



“Summary of article by Ben Fine and Ellen Leopold: Advertising” in Frontier Issues in Economic Thought, Volume 2: The Consumer Society. Island Press: Washington DC, 1997. pp. 254-256

**Social Science Library: Frontier Thinking in Sustainable Development and Human Well-being**

## “Summary of article by Ben Fine and Ellen Leopold: Advertising”

Contemporary analyses of advertising focus either on the meanings associated with commodities (i.e., use-values) or on economic functions (i.e., exchange-values). This paper argues that neither of these approaches fully appreciates the role of production in advertising and that this neglect is particularly glaring as concern intensifies over the environmental costs of global industrialization.

### **ADVERTISING AND VALUE**

Use-value approaches to advertising emphasize the relation between consumers, products and their associated messages, whereas exchange-value approaches emphasize the relation between consumers, producers and other economic factors. Each approach begins with the notion that advertising differentiates materially similar products through the use of illusions and fantasy.

According to the use-value approach, advertising often produces an aesthetic illusion by concealing a commodity's actual physical properties from the consumer. Since many products have the same functional design and differ only slightly in composition, competition among firms often depends on advertising rather than product quality. For example, since cigarettes differ very little in taste and function, all cigarette advertising involves product differentiation based on image and message. But by focusing on product imagery and the consumer, use-value approaches fail to account for the economic effects of advertising. In general, this approach examines the cultural meaning of commodities at the expense of the role played by production. At the extreme (e.g. in the work of Jean Baudrillard), such approaches hold that the use-value of a commodity is entirely independent of its physical properties. In this view, only the images or signs are consumed, not commodities.

In contrast, a variety of exchange-value approaches emphasize advertising's economic functions. In the Keynesian tradition, Kaldor views advertising as promoting consumption in competitive markets, and creating jobs in both sales and production. Institutionalists such as John Kenneth Galbraith view advertising as a creator of ever-expanding, unwanted needs. According to the Fordist perspective (represented by Stuart Ewen and Christopher Lasch), advertising is essential both to mass production and to a mass consumption society. In these views, insufficient consideration is paid to a commodity's use-value and the important role of production is missing.

The exchange value approach, despite its economic orientation, tends to set production aside since advertising is perceived to be an activity and cost within

circulation. Within this framework, it really does not matter what has been produced and how ... as long as it can be sold as soon and as cheaply as possible. (214)

## **ADVERTISING AND SOCIETY**

Of all the fields of social science, only economics ignores the social construction of a commodity's use-value. In any broader social theory, it is clear that advertising addresses the perception of what is consumed. Various social science theories emphasize the importance of advertising's effects on the consumer's psychology, ritual behavior and the elaboration of social roles.

Advertising more often reflects, rather than creates, the material culture in which it occurs. Today, the exclusion of blacks from most advertising and the continued use of sexist imagery provide strong evidence that advertising is not a cultural leader. At least with respect to women, advertising cannot be said to be among the cultural vanguard since it has contributed to the ideological obstruction of progressive changes in social roles for women. This is especially true since it has been found that more realistic portrayals of women effectively promote sales.

More generally, advertising is not always effective in its sales pitch: 90 percent of new products fail in the US. It is important to note that advertising is neither the only nor the most important part of the process of selling. Sales techniques, and retail environments such as supermarkets, retail chains, shopping centers, and specialty stores, have a pivotal role to play in selling commodities. While some critiques suggest that advertising technique is unchanging (and irresistible), in fact advertisers are well aware of their limitations and failures, and constantly innovate in pursuit of greater persuasiveness.

The absence of production from contemporary analyses of advertising is striking given the environmental hazards of increasing economic growth. Advertising involves production in three ways: production is the source of advertised objects; innovation in production technologies may be the focus of advertising messages and images; and production and sales efforts are interdependent.

With respect to production, advertising theory may assume a horizontal perspective, in which advertising is consecutively linked to factors such as culture, demand and, occasionally, production. Alternatively, in a vertical perspective, the nature of advertising for a product corresponds to the system of provision. The more comprehensive vertical approach implies that the mode of production, distribution, and retailing for an individual product all have an effect on the advertising strategies and techniques that are used to sell it.