

In closing, I would like to say we have all made very significant efforts to establish and preserve consumer and economic education. Yet the challenges continue to confront us. As we have considered consumer and economic education as "preparation for life," I believe the current emphasis on educational reform provides a wonderful opportunity to work together with state leaders in seeking the incorporation of consumer and economic concepts into the school curriculum for all students.

I know that by working together we can reach our common goal of preparing students and adults for their life-long role as consumers in today's economy. I am confident that we will have an impact through our continued dedication and effort.

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### **CORPORATE ADVERTISING: SELLING MORE THAN PRODUCTS**

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Consumer interest professionals and consumer educators have traditionally been concerned with monitoring and examining corporate promotional activities. In terms of advertising, consumer educators have developed tools for the critical evaluation of advertising claims and its influence on consumer decision-making. Units have been designed to help students understand the role of advertising in our society and in the marketplace. Different types of advertising such as comparative, evaluative, misleading, or deceptive are included in classroom discussions. Yet, because educators do not have the resources to review the vast literature relevant to advertising, there may be trends in the area of which they are not aware or about which they need more information.

The intent of this paper is to provide a synthesis of the literature about a specific type of commercial promotion — corporate advertising. If past expenditure patterns for corporate advertising continue, consumers will be exposed to more of this type of advertising in the future. Total spending for corporate advertising in 1984 was \$2 billion. That amount seems small in light of the fact that it only represents about 3 percent of all advertising expenditures. Yet, it indicates a 70 percent increase compared with the previous year [4]. Look for a

growing number of these ads in magazines, newspapers, special supplements, network and cable television, radio, and outdoor spaces [2].

Although there is no consensus about a definition of the term, **corporate advertising** can be described as advertising efforts by corporations and industry associations to inform, educate and persuade the general public and special constituent groups about business's views, images, or activities [10, 14].

Unlike advertising which has the common objective of selling a product, corporate advertising can incorporate many company objectives, not excluding the promotion of a targeted product. Current examples often present a company's view or image in conjunction with product messages; for example, the "We're Beatrice" campaign which was launched to identify a company with its product lines. This hybrid form of advertising, which combines the talents of advertising and public relations professionals, has been described as a new genre of advertising that blends corporate and long-term product sell [3, 4, 19]. Simultaneously, it has also become a tool for attempting to influence public opinion and public policy [1, 6, 8, 14, 15, 16].

#### **Types of Corporate Advertising**

Over time the literature has provided an elaborate breakdown of different types of corporate advertising, but they basically fit into Sethi's [15] differentiation of two categories: image and advocacy. Each category has evolved in response to changing sociopolitical, legal, and economic environments. Each category also usually incorporates different corporate objectives. However, it is important to recognize that some campaigns use both image and advocacy appeals which can include product advertising. The following will present a brief summary of the dominant characteristics of these two categories.

##### **Image**

**Image advertising** is also known as institutional, identity, and capabilities advertising. It is prevalent in high-priced durable goods and service-oriented industries where consumers directly relate product quality to the manufacturer or service provider [12]. For example, AT&T's "Right Choice" campaign was launched to influence the public's perception of the company's quality, reliability and service. Additionally, because products are changing so rapidly, getting the corporate image across maintains a positive image of the company long after the product is gone. In other words, the reputation of the company is important not only to the sale of its products today, but to its future products [18, 4].

**Goodwill image advertising** can be the sponsorship of a consumer education booklet or the company logo after a public television program. The goal is to promote a positive outlook toward a corporation. Building a "good neighbor" image is perceived as building a sound reputation which maintains customer goodwill [15, 12]. Here, corporations also often promote activities that would encourage a positive corporate image (e.g. the Ronald McDonald House).

**Identity image advertising** is used to overcome low awareness levels or for projecting a new identity in order to attract and keep customers and skilled employees [14, 7]. More recently it has been a response to the economic environment of divestiture, deregulation, merger and acquisition. Corporations are relying on identity advertising to differentiate themselves from competitors, to support "corporate missions" and to encourage financial analysts to understand company philosophies and business interests [4, 5, 10, 19]. Presentations of the corporate "essence" have become so popular that observers have called it an exercise in "corporate vanity" [3, 4].

**Crisis management image advertising** is to rectify a given emergency situation or to counteract the spread of anticorporate information; for example, McDonald's advertising which sought to convince consumers that the company does not put chopped worms in its hamburgers, or Procter & Gamble's reputation of its satanic connections. This type of advertising would also include corporate responses to disasters such as the Tylenol incident or the chemical accident in Bhopal [5, 7].

### **Advocacy**

Adversary, issue, controversy, and advertorial advertising are all terms for advocacy advertising. This second type of corporate advertising is different from the image category in that it addresses controversial issues in a way that supports the position and interest of the sponsor while denying the accuracy of facts from the sponsor's opponents [16]. Its main goal is to generate public support for corporate positions on crucial issues [14]. In an historical context, advocacy advertising can be viewed as corporations' response to their perception of the late 60s: a hostile press, threats of government regulation and environmental and consumer groups [4, 8]. Since the early 70s when major oil companies were running an ad "blitz" to absolve themselves from blame for fuel shortages and environmental concerns advocacy advertising has now become part of a corporation's overall corporate communications strategy [3, 13].

Mobil Oil systematically uses advocacy advertising to defend its profits and practices including its constitutional right to express its opinions in advertising [17]. For example, Mobil's "Giving the Marketplace a Chance" series of corporate advertorials addresses national energy policies, regulation, and supports the general doctrine of the free enterprise system (i.e. highly critical of government regulation). Another good example of an advocacy advertising campaign can be found in the insurance industry's and insurance associations' explanation of the "insurance crisis." In terms of implications for the consumer interest area, advocacy advertising is ripe for discussion. The following briefly outlines some of the dominant issues.

**Sociocultural Context:** Advocacy campaigns are designed to change public attitudes toward a corporation's actions and performance. Because the ads apply traditional American values or widely held beliefs to subdue skepticism and inpart trust, sponsors are expecting to insulate themselves from attack — adversaries must implicitly criticize these basic values in order to raise objections to the message [15].

**Domination of Public Discourse:** The recent elimination of the FCC's Fairness Doctrine may signal a significant modification of media content. In the past, advocacy advertising has not gained access to the major television networks because broadcasters feared a demand for equal time for opposing views required by the Fairness Doctrine. Because this requirement no longer exists, advocacy advertising is likely to hit the airways in full force. Furthermore, other recent FCC deregulation allows full program-length paid commercial advertisements which can now take the form of advocacy advertising.

In terms of public discourse, the "deep pockets" side of this issue is the question of whether the agenda of public discussion should be set by those who have the greatest financial assets for advertising expenditures [6]. For example, should R.J. Reynolds be allowed to advertorialize that the research on second-hand smoke or the scientific evidence linking smoking and heart disease is not legitimate [11]? Similar questions can be asked of almost all industry associations and corporations.

On the other side of the issue, O'Toole points out that advocacy advertising adds to the supply of fact, opinion and interpretation which enables the public to shape its own ideas; with issues becoming increasingly complex, more information in the marketplace of ideas is better than less [9]. The challenge lies in creating clear policy guidelines that ensures the rights of corporations while at the same time prevents their domination of the public communication space [6, 14].

**Labeling for Advocacy Advertising:** Advocacy advertising empowers corporations' communications by the fact that the content of the message is controlled and defined in a manner most favorable to the sponsor and the fact that the environment in which the message is carefully controlled makes an otherwise one-sided viewpoint appear objective and balanced [16]. To help identify such biased communications to consumers and yet still allow corporations latitude under the First Amendment right to protected speech, advocates have suggested an advertising labeling system which clearly identifies the sponsor and opinion nature of the content. It is maintained that such a system could at least allow the public an opportunity to appropriately evaluate the arguments to which they are being subjected [13, 14].

### Implications for Consumer Educators

This paper has identified categories and characteristics of corporate advertising as they relate to the consumer-interest area. From this review, it is clear that advertising is evolving to play an ever-increasing role in our society. Since the general purpose of the classroom study of advertising is to raise student's level of awareness about the influence of advertising in society and on consumer decision-making, nontraditional forms of advertising should be covered. The importance of consumer educators' role in this process should not be overemphasized. In terms of a critical, analytical approach to advertising, consumer educators may be the only source of information to which secondary students are ever exposed.

For classroom applications, lesson plans can be developed to include the nontraditional forms of advertising and their possible influence on consumers' opinions, attitudes and decision-making. It is hoped that the synthesis provided by this paper will allow educators and students to draw the most current examples of corporate advertising campaigns from the mass media for classroom use. Discussions about the ads can analyze the various corporate objectives illustrated in each campaign and their possible impact on consumers and especially in the case of corporate advertising — on society.

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