

Advertising: spending our money, to persuade us to buy more
by Ralph C. Martin

Before I was old enough to attend school I 'helped' my father on his milk route. On the side of his truck, in large, bold letters, was the declaration, "Carnation Milk from contented cows."

'Contented' was a puzzling word. So I asked dad and he smiled and said "it meant that the cows were quiet and calm and didn't run around." "But that's not true," I blurted. My experience was that cows on our route could not only be noisy and agitated; they sometimes charged. I was upset. We drove a truck that told a big lie.

Mike Nickerson, author of *Life, Money and Illusion* notes that ordinary citizens subsidize advertising in its attempts to persuade us to consume more. "Why" he asks, "should companies be credited with a tax break for their business expense of repetitiously influencing us to buy, especially if we don't want it? If they want to spend their money in this way, then let them bear the full cost."

Objections usually come swiftly. "How will we find out about quality products if companies don't advertise?" "It's not fair to strangle newspapers and other businesses that rely on advertising revenue." Nickerson is not saying companies should stop advertising; only that if they do advertise, it should not be a business expense.

If a company no longer received a 25% tax credit, it might advertise only 75% as much. Let's suppose a company spends \$10,000 per year to advertise. If it doesn't receive a tax refund of \$2,500 it could still buy \$7,500 worth of advertising. Perhaps \$7,500 would be just as effective, or possibly more, because their message would be less diluted by ads from other companies with similar reduced advertising budgets. With less distraction, consumers might actually discern more about the value of available goods and services.

Our current federal government advertises, on a large scale. To date, the Economic Action Plan has cost taxpayers \$100 million for ads. My guess is that the 'contented cows' of their ads are also noisy and agitated, with a propensity to charge. Susan Delacourt, author of *Shopping for Votes: How Politicians Choose Us and We*

Choose Them explains how we used to be seen as citizens, but are now considered customers, by political parties.

Peter Drucker, known as the Founder of 21st Century Management, argues that customers pay only for what is of use to them and gives them value. Why then is so much money spent on dubious claims? If the same attention and cash were devoted to creating real value, it's a safe bet that customers would appreciate the value and pay for it. They might even discover goods and services by word of mouth, apparently the most trusted source of information.

Google ad revenues were over \$48 billion in the last year. Fortunately, search engines, such as Duck Duck Go, also provide excellent service and arguably higher value, by not confronting a searcher with ads, nor with tracking of searches. On the Internet, value is becoming a matter of not having to cope with unwanted intrusions.

Astra Taylor in her book, *The People's Platform: Taking Back Power and Culture in the Digital Age*, notes how “the Internet was to make our culture more open but the companies that dominate the technology industry are shockingly opaque and every communication has become an advertising opportunity.” She encourages us to break our obsession with “free” and instead focus on “fair” i.e. fair for content creators.

In Canada, media advertising spending for each person, each year, is almost \$400. Annual global advertising spending (www.statista.com) has been over \$500 billion since 2012. If we assume the global corporate tax rate averages 25%, then \$125 billion was returned to companies by governments as tax credits. Are there not better uses for this money, as governments address climate change, food insecurity and declining health of people and ecosystems?

While conducting research in Cuba 17 years ago, I was struck by the peaceful ambience of walking along streets without advertising distractions. I seldom had trouble finding what I needed, due to lack of information. I just asked and, even with my limited Spanish, found what was available, while learning lots from folks in Cuba.

How can individuals, especially those most vulnerable, deal with direct and subliminal effects of advertising? When my daughter was a toddler, and I was a hawk-eyed parent, TV exposure and most of all advertising, was threatening. So we played a

game of not buying anything we saw advertised on the bit of TV we watched. She held me to it and we were richer for it.

As excess consumption and debt thwart options to sustain, let's bring advertising to account. Why should our money be spent to persuade us to buy more, especially when we often do not need nor even want it?

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