

## Topic: "Online Advertising: Guiding or Misguiding Customers?"

### Outline

#### (1) Introduction

**Thesis statement:** Online advertisement guides or misguides customers is a concerning question, nowadays. Online advertisers misguide consumers in many ways for their personal economic interests. They utilize deceptive techniques to sell their products at the expense of customers' trust.

#### (2) How Online Advertisement Guides or Misguides Customers

#### (3) Online Advertisers Misguide Customers in Many ways for Their Personal Interests

- (a) Making exaggerated claims about products' effectiveness of product
- (b) Using deceptive visuals to cover up the reality
- (c) Making unsubstantiated claims about the benefits of product

- (d) Misleading customers by using vague terms
- (e) Trapping customers by false price information
- (f) Grabbing the attention through false information in advertisement headline
- (g) Inexperienced social media influencers misguide the customers

#### (4) Online Advertising Guides People to Make Right Choice

- (a) Misguiding customers is not peculiar to online advertisement
- (b) Feedback and review system reduces the chances of misguidance
- (c) Advertisers of Brands prioritize maintenance of their reputation
- (d) Artificial Intelligence (AI) is used to detect Ad Frauds
- (e) Rising Trend of Online Advertisement shows its credibility

#### (5) Online Advertisers Use Deceptive Techniques to Mislead Consumers

- (a) Social media advertisement raises misguidance

by manifold

(b) Fabricated and false testimonials undermine the feedback system

(c) Local producers steal and misuse <sup>b</sup> Brands' names and reputation

(d) All further blurs the line between authentic and fake advertisements

(e) Exploitation of consumers' personal data raises customer concerns

(6) Conclusion

## The Essay

The proverbial clever fox was hungry and looking for something to eat. After a while, she saw a crow with a piece of cheese in his beak sitting on the branch of a tree. She decided to eat the cheese, but she could not climb the tree. Thus, she used a deceptive trick to flatter him. She complimented that he had very good voice and requested him to sing a song. The crow, being flattered, sang a song. When he had opened his mouth to sing, his cheese fell on the ground and <sup>was</sup> eaten. (3)

by the fox. This story has a lot of similarity with today's online advertisement market.

The online advertisers, just like the fox, use deceptive tricks to sell their products.

Online advertisement guides or misguides customers is a concerning question, nowadays.

Online advertisers misguide consumers in many ways for their personal economic interests.

They utilize deceptive techniques to sell their products at the expense of customers' trust.

They make exaggerated and unsubstantiated claims about the product, and

use deceptive visuals and vague terms to misguide the customers. They also use false

price information and catchy advertisement headlines to trap the customers. Moreover, social

media influencers without any experience make false claims to promote a product. Nevertheless,

there is a faction of people who claims that online advertisement guides the customers

in making right choice. They argue that traditional online advertisement also misguides the customers.

The online advertisers use feedback system and artificial intelligence (AI) to identify

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ad frauds and improve services. They do so as they want to maintain their reputation. Consequently, the rising trend of online advertising shows its credibility. But the reality is just opposite. The growing trend of social media has resulted in <sup>making</sup> deceptive advertisement more easy. The fabricated reviews and misuse of Brand names by local producers further deteriorate the situation. The misuse of AI and exploitation of personal data by advertisers have raised the customer concerns.

The role of online advertisement in guiding customers is a conundrum. One faction of people argues in favor of online advertising. They say that it helps the customers in buying goods and services by offering a variety of products, customer services, and feedback system at home. That is why, more and more people are moving towards online markets for shopping. The global digital advertising and marketing market for 2024 is estimated at \$667 billion and is projected to reach \$7862 billion (5)

by 2026 (wordstream.com, Changing Digital Marketing Statistics, 2024). However, there are growing concerns over increasing number of deception <sup>cases</sup> in online advertisement. People are misguided by the <sup>wrong</sup> information, visuals, and false reviews while making choice of buying goods. Advertisers prioritize their economic benefits putting aside the customers' interests. According to an estimation, the cost of digital ad fraud in 2021 was \$65 billion (statista.com, Ad Fraud <sup>Feb</sup>, 2024). Thus, misguidance by online advertisement <sup>is</sup> causing a huge economic loss globally.

Making exaggerated claims about effectiveness of products is chief among other deceptive tricks of online advertisement. The advertisers claim that the product has a lot of benefits while it does not have actually.

They mislead the customers through such claims. Due to this misguidance, the customers tend to buy these products resulting in increased selling by manifold.

⑥ For instance, a well-known automotive

brand namely "Volkswagen" faced ~~it~~ legal challenges on false advertisement practices.

The company advertised that the automobiles are environment-friendly as due to lower emissions. Later, the US Federal Trade Commission stated that the company manipulated the emission testing to show that the automobiles have lower emissions. The company was liable to pay fine of \$10 billion (Brock Munro, Misleading Advertisement Examples, Sep 2024). This is how, advertisers falsely claim the excessive benefits of the product to enhance their selling.

Apart from exaggerated claims, the advertisers use deceptive visuals to misguide the customers. They use heavily altered visuals to cover up the reality. This phenomenon is unduly utilized in beauty industry. They use various filters to hide the actual texture and imperfections of skin and hair. Along with that the unrealistic, extreme difference between "before" and "after" visuals

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further misleads the viewers. According to a study, "many cosmetic preparations that are offered online ... use eye-tracking filters to mislead consumers that a certain product will provide them with an identical effect (Helesowennews.com, Social Media: Mental Health looped with False Advertising, March 2023). Thus, unrealistic visuals are a key tool used by online advertisers to misguide the consumers.

Unsubstantiated claims are another type of trick used to misguide the online customers. In online advertisement, it becomes easy to misguide the audience about the authenticity of claims about the products. The advertisers' claims are usually not validated by specialists or any other authentic source. The online influencers act like as they are doctors, or other types of specialists. The widely used claim "clinically proven" may have grave health concerns. Unfortunately, the advertisers are just concerned with their economic benefits. (8)



For instance, a famous cosmetic brand L'Oreal faced a scrutiny on unsubstantiated claims about its products in 2014. It was claimed that the products boosted the genes to rejuvenate the skin and ~~are~~ were clinically proven. The American Federal Trade Commission concluded that the claims were unsubstantiated (Brock Munro, Misleading Advertisement, Sep 2024). Hence, the customers <sup>are</sup> misled through unsubstantiated claims during online advertisement.

The vague terms are excessively used in online advertisement which usually misguide the customers. The usage of terms such as natural, organic, and herbal is rampant, nowadays. The actual ingredients used in the products are not mentioned to illude the origin of product. The customers, unaware of the actual ingredients, are trapped by terms "organic" and "herbal" which are too vague to determine the effectiveness of the product. It is essential to mention the actual ingredients along with quantitative amount. The irresponsible (9)

use of vague terms is excessively used in soap, shampoo, and other cosmetic products' commercials on television. Thus, online advertisers make use of unclear terms to attract the consumers.

Online advertisers misguide the customers through displaying false price information. This is done through various ways: substantial sales, offering one free <sup>item</sup> with one purchase, and hiding the additional costs or fees such as taxes and delivery charges. These offers are just used to attract the customers with no economic benefit. People with poor economic conditions see these offers as opportunities to buy products at economical rate. However, they come to know the exact amount at the time of transaction which is usually more than their <sup>of</sup> displayed price. This it proves to be a shock for customers. In brief, false information regarding the pricing mechanism misleads the consumers to increase the selling of goods and services.

Headlines in online advertisements contain such information which immediately grab the consumer's attention despite being irrelevant to the product. In such cases, the information may be least important regarding the product, user's sensitive information, or entirely false. These types of headlines are designed to increase the customers' traffic to online stores. Once the visitors come to the website, it becomes easy to sell the product through attractive representation of the products. For instance, it is very common that an advertisement headline popped up on various search engines which states, that "your data has been hacked, download the antivirus app". While someone clicks on it, it redirects him or her to an online market. In summation, false information in headlines is a deceptive trick used to misguide the people and redirect them to an online shop.

Probably, the major source of misguidance in online advertisement is product reviews by

inexperienced social media influencers. The social media influencers largely impact the buying decisions of online consumers. It is evident from the fact that influencers' global industry was worth around \$21 billion in 2023 (Muna Khan, Under the Influence, <sup>ember</sup> Sep 2024). The reviews by the influencers misguide the viewers as they are usually not experienced and specialists of the respective fields. Moreover, the products which they advertise are not used by themselves. According to a study, close to 70% of consumers who follow influencers on social media said they purchased a product as a result of an influencer's mentioning the product. A quarter of respondents from this group claimed that they later felt misled and cheated about the product (Radoslav Baltezarevic, Deceptive Advertising in Online Environment, March 2023).

Hence, influencers misguide their <sup>online</sup> followers causing the online advertising useless and ineffective.

Despite all these facts, some people argue that deceptive advertisement is not peculiar to online mode. Traditional advertisement equally uses these tricks to enhance the selling of products. Just like online advertising, traditional advertisers make exaggerated and unsubstantiated claims about the benefits of products. Moreover, they trap the customers through sales, discounts, and hiding the taxes and delivery charges. Therefore, it is unjustifiable to tag the online advertisement as a source of consumers' misguidance. Actually, using deceptive methods to promote selling of goods and services is a part of advertising, it has nothing to do with traditional or online advertisement modes. In short, online advertisement does not misguide the customers, instead it has made it easy and accessible.

The feature of feedback and review helps to reduce the chances of misguidance in online advertisement. The previous customers share their experience and reviews about the (13)

products online. This feedback assists the new customers to make right choice. Any deception faced by the former customers will shape the decision-making of new customers. That is why, online advertisers try their best to guide the customers to in a right way. Any misconduct from advertiser's side can proved to be an economic setback for their business. It is because of a lot of customers approach them through online advertisement. Hence, the system of feedback ensures that noone could be misguided on online advertisement platforms.

The renowned companies always prioritize to protect their reputation for which they avoid deceptive methods for short-term economic interests. It is not the product which makes profit, instead it is the reputation and brand name which helps to earn prosperity. This is the reason behind immense spending on maintenance of reputation by branded companies worldwide.

Any allegation or scrutiny regarding false advertisement practices can prove to be a major blow to company's reputation. For instance, the allegations of false advertisement practices was a major setback for reputation of "Volkswagen" automotive company. Similarly, L'Oreal faced the legal challenges on making unsubstantiated claims. As a result, the company faced a major economic loss. Thus, the urge to maintain the reputation prevents advertisers from misguiding the consumers.

The integration of artificial intelligence has reduced the chances of <sup>a</sup> Ad frauds <sub>online</sub> and improved the advertisement. AI has not only improved the customer services, but it also has made the online advertising free from fraudulent activities. Advertisers use AI powered fraud detection system to analyze the complex patterns to detect suspicious activities. Moreover, it helps to detect the fake reviews regarding products. That is why, Google is harnessing a new AI technology to block a surge of

fake online reviews that misled customers and harm local business. The Google stopped over 170 million fake review in 2023 (Search Engine Journal, Google Uses AI to Delete Fake Reviews, February 2024). This is how, AI helps online advertisement to get rid of misguidance.

The growing trend of online advertisement shows its credibility and effectiveness. It proves that consumers are satisfied with customer services of online advertising. The consumers' satisfaction, in turn, is a result of guidance which is provided to the online customers. On the other hand, traditional advertising is reducing its worth day-by-day. It is because online advertising is a better alternative which provides easy access to a variety of products, guidance from the experience of previous customers, and awareness about the modern trends. In summation, people prefer online advertisement over traditional one due to incentives and guidance which it



provides to its customers.

Despite all these arguments, it is a non-deniable fact that misguidance in realm of online advertisement has raised by manifold due to the rise of social media.

Social media has attracted a lot of population in last two decades. Online advertisers have realized the fact and used it for promotion of their products.

On social media, they can approach a lot of viewers and increase their selling to a large extent. Moreover, lack of scrutiny in social media apps makes them an easy platform for fraudsters to conduct their activities. It is evident from the conclusion of a study which states that social media <sup>is</sup> increasingly becoming a place of deceptive advertisements and fraudsters, and users should be cautious when making monetary transactions on online purchases (Ruhshona Soledjonova, Misleading Social Media ads, November 2022). Thus, rise of social media has resulted in increased chances

## ↳ misguided online advertisement.

Fabricated and false testimonials have undermined the effectiveness and benefits of feedback and review system. <sup>The</sup> Advertisers use various means to manipulate the system for their own interests. They fabricate the reviews by paying the well-known personalities. Along with this, they use the so-called "Cherry Picking Technique". They select and represent only those reviews which present one claim in the favor of the selling product, while removing and hiding the reviews which contradict with favoring claim. Such tricks are used to exploit the review system which is a source of guidance for online consumers. Hence, people are misguided by fabricated and false reviews designed to benefit the advertisers.

Local producers usually steal and misuse the brands' names and reputation by copying them with minor changes. Although,

top brand companies prioritize their reputation, this reputation can be destroyed by local producers. They use the similar logos, almost same names, and matching slogans to promote their products. For instance, the name, logo, color, and slogan of a soft drink "Next-Cola" is just similar to <sup>that of</sup> a well-known brand "Coca-Cola". This deception not only misguides the customers, but it also destroys the reputation of famous brand. Whenever a local version of a product comes into the market, it reduces the selling of branded product due to its lower price. Thus, the prioritization of Brands' reputation is not enough to prevent the spread of misguidance in the online advertisement landscape.

Artificial intelligence (AI) has blurred the difference between real and fake advertisements. Deepfake AI technology is being used to generate fake ads. Through this technology, advertisers make deepfake images and videos of renowned celebrities, event without <sup>their</sup> consent. Such fake visuals

are then utilized to make false claims about the products. This deepfake technology is deeply impacting the online advertisements' effectiveness negatively. It has increased the possibility of online misleading by manifold. For instance, a deepfake video of the world's biggest (young) YouTuber, Mr. Beast, appeared on TikTok. In the video, his deepfake version was offering people new iPhones for \$2 (bbc.com, MrBeast Used in Deepfake Scam, October 2023). In this way, the customers are being misguided by the online advertisers through the use of AI technology.

Among other issues, the most burning concern is the exploitation of customers' personal <sup>data</sup> which has raised tension among them. When a customer visits an online advertising site, the site gets access to the customer's data. This data is saved and then used in future for various purposes. Online surveys and studies show that the

online consumers are worried about the safety and privacy of their private information. This aspect of online advertisement outrightly compromises ~~the~~ its benefits, efficiency, and effectiveness. Hence, data privacy concerns undermine the utilization of online advertisement.

In a nutshell, there ~~are~~ <sup>exist</sup> arguments against and in favour of role of online advertisement in guiding online customers.

Admittedly, online advertising misguides the customers through multiple ways. One method is the use of false claims such as exaggerated and unsubstantiated claims about the products. The misuse of photo filters and general terms is another tool to make customers fool. Moreover, false information regarding the pricing mechanism and in ad headlines proves to be a trapping net. Social media influencers also play a key role in misleading the consumers. In the counter-argument, it is claimed that it guides the consumers.

Moreover, ~~because~~ deceptive advertising is common to both traditional and online advertisement platforms. There are no chances of misguidance due to feedback system, struggle to maintain reputation, and use of AI in fraud detection. As a result, its popularity is increasing day-by-day. Having said that, online advertisement delect the online consumers for their own financial interests. It is an un-deniable fact that rise in social media usage is followed by increase in cheating in advertisement on online platforms. Furthermore, publishers manage to display fabricated or invented reviews. Lastly, the <sup>revelation about</sup> misuse of AI Deepfake technology to generate fake ads and consumers' personal data has blown the whistle in the realm of online advertisement. In summation, online advertising misguides the customers.