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A PROFILE OF COMPLAINANTS ABOUT ADVERTISING IN AUSTRALIA: AN AGENDA FOR RESEARCH

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ABSTRACT

Investigation of consumer complaint responses within the area of advertising in Australia stems from the suggestion that the more money spent on advertising in a country the greater the need for consumer protection from ‘unacceptable’ advertising. This research will allow the formulation of strategies to enable more effective marketing communications.

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 & Wiggs 1999). Globally, advertising spend has grown dramatically. For example, advertising expenditure in the USA is predicted to increase by 6.5% to $US251 billion during 2001 or 2% 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 risen nearly 2-fold 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. Broadcast and print media are the areas in Australia that receive both the largest proportion of industry expenditure and the largest number of consumer complaints (Advertising Standards Bureau (ASB) 1999).

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 & 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 and clearly raises concerns regarding the potentially harmful effect that advertising can have on the more vulnerable members of our society. This clearly identifies the need to investigate complaints within the Australian advertising industry to ensure that the Australian public is duly protected from harm.

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 article has three objectives; first, to bring together established research in the field of consumer complaint responses, second, to contextualise this research into the area of complaints about advertising in Australia and, third, to establish an agenda for research to empirically test the propositions posited by authors inferring that there are generalisable differences between complainants and non-complainants in this country.

CONSUMER COMPLAINT RESPONSES

In this paper we discuss consumer complaint responses rather than the more accepted consumer complaint behaviour to espouse the thought that “no action” should be treated as a non-behavioural rather than behavioural response. Therefore, consumer complaint responses for the purpose of this paper are the set of multiple, active behavioural responses to dissatisfaction. Consumer complaint responses can be described as the set of all behavioural 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; Rogers & Williams 1990; Singh & Howell 1985). 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

Consumers, fundamentally, have three alternatives for action in the complaint situation (Hirchmann 1970; Singh 1988, 1990; Andreasen & Manning 1990; Rogers & Williams 1990). These are: Exiting; Direct Voicing; or, Amplified voicing.

There is no one accepted academic theory of dissatisfaction within consumer complaining behaviour (Boote 1998; Erevelles & Leavitt 1992; Yi 1990). However, in this study we utilised equity theory to discuss consumer complaints within the setting of responses to advertising as consumers perceive it to be unfair (or inequitable) that they are exposed to 'unacceptable advertising' without having stringent control over the messages and depictions portrayed in advertising. The decision to base our assumption within the equity theory framework is based on the extensive review of literature and subsequent investigation of satisfaction/dissatisfaction by Fourmier and Mick (1999). Their study indicates that the equity model of satisfaction is most appropriate here. Equity theory relates to perceived fairness of a particular transaction (Boote 1998). Tse (1990) discusses the three possible outcomes of a transaction utilising equity theory. These are: Equity; Positive Inequity; or, Negative Inequity. It can then be suggested that a consumer would voice their complaint following an experience of negative inequity and past studies have examined characteristics of complainants that may influence complaining propensity (see for example Volkov Harker & Harker 2003; Volkov Harker & Harker 2002).

THE AUSTRALIAN SELF-REGULATORY SYSTEM

The ASB comprises the Advertising Standards Board and the Advertising Claims Board and it is these organisations 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% 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 rate of consumer complaint ‘success’, 1998 figures show that of the 1458 complaints received by the Advertising Standards Board 73 were upheld in whole or in part B a rate of 5% (www.advertisingstandardsbureau.com.au). Figures from 1999 show that of the 2065 complaints (an increase of over 41% on the previous year’s figures) 111 were upheld in whole or in part B a rate of 5% 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 may not be heard (Day 1984; Richins 1983; Singh 1988; Stephens & Gwinner 1998). This identified uphold rate of consumer complaints can be argued as an area requiring further in-depth research. In the case of the Australian self-regulatory system, the ASB (1999) has stated that there was 100% industry compliance with Board determinations even though compliance is voluntary. 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).

Any new system of regulation, however, requires promotion. This was achieved in 1998 by the ASB together with support from media proprietors throughout Australia and campaigns in print, radio and television media (Fraser 1999). Its effect was to more than double the volume of complaints received by the Advertising Standards Board from the previous self-regulatory body (Fraser 1999). Further promotion of the Advertising Standards Board was conducted with brochures being distributed to the Australian public by government agencies including offices of fair-trading and consumer affairs (Fraser 1999).

THE RESEARCH ISSUE: COMPLAINTS ABOUT ADVERTISING IN AUSTRALIA

The literature suggests that there are broad demographic differences between those consumers who complain and those who do not. Such findings from the reviewed literature indicate that complainants tend to be:

- Older;
- Have attained higher levels of educational qualifications;
- Earn a higher gross weekly income;
- Possess greater degrees of wealth;
• Have higher participant levels of local community involvement; and,
• In general terms, have more resources, both intrinsic abilities (eg. self-confidence, feelings of self-worth) and external (eg. time, money, qualifications) to avail themselves of to allow them to take action when dissatisfied (Kolodinsky & Aleong 1990). However, no previous studies have been identified as dealing with Australian society as their focus.

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

What are the characteristics of people who complain to the Advertising Standards Board and how do they differ from the general population in Australia?

We will attempt to gauge the motivating factors for consumers who complain to the Advertising Standards Board and provide a profile of those complainants. Our research will address the following propositions:

$P_1$: Advertising complainants are socio-demographically different to those people in the wider population who do not complain about advertising.

$P_2$: Advertising complainants have different media habits to non-complainants.

$P_3$: Current societal attitudes and opinions with regard to advertising for both complainants and non-complainants differ.

$P_4$: There is evidence of complaint behaviour in areas other than advertising displayed by complainants about advertising in Australia.

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. The findings of this research will provide the regulatory bodies with a better understanding of the complaining public to better service their community stakeholders and also assist marketing communications strategists with more effective ways to reach their target markets.

REFERENCES


