

The media dependence on advertising revenue



One of the main sources of revenue for the media is advertising. For commercial television, radio and the press, advertising is their lifeblood. Advertisers have one aim. This is to promote sales of their products and services through ensuring that their adverts reach their target audiences. The profitability of ITV, Channel 4 and other commercial television and radio companies is dependent on their ability to achieve good programme ratings.

In the second half of the 19th century, Modern advertising developed however it can be traced back to the early 18th century. During what was called the mid-Victorian era the press in Britain began using advertising to cover all the costs of publication. This was a successful venture in raising revenue and all newspapers today are filled with various types of advertisements ranging from simple black and white ones to full-blown colour ones.

The amount of money a newspaper makes from its cover prices and advertising fee depends on its circulation, the better its circulation, the cheaper its cover price. Advertising ratios are used to decide the percentage of adverts in each newspaper compared to the editorial sections. A large percentage depends on the papers circulation figures however findings have shown that national daily papers tend to have the smallest amount of space devoted to adverts whereas small local papers usually have the largest. (Curran. 1997).

Beyond television, radio, press and the world-wide web. Advertising has its own media, for example on bus shelters, buses and taxis- 'advertising on the go'.

This was categorised as 'outdoor and transport' and although this sector grew in the 1990's it still only accounts for approximately 4% of UK advertising expenditure. (Meech. 1999).

In American print media, publishers became more dependent on advertising revenues than reader payment. The papers began pushing past the boundaries and targeted the more affluent consumer not for the citizens. (Azcona. Media and Democracy. 11/01/02).

The 20th century subsequently saw the increasing professionalization of the practice, the introduction of market research, the expansion of media vehicles especially television, (Henry. 1986) and the growth of consumer society. For most of the post war period, many people in Britain had thought of advertising particularly of the hard selling television variety as something of a US import. (Meech. 1999).

It was in the 1980's that the conservative government extended the concept of the market to areas that had previously run on a non profit commercial basis due to the UK gaining high public profile. Advertising was heavily used to assist in the privatisation of public utilities and publicly owned companies. Charities churches trade unions and universities came to feel obliged to buy commercial airtime on television to gain a competitive edge. (Meech. 1999).

Advertisers manipulate the public into buying the things they see on television in an almost acceptable way, and sponsorships play a big role.

A soap opera such as 'Coronation Street' attracts 15 to 20 million viewers and those figures are growing. Research into the programme conducted by

Ann Grey (video playtime, 1992) confirms that Coronation Street is a preferred program across women and family viewers in all class groups hence its appeal for advertisers wishing to promote their products and services during its interval. The programme is sponsored by Cadbury's chocolate and confectionery being popular across all social class divides. Furthermore, Cadbury's devised a lottery style competition linking numbers on its chocolate wrappers to winning numbers at the end of a commercial break, drawing on the mass popularity of the National Lottery and the huge target audience reached by Coronation Street, adding to the common television habits of snacking during viewing.

Cadbury's sews together a sponsorship package, which maximises sales profitability. In return, the makers of the programme, in this case Granada Television, stand to profit from the huge financial input of such sponsorship.

In an increasingly complex social world, we as citizens depend upon the media to provide relevant information of social, economical, and political issues. Citizens rely on media managers to relay the necessary facts to allow meaningful participation in a democratic society. Although we need the media for news and entertainment through television, cable, radio, press and new global interactive services such as the internet, the media players need us, the public. They need to capture our attention in order to sell it to advertisers to generate profits and in turn, to keep their jobs.

What separates news media in a free society from a totalitarian society is its treatment of power. Several barriers inhabit the commercial news media from playing this crucial democratic role. The greatest barrier is the

established function of the commercial media generated profit. (Azcona. Media and Democracy. 11/01/02).

Media corporations create a dependence on advertising industry and are fundamentally incompatible with the public service of promoting the conditions essential for democratic involvement.

British media depended on advertising greatly not only to gain revenue but also to promote television programmes, radio shows and newspapers. Competition within companies provides a platform for advertising to grow and to expand.

In 1997, the amount of money spent on advertising was £13.14 billion, which is equivalent to £4 to £5 a week for every member of the British public. (Meech. 1999).

“ The market treats its audience as consumers not citizens, so that serving a public sphere function is outside its purview along with the force of competition. Although the market treats audiences as consumers rather than citizens, it does not make consumers ‘ sovereign’ in the sense of allowing them to choose what is offered”. (Herman. 1997. Page 190).

Citizenship is “ about the conditions that allow people to become full members of the society at every level”. (Curran. 1996. Page 18).

In a democratic society this should include freedom of speech, freedom of movement, freedom of association and freedom of conscience, however at the same time in capitalist society these civil rights also include the freedom to own and dispose of personal property.

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Advertisers would argue that the quantity and range of advertisements in the economy guarantee consumer's freedom of choice, and choice is human freedom. However this notion of freedom and choice is fairly restrictive in what it really means for the consumer. We are only offered a choice once all the real decisions about a product have already been made. Most of these commodity manufactures are organised into conglomerates or monopolies that divide up the market between them and are more interested in profits than in genuine consumer choice.

News media receive their revenue for providing a different service, selling the attention of viewers or readers to advertisers. Businesses with the revenue to advertise tend to be the larger business. These corporations will not pay to advertise and advertisers firms will not buy time if the media content is hostile to their interest.

Advertising firms are extremely affective communicating what news is acceptable to editors and organise boycotts for the noncompliant.

Dependency on advertising revenue acts as basic limitation to news media to examine the power of business and leave the citizens and smaller businesses vulnerable to abuses.

However the damage of this profit based motive does not end with the prostitution of the news to the advertising industry, like other producers, news media corporations continually seek to raise profit levels by reducing production cost. (Azcona. Media and Democracy. 11/01/02).

Customers must receive value for their money otherwise they will not spend it and listeners to and viewers of ' free' broadcasting must be induced to

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listen and watch and not switch of the television set. The commercial media have proved to be very capable of providing a plethora of certain types of fare such as action films and sporting events. (Herman. 1997. Page 190).

Television entrepreneurs found from the beginning that they had to maintain maximum attention among a wide disparity of consumers

Advertisements are clever, interesting and arresting with the graphics and sexuality often composed in art forms and innuendoes; in contrast some are practical and informative. Advertisements are a symbol of national wealth, as a purposeful entertainment, as a guide to useful products, as a clever technique to engage the emotions. It has conditioned generations to accept it as a part of the landscape, as ubiquitous and as normal as houses and trees. (Bagdikian. 1997).

In order for people to exercise their full rights as citizens, they must have access to the information, advice and analysis that will enable them to know what their personal rights are and allow them to pursue them effectively. They must have access to the broadest possible range of information, interpretation and debate on areas that involve political choices and they must be able to use communications facilities in order to register criticism and propose alternative courses of action. They must be able to recognise themselves and their aspirations in the range of representations on offer within the central communications sectors and be able to contribute developing and extending these representations. (Murdock. 1992. Page 21).

As we can see advertising plays a crucial role in the consumer's life. The media is almost reliant on advertising to gain revenue however this is not <https://assignbuster.com/the-media-dependence-on-advertising-revenue/>

always the case, and with such competition generated in today's society the media must also rely on other forms of revenue through television fees, subscription and cover prices etc to provide a guaranteed profit. Most advertisers do see the citizens of the UK to be consumers due to the fact that there is always the potential to buy particular messages that we are bombarded with everyday of our lives.

The American association of advertising agencies estimated that in an average day, as much as 1, 600 advertising messages are aimed at consumers. Although not all these messages are taken into account and maybe only 12 or so messages make conscious impressions. This gives an idea of the power advertisers have and how much we as the citizens have freedom of choice. (Bagdikian. 1997). However the media does provide us with the information we need and advertising does make the consumer aware of possible products and entertainment available.