Surrogate Advertisement and its impact

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The industries have always one standing defence that why shouldn’t a brand be allowed to advertise their products like alcohol and tobacco; they already pay large amount in the form of taxes. Although the tobacco ads have stopped up to an extent, but both of these industries, i.e. Alcohol and tobacco, show their ads in disguise, these often promote another product under the brand or similar looking but changed product and create similar effect on the minds of people. Studying these effects is one of the main aims of this study, we aim to use primary data and conduct survey to see what people actually know about the surrogate advertisement and what they think of it, The Impact is unknown and as India is hub of various cultures and demographics, it becomes important to study the actual impact of these ads. Do people know how they work, can they tell the difference, that remains to be seen. The person who consumes these ads are the general public and that is what matters to them, it gets them interested. Studying the effect of these ads on general public should be the main aim of the study. How these ads impact the market and the individuals and what people actually make of these ads remains to be seen. The question remains is what do the viewers make of these ads.

Keywords: Celebrity Endorsements, Core Product, Ethical, Impact of Surrogate, Perception of People, Surrogate Advertisement
**Introduction**

The cable act clearly states that anything that Seduces the viewer to buy, or consume products that are harmful to health such as alcohol, tobacco, etc is not to be shown on Television. Both, alcohol and tobacco show their ads in disguise, these often promote another product under the brand or similar looking but changed product and create similar effect on the minds of people. These adverts are known as surrogate advertisements.

People come across these kinds of advertisements on daily basis, such as ads promoting Music CD’s, sodas, and products such as Pan masala and elaichi for promoting their core product, that is tobacco. The government has banned the use of ads for these kinds of product and banned the use of even surrogate ads, with the use of sparkling water, but these marketers have found loopholes and are promoting their products in a more effective way.

The companies have found another loophole and use totally unrelated products such as, sodas, music CD’s, etc. The companies have found loopholes that they exploit and use entirely unrelated products to promote their core product. That is why the main aim of the study is not only to analyse the effect of these ads but also study about whether people actually understand and are able to decipher these ads, what are their perceptions towards these ads, other aims of the study is to also study and research about the Celebrity endorsements of these products and whether or not people think that they are ethical.

Do these ads work? Do they have any significant impact? Are people able to actually decipher that what these ads are? That is the main aim of the study. We all know ads like Bagpiper soda, and CD’s, Blender’s pride soda, etc. though they are not even related to the product they are selling and disguising the do have that effect on the people, some do it by another non-related products, some through related products and some even similar but not prohibited product, for example, Vimal elaichi with same packaging as Vimal tobacco. The celebrities have joined the bandwagon and jumped on to promote these products. Do these celebrities and these ads induce people who were not likely to consume these. Are SA’s unethical and misleading? That is what we try to find out through public opinion.

Primary survey is used to see the impact of these ads and extensive research is done to come out with the conclusion. Also, with primary survey sources and data from secondary sources is also used extensively to conclude the research paper. The studies available do-good work to study the perception of the consumers and their thought process, but research was necessary to analyse the impact of celebrity endorsements, on the actual sales and whether they effect the image of these celebrities. In Indian context, the celebrities hold a higher standard and are worshipped, does their image go down or not and how their fans react on them doing these ads is an important question. The other question that this study asks is whether the young mind is afflicted with these ads, and whether people, especially the young adult, have ever bought a product seeing these ads. Moreover, what do youngsters actually think about them. The study aims to find out opinion of people regarding surrogate ads in Indian context, and whether they should be allowed to run or not. There are many studies available and many of the data is used from other studies and other secondary sources to make a more comprehensive report on the subject matter.

**Literature Review**

In P Kumar (2017), Much is talked about the legal aspects of the Tobacco and alcohol ban, while also debating both the sides of government and other companies involved. The legal aspects and boundaries, which are pushed to the edge by the companies and the loopholes of these laws, which are exploited by the companies. The study gathers data from primary sources and talks about the awareness of such ads, ethicality and perception of people regarding these.

In A Mukherjee (2019), This research study is significant as it enables to find people’s perception of surrogate advertisements and their impact on customers “buying decision” is analysed. It helps companies to know the customers’ views and make appropriate changes in their strategies to reach out to consumers in a better way.

Nikita Agarwal (2018), in her research concluded that sometimes core products of the company are sold very much with the help of products shown under surrogate advertising. Surprisingly in consumers alcohol and other tobacco products keep a special place and identity.
Debashish Rout (2021), studies surrogate advertising as an effective tool for marketers in times when actual adverts of these ads are banned, this looks to study the consumer behaviour of the consumer in respect of surrogate advertising and to study the consciousness of surrogate advertisement in the country.

Varalakshmi (2013) The pattern followed by surrogate marketing strategies could end up being a place for huge existing companies since they bring about higher brand review esteem, along these lines of helping them with promoting their banned products further. Surrogate strategies have substantiated themselves a Gripping & successful advertising method for the restrictive items.

Singh (2015) surrogate advertisement means the method of reproducing the brand image in duplicity of a particular product for the promotion of other product of the same brand. It is done when the advertisement of a certain product like alcohol and Tobacco, are banned in a particular country. The research 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 this industry for the use of surrogate but it neither reported the consumer’s perception of these advertisement methods.

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 perceive the objectives of surrogate advertisement and their impact on consumers.

Dodrajka (2011), in which she studied the alcohol sales in the city 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 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 came up with the gender differences in the perception of the population.

Vihari (2017) tried to study the extent in which these companies try to bend the laws in order to promote their brand through surrogate.

The study gave various reasons as to why these industries are able to work around after such laws and regulations.

The study suggested that flexible laws, innovation, unknown and under regulated spaces, brand image as the prime factors responsible for these advertisements.

**Objective of the Study**

To study and research about surrogate advertisements.

A. To study the impact of surrogate on people and their perception about surrogate advertisement.

B. People's perception about celebrity endorsements in these ads and whether according to them they lead to increase in sales.

C. Whether people think they are ethical and should operate in India.

D. Studying whether these ads lead to purchase of products advertised.

**Research Methodology**

The data analysed in this study was gathered through Primary sources, from a survey, conducted specially for this study and some data was also collected through secondary sources, from other studies of similar kind.

The data was collected from, P Kumar (2017), A Mukherjee (2019), and other similar studies. The study uses both qualitative and quantitative data, and analyses such data to reach to a conclusion for the following study.

The tools and techniques used in this research paper are Simple pie charts, and other simple tabular representations and other graphical tools.

For the simplistic approach the gender wise segregation has been done, for the data collected from primary survey from around 50 respondents, 52% are females and 48% males were studied.

**A. Awareness:** The first question was awareness of people regarding surrogate advertisements,
Majority of the people responded telling they know what surrogate advertisements are, around 67% of people are aware of the concept of surrogate advertisement.

- **For the people who regularly drink alcohol**

Data from, Kumar P (2017)

Awareness regarding surrogate advertisement for people who are drinkers.

<table>
<thead>
<tr>
<th>Table 1A</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Male aware</td>
<td>33%</td>
</tr>
<tr>
<td>Female aware</td>
<td>17%</td>
</tr>
<tr>
<td>Male not aware</td>
<td>35%</td>
</tr>
<tr>
<td>Female not aware</td>
<td>15%</td>
</tr>
</tbody>
</table>

The data shows that gender has very little role to play and it can be inferred that almost 50% people don’t recognize the advertisement. Even drinkers who regularly indulge in drinking do not know what the company is trying to convey through these advertisements.

- **People who don’t drink alcohol**

<table>
<thead>
<tr>
<th>Table 1B</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Male aware</td>
<td>29%</td>
</tr>
<tr>
<td>Female aware</td>
<td>15%</td>
</tr>
<tr>
<td>Male not aware</td>
<td>40%</td>
</tr>
<tr>
<td>Female not aware</td>
<td>16%</td>
</tr>
</tbody>
</table>

There is little difference as non-drinker were little more likely to not be aware about these advertisements, but the difference is not significant. In total around 50% of the people are not aware about the surrogate ads.

1. **What People Do Remember About These ADS (Impact)**

<table>
<thead>
<tr>
<th>Table 1C</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Ads portraying drinking together with friends</td>
<td>25%</td>
</tr>
<tr>
<td>Male and female attracted to each other</td>
<td>11%</td>
</tr>
<tr>
<td>Advertisements were funny</td>
<td>20%</td>
</tr>
<tr>
<td>Attractive people</td>
<td>9%</td>
</tr>
<tr>
<td>Advertisement was motivational</td>
<td>13%</td>
</tr>
<tr>
<td>Celebrity</td>
<td>20%</td>
</tr>
<tr>
<td>Fit and muscular people</td>
<td>9%</td>
</tr>
</tbody>
</table>

Data from, Kumar P (2017)

The most residual characteristics that was caught on by people was that it brings people together, 25% people though it was great way to meet people. Other things were the sense of humour, i.e., 20% people remembered that, and many remembered it due to celebrity and its motivational factors.

2. **Perception of People:** The next question asked in the survey was,

And more than 50% of the respondents responded by tagging these ads as misleading, the second most chosen answer was people finding these ads entertaining, as 24% responded by saying that these are entertaining and rest 16% responded by saying that these are informative.

<table>
<thead>
<tr>
<th>Table 2a</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Misguiding</td>
<td>57%</td>
</tr>
<tr>
<td>Entertaining</td>
<td>9%</td>
</tr>
<tr>
<td>Harmful to health</td>
<td>21%</td>
</tr>
<tr>
<td>Increases consumption rate</td>
<td>21%</td>
</tr>
<tr>
<td>Informative</td>
<td>2%</td>
</tr>
</tbody>
</table>

As can be seen from the data above majority think of surrogate advertisements as misleading, though very less amount of people think it is harmful to health amounting to only 11%, 21% people in the survey think that these ads increase the consumption rate.

3. **Identifications of Product:** Are people able to identify the actual and ulterior motive of the ad and can they identify the actual product being promoted. The question asked was also that whether people can distinguish surrogate product from an actual product.

Are you easily able to distinguish the surrogate product from the actual one?

<table>
<thead>
<tr>
<th>Response</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>20.9%</td>
</tr>
<tr>
<td>No</td>
<td>21.4%</td>
</tr>
<tr>
<td>Maybe</td>
<td>63.7%</td>
</tr>
</tbody>
</table>
53% of the respondents were able to distinguish the actual core product being promoted from the product that is shown in the advertisement, only around 21% people were the kind who were not at all able to identify the actual product being promoted and were not able to distinguish the surrogate product from actual product.

Were people able to recall the actual product, after watching the surrogate advertisement.

The next question asked in the survey was,

Figure 4.

More than 50% of people at some times were able to recall the actual core product being promoted, where 22% were definitely able to recall the actual product. 34% respondents were at most times able to recall the product and 38% were able to occasionally able to recall the product.

4. Impact on People and Perception on Sales of Core Product

The next objective of the study was the direct impact and thought of people whether they think these ads do increase the sales of the actual core product, and whether these advertisements have led our respondents to directly purchase the product. The question asked was,

Figure 5

Majority of people have at least one time purchased a product as a direct result of surrogate advertisement, as 26% people say they purchased the product due to direct impact of surrogate ads, while 30.6% respondents say they sometimes purchased the product, resulting from directly these ads.

The single biggest answer was still, Never, as 37% respondents never purchased these products due to an advertisement.

From secondary data from Rout (2021),

Table 6: Buying Product after Watching Advertisements

<table>
<thead>
<tr>
<th>Opinion</th>
<th>No. of respondents</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree</td>
<td>40</td>
<td>34.19</td>
</tr>
<tr>
<td>Neutral</td>
<td>38</td>
<td>32.48</td>
</tr>
<tr>
<td>Disagree</td>
<td>39</td>
<td>33.33</td>
</tr>
<tr>
<td>Total</td>
<td>117</td>
<td>100</td>
</tr>
</tbody>
</table>

Number of respondents who actually bought the product due to these ads are highest amounting to 34.20%, while 32.5% were neutral.

The next question was not personal and was a general question that asked the people on their perception on whether they think that surrogate advertisement led to increase in sale of product.

Do you think SA lead to increase in sales of the product?
67 responses

Figure 6.

The general perception of more than 95% of people is that these adverts do increase the sales of the actual product being promoted, where 52% people said that it does increase the sales of the product and 45% say that it does maybe increase the sales of the product.

Data from Rout (2021)

Table 9: Impact of Ads on Consumption of Products

<table>
<thead>
<tr>
<th>Opinion</th>
<th>No. of respondents</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase</td>
<td>45</td>
<td>38.46</td>
</tr>
<tr>
<td>No impact</td>
<td>44</td>
<td>37.61</td>
</tr>
<tr>
<td>Decrease</td>
<td>28</td>
<td>23.93</td>
</tr>
<tr>
<td>Total</td>
<td>117</td>
<td>100</td>
</tr>
</tbody>
</table>
The following secondary data implies that 38% respondents think that it does lead to increase in consumption of the products while 37% think that these ads have no impact.

5. Celebrity Endorsements

The next big question arises regarding the impact of Celebrity endorsements, the survey asked basic questions regarding their perception on celebrities doing ads for these products, their general perception on whether or not they should do these ads and whether they think it leads to increase in sale of the Core product.

There have been many instances of celebrities involved in the ads of such products and people trolling them on social media, many such instances of such recent event were, involvement of Akshay Kumar with Vimal elaichi, and Akshay Kumar apologised days after being in these ads and pulling back.

The question was whether people think that celebrities should do surrogate advertisement.

The ads are meant are meant for general audiences and they are the judge as to whether the ads are good, misleading or against ethics.

The celebrities image matters to themselves and if people don’t like celebrities doing certain ads this would be beneficial for them to pull back.

In response to this question, around 40% people responded by saying that celebrities should not get involved in surrogate advertisement of such products that are banned, whereas, 38% people said that celebrities should maybe do these ads.

Only 22% people agreed with these celebrities doing these ads.

The next question was regarding perception of people on impact on sales of celebrity endorsement.

More than 70% people think that it has an average or more than average impact on sales of these products where 31% responded by saying average, whereas 26% responded by saying it does have a high impact.

6. Ethical

Using secondary data from, Kumar P (2017) first the survey bifurcates into two, the first are the Drinker’s and second non-drinkers. The scale ranges from 1 to 5 where 1 is unethical and 5 being ethical. In a group of all people aware about the surrogate advertisement 17 people think it is unethical, 16 think it is somewhat unethical, 10 think it is maybe unethical, while only one thinks that it is ethical. The mean value was 1.8 meaning people think it is an unethical practice.

In a group of drinkers,

6 people think it was unethical, 5 think it is somewhat unethical, 8 were neutral, while 1 thought it was ethical.
In a group of non-drinkers, 10 people thought it is unethical, 11 think it is somewhat unethical, and 2 were neutral, a little difference can be seen here in regards to people’s understanding and their belief of it being ethical or unethical.

From primary data collected through survey the question asked was,

**Figure 9.**

On a scale of 1 to 5 1 being strongly agree to 5 being strongly disagree, the number of respondents were 68, around 41% respondents were neutral and did not take any side of these ads being ethical or unethical, around 37% people were of the opinion that these ads are unethical, around 22% believe that these are not unethical.

**Impact on youngsters.**

Perception of people whether these ads have a negative impact on youth of the country and lead them to buy these products.

**Figure 10.**

Around 38% respondents think that it does lead to increased consumption in youth and negatively affects them, while 22% think it sometimes does it. Around 37% respondents were of the view that it maybe increases consumption in youth.

**7. Surrogate ADS in India**

The next series of questions were regarding whether people think they should be allowed to operate in India.

**Figure 11.**

46% are of the opinion that they can be allowed to operate in India, as long as proper warning is provided. 16% respondents outright said no, while 27% said they should maybe be allowed to run in India.

Opinion on Banning of Advertisements of liquor and tobacco:

<table>
<thead>
<tr>
<th>Opinion</th>
<th>Number of Respondents</th>
<th>Respondent Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>58</td>
<td>38.7%</td>
</tr>
<tr>
<td>Agree</td>
<td>43</td>
<td>28.7%</td>
</tr>
<tr>
<td>Neither agree/disagree</td>
<td>30</td>
<td>20.0%</td>
</tr>
<tr>
<td>Disagree</td>
<td>15</td>
<td>10.0%</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>4</td>
<td>2.7%</td>
</tr>
<tr>
<td>Total</td>
<td>150</td>
<td></td>
</tr>
</tbody>
</table>

The following data is taken from A Mukherjee (2019).

**Findings**

From the data collected from primary survey and from secondary sources, following information came to light. The data is segregated on the basis of gender which can be used for further research purposes around 52% of respondents were females while remaining 48% were males.

A. Talking about awareness of people regarding surrogate advertisements, with 67 respondents around 67.2% people were aware of what surrogate adverts are.

With around 22 people in total not aware about surrogate advertisements, 14 of them were females even though total number of females were more than number of males in this study. The data from secondary source segregated this in terms of drinkers and non-drinkers, and states that even people who drink around 50% of them do not know about these ads, the difference between people aware and not aware was quite similar,

For males it was average of 32%, for female an average of 16%, for the drinkers.
For the people who are not regular drinkers the men aware was 30% and non-aware increased to 40% the number of females aware and not aware remained somewhat similar.

B. The next finding was about impact of these ads, their residual value, as in what people remember most about these ads. From secondary data Around 25% of people aware of these ads were of the thinking that these leads to people getting together, 20% thought that these ads are funny and 20% of these people remember the ad due to celebrity. This question was regarding the residual value of the ad and what people remember the most.

C. From primary survey, when asked about the perception of people regarding the ads itself, and what do they think of these ads and around 52% people were od the opinion that these ads are misleading, 24% think these are entertaining while 16% think they are informative.

D. Regarding identification of the product, people able to distinguish the actual product from surrogate was around 53% respondents said they were able to, while 25% were sometimes able to distinguish. Number of people that were able to recall the actual product when seeing a surrogate advertisement, 22% said they were able to perfectly recall the product while, 34% were able to recall it most probably. 38% were occasionally able to recall the product while rest were not able to.

E. Direct impact of adverts leading to sales, 26% people say they purchased the product due to direct impact of surrogate ads, while 30.6% respondents say they sometimes purchased the product, resulting from directly these ads. The single biggest answer was still, Never, as 37% respondents never purchased these products due to an advertisement.

F. Perception of people whether they think ads lead to increase in consumption, more than 95% of people is that these adverts do increase the sales of the actual product being promoted, where 52% people said that it does increase the sales of the product and 45% say that it does maybe increase the sales of the product.

G. Celebrity endorsements, direct responses sere that 40% respondents think that celebrities should not get involved while a 38% sample responded by saying they should maybe do these ads, the rest said no.

H. Do people think that celebrity endorsements lead to increase in sales, 42% respondents say definitely, while other 36% said it most probably does increase sales, 18% said it sometimes increases sales.

I. Coming to the moral factor and beliefs of the people, the secondary research bifurcated the people in two, that Is drinkers and non-drinkers, there was not much difference between drinkers and non-drinkers as more than majority still believe it to be an unethical practice, while little amount was neutral.

J. From primary data, around 41% people are of the neutral opinion regarding ethicality, other 36% do think they are unethical.

K. Around 38% respondents think that it does lead to increased consumption in youth and negatively affects them, while 22% think it sometimes does it. Around 37% respondents were of the view that it maybe increases consumption in youth.

L. Regarding whether they should run in India or not, 46% are of the opinion that they can be allowed to operate in India, as long as proper warning is provided. 16% respondents said no.

M. From secondary data collected, around 67% people from the study believe that the ads should be banned in India.

Conclusion

The Companies successfully run their ads on Tv's like they want and get their message across, the people are mostly aware about the concept of surrogate advertisement and there is not much difference in the awareness levels of Females and males, while a larger no. of females do not know about the concept of Surrogate ads, their perception regarding these ads is not much different form their male counterpart.

Most of the people respond in a way that these companies want them to, while there are still many people who are not aware of surrogate advertisements and many people even after being aware are not able to understand the product and ulterior motive of the company. The company and these ads do get a direct response. Majority of the people are aware of what these are and many times they are even able to disguise the product actually being sold.
The difference between awareness of these ads between males and females is high, though the females know the concept they are not aware of such ads. The impact these ads have on people based on residual feeling and what stayed with them the most was the fact that they involved a fantastical world where drinking or consuming these products helps them get female attention, get friends, for example, the ad for Mouth freshener Rajanigandha sells under the name mouth freshener, but actual product is tobacco and it tells people that successful people eat this product. Ads for music Cd’s by imperial blue get people together. The direct impact of these ads is high, many respondents directly said that these ads have led them to purchase specific products which they would not have if not for the ads. While also their general perception is that these do lead to increase the consumption of these product. The female’s perception on these ads and their views on these ads operating in India are very similar to that of men.

These ads also play role in typical gender slanders like, ‘Men will be men’, and sometimes these ads are funny. One of the other factors that people remember of these ads is the celebrity, Seagram’s have roped in actors and celebrities, such as Saif Ali Khan and cricketers alike.

Majority of people think that these ads are misleading and this may be due to the fact that these promote products which are not even in the ad and promise a fantasy that people want. They think that these ads lead to increase in consumption of these goods and also impact the youth with fake promises and lure them with their fantasy. While these ads are banned and even basic surrogate ads are banned these companies often promote another product not related to the actual product, which many people catch on to and that is what they need. While people do think that these are unethical and there are no two ways about it. But people do believe that these ads must be allowed in a place and country like India because we are independent and if these ads do give sufficient warning and people want enough regulations to control these ads.

Mostly parents are of the opinion that these ads are heavily misinformative and misleading the kids and the youth who are seduced by the ads. Celebrity starring in these ads must also consider and know the kind of product they are promoting as; most people do not want these celebrities doing such ads as they Have a huge impact on the sales. The fans of the stars often buy the products thinking that their favourite celebrity is also consuming the product. The basic defence of these companies is that they give taxes and in a country like India they should not be stopped from selling these products, as the Indian companies are already suffering due to large pockets of international giants, who have all the money they need to promote their product through loopholes.

The government needs to decide whether to stop these ads altogether or allow them to continue with self-regulation and warnings, should they be allowed normal ads, that is question of the future, but the decision for the surrogate ads needs to be taken now.

Reference

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