



## WHAT ADVERTISING REALLY TELLS YOU

Advertising is a paid presentation to promote ideas, goods, or services. Advertising appears in many types of media including newspapers, radio, television, and magazines. There are several different kinds of advertising and laws that affect each form.

### Types of Advertisements

Retail advertising can be grouped into two broad categories. The first of these is *institutional* advertising. Institutional advertising tries to present the store as a desirable place to shop. Its aim is to build the reputation of the store, emphasize the store's position in the community, and instill confidence in the customer. Institutional advertising might point out the policies, services, special facilities, and conveniences offered by the store to make shopping pleasant and easy. Institutional advertising might also emphasize the prestige of the store and its reputation for fashion authority, complete selections, and general progressiveness. This helps to show that the store's buyers are alert and stock the newest things on the market. Institutional advertising is generally found in magazines, on television or radio, or on billboards.

A second type of advertising is *product* advertising. This category stresses the characteristics of individual products. Frequently in institutional advertising, little or no product information will be given. Just the opposite is true for product advertising. Usually a description of size, color, brand, and price is provided. The purpose of product advertising is to sell the specific items pictured or discussed. Product advertising can feature products that are at regular price or on sale. Product advertising is generally found in newspapers.

### Advertising Laws

Several laws have been passed to protect consumers from being misled by advertisements. To be a wise clothing consumer, you should be aware of the following:

- **Former price comparisons.** The former price quoted in an ad (for example, "regularly \$20") must be the actual price at which the article has been sold on a regular basis for a reasonable length of time.
- **Comparable value comparisons.** When a store advertises clothing as on sale at lower prices, the store must be sure that the price is actually lower than that charged by most stores in the area. For example, a store cannot advertise "slacks on sale - \$10; regular \$15 value" if every store in the area except two small stores normally sell the slacks for \$10.
- **Manufacturer's list price or suggested retail price.** A list price can be used for comparison only if it is the price regularly charged by retailers in the area. Frequently, the price regularly charged by most retailers is not the manufacturer's list price.



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- **Bargains based on purchase of other merchandise.** Advertisements such as "buy-one-get-one-free" or "2-for-1 sale" or "1¢ sale" must clearly outline all conditions of the offer. The store cannot mark up the price of the item that must be bought or decrease the usual quantity or quality. The term "free gift" cannot be used in such advertisements since a purchase must be made.
- **Miscellaneous price comparisons.** A store cannot use the words "wholesale price" or "factory price" unless these are the prices customers would pay if they bought directly from the manufacturer. If a store offers irregulars or seconds but uses prices for first quality merchandise for comparison, it must say so clearly.
- **Bait-and-switch.** It is not legal to lure a customer into a store through an advertised inexpensive item and then try to switch the customer to a higher-priced item through pressure selling.

Source: Cooperative Extension Service, University of Illinois at Urbana-Champaign,  
College of Agriculture