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Can Statements Made by Performers in TV Commercials Be Considered Stealth Marketing?



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ABSTRACT

Despite awareness about the existence of fiction and non-fiction TV programs, it might be difficult for viewers to decipher between them. Viewers remain unaffected if the content does not hinder their interests. However, if the content entails any kind of profit or loss, clarifying its authenticity becomes important. Viewers do realize that the commercials normally played in-between TV programs are intended to promote the goods these are associated with. However, when the commercial is a single program, they may not understand whether the entire program comprises only of production and promotion, or whether the performer's remarks convey his/her true intentions. Such acts that seem to be stealth marketing are actively carried out on Social Networking Service (SNS) in Japan. However, little is known about TV commercials. This paper examines, through examples, whether statements in TV commercials made by performers are a form of stealth marketing. It also provides ours as well as lawyer's views.

INTRODUCTION

Viewers understand that among television programs, news and wide shows are non-fictional and seem to be true, while dramas and variety shows are fictional and not to be true. However, it may be difficult to identify whether the content is fictional or non-fictional. If the content does not inhibit the benefits of direct viewers, it is not problematic. If it entails any kind of profit and loss, clarifying its authenticity becomes vital.

Many viewers do realize that the commercials (commercial messages) usually played in-between TV programs are only for promoting products. Thus, performers are viewed as promoting the products, including the product features according to the relevant scenario. This changes when the commercial constitutes the entire program or is a corner in a wide show. The composition then includes the party that recommends regular products and the other party that includes talents and celebrities who play the consumers' (viewers) role. The viewer may not be able to tell whether the entire composition comprises only of direction and promotion, or whether the performer's remarks are based on his/her own will. If it is the latter, there is no problem at all, even if the result is a promotion. If not, then this constitutes a lie, and the performer may be perceived as deceiving the viewer. Such acts that seem to be stealth marketing are actively performed in Japan on Social Networking Service (SNS), such as blogs, Twitter, and Instagram (Fig. 1). Although many points have already been made¹, there is little knowledge about matters related to TV commercials. Most SNSs contain first-person compositions, which seem different from TV commercials. In this paper, we examine whether TV commercials fall under the category of stealth marketing through examples. We also provide our and lawyers' views.

Definition of stealth marketing

Stealth marketing is an advertising method that deceives consumers by hiding them without clearly stating them as advertisements and pretending to be highly rated non-profit reviews^{1,2}. Owing to gray zone acts that are not clearly illegal in Japan³, despite acknowledging the existence of stealth marketing by entertainers and influencers (people who act with great influence on the world), these are still rampant on websites and SNS (Fig.2-3). Thus, consumers may be unable to identify online advertising methods that are widely recognized despite being considered as criminal acts.

There is hardly any public interest or consumer attraction when a new store or product is launched. Stealth marketing portrays a highly rated “fake image” although the store is not rated as such, creating a buzz about it. For instance, asking a temporary staffing company to hire many part-time workers and having them form a procession in front of the store, filming, and then reporting this on TV programs. Several such images, photographs, and articles are released to the mass media for a fee. This is a kind of procession-induced commercial method (using the psychological effects on human beings to intentionally create a procession at a store to make people think that the products and services of the store are popular, inspiring them to purchase the store’s products). The store becomes temporarily prosperous and profitable as a store featured on TV programs.

Advertising agencies that often devise stealth marketing strategies use broadcast program slots that they usually buy from broadcasters. The program presents the advertisements as objective information/news. In some cases, the above-mentioned procession images and words are pre-planned. Stealth marketing is often criticized by consumer groups and others from a moral point of view. Once the “fake” element is discovered, companies lose consumers’ trust. Unlike SNS, complaints regarding TV content are limited to phrases and video expressions that are considered offensive from the perspectives of obscenity, gender, and age⁴.

In Japan, the Consumer Affairs Agency (CAA) published guidelines for the Act Against Unjustifiable Premiums and Misleading Presentations (problems and noteworthy points in the Act about advertisement display related to online consumer transactions) in 2011. Word-of-mouth-based information is considered problematic as an improper display under the Act in the following cases: if a business operator posts the information on the word-of-mouth website or blog by himself or asks a third party to post it. This information is then misunderstood by general consumers as being significantly better or more advantageous than the actual one or the one related to competitors in terms of the contents or transaction conditions of the business operator’s goods and services. In other words, this part of the act can be interpreted as being limited to online information. If it is broadly interpreted, it can be applied to advertisements, including ones on TV.

Ambiguous CM configuration examples

The following are cases that may transform into stealth marketing: 1) when a talent talks about the goodness of a product in an “experience story format” in TV programs, distributed videos, magazine articles, *etc.*, consumers may view this as a neutral opinion. This is because there is no indication of it being an “advertisement”³. Lawyers consider such advertising methods to be an illegal “means of significantly showing the quality of products.” It is not illegal if the viewer can easily see that they are rewarded and recommended. Unfortunately, in these cases, the telop, such as “This is a personal impression” or “This is a commercial” are usually displayed in small letters, making it seem like the talent’s honest opinion. Perhaps, during the edit, only the content that is convenient for the advertisement is extracted and used for broadcasting. Another problem is that if a talent who is not popular and who looks like someone from the general public speaks, he/she is not perceived as someone who was hired. Regardless of the person’s intention, the recommendation of a celebrity may improve purchasing motivation⁵.

2) The format of TV programs is such that the talents share their experiences praising a product’s utility but the viewers can easily understand that they received rewards for doing so³. The lawyers do not consider it illegal if consumers can see that the talent received rewards, as is the case of a normal TV commercial that employs the talent. However, we suspect that no consumer can really comprehend what behaviors or what is displayed on the screen indicate that rewards were received.

3) In a TV drama scene, an actor is asked to shoot a scene that casually uses the company’s products³. Such methods are often observed outside of TV dramas. The performer’s belongings and clothes may catch the viewer’s eyes and motivate the latter into buying them. Obviously, if a certain product is provided to the performers for promotion, the company name of the product is displayed on the telop at the end of the program. However, in the absence of this, these products may simply be interpreted as personal belongings. This advertising method is called product placement, which appeals to consumers as an advertisement without them being aware of it. Certainly, it seems that the costumes and belongings worn onscreen will not be advertised unless the manufacturer’s name is stated or recommended to other performers. However, suppose an actor hires a coordinator to decide on his/her outfit, and the coordinator purchases a large number

of clothes from a manufacturer at a low price due to which the actor wears only the clothes made by the same manufacturer. It may not be the actor him/herself, but the coordinator may be profiting from buying clothes that cheap. This can be a complicated affair. Following the drama, there are cases where a commercial is inserted as a parody, which is not problematic because it is outright product promotion.

What is the problem?

Traditionally, relatively strict rules apply to the printing industry, and in principle, confusing advertisements are not posted⁶. An advertisement created in the style of a news article, like an incident for instance, is called an “article advertisement.” However, when posting such content, texts explicitly mentioning the same as an advertisement or stating the role of PR must be included. This way, the consumer instantly becomes aware that this is an advertisement. Advertising rules are yet not established for TV as a medium. When a company pays a TV station through an advertising agency or other means, it may get their products and services featured (How and how much to pick up differs case by case)⁶. However, the term “advertisement” is not displayed on the screen. Thus, viewers might misconstrue corporate advertising as neutral content.

On SNS, there are many indications from viewers because it is in the individual interest of the channel creator (many of whom also serve as performers). When it comes to TV, the profit is directly obtained by the seller of the product or TV station, and we think that the monitoring mechanisms, such as viewer complaints do not work well. For example, performers often include employees of TV stations, such as announcers, and it is unlikely that a separate performance fee is incurred even if they appear in such commercials. The product sellers are companies that may sponsor other TV programs and newspaper articles. We think that it is difficult for the media, such as newspaper companies, which are in the same industry as TV stations, to point out such tie-ups (cooperation in marketing activities).

CONCLUSION

Unlike other media, TV includes the concept of “offering.” Apart from the commercials that earn a slot, having the program itself invested as a sponsor has become an established form of

production⁶. This is primarily because there is no resistance to tie-ups with companies because of such customs. It is also possible to maintain the production of high-quality programs unrelated to commercials by having highly conscious sponsors support the entire program. The form of TV production should not be criticized unconditionally and immediately. The sponsor is specified in the name of the “offer” to enable the viewer to recognize the sponsor’s intention of working on the program. Advertising a client without a clear statement and without knowing who is paying might mislead the viewer. Tie-ups like these still require clear rules. Although not TV, in the case of YouTube, incorporating explicit messages, such as “this content includes promotion” has recently become a trend to clarify that the content includes advertising⁷.

As per lawyers, it is all about “whether the general public can understand that they are being funded and advertised.” However, there seems to be a gap between what lawyers and the general public think. We hope for legal amendments to enable consumers’ easy understanding (Fig. 4). Even if such amendments are difficult, we intend to follow them as conventions.

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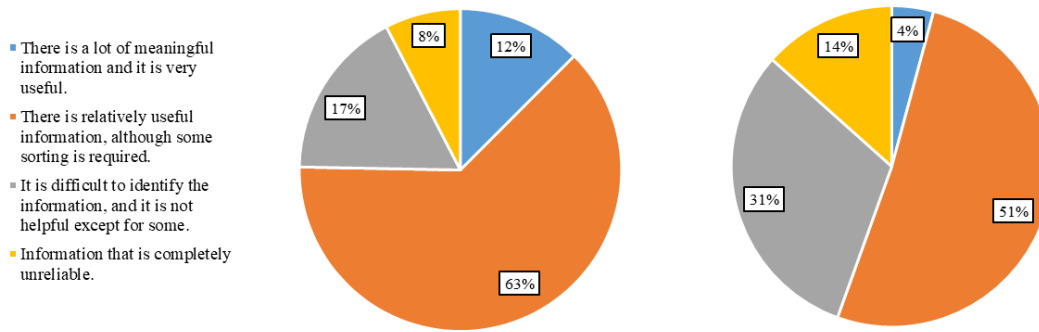


Figure No. 1: Recognition of word-of-mouth information on the Internet

In February 2012, Amazon conducted an online questionnaire-based survey involving men and women from the general public in their 10-50s (N = 409, 203 men / 206 women).

The graph shows the differences in perception before and after fake coverage of word-of-mouth restaurant websites by vendors (left and right, respectively).

Based on the data in reference 8).

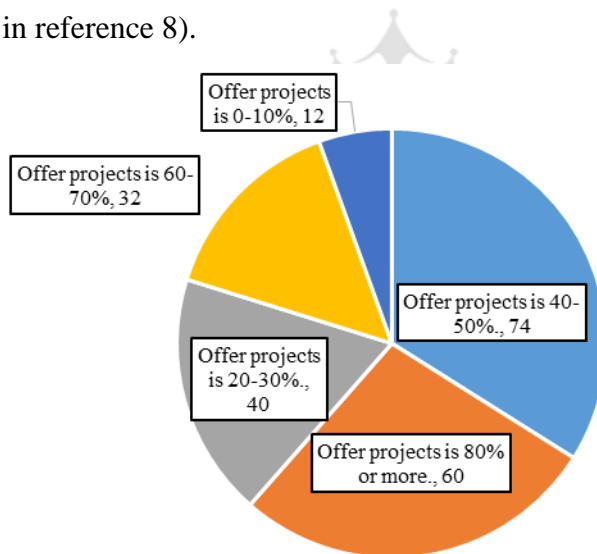


Figure No. 2: Ratio of company-offer projects and individual posts

The 018 Co., Ltd. conducted an online questionnaire-based survey on SNS postings involving 218 female influencers (who have 5000-100,000 followers).

The offer project was categorized as a financially-involved job offered or instructed by a company. In the contradictory sense, there was a personal post.

Based on the data in reference 9).

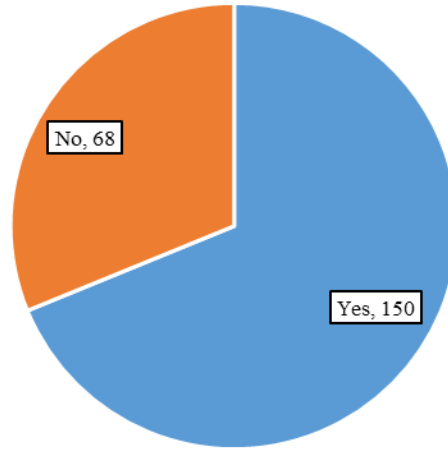
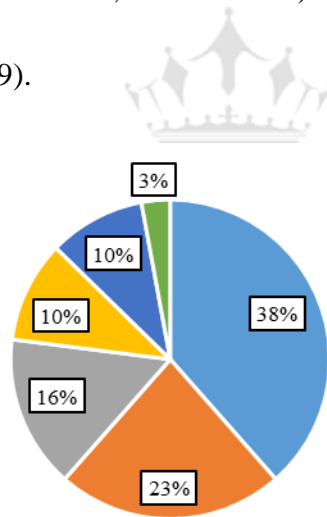


Figure No. 3: Percentage of company-offer projects that have been posted without explanation of the relationship

The 018 Co., Ltd. conducted an online questionnaire-based survey on SNS postings with 218 female influencers (who have 5000-100,000 followers).

Based on the data in reference 9).



- Users should screen the information, no one needs to regulate it.
- Companies and organizations involved in promotion should work together to provide guidelines.
- The government should regulate it.
- Wait for natural selection as it is.
- Internet users should make rules.
- Other

Figure No. 4: What should stealth marketing be like in the future?

In February 2012, Amazon conducted an online questionnaire-based survey with men and women from the general public in their 10-50s (N = 409, 203 men / 206 women).

Based on the data in reference 8).

