

Marketing Colloquia

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Zoom
12:00 PM to 1:20 PM

DEBUNKING MISINFORMATION IN ADVERTISING

ABSTRACT: Many brands differentiate themselves by highlighting the absence of certain ingredients (e.g. no GMO) with some going as far as to deceptively claim those ingredients are toxic. Because such claims can spread misinformation among consumers, various interested parties – regulators, the media and competitor brands - aim to debunk such misinformation. However, little is known whether a) such misinformation in advertisements alters consumers' willingness to buy a product and b) if so, whether debunking can effectively revert the effect of misinformation. This paper aims to empirically understand the impact of misinformation and that of debunking in the context of three ingredients in product categories in which misinformation is prevalent: aluminum in deodorants, fluoride in toothpastes, and GMOs in food. We find that an additional exposure to misinformation can further alter consumers' willingness-to-pay, and debunking from a trustworthy source plays an important role in correcting consumers' misbeliefs.