Advertising 101: A primer for consumers

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"Bad" advertising is all over the place - at least advertising that's perceived as "bad" by consumers. The Better Business Bureau of Minnesota and North Dakota (BBB) often receives calls from people claiming "bait and switch" tactics or "false advertising". Luckily, the BBB has a guidebook, the BBB Code of Advertising , to help identify and distinguish between problematic advertisements and "good" ads. We investigate concerns forwarded to us by the public. Here are some of the more common advertising issues we hear about:

- 1. "The shoes I saw in the ad weren't available in the store! That's Bait and Switch!" Consumers claim bait and switch frequently, but it isn't always the case. True Bait and Switch happens when a company offers something at a low price, but when a consumer arrives to buy the item, the company discourages the consumer from purchasing it and steers them to purchase another similar item at a higher price.
- 2. "The shoes I saw in the ad weren't available in the store they ran out!" According to the BBB Code of Advertising, a company must have enough of an item in stock to be able to offer it to a reasonable number of consumers. A company may advertise there will only be a limited quantity available. Consumers do need to take the time to read all aspects of an ad.
- 3. "Buy One Shoe and Get one FREE!!" A free offer should be just that FREE. Both the BBB and the Federal Trade Commission (FTC) have strong guidelines about free offers. When something is offered in combination with something else (for example, "Buy one shoe and get the second free!") the cost of the first shoe shouldn't be raised to cover the second one, thereby negating the offer. Also, if the product is always or normally free, then it's part of the business's regular costs and isn't a special offer.
- 4. "Buy One Pair of Shoes- Get a pair of Socks!**" The BBB Code of Advertising allows for disclaimers or disclosures to be added to offers, provided the fine print doesn't change the spirit of the advertisement. A disclaimer should explain the offer more fully. Disclaimers should be close enough to the placement of the asterisk (or asterisks) or clearly denoted so that consumers are able to read and understand them.
- 5. **"#1 Shoe Store in America!"** When a company makes a claim of superiority, they should be able to tell you how and when they were found to be #1 (or Minnesota's Largest or North Dakota's First, for example).
- 6. "We have the LOWEST prices on widgets!" The BBB Code of Advertising is clear: it is just about impossible for a company to have absolute knowledge at all times that their prices are the lowest. A company can offer "our lowest" prices, as they have knowledge of their prices. Wise consumers investigate prices before making a purchase.
- 7. "Looking to be President of the World? Our résumé service will get you there!" Puffery, as these outrageous claims are called, is frequently used in advertising. When the statement is so over the top that reasonable consumers can easily understand the claim is exaggerated, there's no real issue.
- 8. "Lose 40 pounds in the first month with this new miracle diet!" The BBB urges consumers to

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be extremely careful when taking advantage of these kinds of offers. A diet program should be supported by recent scientific research conducted by a neutral third party. Always check with a physician before beginning a diet or exercise program, especially one that promises miracle results.

The BBB needs consumers' help finding potentially misleading or confusing ads. Consumers can visit our website and click on our 'Ad Hawk Committee' link (http://minnesota.app.bbb.org/ad-hawk-committee) to report

concerns. The BBB will investigate the ads and contact the business to request that they either substantiate their claims or make any necessary corrections.

The mission of the Better Business Bureau is to be the leader in building marketplace trust by promoting, through self-regulation, the highest standards of business ethics and conduct, and to instill confidence in responsible businesses through programs of education and action that inform, assist and protect the general public. Our hours of operation are 8 a.m. to 5 p.m. Monday through Friday. Contact the BBB at bbb.org or 651-699-1111, toll-free at 1-800-646-6222. Visit our Centennial website at bbbis100.org

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