INDIALAW

18

Fever off, Fever on gimmick

Marketing stunts aren't new, but what happens when a listed company pulls one?

ANUSHKA BHARDWAJ & KHUSHBOO TIWARI
New Delhi/Mumbai, 31 January

Two days. Two videos. Two announcements. This is how, FFF Media's Fever FM pulled off a marketing gimmick, reigniting the debate around stunts and pranks for when it comes to drawing attention.

On Wednesday, a day after he appeared in a Vikrant Massey film to say that Fever FM was shuttling down, Ramesh Menon, chief executive officer of audio business for FFF Media's Fever FM, Radio One and Radio Nasha, appeared in another video on LinkedIn. This time round, in a play of words, he said Fever FM was not shutting down, but "we meant that *everyone* redefine *Mirchi*".

he said. "Our promise to remain relevant to the evolving media landscape has led us to completely overhaul our programming." He then went on to explain the features of the new avatar.

The gimmick did create the intended buzz, but it also triggered a debate on whether all publicity is fair game. Shiju PV, senior partner at Indialaw LLP, a boutique law firm, Kolkata-based business strategy firm, "Never denigrate your brand. That is all you have."

What also raised questions was that FFF Media Ltd, which runs Fever FM, is a listed company. Would a stunt such as this

ILLUSTRATION: BINAY SINHA

According to legal experts, marketing gimmicks would come under the purview of Sebi only if they influence trades or dealings by investors

one invite the attention of the market regulator?

Legal experts are of the opinion that such marketing gimmicks would come under the scanner of the Securities and Exchange Board of India (Sebi) only if they influence trades or dealings by investors.

Although, in this case, no negative impact was felt on the FFF Media share, on January 31, Shiju PV, senior partner at IndiaLaw LLP, said, "Dissemination of misleading or false information, which are likely to influence the decision of investors, is considered as fraudulent and unfair trade practice, according to the Sebi fraudulent or unfair trade practice regulations."

On Wednesday, FFF Media Ltd stock closed at ₹32.75, up 3.75 per cent.

"An advertisement campaign will come under Sebi scanner only if it is misleading or false and likely to influence the decision of the investor dealing in securities," Shiju PV said.

Experts said that all material announcements or any media update that can impact the stock price movement are to be disseminated through stock exchange filings by the listed company.

Further, in case of other rumours or media reports, the exchanges may seek clarification from the company.

During the analysts' call on January 19, FFF Media Group's Chief Financial Officer Piyush Gupta spoke about the challenges Radio has been facing. He said, "Last quarter, there was a marginal drop of 4 per cent in revenue, but we managed to keep the operating margins before interest, taxes, depreciation and amortisation (Ebitda) at ₹3 crore with a 7 per cent margin as against 17 per cent margin last year. Sequentially, of course, they were up 12 per cent," Gupta added.

Trick or treat

Extreme marketing tactics for grabbing eyeballs are not new to the advertising landscape. In December 2023, Puma collaborated with actor Anushka Sharma. She posted multiple stories on Instagram purportedly accusing Puma for using her photos without any contract only to reveal a few days later that she had come on board as its official brand ambassador.

A month later, a video of actor Kunal Kapoor throwing away a fan's mobile phone was widely circulated only to have been revealed as a stunt, supposedly to celebrate gifting an Oppo phone to the fan.

Brand experts maintain that in the age of artificial intelligence and deepfakes, it has become even more important not to pull off such misleading stunts.

IL NEWS

Shiju PV, Senior Partner Indialaw LLP quoted in Hindustan Times

AUTHOR IndiaLaw LLP

PUBLISHED 1 February 2024