



**SURROGATE ADVERTISING: THE AWARENESS AND DOES
IT HELPS TO PROMOTE CORE PRODUCT ITSELF IN INDIAN
CONTEXT**

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Abstract:

Advertising has been considered as a means of information about brands which confuses consumer and often misguides (Littlechild, 1982). Ads for controversial products, which cause a negative reaction, and thereby offence, can result in negative publicity, complaints to advertising regulatory bodies, falling sales, and product boycotts. Now-a-days, society is more open-minded to advertisements for unmentionables (Fahy, 1995). Surrogate advertising is a form of advertising which is used to promote banned products, like tobacco, cigarettes and alcohol, in the disguise of another product. The purpose of this paper is to study, review the concept of surrogate advertising and also to know its application in Indian business organisations. The main objectives of this research paper is to explore the awareness of surrogate advertising and to know whether surrogate advertising will help to promote the core product or not. The primary data was collected by using a well-structured questionnaire from 59 respondents and are entered into the sub-tables by using the simple percentage analysis. Convenient data sampling method is used to collect data and Chi-Square Analysis was used for analysis and inference. The secondary data was collected through journals, magazines, edited volumes, articles and various websites. The paper concludes that, although the original products have not been advertised on the television, still these brands enjoy a higher sales volume each and every year even after the abolition of the advertisements of their original products.



Keywords: Advertising, surrogate advertising, harmful products and Indian companies.

1. Introduction

Surrogate advertising is a form of advertising which is used to endorse banned products, like tobacco, cigarettes and alcohol, in the mask of another product. Formerly, the government of India in its wisdom imposed a ban on all direct advertising of alcohol and cigarettes. Manufacturers, marketers and agencies put their heads together and came up with the brilliant concept of surrogate advertising. A Surrogate advertisement is one in which a different product is promoted using an already established brand name such as helping in contribution to brand recall. Products advertising for liquor, cigarette is banned in the country since 1995. Ads promoting directly or indirectly for sale, consumption of cigarette, tobacco products, wine, alcohol, liquor or other intoxicants, infant milk substitutes, feeding bottles, infant food and their extended brands are banned from advertising. As there is a ban on liquor/Tobacco products, Companies manufacturing liquor/cigarettes etc., are finding ways by bringing out brands extensions with names similar to the Liquor/Cigarette brands. The Concept of Surrogate Advertising emerged post 1995 when the court banned televisions to telecast the Ad's of cigarettes and alcohol. Hence many companies came up with the idea of surrogate advertising in order to sale their products. The Association Standard Council of India (ASCI) took the step to stop advertising products which are harmful to the people on consumption. The products which were banned from being advertised were liquor and tobacco related products. This led to the emergence of surrogate advertising which became an alternative way to reach out the consumers.

2. Review of Literature

Advertising has been considered as a means of information about brands which confuses consumer and often misguides (Littlechild,1982). It was highlighted that ethics in business decision-making rests on the assumption that good ethics is good business (Abratt and Sacks, 1988). (Barnes and Dotson,1990)discussed offensive television advertising and identified two



different dimensions: offensive products and offensive execution. The products which were in their list included condoms, female hygiene products, female undergarments, and male undergarments. (Wilkie,1990) agrees that advertising has both positive and negative aspects but they do not apply to all advertisements. He has listed the “seven sins” charged by advertising’s critics. Hyman, Tansey and Clark(1990) identify 33 prime topics for those researchers who plan to focus their efforts on advertising ethics. The seven most important topics out of this list include: use of deception in ads, advertising to children, tobacco advertising, alcoholic beverage ads, negative political advertising, racial stereotyping, and sexual stereotyping. In another study it was felt that there is a need for major public policy changes regarding advertising, especially for cigarettes and demand their glossy advertising campaign to be banned. Successful ad campaigns push sensitive products such as tobacco and alcoholic beverages which influence vulnerable minds by showing such products as trendy, cool, fashionable and subject to consumption through peer pressure and indulgence. Such appeals in ads encourage youth to adopt harmful habits like smoking and drinking and prove derogatory to the society (Martin Jr.,1994). It has been seen that advertising draws attention to the calls for major public policy changes, specifically for cigarettes, and demands their glossy advertising campaigns to be banned. Successful ad campaigns pushing such sensitive products as tobacco and alcoholic beverages can influence vulnerable minds by showing such products as trendy (cool), fashionable, and subject to consumption through peer pressure and indulgence. Such persuasive ad appeals encourage youth to adopt harmful habits like smoking and drinking, and prove derogatory to the good of society. To this accord, major public policy changes called for by medical associations and regulatory bodies can influence the nature of ad campaigns running attractive messages and promotions for such products perceived as unhealthy and harmful especially for younger generations, and their corrective actions can even lead to the banning or curtailing of such promotion activities for the good of society (Martin Jr.,1994).On the one hand, there are socially embarrassing or controversial products (e.g. undergarments, or hygiene products for women). On the other hand, there are products which are sold under regimentations



by law because of their potential harm on society (e.g. pharmaceuticals, alcohol, or cigarettes). Ads for controversial products, which cause a negative reaction, and thereby offence, can result in negative publicity, complaints to advertising regulatory bodies, falling sales, and product boycotts. Now-a-days, society is more open-minded to advertisements for unmentionables (Fahy,1995).Surrogate Advertising helps the companies in dodging the Government and the law. A different picture altogether runs backstage where the companies may not pose to be rule breakers but cleverly wind the laws to their convenience. The inherent drawback of the application of legal system, bureaucracy, greasing of palms, is overcome and enable the companies to achieve their objectives thereby bypassing the legal machineries. The liquor industry is the main player in this game. Few surrogate advertisements are - Bagpiper Club Soda and Cassettes and CDs, imperial Blue Cassettes and CDs, Hayward's Soda, Royal Challenge Golf Accessories and Mineral Water, Kingfisher Mineral Water, White Mischief Holidays, Smirnoff Cassettes and CDs, etc. The speciality of these products is that they have the same brand name and logo which the audiences see in liquor advertisements. The companies ingeniously flash these commercials and promote their liquor products. Cigarettes, Paan Masala and Gutkha making companies are also the part of the same bandwagon. Though a ban has been imposed on advertisements endorsing tobacco products, this industry had resorted to surrogate advertising a few years ago only. Some examples in this category are Manikchand Awards, Red and White Bravery Awards, Wills lifestyle, Four Square White Water Rafting, etc. (Gupta Ruchi, 2011). In a study it was seen that alcohol manufacturers continue to allure youth and a rise in number is seen in the consumption among youth. The voluntary shift to 30 percent resulted in a substantially lower number of alcohol ads in magazines, according to the center. Meanwhile, the number of alcohol commercials increased, especially on cable channels. More than half of commercials watched by youth featured one of 12 brands: Miller Lite, Coors Light, Captain Morgan Rums, Samuel Adams Boston Lager, Miller Genuine Draft Light Beer, Crown Royal Whiskey, Corona Extra Beer, Disaronno Originale Amaretto, Smirnoff Vodkas, Miller Chill and Labatt Blue Light Beer (Jenna Johnson, 2013).



3. Statement of the Problem/Research Gap

When the Advertising Standards Council of India (ASCI) withdrew its code to regulate tobacco, liquor products and cigarettes etc., consumer activists were concerned over the impact of the move. The ban over the advertisements of the aforementioned products has led the companies to advertise their wares using less harmful products which carry the same name and same brand logo on these products – Surrogate Advertising. The main objectives of this research paper is to explore the awareness of surrogate advertising and to know whether surrogate advertising will helps to promote the core product or not.

4. Research Methodology

The present paper studies the theoretical concept of surrogate advertising in Indian context. The main objectives of this research paper is to explore the awareness of surrogate advertising and to know whether surrogate advertising will helps to promote the core product or not. This study depends on both primary and secondary data. The primary data was collected by using a well-structured questionnaire from 59 respondents and are entered into the sub-tables by using the simple percentage analysis. Convenient data sampling method is used to collect data and Chi-Square Analysis was used for analysis and inference. The secondary data was collected through journals, magazines, edited volumes, articles and various websites.

5. Objectives of the study

The purpose of this study is to understand theoretical background of surrogate advertising, to review the concept of surrogate advertising contributed by researchers and academicians in the field of surrogate advertising and to know the application of surrogate advertising in Indian business organisations. The main objectives of this research paper is to explore the awareness of surrogate advertising and to know whether surrogate advertising will helps to promote the core product or not.



6. Application of Surrogate Advertising in India

Sl.No	Company Name	Surrogate Advertising (Examples)
1	Royal Stag	Royal Stag mega music (CD's & DVD's)
2	Seagram's Imperial Blue	Seagram's Super hit music CD's
3	Tuborg	Tuborg zero (Energy drink AD)
4	Bagpiper	Bagpiper Soda AD
5	Kingfisher	Kingfisher Soda & mineral water
6	Royal Challenge	Sports Drink AD

7. Recent Surrogate Advertisement

The various surrogate advertisements which are used by manufacturers of whisky and liquor products.

- **Bagpiper:** The advertisement of Bagpiper Club Soda is shown at the place of whisky.
- **Royal Stag:** Royal Stag instead of advertising whisky shows Music CD and Mega Cricket in the advertisement with theme "Makeit Large".
- **McDowell's No.1 Platinum:** Indian Cricket Team skipper MS Dhoni advertises for the surrogate product soda and asserts it as "The No. 1 Spirit of Leadership".
- **Hayward's 5000:** The brand is advertised through soda and packaged drink-ing water. It is well known that Hayward's 5000 & 10000 are whisky and beer brands respectively due to wide availability in market.
- **Imperial Blue:** This whisky is advertised by showing music CD's in the advertising. i.e., Imperial Blue Music CD's. This advertisement asserts in story line that "Men will be Men". It symbolizes Imperial Blue as for masculinity.
- **Royal Challenge:** The leading cricketers are shown in advertisement, at the same time music is played. It also advertised with the brand of mineral water.
- **Davidoff:** This popular cigarette brand is advertised by showing men using body deodorants. The advertisement symbolizes that cool men use the above brand.



Table: 1- Shows the sales volume units of royal stag from the year 1992 – 2015 in India.

Year	Sales (In Million Cases)
1992	0.14
1993	0.19
1994	0.24
1995	0.26
1996	0.31
1997	0.40
1998	0.47
1999	0.61
2000	1.00
2001	1.12
2002	1.75
2003	2.14
2004	3.00
2005	3.42
2006	4.2
2007	5.6
2008	6.8
2009	8.4
2010	10.4
2011	12.5
2012	14.00
2013	15.40
2014	17.34
2015	19.72

**Table: 2- Shows the sales volume units of Bagpiper whisky from the year 1992 – 2015
India.**

Year	Sales (In Million Cases)
1992	2.36
1993	3.00
1994	3.17
1995	3.55
1996	4.00
1997	4.29



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1998	5.00
1999	5.14
2000	5.25
2001	5.58
2002	5.79
2003	6.00
2004	6.60
2005	8.94
2006	10.00
2007	12.42
2008	15.40
2009	16.40
2010	16.50
2011	15.40
2012	15.50
2013	14.00
2014	15.80
2015	17.00

Table: 3- Show the sales volume units of Imperial blue from 1995-2015.

Year	Sales (In Million Cases)
1995	0.07
1996	0.09
1997	0.10
1998	0.14
1999	0.20
2000	0.29
2001	0.45
2002	1.10
2003	1.29
2004	1.48
2005	1.94



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2006	2.50
2007	3.10
2008	3.80
2009	4.80
2010	6.10
2011	7.20
2012	8.80
2013	9.34
2014	10.00
2015	11.23

Table: 4- Show the sales volume units of McDowell's whisky from 1995-2015.

Year	Sales (In Million Cases)
1995	1.12
1996	1.40
1997	1.88
1998	1.92
1999	2.01
2000	2.23
2001	2.77
2002	3.80
2003	4.00
2004	5.50
2005	6.10
2006	8.70
2007	11.50
2008	13.40
2009	13.50
2010	14.30
2011	16.10
2012	19.30
2013	20.12
2014	20.27
2015	21.30



8. Hypothesis

1. Ho - No awareness about Surrogate Advertising among respondents.

H1 - Awareness about Surrogate Advertising among respondents.

2. Ho - Surrogate advertising do not promote the core product itself.

H1 - Surrogate advertising helps to promote the core product itself.

9. Data Analysis and Results

Table 5

Sl.No	Gender	Respondents	Percentage
1	Male	42	71
	Female	17	29
	Total	59	100
2	Age	Respondents	Percentage
2	21 to 35	31	53
	36 to 50	18	30
	Above 50	10	17
	Total	59	100
3	Marital Status	Respondents	Percentage
3	Married	16	27
	Unmarried	43	32
	Total	59	100
4	Occupation	Respondents	Percentage
4	I.T Professionals	17	29
	Home maker	2	3
	Teaching	3	5
	Students	32	54
	Fashion Designer	2	3
	Architect	2	3
	Models	2	3



	Total	59	100
5	Awareness of Surrogate Advertising	Respondents	Percentage
	Yes	46	78
	No	13	28
	Total	59	100
6	Surrogate advertising promote the core product itself.	Respondents	Percentage
	Yes	47	80
	No	12	20
	Total	59	100

(Source: compiled from Primary data)

10. Hypothesis Testing

10.1 Chi-Square Analysis:

People are aware of Surrogate Advertising.

Sl.No	Parameters	Observed/O	Expected/E	Residual Value (O/E)
1	Aware	46	29.5	16.5
2	Not Aware	13	29.5	-16.5
	Total	59		

Test Statistics:

Chi-Square	18.457627
Degree of Freedom	1
Asymp.Sig	.000

0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 29.5.



Inference: The calculated value of Chi-Square at 5% significance level is (18.457627) which is more than the table value (3.84). Hence the Null hypothesis is rejected.

Analysis: It is clear from the above inference that there is awareness among people towards Surrogate Advertising.

10.2 Surrogate advertising promote the core product itself.

Sl.No	Parameters	Observed/O	Expected/E	Residual Value (O/E)
1	Yes	47	29.5	17.5
2	No	12	29.5	-17.5
	Total	59		

10.3 Test Statistics:

Chi-Square	20.76271186
Degree of Freedom	1
Asymp.Sig	.000

0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 29.5.

Inference: The calculated value of Chi-Square at 5% significance level is (20.76271186) which is more than the table value (3.84). Hence the Null hypothesis is rejected.

Analysis: It is clear from the above inference that Surrogate advertising helps to promote the core product itself.

11. Conclusion

Surrogate Advertising has been a powerful medium through which a particular brand reaches to its consumers. Although the original products have not been advertised on the television, still these brands enjoy a higher sales volume each and every year even after the abolition of the



advertisements of their original products. Thus, surrogate advertising has played a vibrant role for these brands to sustain in the market even after banning the advertisements of their original products.

12. Limitations of the Study and Scope of Further Research

This study is carried out in Bengaluru city only and the data was collected from only 59 respondents. There is a wide scope for future research on surrogate advertising, the research could be carried out as a comparative study analysis in the Indian context and perception of images that the viewers have while watching the television ad's of these banned products and also how surrogate advertisements has made the viewers to persuade in consuming these products.

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