

# Impact of advertisers on commercial media



Living in todays society, everywhere is filled with advertisements, commercial, public service, newspapers, radio, televisions, network, on the street and shopping mall, nowhere we can escape from them. Almost every day we have to come into contact with these ads, it has become an indispensable part of our life. The prosperous of advertising is based on a consensus: advertisements convince consumers to buy the goods.

Advertisers believe it and so do the retailers.

In the middle of nineteenth century, there is some skepticism towards advertising. Royal Commissions on the Press are adamant that advertising has no effect on commercial and equally dismissive about the effect of it on the press. Just as the first commission concluded that attempts by advertisers to influence editorial policy 'appear to be infrequent and unsuccessful' (Curran, 1981). Such assess denies the significance of advertisers on commercial media, which seems to suggest that further enquire is pointless.

Nevertheless, there are grounds for wondering whether the verdict is correct. Great shifts in the pattern of media advertising have taken place during the last decades, which have altered the feature if the commercial media. In nowadays media industry, the editorial policy of the press and network is shaped and molded by a combination of subtle financial pressure from advertisers.

Thus in this article, it is worth to discuss the alternative ways in which advertisers affect the commercial media instead of over attempts to influence its content. Especially, as a concealed subsidy system, more attention should be paid to the ways advertising has shaped the mass media and the ways the media have adapted to the marketing that advertisers'

needs so as to compete for the subsidies. In addition, as with concerns about the impact of advertisers' requirements and demands on editorial and creative decision in the media and cultural industries, basing on the current situations, this article will investigates the influence advertisers in some primary sectors of commercial media, and the changes of their power on those sectors, in order to figure out whether the contemporary advertisers is acquiring more control over the organization and output of commercial media or less.

## **The character of advertisers in the commercial media**

Since the first modern full service advertising agencies emerged in the late nineteenth century, it has been a major thread of debate about the owner power advertisers put on the media. Mainly, advertisers affect the media by two means: both directly and indirectly ways.

Advertiser's power exert over the information programming they sponsor. As one of the main sources of produced commodity of popular images, languages and narratives, the context of advertisement is directed by advertisers, as well as the entire media industry. They also influence the text of news as it is reported, the actual form and content of information as it is presented to consumers. Recently, it might be controversial of the phenomenon that where or not it is related to their industry of advertisers having begun demanding advance warning of content. For instance, the nation's fourth largest advertiser Chrysler Corporation informed the magazines in which it advertised that

It is required that Chrysler Corporation be alerted in advance of any and all editorial content that encompasses sexual, political, social issues or any editorial that might be construed as provocative or offensive. Each and every issue that carries Chrysler advertising requires a written summary outlining major theme appearing in upcoming issues (Baker, 1997).

Since advertisers want to reach the public so that they can sell their products well, they naturally support the media which are popular with the public. This conditions and commercial tension directly shaped the contemporary advertising industry. As the major source of finance for the two leading commercial media sectors- the press and commercial broadcasting, advertisers are thus act as neutral and passive intermediaries who allocate their media budgets basing on the preference of media consumers. They determine the structure of media industries simply by choosing where to spend their money and support media outlets that reach the right demographic groups, audiences that consume the most.

Advertisers rarely think of the media exclusively as a distribution system for advertisement. Generally, they also make judgments about the effectiveness of different media as agencies of persuasion but not the desire to reach all members of the public. Actually, consider the nature and significance of the influence posed by advertisers; we can see that the mass media fashions an essentially means of advertising patronage according to the needs of market and the class inequalities of power, influences and consumption within the society.

The advertisers want to expand their power of several aspects: first is to access to mass or niche markets. What they want to control is how potential

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consumers view their product and things external to the advertisement that may influence the way people viewing it (McAllister, 1996), which means, for instance, advertising tries to control not only the symbols in the ads, but also the meanings of those symbols represent. Meanwhile, advertisers also focus on the positive demographics, they weight towards groups with disposable income like youngsters and those who are in professional and managerial occupations. They want to control over the audience's viewing behavior in order to make sure audience actually notices the advertisement. In reality, to varying degrees, the consumers that media companies are responding to are advertisers, not the people who read, watch or listen to the media (Croteau & Hoynes, 2005), the demographics group with high rating is more attractive to advertisers. Higher-income audiences are more appealing than lower-income viewers because they are more likely to afford the advertisers' products. And advertisers also have a strong preference for younger audiences and relatively have no interest in the audience over the age of 50. Besides, another factor advertisers want to control is the media environment. They are engaged in creating a positive selling environment to make sure that the media content around the advertisements complements the messages and tones of their ads.

## **The levels advertisers influences the commercial media**

Advertising has been central to the formation of the contemporary media landscape. With the high development and growth of advertising, advertisers have more right to participate the decision of media. Mainly, their influence can operate at several levels.

## Instrumental

Basically, advertisers will adopt the instrumental interventions to seek to affect particular media products, trends, or policies. This influence can be reflected both by individual and collective.

Individually, advertisers always interested in the sector in which particular companies endeavor to, they follow the mainstream of the media market and change their strategies to look for maximum interests. One of the most effective tactics is sponsorship, through which advertisers can secure favorable publicity. Literally, a sponsor is often 'someone or some organization who donates to, and takes responsibility for, the public good' (Savan, 1994). As definition here, sponsorship is the act of corporate giving to some for profit, and it can emphasize its philanthropic elements.

Sponsorship as a promotional activity is not new. The first instance of the company sponsorship of an event occurred at least as far back as 1887, when the French magazine Velocipede sponsored an early automobile race (Lucas, 1992). The term sponsorship can be seen as another form of advertising, is used as contrast to spot advertising. Different from the spot advertising, which involves several advertisers sharing the total advertising time, it involves only one promoter giving all the funding to and getting all the promotional time from a media program. Nowadays, instead of the traditional advertising, sponsorship as a more effective and valid way has filled into every sectors of media industry and even our life. Advertisers looking for the new opportunity to propagandize for their products, they are not confined to the fundamental form like sponsor an event or sport, but sponsor ranging from a TV program to famous stars daily attire and supplies.

Just take those starts for example; the producers of cloth, handbags, shoes or everything can put in the starts they would like to sponsor. Because to those idolaters, they are crazy to follow their idols style and want to buy what their idols like. In this way, producers can advertise for the product with the minimum cost and expand the sales and visibility. The rising cost of traditional advertising slots in media (McCarthy, 1991) led to a significant increase in sponsorship. From this point of view, sponsorship has become just like any other advertising buy, and becomes valuable when it fulfills a company's marketing needs, especially when it can be tied specifically to sales increase. Besides, advertisers need do some market research to censor negative coverage. As an ads maker, one should understand that in order to sell the products they have to know consumers' desires and dreams better than they know themselves. Market research, in which psychologists, polling organization, trends analysts, focus group leaders, interviewers, and the whole panoply of mass communications work together and try to figure out what will make customers buy.

## **Collective**

Advertisers also interfere in the media industry collective, which means, as a group they try to a more positive selling and operating environment.

Because the most revenue of commercial media is depend on advertising, ads makers usually use their economic power to censor and control the content or purchase content favorable to their interests (Baker, 1994).

Advertisers make a larger contribution to the finances of the mass media than audiences. Commercial broadcasting derives nearly all of its revenue from advertising while newspapers and magazines both derive over half their

revenue from advertisements. In this sense, advertisers sponsor or control the media by means of boycotting some programs or groups that don't meet their aims. For example, American advertisers had ever shunned the working class press, and also avoided radio station with largely African American or Latino audiences. On study posed by Federal communications commission (FCC) in 1999 suggested that advertising on stations that target programming at racial and ethnic minorities. And the paying on minority-formatted radio stations less than general market stations with comparable audience size (Bettig & Hall, 2012). So we can say that the proportionate contribution to the media enterprise's revenue from an individual advertiser or organized group of advertisers, the greater the likely influence.

## **Allocation advertisers change in different sectors**

In order to gain the maximum profit, advertisers need to shift their investment strategy according to audience taste. Since there emergence varies channels for advertisers to do publicity of their products, they have been trying to seek for the most effective way. From the traditional media press to the modern internet, advertisers change the investment allocation basing on media market demand. The realistic condition is that t advertising allocation between media sectors are not closely tied to the pattern of media consumption. Newspapers and magazines absorb much less time, on average, than commercial TV and broadcast.

## **Media press**

Recent changes in advertising allocation between media sectors have tended to undermine traditional mass media, promote the growth of specialized media and favor the development of the regional press.

The media press has been one of the most significant places for advertising because of its attractiveness to local advertisers and government restrictions on the development other commercial sectors like broadcasting. In today's media industry, this medium still draws a large share of advertising revenue, for instance, Newspapers increased their advertising revenue by 7. 3% from 1993 to 1994 (Coen, 1995). But the newspaper press nonetheless failed to regain fully the market share of media advertising expenditure that it had enjoyed before because in recent years, there is much faster growth in their direct competitors for local advertising money, like TV network which up 17. 8% and direct mail growth 8. 7% (Coen, 1995). This reflect the medium's diminished attractiveness to advertisers, the popular press total share of advertising revenue has steadily declined and it was only partly displaced by the newborn media such as TV and internet.

Some reason for this decline is that services that newspapers have traditionally had a lock on, like classified ads, can now be delivered by other means, such as commercial TV or computer network (Fisher, 1993). The rise of commercial media seriously depleted the value of the advertising that the press did obtain. In order to get out of the dangerous situation, the press has to charge very low cover prices and spend very much more heavily on editorial outlay as a result of the rising advertising income it obtained. The most important is that the press may try to overcome the adverse situation by becoming more advertising friendly. Even though the proportion of the adult population reading newspaper and magazine remained stable during the period of new media rise, the youngster's are seldom read it anymore and more interested in the news form TV and internet. Like some women

magazine press, to be heavily oriented towards the young middle class, they sell their magazines coming with some free gift to attract the customers. Besides, the number of magazine advertising pages increased by nearly 50% (Danna, 1992). Just like one newspaper executive claims that 'instead of simply selling space, we're listening carefully to advertisers and marketing those newspaper environments that best fit an advertiser's marketing goals'(Szathmary, 1992).

## Internet

The emergence of the internet creates new platform for advertisers to transfer of ad from established media to the internet. With the development of the society, we have entered the internet era, especially in nowadays; young people are no longer focused on reading the newspaper and even watching TV, so advertisers turn the perspective and power to the internet. Compared to traditional advertising model, the network advertisement propaganda is varied. According to an Internet and interactive marketing data, which display network advertising marketing scale driver mainly from two aspects: one is the search engine advertising scale still maintained a fast growth; and another is continuously improvement of the advertising marketing value of video and BBS (Fine, 1995). For example, the micro-film now is very popular on the internet. Some advertisers take this opportunity and make very impressive micro-film which is turned out to be an advertisement in the end. Unlike the classical advertisement show on TV or radio, this kind of ads has longer time to tell a whole story without spending so much money as on TV. Meanwhile, it has a high rate of spread and circulation, which means if advertisers put it in the YouTube so that people

can share it all around the world. The rapid development of electronic commerce highlights the value identity advertisers paid to Internet channel, and they are on the way of transferring their control to the network world.

## Commercial TV

Commercial TV became accepted in leading agency circles as the best promotional medium for cheap mass market commodities. Commercial TV is superior to the press in selling cheap, mass products. On average, people see approximately 100 TV commercials a day, and studies estimate that, counting all the logos, labels, and announcements, some 16, 000 advertisements flicker across an individual's consciousness daily (Gauntlett & Hill, 1999). It comes in the innovative ways that television can be subservient to advertisers, where becomes the most obvious sector controlled by advertisers. Viewing many commercial TV, the golden time is always given to the soap operas, drama series those advertising friendly programs. Advertisers generally love sitcoms, for example, with their half-hour format, and the rule of thumb in modern commercial TV is what advertisers want, they get.

Another kind of TV program advertisers involve in most is reality show. With the limitation of spot advertisement both in time and rule, advertisers now are more likely to sponsor a reality show or studio entertainment. With sponsorship, one sponsor's name usually appears throughout the event, sometimes from beginning to end, sometimes in the background and foreground. For instance, in those reality shows like The American Next Top Model and The Project Runway, there are quite a lot of sponsors ranging from the prize to the house competitors live, at the beginning of each series,

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they will be introduced and throughout the show those sponsors are intentionally mentioned and detailed descrambled by competitors or judges for several times. Audience who like the show must be memorable for those products. This seems to be more impressed than the traditional TV advertisement. For the commercial media, because they are sponsored, they must do advertising hardly to ensure they can get subsidy. This conflict of interest means that unlike "official" cultural products, films, TV shows, books, and paintings and so on, advertising finds few regular critics in the mainstream press.

However, television that is competitively depends on advertising does tend to bar appeals to quality from the decision-taking process as consideration to be weighed in their own right. Unfortunately for advertiser, traditional media do not reach many of the most desirable groups. Consumers have more places to escape advertising and it was usually the consumers most desirable to advertisers who escaped their messages. As the major medium of commercial media industry, advertisers intervene and control mainly in commercial TV. In return some rules are carried out by the national advertising association in order to check the balance between the advertisers and audiences. In 2011, The State Administration of Radio Film and Television of China (SARFT) a new ban that all TV stations must rearrange their programs to delete all commercials set to air during TV dramas or face stern punishment. And according to Korean television regulation, except for sponsorship goods, all the other logos must be covered in variety show and drama series.

## Conclusion

Advertisers have great influence to the contemporary commercial media.

The most important factor affecting the degree of influence is the portion of the media firm's revenue provided by ads. The media have adapted to the requirements of advertisers in the ways they have sought to maximize revenue. Advertising revenue usually has great significance for the life of a publisher or broadcaster. In commercial media, advertiser' expenditure partially of an entirely underwrites the production and publication or broadcast of media 'content'. In return media owner displays the advertisements. Advertising revenue supports media, either directly, or more usually indirectly, through a holding company or network of commissioning channels. Advertisers are free to decide whether to stay with or withdraw their commercials from controversial program.

From the traditional media press to the universal commercial TV, advertisers always seek for new opportunity to put their power into wider media sectors. They change the strategy according to the need of commercial media market. As the rise of new advertising platform, advertising of newspapers and magazines are facing with big challenges and gradually lose their dominant position. The emergence of internet offer advertisers a perfect means to advertise products with less expenditure and high efficiency. The commercial TV is the best promotional medium for cheap mass market commodities. By means of spot advertising, sponsorship, implanted advertising, advertisers want to acquire more control over the opera of commercial TV. However, too many advertisements lead to a boycott of the

audience, and in order to keep the balance, the advertising administration has issued some rules to prevent overpower of advertisers.

Advertisers have been central to the formation of the contemporary media landscape, which depends heavily upon advertising revenue. In turn advertisers are dependent on the media to provide audiences. Overall, from what discussed above, it can be seen that contemporary advertisers are acquiring more control over the organisation and output of commercial media.