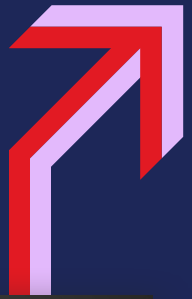




connect[®]



Contemporary Advertising and Integrated Marketing Communications, 17e

Weigold | Arens

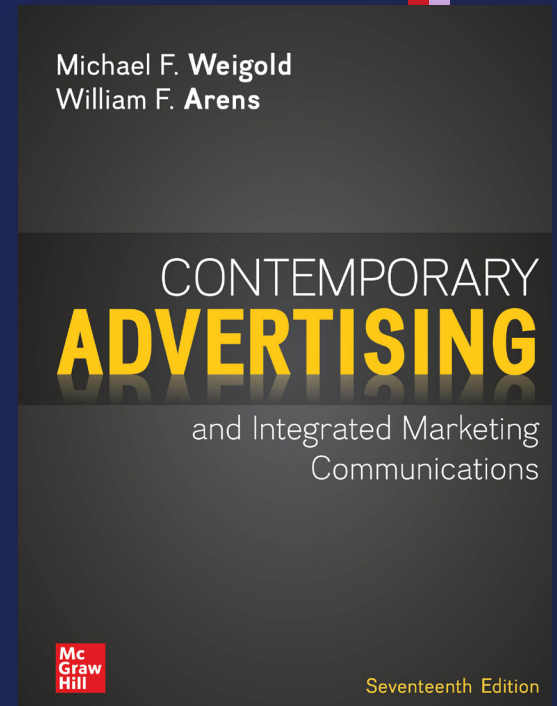


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CONTEMPORARY ADVERTISING, SEVENTEENTH EDITION

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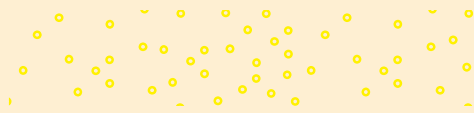
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seventeenth edition

Michael F. Weigold
William F. Arens

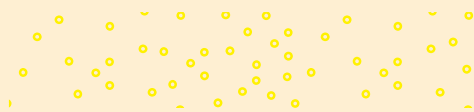
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To Debbie

Always my partner in everything
MFW





the preface

What's New?

As always in recent years, a whole lot. Serving students and instructors has meant revising the 17th edition of *Contemporary Advertising and Integrated Marketing Communications* to keep up with the extraordinary pace of innovation and evolution in advertising and IMC. Our biggest changes to the text are significantly more discussion of digital media in IMC and advertising throughout the book and revisions specifically to the chapters on creative, media, and social media with the help of experts in these disciplines. Jordan Alpert of the University of Florida (on the media); and two new collaborators, Kasey Windels (creative, Chapters 10 and 11) and Jameson Hayes (social media, Chapter 15), from the University of Florida and the University of Alabama, respectively, bring unique expertise and judgment to the coverage of these important areas. (Below are chapter-by-chapter breakdowns of what is new in each chapter for returning adopters.)

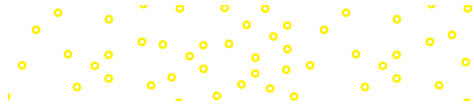
The new edition offers greater attention to ongoing issues of consumer privacy and data protection throughout the book. Even as the new edition was going to press, breaking news revealed major breaches at Apple and Meta that compromised millions of customer records. The incidents are recounted in Chapter 1's opening vignette.

The 17th edition broadens our review of ethics with increased attention to diversity and inclusion in the industry. Advertising has made strides in diversifying both its ranks and its messages, in part because America's marketplaces and work spaces are more diverse than ever. Even so, much work remains for an industry that has not always led in this area. Our hope is that a deeper focus on diversity will reinforce valuing and practicing inclusion as an important learning outcome of your course.

Digital disruption continues to roil newspapers and magazines, film and television production, broadcast networks, and advertising agencies. The implications for IMC and advertising practitioners are immense. Cable, a major disrupter in an earlier time, is now in decline, and pay services such as Hulu and Netflix are expanding ways that consumers watch "TV." The fact that many, though not all, streaming services are advertising-free poses fresh challenges for marketers long able to rely on network and cable television's power and reach. We acknowledge this important change through new content on cable's biggest competitor, streaming or OTT video. Chapter 13, formerly titled "Using Electronic Media: Television and Radio," is now titled "Using Audio and Video Media." People no longer use a television for much of the video content they consume, and the explosion in popularity of podcasts makes clear that branded opportunities in audio include far more than radio.

Texts are part of the digital disruption too. Backed by McGraw Hill's Connect and SmartBook technologies, instructors can do more than introduce and reinforce the concepts of IMC. With these platforms, instructors can help students gain mastery of what they are learning through application. Created by the authors of the text, Connect and SmartBook bring advertising and IMC practice alive and help ensure retention of learning objectives from the text. Instructors can assign activities that include case studies, video cases, and concept reinforcement. The experience is completely customizable, so that instructors can use as much or as little of the Connect content as they wish, or even create their own content for application of unique lecture material. The exercises can be done strictly for student study or used for online homework, quizzes, exams, or projects.

Best of all, both technologies scale easily to the size of your class. As an instructor who regularly teaches advertising and IMC to over 200 students a semester, I love that Connect and SmartBook can scale to provide an engaging experience for large classes.



As always, I would love to know what you think. Reach out and share what you like and don't like at mweigold@gmail.com. Feedback and advice from adopters have been influential in every revision of the text including this one.

The Audience for This Book

Those of us who teach advertising and IMC know that students find the disciplines to be fascinating. Your students have never known a world without likes, tweets, posts, filters, and stories—both as consumers and creators. No generation is more media-savvy or more active in creating media content. No wonder ideas about branding, strategy, reach, and influence resonate; students already live in that world.

This makes the study of IMC and advertising more important today than ever. A grounding in the principles that govern the field gives students, regardless of major, an understanding of the tools they use now and will in the future. It teaches them to think and plan strategically; gather and analyze data; assess alternative courses of action; cooperate with others in developing innovative solutions; analyze competitors; understand why people behave the way they do; express themselves and their ideas with clarity and simplicity; defend their points of view; appreciate and assess the quality of different creative endeavors; and use powerful ideas to communicate with knowledge, confidence, and conviction.

In addition, students of advertising and IMC gain several specific benefits. The study of IMC can help students to

- Appreciate the diversity of audiences and the value of listening and understanding before communicating.
- Understand the economic, social, and cultural roles of advertising and, conversely, the impact of a society's values on advertising.
- Realize how advertising supports content and relates to the broader areas of communication.
- Appreciate the global effect of IMC on business, industry, and national economies.
- Comprehend the strategic function of IMC within the contexts of business and marketing.
- Evaluate and even apply the impressive artistry and technical expertise required in IMC.
- Discover what people in advertising and related disciplines do, how they do it, and what the career opportunities in these fields now offer.

Student-Oriented Features for the Twenty-First Century


Our enduring mission in *Contemporary Advertising and Integrated Marketing Communications* is to present advertising as it is actually practiced. Now, in the 17th edition, our purpose remains the same. We also believe advertising and IMC should be taught in an intelligible manner and lively style relevant to students in higher education. And by integrating the text with McGraw Hill's sophisticated online learning platform, students are able to apply what they learn as never before.

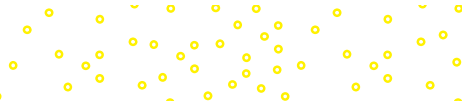
Award-Winning Graphic Design

Design thinking is embraced by companies all over the world because it affects every aspect of how we live, work, and interact. For a text on creating messages intended to persuade and inform, beautiful design helps do more than teach—it inspires. The open, airy look of the text contributes to learning by making the material colorful, inviting, and accessible. Throughout the book, chapter overviews, chapter learning objectives, and key terms hyperlinked to definitions all work together to make the material as reader-friendly as possible.

Chapter-Opening Vignettes

To capture and hold student interest, each chapter begins with a story. Many of the vignettes have been updated for this edition. Wherever possible, the opening story is then woven throughout the chapter to demonstrate how textbook concepts actually come to life in real-world situations. For example, throughout Chapter 1, we examine how privacy





concerns roiled digital media companies and led to significant changes in privacy laws. In Chapter 4, the story of McDonald's advertising is complemented with numerous examples that range from global to local. In Chapter 7 we examine the actual media plan of an organization dedicated to addressing the lives of people living with HIV. And in Chapter 15 we look at how the popular game *Fortnite* connects people and brands together in new, engaging ways. The integration continues in Connect, where the opening vignettes are featured in many cases.

Extensive Illustration Program

The best way to teach is to set a good example. So each chapter features beautiful full-color illustrations of recent award-winning ads, commercials, and campaigns that demonstrate the best in the business. *Contemporary Advertising and Integrated Marketing Communications* is one of the most heavily illustrated textbooks on the market, with all the major media represented—print, electronic, digital, social, and out-of-home—in a balanced manner. The author carefully selected each example and illustration for both their quality and their relevance to your students. Nearly half of the ads are new to this edition.

Furthermore, we feature a mix of local, national, and international ads from both business-to-business and consumer campaigns. In-depth captions tell the stories behind many of the ads and explain how the ads demonstrate the concepts discussed in the text.

The book is liberally illustrated with models, charts, graphs, and tables. Some of these encapsulate useful information on advertising concepts or the advertising industry. Others depict the processes employed in account management, research, account planning, media planning, and creative thinking. We make every effort to include the latest statistics from the most reliable sources.

Full-Color Portfolios

In addition to the individual print ads and actual frames from TV commercials, the book contains several multipage portfolios of outstanding creative work. These include “Strategic Use of the Creative Mix,” “Outstanding Magazine Ads,” “Digital Advertising Internet,” and others. Accompanying captions and questions tie the ads to topics germane to the chapter in which they appear.

Ad Lab

Active participation enhances learning, so Ad Labs play a significant role in virtually every chapter. These unique sidebars to the world of advertising introduce students to topics of current interest or controversy and then involve them in the subject by posing questions that stimulate critical thinking. Some of the many topics presented in Ad Labs include government regulation, bottom-up marketing, creativity, the psychological impact of color, advertising on the Internet, “green” advertising, sales promotion, and direct-response advertising.


Ethics, Diversity, and Inclusion

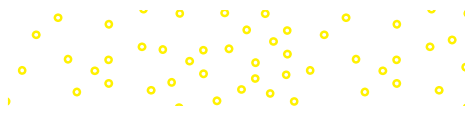
Each chapter includes a section on ethics, diversity and inclusion. Most introduce a current issue in order to focus students on the most critical social questions facing marketers today. These include programs available to your students that are designed to make the industry more diverse (Chapter 1), the story of the first female CEO of a company listed on the New York Stock Exchange (Chapter 2), how the 4A's is leading on making agency workplaces safe and collaborative in the #metoo era (Chapter 4), how the Association of Minority Market Research Professionals is helping improve the diversity of research samples (Chapter 7), and many more.

My IMC Campaign

For instructors who offer students semester-long projects as a way of getting their hands dirty, we've included this valuable resource. In each chapter, students receive practical advice on developing a real campaign, culminating with tips on developing a plans book and a client presentation.

Nothing beats learning by doing. For this reason, we offer My IMC Campaign. Our conversations with instructors suggest that semester-long projects are a component of many advertising and IMC courses. These projects help students gain their first experience with the practice of marketing communications. We applaud those committed enough to offer their students this opportunity and hope our guide is useful in executing the projects.





People behind the Ads

Behind the thousands of ads we see and hear are real human beings—the writers, designers, programmers, executives, and media specialists. In the final analysis, the marketing communications industry is more than a collection of concepts, processes, and activities. It is an industry of people, some of the smartest, most creative, and most interesting people in the world. Your students will meet some of the most interesting right here, many offering insights provided uniquely for this text. The feature presents students contemporary practitioners who are already industry legends (Bogusky, Steele), enduring legends (Bernbach, Gallup, Lasker), and new leaders changing the industry every day. New to this edition are the inspiring stories of Jon Colon, associate creative director at Golin; Emily Sander, executive creative director at VMLY&R New York, and Natalie Kim, founder of We Are Next.

Additional Learning Aids

Each chapter concludes with a summary followed by questions for review and discussion. These pedagogical aids help students review chapter contents and assimilate what they have learned. Throughout the text, key ideas and terms are highlighted with boldface type and defined when introduced. The definitions of all these terms are collected at the end of the book in a thorough and extensive glossary.

The Advertising Experience Exercises

True to the text's agency approach, the 17th edition of *Contemporary Advertising and Integrated Marketing Communications* continues hands-on application exercises that place students in the advertisers' shoes to help them see how advertising is done in the real world. Effective as outside assignments or in-class discussion starters, the Advertising Experience allows students to effectively apply their knowledge of each chapter.

Many exercises also require students to access the web and perform research on questions relevant to the chapter topic.

This edition continues our commitment to our IMC core. The need to consider advertising within an IMC framework is no longer debated in either industry or academia. The focus on the message receiver, as compared to the message creator, has improved the practice of marketing communications. While advertising remains an important part of the book, we give greater coverage to other promotional elements. You will find that in choosing between the words *advertising* versus *IMC*, we emphasize the former when the practices we describe are largely those of advertising agencies. When practices are used across broader or more integrated messaging platforms, we use *IMC*.

For the Professor: The 17th Edition Has Been Thoroughly Revised

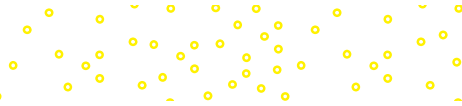
Our continuing goal has been to bring clarity to the often-murky subject of advertising. Our method has been to personally involve students as much as possible in the practical experiences of advertising, while simultaneously giving them a clear understanding of advertising's dynamic role in both marketing management and the human communication process. In the pursuit of this objective, we have included significant modifications and improvements in the 17th edition of *Contemporary Advertising and Integrated Marketing Communications*.

Current and Concise

As with every new edition, our first effort was to update all statistics and tables and to document the most recent academic and professional source material to give *Contemporary Advertising and Integrated Marketing Communications* the most current and relevant compendium of academic and trade citations in the field. We've referenced important recent research on topics ranging from the effects of advertising and sales promotion on brand building to relationship marketing, integrated communications, and Internet advertising. And, where appropriate, we've redesigned the building-block models that facilitate student comprehension of the often-complex processes involved in human communication, consumer behavior, marketing research, and IMC.

In recent editions we introduced a new, simpler organization scheme for the chapters. Part One, which covers Chapters 1–4, is titled “Introduction to Advertising and Integrated Marketing Communications.” The focus of these chapters is to introduce students to the practice of advertising and to the role advertising plays in the United States and the world. In Part Two, “Planning the Campaign,” covering Chapters 5–10, we present detailed





information about research and the development of strategy for markets, media, and creative. Finally, Part Three, “Executing and Evaluating the Campaign,” explains how the strategic decisions of a campaign are realized in the creation of copy and art and decisions about IMC platforms, including major media. This part of the book covers Chapters 11–18. The book concludes with an epilogue, “Repositioning a Brand.” Original author Bill Arens’ choice of MasterCard as the subject of the book’s epilogue is another testament to his genius. For nearly 30 years the “Priceless” campaign has epitomized the big idea. “Priceless” continues to epitomize the promise of MasterCard in 2022. When Bill selected the campaign, he wanted to show how IMC done well means choosing the right idea and adapting it to the times. Now, many years after he made that decision, this spectacular campaign still reinforces that idea.

As always, we have prudently governed the length of the text material. The illustrations, graphics, sidebar information, and overall design are all aimed at keeping the text open, airy, and inviting while sharpening *clarity*—the hallmark of *Contemporary Advertising and Integrated Marketing Communications*.

Compared to the true length of other comprehensive course books, *Contemporary Advertising and Integrated Marketing Communications* is one of the most concise texts in the field. In this edition, the inclusion of many new topics and concepts has not come at the price of expanding the text.

Fresh, Contemporary, Relevant Examples

For the 17th edition, we added many new, real-world examples, selected for their currency and their relevance to students. Likewise, many of the chapter-opening stories are new, such as the advertising success stories of M&M’s, Amazon, *Fortnite*, and Pedigree. Others document marketing or communication challenges such as the rocky response of Disney to controversial legislation signed in Florida. All of the full-color portfolios have been updated, expanded, or replaced with more recent examples, and all of the Ad Labs and Ethics, Diversity & Inclusions have been updated and edited for currency and accuracy.

CASE STUDY: Epilogue: Repositioning a Brand

So that students can see how many of the principles taught in the text come together in the real world, we have included an updated Epilogue, immediately following Chapter 18, on the complete story behind the highly successful “Priceless” branding campaign for MasterCard, created by McCann Worldwide in New York. We are greatly indebted to both McCann and MasterCard for authorizing us to share the details of this fascinating, student-relevant campaign and for the tremendous assistance they gave us in the creation of the Epilogue.

Local and Business-to- Business Advertising Coverage


Throughout the book, *Contemporary Advertising and Integrated Marketing Communications* addresses the needs of both small and large consumer and business-to-business advertisers with its many examples, case histories, Ad Labs, and advertisements. Moreover, this is one of the few texts to devote adequate attention to the needs of the small retail advertiser by discussing how local advertisers can integrate their marketing communications.

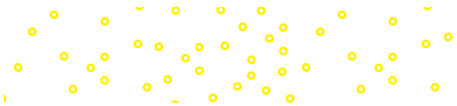
Highlights of This Revision

Each chapter of *Contemporary Advertising and Integrated Marketing Communications* has been thoroughly updated to reflect the most recent trends, facts, and statistics available. We have created several new chapter-opening vignettes for this edition and have rewritten significant portions of the remaining vignettes to ensure they are up-to-date and current. As with previous editions, many of these vignettes are referenced within their corresponding chapters and in chapter-concluding review questions.

Chapter 1, “Advertising and IMC Today”

A returning opening vignette that introduces the issue of digital marketing and privacy concerns, including the GDPR, is thoroughly updated. Privacy as a focus of government and consumer concern has only grown since our last edition. Students can now access the site where Google shares what is known about them. The discussion of concept and practice of IMC is updated throughout. The chapter now includes information about





companies like Trader Joe's that top consumer (and employee) satisfaction surveys. Stern's communication model is updated with a discussion of Instagram influencer Jen Selter and how the impact of influencers is captured by Stern's ideas. The discussion of lifetime customer value has been simplified to ensure students have a firm grasp of this important concept. The impact of social justice efforts is acknowledged by introducing MTN DEW's Real Change Opportunity Fund. The new Ethics, Diversity & Inclusion (EDI) box is introduced and two important industry-sponsored programs for students are described. The Portfolio Review is thoroughly updated to illustrate how ads communicate.

Chapter 2, "The Big Picture: The Functions of Advertising and Its Evolution"

The chapter's title has changed to better represent the learning objectives. This chapter has long featured Coke as a way to illustrate the history of advertising. The opening vignette has been updated to the current campaign, "one Coke away from each other." We've continued to emphasize the importance of branding early in the text and expanded on our earlier discussion. Students now learn how a brand vision is created, understand how companies develop and maintain a brand personality, and read vision statements of some of the world's most famous brands. The evolution of advertising section now reflects IMC consequences from two of the big stories from the 2020s, the murder of George Floyd and the COVID-19 pandemic. The My IMC Campaign feature has been updated to ensure students learn about the latest tools for staying connected and working together.

Chapter 3, "The Big Picture: Economic, Ethical, and Regulatory Aspects"

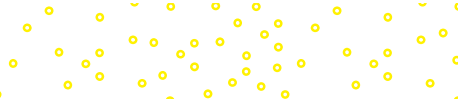
The chapter's opening vignette drops the sponsored celebrity scandals highlighted in previous editions and instead examines the scrutiny that Facebook has received for its role in public discourse. The ethical dilemmas that arise from the company's efforts to limit damage from harmful speech is described and may prove useful for classroom discussion. This edition continues the expansion and improved clarity of the four assumptions of market economics. These provide students a solid foundation for addressing both the harms and benefits of advertising. An example of an ad that created unintended controversy in light of social events is shared, Nivea's "White is purity." Data from a 2021 survey on consumer distrust of advertising is included and the discussion of the GDPR and its impact on digital marketing is expanded.

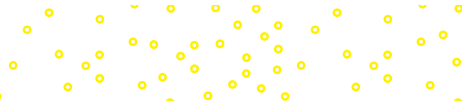
Chapter 4, "The Scope of Advertising: From Local to Global"

The chapter updates two staples of the book: McDonald's global IMC campaigns and Rubio's effective local advertising efforts. Ad Lab 4-B updates all statistics regarding the ad industry. Advertising consultancies are taking a bigger share of client business every year so the book includes additional information about these organizations. The nomenclature used in the "Stages in the Client-Agency Relationship" section has changed somewhat. Consistent with Kim Shyan Fam and David Waller's excellent analysis of these stages we use their terms, retaining "development" and "maintenance" but changing "prerelationship" to "inception," and "termination" to "dissolution." This entire section has also been expanded considerably and supplemented with real-world examples. The section on "The Media of Advertising" now uses the book's convention of "audio" and "video" to describe corresponding ad platforms, replacing "electronic."

Chapter 5, "Marketing and Consumer Behavior: The Foundations of IMC"

The long-running vignette featuring Apple's famous 1984 ad has changed to focus on the phenomenal small agency campaign linking the Relief app to the popular Squid Game





series. The vignette is further embedded in the chapter in the discussion of psychological processes and screens. Examples are updated throughout the chapter. The discussion of utility now includes information on how Ram introduced the luxury truck to provide a different kind of utility to truck buyers. Exhibit 5-6 on Claritas lifestyle segments features the latest typology and examples offered by the company.

Chapter 6, “Market Segmentation and the Marketing Mix: Determinants of Campaign Strategy”

Reluctantly this edition retires “The man your man could smell like” campaign for Old Spice. Still a classic, it is now dated and the unique strategy it employed is more commonplace. Instead, to introduce the idea of segmentation and how market segments affect IMC messages, the opener examines the cruise industry. Demographics discussion in the chapter contains significantly more material on Millennials and Hispanics.

Chapter 7, “Research: Gathering Information for IMC Planning”

The opening vignette remains relevant with Budweiser’s decision to run another animal-centric ad during the 2022 Super Bowl. All statistics for companies and research expenditures have been updated. The use of exploratory research in storytelling is explained and linked to the Budweiser opening vignette. Information on message testing now references social listening and its importance in monitoring brand conversations. The use of data for AI is now part of the chapter and included are real-life examples of a company that employs AI in message weighting, how Netflix uses AI to identify relevant content suggestions, and even how AI is starting to be used to create copy for campaigns.

Chapter 8, “Marketing and IMC Planning”


The opening vignette featuring MTN DEW has been revised and updated for this edition. As with the Budweiser opener in Chapter 7, MTN DEW reached into its ads of the past vault to return “Puppy-Monkey-Baby” to the 2022 Super Bowl. The Portfolio Review is updated with new, fresh executions.

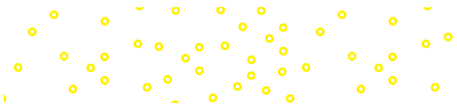
Chapter 9, “Planning Media Strategy: Disseminating the Message”

The chapter is thoroughly revised in collaboration with Jordan Alpert, assistant professor in the Department of Advertising at the University of Florida. A former postdoctoral fellow in cancer prevention and control in the Department of Health Behavior and Policy at Virginia Commonwealth University School of Medicine, Jordan has nearly a decade of industry experience, including stops as marketing communications manager at About.com, senior account executive at IMC2, account executive at Sharpe Partners, junior account executive at TMP Worldwide, and assistant media planner at Universal McCann. The chapter includes new discussions of media consolidation, product placements of Burger King in the Netflix hit “Stranger Things,” an updated list of media secondary sources, and a dramatically expanded section on programmatic media buying.

Chapter 10, “Creative Strategy and the Creative Process”

Another new vignette, this one replacing the Target opener used in many editions. The vignette features the award-winning creative for Pedigree dog food, capturing well the changing nature of the relationship between canines and their people. Almost all of the ads in this chapter are new for the 17th edition. The word “relevance” in describing the two





dimensions of ad effectiveness is now “appropriateness,” and we highlight how appropriate ads provide information about a brand relative to its competitors (what we describe as positioning in our discussions of strategy). The Pedigree opener is referenced extensively in the development and implementation of the creative strategy section as well as elsewhere in the chapter. Natalie Kim, founder of We are Next, replaces Tim Piper as a person behind the ads. She discusses how her organization is helping to diversify the industry.

Chapter 11, “Creative Execution: Art and Copy”

The “Dumb Ways to Die” vignette is gone, replaced by a great campaign designed to convince teens to drink more milk. We’ve also thoroughly revised the My IMC campaign on creating great headlines and copy, referencing great advice from creative director Suzanne Pope. References to writing copy for TV and radio now substitute the broader terms “video” and “audio” used throughout the text. The section on writing for digital media has been significantly expanded and updated. The People Behind the Ads box features Emily Sander and a lesson on the value of learning to appreciate feedback.

Chapter 12, “Advertising in Print Media”

The opener of this chapter is updated and as we have noted in the past, the story for newspapers has not improved. The Portfolio Review is completely updated with new, fresh ads. The description of marketing for *The Village Voice* has been refocused on England’s *The Telegraph* newspaper and its great “Words Chosen Well” campaign. The production section is now shortened considerably in light of the digital production processes used by most papers.

Chapter 13, “Using Audio and Video Media”

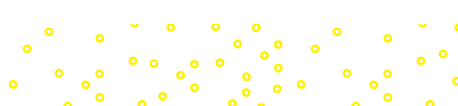
A new chapter title, as mentioned above, references audio and video rather than TV and radio. The opening vignette introduced in the 16th edition for M&M’s is updated to reflect the character refresh launched by the brand. The broadcast and cable television section is retitled and now references OTT. We also explain why the references to audio and video have replaced “TV” and “radio.” A dramatically expanded discussion of OTT presents the big players in this area, including Apple, Comcast, and Disney. A “Pros and Cons of OTT Advertising” exhibit has been added. The audio section now explicitly references and discusses the importance of podcasts for advertisers. The People behind the Ads box discusses the most popular podcaster in America, Joe Rogan, and the controversies surrounding his show.

Chapter 14, “Using Digital Interactive Media”

The Amazon opener continues with a refresh as many students will be surprised to discover how much income the company derives from advertising. Exhibit 14-1 showcases the extent to which Google, Facebook, and Amazon dominate digital ad revenues. The history section is shortened a bit but the looking ahead portion introduces newer technologies such as 6G. Behavioral tracking, which is slowly being phased out because of privacy concerns, is presented alongside the technology likely to replace it, contextual advertising. Changes to Google’s ad program are described. The amazing integration of the old and new reviews the floating QR code in Coinbase’s Super Bowl ad.

Chapter 15, “Social Media”

The chapter has been almost completely revised in collaboration with social media expert Jameson Hayes. This has resulted in much new and updated content throughout the chapter, with a special focus on consumer-brand relationships. Specific campaigns such as ones by Starbucks and Nike are referenced throughout. A focus on user-generated content



is featured in the section on building social authority. New technologies in social media are now described, including sentiment analysis and AI as tools for improving social media effectiveness. A new section describes advertising and marketing in the metaverse. The People Behind the Ads box now features Jon Colon, associate creative director at Golin, and his wonderful work supporting social media star Wendy's. The new box replaces Mark Zuckerberg. Finally, the My IMC Campaign box provides links to social media training materials for most popular platforms.

Chapter 16, “Using Out-of-Home, Exhibitive, and Supplementary Media”

The big change in the chapter is the description of the digitalization of billboards and the impact this embrace of newer technologies is having on OOH. Tradeshow statistics, like many in this edition, are influenced by the economics of a global pandemic, but more so considering how many shows were canceled in 2020 and 2021.

Chapter 17, “Relationship Building: Direct Marketing, Personal Selling, and Sales Promotion”

Nondigital direct-response appeals are beginning their inevitable decline in light of the value of digital platforms for accomplishing the same objectives. But DM still merits coverage and can, in retrospect, be seen as a bridge from old media to new.

Chapter 18, “Relationship Building: Public Relations, Sponsorship, and Corporate Advertising”

A new chapter opener highlights the importance of public relations management in ensuring smart, sensitive messages during a crisis. The focus here is on Disney's inelegant response to controversial legislation in Florida and the impact of CEO Bob Chapek's ill-considered responses to employee and consumer concerns. Further integrating current events into the text, the press release example, a real one, showcases the response of TotalEnergies to Russian aggression in Ukraine.

Uses for This Text

Contemporary Advertising and Integrated Marketing Communications was written for undergraduate students in liberal arts, journalism, mass communication, and business schools. However, because of its practical, hands-on approach, depth of coverage, and marketing management emphasis, it is also widely used in independent schools, university extension courses, and courses on advertising management. The wealth of award-winning advertisements also makes it a resource guide to the best work in the field for students in art and graphic design courses and for professionals in the field.

Many of the stories, materials, and techniques included in this text come from the authors' personal experiences in marketing communications and in higher education. Others come from the experiences of friends and colleagues in the business. We believe this book will be a valuable resource guide, not only in the study of advertising but later in the practice of it as well. In all cases, we hope readers will experience the feel and the humanness of the advertising world—whether they intend to become professionals in the business, to work with practitioners, or simply to become more sophisticated consumers.

Our goal with each new edition is to produce a finer book. We think instructors and students alike will approve of many of the changes we've made to this one. We would love to hear from you—what you like, what you don't, what we should look to add in the future. E-mail Mike Weigold at mweigold@gmail.com.

Michael F. Weigold



our thanks

We are grateful to all of the individuals who serve as the focus of our People Behind the Ads feature. I am especially grateful to Dayana Falcon, Tria Chingcuangco, Cliff Marks, Samantha Avivi, John Posey, Jon Steel, Joe Zubi, Jon Colon, Natalie Kim and Emily Sander for the time and energy that they spent sharing their thoughts about their advertising and marketing careers.

Modern texts are integrated learning tools, and this one is no exception. The Connect exercises that accompany the book offer students a chance to apply what they've learned, assess their level of understanding, and integrate concepts and practices. I am immensely grateful to the amazing team of scholars below who reviewed this material and made it significantly better.

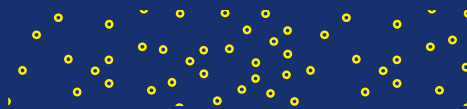
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- Q. J. Yao, Lamar University

This edition benefited from the abilities and efforts of some great people at McGraw Hill. Anne Leung served as the Product Developer of the text and always worked to make the product better. She is a delight to work with. The book benefited greatly from her skills. I am also grateful to our Portfolio Managers Meredith Fossel and Jessica Dimitrijevic, Marketing Manager Michelle Sweeden, and our Senior Project Managers Susan Trentacosti and Bruce Gin. Thanks are also due to our wonderful photo researcher Carrie Burger.

William Arens created a special text and it is my great honor to extend his legacy. His impact continues to touch students with every new edition. His son Chris and I collaborated over several editions, and Chris's warm personality and professional insights continue to make this book better than it would be otherwise.

Finally, thanks to Debbie Treise for her support, encouragement, and love.

M. F. W.



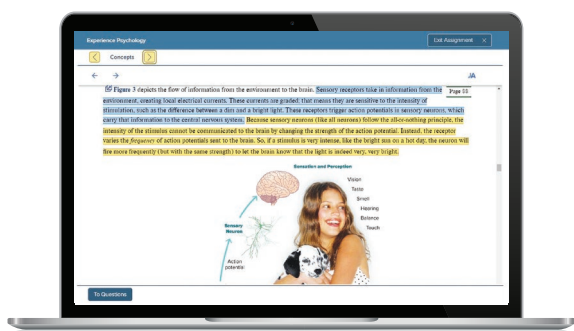
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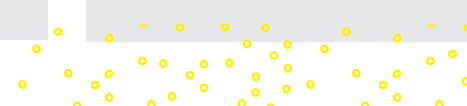
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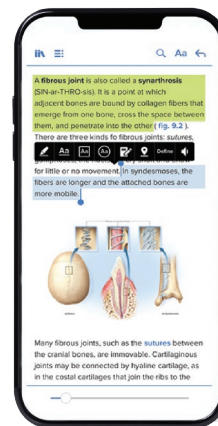
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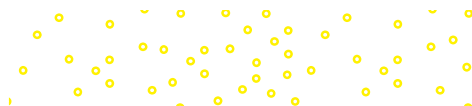
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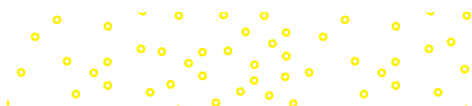
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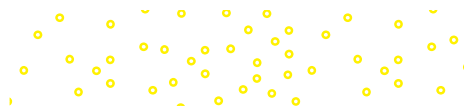
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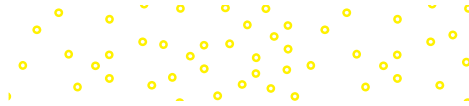
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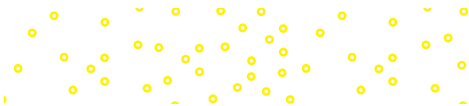
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CONTEMPORARY

advertising

**and Integrated Marketing
Communications**



CHAPTER

13

Using Audio and Video Media

LEARNING OBJECTIVES

To present the important factors, advertisers need to evaluate when considering the use of audio and video in the creative mix. Each medium has its own characteristics, advantages, and drawbacks. Advertisers must be able to compare their merits and understand the most cost-effective ways to buy advertising time.

After studying this chapter, you will be able to:

- LO13-1** Describe the advantages and drawbacks of video as an advertising medium.
- LO13-2** Explain the challenge to traditional TV arising from newer kinds of video.
- LO13-3** Give an overview of video audience trends.
- LO13-4** Describe the kinds of video advertising buys that are available.
- LO13-5** Review the important trends in video viewership.
- LO13-6** Discuss the main factors to consider when buying video time.
- LO13-7** Analyze the pros and cons of using audio in the creative mix.
- LO13-8** Indicate how audio ads are bought.
- LO13-9** Summarize how audio and video spots are produced.



Mars, Incorporated

In 2022 the popular M&M characters got a make-over. Looking at the image above, it might be hard to see what changed. Look closer though, and you might notice that green's "cool, laid-back sneakers," which reflect her "effortless confidence," have replaced her go-go boots. Brown has ditched her stilettos for block heels. And the two have a new relationship that the candy manufacturer suggests is "together throwing shine and not shade."¹ ■ The company keeps its image fresh but has a storied history. M&M's started with a bang, literally, as Forrest Mars invented them after seeing soldiers gulp Smarties, a coated English chocolate candy, during the Spanish Civil War. Returning to the United States, Mars created his own version and named them M&M's after his father, Forrest E. Mars, and Bruce Murrie, the son of Hershey's president William Murrie. ■ The candy went on to become a popular diversion during another war, World War II. Although sold exclusively to soldiers, demand was so high the company opened a bigger factory to keep the confections in the mess kits of soldiers in Europe. ■ Right after the war, M&M's introduced what would become its iconic tagline. Mars had noticed that soldiers loved that the candy did not melt when transported, even in heat—hence, a slogan that perfectly

captured the brand's USP, "melts in your mouth, not in your hand." ■ By the 1990s, some of M&M's marketing magic was beginning to wear thin and sales began slowing. Mars chose to work with a new ad agency to try to turn things around and selected one of the best, BBDO. ■ BBDO's creative director was Susan Credle, who immediately grasped that the flagging sales were linked to weak branding. "They'd become just candy. An aisle store candy brand versus an icon brand."² ■ The solution was the introduction of six funny brand "advocates." Yellow is "plump, yellow, and all smiles" whose best friend is Red "because he seems to know a lot." Red has a hidden talent of turning "simple chores into complicated tasks" and thinks his best features are "genius IQ and physical prowess." To put this in context, his shortcoming is he "thinks he knows more than he does." Orange has a dream "to be on the endangered species list" and is turned off by "people who want to eat him." Blue is turned off by "squares, man . . . squares" and lists his turn-ons as "moonlit nights, jazz" and "the ladies." Ms. Brown lists her best attribute as "her big beautiful brain" and her hidden talent as "always being right." Finally, Green insists that she "melts for no one" and owns up to the shortcoming that she

“can sometimes be intimidating.”³ ■ These iconic figures have provided M&M’s with nearly two decades of great TV and cinema advertising, including a beloved spot in Super Bowl LI where Red, wishing to become human, turns into Danny DeVito. More importantly, they have helped M&M’s become America’s best-selling candy. In 2017, M&M’s had sales of nearly \$700 million, more than sales of second-place Hershey’s and third-place Reese’s combined.⁴ ■ The most successful ad campaign ever? The case can be made that it is, and all owing to a powerful, yet simple idea of

making the candy the star. ■ Susan Credle, who no longer works for BBDO, deserves much of the credit. And Credle’s ideas have kept coming (among her other creations is the popular Mayhem character for Allstate). In 2018 she took on new challenges as global chief creative officer at FCB New York. Her advice for other CCOs is, “Dream bigger, build legacies, be ambitious. Not just about the bottom line. We’re going to do things you never thought you’re going to do. The Times Square M&Ms store is there because of Paul Michaels’ [former Mars president] big dreams.”⁵

Broadcast, Cable, and
OTT Video

This chapter’s title has evolved over the years of the book’s publication. Initially titled “Broadcast Television and Radio,” it evolved to “Electronic Media: Television and Radio.” Today even those descriptors don’t do justice to the options available for both advertisers and consumers in the audio and video landscapes. While millions still watch content on a television set, whether via a broadcast signal or a cable hookup, many others stream video media on phones, tablets, and computers. And radio remains popular but faces increasing competition from streaming sources, including Internet music services and podcasts. As a result, we now title this chapter “Using Audio and Video Media.”

In this chapter we review **video marketing**, the use of video messages in promoting brands, products, or ideas, with a focus on ads that most consumers would label commercials. That is to say, whether the ad is viewed in broadcast, cable, or OTT media, it is an ad inserted in nonadvertising content that the audience member watches. While this can be described as “TV,” people now consume video on a variety of screens, including computers, tablets, and phones. We also distinguish our discussion of video in this chapter from our focus in Chapter 15 on social media. There the focus is on branded content designed to be viewed or shared by social media users. Our convention in this chapter will be to use the term “television” or “TV” to refer to content accessed via broadcast or cable, and “video” to describe content accessed via any method.

In 1950 U.S. advertisers spent \$171 million, or just 3 percent of total U.S. advertising volume, on the new medium of television. It didn’t take long, though, for the nation’s advertisers to discover the power of this new medium to reach mass audiences quickly and frequently. TV offered advertisers unique creative opportunities to imbue their brands with personality and image like never before. In 2018, advertisers spent nearly \$68 billion on cable and broadcast TV. This number, impressive as it is, was not enough for TV to remain the largest category of spending, a title that now falls to Internet advertising.⁶ Exhibit 13-1

Exhibit 13-1
Top 10 network TV advertisers in the United States (2020).

Source: “Biggest U.S. Spenders by Medium, Broadcast Network TV,” *Ad Age* 200 Leading National Advertisers 2021.

| Rank | Advertiser | (\$ in Millions) 2020 |
|------|------------------------|-----------------------|
| 1 | Procter & Gamble | \$904 |
| 2 | AbbVie | 460 |
| 3 | Amazon | 455 |
| 4 | T-Mobile US | 435 |
| 5 | Berkshire Hathaway | 412 |
| 6 | Verizon Communications | 335 |
| 7 | Apple | 333 |
| 8 | Progressive Corp. | 327 |
| 9 | AT&T | 305 |
| 10 | Johnson & Johnson | 264 |

lists the top broadcast network television advertisers in the United States and their annual expenditures.

Until recently, television was available to advertisers in two principal forms: broadcast and cable TV. **Broadcast TV** reaches its audience by transmitting electromagnetic waves through the air across some geographic territory. Receivers can only watch a broadcast channel if they are within range of the signal. **Cable TV** reaches its audience through cable wires physically connected to businesses or households. Today, a third option, growing much faster than broadcast or cable, called **OTT (over-the-top) video**, offers advertisers new ways to connect to audiences. OTT content is delivered to TVs via an Internet provider, such as Hulu or YouTube TV. The growing number of “cord cutters,” people canceling cable TV contracts in favor of Internet-only video, is making OTT an extremely important medium. In what follows we look at each of these in turn.

Broadcast TV

LO 13-1

From its beginnings in the 1950s, TV rapidly emerged as the only in-home medium that offered sight, sound, and motion. As TV’s legions of viewers grew, national-brand advertisers quickly discovered its power to efficiently expand distribution across the country and sell products like never before. Not only that, the medium was ideal for branding, even better than magazines, which had previously been the image-building medium of choice. It didn’t take long for marketers to switch their budgets from radio, newspapers, and magazines.

Broadcast television can be accessed by anyone with a television antennae who is within range of a broadcast signal. Stations use the publicly owned broadcast spectrums of **VHF** (very high frequency, channels 2 through 13) and **UHF** (ultrahigh frequency, channels 14 and above).⁷ While there are many broadcast stations, a minority, just under 400, are large enough to produce a local news show.⁸ Typically, unless they are affiliated with PBS, broadcast stations earn revenue by selling or agreeing to carry advertising. Some stations operate as independents while others are affiliates with a network (ABC, NBC, CBS, Fox, CW). Both affiliates and independent stations broadcast syndicated programs (programs purchased for a fee for broadcasting) and some originate their own programming.

Many networks are now parts of much larger corporations which offer diverse content. Comcast, a large cable provider, owns NBC (now NBCUniversal), for example, as well as the USA cable network, Telemundo, MSNBC, Universal theme parks, and OTT network Peacock. Disney, the parent company of ABC, ESPN, and the Fox Networks Group (Fox’s entertainment division, but not its news division) also owns streaming network Disney+. These large entertainment companies are hedging their bets in the face of rapid technological change. They also hold a portfolio of advertising opportunities that allow companies synergy in targeting consumers with messages that span broadcast networks, cable stations, streaming channels, sports events, films, and even theme parks. While local affiliates receive revenue from local advertising, networks earn money from national advertisers wishing to show their ads across all network affiliate stations.

For more on how agencies can best use broadcast, see My IMC Campaign 13-A, “The Pros and Cons of Broadcast TV Advertising”).

Cable TV

The origins of cable date to the 1940s. Cable was intended to provide TV to areas far from broadcast towers, such as rural and mountainous regions. Starting in the 1970s, the proliferation of channels and the introduction of uncut first-run movies via pay-cable channels such as Home Box Office and Showtime made cable TV attractive to a much bigger audience.

Advertiser-supported cable networks soon appeared with specialized programming in arts, history, sports, news, and comedy, along with pay services and many more local shows. As the number of cable customers grew, broadcast network viewership declined.

For three decades, cable’s growth was extraordinary. In 1975, it penetrated only 13 percent of American TV households. By 2010, cable reached its zenith of roughly 90 percent of all homes.⁹ Since then cable has been in retreat, as consumers find less expensive and more responsive ways to consume content. Today, only about 70 percent of homes subscribe to a cable package.¹⁰ Part of the problem: cable subscribers may receive more than 100 channels but most households watch only 15 to 20.¹¹



My IMC Campaign 13-A

The Pros and Cons of Broadcast TV Advertising

The Pros

Contemporary broadcast television offers advertisers many advantages over competing media.

- **Mass coverage.** A full 98 percent of all U.S. homes have a TV (most have more than one), and while viewing time for the average household decreased from about five hours a day in 1960 to about three hours in 2022, it is still substantial.
- **Relatively low cost.** Despite the often huge initial outlays for commercial production and advertising time, TV's equally huge audiences bring the cost per exposure down to \$2 to \$10 per thousand viewers.
- **Some selectivity.** Television audiences vary a great deal depending on the time of day, day of the week, and nature of the programming. Advertising messages can be presented when potential customers are watching, and advertisers can reach select geographic audiences by buying local and regional markets.
- **Impact.** Television offers a kind of immediacy that other forms of advertising cannot achieve, displaying and demonstrating the product with sound, motion, and full color right before the customer's eyes.
- **Creativity.** The various facets of the TV commercial—sight, sound, motion, and color—permit infinite original and imaginative appeals.
- **Prestige.** Because the public considers TV the most authoritative and influential medium, it offers advertisers a prestigious image. Hallmark, Xerox, Coca-Cola, and IBM increase their prestige by regularly sponsoring cultural programs on network TV.
- **Social dominance.** In North America, most people under age 35 grew up with TV as a window to their social environment. They continue to be stirred by TV screenings of the Olympics, space travel, assassinations, wars, and political scandals around the world.

The Cons

Sometimes broadcast TV just doesn't "fit" the creative mix because of cost, lack of audience selectivity, inherent brevity, or the clutter of competitive messages.

- **High production cost.** One of broadcast TV's greatest handicaps is the high cost of producing quality commercials. Depending on the creative approach, the cost of filming a national commercial today may run from \$200,000 to more than \$1 million.
- **High airtime cost.** The average cost of a prime-time network commercial ranges from \$200,000 to \$400,000. A single 30-second commercial for a top-rated show in prime time may cost more than \$500,000, and in special attractions like the Super Bowl more than \$2 million. The cost of wide coverage, even at low rates, prices small and medium-size advertisers out of the market.
- **Limited selectivity.** Broadcast TV is not cost-effective for advertisers seeking a very specific, small audience. And it is losing some of its selectivity because of changing audience trends. More women are working outside the home or watching cable TV, hurting advertisers on network soap operas.
- **Brevity.** Studies show that most TV viewers can't remember the product or company in the most recent TV ad they watched—even if it was within the last five minutes. Recall improves with the length of the commercial; people remember 60-second spots better than 30-second spots.
- **Clutter.** TV advertising is usually surrounded by station breaks, credits, and public service announcements, as well as six or seven other spots. All these messages compete for attention, so viewers become annoyed and confused and often misidentify the product.
- **Zippping and zapping.** DVR users who skip through commercials when replaying recorded programs are zippping; remote-control users who change channels at the beginning of a commercial break are zapping.

The revenue model for cable TV is a bit more complex than for broadcast. Networks charge cable companies a fee for each individual who subscribes. For example, ESPN charges over \$7 per cable subscriber whether they watch or not.¹² Networks such as ESPN also sell advertising, as does the cable company itself in local markets. These economics have driven the cost of cable subscriptions to very high levels and this in turn is feeding the current trend of cord cutting.

Most channels are privately owned and commercially operated. These include local network affiliates and independents, cable networks, superstations, local cable system channels, and community access channels. Cable fees represent about one-third of cable network revenues; advertising makes up the remainder.¹³

There are hundreds of cable networks in the United States. Exhibit 13-2 lists the most popular ones. There are also a handful of *superstations*, such as TBS, which are local over-the-air TV stations whose signals are delivered via satellite to cable systems across the country and that carry some national advertising.



My IMC Campaign 13-B

The Pros and Cons of Cable TV Advertising

The Pros

- **Selectivity.** Cable offers specialized programming aimed at particular types of viewers. Narrowcasting allows advertisers to choose programming with the viewer demographics that best match their target customers.
- **Audience demographics.** Cable subscribers are younger, better educated, and more affluent; have higher-level jobs; live in larger households; and are more likely to try new products and buy more high-ticket items, such as cars, appliances, and high-tech equipment.
- **Low cost.** Many small companies get TV's immediacy and impact without the enormous expenditures of broadcast TV. Cable advertising can sometimes cost as little as radio. Many national advertisers find sponsorship attractive because an entire cable series can cost less to produce than a single broadcast TV commercial.
- **Flexibility.** Broadcast TV commercials need to be short because of the high costs of production and airtime, but cable ads can run up to two minutes and, in the case of infomercials, much longer. They can also be tailored to fit the programming environment.

- **Testability.** Cable is a good place to experiment, testing both new products and various advertising approaches: ad frequency, copy impact, and different media mixes.

The Cons

Like every medium, cable TV has its drawbacks.

- **Limited reach.** About 23 percent of households don't have cable. This was cable's main weakness in the past, but it is less so today.
- **Fragmentation.** With more than 50 channels at their disposal, cable viewers do not watch any one channel in enormous numbers. To reach the majority of the cable audience in a particular market, ads must run on many stations.
- **Quality.** Cable, particularly local cable, sometimes has poorer production quality and less desirable programming than broadcast TV.
- **Zippering and zapping.** Cable TV has some of the same drawbacks as broadcast TV, such as zippering and zapping.

Exhibit 13-2

Most-viewed cable networks in March 2022.

| | |
|--------------------------|-----------|
| Fox News | 2,186,000 |
| CNN | 1,113,000 |
| MSNBC | 935,000 |
| Home & Garden Television | 618,000 |
| Hallmark | 497,000 |
| ESPN | 496,000 |
| Food Network | 490,000 |
| INSP TV | 459,000 |
| Investigation Discovery | 421,000 |
| History Channel | 419,000 |

Source: "U.S. Cable TV Network and Program Rankings" NMS, March 2, 2022, www.nationalmediaspots.com/us-cable-tv-network-and-program-rankings.php.

LO 13-2

When buying cable TV, an advertiser can buy ads over the full schedule of a channel because cable networks typically aim their overall programming to relatively specific *audiences*. The Lifetime and Family channels heavily weight programs toward women; MTV targets viewers aged 16 to 25. Cable companies sell their network channels in bundles at a discount and offer discounts for *run-of-schedule* positioning—multiple ad purchases they can place throughout a channel's daily schedule (see My IMC Campaign 13-B, "The Pros and Cons of Cable TV Advertising").

OTT and Streaming Video

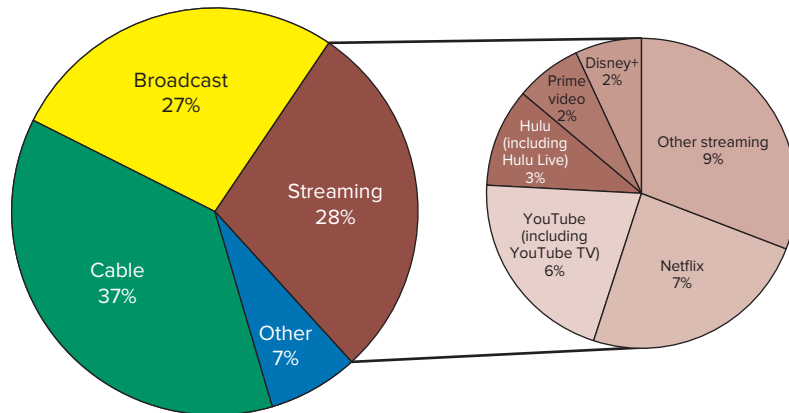
Research firm Harris reported that as of 2019 Americans spent time more time with OTT video content than cable, a trend that continues today. This may surprise you if you've never heard of OTT, or over-the-top video. What is OTT? If you watch TV by streaming content over the Internet you are using OTT. Making all of this a little confusing is that the same content (your local news channel or Sunday Night Football) may be viewed via broadcast, cable, or OTT. Some households might use all three. You might watch a local station using an antennae, ESPN on your cable channel, and Netflix over the Internet.

There are several things that make OTT especially important. First, it is growing rapidly and replacing the other two ways of accessing content. This is because it is often less expensive and comes with many more user options than cable. This is why some long-time cable stalwarts such as HBO and Disney are aggressively creating a space in the streaming world outside of cable.

As an OTT consumer, you may like that you can watch shows at any time, pause or rewind at will, save money on your cable bill, and have an amazing variety of content choices from which to choose. But advertisers are just as excited about OTT, if for different reasons. This is because OTT provides an advertiser a great deal more information about you and your household than is typically available from a cable company. But even more

Exhibit 13-3*Time spent with video.*

Source: The Nielsen Company, LLC.



importantly, OTT advertisers can use this information to serve you a custom slate of advertisements. When you and a friend watch the same show in OTT, you are almost certainly watching different ads. This powerful combination of rich data and customizable ads is a big advantage over broadcast and cable.

As can be seen in Exhibit 13-3, OTT is a disruptive force for the traditional players in TV. Why? First, there are many advertising models in OTT. Some streaming video is ad-free (Netflix, HBO, Disney+, Apple+) because subscribers pay for it. Others offer both ad-free (for a fee) and advertiser-supported plans (YouTube, Paramount+, Peacock+). And some are free and advertiser supported (Roku Channel, Pluto TV). Second, streaming has replaced cable and broadcast as must-watch TV, with the result that millions are canceling their cable subscriptions. Third, one of the most appealing aspects of streaming video is video-on-demand, where consumers can watch what they want, when they want, where they want. The old model of “appointment viewing” is disappearing, even on broadcast TV, forcing Nielsen to create a new measure of audiences: Live+3 (live viewers plus those who time-shift their viewing for up to 3 days).

The growth of OTT has had ripple effects elsewhere too. For example, the demand for high-quality content has never been greater. Streaming companies pay enormous sums of money for shows they hope people will want to watch. Breakout hits such as *Squid Game*, *Bridgerton*, or *Stranger Things* drive subscriptions and attract viewers. Even old content can prove surprisingly valuable. For years Netflix subscribers could binge *The Office*, a moderately successful NBC comedy from the early 2000s. On Netflix the program developed a fanbase that far exceeded that of its days on the network. When the Netflix contract expired, the company lost a bidding war to rival Paramount+ which paid a half billion dollars to obtain streaming rights.¹⁴

And other industries are being affected as well. For example, what is to become of local TV affiliates, who are not required for streaming video? What of cable companies, who have no good rationale for requiring \$200+ subscriptions that require dozens of channels people don’t want? How much room is there for premium, subscription-based channels, which include Netflix, HBO, Showtime, Disney+, Apple+, and others? Even YouTube is feeling heat from upstart TikTok and its young stars and entrepreneurs who attract large audiences through cleverness and talent. For more on the pros and cons of OTT as an advertising platform see My IMC Campaign 13-C, “The Pros and Cons of OTT Advertising.”

Video Audience Trends

LO

13-3

As a way to reach a mass audience, no other medium has the unique creative abilities of video: the combination of sight, sound, and motion; the opportunity to demonstrate the product; the potential to use special effects; the chance to develop the empathy of the viewer; and the believability of seeing it happen right before your eyes (a majority of viewers believe TV is the most authoritative advertising source, compared to much smaller numbers for other media). Television is also rated as the most influential, persuasive, and exciting medium.¹⁵



My IMC Campaign 13-C

The Pros and Cons of OTT Advertising

The Pros

Contemporary broadcast television offers advertisers many advantages over competing media.

- **Customized ads.** OTT allows advertisers to deliver ads to viewers via programmatic (auction-based) buying methods. In programmatic buys, advertisers buy audiences, not programs.
- **Audience data.** OTT platforms such as Hulu amass large quantities of data about subscribers. Hulu even allows viewers to make choices about the ads that they see. The cost of a smaller reach may be more than offset by targeting a more responsive and engaged market.
- **Rapid growth.** The growth in OTT viewing is matched by the decline of broadcast and cable. A majority of Americans now do at least some OTT viewing and that number will grow.
- **Flexibility.** OTT gives advertisers flexibility in their buying strategies. Networks typically require big commitments from advertisers (for example, purchasing an ad on every episode

of a popular show) whereas OTT advertisers can implement rapid changes in their buys if a strategy is not working (or double down if it is).

- **Testability.** OTT offers advertisers a good place for experimentation such that multiple versions of a commercial can be tested and refined over time.

The Cons

As with every medium, OTT has its drawbacks.

- **Ad blockers.** People who view content on phones or tablets can sometimes block OTT ads.
- **Availability.** Some of the most popular platforms are ad-free. These include Netflix, Disney+, Apple+, and HBO.
- **Unproven.** OTT is still very new and strategies for mastering it continue to evolve.
- **Zippering and zapping.** The flipside of the user control that OTT gives audiences is their ability to avoid content they don't want to watch.

The heaviest viewers of broadcast TV are middle-income, high school-educated individuals and their families, so most programming is directed at this group. People with considerably higher incomes and more education typically have a more diverse range of interests and entertainment options.

TV has many competitors for audience leisure time, but viewing hours remain high. The average American watches nearly three hours of traditional TV each day, and while that number is declining it is being replaced by streaming alternatives.¹⁶

Around the world, older women watch TV the most (36 hours per week in both the United States and Canada). This makes the medium very popular with advertisers whose primary target is middle-aged and older women. Conversely, the attractive audience between 18 and 29 watches the least amount of TV.

Cable in North American homes has significantly altered TV viewing patterns and the use of other media. Households with cable spend less time watching broadcast TV. They also spend less time listening to the radio, reading, or going to the movies. Cable penetration skews older, with 81 percent of those 65 and older subscribing versus just 34 percent of adults under age 29.¹⁷ As a result of this *audience fragmentation*, advertising on broadcast networks has become less cost-effective.

National advertisers have been using cable since the late 1970s, and cable advertising revenues have grown steadily, reaching more than \$21 billion in 2010. That number is now in decline, roughly \$12.7 billion in 2020.¹⁸ Procter & Gamble traditionally spends the most on network cable. However, local retailers also find local cable a good place to advertise. This is because historically cable's demographics have proven attractive relative to broadcast (see Exhibit 13-4).

Nielsen reports that the average household receives well over 100 TV channels. A larger number, however, doesn't translate into more TV viewing. In fact, the more channels a household has, the lower the percentage of channels watched. Those with the most channels (more than 150) regularly watch only 16 channels.¹⁹

Doubtless the media play an ever-expanding role in our daily lives, but there is a finite limit to the number of advertising exposures people can absorb. When that limit is reached,

Exhibit 13-4

Cable households provide advertisers with attractive demographics (Index of 100 = U.S. average).

| Cable versus Noncable Household Characteristics | | | |
|---|--------------------------------------|---|----------------------------|
| Upscale Profiles | Cable HH versus U.S. Average (Index) | Noncable HH versus U.S. Average (Index) | Percent Advantage Cable HH |
| Occupation: Professional | 108 | 88 | +23% |
| Education: Graduated college+ | 110 | 85 | +29% |
| Occupation: Management/financial | 105 | 93 | +13% |
| Household Income: \$75,000+ | 112 | 80 | +40% |
| Value of Home: \$500,000+ | 109 | 87 | +25% |
| Downscale Profiles | Cable HH versus U.S. Average (Index) | Noncable HH versus U.S. Average (Index) | Percent Advantage Cable HH |
| Education: Did not graduate HS | 86 | 122 | −30% |
| Employment: Not working | 99 | 101 | −2% |
| Occupation: Construction/maintenance | 87 | 120 | −17% |
| Household Income: <\$20,000 | 87 | 121 | −28% |
| Value of Home: <\$60,000 | 83 | 127 | −35% |

Source: Cable Viewer Summary, Cable TV Advertising Bureau, 2018.

any new media will simply be fighting for market share. This is the reason for the increasing fragmentation of the audience and the precipitous decline in the huge share of audience once held by the broadcast networks. This is also why expert media buyers and planners are more important than ever.

The Use of Video in IMC

Video is very versatile. For many years it was strictly a mass medium, used to great advantage by the manufacturers of mass consumption goods: toiletries and cosmetics, food, appliances, and cars (see Exhibit 13-5). But today, thanks to the diverse audiences for OTT content and the narrowcasting ability of cable, video can also be a highly selective niche medium. It's not unusual, for instance, to see ads for special feed for thoroughbreds and show horses on ESPN's *Grand Prix of Jumping*. And thanks to local cable, TV is now affordable for even small local advertisers. This makes it a very viable option for use in an IMC program.

While single programs don't deliver the mass audience they once did, television is still the most cost-effective way to deliver certain kinds of messages to large, well-defined audiences. And a handful of shows continue to bring impressive ratings. The 2022 Super Bowl was watched by over 112 million people, an increase of 16 percent over the previous year.²⁰

When it comes to awareness and image advertising, video has no rival. The same is true for brand reinforcement messages. This may be why almost 9 out of 10 businesses currently use video as a marketing tool, up from 61 percent in 2016. And among those using video most say it is an important part of their marketing strategy, that it has helped to increase user understanding of their brands, and that it increases both leads and sales.²¹

Because marketing integrators are looking to establish, nourish, and reinforce relationships with many groups of stakeholders, video serves another role quite efficiently. It can speak to many different kinds of stakeholders—not just customers—at the same time. Moreover, through its unique ability to deliver a creative big idea, television can impart *brand meaning* (the symbolism or personality of the brand) to either attract people to the brand or reinforce their current relationship with it.

Video is also a good leverage tool. That is, an advertiser might take advantage of the relatively low CPM of television to reach out to many prospects. Prospects can identify themselves by responding online to the

Exhibit 13-5

Top 10 cable network advertisers (2020).

| Rank | Advertiser | Cable TV Spending (in Millions) |
|------|--------------------|---------------------------------|
| 1 | Procter & Gamble | \$972 |
| 2 | Berkshire Hathaway | 665 |
| 3 | AbbVie | 469 |
| 4 | PepsiCo | 460 |
| 5 | Amazon | 446 |
| 6 | AT&T | 419 |
| 7 | Progressive Corp. | 384 |
| 8 | T-Mobile US | 374 |
| 9 | Yum Brands | 340 |
| 10 | GlaxoSmithKline | 325 |

Source: "Biggest U.S. Spenders by Medium, Cable TV Network," *Ad Age* 200 Leading National Advertisers 2021, Crain Communications.

commercial, and then the advertiser can follow up with less expensive, one-to-one, or addressable media.

What's important to remember in all this is that the creative possibilities of video encourage the sponsor to create messages that people find interesting and that reinforce the brand's strategic position (remember our definition of great advertising). The brands that succeed are the ones that engage. And "ad liking" has a lot to do with brand popularity.

Types of Video Advertising

LO 13-4

Advertisers use different strategies to buy time in video. The major broadcast networks offer a variety of programs that appeal to different audiences. So the advertiser buys ads based on the viewing audience of each program. A national advertiser that wants to reach a broad cross section of women ages 25 to 45, for example, might find the network program *Grey's Anatomy* an efficient buy at a cost of \$207,000 for a 30-second commercial.²² When identifying a market segment to target, advertisers should consider the ethics of their appeal. For example, children represent a target market for some brands, but targeting kids carries significant responsibilities. See the Ethics, Diversity & Inclusion feature later in this chapter for the guidelines on advertising to children.

Advertisers can buy time on video in several ways. They include TV purchases, such as sponsoring an entire network program, participating in a network program, purchasing spot announcements from a network affiliate, purchasing spots from syndicators, and purchasing spots from cable companies. Or it could be OTT buying. In the OTT world, not every platform is available to advertisers. Subscription video-on-demand (SVOD), for example, is typically ad free because consumers pay to watch (i.e., Netflix, HBO). Conversely, ad-supported video-on-demand (AVOD) is an excellent advertising choice and includes free OTT networks such as YouTube and the Roku Channel.²³ Ads on YouTube are purchased via a bidding process similar to buying Google search ads. Roku sells ad space on a platform it calls OneView, offering advertisers proprietary data and market segments.²⁴

Network Advertising

Historically, major U.S. advertisers purchased airtime from one of the national broadcast **networks**: ABC, CBS, NBC, or Fox. In 1995, relaxed FCC rules enabled two of the biggest producers of prime-time shows, Warner Bros. and Paramount, to launch their own broadcast networks—WB and UPN—giving them captive distribution outlets for programs they produce and buy.²⁵ With 31 affiliated stations, UPN immediately covered 80 percent of the country, even though it initially programmed only a couple of nights a week. In 2006, UPN and WB merged to become CW.²⁶

Cable and OTT have eroded the audience of the broadcast networks. At one time the big three (ABC, CBS, and NBC) had more than 90 percent of the prime-time audience.

Today networks account for just 27 percent of daily viewers, less than that of cable (37 percent) or streaming (28 percent).²⁷

Networks offer large advertisers convenience and efficiency because they broadcast messages simultaneously across many affiliate stations throughout the country. Broadcast networks tend to reach masses of American consumers representing a cross section of the population, while cable networks tend to reach more selective niches.

An advertiser who underwrites the cost of a program is engaging in **sponsorship**. In a sole sponsorship, the advertiser is responsible for both the program content and the total cost of production. Sponsorship is so costly that single sponsorships are usually limited to specials. Companies that sponsor programs (e.g., AT&T, Xerox, and Hallmark) gain two important advantages. First, the public more readily identifies with the product(s) due to the prestige of sponsoring first-rate entertainment. Second, the sponsor controls the placement and content of its commercials. The commercials can be fit to the program and run any length the sponsor desires so long as they remain within network or station regulations. Further, because networks are centralized, the advertiser gets only one bill.



Television plays an important role in its ability to impart brand personality. Television communicates with many stakeholders simultaneously and can deliver a "big idea" in a uniquely creative manner. This commercial for M&M's keeps the idea that the candies are personalities and alive by having Red wish he was human and then turn into Danny DeVito.

Mars, Incorporated

Exhibit 13-6*What TV ads cost in the 2021–2022 season.*

| Rank | Show | Price (000) | Network |
|------|--------------------------------|-------------|---------|
| 1 | <i>Sunday Night Football</i> | \$811 | NBC |
| 2 | <i>Thursday Night Football</i> | 635 | Fox |
| 3 | <i>This Is Us</i> | 318 | NBC |
| 4 | <i>The Voice</i> (Monday) | 245 | NBC |
| 5 | <i>The Masked Singer</i> | 235 | Fox |
| 6 | <i>The Voice</i> (Tuesday) | 225 | NBC |
| 7 | <i>Grey's Anatomy</i> | 206 | ABC |
| 8 | <i>The Bachelorette</i> | 192 | ABC |
| 9 | <i>The Bachelor</i> | 160 | ABC |
| 10 | <i>American Idol</i> | 154 | ABC |

Source: Jeannie Poggi, "What TV Ads Cost in the 2021–2022 Season," Crain Communications Inc.

Sponsorship offers many opportunities. When the popular drama series *24* started its second season, the first episode was presented commercial-free, thanks to a full sponsorship by Ford Motor Company. The episode also featured numerous Ford vehicles in the show. To save money and reduce risks, many advertisers cosponsor programs, sponsoring on alternate weeks or dividing the program into segments. NFL games, for instance, are always sold as multiple sponsorships.

Most network TV advertising is sold on a **participation basis**, with several advertisers buying 30- or 60-second segments within a program. This enables them to spread their budgets and avoid long-term commitments to any one program. It also lets smaller advertisers buy a limited amount of time and still get the nationwide coverage they need.

Network advertising also has several disadvantages: lack of flexibility, long lead times, inconvenient restrictions, and forced adherence to network standards and practices, not to mention high prices. Cable, which now offers shows with audiences that match or exceed those on the networks, suffers from fewer restrictions but equally high prices. As shown in Exhibit 13-6, advertisers need a

big budget to appear on the most popular programs. For this reason, many advertisers decide to buy *spot announcements*.

Spot Announcements

National **spot announcements** run in clusters between programs. They are less expensive than participations and more flexible than network advertising because they can be concentrated in specific regions of the country. An advertiser with a small budget or limited distribution may use spots to introduce a new product into one area at a time. Or an advertiser can vary its message for different markets to suit promotional needs.²⁸

Spots may run 10, 15, 30, or 60 seconds and be sold nationally or locally. Spot advertising is more difficult to buy than network advertising because it involves contacting each station directly. This is a headache with cable channels because one city may be served by 10 or more cable companies. For the broadcast stations, the *national rep system*, in which individuals act as sales and service representatives for a number of stations, alleviates this problem through the use of *electronic data interchange (EDI)*.²⁹ This technology enables agency buyers to electronically process orders, makegoods (free advertising time to compensate for problems), and revisions, and to maintain an electronic audit trail through the life of a schedule. Likewise, reps can transmit orders directly to their stations via satellite while keeping in day-to-day contact with agency buyers.³⁰

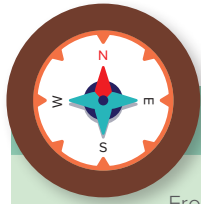
Meanwhile, a number of large cable rep firms are also working to make the purchase of spot cable more convenient for national advertisers through satellite technology and digital systems that interconnect various cable companies in a region.³¹

Spot advertising is available only at network station breaks and when network advertisers purchase less than a full lineup, so spot ads may get lost in the clutter—which is why they tend to have fewer viewers and a smaller piece of the ad spending pie.

Syndication

As audiences fragment, syndicated programs become an increasingly popular adjunct or alternative to network advertising. Over the years, the syndication industry has grown from almost nothing into a \$4.1 billion advertising medium.³²

Syndication is the sale of programs on a station-by-station, market-by-market basis. In other words, the producer (e.g., Warner Bros. or Disney) deals directly with the stations, often through a distribution company, rather than going through the networks. This efficient "direct-from-the-factory" approach gives local TV stations more programming control and greater profits. It also gives advertisers access to **inventory** (commercial time) for their spots that they might not get on network programs—often at better prices.³³ Syndication has become an important source of programming in the United States (see Exhibit 13-7).



Ethics, Diversity & Inclusion

Should Kids Ever Be a Target Audience?

From its inception, parents, regulators, and advocates have looked warily at television as a platform for advertising to kids. Until the Internet, TV was the one medium that offered advertisers a straight path to young hearts and minds.

It could be argued that ads directed at youngsters are wasted because parents control the purse strings. Nothing could be farther from the truth. A report published in 2012 by ad agency Digitas estimated that young children and tweens had purchasing power in the neighborhood of \$1.2 trillion. That figure includes the money kids control for themselves as well as their ability to influence parents' purchases. The report suggests that 6 in 10 tweens have "substantially influenced" adult decisions about a car purchase! According to one expert, the minivan was created because children demanded more room. Then, when kids decided the vehicle was "uncool," their opinions helped to develop the SUV.

Madison Avenue seems keenly aware of the power of these small "influencers," and as a result kids see lots of commercials. One study estimated kids between 6 and 11 see up to 20,000 every year—easy to do when that group spends close to 30 hours a week watching TV.

Of course, it can be argued that parents play a primary role in regulating what children watch and consume. Still, against a tide of commercial messages, parents can't seem to get the upper hand. In response, the World Health Organization, focusing on one

especially pernicious problem, childhood obesity, has recommended that advertisers reduce "food and beverage marketing directed at little children that is high in sugar, fat and sodium in order to help reduce the burden of obesity worldwide."³⁵ In the United States, the FTC notes that since 1980, "childhood obesity rates have tripled among adolescents and doubled among younger children." While acknowledging that the causes of this health problem are complex, the agency concludes that "regardless of the causes, responsible marketing can play a positive role in improving children's diets and physical activity level."³⁶

Some have made the affirmative case for ads directed at kids. Among the most common arguments is that child-oriented programming on nonpublic stations might not exist if ad revenues dried up—a point that is both true and insufficient. Between an advertising ban and an all-out attempt to persuade youngsters to buy or pester their parents is a middle ground, one that acknowledges a role for advertisers to play in protecting kids.

Questions

1. Should advertising directed to kids be banned entirely? Why or why not?
2. If ads to kids are not banned outright, what might responsible advertising look like?

Exhibit 13-7

TV network and syndication distribution.

- a. The networks are essentially middlemen.
- b. Syndication is often a more efficient way of financing and distributing programs.

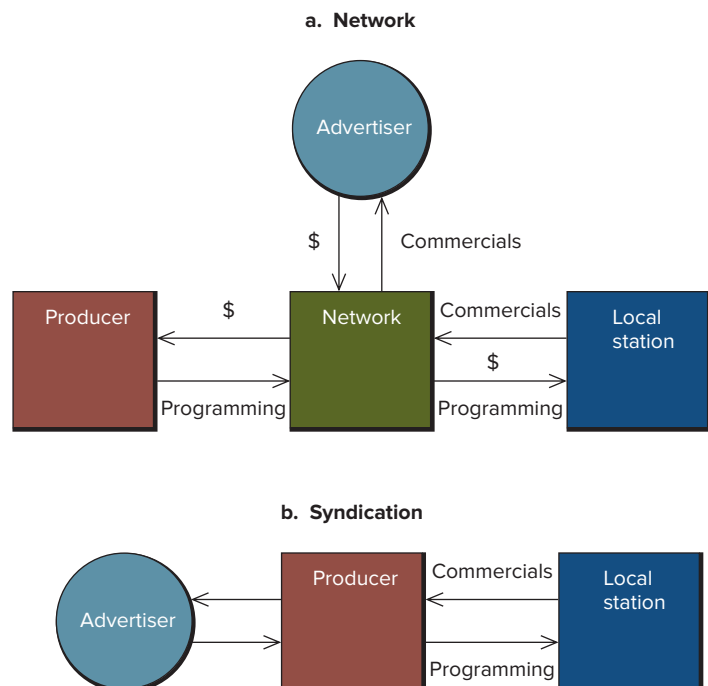
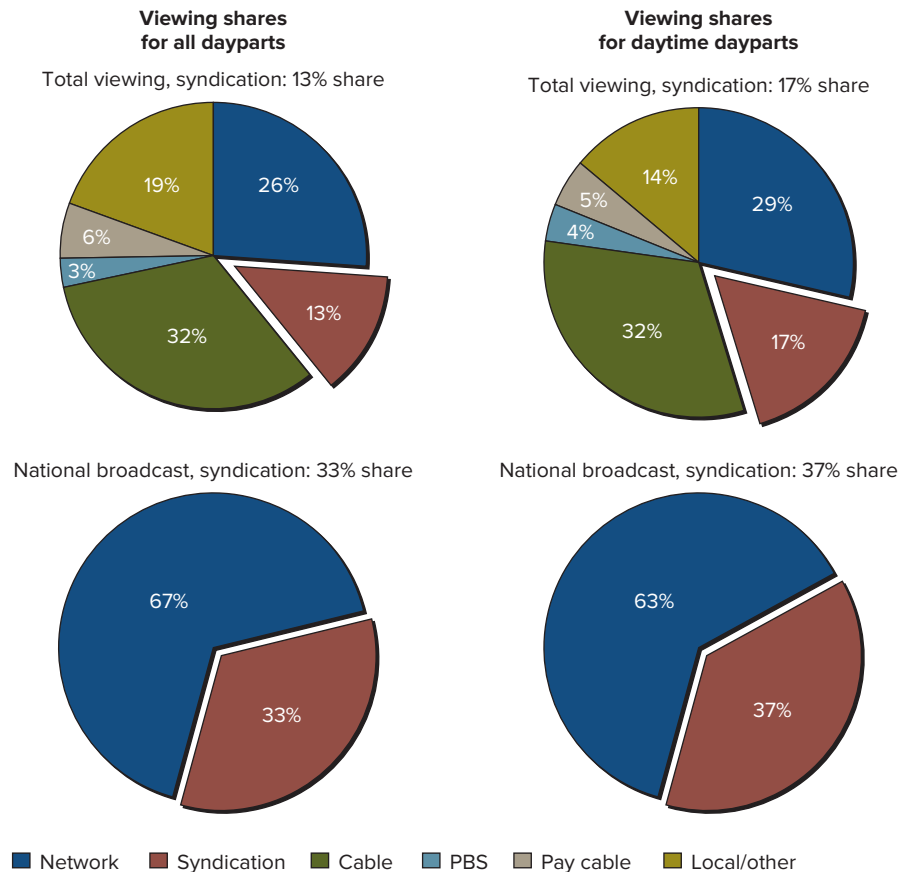


Exhibit 13-8

Syndication viewing shares for total and daytime dayparts. Although syndication holds a respectable 13 percent share relative to total overall viewing, it commands a full one-third of viewing share of all national broadcast. During prime-time dayparts, when competing with network sitcoms and dramas, syndication's share of audience drops way off. But during early prime time it is responsible for over 75 percent share of national broadcast viewing, and during late fringe it commands close to 50 percent share. Syndication ranks high in early prime time and late fringe segments because the only broadcast competition comes from early evening news programs and late-night talk shows.

Source: Billboard/Howard Appelbaum Publisher.



Television syndication comes in three forms: off-network, first-run, and barter. In **off-network syndication**, former popular network programs (reruns) are sold to individual stations for rebroadcast. Examples include *Seinfeld* and *Friends*. **First-run syndication** involves original shows, like *Ellen*, *Inside Edition*, and *Extra*, that are produced specifically for the syndication market. One of the fastest-growing trends in television is **barter syndication** (also called *advertiser-supported syndication*). These are first-run programs offered free or for a reduced rate, but with some of the ad space (usually 50 percent) presold to national advertisers. *Wheel of Fortune* and *Jeopardy*, distributed by King World Productions, are two of the most popular examples.³⁴

Syndication is a powerful tool for building reach. Advertisers like it because they can affiliate with popular programs and maximize their use of broadcast TV, gaining back much of the audience they used to reach through the networks (see Exhibit 13-8).

OTT and Streaming Video

Advertisers focusing on OTT generally face choices between a platform (YouTube TV) or a publisher (Roku, Amazon Fire Stick, Chromecast) as well as between programmatic buying (using computers for bidding) versus a direct-buy (the traditional purchase of time on a specific program).³⁷ In addition, when OTT buys are for content delivered to interactive devices such as tablets or phones, the advertiser can choose to pay by CPM (the traditional measure of audience exposures) or CPC (cost-per-click, the number of people who click through to an advertiser's website).³⁸ The added flexibility of OTT means careful strategy is crucial. One expert recommends defining the goal for the audience (brand awareness? engagement? a behavioral response?), defining the target, assessing the various OTT platforms, setting a realistic budget (awareness objectives are frequently less expensive than behavioral ones), and measuring results carefully.³⁹

Infomercials are examples of long-form messages. They engage audiences with entertaining content and take time to discuss the benefits of products people are not likely to be familiar with. Increasingly, this content can be put on the web as well. Squatty Potty, using the metaphor of a unicorn, delivers an entertaining message on a delicate subject. You can see the ad here: www.youtube.com/watch?v=YbYWhdLO43Q&t=41s.

Squatty Potty, LLC



Local TV Advertising

Local businesses and retailers, often in cooperation with nationally known manufacturers, now spend over \$16 billion annually on local broadcast and cable TV.⁴⁰ Most local stations sell spot announcements, but some local advertisers develop and sponsor local programs or buy the rights to a syndicated series.

Efficient advertisers study the audiences of various programs and analyze their impact and cost-effectiveness against other media vehicles. To do this, they must understand the techniques and terminology used in television audience measurement.

The companies that measure the program audiences of TV and radio stations for advertisers and broadcasters are called **rating services**. These firms attempt to pick a representative sample of the market and furnish data on the number and characteristics of the viewers or listeners. Several research organizations gather the data at their own expense and publish it. Companies subscribe to a service and use it as a basis for planning, buying, or selling media advertising.

In the United States, Nielsen is the major rating service for television. The company measures viewership in several ways. In 25 of the largest U.S. TV markets it measures with Local People Meters (LPMs) in which the people meter requires each member of the household to log in to watch content. In middle to large markets it uses HH Metering. This means the programming received by the household is measured but people do not log in individually. Finally, in smaller markets Nielsen relies on Return Path Data+ (RPD+), in which it partners with cable or satellite companies to measure TV consumption⁴¹ (see Ad Lab 13-A).

Video recorders and delayed watching helped change the face of TV ratings measurement. Because of the perception that audiences were taking measures to skip commercials and only watching the programs, even before DVRs were invented, advertisers and agencies lobbied Nielsen to measure commercial minutes rather than program minutes. Commercial minutes have long been thought to be the holy grail of TV audience measurement. In 2007 the commercial rating was rolled out, with the new designation of C3 for the commercial rating plus the addition of any commercial viewing up to three days after airing. This new measurement replaced a 65-year-old standard of measurements.⁴³

For demographic studies of TV audiences, advertisers also use MRI-Simmons, which surveys the U.S. marketplace and publishes its findings on consumer lifestyles, product usage, and media habits. Advertisers use the results for strategic planning purposes.

Product Placement

Another way to reach movie and television audiences is to pay a fee to have the product written into the movie or program. Such **product placement** is common. Notice the number of identifiable products in the next movie or TV program you see.



AD Lab 13-A

Where Do Those Infamous TV Ratings Come From?

Variety reported that the 2018 Oscars, the movie industry's famous awards show, was the least-watched Academy Awards broadcast in history. The show drew just over 26 million viewers, down from the prior year's show, which was watched by 33 million. Turns out, those were the good old days as the 2021 telecast was watched by less than 11 million.

The drop in viewers has a number of implications, both for Hollywood and for the advertisers who pay to participate in the show. But you may find yourself asking a different question: How do they know 10.4 million people watched?



Momodu Mansaray/WireImage/Getty Images

American viewing habits are reported primarily by one company, Nielsen. Nielsen was founded in the 1930s to track the audiences for radio shows and shifted its techniques to TV in 1950 at the start of the television era. It remains the de facto standard to the present day.

But how does it do it? How does it know, for example, if you were watching Jimmy Kimmel's Oscars program?

The answer, bluntly, is it doesn't know if *you* watched. Rather, it determines viewership using a powerful technique, known as random sampling, to identify a group of households that look like America.

Nielsen households agree to allow the company to monitor their viewing habits with technologies that track what each household member is watching. A box placed on a TV requires viewers to enter codes that indicate who is watching. The data are transmitted to Nielsen every night.

Seems simple enough. But Nielsen's challenge has grown significantly in recent years. For example, how should sports audiences be measured when many people watch in sports bars or other people's homes? (Nielsen research shows significant numbers of people only or usually watch sports out-of-home.)⁴²

An interesting development in audience measurement is the single-source data made available by supermarket scanners. Once information on a family's viewing habits has been gathered, its packaged-goods purchases are measured. The implications are monumental for marketing and media planners. The leaders in single-source measurement today are Information Resources Inc. (IRI), with its BehaviorScan service, and Nielsen, with its Home Scan service.

Laboratory Applications

1. What are the advantages and disadvantages of the various measurement methods?
2. Which method do you consider the best? Why?

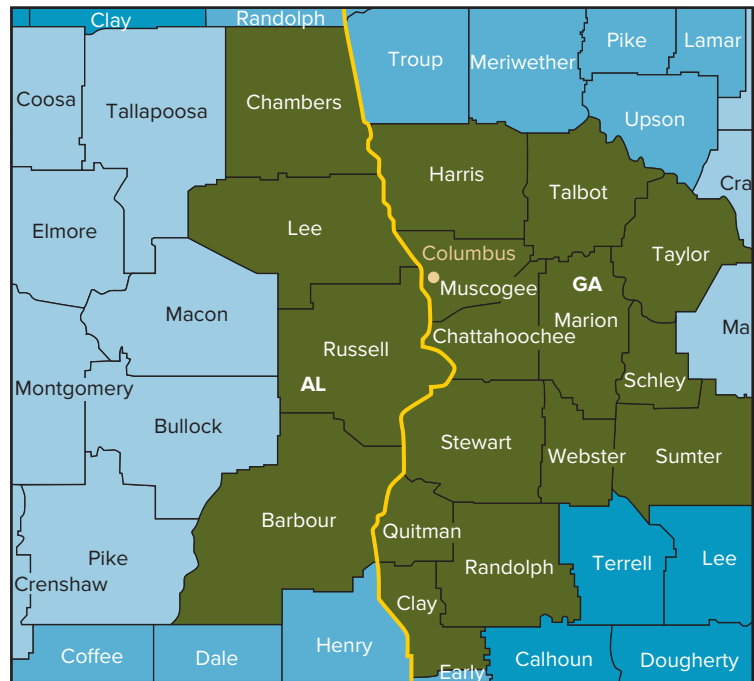
By getting brand appearances, and sometimes roles, in TV shows and movies, companies benefit from the association with top actors. Nokia has had great success with this technique: Its phones were so prominent in the film *The Matrix* that 31 percent of moviegoers thought that characters in *The Matrix Reloaded* sequel were still using Nokia phones, when in fact they had switched to Samsung.⁴⁴

Constantly fretting about viewers' newfound ability to avoid commercials by using TiVo, advertisers are also embedding their products more frequently in television programs. Ford and Coca-Cola both had high-profile presences on *American Idol*—judges drank from red cups with the Coca-Cola logo and contestants performed in Ford vehicles—just one example of the emerging “brand casting” trend, worth an estimated \$1.5 billion in the United States in 2005. Product placement growth is expected to significantly outpace that of traditional advertising. According to *PQ Media*, U.S. paid product placement reached almost \$9 billion in 2017.⁴⁵

However, controversy surrounds some product placement categories. In response to severe new laws prohibiting most forms of tobacco advertising, the Canadian Tobacco Manufacturers' Council withdrew all product placements in films, TV programs, and computer games.

Exhibit 13-9

This map of the area surrounding Columbus, Georgia, shows media planners which counties are included in the designated market area (DMA) and will be reached by advertising placed on the local television stations. Columbus, Georgia, is the 125th largest DMA in the United States and contains over 200,000 TV households.



Defining Television Markets

Television rating services define geographic television markets to minimize the confusion of overlapping TV signals. The Nielsen station index uses the term **designated market areas (DMAs)** for geographic areas (cities, counties) in which the *local* TV stations attract the most viewing. For example, the DMA for Columbus, Georgia (see Exhibit 13-9), is the 17 counties in which the local area TV stations are the most watched.

Audience Measures



Rating services and media planners use many terms to define a station's audience, penetration, and efficiency. **TV households (TVHH)** refers to the number of households that own television sets. The number of TVHH in a particular market gives an advertiser a sense of the market's size. Likewise, the number of TVHH tuned in to a particular program helps the advertiser estimate the program's popularity and how many people a commercial is likely to reach.

The percentage of homes in a given area that have one or more TV sets turned on at any particular time is expressed as **households using TV (HUT)**. If there are 1,000 TV sets in the survey area and 500 are turned on, HUT is 50 percent.

The **program rating** refers to the percentage of TV households in an area that are tuned in to a specific program. The rating is computed as follows:

$$\text{Rating} = \frac{\text{TVHH tuned to specific program}}{\text{Total TVHH in area}}$$

Networks want high ratings because they measure a show's popularity. More popular shows can command higher advertising rates. Local stations often change their programming (e.g., buy different syndicated shows) to attract more viewers and thereby raise their ratings (and their revenues).

The percentage of homes with sets in use (HUT) tuned to a specific program is called the audience **share**. A program with only 500 viewers can have a 50 *share* if only 1,000 sets are turned on. *Ratings*, in contrast, measure the audience as a percentage of all TVHH in the area, whether the TV sets are on or off.

The total number of homes reached by some portion of a program is called **total audience**. This figure is normally broken down to determine **audience composition** (the distribution of the audience into demographic categories).

Gross Rating Points

In television, **gross rating points (GRPs)** are the total rating points a particular media schedule achieves over a specific period. As we discussed in Chapter 9, a weekly schedule of five commercials on programs with an average household rating of 20 would yield 100 GRPs. Recall that GRPs are computed as follows:

Reach (average rating) × Frequency = Gross rating points

GRPs allow advertisers to draw conclusions about the different markets available for a client’s ads by providing a comparable measure of advertising weight. However, GRPs do not reflect a market’s size. For example, while campaigns in Knoxville and Charlotte might have the same GRPs, Charlotte is a much larger city (859,000) than Knoxville (187,000) so a ratings point has over four times as many people in it.

| | TV Homes (000s) | Average Cost per Spot | Average Rating | No. of Spots | GRPs |
|-----------|--------------------|--------------------------|-------------------|-----------------|------|
| Knoxville | 638 | \$1,100 | 15 | 5 | 75 |
| Charlotte | 2,640 | 5,782 | 15 | 5 | 75 |

To better determine the relative value of television advertising markets, other measures are used, such as *cost per rating point (CPP)* and *cost per thousand (CPM)*, which were described in Chapter 9.

Buying Video Time

LO 13-6

The process of buying TV time can be lengthy and, depending on the number of stations in the buy, quite involved. Advertisers or media buyers must

- Determine which programs are available at what cost.
- Analyze the various programs for efficiency.
- Negotiate price with station reps.
- Determine what reach and frequency they are achieving.
- Sign broadcast contracts.
- Review affidavits of performance to be sure the commercials ran as agreed.

These procedures are so complex that most large advertisers use ad agencies or media-buying services. Buying services have gained in popularity because they charge less and can save advertisers money by negotiating for desirable time slots at reduced rates. Local advertisers typically rely on station reps to determine the best buys for the money.

Requesting Avails

To find out which programs are available, media buyers contact stations’ sales reps—local station salespeople, national media rep organizations that sell for one station in each market, or network reps. The media buyer gives the rep information about the advertiser’s media objectives and target audiences and asks the rep to supply a list of **avails** (available time slots) along with prices and estimated ratings. Many media buyers ask for the information based on the last few Nielsen books to see whether a show’s ratings are consistent, rising, or falling.

Selecting Programs for Buys

The media buyer selects the most efficient programs in relation to the target audience using the CPP and the CPM for each program:

CPP = Cost / Rating CPM = Cost / Thousands of people



Getting “You’re Out” on TV

“You’re Out” baseball mitts are planning a campaign on TV. The mitts are for kids so they are your target market. As the marketing director, you choose to examine the gross rating points (GRPs) for placing your advertising. You have an idea of the days and times you want the ads to be placed. Chart 1 indicates the best programs for Memphis, Tennessee, and relevant planning data your assistant has gathered according to your preferences. Due to time constraints, the chart is incomplete, but enough data are available for you to finish the chart.

Laboratory Applications

1. Using the formulas in the text as a guide, complete Chart 1.
2. Assuming your budget is \$68,000, use Chart 1 to decide which two programs would be most effective for reaching just kids. Explain your selection.

Chart 1: Best Programs for Memphis, TN

| Program | Rating | Cost | Spots | GRP |
|---|--------|----------|-------|-------|
| <i>KC Undercover</i> (early evening daily, rerun, 30/70 adults to kids) | 15 | \$34,000 | 32 | _____ |
| Saturday morning cartoons (kids ages 2–12) | _____ | 34,000 | 30 | 300.0 |
| Major League Baseball game (weekends, mostly adults) | 7.8 | 34,000 | 29 | _____ |
| After-school special (kids ages 7–13, afternoon, daily) | _____ | 34,000 | 27 | 205.0 |

For example, assume *CSI* has a rating of 25, reaches 200,000 people in the primary target audience, and costs \$2,000 for a 30-second spot with a fixed guarantee on station WALB-TV in Albany, Georgia. Then,

$$\text{CPP} = \frac{\$2,000}{25} = \$80$$

$$\text{CPM} = \frac{\$2,000}{(200,000 \div 1,000)} = \$10$$

By calculating CPP, the media buyer can compare the cost of a rating point from one program or network to another. That’s good information for beginning negotiations. But rating points relate to the whole market. The really important figure is the cost of reaching 1,000 prospects in the *target* market. That’s why the CPM must be calculated against the size of the target audience, not the whole market. The lower the cost per 1,000 target audience (CPM-TA), the more efficient the show is at reaching real prospects.

To get the best buys within the available budget, then, the media buyer substitutes stronger programs for less efficient ones (see Ad Lab 13-B, “Getting ‘You’re Out’ on TV”).

Negotiating Prices and Contracts

TV stations and cable companies publish rate cards to sell their airtime. However, because TV audiences are estimated at best, television reps will always negotiate prices.

The media buyer contacts the rep and explains what efficiency the advertiser needs in terms of delivery and CPM to make the buy. The buyer has numerous ways to negotiate lower rates: work out a package deal, accept *run-of-schedule positioning* (the station chooses when to run the commercials), or take advantage of preemption rates. A **preemption rate** is lower because the advertiser agrees to be “bumped” (preempted) if another advertiser pays the higher, nonpreemption rate.

The media buyer must read the advertising contract carefully before signing it. The contract indicates the dates, times, and programs on which the advertiser’s commercials will run, the length of each spot, the rate per spot, and the total amount. The reverse side of the contract defines payment terms and responsibilities of the advertiser, agency, and station. After the spots run, the station returns a signed and notarized **affidavit of performance** to the advertiser or agency, specifying when the spots aired and what makegoods are available. **Makegoods** refer to free advertising time an advertiser receives to compensate for spots the station missed or ran incorrectly or because the program’s ratings were substantially lower than guaranteed.⁴⁶

As mentioned earlier, OTT buying is typically done using programmatic methods. Advertisers determine what audience they wish to reach and consider how much it will cost to (a) reach that audience and (b) obtain the desired response. Computers then determine which advertiser's bids will earn the desired outcome.

Media Buying Software

With the Internet, today's broadcast media buyers don't ever have to leave the office but can, right from their desktops, pore over MRI-Simmons research data to create and even buy media schedules with electronic avails.

With software like Arbitron's SmartPlus media-buying suite, media planners and buyers can analyze, plan, and report from one application. Most spot broadcasts are revised many times, and SmartPlus allows for revisions and transfers seamlessly in the planning process. Nowadays software can integrate with almost everything through a simple XML/API feed. SmartPlus integrates with Outlook, increasing the efficiency of communications between buyers and sellers.

Nielsen's PAL software is a national media planning system. It takes into account market-by-market differences in media delivery for network TV, syndicated TV, cable TV, and magazines. PAL can be used in different ways. First, it evaluates market-by-market performance of a national media schedule in terms of GRPs and/or budgets. Also, PAL can define your marketing objectives by using BDI or sales data, along with selected spot weight.

Alternatively, Nielsen's Clear Decisions and Reach and Frequency help media planners generate schedule results with minimal effort, identify insights from a suite of reports, and even create presentation-ready charts and graphs from one screen. The planner can perform R&F analyses using Clear Decisions to get to the answers faster.

Considerations in Buying Video Time

Advertisers must decide *when* to air commercials and on *which programs*. Unlike radio listeners, TV viewers are loyal to programs, not stations. Programs continue to run or are canceled depending on their *ratings* (percentage of the population watching). Ratings also depend on the time of day a program runs.

Television time is divided into dayparts as follows:

| | |
|---------------|---------------------------|
| Daytime: | 9 a.m.–4 p.m. (EST) |
| Early fringe: | 4–5:30 p.m. (EST) |
| Early news: | 5 or 5:30–7:30 p.m. (EST) |
| Prime access: | 7:30–8 p.m. (EST) |
| Prime: | 8–11 p.m. (EST) |
| Late news: | 11–11:30 p.m. (EST) |
| Late fringe: | 11:30 p.m.–1 a.m. (EST) |

Viewing is highest during **prime time** (8 to 11 p.m. Eastern Standard Time; 7 to 10 p.m. Central Standard Time). Late fringe ranks fairly high in most markets among adults, and daytime and early fringe tend to be viewed most heavily by women. To reach the greatest percentage of the advertiser's target audience with optimal frequency, the media planner determines a **daypart mix** based on TV usage levels reported by the rating services.

Audio

Audio marketing is the use of messages designed to promote brands, products, or ideas with messages that are designed to be listened to. Sound media are personal, one-on-one devices; people often listen alone. And audio is mobile. It can entertain people who are driving, walking, at home, or away from home. This makes it a particularly strong way to reach people who commute by car but also those who are exercising, relaxing, or even working.

The traditional audio medium is radio. Contemporary radio exists in three primary forms. The oldest, terrestrial or **broadcast radio**, transmits over the electromagnetic broadcast spectrum (with frequencies between 300 and 3,000 kHz for AM and 30–300 MHz for FM) and can be received by anyone with an inexpensive tuner. **Satellite radio** is broadcast from space satellites that remain in orbit over North America (SiriusXM) or other parts of the world, including Africa, Eurasia, and Japan. Finally, radio content is accessible via the Internet through **streaming radio**.

Exhibit 13-10

Share of ad-supported audio time spent for people 18 and older.

| Source | 18–34 | 25–54 | 35–64 |
|-----------------------|-------|-------|-------|
| AM/FM radio | 55% | 64% | 80% |
| Podcasts | 23 | 19 | 9 |
| Ad-supported Pandora | 9 | 7 | 6 |
| Ad-supported Spotify | 10 | 6 | 2 |
| Ad-supported SiriusXM | 3 | 4 | 4 |

Source: "Podcast Listening Soars, According to Latest Edison 'Share of Ear' Data," *Inside Radio*, December 6, 2021.

This chapter also will review a competitor to radio, one that is posing an increasing challenge to the radio business model: podcasts. **Podcasts** are Internet-only shows that listeners stream on demand. Originally developed as part of Apple's ecosystem, podcasts are now played on many devices and are important vehicles for many advertisers.

Who Uses Radio?

In an average week, 92 percent of the U.S. population listens to broadcast radio; in an average day, about 72 percent. As shown in Exhibit 13-10, broadcast radio remains the most popular way of accessing radio content, although alternatives are becoming more popular. The average American listens to audio for close to two hours each day. In fact, during the prime shopping hours of 6 a.m. to 6 p.m., the average U.S. adult spends more time with traditional radio than with broadcast and cable TV combined.⁴⁷ Radio is also cost-effective. In the last decade, the CPM for radio advertising has risen less than for any other major medium and substantially less than the consumer price index.⁴⁸

Some national advertisers have taken advantage of radio's reach and frequency potential. Certainly it worked well for brands like Motel 6, which for over 30 years featured folksy Tom Bodett assuring listeners that the chain will "leave the lights on."

But the big growth has been in ad spending on podcasts. Spending levels in 2019 was \$710 million, a number expected to more than double to \$1.6 billion in 2024. And the audio share of podcast spending is expected to increase from 16 percent to 29 percent over that period of time.⁴⁹ This trend reflects just how mainstream podcasting is becoming. More than half of all Americans ages 12–34 download at least one podcast each month and among all adults there are more weekly podcast listeners than Netflix subscribers (80 million versus 69 million).⁵⁰

The Use of Audio in IMC

LO 13-7

While television tends to be a passive medium that people simply watch, audio actively involves people. They listen intently to their favorite personalities; in some formats, they call in to make requests, participate in a contest, or contribute to a discussion; they use their ears and imaginations to fill in what they cannot see. Most people listen faithfully to two or three different radio stations with different types of programming while most podcast listeners access eight podcasts each week. This means that smart advertisers can use the medium to establish an immediate, intimate relationship with consumers and other stakeholders. That makes audio an ideal medium for integrated marketing communications.

With radio, national companies can tie in to a local market and target the specific demographic group they want to reach. Most important, radio enables advertisers to maintain strategic consistency and stretch their media dollars through **imagery transfer**. Research shows that when advertisers run a schedule on TV and then convert the audio portion to radio commercials, fully 75 percent of consumers replay the video in their minds when they hear the radio spot. That extends the life and builds the impact of a TV campaign at greatly reduced cost.⁵¹ In an IMC campaign, where message consistency is a primary objective, this is a very important feature of radio.

Local retailers like the medium for the same reasons. Also, they can tailor it to their needs. It offers defined audiences, its recall characteristics are similar to TV's, and retailers can create an identity by doing their own ads. Finally, because radio is so mobile, retailers can reach prospects just before they purchase.

Podcasts can be effective at filling in the gaps missed by other media in an IMC campaign. For example, one survey suggests that almost 8 out of 10 podcast listeners attend to podcast advertising and 90 percent took action after exposure to an ad. Among this same group, majorities say they ignore ads on social media, TV, radio, and the web.⁵²

Audio Programming and Audiences

Radio stations plan their programming carefully to reach specific markets and to capture as many listeners as possible. The larger the audience, the more a station can charge for commercial time. Therefore, extensive planning and research go into radio programming and program changes.

Stations can use tried-and-true formats, subscribe to network or syndicated programming, or devise unique approaches. Programming choices are greatly influenced by whether a station is on the AM or FM band. FM has much better sound fidelity, fewer commercial interruptions, and more varied programming.

Depending on a company's advertising needs, radio has many uses within the IMC model. This ad for Lindsay Olives (www.lindsayolives.com) personifies the quality and selectivity that define the brand in a humorous and memorable way.

Source: Zeimer's Advertising Shoppe, "Born Homely."

MUSIC UP AND UNDER THROUGHOUT.

MALE VOICEOVER: I was a homely looking olive when I was born. Not ugly . . . but homeliness is next to nothingness if you're trying to be a handsome Lindsay Olive.

So I tried to change . . . to become one of the beautiful olives. I wore contact lenses . . . I had my pimento styled by Mr. Joe . . . Nothing helped.

So, I turned to olive surgery. I mean, I was desperate to become a quality Lindsay Olive! Now, some surgeons wouldn't touch an olive that looked like me; they said it was too risky. But you can always find someone who'll take out a wrinkle here, or inject an imitation of that great Lindsay flavor there.

The Lindsay people gave me a second look, and I almost got in! . . . But one inspector saw a scar and I was through. I guess the Lindsay people were right after all: Beauty is only skin deep, but ugliness goes all the way to the pit . . .

FEMALE VOICEOVER ANNOUNCER: An olive is just an olive, unless it's a Lindsay.

MALE VOICEOVER ANNOUNCER: Well, maybe another olive company will give me a break.

MUSIC UP AND OUT.

When buying radio time, advertisers usually buy the station's *format*, not its programs. Most stations adopt one of the dozen or so standard **programming formats**: contemporary hit radio (CHR-TOP 40), adult contemporary, country, rock, easy listening, news/talk, adult standards, classical, religious, and so on, as shown in Exhibit 13-11. Each format tends to appeal to specific demographic groups. The most popular format is country music, which is programmed by 18.9 percent of the stations in the United States (both AM and FM) and appeals to a broad cross section of Americans from 25 to 54 years old.

Contemporary hit radio (CHR), always found on FM stations, appeals to teenagers and women under 30. It provides a constant flow of top 40 hits, usually with minimal intrusion by disk jockeys. Another popular format, adult contemporary (or "easy oldies"), is often advertised as "light rock, less talk." This format aims at the desirable target group of working women between 25 and 54. The news/talk, easy-listening, and nostalgia formats tend to have high listenership among men and women over 35.⁵³

There are now more than 20 national radio networks, including the multiple "mini-networks" of ABC, CBS, Westwood One, and Unistar, and numerous syndicators offer programs from live rock concerts to public-affairs discussions. To stand out, most licensed radio stations opt for syndicated and network offerings. As more stations carry these

Exhibit 13-11
Top audio formats among U.S. listeners.

| Top 10 Radio Formats 2021—Stations | | | Top 10 Podcasts 2022 | | |
|------------------------------------|------------------------|----------|----------------------|------------------------------|---------------------|
| Rank | Format | Stations | Rank | Format | Listeners (000,000) |
| 1 | Country | 2,180 | 1 | The Joe Rogan Experience | 11.0 |
| 2 | News/Talk | 2,017 | 2 | Crime Junkie | 5.9 |
| 3 | Religion | 1,989 | 3 | Call Her Daddy | 3.0 |
| 4 | Contemporary Christian | 1,331 | 4 | My Favorite Murder | 2.9 |
| 5 | Spanish | 1,257 | 5 | The Ben Shapiro Show | 2.6 |
| 6 | Variety | 1,237 | 6 | The Daily | 1.8 |
| 7 | Classic Hits | 1,191 | 7 | Office Ladies | 1.5 |
| 8 | Classic Rock | 631 | 8 | Pod Save America | 1.4 |
| 9 | Sports | 631 | 9 | Stuff You Should Know | 1.2 |
| 10 | Contemp Hits | 598 | 10 | Morbid: A True Crime Podcast | 1.1 |

Sources: "Format Count: Classic Hits, Classic Rock Gain Most Stations So Far In 2022," *Inside Radio*, July 7, 2021, [https://www.insideradio.com/free/format-count-classic-hits-classic-rock-gain-most-stations-so-far-in-2022/article_14316c14-1946-11ed-b474-eb5f8c748c71.html#:~:text=Looking%20at%20the%20total%20station,%20and%20CHR%20\(598\);](https://www.insideradio.com/free/format-count-classic-hits-classic-rock-gain-most-stations-so-far-in-2022/article_14316c14-1946-11ed-b474-eb5f8c748c71.html#:~:text=Looking%20at%20the%20total%20station,%20and%20CHR%20(598);)
"Top 10 Most Popular Podcasts in Media," All Top Everything, <https://www.alltopeverything.com/top-10-most-popular-podcasts/>.

Exhibit 13-12*Top 10 national spot radio advertisers 2020.*

| Rank | Advertiser | National Spot Radio Spending (\$ in Millions) |
|------|--|---|
| 1 | T-Mobile | \$142 |
| 2 | Comcast | 138 |
| 3 | Procter & Gamble Co. | 131 |
| 4 | U.S. Government | 123 |
| 5 | Berkshire Hathaway | 122 |
| 6 | iHeartMedia | 81 |
| 7 | Progressive Corp. | 63 |
| 8 | AT&T | 59 |
| 9 | United Services Automobile Association | 51 |
| 10 | Home Depot | 51 |

Source: "Biggest U.S. Spenders by Medium, Broadcast Network TV," *Ad Age* 200 Leading National Advertisers 2021.

Exhibit 13-13*Top national podcast advertisers January–July 2021.*

| Rank | Advertiser | National Spot Radio Spending (\$ in Millions) |
|------|--------------|---|
| 1 | Better Help | \$35.7 |
| 2 | ZipRecruiter | 13.6 |
| 3 | Geico | 13.5 |
| 4 | HelloFresh | 13.3 |
| 5 | NBCUniversal | 12.2 |
| 6 | Amazon | 10.9 |
| 7 | ExpressVPN | 10.9 |
| 8 | Stamps.com | 9.2 |
| 9 | Squarespace | 9.1 |
| 10 | SimpliSafe | 8.9 |

Source: "Who's Been Spending the Most on Podcast Ads?" *Marketing Charts*, November 2, 2021.

programs and more listeners tune in, national advertisers find them increasingly attractive.

Although spending on radio advertising accounts for a small percentage of all ad spending, consumers spend a significant amount of their total time with media listening to the radio. In the first quarter of 2020, Americans 18 and over spent an astonishing 12 hours and 21 minutes with all media combined. Of the various media options, radio time was third after time on their smartphones and watching live TV.⁵⁴ Clearly, although it is much cheaper to produce than television advertising, radio ad spending has room to grow. In 2021 radio ad spending was a little over 5 percent of all spending, trailing Internet, national and local TV, and direct mail, but exceeding newspapers, magazines, and OOH.⁵⁵ The largest national radio advertisers are major companies (and the U.S. government) with large advertising budgets (see Exhibit 13-12), whereas the biggest podcast spenders are smaller companies pursuing more specific audiences (see Exhibit 13-13).

Buying Audio Time

Advertisers need a basic knowledge of the medium to buy radio time effectively: the types of radio advertising available for commercial use, a basic understanding of radio terminology, and the steps involved in preparing a radio schedule.

Types of Radio Advertising

An advertiser may purchase network, spot, or local radio time. Advertisers like the reach and frequency, selectivity, and cost efficiency of radio (see My IMC Campaign 13-D, "The Pros and Cons of Radio Advertising").

Networks

Advertisers may use one of the national radio networks to carry their messages to the entire national market simultaneously via stations that subscribe to the network's programs. In addition, more than 100 regional radio networks in the United States operate with information oriented toward specific geographic markets.

Networks provide national and regional advertisers with simple administration and low effective net cost per station. Disadvantages include lack of flexibility in choosing affiliated stations, the limited number of stations on a network's roster, and the long lead times required to book time.

Spot Radio

Spot radio affords national advertisers great flexibility in their choice of markets, stations, airtime, and copy. They can put commercials on the air quickly—some stations require as little as 20 minutes' lead time, and advertisers can build local acceptance by using local personalities. Radio rep firms, like Katz Radio, represent a list of stations and sell spot time to national advertisers and agencies.

Local Radio

Local time denotes radio spots purchased by a local advertiser or agency. It involves the same procedure as national spots.





My IMC Campaign 13-D

The Pros and Cons of Radio Advertising

The Pros

The principal advantages of radio are high reach and frequency, selectivity, and cost efficiency.

- **Reach and frequency.** Radio offers an excellent combination of reach and frequency. The average adult listens more than three hours a day, radio builds a large audience quickly, and a normal advertising schedule easily allows repeated impact on the listener.
- **Selectivity.** Specialized radio formats, with prescribed audiences and coverage areas, enable advertisers to select the market they want to reach: a specific sex, age group, ethnic or religious background, income group, employment category, educational level, or special interest.
- **Cost efficiency.** Radio offers its reach, frequency, and selectivity at one of the lowest costs per thousand, and radio production is inexpensive. National spots can be produced for about one-tenth the cost of a TV commercial. And local stations often produce local spots for free.
- **Other advantages.** Radio also offers timeliness, immediacy, local relevance, and creative flexibility.

The Cons

In spite of these advantages, radio has limitations: It's an aural medium only, its audience is highly segmented, the advertiser's commercials are short-lived and often only half-heard, and each ad must compete with the clutter of other advertising.

- **Limitations of sound.** Radio is heard but not seen, a drawback if the product must be seen to be understood. Some agencies think radio restricts their creative options.
- **Segmented audiences.** If a large number of radio stations compete for the same audience, advertisers that want to blanket the market have to buy at multiple stations, which may not be cost-effective.
- **Short-lived and half-heard commercials.** Radio commercials are fleeting. They can't be kept like a newspaper or a magazine ad. Radio must compete with other activities for attention, and it doesn't always succeed.
- **Clutter.** Stations with the greatest appeal for advertisers have more commercials. Advertisers must produce a commercial that stands out from the rest.

Radio advertising can be either live or taped. Most radio stations use recorded shows with live news in between. Likewise, nearly all radio commercials are prerecorded to reduce costs and maintain broadcast quality.

Radio Terminology

For the most part, the terminology used for radio is the same as for other media, but some terms are particular to radio. The most common of these are the concepts of *dayparts*, *average quarter-hour audiences*, and *cumes* (cumulative audiences).

Dayparts

The radio day is divided into five dayparts:

| | |
|-----------------|------------------------------|
| 6 a.m.–10 a.m. | Morning drive |
| 10 a.m.–3 p.m. | Daytime |
| 3 p.m.–7 p.m. | Afternoon (or evening) drive |
| 7 p.m.–midnight | Nighttime |
| Midnight–6 a.m. | All night |

Rating services measure audiences for only the first four dayparts because all-night listening is very limited and not highly competitive. Ad Lab 13-C describes the major radio audience rating services. Heaviest radio use occurs during **drive times** (6–10 a.m. and 3–7 p.m.) during the week (Monday through Friday), when many listeners are commuting to or from work or school.

Radio stations base their rates on the time of day the advertiser wants commercials aired, but the rates are negotiable according to supply and demand at any given time. For the lowest rate, an advertiser orders spots on a **run-of-station (ROS)** basis, similar to ROP in newspaper advertising. However, this leaves total control of spot placement up to the station. So most stations offer a **total audience plan (TAP)** package rate, which guarantees a certain percentage of spots in the better dayparts if the advertiser buys a total package of time.



The Challenge of Measuring Audio Audiences

AD Lab 13-C

Media buyers used to get data from three major audience rating services, Arbitron, Birch, and RADAR, to determine which programs delivered the greatest number of target listeners. However the decline in radio's overall audience has left just one large company, Nielsen. Nielsen is also the major player in television audience measurement.

A problem for small stations is that Nielsen will only measure audiences in communities that match its criteria, which include metro size, average listening levels, and commuting habits. A small challenger, Eastlan, has attempted to fill the gap in small markets.

But many stations have given up on audience measurement altogether. This means that advertisers have little to go on other than station assurances.

Audience measurement is also compromised by tech disruptions. For example, a local station may be picked up on a broadcast antenna or an Internet stream. And terrestrial stations compete with

other audio options including streaming radio, streaming music, cable music, satellite radio, podcasts, and audiobooks.

Podcasts typically have accurate information about the number of listeners because consumers subscribe. However, obtaining demographics on listeners can be tricky. Apple has very user-friendly privacy protections in its iTunes ecosystem, which means advertisers cannot learn much about who is listening. Conversely, newer podcast networks are actively seeking ways to make podcast sponsorship more responsive to advertiser requirements.

Laboratory Applications

1. What are the advantages and disadvantages of radio versus podcast advertising?
2. When might an advertiser buy time on a radio station that does not measure its audience?

Radio stations that choose to accept programming from external sources, like the Hispanic Radio Network (<https://hrnmedianetworks.com/>), can increase their market share during instances of special programming. HRN is well known for bringing high-quality programming to radio stations in every sized market.

HRN Media Networks



Average Quarter-Hour Audience

Average quarter-hour audience (AQH persons) identifies the average number of people listening to a specific station for at least five minutes during a 15-minute period of any given daypart. For example, station KKDA in Dallas-Fort Worth, Texas, has an average quarter-hour listenership of 33,800, meaning that any day, during any 15-minute period between 3 and 7 p.m., about 33,800 people ages 12 and older are tuned in.

The **average quarter-hour rating** expresses the AQH persons as a percentage of the population. Because KKDA is located in an area of 3,072,727 people, its average quarter-hour persons could be expressed as an average quarter-hour *rating* of 1.1:

$$\frac{\text{AQH persons}}{\text{Population}} \times 100 = \text{AQH rating}$$

$$\frac{33,800}{3,072,727} \times 100 = 1.1\%$$

The same idea can be expressed in terms of **average quarter-hour share**: the station's audience (AQH persons) expressed as a percentage of the total radio listening audience in

the area. For example, if the total average quarter-hour persons for all stations is 676,000, then radio station KKDA's average quarter-hour *share* is 5:

$$\frac{\text{AQH persons of a station}}{\text{AQH persons of all stations}} \times 100 = \text{AQH share}$$

$$\frac{33,800}{676,000} \times 100 = 5\%$$

The gross rating points of a radio schedule are the sum of all ratings points delivered by that schedule, or the *gross impressions* (see Chapter 9) expressed as a percentage of the population being measured:

$$\text{AQH rating} \times \text{Number of spots} = \text{GRPs}$$

$$1.1 \times 24 = 26.4$$

or

$$\frac{\text{Gross impressions}}{\text{Population}} \times 100 = \text{GPRs}$$

$$\frac{33,800 \times 24}{3,072,727} \times 100 = 26.4$$

Cume Estimates

The **cume persons** is the total number of *different* people who listen to a radio station for at least five minutes in a quarter-hour within a reported daypart (also called *unduplicated audience*).

In the example, our schedule on station KKDA generated 811,200 gross impressions, but that does not mean that 811,200 different people heard our commercials. Many people heard the commercials three, four, or five times. By measuring the cumulative number of different people who listened to KKDA, rating services provide the *reach potential* of our radio schedule, which in this case is 167,800.

The **cume rating** is the cume persons expressed as a percentage of the population being measured. For example,

$$\frac{167,800 \times 100}{3,072,727} = 5.5\%$$

Satellite Radio

A challenge to “terrestrial” radio has been mounted by networks that transmit signals nationwide via satellite. In 2008, satellite radio began its steady growth beginning with competition between first-out-of-the-block XM and Sirius. Subsequently the two companies merged and as of 2019 just under 30 million people subscribe to the service.⁵⁶

In order to receive satellite radio, an audience member must pay a monthly subscription fee and invest in a receiver capable of receiving one of the two networks' signals. Sirius attempted to convince people that radio is worth paying for by offering two important benefits not available to terrestrial radio listeners: a large number of program choices including sports, news, entertainment, and a variety of commercial-free music formats; and exclusive programming, such as Howard Stern, Jenny McCarthy, and Dr. Laura.

How significant is satellite radio as an alternative to terrestrial radio? With millions of subscribers, the short answer is *very*. Sirius has been successful in leveraging exclusive talent, programming, and commercial-free music to attract subscribers.⁵⁷ It is also partnering with Google to extend its AdWords program to bidding on radio ads on noncommercial-free channels.⁵⁸ Conversely, the disruptive technology of satellite may face challenges from even newer, possibly more nimble competitors available on mobile networks, such as Pandora, Apple Music, and Spotify.⁵⁹

Because advertisers typically buy radio spots according to station format rather than by specific program, the AQH is typically a strong indicator of the most opportune time to run ads. Commercial ads, like this humorous spot from *Hooked on Phonics* (www.hookedonphonics.com), are frequently aired during dayparts with high listenership, such as drive times. This works especially well for *Hooked on Phonics*, whose listener base—parents of younger children—are very likely to be in the car with their children at this time.

Source: Zeimer's Advertising Shoppe.

(DAD READING TO DAUGHTER)

DAD: OK, honey. One story, then it's bedtime . . .

LITTLE GIRL: OK, Daddy!

DAD: Once upon a time, there was the Letter A. But A couldn't find any other letters to play with . . .

LITTLE GIRL: Ohhh . . . that's so sad!

DAD: Wait, it gets better . . .

So A called a meeting. There, he met Letter B, who thought they should merge . . .

LITTLE GIRL (LAUGHING): Daddy, you're silly!

DAD: I know. Then, they did a leveraged buyout for Letters C through L . . .

LITTLE GIRL: Really? . . .

DAD: And offered stock options for M through Z . . .

LITTLE GIRL: What's that? . . .

DAD: And they all lived happily ever after! . . .

LITTLE GIRL: Yayyyy!

SEGUE TO ANNOUNCER VOICEOVER OVER DISTINCTIVE NEEDLEDROP MUSIC. If you're a parent, you don't have to invent stories to get your kids to love reading. Just go to the best place in cyberspace for help . . . the *Hooked on Phonics* Website. Visit us today at A-B-C-D-E-F-G dot-com. Take the FREE personalized reading assessment to find out how to help your child become a more confident reader.

So for all this—and much, much more—log onto *Hooked on Phonics* at the most memorable web address anywhere: A-B-C-D-E-F-G dot-com. (Musical logo played under VO.)

NEELEDROP MUSIC OUT.

The Seven Steps in Preparing a Radio Schedule

The procedure advertisers use to prepare radio schedules is similar to that used for TV schedules.

1. Identify stations with the greatest concentration (cume) of the advertiser's target audience by demographics (say, men and women ages 35 to 49).
2. Identify stations whose format typically offers the highest concentration of potential buyers.
3. Determine which time periods (dayparts) on those stations offer the most (average quarter-hour) potential buyers.
4. Using the stations' rate cards for guidance, construct a schedule with a strong mix of the best time periods. At this point, it is often wise to give the advertiser's media objectives to the station reps, suggest a possible budget for their station, and ask what they can provide for that budget. This gives the media buyer a starting point for analyzing costs and negotiating the buy.
5. Assess the proposed buy in terms of reach and frequency.
6. Determine the cost for each 1,000 target people each station delivers. The key word is *target*; the media buyer isn't interested in the station's total audience.
7. Negotiate and place the buy.

Producing Audio and Video Spots

Producing Radio and Podcast Spots

LO

13-9

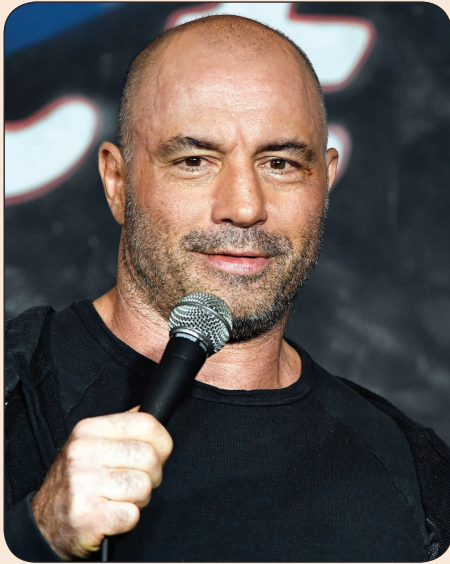
Radio commercials, called **spots**, are relatively quick, simple, and easy to produce. In fact, many stations provide production services free to local advertisers.

Some commercials are delivered live by the announcer, in which case the station gets a script. The material must be accurately timed. A live commercial script should run about 130 to 150 words per minute so the announcer can speak at a normal, conversational pace. The best way to do this is to use a popular DJ and let him or her improvise. It's entertaining and links the DJ's credibility to the product.⁶⁴

The disadvantages of live commercials are inconsistent announcers and limited sound effects. Uniform delivery requires a recorded commercial. The process of producing a recorded commercial includes *preproduction*, *production*, and *postproduction* (or finishing) phases (see Exhibit 13-14).

People **BEHIND** the Ads

Joe Rogan: America's Most Popular Podcaster



Michael S. Schwartz/Getty Images

Joe Rogan's talents have kept him front and center among his millions of fans for many years. He's appeared in movies (*Here Comes the Boom*, *Zookeeper*), on popular TV shows (*NewsRadio*, *Fear Factor*), and as a sport commentator (UFC on Spike TV and Fox). And add in his Tae Kwon Do black belt and U.S. Open championship, his Netflix and Comedy Central specials, and his comedy CDs, and you get the idea that this is a person who really can't be pinned down.

But in 2022 Rogan is known as the absolute best in one format: podcasting. Love him or not, Rogan has more listeners than any other. Why? The *Atlantic Monthly's* Devin Gordan suggests that it may be because he "understands men in America better than most people do." Gordan thinks the "rest of the country should start paying attention."⁶⁰

Rogan's approach is part of his charm. Compared to the traditional media's strict time and space limits, Rogan's podcast seems almost leisurely. His interviews with a diverse array of individuals, both famous and largely unknown, frequently exceed two hours. Gordan divides Rogan's guests into comedians, fighters, and "thinkers" (air quotes are Gordan's) ranging from Elon Musk (downloaded by 24 million people) to Hotep Jesus and Alex Jones.

The podcaster breaks rules in many other ways. During his Musk interview he invited the billionaire to smoke marijuana, an offer Musk promptly accepted. Gordan described the three-hour conversation thusly: "By any standard it was a revelatory

interview—the longest, most guilelessly human glimpse we might ever get of a visionary inventor in full awkward flower."

Another difference involves Rogan's interviewing style: he avoids the "gotcha" or aggressive style of questioning that seems so prevalent in other venues. Instead, he asks provocative questions and does not hesitate to follow up to responses that he doesn't understand. This may be due to his politics, which seem hard to identify. While he's made comments that one writer describes as "misogynistic, anti-feminist, fatphobic, homophobic, transphobic," he has also named Barack Obama his favorite president and supported Bernie Sanders in 2020.⁶¹

Along the way Rogan has attracted fans and critics. The fans include streaming service Spotify, which signed an exclusive distribution agreement for Rogan's podcast, reportedly paying the podcaster between \$100 and \$200 million. As for the criticism, much of it focuses on the guests that he chooses to offer a platform. Such criticism was largely background noise until 2022 when musician Neil Young, in response to comments from Rogan and some guests that seemed to deviate from scientific guidance on vaccines, told Spotify to either remove Rogan or Young's own music from the service. Other artists soon followed suit, leading Rogan to apologize.

Shortly after that incident musician India Arie demanded that her music be removed from the service over a video she shared of Rogan using the n-word in his podcast. Rogan responded, "I thought as long as it was in context, people would understand what I was doing. But it is not my word to use."

These incidents highlight challenges for listeners and advertisers in the new media world. Spotify has no editorial control over Rogan although that does not exempt the service from heat. The service claims 8 million users, of which 3 million pay for subscriptions. The company claims not to have lost users following the controversies.⁶²

But as this text has made clear, advertisers, most of whom are loath to court controversy, may have a very different perspective about it all.

Robert Passikoff, CEO of a market research firm, believes Spotify (and Rogan) will need to take the criticisms seriously to avoid losing advertisers. But Ben Foster, a partner at the Kite Factory, thinks, "We need to learn that pulling spend from platforms because a tiny percentage of the content doesn't align to brand values isn't sensible."⁶³

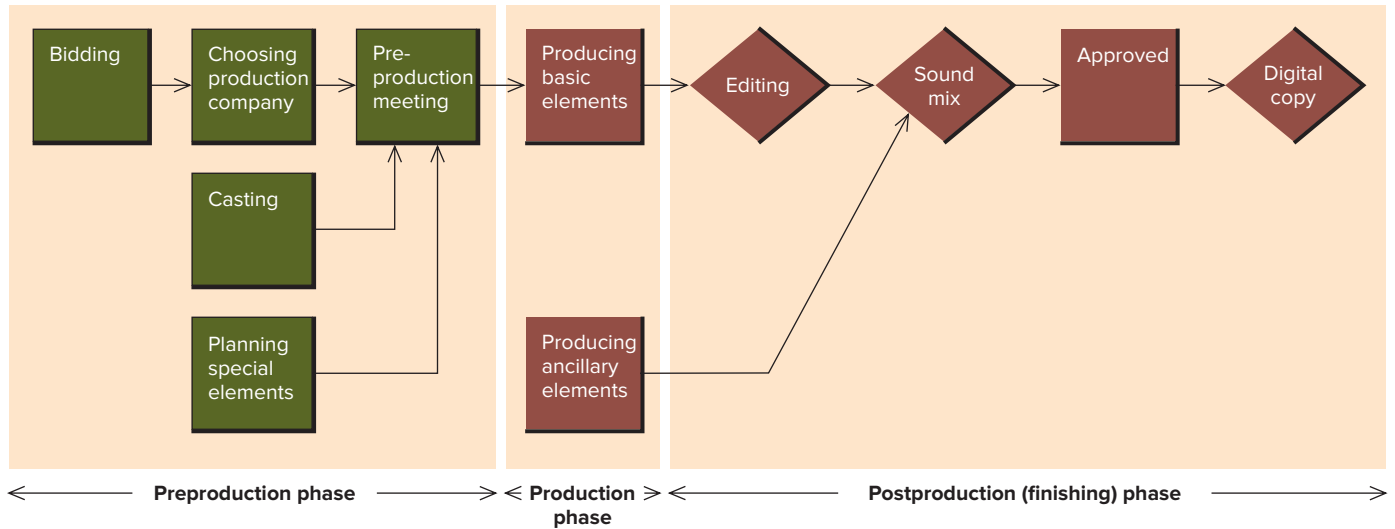
The changed media landscape is not only about technology, but culture, ethics, and impact. Traditional radio was (and is) about finding the middle ground, building a large audience, and largely being unobjectionable. Those tactics don't define the podcasting world, however, and the consequences of that change have yet to be fully understood.

Preproduction

In the **preproduction phase**, the advertiser and agency make plans that ensure production will run smoothly, on time, and within budget. The agency assigns a radio producer from its staff or hires a freelancer. Based on the script, the producer selects a studio and a director, determines what talent will be needed, estimates costs, and prepares a budget for the advertiser's approval.

Exhibit 13-14

Radio commercials have three production phases. The preproduction and finishing phases are usually the most complex. Preproduction and postproduction editing and mixing typically require far more time than the actual recording session.



To get the finest sound reproduction, most ad agencies use independent recording studios. The best audio studios have experienced sound directors and technicians, close ties to well-known talent, and the latest recording equipment.

In evaluating talent, the advertiser and agency consider several factors: the person's tone of voice, vocal acting skills and creativity, intelligence, style of thinking, and reputation. If the script calls for music, the producer decides whether to use prerecorded music or hire a composer and/or arranger.

Any needed sound effects can be created or, most often, collected from prerecorded sources. Each decision affects the budget, but also has a dramatic impact on the effectiveness of the spots.

Once the talent is hired and music prepared, the **director** supervises rehearsals until everything is ready for recording.

Production: Cutting the Spot

All the elements to be used in the commercial—voices, music, sound effects—are recorded at a **session**. Depending on the nature of the spot, a session can last from a half-hour to more than a day. Because studios charge by the hour, rehearsals are important in the preproduction phase.

The Sound Studio The session is recorded in a studio, which has sound-dampening surfaces, microphones, a window to a control room, and wall plugs for connecting equipment and instruments to the control room.

Standard items in the sound studio are microphones, headphone sets, and speakers. Announcers and singers wear headphones to hear instructions from the director in the control room or to monitor prerecorded instrumental tracks as they sing.

Studio engineers carefully select, disperse, and aim the appropriate microphones to capture the full spectrum of sounds.

The Control Room The agency producer, director, and sound engineer (and often the client and account executive) sit in the **control**



A sophisticated audio console manipulates sound electronically, making sounds sharper or fuzzier, with more echo, or more treble or bass. Its multitrack mixing and sound enhancement capabilities are most useful during postproduction.

Exactostock/Digital Vision/SuperStock

room, where they can monitor all the sounds generated in the sound studio. The control room is separated from the studio by a thick glass window and soundproofed walls, so the people monitoring the session can hear the sounds on quality speakers and discuss the various takes.

The director and sound engineer work at a **console** (also called a **board**), the central “switchboard” for controlling the sounds and channeling them to the appropriate recording devices. As they monitor the sounds coming from the studio, they keep the pitch and loudness within acceptable levels for broadcast.

The board also serves as a sound mixer, blending both live and prerecorded sounds for immediate or delayed broadcast.

Postproduction: Finishing the Spot

After the commercial is recorded a number of times, a selection is made from the best takes. The sound engineer usually records music, sound effects, and vocals separately and then mixes and sweetens them during the **postproduction** (or *finishing*) **phase**. High-end digital audio equipment can cost a lot of money, but free or low-cost digital audio programs are available for anyone who wants to make professional-sounding audio. Avid Pro Tools costs about \$600 for a license, but a powerful program called Audacity is available in a free version.

Producing Video Spots

The Role of the Commercial Producer

Video production is, as you might expect, considerably more complex than radio production. People who work in production require months or years of training. But all advertising students can benefit from an understanding of basic video production concepts to understand how commercials are made, why production is so expensive, and what methods they can use to cut costs without sacrificing quality or effectiveness.

As with radio, the process of producing a TV commercial always involves three stages, as shown in Exhibit 13-15:

1. Preproduction: all the work prior to the actual day of filming.
2. Production: the actual day (or days) the commercial is filmed.
3. Postproduction (or finishing): all the work done after shooting to edit and finish the commercial.

Each step has a dramatic effect on cost and quality.

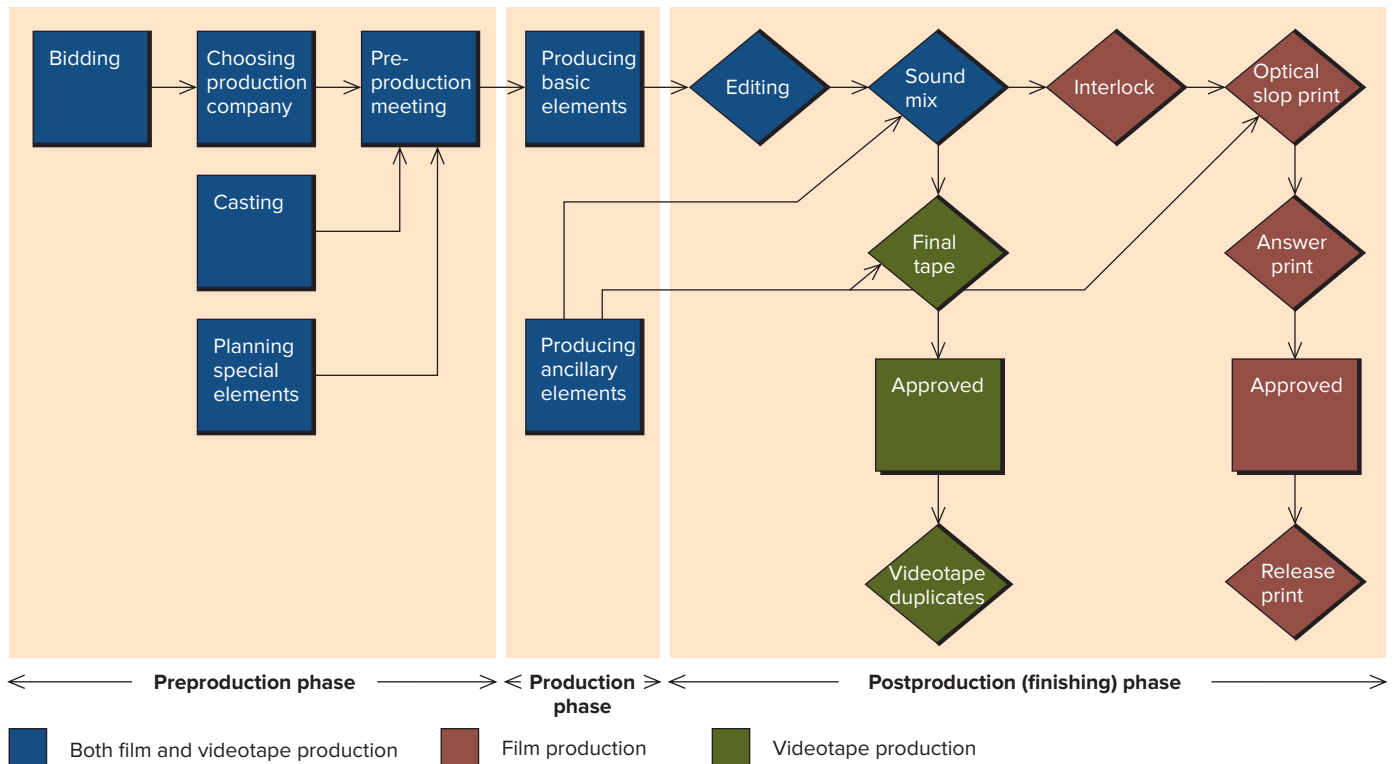
The Preproduction Phase

Good planning before production can save advertisers a lot of money. That’s the purpose of the preproduction phase. The first thing the producer must do, therefore, is study the script and storyboard and analyze the production techniques that will be called for in the commercial. Three major categories of production techniques are used: *live action*, *animation*, and *special effects*.

If a commercial calls for live action, the producer must consider whether the action will be staged indoors in a studio, outside on a studio lot, or on location away from the studio. Will it be taped or filmed? All these factors have a bearing on what equipment and personnel are required, where costumes are obtained, what permissions may be required, what talent can be used, and, of course, what the commercial costs.

Planning Production The commercial is a group effort; the team includes a writer, art director, producer, director, and sometimes a musical composer and choreographer. The agency producer, who is responsible for completing the job on schedule and within budget, usually sends copies of the storyboard to three studios for competitive bids.

When the studio is chosen, the producer and casting director select the cast and hire the announcer. Next, the set is built, and the crew and cast rehearse under the director’s supervision.

**Exhibit 13-15**

The production processes for video are very similar to those for audio until the sound-mixing stage. Computerized editing speeds up the finishing phase for digital video.



In the preproduction stage, art directors, copywriters, and producers carefully hash out the details required for filming a 30-second commercial. During this stage, the production team will develop and sketch a storyboard that depicts, in rough form, how the ad will appear. Any major changes should be made at this time because alterations in script or direction after filming begins can drive production costs up exponentially.

(all): Saatchi & Saatchi, Los Angeles

During the preproduction period, meetings are necessary between the director, the agency producer, the account representative, the writer, the art director, the commercial director, possibly the advertiser, and anyone else important to the production. This is where they iron out any last-minute problems and make final decisions about the scenes, the actors, and the announcer. They should review everything—music, sets, action, lighting, camera angles.

The soundtrack may be recorded before, during, or after actual production. Recording sound in advance ensures that the commercial will be neither too long nor too short; it also helps when the subject has to move or dance to a specific music theme or rhythm.

Production: The Shoot

The actual shooting day can be very long and tedious. It may take several hours just to light the set to the director's liking.

Procedures for recording and controlling music and sound effects are similar to those used in radio. Microphones capture sound; recorders transfer the sound and store it on a medium.

Cinematographers and directors collaborate on creating proper lighting. Experienced **cinematographers** (motion picture photographers) can guess the range and intensity of light by briefly studying its source. However, they use light meters to determine how to set the camera's lens **aperture**, the opening that controls the amount of light that reaches the film or digital media. To record the correct color and brightness, all light sources must be in balance.

Lighting helps establish a visual mood. Intense light from a single source gives a harsh appearance and may be used to create anxiety in the viewer. By using filters, warmer lights, diffusion screens, and reflectors, the cinematographer can create a reddish, more consistent, softer illumination—and a more romantic mood.

Professional film cameras used for making TV commercials shoot 16-millimeter (mm; the diagonal measure of one frame), 35-mm, and 75-mm film and digital.

Heavy-duty studio video cameras mounted on a stand with wheels can carry a number of accessories. One of the most important is the lens-mounted **teleprompter**, which allows the camera to see a spokesperson through the back of a two-way mirror while he or she reads moving text reflected off the front.

Digital equipment provides advertisers the option to create an illusion of almost any background. Green elements on the set are replaced with digital elements in postproduction.

Ultimatte Corporation



In any commercial production, it's typical to have many more people behind the camera than in front of it. In addition to the director and assistant director, other important players behind the scenes may include a sound editor, lighting technicians, electricians, and grips.

Hero Images/Getty Images



Staging for a commercial may be done in the isolation of a studio, outside on a studio lot, or on location. The studio offers the most control.

Most film and video studios have heavy soundproofing to eliminate outside noises such as sirens and low-flying aircraft. The studios are lightproof, which allows for complete lighting control. Special equipment is easier to use in the controlled environment of a studio. But studio lighting can make a scene appear artificial.

For scenes requiring large amounts of space, scenery, and the full effect of outdoor lighting, the studio lot offers the best control. The **lot** is outside acreage shielded from stray, off-site sounds.

Although it adds realism, **location** shooting is often a technical and logistical nightmare. Every location has natural and manufactured features that create obstacles. Natural lighting creates bright highlights that contrast with harsh shadows. Large reflective screens and high-intensity lights are required to brighten up shadows for a more even-toned exposure. Energy sources for lighting and equipment may be insufficient, requiring long cables and mobile generators.

Whether at the studio or on location, most scenes require several takes for the **talent** (actors) to get them right. Lighting may need readjusting as unexpected shadows pop up. Each scene is shot from two or three different angles: one to establish the characters, one to show only the speaker, and one to show the listener's reaction.

A long time may be needed between scenes to move the camera, reset the lights, reposition the talent, and pick up the action, sound, and look to match the other scenes. Each action must match what comes before and after. Commercials with disconcerting jumps destroy credibility. The adoption of digital technology allows for green studios. In these studios, elements that are colored green are replaced in postproduction using computer technologies. The backgrounds that can then be substituted are almost limitless.

Postproduction

In the postproduction phase, the film editor, sound mixer, and director actually put the commercial together.

With digital technology, editors can add effects such as wipes and dissolves electronically. Although a director will spend many hours editing a commercial shot on video, it will still be considerably less than what is needed for film editing and lab work.

In the postproduction phase, the director and editor use computerized video and sound editing equipment for the assembly of the final product. At this stage, the director and editor will select and edit scenes into their respective order, removing all the unneeded footage. Next, they add off-camera special effects, like supers, and incorporate any necessary music or voice-overs.

yanyong/iStock/Getty Images



Chapter Summary

As a means of reaching the masses, no other medium today has the unique creative ability of television. Broadcast TV grew faster than any previous advertising medium because of the unique advantages it offered advertisers: mass coverage at efficient cost, impact, prestige, and social dominance.

Television is a powerful creative tool, but the medium still has many drawbacks, including high cost, limited selectivity, brevity, clutter, and susceptibility to zipping and zapping.

Broadcast TV dominance is being challenged by new electronic media, particularly cable and streaming video. Cable offers the visual and aural appeal of TV at much lower cost and with greater flexibility. Cable audiences are highly fragmented, which helps advertisers target specific markets but is a drawback for those wanting to reach a mass audience. Younger audiences are abandoning both broadcast and cable TV for on-demand streaming video from companies like YouTube and Netflix, which are delivered to audiences via a method known as OTT (over-the-top).

TV advertising can be done at the national, regional, or local level and can take the form of program sponsorships, segment sponsorships, and spots of varying lengths, including program-length infomercials.

To determine which shows to buy, media buyers select the most efficient ones for their target audience. They compare the packages of each station, substitute stronger programs for less efficient ones, and negotiate prices to get the best buy. Media buyers must have a firm grasp of certain important terms: *designated market areas (DMAs)*, *TV households (TVHH)*, *households using TV (HUT)*, *program rating*, *share of audience*, *gross rating points (GRPs)*, and *cost per thousand*.

Like television, radio is a highly creative medium. Its greatest attribute is its ability to offer excellent reach and frequency to selective audiences at a very efficient price. Its drawbacks are the limitations of sound, segmented audiences, and its short-lived and half-heard commercials. Broadcast radio, like broadcast TV, is facing challenges from newer technologies, including satellite radio, streaming radio, and podcasts.

Radio stations are normally classified by the programming they offer and the audiences they serve. Radio stations may be AM or FM. They may

use network or syndicated programs and follow any of a dozen or more popular formats. Advertisers purchase radio time in one of three forms: local, spot, or network. Buying radio time requires a basic understanding of radio terminology. The most common terms are *dayparts*, *average quarter-hour*, and *cumulative audiences*.

Radio spots are among the quickest, simplest, and least expensive ads to produce. A producer manages the production process through the preproduction, production, and postproduction stages. The producer contracts with a recording studio, selects talent, and collects music and sound effects for the recording session. At the session, the talent works in a studio, while the director and sound engineer work in the control room at a console, monitoring and modulating the sound as it's recorded.

In the postproduction phase, the director and sound engineer select the best takes, splice them together, mix in sound effects and music, and then edit the sound until the master tape is completed. Dubs are made from this and sent to radio stations for airing.

Podcasts represent a new form of audio, one that is growing rapidly. The controversies present in some podcast content offers a challenge to advertisers not wishing to alienate users and prospects.

Television production involves the same three stages. In preproduction, the producer determines which production technique is most suitable for the script. The studio is chosen, the cast selected, and rehearsals held. As much work as possible is done during preproduction to reduce the shooting time required.

The production phase is when the commercial is actually shot, in a studio, on a lot, or on location. Specialized technicians are responsible for the sound, lights, and cameras, all of which can diminish the commercial if not handled correctly. Scenes are shot and reshot until the director and producer feel they have a good take. For cost reasons, scenes are frequently not shot in order.

In the postproduction stage, the commercial is actually put together. External sound, music, and special effects are added to the video until the spot is completed.

Important Terms

- affidavit of performance, 447
- aperture, 460
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- avails, 446
- average quarter-hour audience (AQH persons), 453
- average quarter-hour rating, 453
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- cume rating, 454
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Review Questions

1. What are the advantages of broadcast TV advertising for a product like milk?
2. What steps can advertisers take to overcome zipping and zapping?
3. Why has advertising on network TV become less desirable in recent years?
4. In what ways is cable TV's selectivity a strength? A drawback?
5. What are the various ways to buy broadcast television time?
6. How can TV be best used in an integrated marketing communications program?
7. How can radio be best used in an IMC program?
8. What is the format of the radio station you listen to most? How would you describe the demographics of its target audience?
9. What is the difference between average quarter-hour and cume audiences? Which is better?
10. What is the significance of dayparts in radio and TV advertising? What are the best dayparts for each?

The Advertising Experience

1. Radio Advertising

Valentine's Day is approaching, and as the owner of Dream Flower Florists, you want to increase your share of local business by advertising on the radio. After researching local stations, choose one whose format suits your target audience. Decide what kind of buys you will make and when they will be aired.

2. TV Organizations

The size of the television industry and the advertising dollars that are spent within it are extraordinary. Many TV-related organizations were formed to help serve the industry. Discover a little more about the nature and scope of the television industry as you peruse the following websites. Be sure to answer the questions that follow.

- Broadcast Education Association (BEA): www.beaweb.org
 - Cable/Telecommunications Association for Marketing (CTAM): www.ctam.com
 - NCTA: <https://www.ncta.com/>
 - National Association of Broadcasters (NAB): www.nab.org
- a. Who is the intended audience(s) of the site?
 - b. What is the site's purpose? Does it succeed? Why?
 - c. What is the organization's purpose?
 - d. What benefit does the organization provide individual members/subscribers? The overall advertising and television and cable communities?

3. Broadcast Media Tools

Broadcast advertising reports and audience studies are critical to the development and implementation of effective media strategy. As with print media, advertisers have a set of “staple” companies and reports they regularly use to help plan and implement their broadcast media buys. Visit the following syndicated and independent broadcast media companies’ websites and answer the questions that follow:

- Nielsen Media Research: www.nielsenmedia.com
- Numeris: <http://en.numeris.ca/>
- Radio Advertising Bureau (RAB): www.rab.com/
- Television Bureau of Advertising: www.tvb.org
- TV RunDown: www.tvrundown.com

- a. What type(s) of broadcast media information does the company specialize in and what specific services, products, or publications does the company offer?

- b. What industries/companies would be best suited to utilize the company’s media resources?
 - c. Does the company represent syndicated or independent research?
 - d. How useful do you feel the company is for gathering broadcast media information? Why?
4. If Hyundai asked its agency to come up with a corresponding radio complement to its Assurance TV campaign, what would its agency want to keep in mind when converting this concept to an audio-only format?
 5. Given the audience for Hyundai’s Assurance campaign—middle-class America—in what daypart do you think its TV commercial would be most effectively broadcast?

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