

Chapter 11


ADVERTISING AND COMMERCIAL CULTURE

THE RISE OF MOBILE ADVERTISING

“Dollars always follow eyeballs,” a media forecaster told the *Wall Street Journal*, predicting that it was a matter of time before mobile became the next major advertising medium.

THE FIRST ADVERTISING AGENCIES

- ✘ Earliest ad agencies were newspaper space brokers.
 - + Bought newspaper space, sold it to merchants
- ✘ Volney Palmer
 - + Prototype of the first ad agency in 1841
 - + Sold space to advertisers for a 25 percent commission.

P. T. BARNUM'S GREAT SHOW.
BARNUM

I AM HERE!
At Lincoln Park!
WITH MY
Greatest Show on Earth!
Which is NOW OPEN, and
I will address the audience
at each exhibition
AFTERNOON AND EVENING.
ALL THE TIME IT IS TO BE HERE.
3 DAYS ONLY,
Tuesday, Wednesday, and Thursday, Sept.
8, 10, and 11, Afternoon and Evening,
and positively remains no longer.

Ten Thousand Visitors!
DAILY, AND HUNDREDS TURNED AWAY.
3 Grand Palace Pavilions!
WONDERFUL
TRAINED WILD BEASTS!
GRAND
ROMAN HIPPODROME!
MAMMOTH
MUSEUM
And the most refined, elegant, greatest, grandest,
and most
Magnificent Circus!
EVER ORGANIZED.
TRAINED
20 ROYAL STALLIONS!
In New and Wonderful Acts
12 LEARNED
ELEPHANTS!
Giant, Dwarf, Automata, and Fifty Thousand
Wonders in the Great Travelling Museum.
1,000 WILD BEASTS!
PERFESS
100 PERFORMERS!
In the Colonial EQUESTRIAN COLLEGE, and
YOUTHFUL DARING
8 LADY RIDERS!
DOORS OPEN at 1 and 7 p. m. Performance 7
and 9 p. m. ADMISSION, 50 cents. Children un-
der 5, half price. Reserved Chairs, 25 cents extra.
For the accommodation of ladies, children,
and invalids, I have erected a
Spacious Elevated Platform, furnished
with 2,000 Reserved Numbered Chairs,
which may be secured for any Exhibition at HAW-
LEY'S NEWS DEPOT, VINE STREET, at the
usual slight advance, by those who desire to avoid
the crowd on the grounds.
Ladies, children, and others wishing to avoid the
crowd in the evening, are advised to secure the AD-
VANCED Exhibitions.
P. T. BARNUM, Proprietor.

ADVERTISING IN THE 1800S

- ✘ N.W. Ayer & Son
 - + First full-service modern ad agency
 - + Worked primarily for advertisers and product companies
- ✘ Trademarks and packaging
 - + Manufacturers realized consumers would ask for their products specifically if they were distinctive and associated with quality.



ADVERTISING IN THE 1800S (CONT.)

- + Advertising let manufacturers establish special identity for their products.
- + Nineteenth-century ads created the impression of significant differences among products.
- + Early and enduring brands
 - × Smith Brothers (1850s)
 - × Campbell Soup (1869)
 - × Quaker Oats (1877)

THE SATURDAY EVENING POST

GREAT FOR BREAKFAST—INVIGORATING SOUP

CED is the station for me—
Campbell's E-very Day!
Its induction brings jubilation—
Just hear what your neighbors say!



Listen in!

Hear what your friends are saying about Campbell's Tomato Soup. Ask them how they like it. You'll soon learn that it's the most popular of all soups—the soup which has "broadcasted" the name and the fame of Campbell's to every corner of the land. Just one delicious spoonful and you'll know why.

Campbell's Tomato Soup

has all the goodness from the most luscious, tempting tomatoes—just the pure tonic juices and fruity parts strained to a rich, smooth puree, blended with golden table butter and delicately spiced. Have Campbell's Tomato Soup for luncheon or dinner today and see what a real joy it is to your appetite!

21 kinds 12 cents a can

**Delightful variety in
Campbell's Soups**

| | |
|----------------------|-------------------|
| Apparagus | Mulligatawny |
| Bean | Mutton |
| Beef | Ox-tail |
| Bouillon | Pea |
| Celery | Pepper Pot |
| Chicken | Printanier |
| Chicken Gumbo (Okra) | Tomato |
| Consommé | Tomato Okra |
| Julienne | Vegetable |
| Mock Turtle | Vegetable-Beef |
| | Versicelli-Tomato |

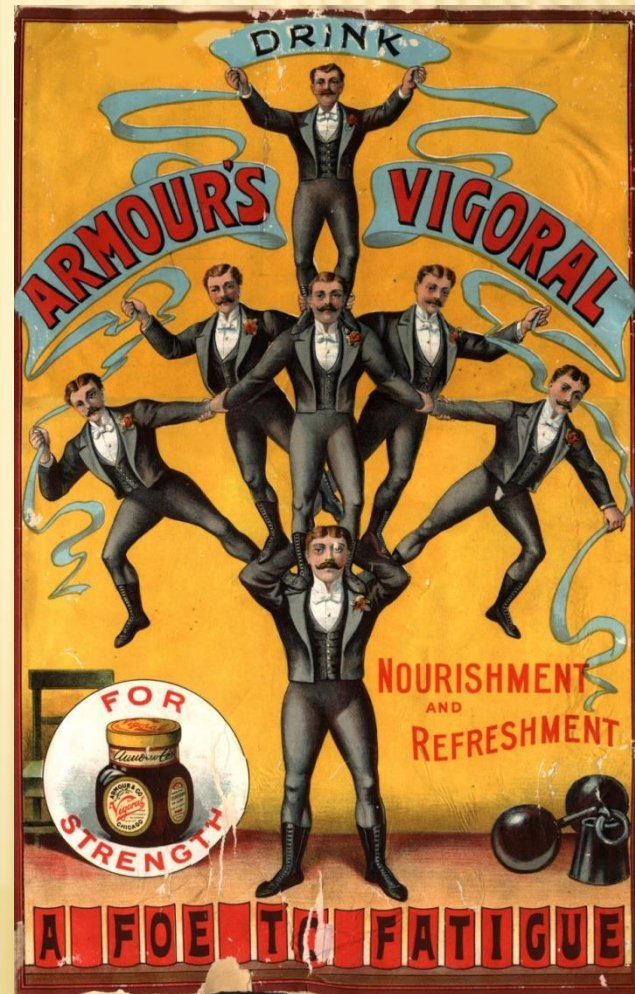
Your grocer can supply any of these soups

Campbell's SOUPS

LOOK FOR THE RED AND WHITE LABEL

ADVERTISING IN THE 1800S (CONT.)

- ✗ Patent medicines
 - + By the end of the 1800s, one-sixth of all print ads came from patent medicine and drug companies.
 - + Patent medicine ads were often fraudulent.
 - ✗ Advertisers developed industry codes.
 - ✗ Federal Food and Drug Act was passed in part due to patent medicine claims.



ADVERTISING IN THE 1800S (CONT.)

✘ Department stores

- + Comprised more than 20 percent of ad space by the early 1890s
- + Frequently criticized for undermining small businesses

✘ Impact on newspapers

- + Advertising significantly changed the ratio of copy at most papers.
- + Recent recession hit papers hard.

PROMOTING SOCIAL CHANGE AND DICTATING VALUES

- ✘ Advertising led to social changes.
 - + Transition from producer-directed society to consumer-driven society
 - + Promoted new technological advances that made life easier
- ✘ Emphasized appeals to women
- ✘ Accused of inciting consumer need for unnecessary products



Formation of the Ad

EARLY AD REGULATION

- ✘ Advertising regulation entities
 - + The Better Business Bureau (BBB)
 - + Audit Bureau of Circulation (ABC)
 - + Federal Trade Commission (FTC)
 - + American Association of Advertising Agencies (AAAA)
- ✘ Subliminal advertising
 - + Hidden or disguised messages
 - + No more effective than regular ads

THE INFLUENCE OF VISUAL DESIGN

✘ 1960s

- + Ad-rich magazines hired European designers as art directors.

✘ 1970s

- + Agencies developed teams of writers and artists, granting equal status to images and words.

✘ 1980s

- + Visual techniques of MTV influenced many ads and agencies.



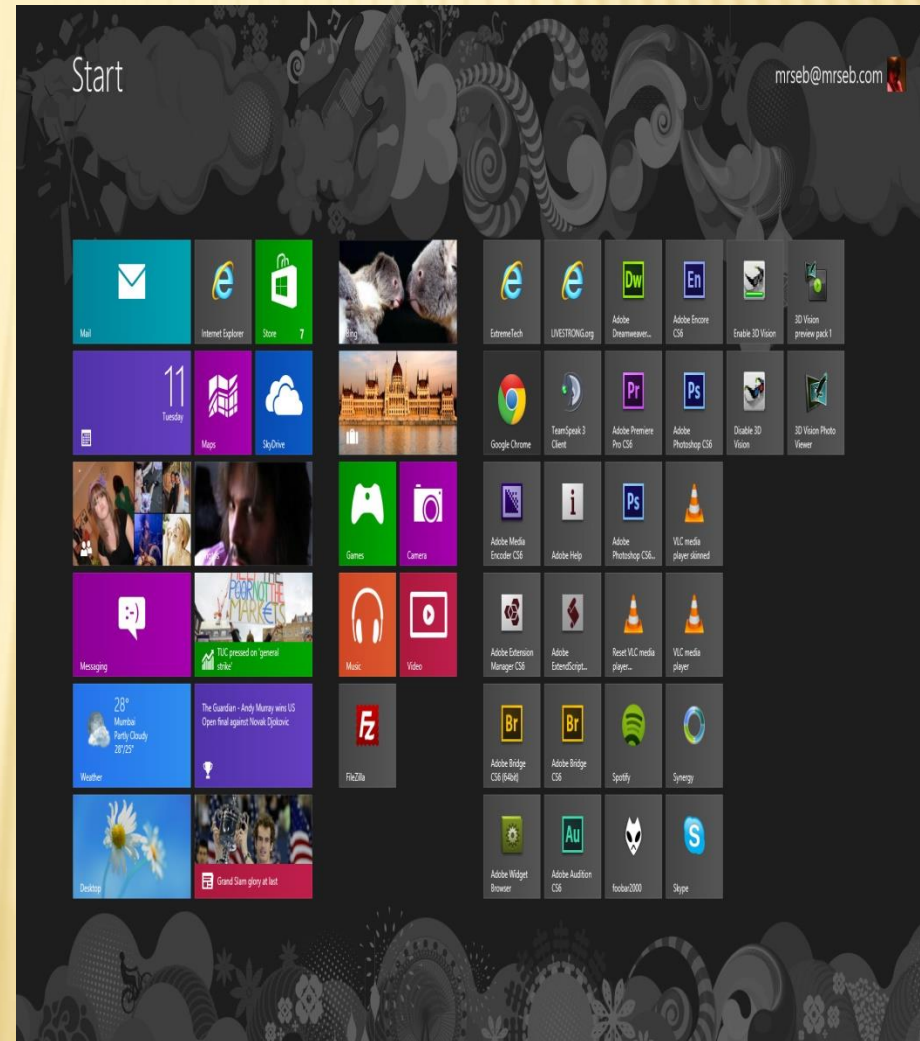
THE INFLUENCE OF VISUAL DESIGN (CONT.)

✘ 1990s

- + Advertising mimicked features of the Web, with drop-down menus.

✘ Twenty-first century

- + Ads are more three-dimensional and interactive.
- + Design is simpler as ads and logos need to appear clearly on small screens of smartphones, and more international for global audience



TYPES OF ADVERTISING AGENCIES

✘ Mega-agencies

- + Provide a full range of services
- + WPP Group, Omnicom, Publicis Groupe, and the Interpublic Group

✘ Boutique agencies

- + Devote talents to select clients
- + Peterson Milla Hooks

FIGURE 11.1: GLOBAL REVENUE FOR THE WORLD'S FOUR LARGEST AGENCIES

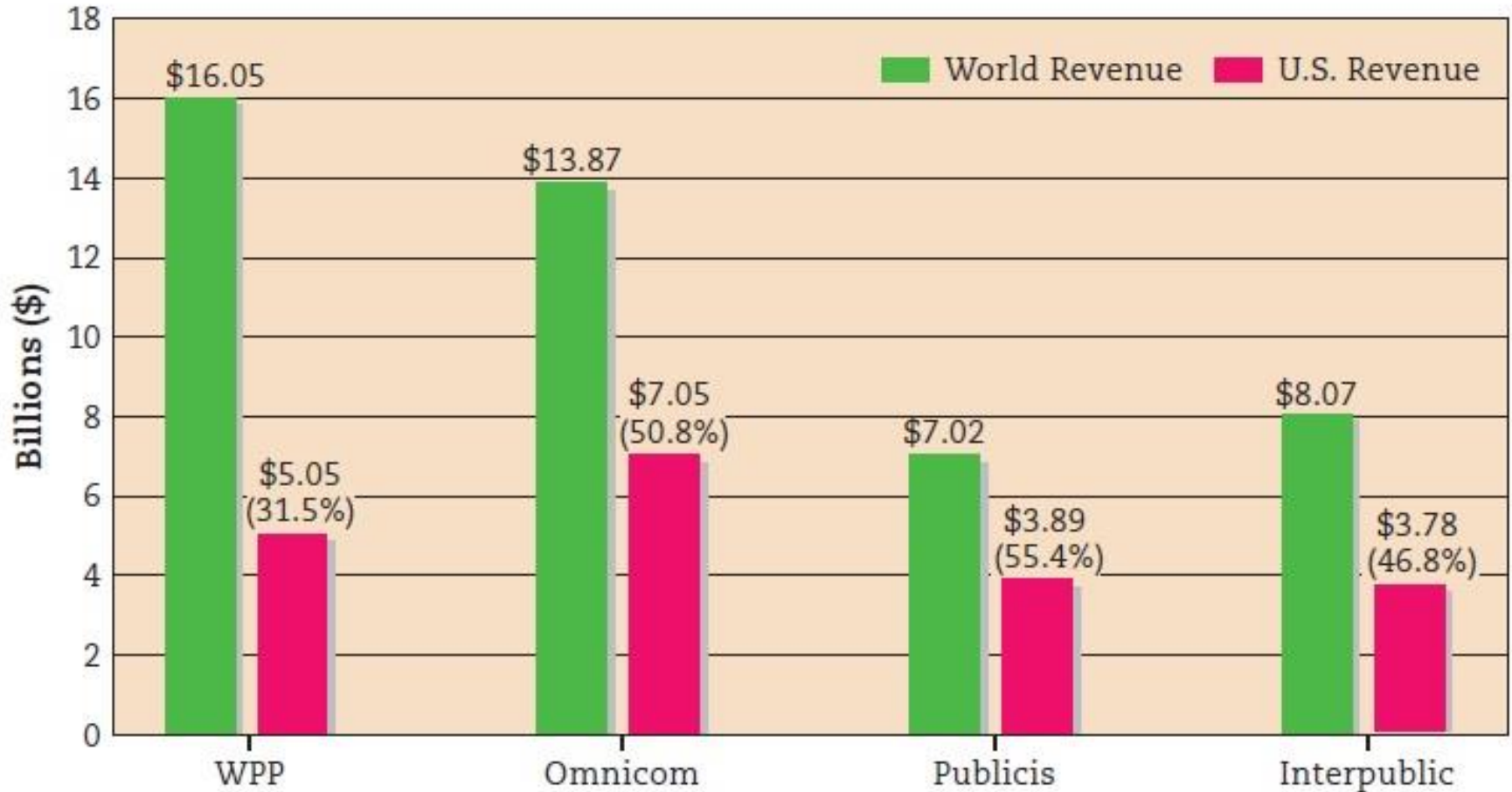
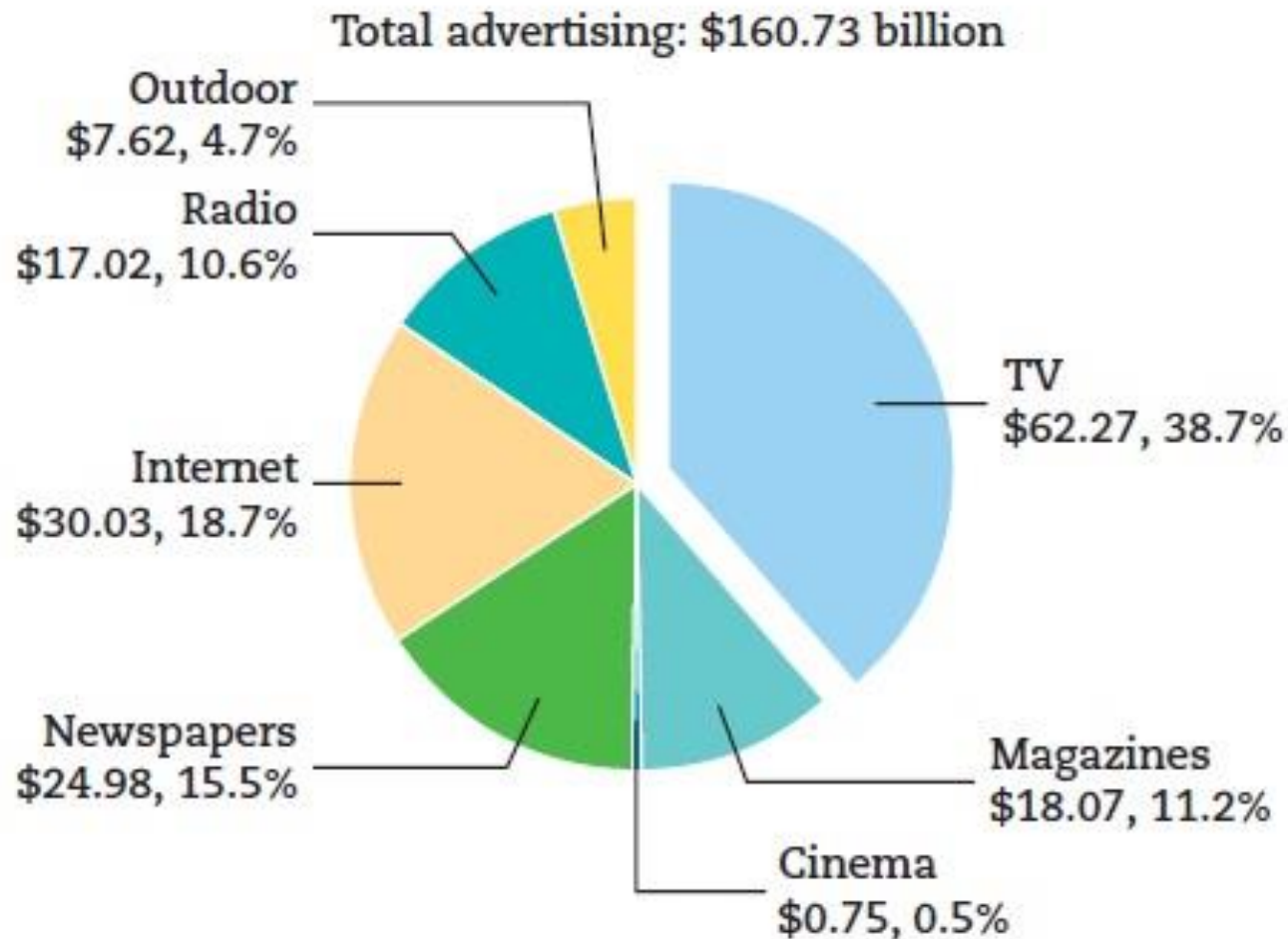


FIGURE 11.2: FORECAST FOR 2012: WHERE WILL THE ADVERTISING DOLLARS GO?



THE STRUCTURE OF ADVERTISING AGENCIES

✘ Account planner

- + Develops the advertising strategy
- + Coordinates market research
 - ✘ Used to assess the behaviors and attitudes of consumers toward particular products
 - ✘ Methods include demographics, psychographics, focus groups, and the Values and Lifestyles (VALS) strategy.

- ✘ Market Research, and VALS. Account planning combines the views of the client, the creative team, and consumers to plan an effective advertising strategy.
- ✘ Market research assesses the behaviors and attitudes of consumers toward particular products before any ads are created.
- ✘ The Values and Lifestyles (VALS) strategy divides consumers into various psychographic profiles.

Values and Lifestyles (VALS) strategy.



THE STRUCTURE OF ADVERTISING AGENCIES (CONT.)

✘ Creative development

- + Writers and artists outline rough sketch of ads.
 - ✘ Storyboard (TV)
 - ✘ Web sites, flash games, downloads, and viral marketing (digital)
- + Neither creative nor strategic sides of the business can predict with any certainty which ads and which campaigns will succeed.

THE STRUCTURE OF ADVERTISING AGENCIES (CONT.)

- ✘ Media coordination
 - + Media buyers
 - ✘ Choose and purchase media based on suitability, target audience, and effectiveness of ads
 - ✘ Incentive clauses encourage saturation advertising.
- ✘ Account and client management
 - + Account executives
 - ✘ Bring in new business, manage accounts, and perform account reviews

TRENDS IN ONLINE ADVERTISING

- ✘ Types of online ads
 - + Video ads, sponsorships, and “rich media” (pop-ups, interstitials, etc.)
 - + Classified ads and e-mail ads
 - ✘ Spam
 - + Paid search advertising
- ✘ Leading advertisers are moving more of their ad campaigns and budget dollars to digital media.

YAHOO! SMALL BUSINESS Search Search Web

WEB HOSTING ECOMMERCE BUSINESS MAIL DOMAINS **NEW** MARKETING DASHBOARD ADVISOR

Get a Domain Name
Your Custom Address on the Web

To get Business Email with your Domain Name [Click Here](#) Starting at \$9.95* /yr.

Create a Web Site
Includes a Domain Name and Business Email

- + Easy-to-use web site tools
- + Site-performance tracking
- + 24-hour support

Starting at \$5.99* /mo.

Sell Online
Includes a Domain Name, Business Email, and Web Site

- + Easy, flexible, store-building tools
- + Process credit cards and PayPal payments
- + Detailed sales reporting
- + Reliable service with 24-hour support

Starting at \$25.46* /mo.

*Certain conditions apply to pricing

Marketing Dashboard
A FREE tool from Yahoo!

Reveal your online reputation, listings, web site traffic, and campaign performance. Get it and get growing.

TRENDS IN ONLINE ADVERTISING (CONT.)

- ✗ Targeting individuals
 - + Collect information through cookies and online surveys
 - + Track ad impressions and click-throughs
 - + Build profiles for consumers based on this information
 - + Use smartphone technology to tailor ads by geographic location or user demographic

Majority of Smartphone Shoppers Purchase

Ever Made A Purchase
(As A Result Of Using A Smartphone)?

Yes
74%

Purchase Channel

In-store: 76%



Online using
a computer: 59%



Smartphone: 35%



Base: Smartphone Users Who Made Purchase As a Result of Using Phone While Shopping (3710).
Q. As a result of using your smartphone, have you ever purchased products or services...?

TRENDS IN ONLINE ADVERTISING (CONT.)

✘ Social media

- + Social networking sites provide advertisers with a wealth of data.
- + Some sites ask whether users liked each ad.
- + Companies buy traditional paid ads on social networking sites.
- + Controversy over whether people must disclose if they are paid to promote a product



Save Time Monitoring & Managing Your Brand on Facebook, Twitter & More

NutshellMail from Constant Contact tracks your brand's social media activity and delivers a summary to your email inbox on your schedule.

CONVENTIONAL PERSUASIVE STRATEGIES

- ✘ Famous-person testimonial
- ✘ Plain-folks pitch
- ✘ Snob-appeal approach
- ✘ Bandwagon effect
- ✘ Hidden-fear appeal
- ✘ Irritation advertising



THE ASSOCIATION PRINCIPLE

- ✘ Association principle
 - + Association of a product with a positive cultural value or image even if it has little connection
 - + Used in most consumer ads
- ✘ Disassociation
 - + Responding to consumer backlash, major corporations present products as though from smaller, independent companies.



ADVERTISING AS MYTH

- ✦ Myth analysis
 - + Most ads are narratives with stories to tell and social conflicts to resolve.
 - + Three common mythical elements found in ads
 - ✦ Mini-stories
 - ✦ Stories involving conflicts
 - ✦ Conflicts are negotiated or resolved, usually through the use of the product.



PRODUCT PLACEMENT

- ✘ Placing ads in movies, TV shows, comic books, video games, etc.
 - + Starbucks on *Morning Joe* (MSNBC)
 - + 69 placements in *Transformers: Dark Side of the Moon*
- ✘ FTC and FCC
 - + Petitioned to mandate warnings
 - + Mandates rejected by the FTC
 - + FCC proposed placement rules



CRITICAL ISSUES IN ADVERTISING

- ✗ Advertising toys and sugary cereals to children
- ✗ Advertising in schools
- ✗ Impact on health
 - + Eating disorders
 - + Tobacco
 - + Alcohol
 - + Prescription drugs



WATCHING OVER ADVERTISING

- ✘ Watchdog/advocacy organizations
 - + Commercial Alert
 - + Better Business Bureau
 - + National Consumers League
- ✘ Concerns
 - + Excessive commercialism
 - + Difference between puffery and deception

ALTERNATIVE VOICES

- ✘ “Truth” campaign
 - + National youth smoking prevention campaign works to deconstruct the images that have long been associated with cigarette ads.
 - + Recognized by 80% of teens
 - + By 2007, ranked in the Top 10 “most memorable teen brands”

ADVERTISING'S ROLE IN POLITICS

- ✘ Political advertising
 - + Use of ad techniques to promote a candidate's image and persuade the public to adopt a viewpoint
 - + Can serious information be conveyed in 30-second spots?
- ✘ Free air time for politicians
 - + Opposed by broadcasters as political advertising is big business for television stations

THE FUTURE OF ADVERTISING

- ✘ Commercialism

- + Generated cultural feedback that is often critical of advertising's pervasiveness
- + Growth of the industry has not diminished.

- ✘ Public maintains an uneasy relationship with advertising.