Impact of Unethical Advertising, Misleading Information or Deceptive Advertising on Customer Purchasing Intention with Mediating Effect of Word of Mouth: Case of Pakistan

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Abstract: Purpose – This paper aims to study the effect of Unethical advertising, misleading information or deception and stereotyping advertising impact on Customer purchase intention with mediating effect of word-of-mouth (WOM) in Pakistan. Based on variables, the authors tried to identify the effects of each variable to customer satisfaction. Data were collected through field research (questionnaire) among 600 Respondent who have their own different levels and fields like, Employee, students, and common people from twin city Islamabad & Rawalpindi. The results shows that unethical Advertising or misleading information and stereotyping advertising Negatively linked with customer buying behaviour or purchase intention, while word of mouth is also negatively associated with customer satisfaction. Limitations relate to the use of a non-probability sample and the restricted geographical area of the field research. There had a time constraint which could restrict many aspects of research for further elaboration.

Key words: Unethical Advertising, Misleading information, deceptive advertising, stereotyping advertising, Word of Mouth, customer Purchase intention

1. INTRODUCTION

Advertising is one of the most integral parts of a business entity. Organizations all around the world spend billions of dollars every year to promote their products and advertising is one of the tools to promote their product globally. As businesses run across border, the role and greatness of advertising expenditure have expanded thus require a close examination in terms of its roles and functions. Advertising is a form of communication which is used to persuade a specific group of people to take some new action. Advertising is considered as a major and important element for the economic growth of the marketers and different companies in competition (Ryans, 1996). Advertising is usually a paid form of publicity by some sponsor and reached through various traditional media such as television, commercial radio advertisement, outdoor advertising, newspaper, magazine mail or modern media such as blogs, websites and text messages. Furthermore the developments and technological advancements have turned advertising to a more pervasive and powerful in its impact and affect (Leiss et al., 1986). Early advertisers assumed that advertising is very powerful what is said "gets through and strongly achieves the anticipated and persuasive objectives as " the early bullet or "internal needle" models of communication which has given rise to the earliest concept of communication effects, "who says what to whom through what medium with what effect" Bryant and Zeeman (1944). The introduction of new technologies has set a new playing field in which advertisers have to be up to-date with new media such as advertising through web sites and also through mobile phones. According to the Global Advertising Industry Profile, the global advertising...
Ethics is one of the branches of philosophy (Zubair, 1987). According to Spence and Heekeren (2005, p. 2), ethics can be defined as "a set of prescriptive rules, principles, values, and virtues of character that inform and guide interpersonal: intrapersonal conduct". Schlegelmilch (1998, pp. 6-7) further argues that ethics is hard to define due to the fact that it cannot be directly measured and it originates from many influences such as internal and external environmental influences. Dr H. Hamzah Ya’qub (1985, p. 13) in his book, Etika Islam: Pembinaan AkhlaqulKarimah, perceives ethics as a body of knowledge that examines good and bad/right and wrong by observing human behaviours. There are extensive researches done on business ethics in general (De George, 1987; Tsalkis & Seaton, 2007; Sabrin, 2002). Researches in business ethics covers all the functions of business thus it also covers the area of advertising and promotion. Due to
the fact that advertising stirs ethical controversies, numerous studies from different perspectives have been done to understand this phenomenon (Nebenzahl & Jaffe, 1998; Fam, Waller, & Erdogan, 2004; Waller & Kam, 2000).

There is a general point of view of many societal members, that advertising may have a negative, unintended or intended influence on consumers’ buying trends (Burr and Burr 1977 and Verbeke, W. 1992). Actually advertising has a strong potential on changing our social values, as well our buying behaviours through influencing our cultural values (Schudson, 1984). Specifically, advertising may lead a consumer to prefer material objects over more morally and socially oriented alternatives; it may potentially increase, conflict and lead to an unhappier and a more disappointed person of the society (Goldberg and Gom 1978). While the major aim of advertising is to give something new, creative and useful to get long term benefits of brand loyalty and image building of the product and company by establishing an emotional relationship and persuasion for buying that product. This is also a debatable issue that which kind of impact of advertising effects the beliefs and collective attitudes of the consumer with respect to the buying behaviour (Barbara, J. 1997). In the modern times, it’s really, difficult to be successful in persuasion and to mould or effect the buying behaviour of consumer in this era of tough competition (Robinson, 1997). With the success of advertising field, now it has been admitted as a universal factor that advertising plays a very influencing role in the consumers’ behaviours (Beil & Bridgewater, 1990).

If the consumers could understand the intention of advertisements, then the potential effect of advertising may be reduced. As the impact of television advertising allows consumers to use the cognitive defences, such as to produce counter arguments and reasons (Bruck, A, and Goldberg 1988). Likewise, the recognition of the false psychological impact of advertisements, allows them to avoid advertisements, break by zapping to some other channel, as it has always been shown that majority of viewers Zap at least as much during the advertising as they do during common programs (Heater & Greenberg 1985). For persuading and reaching to the consumer, advertising is considered the most effective and powerful source (Siropolis, 1997). Hence, whether or not impact of advertising on consumers buying trends is a very important issue to investigate, from the consumers or buyers point of view. Furthermore from the advertiser point of view as it will alter the impact and effectiveness of their advertisements. Likewise George (1989) stated that controversies over the effects of commercials have always been present. Advertising is accused of exploiting the feelings and building of personal anxieties, over emphasizing the material side of life and distortion of human and ethical values in children.

Due to the strong impact of advertising, it is the moral duty of advertisers to practice the code of ethics, during the promotion of their products. The purpose of advertising should be the guidance of consumer rather than blackmailing and threatening by pushing forcefully to buy that product. Proper and effective advertising always help the companies and marketers to improve their brand image and increase their share in the market (Ninan, 2008). Effective advertising is actually the other name of persuasion and liking or disliking attitude of consumer towards some particular product or advertising (Mehta, 2000; Stone et al., 2000). There are a number of factors in advertising which contribute a lot in changing the consumers’ buying behaviour. Like likeability, brand image, persuasiveness, celebrity endorsement, information about the product, entertainment etc.

1.1. Specific problem statement
To analyze the impact of unethical advertising, Misleading, deception toward Word of mouth on customer purchase intention.

1.2. Significance of research
This study attempts to contribute to the knowledge of how unethical advertising and Stereotyping, Misleading with the mediating effect of word of mouth in the Electronic Media on evidence from Pakistan. It considers different dimensions of unethical Advertising, including soft selling, unethical ads timely execution, and introduces ads as important mediator – word of mouth – to examine the relationship between advertising, effects on buying behaviour or customer purchase intention. Most of the time, customer get dissatisfied from advertising due
to untimely execution and non-fulfilment, of given commitment, study will describe the different dimensions and elements of the success and failure impacts of buying behaviour variations.

1.3. Research objectives
Customer satisfaction through Perceived quality of services and commitment is a concept that is gradually important because of its impact on customer satisfaction, word of mouth and other effects on the performance and profitability of a company. Jayawardhena and Farrell (2011) further note that perceived unfell commitment is negatively linked to customer satisfaction. Kuo et al. (2009) observes the associations among service quality, perceived commitments, customer satisfaction and post-buying objectives and behavioral response of the customers which creates word of mouth even positive or negative. This study will mainly focus on how unethical Advertising and perceived service commitments impact overall customer satisfaction and how word of mouth mediates between independent and dependent variable.

1.4. Gap identification
Previous studies have been done in developed countries while Pakistan is a developing country. Researchers have mainly focused on service quality and customer satisfaction, Ažman, S., &Gomišček, B. (2014).but another issue of unethical Advertising has been over ruled, which makes customer’s mind to be loyal with company or to switch another possibility or any other service provider. Secondly, on the basis of advertising customer perceives the overall image of the company for future purchase. Deceptive advertising refers to, time given by the services providers to the customer. It is basically complain resolution time and it has a great impact on customer purchase intention. Advertising is a moment of truth as customer perceives the high end service commitment. It relates with the commitment from service provider and the time given to the customer for the execution and fulfillment of the commitment and definitely it is very much crucial, in terms of customer satisfaction. The basis of unethical advertising is the effects of bad experiences with the complete services provided by the service provider’ therefore, we suggest that service providers should confirm that there should not be no negative abnormalities in the ads shooting as well as displaying at electronic media and print media. Therefore Word of mouth is taken as Mediating variable to improve the study and explain how unethical advertising impacts on customer purchase intention.

2. LITERATURE REVIEW
Consumers are faced with a very large numbers of advertisements every day in different media. This makes the job of the policy makers very difficult to judge the misleading nature of all such messages. The task can be made simpler if such questions are reserved only for critical case, the majority of the work should concern itself not with the questions whether an advertisement does mislead, but whether it has the capacity to mislead (Preston, 1977).

When consumers believe and advertisement to be true when is actually false, consumers may be “harmed” (Attas, 1999). Individuals prefer their beliefs to be true, and if consumer is misled by advertisement, then the consumer may be claims and inconspicuous claims lead to s significantly higher levels of false beliefs (e.g., lack of side effects, low price and speed of relief) than did the true or no information claims. The findings are consistent with a body research, showing that consumers constantly misconstrue some types of advertisement claims and that the implication drawn from questionable claims are treated as factual (Preston, 1967).

In addition, false beliefs often persist even following the presentation of corrective information (Aderson, 1983). Also certain advertisements make claims that seem to be exaggerated on the face. It therefore is not in-genuine to understand that the possibility of such claims being called deceptive is very slim. Russo (1976) and his co-workers (RussoMetcalf, and Stephens 1981) emphasized that holding a false belief after being exposed to the does not imply that the advertisements caused the belief.
Many alleged deceptive claims nowadays are implicitly manipulative rather than outright false (Mazis, 2005; Shanahan & Hopkins, 2007). The literature has documented solid evidence of deception by implication. For example, in a study about attribute claims of ibuprofen based brands, Burke et al. (1988) examine four types of claims no attribute information, truth, expansion implications, and inconspicuous qualification implications. They find that expansion and inconspicuous qualification implications increase respondents false attribute beliefs about headache pain relief, side effects, and speed of relief.

In another study (Pechmann 1996), a company claims that it charges the lowest rate for a particular service but does not mention that it charges more than competitors for other required services. Due to erroneous inferences, respondents tend to believe that this company has the lowest overall price. Erroneous inferences can expand beyond the claimed attributes. Barone and Miniard (1999) expose respondents to a partially comparative advertisement containing a combination of comparative and non-comparative claims.

Deceptive claims take advantage of such presuppositions without clarifying the exact meanings in specific contexts. For instance, a package label that claims "50% more recycled content than before" suggests an increase of recycled goods by one half; however, the manufacturer’s total increase of recycled content has only improved from 2% to 3%. Although the message is technically true, the FTC rules this claim deceptive because the label can create false impressions (Federal Trade Commission, 2010).

The relationship marketing literature recognizes another potential element of customer loyalty, services relationship commitment (Bendapudi and Berry 1997; Morgan and Hunt 1994). Drawing on the organizational behavior literature (Meyer and Allen 1997), marketing scholars have variously defined commitment as ‘a desire to maintain a relationship’ (Moorman, Deshpand6, and Zaltman 1993; Morgan and Hunt 1994), a pledge of continuity between parties (Dwyer, Schurr, and Oh 1997), the sacrifice or potential for sacrifice if a relationship ends (Anderson and Weitz 1992), and the absence of competitive offerings (Gundlach, Achrol, and Mentzer 1995). These various sources create a "stickiness" that keeps customers loyal to a brand or company even when satisfaction may be low.

2.1 Deceptive advertising
Publicizing has constantly raised a considerable measure of feedback from people in general and various studies have been done for the most part on the ranges of effect of deceptive promoting towards buyers. Studies have demonstrated that the customers think promoting frequently abuses expansive moral standards (Treise, Weigold, Conna, & Garrison, 1994). A few people may contend that the issue of promoting morals is a confusing expression (Beltramini, 1999). Duplicity is characterized as a false or misdirecting claim in publicizing (Hyman M., 1990). As indicated by Armstrong, Gurol and Russ (1979), there are three critical parts of striking trickiness, for example, conviction, deception and importance. From a deontological viewpoint, a publicizing case is conceivably beguiling in the event that it can be indicated to empower mixed up activities by buyers.

In the article, The Lowest Moment in Advertising, the writer contends that the most hostile and the most boring notices in the 90s territories from being sexually unequivocal in nature up until being harsh to a few sections of the general public particularly the minorities (Anonymous, 2003). A few researchers perspective publicizing as sustaining realism, narrow-mindedness, tension, sexual distraction and loss of self confidence (Pollay, 1986). Michael R. Hyman, Richard Tansey, and James W. Clark (1994) composed an article on the advancement and advancement of scrutinizes on promoting morals and the figured out that publicizing morals is still a standard point and it is not a depleted subject.

They suggested that more researches should be done on topics such as tobacco advertising and also proposed new researches on scales to measure advertisements ethicality. On the opposite side of the coin, Edward Spence and Brett Van Heekeren's book on publicizing morals concentrates on distinguishing, looking at, and assessing moral issues that emerge in arranging and execution of The Journal of promoting procedure (Spence & Heekeren, 2005).
Their routines for understanding and contemplating promoting morals are centred on the publicizing procedures. So as to recognize deceiving and tricky publicizing, Russo, Metcalf and Stephens proposed three option perspectives, for example, extortion, deception and misleadingness on the grounds that they are parallel to the three parts of promoting correspondence; the sponsor, the message, and the customer convictions about the publicized item (Russo, Metcalf, & Stephens, 1981).

2.1.1 What is deception?
The Need for a Definition Deception in advertising is far from a new concern. Claims made for remedies hundreds of years ago were often so deceitful that by today's standards they are humorous. While common law dealt with false advertising, the maxim of caveat emptor was in full sway for many years. Traditionally, courts have been quite lenient and have tended to hold that the consumer should have examined the goods in question more adequately or that the advertisements merely represented "matters of opinion" and should have been treated with scepticism. In 1914 the Federal Trade Commission was formed, and the FTC has been involved in the regulation of advertising from its very first complaint. Unfortunately, even though the commission has issued many rulings since 1914, it is not were "seen" as deceptive and the same advertisements being described as annoying, offensive, and insulting to the intelligence. Yet, Haefner also found that consumers' perceptions of deception did not agree with those of FTC attorneys for the same Products.

The Need for a Definition Deception in publicizing is a long way from another concern. Cases made for cures many years back were regularly so beguiling that by all accounts they are amusing. While normal law managed false promoting, the proverb of proviso emptor was in full influence for a long time. Customarily, courts have been very tolerant and have had a tendency, to hold that the buyer ought to have inspected the merchandise being referred to all the more satisfactorily, or that the notices simply spoke to "matters of assessment" and ought to have been treated with suspicion. In 1914 the Federal Trade Commission was shaped, and the FTC has been included in the regulation of publicizing from its first objection. Sadly, despite the fact that the commission has issued numerous decisions since 1914, it is not were "seen" as tricky and the same ads being portrayed as irritating, hostile, and offending to the insight. Yet, Haefner likewise found that shoppers' view of misdirection did not concur with those of FTC lawyers for the same Items.

2.2 Definition of misleadingness

2.2.1 Procedures for detection of misleadingness

The test simply depicted gives the accompanying confirmation on which to base a judgment that a commercial is misdirecting false convictions held by purchasers who did and did not see an advertisement, furthermore by buyers who saw an adjusted rendition of the same notice. In view of this confirmation, by what means can a deceptive promotion be recognized?

2.2.2 Consumer belief of a false claim

Is it adequate to exhibit that a case is false and that individuals accept the case? This is a case actuality error combined with direct proof that individuals accept the case. Numerous scientists would answer yes to this inquiry, with one capability. They would oblige that the rate of deceived customers surpass some base percent) expected to pronounce a promotion deluding (Gellhorn 1969; Jacoby and Small 1975). As has been contended somewhere else, the issue of discovering the best esteem, or even a few qualities, of n percent is insoluble (Russo 1976). For every advertisement the watched rate of misdirected shoppers must be judged against its own standard, not against some generally appropriate cut-off.

2.2.3 Plan for detecting deception

What takes after is an endeavour to exchange the rationale displayed above into an arrangement of methodologies that can be utilized to screen promotions for conceivable misleading effect on buyers. At this phase of improvement, insufficient is thought about these ways to deal with propose that they can distinguish double dealing in promoting. Nonetheless, they ought to have the capacity to spot potential misuses that can be investigated in point of
interest, utilizing behavioural examination techniques that loan themselves to the particular issue nearby.

Every one of the three of the methodology proposed here have as their establishment the accompanying two suppositions. If a useful quality has obtained a high likelihood of being connected with a particular brand when, indeed, target confirmation is actually or needs capability to be genuine, and this conviction is emphatically assessed, then, by both of the already specified definitions, misleading convictions exist. On the off chance that a non-functional trait is seen by buyers as a practical quality and decidedly assessed, misleading convictions exist.

### 2.2.4 Increased belief in a false claim after exposure to an advertisement

A second approach portrays the principle blemish of the first by obliging a causal exhibition of misleadingness. An advertisement is distinguished as deceptive at whatever point presentation to that promotion builds the false conviction held by buyers. That is, the extent of purchasers holding a misleadingly false conviction is more noteworthy for the gathering that perspectives the advertisement than for the control bunch that does not see the commercial. We call this incremental Misleadingness.

### 2.2.5 Less misleadingly false beliefs for corrected than for original advertisements

We believe that a properly corrected ad provides the desired comparison. For each of the ten original ads a corrected version was designed, to remove the original claim fact discrepancy, and to affect no other aspects of the ads. Prison condition should alter only the variable of interest and hold constant everything else. Because the corrected ad changes only the misleading component, it is better able than the no-ad condition to sense whether consumers are perceiving, and being exploited by, this misleading component. The use of a corrected ad as the standard of comparison was proposed by Jacoby and Small (1975).

### 2.2.6 Normative belief technique

This strategy is in light of the presumption that there is some "ideal" arrangement of utilitarian item traits for every item class. Ideal is characterized as that gathering of qualities that is vital and sufficient to characterize an item class and would speak to the agreement, of customers who were enough educated. Sufficiently educated customers are the individuals who have had the chance to gain broad data about the item class. A further supposition essential for this system is that there exists a "worthy" scope of probabilities connected with every trait. Satisfactory is characterized as the scope of probabilities for every trait connected with an item, landed at by an agreement of enough educated customers. The standardizing conviction method would be made operational in the accompanying way. To begin with, item class standards for item qualities must be set up. This is a fragile procedure and one loaded with various issues.

The methodology taken by the specialists in the study was to comprehend which established theory1 being utilized by promoting experts as a part of their responses towards publicizing morals by and large. Zinkhan, then again, recommended that so as to comprehend publicizing morals, scientists need to distinguish promoting practices which are possibly harming to the general public (Zinkhan, 1994). Maria Cecilia Countinho de Arruda and Marcelo Leme de Arruda directed a study with a reason for existing is to convince the people included in the promoting business to intercede about the qualities installed in the battles they created, directing them towards the general objective, helping them to locate a shrewd and judicious method for acting (Arruda & Arruda, 1999). Another study was finished by Hackley with the goal to investigate how morals in and of publicizing may be liable to examination inside of a comprehensively social constructionist point of view (Hackley, 1999). The social constructionist development in social brain science has formed into an extensive variety of exploration systems and methodologies. One of the components under social constructionist is its mutualist hypothesis of significance (Still, 1992).
2.3 Stereotyping sex and gender stereotype

Advertising does not portray men and women in realistic ways because the images we see daily reveal the class ideology of our society (Mayne, 2000). The advertisers need to reconsider the use of strong overt sexual appeals, especially given the controversial issue surrounding, such advertising stimuli and their fashionable use to crack through the media clutter (LaTour & Henthorne, 1994). Even though gender and sexual stereotypes are among the highly publicized unethical use and application of advertising, the industry itself is allegedly also guilty of perpetuating stereotypes and discrimination related to age (Carrigan & Szmigin, 2000). Apart from that, not only are older people not used very often in mainstream advertising, there are also a very limited number of products that old people are considered suitable to advertise (Carrigan & Szmigin, 2000b) of their advertisements (Szmigin & Carrigan, 2000).

This is supported by a research in the US in which it shows that in majority of the television commercials, the elderly are not casted as major roles (Swayne & Greco, 1987). Even though there are voluntary advertising codes that govern the issue of tobacco advertising, 17 percent of the models used in these advertisements are under the age of 25 because regardless of viewers’ age, the younger models are considered to be more attractive than the older models (Mazis, Ringold, Perry, & Denman, 1992). Peterson, Milliman and Erefmeyer (1992; 1990) argue that advertisers are making a serious error for neglecting this segment of the population because the size and demand from this segment is growing.

Aside from subliminal promoting, another territory that has empowered exploration intrigues among researchers is in the zone of sex and sex control and misuse in publicizing. Ladies have been the point of convergence of sexual publicizing in the past however the male partners are getting up to speed quickly (Blair, Stephenson, Hill, & Green, 2006). Cohan (2001) contends that promotions can be effective in creating deals without depicting ladies as things or sexual item, and without propagating different shortcoming generalizations. As advertisers battle to separate and attract consideration regarding their item offerings, the utilization of suggestive substance has turn out to be progressively visiting (Henthorne & LaTour, 1995).

2.4 Customer satisfaction

Customer satisfaction is defined as a customer’s overall evaluation of the performance of an offering to date (John- son and Fornell 2001). This overall satisfaction has a strong positive effect on customer loyalty intentions across a wide range of product and service categories; including telecommunication services (Fornell 2002; Fornell et al. 1996). The concept of customer satisfaction has received much research attention in recent years. Satisfying customers is a business challenge in today’s competitive marketplace. Today, firms have realized how important it is to understand, meet and predict customers’ needs. Customers have also become increasingly conscious of their value to their service provider. Due to the highly competitive nature in the telecom sector, customers will be the key factor in determining the success of the enterprise. In short, under such intense competition, the service provider, that has the largest customer base and the highest customer retention rate will be a market leader in the industry. Hence, knowing customers’ needs how they feel about the company and their expectations have become critically important for maximizing customer retention. Studies have shown that the long-term success of a firm is closely related to its ability to adapt to customer needs and changing preferences (Takala et al., 2006). Customer satisfaction is also considered as critical to the conduct of business in today’s competitive marketplace and telecom companies are no exception (Ehigie, 2006). This possession and retention of customers depends upon the customer’s perceived value. Customers’ perceived value is the perception of customers about quality, social psychology, benefits, compensation and money related to the firm or services. So if the customer’s perceived value is positive then it will generate the customer’s satisfaction.

On the basis of these studies, we expect customer satisfaction to have a significant influence on customer retention that varies across customers. Customer satisfaction and customer loyalty can only be possible through effective first rated customer services that include commitments with the customers and fulfilment of those commitments through effective turnaround time. Research has shown that service satisfactions can significantly enhance
2.5. Word of mouth

WOM is one of the most powerful forces in the marketplace and is defined as informal conversations about the service or product between people who are independent of the company providing the product or the service, and in a medium independent of the company (Silverman, 1997). WOM marketing has been found to be particularly relevant to services (Silverman, 1997; Sweeney et al., 2008).

Defined as any communication about a service firm’s offerings, word-of-mouth (WOM) communication is considered a key relational outcome (Freidenand Goldsmith, 1998; Hennig-Thurau et al., 2002; Harrison-Walker, 2001). Consumers like to share their experiences with services through word of mouth. According to Keller (2007), the average American engages in 120 word of mouth conversations per week. These conversations are important sources of information for consumers and have a strong impact on product attitudes and sales (Brown and Reingen 1987; Chevalier and Mayzlin 2006; Herr, Kardes, and Kim 1991). In telecom sector, people use to share their experiences with others which sometime becomes a strong perception in other’s mind that may be converted in belief towards services. Customers do expect that they will get exceptional services from service provider therefore the resulted outcome compel them to express their opinion in front of others.

In a world that offers an excess of product information from a wealth of sources (Plummer, 2007), modern consumers have become less attentive to traditional advertising (McDonnell, 2005; Nielsen, 2007). Accordingly, many organizations have reduced expenditures on traditional advertising and re-visited WOM as a powerful marketing tool (Brand Science Institute, 2005; Kilby, 2007). Marketers, naturally, realise the importance of WOM, especially with regard to its implications for trust and associated outcomes (e.g. DeCarlo et al., 2007). Researchers have investigated the factors that motivate WOM because of its known credibility (e.g. Brown et al., 2005; Harrison-Walker, 2001).

3. THEORETICAL FRAMEWORK:

![Figure 1: Research model]
3.1 Hypothesis
H1: The relationship between the perceived service commitments and customer satisfaction is positive.
H2: The relationship between Misleading Information and customer purchase intention is negative.
H3: The relationship between Deception and WOM with customer satisfaction is negative.
H4: The relationship between Stereotyping and WOM with customer satisfaction is positive.
H5: The relationship between Stereotyping and Customer purchase intention is negative.

3.2 Research methodology
A theoretical framework has proposed to suggest the links among the three dimensions of perceived service commitment, word of mouth and customer satisfaction. A structured questionnaire has been adopted by a study conducted by Brady, M. K., Knight, G. A., Cronin, J. J., Tomas, G., Hult, M., & Keillor, B. D. (2005) and Zeithaml, V. A., Berry, L. L., & Parasuraman, A. (1996). Here, we collect data from employees in telecom industry of Pakistan. The constructs has been measured by using established scales. The data was collected for this study from Pakistan from of 2 cities; Rawalpindi and Islamabad. They had requested to give their answers as honestly as they could as their name will not be mentioned anywhere and their given information will be kept confidential and they were requested to not leave any question unanswered.

The scores are subjected to statistical analysis for testing the hypothesis of the study. The study is conducted on different level of population like student and professional. Convenience sampling is used to select the sample size of participants. A sample size of 600 respondents selected from the population and a questionnaire was adopted and distributed among 600 the customers respondents have filled the questionnaire accurately.

3.3. Research design
This specific study is a cross sectional and hypotheses testing study conducted to explore the relationship between unethical advertising independent variables, toward impact on customer Purchase intention. The significance of the relationship has been studied on the survey based primary data. It will also examine the word of mouth as a mediating variable on perceived service commitments. The study will be cross sectional and data will be gathered at one point of time,

3.4. Data collection method
Data collection is a systematic process of gathering information pertinent to objectives and purpose of the study (Bums & Grove, 1999). Data can be divided into primary and secondary data. Primary data is original data gathered by the researcher from respondents and secondary data consisted of information gathered by others for same purpose or some other purpose and researcher will be using that data to support and strengthen his research. Sources of secondary data may be text books, internet, and financial reports of the company and already published articles.

Secondary data saves time and avoid re-invention while primary data collection is quite time taking and basic data collection. The main disadvantage of using secondary data is the geographical difference and different researchers have already worked on it at different places, so sometimes it may not be as such useful for researcher and sometimes there may be a question of data validation and its responsibility of researcher to check the accuracy of secondary data. Although secondary data is used initially for problem and hypothesis but even though primary data collection method has been used to gather the information by own and to relate our study with particular geographical area that elaborates the study in an appropriate way.

Therefore, primary data through surveys, questionnaires and interviews can fit best to elaborate the study. Questionnaire based survey is easier to manage and less expensive, also privacy is assured (Leary, 1995).Primary data was collected through questionnaire .There were few items in demographic section for the descriptive and frequency testing and
remaining items will be based on 5 point Likert scale. Questionnaires were distributed among telecom employees of internet service providers and end users. Data was collected from five internet service providers located in Islamabad and Rawalpindi. We have found few alarming situations while collecting data from respondents, in which customers had unsatisfied particular service provider many times but they time he remains unable to get the response and they use to give him another which creates confusion for the customers.

3.5. Research instrument
The research instruments were divided into two parts. The first section constituted of eighteen items adapted from different studies. The first four items for perceived commitments due to advertising has been adopted by a study conducted by Brady, M. K., Knight, G. A., Cronin, J. J., Tomas, G., Hult, M., & Keillor, B. D. (2005) and Zeithaml, V. A., Berry, L. L., & Parasuraman, A. (1996).

Next three items for misleading and deception. Last 7 items were taken for word of mouth from a study conducted by Brown, T. J., Barry, T. E., Dacin, P. A., &Gunst, R. F. (2005). This measure is commonly used and well researched with good reliability and validity reported however the perceived service commitment questions were incorporated from the study conducted by Ažman, S., &Gomišček, B. (2014).

The second part dealt with demographics of the internet users responses that included their gender, age, their marital status and since how much time they are working for the organization that were visited for the purpose of data collection for this specific study. Furthermore the items adopted to measure the perceived service commitment, turnaround time or response time, word of mouth and its impact on customer satisfaction. The items for the measurement of perceived service commitment have been adapted from the research study conducted by Brady, M. K., Knight, G. A., Cronin, J. J., Tomas, G., Hult, M., & Keillor, B. D. (2005) and Zeithaml, V. A., Berry, L. L., & Parasuraman, A. (1996).

3.6. Research setting
Study settings used for this research is non-contrived or natural, with no researcher interference. The approach used in this study is non-probability sampling and the nature of the study is cross sectional. The researcher could go for the longitudinal approach but has limited the approach due to the researcher convenience and time availability. Respondents were asked to fill questionnaires, who were employees of different levels in a non-contrived, non-manipulative setting. Respondents were requested to fill the questionnaire without using any bias approach.

3.7. Instrument scale
The questionnaire was built using a mixed blend of scales like dichotomous, category and Likert scales. This mixture has made it less monotonous for the students while filling, hence also generating more reliable responses. The questions were easily comprehensible; the scales were used according to the nature of the questions being asked. For any incomprehension or vague understanding of the customers, the researcher was available to explain marketing terms. Technical terms were avoided in the questionnaire.

5-point Likert scales were used in the research. For measuring in – store promotions, moods (positive and negative emotional state) and the impulsive buying behaviour it were developed as starting from value 1 representing Strongly Disagree to value 5 representing Strongly Agree.

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<th>Table 1: Questionnaire Likert Scale Anchor for External Stimulus, Consumer Involvement and Purchase Behaviour</th>
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3.8. Variable measurement
This study is more focused on exploring the relationship of Misleading & deceptive advertising on customer buying behaviour and stereotyping impact on customer satisfaction of the respondent with mediating effect of word of mouth faced when they use advertiser using unethical ads.

3.9. Time horizon
The time period that has been set for this specific study is that of 4 months (one semester period).

3.10. Population
The research is carried out in the twin cities of Rawalpindi and Islamabad. The target population of this study includes all levels of customers. Furthermore the target sample was also made sure they understand the impact of advertising on societal and cultural prospective. We have chosen 600 sample size of respondent to measure the buying behaviour or customer purchase intention.

Table 2: Population Sample

<table>
<thead>
<tr>
<th>Respondent Demographics</th>
<th>Age</th>
<th>No of Respondent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>20-40</td>
<td>350</td>
</tr>
<tr>
<td>Female</td>
<td>25-30</td>
<td>250</td>
</tr>
<tr>
<td>Single</td>
<td>20-25</td>
<td>280</td>
</tr>
<tr>
<td>Married</td>
<td>25 &amp; above</td>
<td>320</td>
</tr>
<tr>
<td>Student</td>
<td>20 &amp; above</td>
<td>350</td>
</tr>
<tr>
<td>Professional</td>
<td>30 &amp; above</td>
<td>250</td>
</tr>
</tbody>
</table>

Figure 2: Population Sample

3.11. Sample and sample size
The questionnaires were distributed among the 600 respondent on twin city Rawalpindi & Islamabad.
3.12. Sampling techniques
The data has been collected on non-probability sampling technique from Rawalpindi and Islamabad since it was defined that only the ones who had a customer premises unethical advertising were the respondents of the survey. This study is based on the responses of customers therefore other than the customers of services; no one else has been included in the survey.

3.13. Type of analysis
The software appropriate for testing and analyzing the gathered data was interpreted through SPSS 20.0 which is latest and available for use. The relationship of the variables was tested through regression, correlation and other descriptive analysis. Whereas the data collecting tools was also checked for reliability and validity and that also with the help of SPSS.

This specific study is a cross sectional and hypotheses testing study conducted to explore the relationship between perceived service commitments, turnaround time and customer satisfaction. The significance of the relationship has been studied on the survey based primary data. It will also examine the word of mouth as a mediating variable on perceived service commitments, turnaround time and customer satisfaction. The study will be cross sectional and data will be gathered at one point of time.

4. DATA ANALYSIS
Initially 30 questionnaires were distributed as pilot testing to know the reliability between the variables. Respondents were requested to give bias free opinion and will not left any question and fill all questions properly.

Table 3: Scale Measurement (N=600)

<table>
<thead>
<tr>
<th>Variables</th>
<th>No. of items</th>
<th>Cronbach’s alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Misleading Information &amp; Deception</td>
<td>08</td>
<td>0.747</td>
</tr>
<tr>
<td>Stereotyping advertising</td>
<td>05</td>
<td>0.662</td>
</tr>
<tr>
<td>Word of Mouth</td>
<td>07</td>
<td>0.774</td>
</tr>
<tr>
<td>Customer Purchase Intention</td>
<td>06</td>
<td>0.651</td>
</tr>
</tbody>
</table>

The reliability result of pilot test’s for the variables are greater than alpha 0.60 which is fair reliability result and acceptable. So, this allowed the researcher to use the questionnaire to conduct the research based on these reliability results.

4.1. Results interpretation
To test the reliability Cronbach’s alpha is used to determine the internal consistencies (Saunders et al., 2003). The value of Cronbach’s alpha coefficients greater than 0.7 is acceptable means items are measuring the same attributes and the items are reliable (Nunnally, 1978). Hinton (2004) has suggested four types of cut-off values vary from excellent to low reliability, which incorporate brilliant reliability (0.90 or more), high reliability (0.70-0.90), direct reliability (0.50-0.70) and low reliability (0.50 and beneath). Overall reliability of pilot survey is 0.900 which shows brilliant reliability means on the basis of this pilot survey research can be conducted.

Additionally, the dependability for poor product performance and customer dissatisfaction the alpha was 0.878 and 0.786. The Cronbach's alpha was same as customer dissatisfaction and inadequate organizational commitment. The alpha was dropped in the middle of 0.801 to
0.952. Also, for the intention to turn over the alpha is 0.712 and work life conflict the alpha is 0.843 which categories in good reliability.

4.2. Demographics

Table 4: Demographics

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Skewness</th>
<th>Kurtosis</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Statistic</td>
<td>Statistic</td>
<td>Statistic</td>
<td>Statistic</td>
<td>Statistic</td>
<td>Statistic</td>
<td>Std. Error</td>
</tr>
<tr>
<td>Age</td>
<td>600</td>
<td>1.00</td>
<td>5.00</td>
<td>1.6000</td>
<td>.73793</td>
<td>1.433</td>
<td>.221</td>
</tr>
<tr>
<td>Gender</td>
<td>12600</td>
<td>1.00</td>
<td>2.00</td>
<td>1.3333</td>
<td>.47338</td>
<td>.717</td>
<td>.221</td>
</tr>
<tr>
<td>Marital Status</td>
<td>600</td>
<td>1.00</td>
<td>3.00</td>
<td>1.2333</td>
<td>.46261</td>
<td>1.781</td>
<td>.221</td>
</tr>
<tr>
<td>Education</td>
<td>600</td>
<td>1.00</td>
<td>4.00</td>
<td>1.8583</td>
<td>.70169</td>
<td>.648</td>
<td>.221</td>
</tr>
<tr>
<td>Valid N (list wise)</td>
<td>600</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The "Population Standard Deviation": \( \sigma = \sqrt{\frac{1}{N} \sum_{i=1}^{N} (x_i - \mu)^2} \)

The "Sample Standard Deviation": \( s = \sqrt{\frac{1}{N - 1} \sum_{i=1}^{N} (\bar{x} - \bar{x})^2} \)

Looks complicated, but the important change is to divide by \( N-1 \) (instead of \( N \)) when calculating a Sample Variance.

Figure 3: Demographics
4.2.1 Respondent’s profile
For this research study we had targeted the all levels of customers like Student, Business man, professional.

4.2.2 Demographical statistics
This table explains the respondent’s frequencies with respect to the percentages.

4.2.3 Descriptive analysis
The descriptive analysis of the respondents was on the basis of management practices i.e. misleading information, deception, stereotyping and their impact on customer purchase intention. It can be observed that the mean value of misleading information is 3.80, inadequate organizational commitment is 3.56, stereotyping impact is 4.59, and customer purchase intention is 4.80 & mean values of purchase intentions and advertising conflict is 3.32 and 2.78. The standard deviation for all variables varies from 0.57 to 1.18.

4.2.5 Correlation Analysis
The Pearson correlation is used to determine the relationship between all the variables, misleading information, deceptive advertising, stereotyping advertising and customer purchase intention. The results shown in the above table illustrate that the correlation between the Variables is not very high.

<table>
<thead>
<tr>
<th></th>
<th>MI &amp; D</th>
<th>ST</th>
<th>WOM</th>
<th>CPI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Misleading information &amp; Deception</td>
<td>1-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stereotyping advertising</td>
<td>.664**</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Word of Mouth</td>
<td>.592**</td>
<td>.597**</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Customer Purchase intention</td>
<td>.654**</td>
<td>.796**</td>
<td>.553**</td>
<td>1</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).

In above correlation matrix misleading information have a negative significant correlation with customer purchase intention (0.203) and stereotyping advertising (0.166) at 1 % and 5% level of significance respectively whereas a negative but insignificant correlation with customer satisfaction and a positive but insignificant correlation with inadequate organizational commitment has been observed. At the 5 % level of significance customer demotivation is significantly and negatively correlated with customer purchase intention (-0.168). The above results show that the correlation among variables vary from 0.009 to 0.668 which is not very strong, as a strong correlation would be greater than 0.90, hence there is no occurrence as per the ordinary least square (OLS) assumption (Blalock, 1963).

4.2.6 Regression Analysis
The regression analysis is performed between perceived service commitments and customer satisfaction as the dependent variable; customer satisfaction and Perceived service commitments as independent variables with a mediating effect of word of mouth. 120 respondent’s responses are analyzed in this research study.
Baron and Kenny (1986) three steps model has applied for testing the mediation role of word of mouth between service commitments and customer satisfaction. According to Preacher and Hayes (2004) variable (M) is considered a mediator if it fulfills the following three conditions:

1. X significantly predicts M i.e. \(a \neq 0\) in Equation 1;
2. X significantly predicts Y i.e. \(c \neq 0\) in Equation 2; and
3. M significantly predicts Y controlling for X i.e. \(b \neq 0\) in Equation 3.

The graphical representation of these step are shown in Figure. So to test H9 which states that the relationship between PSC and CS is mediated by WOM we used the three step method as shown in table.

Panel A: Illustration of Total Effect of X on Y
Panel B: Illustration of Mediated Effect of X on Y

The R-squared of regression is the fraction of the variation independent variable that is accounted for or predicted by the independent variables. The P-value is the probability of how confident a result can be that each individual variable has some correlation and association with the dependent variable, According to Pallant (2001), beta coefficient is significant if the p-value is less than 0.05. The beta coefficient for each independent variable gives the size of the effect that variable is having on the dependent variable, and the sign of the coefficient (positive or negative) gives the direction of the effect.

<table>
<thead>
<tr>
<th>Table 6: Misleading information &amp; Deception</th>
</tr>
</thead>
<tbody>
<tr>
<td>No.</td>
</tr>
<tr>
<td>-----</td>
</tr>
<tr>
<td>1</td>
</tr>
<tr>
<td>2</td>
</tr>
<tr>
<td>3</td>
</tr>
<tr>
<td>4</td>
</tr>
</tbody>
</table>

Note: MI & D=Misleading information & deception; WOM=Word of Mouth, CPI= Customer Purchase Intention. *P<.05, **p < .01, ***p<.001
The regression test was run to check the relationship of the variables. Firstly MI was regressed on customer satisfaction. The above table provides the values of R and other values are $R^2$. The $R$ value indicates the simple correlation. The $R^2$ value explains that how much the total variation in the customer satisfaction can be explained by perceived service commitment. Here $R^2$ value is 0.42 which means that 42% of the impulsive buying decisions can be explained by the perceived service commitment. This result also shows the importance perceived service commitment that it has 42 percent of customer satisfaction is dependent how customer thinks about service to be delivered.

F value show the model fitness which is 87.9 in this model which mean that model is fit. T value is 9.38 which means that SEC have a positively and significantly impact the impulsive buying.

The beta value is measures in the units of standard deviation. That explains one unit change of standard deviation will result in percentage change in dependent variable. That means the higher the value of beta is the higher impact will be on dependent variable. In case of perceived service commitment on customer satisfaction it means that one unit change in standard deviation will bring 0.63 changes in customer purchase intention. This beta value suggests that one unit change in perceived service commitment will highly affect the customer buying behaviour. F value show the model fitness which is 63.520 in this model which mean that model is fit. T value is 7.9 which means that PSC have a positively and significantly impact the customer satisfaction.

In case of perceived service commitment on word of mouth it means that one unit change in standard deviation will bring 0.48 changes in customer satisfaction. This beta value suggest that one unit change in perceived service commitment will highly effect the world of mouth of customers create after obtaining the service. In third step world of mouth is regressed with customer satisfaction. The above table provides the values of R and other values are $R^2$. The $R$ value indicates the simple correlation. $R^2$ value is 0.306 which means that 30% of the customer satisfaction is explained in this study with word of mouth customers create in market. This result also shows the importance of word of mouth. That it has 30 percent of customer satisfaction in this study. F value show the model fitness which is 51.91 in this model which mean that model is fit. T value is 7.205 which means that word of mouth have a positively and significantly impact the customer satisfaction.

In case of word of mouth impact on customer satisfaction means that one unit change in standard deviation will bring 0.64% change in customer satisfaction. This beta value suggest that one unit change in word of mouth created by the customer will highly effect the customer satisfaction as people use service when they come to know something positive from their friends or family.

<table>
<thead>
<tr>
<th>No.</th>
<th>DV</th>
<th>IV</th>
<th>Beta</th>
<th>T</th>
<th>F</th>
<th>$R^2$</th>
<th>Adjusted $R^2$</th>
<th>Std. E. of Estimates</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>CPI</td>
<td>SA</td>
<td>0.715</td>
<td>14.279*</td>
<td>203.877*</td>
<td>0.633</td>
<td>0.630</td>
<td>0.376</td>
</tr>
<tr>
<td>2</td>
<td>WOM</td>
<td>SA</td>
<td>0.459</td>
<td>8.092***</td>
<td>65.475***</td>
<td>0.357</td>
<td>0.351</td>
<td>0.427</td>
</tr>
<tr>
<td>3</td>
<td>CPI</td>
<td>WOM</td>
<td>0.646</td>
<td>7.205***</td>
<td>51.912***</td>
<td>0.306</td>
<td>0.300</td>
<td>0.518</td>
</tr>
<tr>
<td>4</td>
<td>CPI</td>
<td>SA</td>
<td>0.650</td>
<td>10.507***</td>
<td>105.225***</td>
<td>0.643</td>
<td>0.637</td>
<td>0.373</td>
</tr>
<tr>
<td></td>
<td></td>
<td>WOM</td>
<td>0.140</td>
<td>1.744***</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: SA=stereotyping advertising, WOM=Word of Mouth, CPI= Customer Purchase intention. *p < .05, **p < .01, ***p<.001
The regression test was run to check the relationship of the variables. Firstly stereotyping was regressed on customer purchase intention. The above table provides the values of R and other values are $R^2$. The R value indicates the simple correlation. The $R^2$ value explains that how much the total variation in the customer satisfaction can be explained by the stereotyping impact. Here $R^2$ value is 0.63 which means that 63% of the impulsive buying decisions can be explained by the perceived service commitment. F value show the model fitness which is 203.8 in this model which mean that model is fit. T value is 14.2 which means that impact have a negatively and significantly impact on the customer satisfaction. Beta value of change is 0.715. That means if there is on unit change in standard deviation of time can bring 715 percent change in customer purchase intention.

In second step SA is regressed with word of mouth. The above table provides the values of R and other values are $R^2$. The R value indicates the simple correlation. $R^2$ value is 0.35 which means that 35% of the customer satisfaction can be explained by SA impact. F value show the model fitness of the model which is 65.47 in this model which mean that model is fit. T value is 8.09 which means that word of mouth is negatively and significantly impact the customer purchase intention. In case of word of mouth it means that one unit change in standard deviation will bring 0.45 changes in customer satisfaction. This beta value suggest that one unit change in turnaround time will highly effect the world of mouth of customers create after obtaining the service.

SA and word of mouth collectively taken as independent variable and regressed on customer satisfaction. $R^2$ value is 0.64 which means that 64% of the customer satisfaction is explained in this study with word of mouth customers create in market and turnaround time. Both these variables collectively have positive impact on customer satisfaction. Beta value of word of mouth is 0.14 and value of word of mouth is 0.14. That means if there is on unit change in standard deviation of these variables that will bring 65% and 14% change in customer satisfaction respectively.

### 4.3 Verifiability

The proposed method obliges that the purportedly deceptive case/conviction be evidently genuine or false. This gets to be problematical when the convictions are evaluative and subjective as opposed to real. Is a cigarette promotion's implied case that the smoker will seem more advanced clearly false? A basic yes or no answer is impractical. Albeit numerous individuals would concur that the essential result of cigarette smoking is the danger of lung disease, numerous adolescent young ladies see cigarettes as truly giving a modern

### 4.3.1 Creating the Correction

For a few advertisements a redress may be conceivable in principle just. Consider a TV commercial for a wellbeing related, however not therapeutic, item, for example, a breakfast grain without concoction added substances. The sponsor may misleadingly suggest a therapeutic claim by dressing the representative in a white protective outer layer or setting the testimonial in a healing facility. Amendment of such a commercial is straightforward, change the laboratory garment and clinic setting for run of the mill nonmedical partners. Yet, imagine a scenario where the representative is a performing artist who is firmly related to his part as a doctor in a film or TV arrangement.

### 6. CONCLUSION

Based on the literature on ethics and advertising, it is evident that the current research on advertising ethics are focused on issues such as deceptive advertising, subliminal advertising, sex, age and gender manipulation, celebrity endorsement, industry regulation and self-regulation, advertising to children and a few studies on practitioners and advertising stakeholders.

There are relatively few studies focusing on the theological aspect of advertising ethics such as the Christianity views on advertising ethics which is evident through the article written by Foley that focuses only on benefits and harms of advertising. The author believes that the
area of theological approaches to advertising ethics is a new area to venture into and in need of a thorough study.

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Najeeb Ullah, Mustansar Hussain

Impact of Unethical Advertising, Misleading Information or Deceptive Advertising on Customer Purchasing Intention with Mediating Effect of Word of Mouth: Case of Pakistan

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Impact of Unethical Advertising, Misleading Information or Deceptive Advertising on Customer Purchasing Intention with Mediating Effect of Word of Mouth: Case of Pakistan