

# "Truth In Advertising" As Problem For China's Reading Public Discussed By Mason

## Expansion, Development Of Modern Methods In Advertising Progresses Rapidly In China, Agency Chief States, Answering China Press Quiz

The development of modern advertising methods in China and the growth in recent years of advertising agencies, plus the education of the Chinese public to the value of this major business, was traced yesterday by Mr. Y. Lewis Mason, manager of the Consolidated National Advertising Company, when interviewed by the China Press Inquiring Reporter who presented to him 10 "pertinent" questions concerning advertising in Shanghai and China. Mr. Mason heads one of the most up-to-date and outstanding Chinese advertising agencies in this country, and through long experience in the local field is well qualified to discuss the subject chosen for today's Questionnaire.

The 10 questions asked in the Quiz and Mr. Mason's answers follows:

1.—Has the world-wide economic slump affected to any considerable degree the amount of national advertising from Europe and America placed in the Far East?

Answer.—No. The depression has not affected very much the amount of national advertising from Europe and America placed in the Far East, mainly because of the fact that the exchange rates are still favorable to this part of the world.

2.—What are the various advertising media in Shanghai? Which produce the best results?

Answer.—The best results are necessarily produced by the newspapers. Besides newspapers, there are various advertising media in Shanghai such as billboards and radio. These media, however, can only make the products known to the public. But usually it is very difficult to check their results. This is particularly true in the case of billboard advertising.

3.—What is the biggest buying public in Shanghai: Chinese or foreign? What are the percentages?

Answer.—The biggest buying public in Shanghai is decidedly Chinese. As to the percentages, it is rather difficult to give any definite figures. Take the automobile business for instance. From 80 to 90 per cent of the automobiles sold by motorcar dealers in Shanghai are bought by Chinese, with the remaining percentages taken by the foreign buyers. The same ratio may be said to be applicable to other forms of business too. Perhaps the movie business may be cited an exception, but only in the case of the first runs or shows from 9 to 11 at night. In these instances, then the ratio of foreign and Chinese patrons is 50-50.

4.—What has been the growth of agency advertising in Shanghai in recent years? What percentage of advertising is placed through agencies here?

Answer.—The growth of agency advertising in Shanghai has been steady and gradual. More and more, Chinese as well as foreign advertisers begin to realize the importance of agency services instead of placing advertisements with the newspapers direct, just as more people are now entrusting the construction of their houses to architects instead of to general contractors. China has now passed from the stage "why advertise?" to "how advertise?" The Chinese advertisers have learned the advantages of placing ads through well-organized advertising agencies, which usually charge only 15 per cent of the total advertising bill as service fees. At present, about 40 to 50 per cent of the advertising is placed through agencies.

5.—Is it true that the Far East constitutes one of the best fields for European and American advertisers of well-known products? Will it not become the leading field in the world for this business?

Answer.—Yes, the Far East does constitute one of the best fields for European and American advertisers of well-known products. The future of the advertising business in China is very bright indeed. Now it is only beginning. Chinese businessmen have realized that advertising in a business force and a necessity without which they cannot expect to build up a volume

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# Advertising In China Records Great Progress

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and get a right proportion of business.

6.—Is advertising here (organization of agencies, layouts, copy-writing, etc.) behind up-to-date methods as practised in America and Europe?

Answer.—In general, it is true. But some of the modern Chinese advertising agencies are keeping up-to-date with American and European methods by keeping in touch with the American Association of Advertising Agencies and by subscribing to American and European magazines on advertising.

7.—How do local advertising rates compare with rates abroad, taking into consideration the media, buying power, etc.?

Answer.—The rates are very much lower than abroad. For instance, the Sin Wan Pao with a circulation of 150,000 copies, only charges \$1.44 per square inch.

8.—Are advertisements in Chinese newspapers all straightforward and truthful, or is there considerable exaggeration and falsification? Do you favor an organization here similar to the "truth in advertising" organizations abroad, to regulate advertising?

Answer.—The advertisements in the Chinese newspapers are not always straightforward nor truthful. Instead, there is considerable exaggeration and falsification. This is particularly true in the case of patent medicine and products put up by small firms. For only large responsible business organizations that realize the importance of truthful messages to the public will refrain from untruthful exaggeration. I am certainly in favor of the formation of "truth in advertising"

organizations in China. As a matter of fact, quite a number of questionable firms have approached us on dubious propositions. We simply refuse to place our service at their disposal. Meanwhile, we notify the newspapers accordingly. But often the newspapers accept advertisements without looking into their claims regarding the products advertised. Lately advertisements of medicines said to have rejuvenating powers have been suppressed in the local newspapers by order of the bureau of social affairs.

9.—Do you believe that Chinese advertising men educated abroad are competent to write ads for English-language papers? Do you believe that locally educated Chinese are competent to write copy for Chinese newspapers, translating the English language idea and "punch" while retaining the "pull" appealing to the Chinese reader?

Answer.—Chinese advertising men educated abroad can write ads for English-language papers, but it may not be always advisable if foreign writers of the same education can do it, for they know the foreign psychology better. As to the question of locally educated Chinese, I don't think it is a good policy for them to translate the English copy into the Chinese language. For often, expressions in the foreign advertisements may appeal to the foreign readers, but not to the Chinese because of their difference in psychology and background. Chinese copy, to be effective, must be prepared independent of the English text and should be written particularly according to the understandings and psychology of the Chinese prospective buyers.

10.—In many places abroad, billboard advertising is now prohibited as detrimental to the beauty of cities, highways, etc. Do you believe such legislation should be enforced here?

Answer.—Yes, similar legislation should be enforced here to a certain extent prohibiting, especially, ugly billboards. In Shanghai there are too many billboards already.