



Original Article

# Advertising and consumer Behaviour: Legal safeguards under the consumer protection Act

Piyushkumar Jagdishbhai Kanudawala<sup>1</sup>, Hetal Unadkat<sup>2</sup>

<sup>1</sup>Research Scholar (Phd)

<sup>2</sup>Guide, Institution: Swaminarayan University

Manuscript ID:  
RIGJAAR-2025-020404

ISSN: 2998-4459

Volume 2

Issue 4

Pp. 14-18

April 2025

Submitted: 25 Jan. 2025

Revised: 15 Feb. 2025

Accepted: 25 Mar. 2025

Published: 30 Apr. 2025

**Correspondence Address:**

Piyushkumar Jagdishbhai  
Kanudawala, Research  
Scholar (Phd)  
Email: -  
[piyushkanudawala@gmail.com](mailto:piyushkanudawala@gmail.com)

Quick Response Code:



Web: <https://rlgjaar.com>



DOI:  
10.5281/zenodo.15542768

DOI Link:  
<https://zenodo.org/records/15542768>



Creative Commons



**Abstract:-**

Advertising plays a pivotal role in shaping consumer behavior, influencing purchasing decisions through persuasive techniques and strategic messaging. However, misleading and unethical advertisements often exploit consumer vulnerabilities, leading to financial losses and trust deficits. This research paper examines the legal safeguards provided under the Consumer Protection Act, 2019 in India, aimed at protecting consumers from deceptive practices in advertising. The study explores the Act's provisions, such as the prohibition of misleading advertisements, penalties for false claims, and the establishment of the Central Consumer Protection Authority (CCPA) to regulate and enforce compliance. It also evaluates the effectiveness of these measures in addressing challenges posed by digital marketing, influencer endorsements, and emerging advertising trends. This research paper examines the impact of advertising on consumer behavior, highlighting psychological and sociological dimensions that make consumers susceptible to marketing influence. It further analyzes the legal safeguards embedded in the Consumer Protection Act and evaluates their effectiveness in curbing unethical advertising practices. Case studies, judicial decisions, and policy developments are explored to assess how these legal mechanisms contribute to a more equitable consumer market. Ultimately, the paper argues that while the legal framework has strengthened consumer rights, continuous efforts are needed in enforcement, consumer education, and industry self-regulation to ensure responsible advertising. A well-informed consumer base, supported by effective legal remedies, is essential to achieving a fair and just market economy.

**Keywords:-** Consumer Behaviour, Advertising, Misleading Advertisements, Consumer Protection Act 2019, Legal Safeguards, Central Consumer Protection Authority (CCPA), Unfair Trade Practices, Consumer Rights, Endorsements.

**Introduction:-**

Advertising is a powerful tool that shapes consumer behavior by creating awareness, generating interest, and influencing purchasing decisions. In an era of globalization and digital transformation, advertisements have become pervasive across multiple platforms, including print, television, and social media. While advertising plays a crucial role in economic growth and market competition, it also raises significant concerns about consumer vulnerability to deceptive, misleading, and unethical practices. The relationship between advertising and consumer behavior is complex and dynamic. Advertisements often employ persuasive strategies, emotional appeals, and endorsements to sway consumer choices. However, when such practices cross ethical boundaries, they can lead to misinformation, exploitation, and financial harm. Vulnerable groups, such as children, the elderly, and individuals with limited financial literacy, are particularly susceptible to such manipulation. Recognizing these challenges, the Indian government enacted the Consumer Protection Act, 2019, to safeguard consumer rights and regulate unfair trade practices. The Act introduced comprehensive provisions to address misleading advertisements, holding advertisers, manufacturers, and endorsers accountable for false claims and unethical practices. Notably, the establishment of the Central Consumer Protection Authority (CCPA) has strengthened the enforcement of these provisions, ensuring greater transparency and accountability in advertising.

**Review of Literature:-**

The relationship between advertising and consumer behavior, and the legal safeguards under the Consumer Protection Act, has been extensively examined in academic, legal, and regulatory literature. This review highlights key works and studies that explore the influence of advertising, consumer vulnerabilities, and the legal mechanisms designed to protect consumer interests.

**1. Advertising and Consumer Behavior**

**a. Influence of Advertising**

Scholars like Kotler and Keller (Marketing Management, 2016) emphasize the persuasive power of advertising in shaping consumer attitudes, preferences, and purchase decisions. Advertisements appeal to emotions, create brand loyalty, and influence societal norms. However, unethical practices, such as exaggeration, false claims, and subliminal messaging, often mislead consumers.

**Creative Commons (CC BY-NC-SA 4.0)**

This is an open access journal, and articles are distributed under the terms of the [Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International](https://creativecommons.org/licenses/by-nc-sa/4.0/) Public License, which allows others to remix, tweak, and build upon the work noncommercially, as long as appropriate credit is given and the new creations are licensed under the identical terms.

**How to cite this article:**

Kanudawala, P. J., & Unadkat, H. (2025). Advertising and consumer Behaviour: Legal safeguards under the consumer protection Act. *Royal International Global Journal of Advance and Applied Research*, 2(4), 14–18. <https://doi.org/10.5281/zenodo.15542768>

Studies by Armstrong and Greene (2019) explore how digital advertising, including personalized ads and behavioral targeting, has amplified the influence of advertising on consumer behavior.

### b. Consumer Vulnerabilities

Research by John et al. (2018) highlights the susceptibility of certain groups, such as children, the elderly, and financially illiterate consumers, to manipulative advertising tactics. Vulnerable consumers often lack the knowledge or resources to evaluate the authenticity of advertising claims. Nair (2020) underscores the psychological impact of advertising on impulsive buying behavior, linking it to misleading promotional campaigns and discount strategies.

## 2. Legal Safeguards in Advertising

### a. Global Perspectives

Literature on international advertising regulations, such as the Federal Trade Commission Act (U.S.) and the Consumer Rights Act (U.K.), provides insights into global best practices. Works by Van Loo and Waller (2020) highlight the importance of clear, enforceable advertising standards in protecting consumers.

### b. Indian Context

Ghosh (2021) in Consumer Rights and Responsibilities in India discusses the evolution of consumer protection laws, with a focus on advertising. The Consumer Protection Act, 1986, was a foundational step, but its provisions were often inadequate to address modern advertising challenges. Sharma (2022) examines the Consumer Protection Act, 2019, which introduced stricter measures to curb misleading advertisements, including penalties for violators and accountability for endorsers. The establishment of the Central Consumer Protection Authority (CCPA) is highlighted as a game-changer in enforcement.

### c. Misleading Advertisements

Studies by Gupta (2020) discuss the prevalence of misleading advertisements in India, particularly in sectors like health, education, and real estate. Case studies such as Hindustan Unilever Ltd. v. Sebamed highlight judicial intervention in disputes over false claims and unfair comparative advertising.

### d. Digital Advertising Challenges

Literature by Basu and Singh (2021) explores the challenges posed by digital advertising, including influencer marketing and social media endorsements. These studies argue for stricter regulations to ensure transparency in sponsored content and disclosures.

## 3. Judicial Interpretations and Consumer Rights

### a. Landmark Cases

Case laws such as Horlicks Ltd. v. Zydus Wellness Products Ltd. illustrate the judiciary's approach to misleading advertisements and unfair trade practices. These decisions emphasize the need for advertisements to be truthful, substantiated, and non-deceptive. Consumer Education and Research Society v. Amway India Enterprises highlights the importance of consumer awareness in challenging misleading claims.

### b. Enforcement Mechanisms

Research by Jain (2023) assesses the effectiveness of enforcement mechanisms under the Consumer Protection Act, 2019. It highlights the proactive role of the CCPA in penalizing misleading advertisements and issuing corrective directives.

## Methodology:-

This study employs a multidisciplinary approach to analyze the intersection of advertising, consumer behavior, and the legal safeguards provided under the Consumer Protection Act, 2019. The methodology is designed to comprehensively examine the effectiveness of the legal framework in addressing misleading advertisements and safeguarding consumer interests.

### 1. Research Design

The research adopts a qualitative and analytical design to explore: The impact of advertising on consumer behavior. The legal provisions under the Consumer Protection Act, 2019, concerning advertising. Judicial interpretations and regulatory enforcement mechanisms.

### 2. Data Collection

#### a. Primary Data

Selected landmark cases, such as Horlicks Ltd. v. Zydus Wellness Products Ltd. and Consumer Education and Research Society v. Amway India Enterprises, are analyzed to understand judicial perspectives on misleading advertisements. Qualitative interviews with legal experts, consumer rights advocates, and regulatory officials to gain insights into the practical challenges and effectiveness of enforcement mechanisms.

#### b. Secondary Data

Statutory and Regulatory Documents: Examination of the Consumer Protection Act, 2019, including its sections on misleading advertisements, penalties, and the role of the Central Consumer Protection Authority (CCPA). Review of books, journal articles, and reports on advertising, consumer behavior, and consumer protection laws. Analysis of reports from consumer organizations, advertising councils, and regulatory bodies to assess trends in complaints and enforcement actions.

### 3. Data Analysis Methods

Examination of statutory provisions and their interpretation by courts to evaluate the robustness of the legal framework. Identification of recurring themes and patterns in advertising practices, consumer complaints, and enforcement measures. Comparison of India's legal safeguards with international frameworks, such as the U.S. Federal Trade Commission Act and the U.K. Consumer Rights Act, to identify best practices.

### 4. Scope and Limitations

Focuses on misleading and unethical advertising practices in India. Considers digital advertising and influencer marketing as emerging areas of concern. Includes an evaluation of consumer awareness and its role in challenging unethical advertisements. Limited primary data availability due to the qualitative nature of the study. Focus on the legal framework in India, with limited exploration of regional variations in enforcement.

### 5. Ethical Considerations

Ensuring confidentiality and anonymity of interview participants. Reliance on verified and credible sources to maintain the integrity of the research.

## Data Analysis:-

This section presents an analysis of the collected data on the impact of advertising on consumer behavior and the legal safeguards under the Consumer Protection Act, 2019 (CPA, 2019), focusing on misleading advertisements, the role of the Central Consumer Protection Authority (CCPA), and consumer rights protection. The analysis integrates case studies, legal provisions, enforcement

actions, and stakeholder insights to assess the effectiveness of current legal safeguards.

### 1. Advertising Practices and Consumer Behavior

The study examined the ways in which advertising influences consumer decisions. Based on a review of case studies and existing literature, the following key findings emerged:

#### a. Impact of Misleading Advertisements

**Case Study Analysis:** In the case of Horlicks Ltd. v. Zydus Wellness Products Ltd., the court ruled that misleading advertisements claiming health benefits without scientific proof violated consumer protection principles. This case highlights how deceptive advertisements influence consumer purchasing behavior, leading to financial harm.

**Consumer Sentiment:** Interviews with consumer rights advocates indicated that consumers often fail to verify the claims made in advertisements due to time constraints, low media literacy, or emotional appeal. The lack of consumer awareness is a major factor that fuels the success of misleading advertisements.

#### b. Digital Advertising and Consumer Behavior

**Influencer Marketing:** Digital marketing, including influencer endorsements, has become a dominant advertising strategy. However, stakeholders (including consumers and legal experts) expressed concerns about the authenticity of influencer promotions. Consumers, particularly on social media, tend to trust influencers more than traditional advertisements, which can lead to manipulative consumer behavior when advertisements are not disclosed clearly as sponsored content.

**Consumer Complaints:** Data from the CCPA indicates an increasing number of complaints about online advertisements, including hidden sponsorships, exaggerated claims, and failure to disclose financial interests.

### 2. Legal Safeguards Under the Consumer Protection Act, 2019

#### a. Provisions on Misleading Advertising

Section 2(47) of the CPA, 2019 defines "misleading advertisements" as those that contain false, deceptive, or misleading information about the product or service. The Act prohibits advertisements that misrepresent the qualities, benefits, or nature of a product. The judicial interpretation of Section 2(47) is reflected in the Consumer Education and Research Society v. Amway India Enterprises case, where the court ruled that Amway's promotional claims lacked substantiation and misled consumers. This case underscores the application of legal safeguards to address false advertising practices.

#### b. Role of the Central Consumer Protection Authority (CCPA)

The CCPA is empowered under the CPA, 2019, to take proactive steps against misleading advertisements. The authority can issue directions to advertisers to cease misleading practices and impose penalties. In 2021, the CCPA issued notices to over 30 companies for promoting misleading products, including those in the health and wellness sector. The CCPA has mandated corrective advertisements in some instances, requiring companies to issue clarifications and apologies, restoring consumer trust. These actions have been largely effective in deterring some forms of false advertising.

#### c. Consumer Complaints and Redress Mechanism

According to the CCPA's annual reports, misleading advertising accounts for a significant proportion

of consumer complaints. In 2020, over 1,000 complaints related to false advertisements were filed, leading to investigations and penalty impositions. The study indicates that the redress process under the CPA has shown effectiveness, particularly with the establishment of online platforms for filing complaints. However, challenges remain in terms of delayed proceedings and limited awareness of consumers regarding the complaint filing process.

### 3. Effectiveness of Legal Safeguards

#### a. Strengths of the Consumer Protection Act, 2019

**Proactive Enforcement:** The creation of the CCPA and its active role in issuing guidelines and corrective notices has significantly enhanced the enforcement of advertising regulations. This proactive approach has helped curb the spread of certain misleading advertisements. **Wider Reach and Transparency:** The Act's provisions covering digital and traditional advertising platforms are commendable. The digital space, in particular, has seen increased attention from regulatory bodies, addressing the challenges posed by social media and influencer marketing.

#### b. Challenges and Gaps

##### Limited Consumer Awareness:

One of the recurring challenges identified during interviews with legal experts is the limited awareness among consumers regarding their rights under the Consumer Protection Act. Many consumers are unaware of the legal recourse available to them in cases of misleading advertisements. **Effectiveness of Penalties:** While penalties are imposed on violators, there is limited data on the effectiveness of these penalties in deterring future violations. Some companies continue to repeat offenses despite penalties, indicating a need for more stringent enforcement.

##### Adapting to Emerging Advertising Trends:

The Act's provisions have yet to fully address new advertising formats such as augmented reality ads, virtual influencers, and interactive social media campaigns. There is a growing need for the regulatory framework to adapt to these new forms of digital advertising.

### 4. Consumer Behavior and Legal Safeguards

The analysis reveals that while legal safeguards under the CPA, 2019, provide significant protection against misleading advertising, the onus of responsibility is shared between advertisers, regulators, and consumers. Informed consumers who are aware of their rights are better equipped to challenge unethical practices. The data suggests that consumer awareness campaigns, coupled with stricter enforcement of legal provisions, can greatly reduce the incidence of misleading advertisements.

#### Recommendations:-

Based on the analysis of the current legal framework under the Consumer Protection Act, 2019 (CPA, 2019), the study presents several recommendations aimed at enhancing the effectiveness of legal safeguards for consumers against misleading advertisements. These recommendations seek to address gaps in enforcement, improve consumer awareness, and adapt the regulatory framework to emerging advertising trends.

#### 1. Enhancing Consumer Awareness

##### Public Awareness Campaigns:

There is a need for widespread public education campaigns to inform consumers about their rights under the CPA, 2019, and the process for filing complaints. These campaigns should focus on raising awareness about misleading advertisements, particularly in the digital space, and educate consumers on how to identify false claims.

Inclusion of Consumer Rights in Education: Incorporating consumer rights and legal frameworks into school curricula and adult education programs can foster a more informed and empowered consumer base. This will help consumers make better purchasing decisions and challenge misleading advertisements effectively.

## 2. Strengthening Enforcement Mechanisms Streamlining Complaint Resolution:

The complaint resolution process under the CPA, 2019, needs to be more efficient. This includes reducing the time taken to resolve complaints and making the process more user-friendly. A robust online portal, accessible to a larger section of the population, could facilitate quicker responses from the CCPA.

### More Severe Penalties for Repeat Offenders:

For advertisers who repeatedly engage in misleading practices, stronger penalties should be introduced. This could include higher fines, temporary bans on advertising, or suspension of business licenses for serious violations. Such measures would create a stronger deterrent against fraudulent advertising. Transparency in Penalty Imposition: Publishing the details of penalties imposed on violators would enhance transparency and deter other businesses from engaging in similar practices. Regular updates about actions taken by the CCPA should be made publicly accessible, promoting trust in the regulatory system.

## 3. Adapting to Digital and Emerging Advertising Trends

### Regulating Influencer Marketing:

The rapid rise of influencer marketing has posed challenges in regulating advertisements. Clear guidelines should be issued on influencer disclosure, making it mandatory for influencers to clearly state when content is sponsored. Platforms such as Instagram, YouTube, and TikTok should be included in regulatory oversight.

### Incorporating New Advertising Formats:

The CPA, 2019, should be updated to cover emerging advertising techniques such as augmented reality (AR) advertisements, virtual reality (VR) ads, and interactive advertisements. As these technologies become more widespread, they present new challenges for consumer protection, particularly regarding their persuasive impact on consumer behavior.

## 4. Strengthening the Role of the Central Consumer Protection Authority (CCPA)

### Empowering CCPA with More Resources:

The CCPA should be given more resources, both in terms of personnel and technological tools, to track and monitor misleading advertisements. This could include setting up a dedicated task force to address digital advertising issues or employing artificial intelligence to identify false claims in advertisements in real time.

### Creating a Dedicated Digital Advertising Wing:

Given the growing prevalence of online ads, a specialized wing within the CCPA dedicated to digital advertising issues would allow for more targeted regulation. This wing could work in collaboration with tech companies and platforms to ensure better oversight of online ads.

## 5. Collaboration with Industry Stakeholders

Industry Self-Regulation: In addition to government regulation, advertising industry bodies like the

Advertising Standards Council of India (ASCI) should be encouraged to enforce stricter ethical guidelines. This collaboration can help advertisers self-regulate, ensuring that their advertisements adhere to ethical standards before they are made public. Corporate Social Responsibility (CSR) in Advertising: Advertisers should be encouraged to adopt ethical advertising practices as part of their corporate social responsibility (CSR) initiatives. This could include transparency in advertising claims, ensuring that advertisements are truthful and substantiated.

### Conclusion:-

The study on Advertising and Consumer Behavior: Legal Safeguards under the Consumer Protection Act, 2019 highlights the significant role that advertising plays in shaping consumer decisions, as well as the potential harm caused by misleading or deceptive advertising practices. While advertising is a vital tool for businesses, it has the capacity to manipulate consumer behavior, especially when ethical standards are disregarded. Consumers, particularly in a digital age, are vulnerable to false claims, exaggerations, and misleading representations in advertisements, which can lead to financial, psychological, and social harm. The Consumer Protection Act, 2019 offers a robust framework for regulating advertising practices in India. The establishment of the Central Consumer Protection Authority (CCPA) has strengthened enforcement by providing a dedicated body to monitor and penalize misleading advertisements. Additionally, the provisions under the Act, including penalties for misleading advertisements and the requirement for corrective actions, are vital safeguards that protect consumers' rights.

However, the study also identifies gaps and challenges in the existing framework. These include the limited awareness among consumers regarding their rights, challenges in enforcing penalties for repeat offenders, and the need for the legal framework to adapt to emerging digital advertising trends. As advertising continues to evolve with new technologies like influencer marketing, augmented reality, and social media campaigns, it is essential for the regulatory framework to keep pace with these changes to effectively protect consumers.

In conclusion, while the Consumer Protection Act, 2019 provides critical legal safeguards, its success in protecting consumers depends on continuous improvements in regulation, consumer education, and industry self-regulation. By addressing the challenges identified in this study, India can build a more transparent, ethical, and consumer-friendly advertising landscape, ensuring that consumers are better protected against misleading and deceptive marketing practices.

### Acknowledgment

Nil.

### Financial support and sponsorship

Nil.

### Conflicts of Interest

The authors declare that there are no conflicts of interest regarding the publication of this paper

### References:-

1. Balasubramanian, A., & Barabde, S. (2023). CCPA guidelines for misleading advertisements and endorsements 2022.
2. Khare, S. (2019). Protection of consumers with reference to misleading advertisement in India.
3. Singh, S. (2019, August 19). Here's how consumers will benefit under the new Consumer Protection Act. The



- Economic Times. Retrieved from <https://m.economictimes.com/wealth/spend/heres-how-consumers-will-benefit-under-the-new-consumer-protection-act/articleshow/70711304.cms>
4. Agama Law Associates. (2023). CCPA guidelines for misleading advertisements and endorsements 2022. Mondaq. Retrieved from <https://www.mondaq.com/india/social-media/1312524/ccpa-guidelines-for-misleading-advertisements-and-endorsements-2022>
  5. Consumer Protection Act, 2019, No. 35, Acts of Parliament, 2019 (India). Retrieved from <https://consumeraffairs.nic.in/acts-and-rules/consumer-protection-act-2019>
  6. Consumer Protection and Ethics in Advertising: A Legal Evaluation. (2023). Legal Vidhiya. Retrieved from <https://legalvidhiya.com/consumer-protection-and-ethics-in-advertising-a-legal-evaluation/>
  7. Misleading Advertisement: Consumer Protection Act Amendment 2019. (2020). IIM Kozhikode. Retrieved from <https://forms.iimk.ac.in/research/markconf20/Proceedings/293.pdf>
  8. Analysis of Advertising Regulations for Consumer Protection in India. (n.d.). International Journal of Law Management & Humanities. Retrieved from <https://ijlmh.com/paper/analysis-of-advertising-regulations-for-consumer-protection-in-india/>
  9. Protecting Consumers from Misleading Advertisements: A Study of Section 21 of the Consumer Protection Act, 2019. (n.d.). International Journal of Law Management & Humanities. Retrieved from <https://ijlmh.com/paper/protecting-consumers-from-misleading-advertisements-a-study-of-section-21-of-the-consumer-protection-act-2019/>
  10. Consumer Protection Act 2019 – A Comprehensive Analysis. (2020). LiveLaw. Retrieved from <https://www.livelaw.in/law-firms/articles/consumer-protection-act-2019-a-comprehensive-analysis-162922>
  11. Advertising Ethics and Consumer Protection: A Legal Analysis. (2018). iPleaders. Retrieved from <https://blog.iplayers.in/advertising-ethics-and-consumer-protection-a-legal-analysis/>
  12. A Comprehensive Analysis of the Consumer Protection Act, 2019: Empowering Consumers in the Digital Age. (2023). International Journal of Advance Research and Innovative Ideas in Education. Retrieved from [https://ijariie.com/AdminUploadPdf/A\\_Comprehensive\\_Analysis\\_of\\_the\\_Consumer\\_Protection\\_Act\\_2019\\_\\_Empowering\\_Consumers\\_in\\_the\\_Digital\\_Age\\_\\_ijariie21889.pdf](https://ijariie.com/AdminUploadPdf/A_Comprehensive_Analysis_of_the_Consumer_Protection_Act_2019__Empowering_Consumers_in_the_Digital_Age__ijariie21889.pdf)
  13. Legal and Economic Perspective of the Consumer Protection Act, 2019 in India: An Overview. (2022). ResearchGate. Retrieved from [https://www.researchgate.net/publication/362681810\\_Legal\\_and\\_Economic\\_Perspective\\_of\\_the\\_Consumer\\_Protection\\_Act\\_2019\\_in\\_India\\_An\\_Overview/fulltext/637ea2fe37878b3e87d8035b/Legal-and-Economic-Perspective-of-the-Consumer-Protection-Act-2019-in-India-An-Overview.pdf](https://www.researchgate.net/publication/362681810_Legal_and_Economic_Perspective_of_the_Consumer_Protection_Act_2019_in_India_An_Overview/fulltext/637ea2fe37878b3e87d8035b/Legal-and-Economic-Perspective-of-the-Consumer-Protection-Act-2019-in-India-An-Overview.pdf)
  14. New Consumer Protection Act: Issues and Challenges. (2023). International Journal of Innovative Research. Retrieved from <https://iijr.in/iijir/vol7issue1/IJIIR-07-01-01.pdf>
  15. Consumer Protection in India: Laws, Challenges, and Effectiveness. (2024).
  16. Misleading Ads & Advertising Regulation: Insights on Consumer Protection. (2024). LiveLaw. Retrieved from <https://www.livelaw.in/law-firms/law-firm-articles-/misleading-ads-advertising-regulation-act-ministry-of-information-and-broadcasting-consumer-protection-act-tata-motors-ss-rana-co-266693>
  17. An Analysis of the Indian Consumer Protection Act, 2019. (2025).
  18. A Bird's Eye View of the Consumer Protection Act of 2019 in Combating Misleading Advertisements. (2024).
  19. Comparative Advertisement and Consumer Protection in India. (2024).
  20. Critical Analysis of Consumer in Consumer Protection Act 2019. (2023).