

Misleading Advertising

Written by

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Advertising has a great effect on the behaviour of consumers. Basically, the function of advertisements is to make consumers want the products and services advertised. They tell consumers what to eat, how to dress, where to travel, where to shop, how to look, how to feel better, and in other respects as well. In trying to change consumer behaviour, all advertisements aim to increase the volume of sales of their respective products and services. Since they affect consumer behaviour profoundly, consumers who are not careful will be tempted to buy and try out products which come with all sorts of claims.

How advertisements influence consumers?

Some advertisements are useful, for example, those that tell consumers about new goods and services or those that provide useful information about the things advertised. The main purpose of advertisements however, is to sell to consumers. While advertisements can be helpful, they can also be misleading and confusing.

Certain advertisements mislead by not tell consumers much about the product or service. In a few cases, advertisements are deceptive. Others try and make the consumer buy things they do not really need or want. Many advertisements play with your feelings, rather than give useful factual information. For example, advertisements try to convince women that products and services can enhance their looks and make them slim and beautiful, in addition to making them fair and youthful.

False and misleading advertisements

According to our law, an advertisement is an ♦invitation to do business♦ rather than an offer to sell something at the price advertised. This means that in common law, you cannot sue a shop which advertises goods at one price and then tells you that the price is wrong or that the product is out of stock. Reputable stores of course, do not do this. They will say in their advertisement ♦for as long as stocks last♦ or give the number of items the shop has for sale.

The Consumer Protection Act 1999 makes false and misleading advertising a criminal offence. A false advertisement is one that does not tell the truth. A misleading advertisement is one that confuses or misleads consumers into making a wrong decision with regard to the purchase of goods and services. Consumers maybe able to sue for damages if they can prove in court that the advertisement fraudulently made them lose money. Consumers suing for misrepresentation must show that the seller intentionally cheated them.

Consumers may also report misleading advertisements to the Advertising Standards Authority which will act to stop false and misleading advertisements.

False and misleading claims have to be differentiated from ♦puffing♦. ♦Puffing♦ refers to exaggerated claims of a product based on the sellers opinion or taste. Words such as ♦our car is the best in the world♦ would amount to puffing. If an advertisement is merely an opinion or obvious exaggeration, it is puffing and legal. If on the other hand, it appears to be factual, then it is false or misleading and as such, illegal.

Bait advertising

Bait advertising is an example of a misleading sales method used by unscrupulous shops. This usually involves an advertisement to sell something at a very cheap price. The seller however does not intend to sell the item at the cheap price as advertised. It is used to lure customers to enter the shop. Once customers are in the shop, they are persuaded that the item is not as good as it appears. Consumers are then persuaded by the sales people to purchase more expensive goods. Bait advertising gives sellers a strong advantage over consumers who are not very careful about such tactics. Consumers who are already in the shop are unlikely to go out and examine prices in other shops. They may just buy something else from the same shop. Shops which use these methods can be prosecuted for misleading advertising or unfair conduct.

Bait advertising is more often used during a cheap sale to lure

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customers into the shop. The Cheap Sale Regulations 1987 were enacted to protect consumers so that shops advertising a cheap sale are required to offer 70% of the goods in their shop at cheap sale and not as previously where the items at cheap sale were those put in a large box while all other items in the shop were sold at normal prices.
