CHAPTER NO. 1  INTRODUCTION.

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1.1 **BACK-GROUND OF ADVERTISING**

Advertising is assumed to be the invention of the modern industrial age. But if we dig into the past, we observe that advertising had its roots in the remote past. It is evidenced in the frescos of Ajanta and Ellora. A fresco depicting a lady holding a mirror in her hand can easily be taken as an advertisement for mirror. However, the political upheavals, economic distress and religious dissensions in Europe lead intellectuals to look into a medium which could carry their views to the millions of people which gave birth to the press, the core medium of publicity. With the passage of time and rapid industrialisation having increased production, the necessity of a wider market for the sale of the goods was felt and thus advertising stepped in.

In India, advertising grew at snail's pace till independence. In pre-independence days, advertising was mainly confined to small advertisement like magic rings, amulets etc. But after independence, India took great strides in industrialisation. Advertising was organised on a more scientific
and planned basis which ensured the foundation of well organised industry. Today we find that advertising spreads over all corners of the world including the remote villages.

1.2 OBJECTIVE OF THE STUDY

The business is an integral part of the society. It has, therefore, some social goals along with its primary goals. As such, it has certain responsibility towards the 'interest groups' connected with it and who are affected by its activities. Obviously, a business has both duties and responsibilities towards the society, duties— to make effective and positive contribution to the common well; responsibilities— to play in the economic system, governing material well-being of the society, adding value to the national economy. The primary goals of the business are:

1. to organise resources available to provide goods and services to the community in particular and the society as a whole. In other wards, delivery of manufactured goods or supply of services as per specification and standard at a fair price.
2. to earn more to yield a surplus with the objects of:

(i) maintaining the value of the assets,

(11) guarding capital against erosion,

(iii) ensuring steady growth of the business,

3. to ensure the continuity of the business without losing social capital.

All the above goals or objectives may be achieved through supplying and rendering efficient goods and services to the intended customers or the general public for which a good advertising technique is to be required.

The objective of 'social audit of advertising' is to explore the impact of advertising (both positive and negative) on the society. In the light of this study, it is observed that advertising and its effects on society are very significant and is likely to involve an analysis and examination of the operations and functions of business in this respect. As such, the present work which has styled as 'social audit of advertising' is self explanatory and essential in the context of present business world.
1.3 RATIONALE OF THE STUDY

Advertising serves many users for many and diverse purposes and also calls on a wide range of specialisation and techniques. The advertising of a charitable organisation, obviously, differs in important ways from that of a multiple store. Every advertisement must first be noticed, then provides a convincing reason why the reader should respond as the advertiser wishes.

Every day in each and every moment we see and hear many advertisements. Even if we don't read a newspaper or a magazine or don't watch television, and walk around the streets with our eyes down, we will find it impossible to avoid some form of publicity, namely uninvited hand bills pushed through the letter box.

Michael J. Ball, Chairman of Oglivy Benson and Mather Private Limited, highlights the need for advertising\(^1\) in 12th Annual General Meeting of the shareholders, Bombay, 27th Nov. 1978. The

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1. "Advertising Management — Concept and Cases."
   Manendra Mohan
The role of Indian Advertising in the National Economy.

1. Advertising is a way of communicating information to the consumer — information which enables him or her to compare and choose from the products and services available. So, advertising enables consumers to exercise their right to free choice.

2. Advertising is the most economical means by which a manufacturer or an institutional body can communicate it with an audience, whether to sell a product or promote a cause of social welfare.

3. Advertising, being a necessary means of communication, is an inseparable part of free speech. Any restriction on the right to recommend legitimate goods, services or ideas in public will diminish the fundamental right of the freedom of speech.

4. Advertising can help in improving the economics of developed and developing countries. Advertising stimulates to increase in production and consequently generates more employment. It
can help to stabilize prices and thus lead to wider distribution and greater availability of goods and services.

5. Advertising is an essential and integral part of the marketing system. The fact is that marketing and advertising are key tools for a country's growth.

Therefore, it can be said that advertising is a Social Science and it serves the society. Now some questions come into light - does the advertising serve the society as a social science and how does it serve the society in practical field? So, examination of the services rendered by the advertisement in practical field is necessary to answer these questions and this examination should be conducted by specified functions known as social audit. Social audit may be defined "as an assessment of the performance of an industry as a whole vis-a-vis its social responsibility".

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1. Practical Approach to Auditing.
   Rabindra Library.
Social responsibility does never compromise with efficiency of performance. In fact, it is one of the social responsibilities of a corporate business to keep the enterprise financially sound and operationally efficient so that it can discharge its other social responsibilities well.

Advertising, to-day, has assumed to be a common place in our daily life. From work place to bedroom, we talk of advertising. So, to measure the impact of advertising on society is of immense importance.

1.4 IMPORTANCE OF THE STUDY

The social role of advertising extends far beyond its role in industry and business. The contribution, both actual and potential, which advertising does and can make to promote matters of general social goal, is a most important aspect of its role in present day society. We see that the use of advertisement ensures a better attitude to health and other social benefits such as road safety, energy saving etc. Most of the people, in fact, like advertising and its colour that brings entertainment and employment as well as the
information. Therefore, advertising makes life more interesting and diverse.

In a country like India, advertising is both topical and relevant because advertising is not only a form of communication for promotion of sales of a product but it has also a dominant role in creating awareness among the masses, may be called as social advertisement.

Advertising, as it has happened in other countries, can play a constructive role in motivating people towards greater achievements in all fields of life and also in bringing about desired changes in their behaviour, attitudes and for an improved socio-economic milieu. Advertising plays a major role for contributing heavily to the future growth of a country as well as satisfying the social needs of its people.

1.5 METHODOLOGY OF THE STUDY

The methodology of the study is consisted of two phases. In the first phase, an extensive study were made on different books on the subject at
different libraries at Calcutta, viz., Central Library of Calcutta University, British Council Library, National Library etc.

In the second phase, personal interview and interview by issuing questionnaires were conducted among the academicians, professionals, executive officers, consumers' of different types of products in different markets and business proprietor's etc. for collecting information relating to advertisement in Indian perspective.

1.6 PLAN OF THE RESEARCH STUDY

The proposed work "Social audit of advertising" has been divided into seven chapters including 'Introduction', where all details regarding back-ground of advertising, objective of the study, rationale of the study, importance of the study, methodology of the study and plan of the research study have been discussed.

The second chapter, 'Dimension and scope of the study', deals with definitions of advertising from multidimensional view, advertising cycle system,
ways of advertising, objectives of advertising, principles of advertising, advertising as an important segment of marketing, social views of advertising, impact of advertising on product life-cycle, advertising impact on production costs, advertising as a potential weapon for market economy, and advertising as a means of conveying information.

The third chapter, 'Audit on different media of advertising on the basis of cost-benefit analysis', highlights concept and aims of advertising campaign, relevant factors for planning an advertising campaign, concept of advertising media, characteristics of advertising media, functions of advertising media, functional checklist of advertising media, categories of advertising media, factors for selection of a suitable media and control of advertising media.

The fourth chapter, 'Audit on social impact of advertising', covers concept of business from social angle, social responsibilities of advertising, basic concept of social audit, economic and social effects of advertising, social audit of advertising in Indian scenario.
The fifth chapter, 'Audit on financial propriety of advertising', consists of basic concept of propriety audit, factors relevant for planning advertisement expenditure, measuring effectiveness of advertising expenditure, basis of allocation of advertisement budget and budgetary control of advertisement expenditure.

The sixth chapter, 'Audit on behavioural approach of advertising', ensures to explain basic concept of behavioural process, affecting factors of buyers' behaviour, buyers' reaction on advertisement, inter-relationship between behavioural attitudes and social changes, behavioural pattern of advertisement, evaluation of behavioural pattern of advertisement.

The concluding chapter, 'Summary and recommendations', briefly asserts the discussion in different chapters of the study and reveals the findings of the study stating the impacts of advertisement on the society and the requirements of social audit vis-a-vis the social audit of advertising. In addition, some recommendations favouring social audit of advertising have been suggested before the finishing touch of the study.