

TURNING THE DREADED ADVERTISING SUBSTANTIATION MANDATE TO A FIRM'S ADVANTAGE

Kathy L. Pettit-O'Malley, Department of Business, University of Idaho, 875 Perimeter Dr, Moscow ID 83843, 208-885-6819, komalley@uidaho.edu

Sanjay R. Sisodiya, Department of Business, University of Idaho, 875 Perimeter Dr, Moscow ID 83843, 208-885-0267, sisodiya@uidaho.edu

ABSTRACT

As part of the FTC's Advertising Substantiation program, companies making claims in advertising are required to substantiate those claims in order to avoid improper claims. Companies could avoid making improper claims by performing proactive substantiation tests. Unfortunately, when firms are asked to provide substantiation information, many delay or are unwilling to provide the information. This raises the questions about trustworthiness of the source. This study investigates advertising substantiation in the context of online advertisements, and whether the availability of links in advertising to substantiation influence the trustworthiness of the source.