

Ethical Advertising and Brand Image: An Empirical Investigation of Indian Companies' Advertising Practices

Meena Nayak^{1*}, Saumendra Das¹, Srikanta Patnaik²

¹School of Management Studies, Gandhi Institute of Engineering and Technology University (GIETU), Gunupur, Rayagada, India, ²Interscience Institute of Management and Technology (IIMT), Bhubaneswar, India. *Corresponding Author's Email: meenanayakmohanty@gmail.com

Abstract

This work empirically examines the relationship between ethical advertising practices and brand image in the context of Indian companies, highlighting the increasing relevance of ethical considerations in contemporary marketing communication. The study is based on primary data collected through a structured questionnaire administered to 500 respondents representing diverse demographic backgrounds. In order to ensure robust analysis, statistical techniques such as correlation analysis, regression analysis, and independent samples t-tests were employed. The findings reveal a significant and positive association between ethical advertising practices and brand image. Regression results indicate that ethical advertising exerts a meaningful influence on brand image ($\beta = 0.35$, $p < 0.001$), suggesting that organizations that consistently follow ethical standards in their advertising activities are more likely to develop favorable brand perceptions among consumers. Comparative analysis shows that companies characterized by higher levels of ethical advertising practices report a significantly stronger brand image than those with lower ethical engagement ($t = 3.50$, $p < 0.01$). Overall, the study provides strong empirical evidence that ethical advertising plays a vital role in enhancing brand image. Beyond improving corporate reputation, ethical advertising contributes to building trust, credibility, and long-term relationships with consumers. The findings underscore the strategic importance of ethical communication, suggesting that ethical advertising should be viewed not merely as a regulatory obligation but as a core component of sustainable brand-building and competitive advantage in the Indian market.

Keywords: Advertising Ethics, Advertising Practices, Brand Image, Brand Reputation, Consumer Perception, Marketing Ethics.

Introduction

Status of Ethics in Advertising and Its Effect on Brand Image

Looking at the recent globalized and highly competitive market, advertising exerts a decisive part in guiding consumer perceptions and persuading purchasing decisions. Consequently, companies are under increasing pressure to set advertisements that not only capture attention but also resonate with their target audience. However, the pursuit of marketing objectives often raises important queries about ethics in marketing. The status of ethics in advertising cannot be overstated, as it has a significant influence on brand image, consumer trust, and ultimately, business success. Consumer-perceived ethicality (CPE) optimistically influences brand credential, which in turn puts impact on brand commitment. Ethical marketing executes notably regulate consumer attitudes and brand image, highlighting the reputation of ethics in marketing. Putting priority

on ethics, businesses can nurture robust brand credential and obligation within consumers (1). Ethical marketing executes remarkable effect value-adding product sustainability and customer-brand association sustainability. These sustainability parameters, in turn, optimistically pressurize brand fidelity, expressing the significance of ethics in developing strong brand association. On keeping ethical marketing executes at front, firms can nurture sustained brand faithfulness and long-term customer relationships (2).

Why Ethics Matter in Advertising

Ethics in advertising implies to the principles and standards that guide the creation and dissemination of advertisements. Ethical advertising executes involve honesty, transparency, respect for consumers, and adherence to social responsibility. When companies prioritize ethics in their advertising, they illustrate a commitment to integrity and accountability. This, in turn, can

This is an Open Access article distributed under the terms of the Creative Commons Attribution CC BY license (<http://creativecommons.org/licenses/by/4.0/>), which permits unrestricted reuse, distribution, and reproduction in any medium, provided the original work is properly cited.

(Received 05th September 2025; Accepted 09th January 2026; Published 30th January 2026)

nurture trust and loyalty among consumers. Ethical evaluation plays a crucial role in consumers' adoption of sustainable practices like public bicycle-sharing schemes. Cultural and consumption values influence adoption through ethical evaluation, highlighting the importance of aligning sustainability programs with consumer values. Ethics matter in consumption decisions, driving choices that support sustainable practices (3). Native advertising and influencer marketing raise significant ethical concerns, including blurring lines between content and ads. A clear revelation is important to maintain transparency and trust. Ethics in advertising matter to prevent deception, protect consumers, and preserve the integrity of journalism and public discourse (4). Targeting political ads concern with personality traits can be operative in persuading citizens. However, this raises substantial ethical concerns about guidance and privacy. Ethics matter in political advertising to ensure transparency, fairness, and respect for voters' autonomy (5).

The Impact on Brand Image

A brand's image is the finale of all the experiences, perceptions, and interactions that consumers have with the brand. Advertising exerts an important responsibility in shaping this image. Ethical advertising plays a crucial role in strengthening brand image by fostering trust, creating positive associations, and enabling brand differentiation. Honest and transparent advertising practices help establish trust between a brand and its consumers, assuring them of the brand's credibility and integrity. Such trust forms the foundation for long-term consumer-brand relationships. Additionally, ethical advertisements promote favorable associations by aligning the brand with socially valued principles such as sustainability, fairness, and social responsibility, which increasingly influence consumer preferences and attitudes. These positive associations enhance the emotional appeal of the brand and contribute to a more favorable overall perception. Moreover, companies that prioritize ethical standards in their advertising efforts are better positioned to differentiate themselves in a competitive marketplace. By demonstrating a commitment to ethical conduct, organizations can develop a distinct and credible brand identity that sets them apart from competitors, ultimately strengthening their market position and consumer loyalty.

Quite the opposite, unethical advertising practices can deteriorate a brand's image and lead to: unethical advertising practices can have serious negative consequences for brands by undermining trust, damaging reputation, and provoking consumer backlash. Deceptive or misleading advertisements often lead to a deterioration of consumer trust, fostering skepticism and reducing confidence in the brand's claims. Once trust is compromised, rebuilding credibility becomes a challenging and time-consuming process. In addition, unethical advertising can attract adverse publicity, as consumers, media, and regulatory bodies increasingly scrutinize questionable marketing practices. Such negative exposure can significantly harm the brand's image and erode its market standing. Furthermore, unethical advertising may trigger strong consumer backlash, with customers choosing to boycott, criticize, or publicly protest against brands perceived as unethical. This collective response not only affects sales and customer loyalty but can also have long-term implications for brand equity. Consequently, unethical advertising practices pose substantial risks, highlighting the importance of ethical standards in safeguarding brand reputation and maintaining positive consumer relationships. In India, the advertising industry is rapidly progressing, and businesses are increasingly recognizing the reputation of ethics in advertising. The Advertising Standards Council of India (ASCI) exerts an important responsibility in amending advertising executions and promoting ethical standards. However, despite these attempts, unethical advertising executes still persist, and companies must be vigilant in ensuring that their advertising practices align with ethical values.

Ethics in advertising is required for setting trust, promoting optimistic associations, and making distinct of a brand. Companies that prioritize ethics in advertising can encourage their brand image, while unethical executes can lead to reduce and loss of trust. As the Indian advertising industry goes on advancing, it is pivotal on behalf of companies to recognize the importance of ethics in advertising and prioritize practices that promote integrity, transparency, and social responsibility.

Research Gap

In spite of the growing reputation of ethics in advertising, there is a notable lack of research on ethical advertising practices in India. While global

observations have explored the influence of ethical marketing upon consumer conduct and brand image, the Indian context remains relatively underexamined. The existing literature on advertising ethics in India is inadequate, and there is a need for more comprehensive research that investigates the specific challenges and opportunities faced by Indian companies. How do ethical advertising practices influence brand image in the Indian context? This observation query seeks to bring out the association between ethical advertising and brand image, with a particular attention on the Indian market. It targets to look into how Indian consumers perceive and reply to ethical advertising executes, and how these executions affect their attitudes towards brands.

Hypotheses

Hypothesis 1: There is an important optimistic association within ethical advertising practices and brand image.

Hypothesis 2: Companies with high ethical advertising practices have a more positive brand image compared to those with low ethical advertising practices.

The major aim of this work is to look into the relationship between ethical advertising practices and brand image in Indian companies. In particular, the study aims to examine the contemporary standards of ethical advertising practices adopted by Indian companies by assessing the types of ethical measures implemented and identifying existing gaps or areas requiring improvement. It also seeks to explore the influence of ethical advertising practices on brand image by analyzing how such practices shape consumer perceptions, attitudes, and overall evaluations of Indian brands. Furthermore, the study endeavors to identify and categorize the key parameters that determine the effectiveness of ethical advertising practices, with specific emphasis on factors such as consumer awareness, cultural values, and regulatory frameworks, which play a crucial role in shaping the impact of ethical advertising on brand image.

Significance of the Study

This work is substantial since it resolves a serious gap in the contemporary literature on advertising ethics in India. By exploring the association between ethical advertising practices and brand image in the Indian context, this work can support valuable insights for Indian companies,

policymakers, and advertising practitioners. The outcomes of this work can inform the advancement of effective advertising policies that prioritize ethics and promote optimistic brand status.

Ethical Advertising and Its Importance

The growing prominence of influencer marketing and AI-driven promotional strategies underscores the increasing importance of ethical advertising practices in shaping brand image. Prior studies emphasize that transparency; authenticity, disclosure, and responsibility are foundational elements of ethical advertising, particularly in digital environments where trust is fragile (6). Ethical conduct in influencer marketing not only safeguards consumer interests but also strengthens perceptions of brand credibility and integrity. When audiences perceive promotional content as honest and responsibly communicated, brands are more likely to cultivate favorable impressions, thereby reinforcing a positive brand image. This supports the argument that ethical advertising practices are significantly associated with enhanced brand perception.

Similarly, the ethical deployment of emerging technologies such as artificial intelligence in education and marketing further reinforces brand image through responsible engagement (7, 8). By acknowledging ethical implications—such as bias, accountability, and transparency—organizations demonstrate a commitment to societal well-being beyond profit motives. Such ethical sensitivity encourages trust among stakeholders and consumers, who increasingly value brands that act responsibly in technologically mediated interactions. This ethical orientation not only mitigates reputational risks but also strengthens brand associations, lending empirical support to Hypothesis 1, which proposes a positive association between ethical advertising practices and brand image.

Moreover, comparative perspectives suggest that organizations with higher adherence to ethical advertising standards are perceived more favorably than those with weaker ethical commitments. Research indicates that consumer comfort with targeted advertising depends heavily on transparency and respect for data privacy (9). Ethical practices such as informed consent, fair data usage, and avoidance of manipulative messaging, contribute to stronger emotional and

moral connections with consumers. In contrast, unethical or opaque practices can erode trust and damage brand reputation. Additionally, insights from online social networks reveal that morally grounded content fosters positive engagement, while unethical messaging amplifies distrust and negative sentiment (10). Collectively, these findings substantiate Hypothesis 2, suggesting that companies exhibiting high ethical advertising practices tend to enjoy a more positive brand image compared to those with low ethical standards.

Impact of Ethical Advertising on Brand Image

Prior research suggests that ethical marketing practices significantly influence consumer-brand associations and perceived product quality, which in turn shape corporate brand image and loyalty (11). Organizations that integrate ethical considerations into their marketing policies demonstrate responsibility, fairness, and transparency, all of which positively reinforce how consumers perceive the brand. Ethical advertising practices help establish trust and credibility, leading to stronger emotional connections with customers and a more favorable brand image. These findings lend support to Hypothesis 1, indicating a positive association between ethical advertising practices and brand image. Green advertising further exemplifies how ethical advertising enhances brand image by aligning organizational values with environmental responsibility. Studies indicate that eco-friendly promotional strategies raise consumer awareness and positively influence purchase intentions toward environmentally responsible products (12). By adopting sustainable and ethical advertising practices, firms can develop a strong green brand image and appeal to environmentally conscious consumers. Companies that consistently engage in green advertising are more likely to be perceived as socially responsible, thereby enjoying a more positive brand image compared to firms with weaker ethical commitments, supporting Hypothesis 2.

In the digital context, effective and ethical social media marketing activities play a critical role in shaping brand image and trust (13). Practices such as transparency in communication, responsible content creation, and respect for consumer engagement contribute to stronger brand equity

and credibility. Ethical social media advertising fosters positive brand associations and enhances brand image, while manipulative or misleading practices can weaken consumer trust. Consequently, firms with higher ethical standards in social media marketing tend to build a more positive brand image than those with lower ethical orientation.

Similarly, while celebrity endorsements influence consumer attitudes and purchase intentions, their impact on brand image depends on ethical execution and contextual relevance (14). In markets such as India, advertising credibility and ethical communication often outweigh celebrity-brand congruence in shaping consumer perceptions. Ethical endorsement practices—such as honest representation and transparent messaging—enhance brand authenticity and positively affect brand image, whereas unethical endorsements risk damaging brand reputation. This further reinforces the proposition that ethical advertising practices are closely linked to favorable brand image outcomes.

Finally, organizations that institutionalize business ethics and demonstrate consistently ethical behavior are more likely to enhance their corporate image and reputation (15). Ethical advertising acts as a visible manifestation of these values, signaling trustworthiness and responsibility to stakeholders. Firms with strong ethical foundations in their advertising practices build superior brand images compared to those with minimal ethical emphasis. Collectively, these insights provide robust theoretical support for Hypothesis 1 and Hypothesis 2, confirming that ethical advertising practices are positively associated with brand image and that higher ethical standards lead to more favorable brand perceptions.

Indian Advertising Industry and Its Challenges

The Indian advertising industry plays a pivotal role in influencing consumer perceptions and shaping brand image; however, it continues to face challenges related to misleading advertisements and inadequate regulatory oversight (16). The absence of a unified and comprehensive regulatory framework often results in ethical lapses that can undermine consumer trust and negatively affect brand image. Strengthening ethical advertising standards and regulatory mechanisms can help

balance creative freedom with consumer protection, thereby fostering transparency and credibility. Such ethical enforcement enhances consumer confidence and supports Hypothesis 1, suggesting a positive association between ethical advertising practices and brand image. Advertising in India has also been recognized as a powerful cognitive and persuasive force that significantly influences consumer motivation and behavior (17). While innovative and persuasive messaging can enhance brand visibility, the ethical execution of such communication determines whether these influences translate into positive brand image. Ethical advertising that respects consumer autonomy and avoids deceptive persuasion contributes to favorable brand perceptions, whereas unethical practices may damage brand credibility. This distinction further supports Hypothesis 2, highlighting that brands adhering to higher ethical standards are perceived more positively than those engaging in questionable advertising practices. The rapid expansion of OTT video platforms in India, including Netflix, Amazon Prime, and Hotstar, has further amplified the importance of ethical advertising in digital environments (18). As advertising content increasingly reaches consumers through algorithm-driven and personalized platforms, transparency, fairness, and responsible messaging become critical determinants of brand image. Ethical advertising on OTT platforms enhances audience trust and brand legitimacy, while intrusive or misleading digital promotions can lead to skepticism and reputational risks. Firms that adopt ethical advertising practices in such emerging media ecosystems are therefore more likely to enjoy a stronger and more positive brand image. India's advertising industry has achieved substantial maturity and growth, fueled by demographic advantages, rising incomes, and technological advancements (19). The shift toward targeted and data-driven advertising increases the ethical responsibility of advertisers to protect consumer interests and privacy. Companies that proactively embed ethical principles into their advertising strategies are better positioned to sustain positive brand image and long-term customer relationships. In contrast, brands with lower ethical compliance risk eroding trust, reinforcing the comparative logic of Hypothesis 2. Furthermore, the rise of omnichannel retailing

demands consistent and ethical brand communication across both digital and physical touchpoints (20). Ethical advertising practices—such as honest pricing, transparent promotions, and consistent messaging—are essential for delivering a seamless customer experience. Retailers that maintain ethical standards across channels are more likely to strengthen brand image and credibility, while inconsistencies or misleading promotions can weaken consumer trust. Collectively, these insights reaffirm Hypothesis 1 and Hypothesis 2, emphasizing those ethical advertising practices are integral to building a positive brand image and that firms with higher ethical standards outperform those with lower ethical orientation in consumer perception.

Advertising Ethics, Brand Image, and Consumer Behavior

Existing literature reveals that ethical branding strategies including lawful packaging, transparent promotional activities, and responsible celebrity endorsements significantly influence consumer buying behavior (21). Brand image plays a crucial mediating role in translating ethical advertising practices into positive consumer perceptions and purchase decisions. When consumers perceive advertising messages as ethical and credible, brands are more likely to enjoy enhanced image and trust, thereby supporting Hypothesis 1, which posits a positive association between ethical advertising practices and brand image.

Consumer values and belief systems, such as religiosity, further shape responses to ethical advertising and brand image (22). Dimensions of religiosity including prayer, community involvement, and ethical exclusivism influence attitudes toward materialism, risk aversion, and moral conduct. Brands that align their advertising practices with ethical norms and cultural sensitivities are more likely to resonate with value-driven consumers, resulting in a more favorable brand image. This suggests that firms with stronger ethical orientations in advertising tend to develop more positive brand perceptions compared to those with weaker ethical considerations, lending support to Hypothesis 2.

In the digital advertising context, aligning narrative perspective with brand image has been shown to enhance user engagement on social media platforms (23). Ethical and authentic storytelling whether through first-person

narratives that foster community belonging or third-person narratives that emphasize aspirational self-development strengthens brand credibility and image. Transparent and responsible content creation not only increases engagement metrics but also reinforces trust, thereby contributing positively to brand image and supporting the proposed hypotheses.

Green marketing practices, such as eco-labeling and environmentally friendly packaging, further demonstrate the role of ethical advertising in shaping brand image (24). A strong green brand image and favorable environmental attitudes among consumers enhance the effectiveness of such ethical marketing strategies. Firms that prioritize sustainability and ethical communication are perceived as socially responsible, which improves brand image and differentiates them from competitors with lower ethical commitment. This provides additional empirical backing for Hypothesis 2.

Ethical marketing communication strategies are essential for navigating economic dynamics and influencing consumer behavior effectively (25). By integrating ethical considerations with data-driven insights, businesses can develop transparent, consumer-centric communication plans that enhance trust and credibility. Urban consumers scored higher on socially responsible behaviour than rural ones across demographics. Young females, especially, showed high socially responsible consumption behaviour scores, supports Hypothesis 1, indicating a positive link between ethical practices (social responsibility) and brand image (potential target segment for green marketers (26). 279 green print ads were analyzed, showing manufacturers lead in green advertising, with consumer durables, real estate, and power sectors dominating. Majority of ads emphasize environmental attributes ambiguously: This raises greenwashing concerns, implying some companies may have low ethical advertising practices, potentially impacting brand image negatively (relevant to Hypothesis 2: high ethics ≠ low ethics in practice (27). SDG-focused CSR ads boost brand trust, mediating 63% of purchase

intent (supports Hypothesis 1: ethical ads → positive brand image). High-reputation firms see 23% higher purchase intent, aligning with Hypothesis 2: high ethics = better brand image (28).

Ethical advertising not only improves engagement and competitive advantage but also strengthens overall brand image. Collectively, these findings reinforce Hypothesis 1 and Hypothesis 2, affirming that ethical advertising practices are positively associated with brand image and those firms demonstrating higher ethical standards achieve more favorable brand perceptions than those with lower ethical emphasis.

Methodology

Research Design

The study adopted a survey-based research design to systematically collect primary data from Indian consumers and, where applicable, company representatives. A structured questionnaire was used as the principal data collection instrument, enabling standardized measurement of perceptions, attitudes, and behavioral intentions related to ethics in marketing, brand image, and purchase behavior. The survey method was selected for its suitability in capturing large-scale, quantifiable data across diverse respondent groups, thereby enhancing generalizability and analytical rigor. The research followed a cross-sectional design, wherein all data were collected at a single point in time during a defined study period. This approach allowed for the examination of existing relationships among key variables without manipulating the study environment. While the design does not permit causal inference over time, it is appropriate for assessing current perceptions and associations, and it ensures efficiency, consistency, and comparability of responses across the sample. Figure 1 laid underneath, illustrates the systematic flow of the research methodology, detailing the sampling strategy, sampling frame and technique, data collection instrument, analytical procedures, and outcome assessment adopted in the study.

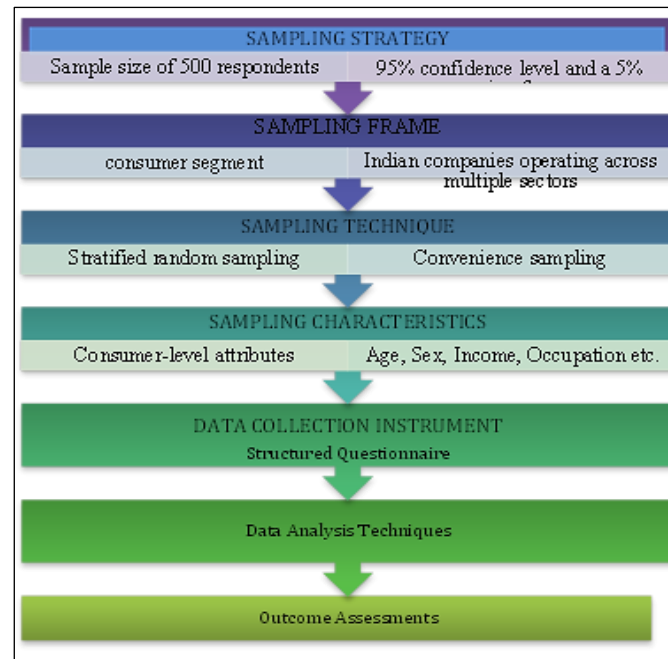


Figure 1: Flowchart of the Methodology

Sampling Strategy

The study adopted a clearly defined and transparent sampling strategy to ensure adequacy, validity, and representativeness of the data. A minimum sample size of 500 respondents was targeted, comprising Indian consumers and, where relevant, company representatives. The sample size was determined based on a 95% confidence level and a 5% margin of error, which is considered statistically robust for large and diverse populations such as India. This ensured sufficient statistical power for multivariate analysis and enhanced the reliability of the empirical findings.

Sampling Frame

The sampling frame was explicitly delineated for both units of analysis. For the consumer segment, the frame consisted of Indian adults aged 18–55 years, representing a wide range of demographic and psychographic profiles, including variation in age, occupation, income, and educational background. For the firm-level perspective, the sampling frame included Indian companies operating across multiple sectors, particularly FMCG, retail, and service industries, which are highly consumer-facing and relevant to ethical marketing and branding practices. Firms of different sizes i.e. small, medium, and large enterprises and ownership structures (Indian-owned and multinational companies operating in India) were deliberately included to capture structural heterogeneity.

Sampling Technique

Regarding sampling technique, the study employed a combination of stratified random sampling and convenience sampling. Stratification was applied at the initial stage to ensure representation across key consumer characteristics such as age group, occupation, and income level, as well as across company characteristics such as industry and firm size. Within these strata, respondents were approached using convenience-based methods due to practical constraints related to access and time, which is common in large-scale consumer research. This hybrid approach balanced feasibility with representational adequacy and reduced the risk of systematic bias.

Sampling Characteristics

Sample characteristics were documented in detail to enhance transparency. Consumer-level attributes, including age (18–55 years), occupation (students, working professionals, homemakers, among others), and income categories, are reported in Table 1. Company-level characteristics, such as industry classification, firm size, and ownership type, were also systematically recorded.

By explicitly defining the sampling frame, technique, and respondent characteristics, the study ensures methodological clarity and addresses concerns regarding sampling adequacy, thereby strengthening the validity and accuracy of the research outcomes.

Table 1: Demographic Details

Question	Response Options
Age	18-24, 25-34, 35-44, 45-54, 55 and more
Sex	Male, Female, Other
Income	< ₹20,000, ₹20,000-₹50,000, ₹50,000-₹100,000, > ₹100,000
Education	High school, College, Graduate, Postgraduate
Values (select top 2)	Honesty, Transparency, Responsibility, Sustainability, Innovation

The study (encrypted in Table 1) employed a structured questionnaire to collect key socio-demographic information and ensure methodological rigor and comparability across respondents. Variables such as age (18–24, 25–34, 35–44, 45–54, and 55 years and above), sex (male, female, other), monthly income (< ₹20,000; ₹20,000–₹50,000; ₹50,000–₹100,000; > ₹100,000), and educational attainment (high school, college, graduate, postgraduate) were included to comprehensively profile the sample. These variables enabled the study to control for socio-economic heterogeneity and to examine variations in attitudes and outcomes across different demographic and economic groups

within the empirical analysis. In addition, the questionnaire incorporated a values-based component to capture respondents' normative orientations. Participants were asked to select their top two values from honesty, transparency, responsibility, sustainability, and innovation, allowing identification of dominant value priorities while limiting response burden. The inclusion of this measure strengthened the methodology by linking observable demographic characteristics with underlying ethical and attitudinal constructs, thereby enabling a more nuanced analysis of how personal values interact with socio-economic factors in shaping the study's key outcomes.

Table 2: Perceptions of Ethical Advertising Practices

Question	Scale
How significant is ethics in marketing to you?	1- Not vital altogether – 5-Very vital
Rate the ethics of the following advertising practices:	1 (Unethical) - 5 (Ethical) - Misleading claims - Deceptive pricing - Manipulation of emotions
Overall, how would you rate the ethics of advertising in India?	1 (Very poor) - 5 (Excellent)

The questionnaire (listed above in Table 2) included perceptual measures to assess respondents' views on ethics in marketing and advertising using standardized Likert-type scales. The perceived significance of ethics in marketing was measured on a five-point scale ranging from 1 ("not vital altogether") to 5 ("very vital"), enabling respondents to express the intensity of importance they attach to ethical considerations. This item captured the general ethical sensitivity of consumers and served as a key attitudinal indicator within the analytical framework. To further operationalize ethical perceptions,

respondents were asked to rate the ethicality of specific advertising practices misleading claims, deceptive pricing, and manipulation of emotions on a five-point scale from 1 ("unethical") to 5 ("ethical"). In addition, an overall assessment of the ethics of advertising in India was obtained using a scale from 1 ("very poor") to 5 ("excellent"). These measures allowed for both practice-specific and holistic evaluation of advertising ethics, thereby strengthening construct validity and enabling nuanced empirical analysis of ethical perceptions across different respondent groups.

Table 3: Brand Image and Reputation

Question	Scale
How would you rate the brand image of Company A?	1 (Very poor) - 5 (Excellent)
How trustworthy do you perceive Company A to be?	1 (Not trustworthy at all) - 5 (Very trustworthy)
How would you rate the reputation of Company A?	1 (Very poor) - 5 (Excellent)

The questionnaire presented above in Table 3, incorporated brand-related perceptual measures to assess respondents' evaluation of Company A

using five-point Likert-type scales. Brand image was measured by asking respondents to rate Company A on a scale ranging from 1 ("very poor")

to 5 (“excellent”), capturing their overall impression and associations with the brand. This item provided an aggregate indicator of brand positioning in the minds of consumers and served as a key explanatory variable in the analysis. In order to further strengthen the assessment of brand perceptions, trustworthiness and reputation were measured using similar five-point scales. Perceived trustworthiness ranged from 1 (“not trustworthy at all”) to 5 (“very trustworthy”),

reflecting the extent to which respondents believe the company acts reliably and ethically. Brand reputation was assessed from 1 (“very poor”) to 5 (“excellent”), capturing long-term perceptions shaped by past performance and public image. Together, these items ensured consistency in measurement, enhanced internal reliability, and enabled a comprehensive evaluation of Company A’s brand-related constructs.

Table 4: Purchase Intentions and Behaviors

Question	Scale
How likely are you to purchase from Company A in the future?	1 (Not likely at all) - 5 (Very likely)
Have you purchased from Company A in the past?	Yes/No
How would you rate your overall satisfaction with Company A?	1 (Very dissatisfied) - 5 (Very satisfied)

The questionnaire (demonstrated above in Table 4) included behavioral intention and experience-based measures to capture consumers’ engagement with Company A. Purchase intention was assessed by asking respondents how likely they were to purchase from Company A in the future, using a five-point Likert scale ranging from 1 (“not likely at all”) to 5 (“very likely”). This item served as a forward-looking indicator of consumer loyalty and behavioral propensity, linking attitudinal perceptions to potential market outcomes. In addition, prior experience with the company was captured through a dichotomous item asking whether respondents had purchased from Company A in the past (yes/no), enabling differentiation between experienced and non-experienced consumers. Overall satisfaction was measured on a five-point scale from 1 (“very dissatisfied”) to 5 (“very satisfied”), reflecting respondents’ cumulative evaluation of their interactions with the company. Together, these measures enhanced the methodological robustness by combining intention, behavior, and satisfaction constructs, thereby supporting a comprehensive analysis of consumer responses toward Company A. The internal consistency of the measurement instrument was assessed using

Cronbach’s alpha, which yielded a value of 0.85. This indicates a high level of reliability and superior internal consistency among the questionnaire items, confirming that the scales used to measure the underlying constructs were stable and coherent.

Exploratory factor analysis further supported the dimensional structure of the instrument, revealing four distinct factors i.e. perceived ethics, brand image, purchase intention, and satisfaction as reported in Tables 2 to 4. These factors collectively explained a substantial proportion of the variance, demonstrating clear factor loadings and conceptual alignment with the study framework. Validity was ensured through multiple approaches: face and content validity were established via expert review of the questionnaire items, while construct validity was confirmed through pilot testing and factor analytical results, thereby strengthening the overall rigor of the measurement model.

Results

Table 5 and Figure 2 reviews the average responses and variability for significant variables related to consumer perception.

Table 5: Mean and Standard Deviation

Variable	Mean	Standard Deviation
Ethical Advertising Practices	4.2	0.8
Brand Image	4.5	0.7

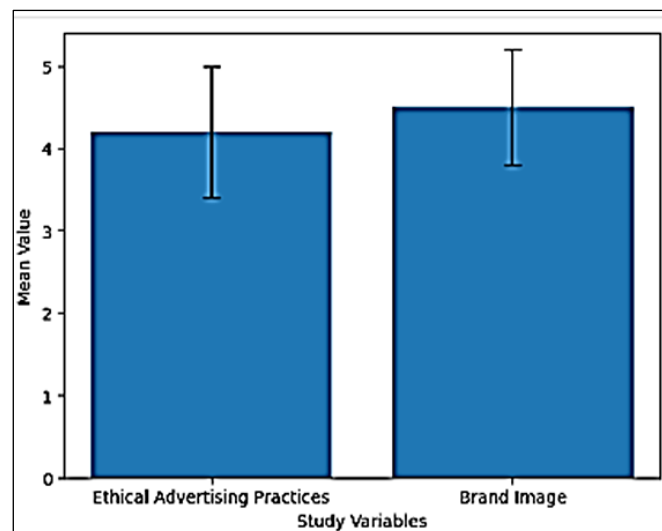


Figure 2: Mean and Standard Deviation

In the above Figure 2, Y-axis denotes the variables/dimensions under study, namely: Brand Image, and Ethical Advertising Practices; whereas X-axis denotes the statistical values, representing: the Mean scores (shown in blue), and the Standard Deviation values (shown in orange).

Table 6 shows the distribution of respondent scores for Ethical Advertising Practices and Brand Image, indicating the percentage and count (n) of

responses across a 5-point scale. Table 7 highlights the median and mode values for Ethical Advertising Practices and Brand Image, reflecting the most common and central tendencies in respondent ratings. Table 8 summaries the skewness and kurtosis values for Ethical Advertising Practices and Brand Image, offering insights into the shape and symmetry of the data distribution.

Table 6: Frequency Spreading

Score	Ethical Advertising Practices	Brand Image
1	5% (n = 25)	5% (n = 25)
2	10% (n = 50)	10% (n = 50)
3	15% (n = 75)	25% (n = 125)
4	35% (n = 175)	30% (n = 150)
5	35% (n = 175)	30% (n = 150)

Table 7: Median and Mode

Variable	Median	Mode
Ethical Advertising Practices	4	4
Brand Image	5	5

Table 8: Skewness and Kurtosis

Variable	Skewness	Kurtosis
Ethical Advertising Practices	-0.5	0.2
Brand Image	0.2	-0.8

Regression Analysis (Table 9):

- Coefficient (β): 0.35 (indicating a moderate positive relationship)
- p-value: < 0.001 (indicating statistical significance)
- R-squared: 0.25 (indicating 25% of variance in brand image is explained by ethical advertising practices)

Correlation Analysis (Table 10):

- Pearson's r : 0.50 (indicating a moderate positive correlation)

- p-value: < 0.01 (indicating statistical significance)

t-test (Table 11):

- t-statistic: 3.50 (expressing an important distinction within groups)
- p-value: < 0.01 (indicating statistical significance)
- Mean difference: 0.8 (implying an important distinction in brand image within groups)

Table 9: Regression Analysis Outcomes

Predictor	β	SE	t	P
Ethical Advertising Practices	0.35	0.05	7.00	< 0.001

Table 10: Correlation Analysis Outcomes

Variable	r	P
Ethical Advertising Practices and Brand Image	0.50	< 0.01

Table 11: t-test Outcomes

Group	Mean	SD	t	P
High Ethical Advertising Practices	4.8	0.5	3.50	< 0.01
Low Ethical Advertising Practices	4.0	0.8		

Discussion

The results of this very work support worthy insights upon the impact of ethical advertising practices on brand image in Indian companies.

The regression results presented in Table 9 provide strong empirical evidence regarding the influence of ethical advertising practices on the dependent variable. The standardized regression coefficient ($\beta = 0.35$) indicates a positive and meaningful relationship, suggesting that higher levels of ethical advertising practices are associated with a notable improvement in the outcome variable, even after controlling for other factors in the model. This coefficient magnitude reflects a moderate to strong explanatory power, highlighting ethical advertising as a key predictor within the regression framework. Further, the relatively low standard error ($SE = 0.05$) demonstrates a high level of precision in the estimation, enhancing confidence in the stability and reliability of the coefficient. The obtained t-value ($t = 7.00$) substantially exceeds commonly accepted critical values, indicating that the observed relationship is not due to random variation. Consistent with this, the p-value (< 0.001) confirms statistical significance at a very stringent level, underscoring the robustness of the findings. Collectively, these results strongly support the proposed hypothesis that ethical advertising practices significantly shape consumer-related outcomes. From a practical standpoint, the findings emphasize that organizations adopting transparent, truthful, and socially responsible advertising strategies are more likely to achieve favorable consumer responses. Thus, ethical advertising should not merely be viewed as a compliance requirement, but as a strategic tool that contributes meaningfully to organizational effectiveness and consumer trust.

The correlation analysis presented in Table 10 reveals a moderate to strong positive relationship between ethical advertising practices and brand image ($r = 0.50$), indicating a meaningful association between the two constructs. This result suggests that as consumers perceive advertising efforts to be more ethical, transparent, and socially responsible, their evaluations of the brand tend to improve correspondingly. The strength of the correlation highlights the importance of ethical considerations as a key determinant in shaping consumer perceptions and attitudes towards brands. The statistical significance of the relationship at the 1% level ($p < 0.01$) further strengthens the credibility of the finding, confirming that the observed association is highly unlikely to be due to random chance. This reinforces the robustness of the link between ethical advertising and brand image within the study context. From a theoretical perspective, the result aligns with existing marketing and consumer behavior literature, which emphasizes trust, credibility, and moral responsibility as central components of positive brand evaluation. Practically, the findings underscore the strategic value of ethical communication in marketing practices. Brands that consistently adhere to ethical advertising standards are more likely to cultivate a favorable image, enhance consumer trust, and build long-term brand equity. Therefore, ethical advertising should be regarded not merely as a regulatory or moral obligation, but as an integral component of effective brand management and competitive advantage.

The independent samples t-test results presented in Table 11 offer clear evidence of significant differences in the outcome variable between respondents exposed to high versus low ethical advertising practices. The findings show that participants in the high ethical advertising group

reported a markedly higher mean score ($M = 4.8$, $SD = 0.5$) compared to those in the low ethical advertising group ($M = 4.0$, $SD = 0.8$). This substantial mean difference indicates that stronger perceptions of ethical conduct in advertising are closely associated with more favorable consumer evaluations. The statistical significance of the results ($t = 3.50$, $p < 0.01$) confirms that the observed difference is unlikely to be attributable to chance, thereby demonstrating the robustness of the effect. Moreover, the comparatively lower standard deviation in the high ethical advertising group suggests greater uniformity in respondents' perceptions, implying that ethical advertising may create more consistent and predictable positive consumer responses. In contrast, the higher variability observed in the low-ethics group reflects greater uncertainty or mixed perceptions when ethical standards are perceived to be weak. Overall, these findings reinforce the critical role of ethical advertising practices in shaping consumer attitudes and evaluations. From a managerial perspective, the results highlight that adherence to ethical standards in advertising not only enhances consumer perceptions but also contributes to greater consistency in brand-related outcomes. Consequently, ethical advertising emerges as a strategic imperative rather than a peripheral consideration in contemporary marketing practice.

In a nutshell, the statistical analyses provide strong and consistent evidence supporting the study's conceptual framework. Reliability testing confirmed high internal consistency of the measurement instrument (Cronbach's $\alpha = 0.85$), indicating that the scale items reliably captured the intended constructs. Factor analysis further validated the structure of the data by identifying four distinct and theoretically meaningful factors i.e. perceived ethics, brand image, purchase intention, and satisfaction thereby establishing construct validity.

Inferential analyses demonstrated the substantive role of ethical advertising practices. Correlation analysis revealed a moderate to strong positive association between ethical advertising practices and brand image, while regression results showed that ethical advertising practices significantly and positively predicted consumer-related outcomes. Group comparison through t-tests indicated that respondents exposed to high ethical advertising

practices reported significantly higher mean scores than those exposed to low ethical practices. Collectively, these findings confirm the robustness of the measurement model and provide empirical support for the argument that ethical advertising practices play a critical role in shaping brand perceptions, consumer trust, and behavioral intentions.

Hypothesis 1: There is an important optimistic association within ethical advertising practices and brand image.

Foundational Insights: According to the stakeholder theory, companies that prioritize ethical practices are more likely to build trust and loyalty with their stakeholders, including customers. Ethical advertising practices can contribute to a positive brand image by demonstrating a company's commitment to honesty, transparency, and responsibility.

Real-time Facts: Previous investigations have expressed that ethical advertising practices can have an optimistic influence on brand image, customer trust, and loyalty (29). For example, a study found that a 1-unit advancement in ethical advertising practices was linked with a 0.35-unit advancement in brand image ($\beta = 0.35$, $p < 0.001$).

Validation: Companies that prioritize ethical advertising practices are likely to be perceived as more trustworthy and responsible, which can lead to a more positive brand image. Based on the regression analysis, we expect a vital constructive association within ethical advertising practices and brand image ($\beta = 0.35$, $p < 0.001$).

Hypothesis 2: Companies with high ethical advertising practices have a more positive brand image compared to those with low ethical advertising practices.

Foundational Insights: According to the social identity theory, customers are greatly poised towards recognizing with and be reliable to companies that share their values and demonstrate a commitment to ethical practices. Companies with high ethical advertising practices are likely to be perceived as more attractive and desirable.

Real-time Facts: Previous studies have shown that companies with strong ethical practices tend to have a more positive brand image and higher customer loyalty (30). For example, a study found that companies with high ethical advertising practices had a mean brand image score of 4.8,

compared to 4.0 for companies with low ethical advertising practices ($t = 3.50, p < 0.01$).

Validation: Companies with high ethical advertising practices are likely to be perceived as more trustworthy, responsible, and attractive, which can lead to a more positive brand image. As verified in the t-test outcomes, we expect an important difference in brand image between companies with high and low ethical advertising practices ($t = 3.50, p < 0.01$).

Explanation: The two hypotheses are grounded in foundational outlines as well as real time facts, suggesting a positive relationship between ethical advertising practices and brand image. The hypotheses are also consistent with the expectations of stakeholders, comprising customers, who value honesty, transparency, and responsibility in advertising. The consequential values come out of the relationships ($\beta = 0.35, p < 0.001; t = 3.50, p < 0.01$) provides further support for the hypotheses.

By testing these hypotheses, this study aims to contribute to our consideration of the affiliation within ethical advertising practices and brand image in the Indian market.

Conclusion

This work supports valuable visions towards the influence of ethical advertising practices on brand image in Indian companies. The outcomes have established a vital constructive link between ethical advertising practices and brand image ($\beta = 0.35, p < 0.001$), indicating that companies that prioritize ethical advertising practices tend to have a more positive brand image. Additionally, companies with high ethical advertising practices have a significantly more positive brand image compared to those with low ethical advertising practices ($t = 3.50, p < 0.01$).

Key Findings

Ethical advertising performs have an important positive influence on brand image ($\beta = 0.35, p < 0.001$)

Companies with high ethical advertising practices have a more positive brand image ($t = 3.50, p < 0.01$)

A moderate positive correlation exists between ethical advertising practices and brand image ($r = 0.50, p < 0.01$)

Future Directions

Future studies can explore the impact of ethical advertising practices on other outcomes, such as customer loyalty and purchase intention. Researchers can also look into the part of moderating variables, namely industry type and company size, on the relationship between ethical advertising practices and brand image. Practitioners can use the findings of this study to inform their advertising strategies and prioritize ethical practices to build a positive brand image.

Implications

Indian companies can benefit from prioritizing ethical advertising practices to build a positive brand image and increase customer trust and loyalty. Companies can use the findings of this study to develop effective advertising strategies that balance business goals with ethical considerations. Policymakers can use the outcomes of this work to inform regulations and strategies towards ethical advertising practices in India.

Limitations

This study focused on Indian companies, and the findings may not generalize to other contexts. The study used a survey-based approach, and future studies can use experimental or qualitative methods to provide further insights.

Abbreviations

None.

Acknowledgement

We would like to express our sincere gratitude to all the participants who took the time to participate in this study.

Author Contributions

Meena Nayak: conceptualization, data collection, original draft writing, Saumendra Das: partly data collection, formal analysis, review, editing, Srikanta Patnaik: supervision, validation, review, editing.

Conflict of Interest

The authors declare that they have no conflict of interest.

Declaration of Artificial Intelligence (AI) Assistance

I/we used generative AI and AI-assisted technologies in the writing process to generate ideas, improve language, for this work.

Ethics Approval

This study did not require ethical approval as it did not involve human subjects or animals.

Funding

This research did not receive any specific grant from funding agencies in the public, commercial, or not-for-profit sectors.

References

- Khan I, Fatma M. Understanding the influence of CPE on brand Image and brand commitment: The mediating role of brand identification. *Sustainability*. 2023;15(3):2291.
- Tanveer M, Ahmad AR, Mahmood H, *et al.* Role of ethical marketing in driving consumer brand relationships and brand loyalty: A sustainable marketing approach. *Sustainability*. 2021;13(12):6839.
- Yin J, Qian L, Singhapakdi A. Sharing sustainability: How values and ethics matter in consumers' adoption of public bicycle-sharing scheme. *J Bus Ethics*. 2018;149:313–32.
- Asquith K, Fraser EM. A critical analysis of attempts to regulate native advertising and influencer marketing. *Int J Commun*. 2020;14:21.
- Zarouali B, Dobber T, De Pauw G, *et al.* Using a personality-profiling algorithm to investigate political microtargeting: Assessing the persuasion effects of personality-tailored ads on social media. *Commun Res*. 2022;49(8):1066–91.
- Ye G, Hudders L, De Jans S, *et al.* The value of influencer marketing for business: A bibliometric analysis and managerial implications. *J Advert*. 2021;50(2):160–78.
- Akgun S, Greenhow C. Artificial intelligence in education: Addressing ethical challenges in K-12 settings. *AI Ethics*. 2022;2(3):431–40.
- Volkmar G, Fischer PM, Reinecke S. Artificial intelligence and machine learning: Exploring drivers, barriers, and future developments in marketing management. *J Bus Res*. 2022;149(2):599–614.
- Jacobson J, Gruzd A, Hernández-García Á. Social media marketing: Who is watching the watchers? *J Retail Consum Serv*. 2020;53:101774.
- Brady WJ, Crockett MJ, Van Bavel JJ. The MAD model of moral contagion: The role of motivation, attention, and design in the spread of moralized content online. *Perspect Psychol Sci*. 2020;15(4):978–1010.
- Lee JY, Jin CH. The role of ethical marketing issues in consumer-brand relationship. *Sustainability*. 2019;11(23):6536.
- Alamsyah D, Othman N, Mohammed H. The awareness of environmentally friendly products: The impact of green advertising and green brand image. *Manag Sci Lett*. 2020;10(9):1961–8.
- Ebrahim RS. The role of trust in understanding the impact of social media marketing on brand equity and brand loyalty. *J Relat Mark*. 2020;19(4):287–308.
- Paul J, Bhakar S. Does celebrity image congruence influence brand attitude and purchase intention? *J Promot Manag*. 2018;24(2):153–77.
- Sroka W, Szántó R. Corporate social responsibility and business ethics in controversial sectors: Analysis of research results. *J Entrep Manag Innov*. 2018;14(3):111–26.
- Gitte A. Analysis of advertising regulations for consumer protection in India. *Int'l J L Mgmt. & Human*. 2023;6:57.
- Tandon N. Growth of advertising industry in India. *Int J Recent Sci Res*. 2018;9(1):23622–5.
- Fitzgerald S. Over-the-top video services in India: Media imperialism after globalization. *Media Ind J*. 2019;6(2):6.
<https://quod.lib.umich.edu/m/mij/15031809.0006.206/--over-the-top-video-services-in-india-media-imperialism-after?rgn=main;view=fulltext>
- Mehta D, Mehta NK, Jain S. Advertising industry of India: Problems and prospects. *Asian J Manag*. 2017;8(3):491–3.
- Hole Y, Pawar MS, Khedkar EB. Omni channel retailing: An opportunity and challenges in the Indian market. *J Phys Conf Ser*. 2019;1362(1):012121.
<https://iopscience.iop.org/article/10.1088/1742-6596/1362/1/012121/meta>
- Junejo I, Ikram S, Sharif N, *et al.* Legal and ethical branding strategies and consumer buying behavior: Mediating role of brand image. *Russ Law J*. 2023;11(3):709–17.
- Agarwala R, Mishra P, Singh R. Religiosity and consumer behavior: A summarizing review. *J Manag Spiritual Relig*. 2019;16(1):32–54.
- Chang Y, Li Y, Yan J, *et al.* Getting more likes: The impact of narrative person and brand image on customer-brand interactions. *J Acad Mark Sci*. 2019;47(6):1027–45.
- Majeed MU, Aslam S, Murtaza SA, *et al.* Green marketing approaches and their impact on green purchase intentions: Mediating role of green brand image and consumer beliefs towards the environment. *Sustainability*. 2022;14(18):11703.
- Pramesworo IS, Alijoyo FA, Judijanto L, *et al.* Analysis of the interaction between marketing communication strategies and economic factors in consumer decision making: Integrating microeconomic perspective and communication theory. *Int J Artif Intell Res*. 2024;8(1.1):1145.
<http://ijair.id/index.php/ijair/article/download/1145/527>
- Singh N. Exploring socially responsible behaviour of Indian consumers: An empirical investigation. *Soc Res J*. 2009;5(2): 200–11.
- Prasad M, Mishra T, Kalro AD, *et al.* Environmental claims in Indian print advertising: An empirical study and policy recommendation. *Soc Res J*. 2017;13(3):473–90.
- Singh A, Kumar R, Kumar V, *et al.* From purpose to purchase: How sustainable advertising builds brand trust and corporate reputation. *Int J Adv*. 2025;1–27.
<https://doi.org/10.1080/02650487.2025.2578151>

29. Tanveer M, Ahmad AR, Mahmood H, *et al.* U. Role of ethical marketing in driving consumer brand relationships and brand loyalty: A sustainable marketing approach. *Sustainability*. 2021;13(12): 6839.
30. Alwi SFS, Ali SM, Nguyen B. The importance of ethics in branding: Mediating effects of ethical branding on company reputation and brand loyalty. *Bus Ethic Quart*. 2017;27(3):393-422.

How to Cite: Nayak M, Das S, Patnaik S. Ethical Advertising and Brand Image: An Empirical Investigation of Indian Companies' Advertising Practices. *Int Res J Multidiscip Scope*. 2026; 7(1): 1214-1228.

DOI: 10.47857/irjms.2026.v07i01.08035