTRODUCTION

Advertising has been described as "pervasive, intrusive, and pernicious," whilst advertisers have been labelled as "mischievous" in their attempts to reach and persuade their target markets (Harker and Wiggs 1999). Globally, advertising spend has grown dramatically. For example, advertising expenditure in the USA is predicted to increase by 6.5 percent to $US251 billion during 2001 or 2 percent of the Gross Domestic Product of the USA (Elliott 2000; Hays 2000; Kranhold 2000). In Australia strong growth in advertising expenditure is predicted where advertising expenditure has nearly doubled in the last 10 years and is now an $8 billion industry (CEASA 2000). Growth in "real" terms, taking into account the Consumer Price Index, has been in the order of nearly 3-fold.

Research has found a connection between annual advertising expenditure in a nation and the presence of a self-regulatory body concerned with the investigation of "unacceptable advertising" (Miracle and Nevitt 1987). It has been suggested that the more money spent on advertising in a country, the greater the need for protection from unacceptable advertising (Harker 2000). This highlights the importance of, and the emphasis placed on, the most visible element of the marketing mix. Even so, it clearly raises concerns regarding the potentially harmful effect that advertising can have on the more vulnerable members of our society.

This leads to those problems within advertising identified by Volkov, Harker, and Harker (2002) where it is suggested that some advertisements may be "unacceptable," that is, unfair, misleading, deceptive, offensive, false, or socially irresponsible. It is for these reasons that industry and regulatory responses to consumer complaints about these problems have become important areas to address.

This paper has three objectives; first, to bring together established research in the field of consumer complaint responses, second, to contextualize this research into the area of complaints about advertising in Australia and, third, to empirically test the proposition posited by authors that there are generalizable differences between complainants and non-complainants.

CONSUMER COMPLAINT RESPONSES

In this paper we discuss consumer complaint responses rather than the more accepted consumer complaint behavior to espouse the thought that "no action" should be treated as a non-behavioral rather than behavioral response. Therefore, consumer complaint responses for the purpose of this paper are the set of multiple, active behavioral responses to dissatisfaction. Consumer complaint responses can be described as the set of all behavioral responses portrayed by consumers which involve the communication of negative perceptions relating to a consumption episode and triggered by dissatisfaction with that episode (Day 1984; Singh and Howell 1985; Rogers and Williams 1990). It can be argued that this implies that consumer complaint responses are influenced by a multitude of situational, product, and personal variables and unrelated to, but triggered by, the intensity of the consumer's dissatisfaction. This assertion is supported by empirical evidence (Vezina and Nicosia 1990; Tse, Nicosia, and Wilton 1989; Day 1984; Nicosia and Mayer 1976).

A review of the literature by Rogers and Williams (1990) relating to consumer behavior in this field of study has indicated that researchers are unified in their understanding of post-purchase consumer dissatisfaction. Consumers, fundamentally, have three alternatives for action in the complaint situation (Hirschman 1970; Singh 1988, 1990; Andreasen and Manning 1990); these are: Exiting; Direct Voicing; or, Amplified Voicing.

DISSATISFACTION

There is no one accepted academic theory of dissatisfaction within consumer complaining behavior (Yi
1990; Woodruff et al. 1991; Erevelles and Leavitt 1992; Boote 1998). However, in this study we utilized equity theory to discuss consumer dissatisfaction within the setting of responses to advertising. Equity theory relates to perceived fairness of a particular transaction (Boote 1998). Tse (1990) discusses the three possible outcomes of a transaction utilizing equity theory. These are: Equity; Positive Inequity; or, Negative Inequity.

THE AUSTRALIAN SELF-REGULATORY SYSTEM

The Advertising Standards Bureau comprises the Advertising Standards Board and the Advertising Claims Board and it is these organizations that regulate advertising in Australia. This system commenced in 1998 after the 1996 decision of the Media Council of Australia to disband its system of advertising codes and regulation, including the Advertising Standards Council (the previous complaint-handling body). As a result of research conducted with the assistance of industry, government, and consumer representatives, the Australian Association of National Advertisers (AANA) followed the principles outlined by the Australian parliament to fulfill their commitment to develop a more effective system of self-regulation for the national advertising industry (ASB 1999).

The ASB is dedicated to upholding advertising standards through independent complaint resolution processes contained within the Advertising Standards Board and the Advertising Claims Board. Public complaints in relation to issues including health and safety, the use of language, the discriminatory portrayal of people, concern for children and portrayals of violence, sex, sexuality, and nudity are considered on a cost-free basis by the Advertising Standards Board. Competitive claims in relation to truth, accuracy, and legality of advertising are considered on a user-pays, cost-recovery basis by the Advertising Claims Board. The Australian Advertising Industry Council, which administers and enforces the codes of practice on which the Advertising Standards Board makes judgements, has tried to limit the number of special codes it has formulated. These include (but are not limited to) those for therapeutic goods advertising, slimming products advertising, cigarette advertising, and alcoholic beverages advertising (www.advertisingstandardsbureau.com.au). This self-regulatory system is entirely funded through a voluntary levy administered by the Advertising Standards Council and paid for by 0.035 percent of media billings of the members of the AANA (ASB 1998).

To lodge a complaint it is a matter of writing to the Advertising Standards Board taking care to include a description of the advertisement, a description of the particular complaint, if possible where and when it was seen, and the name and address of the complainant. Anonymous complaints and those lodged electronically or over the telephone are not considered (www.advertisingstandardsbureau.com.au). The Advertising Standards Board deliberates over each complaint to determine whether an advertisement:

- Is in breach of the AANA Code, thereby upholding the complaint;
- Is not in breach of the AANA Code, thereby dismissing the complaint; or,
- Falls outside the scope of Section 2 of the AANA Code, thereby returning a verdict that the complaint falls outside the charter of the Advertising Standards Board.

To illuminate the difficulty of having a complaint upheld, 1998 figures show that of the 1458 complaints received by the Advertising Standards Board only 73 were upheld in whole or in part – a rate of 5 percent (www.advertisingstandardsbureau.com.au). Figures from 1999 show that of the 2065 complaints (an increase of over 41% on the previous year’s figures) only 111 were upheld in whole or in part – a rate of 5 percent again. These figures are comparable to those presented in the research conducted by Crosier, Hernandez, Mohabir-Collins, and Erdogan (2000) and supports other findings that consumers may be correct in believing that even if they are dissatisfied and respond accordingly their voice will not be heard (Richins 1983; Day 1984; Singh 1988; Stephens and Gwinner 1998). In the case of the Australian self-regulatory system, the ASB (1999) has stated that there was 100 percent industry compliance with Board determinations. In all cases where the Board upheld complaints, the advertiser either modified or withdrew the advertisement in accordance with the Board’s ruling (ASB 1999).

THE RESEARCH ISSUE: COMPLAINTS ABOUT ADVERTISING IN AUSTRALIA

Every year there are more than 2000 complaints about advertising in Australia and the number of complaints is increasing (ASB 1999). The new Australian advertising self-regulation system began operations in 1998 and now handles in excess of 2000 complaints each year, upholding around 5 percent of these complaints. However, less than 1 percent of the Australian public complain about advertising.

An avenue for relevant research would be to investigate whether complainants about advertising in Australia differ from non-complainants in relation to various sociodemographic factors. Our research focused on the broad
question: How do complainants about advertising in Australia differ from the general public? This lead to the research question:

Are the members of the public who complain to the Advertising Standards Board socio-demographically different from the general population of Australia?

We attempted to provide a profile of those consumers who complain to the Advertising Standards Board. Our research addressed the following proposition:

P: Advertising complainants are socio-demographically different to those people in the wider Australian population who do not complain about advertising.

Our results should engender a better understanding of the complaining public. We used empirical analyses to determine the characteristics of people who complain to the Advertising Standards Board and how they differ from members of the general population. Our findings should provide the regulatory bodies with a better understanding of the complaining public and also assist marketing communications strategists with more effective ways to reach their target markets.

Published studies demonstrate the importance of advertising from an industry expenditure point of view. With advertising expenditure rising over the past 10 years an avenue for consumers to voice their complaints about "unacceptable advertising" has been established comprising of a legal-regulatory framework and an industry funded, self-regulatory framework. This ensures that consumers have an opportunity to complain about advertising they disapprove of, for whatever reason. Thus, consumers exposed to advertising in Australia perceive that they have been involved in a transaction involving negative inequity and respond through amplified voicing.

A questionnaire allowed the investigation of a number of variables taken from published literature and Table 1 summarizes these.

**METHODOLOGY**

There were two populations investigated for this research namely complainants and non-complainants. With regard to "successful" complainants, the Advertising Standards Board provided the database that was utilized regarding complainants from 1998 and 1999 whose written complaints went before the regulatory panel for adjudication. This allowed access to names, addresses, and telephone numbers of complainants who were contacted to enable the surveys to be carried out.

**Population**

The first population of interest included all complainants to the Advertising Standards Board who had progressed to the stage where their complaints were addressed by the regulatory panel. That is, their complaints had passed the vetting process described earlier in the paper. The second population consisted of elements from the general population within Australia who have never complained "successfully" to the Advertising Standards Board or any other regulatory body concerned with advertising.

**Sample Size**

The size of the first population, being those complainants that have survived the screening process conducted by the Advertising Standards Board and listed on their database, was 1647. The sample size selected was 300. A post-hoc analysis utilizing Jarboe's (1999) formula indicated that this sample size was sufficient for a confidence level of 95 percent and a precision level of \( p < 0.05 \). The size of the second sample, being those members of the Australian population over the age of 18 years who had not previously complained "successfully" to the Advertising Standards Board or any other regulatory body concerned with advertising was 200 and this size was considered appropriate for this study. The reason being that although the results could not be generalized to the entire population, they can be considered indicative of the profile of this second population, and this was an exploratory study.

**Sampling Design**

A stratified quota sampling technique was used. Sekaran (1992, p. 236) defines quota sampling as "a form of proportionate stratified sampling, in which a predetermined proportion of people are sampled from different groups, but on a convenience basis." This method of sampling enabled commensurable representation of subgroups, while minimizing budgetary and time constraints.

Data was obtained by telephone interviews conducted between 10:00 a.m. and 6:00 p.m., every day for 14 days. Following completion of the 501 telephone interviews, and together with the data entry process, the completed questionnaires were screened to gauge their usability. Of the 501 questionnaires completed, all were deemed "usable." The final sample size was therefore 501 comprising of 201 respondents who were classified as Non-Complainants and 300 respondents who were classified as Complainants. This sample size of 501 was obtained from 1088 calls, indicating an overall response rate of 46 percent (267 – refusals; 155 – not-at-homes; 165 – disconnected).
TABLE 1
Proposition and Its Sources

<table>
<thead>
<tr>
<th>PROPOSITION</th>
<th>REFERENCE</th>
</tr>
</thead>
</table>

Source: Literature reviewed for this study.

FINDINGS

The objective of this study was to answer the research question posed, being:

*Are the members of the public who complain to the Advertising Standards Board socio-demographically different from the general population of Australia?*

This was done by “unpacking” this question into a broad proposition and developing hypotheses based on “gaps” identified in the published literature. The data were analyzed by t-tests conducted on the 4 hypotheses posited in this study and a summary of the results is shown in Tables 2 and 3. Four hypotheses were formulated to address the proposition, being:

*Advertising complainants are socio-demographically different to those people in the wider population who do not complain about advertising.*

They focused on gender, income, education, and age of respondents.

From the results it can be inferred that the proposition holds true. Advertising complainants are socio-demographically different to those people in the study who do not complain about advertising. Complainants are older, have achieved a higher level of education and are more likely to be female than non-complainants.

DISCUSSION

We aimed to ascertain what the characteristics are of people who complain to the Advertising Standards Board, and how do they differ from the general population of Australia. After reviewing the literature a research question was identified, concerned with the characteristic differences of people who complain to the Advertising Standards Board and those, in Australia, who do not. Four key comparisons between complainants and non-complainants were addressed.

The proposition, drawn from a review of the published literature, was concerned with investigating whether there are socio-demographic differences between those people we studied who complain about advertising in Australia and those we studied who do not complain about advertising in Australia. Based on the analysis of the data collected, there is a significant difference in the gender, average education level, and average age of advertising complainants in Australia and those members of the wider population who we investigated who do

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**TABLE 2**

<table>
<thead>
<tr>
<th>GENDER</th>
<th>1998 N = 1458</th>
<th>1999 N = 2065</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>63.4</td>
<td>63.0</td>
</tr>
<tr>
<td>Male</td>
<td>23.2</td>
<td>21.8</td>
</tr>
<tr>
<td>Unspecified/Group</td>
<td>13.4</td>
<td>15.2</td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

not complain about advertising. Complainants tended to be female, older, and have a higher level of education than the non-complainants we studied. It can therefore be inferred that advertising complainants in Australia are, in fact, socio-demographically different to those non-complainants in this study.

Our findings support the studies of Singh (1990), Lawson et al. (1996), and Crosier et al. (2000) who suggested that there are generalizable differences between those consumers who complain and those who choose not to. Further, these findings are consistent with previous studies conducted in relation to consumer complaint behaviour (but not within the context of advertising), which have found that complainants tend to be older and have higher levels of education (Bearden, Crockett, and Teel 1980; Landon 1980; Moyer 1984; Singh 1990; Lawson et al. 1996).

Complainants about advertising in Australia may therefore have a greater level of resources, such as self-confidence and the ability to better disseminate information regarding the complaint process, which enable them to be heard much more clearly and loudly by the regulators charged with the control of this industry. The implications of this research finding is that there may be a large segment of the population whose voice is not being heard by those who are charged with their protection. Further, marketers may be unwittingly ignoring a significant section of their target markets.

CONCLUSION

Our research has provided new information about people who complain about advertising in Australia. The implications and significance arising from this study have been presented, together with the limitations experienced in this research and areas for further research in this field. As the levels of advertising increase and as consumers are involuntarily exposed to advertising that they may wish to complain about, the identification of their characteristics, their profile as consumers and their differences from the general population become salient. Consumer complaint behaviour about advertising is an exciting and interesting field of research and it is hoped that this study has enriched the field, expanded the area of knowledge as a whole and will provide inspiration to fellow researchers to delve into the area in question.

**TABLE 3**

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>t</th>
<th>df</th>
<th>p</th>
<th>Null Hypothesis</th>
<th>Comparison of Means</th>
<th>Implication</th>
</tr>
</thead>
<tbody>
<tr>
<td>$H_0$</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>$H_1$</td>
<td>-0.424</td>
<td>150</td>
<td>0.672</td>
<td>Accept</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>$H_2$</td>
<td>-2.555</td>
<td>197</td>
<td>0.011</td>
<td>Reject</td>
<td>2.6333&gt;2.4949</td>
<td>Complainants are more highly educated</td>
</tr>
<tr>
<td>$H_3$</td>
<td>-2.563</td>
<td>197</td>
<td>0.011</td>
<td>Reject</td>
<td>4.0967&gt;3.5455</td>
<td>Complainants are older</td>
</tr>
</tbody>
</table>

Source: Results obtained in this study.

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ENDNOTE

1 Based on data presented in the historical reports as found in Advertising Standards Bureau 1st Annual Report (1998) and Advertising Standards Bureau Review of Operations (1999) the null hypothesis cannot be accepted. As shown in Table 5, the number of female complainants far exceeds the number of male complainants at a ratio of approximately 3:1.

REFERENCES


plaining Behavior, 41–49.


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