

SELLING AUDIENCES TO ADVERTISERS (Adcult, David Letterman, and Details articles)

First, briefly discuss the distinction between “content”/“editorial” and “advertising.” Students should understand that the words “content” and “editorial” are traditionally used to denote material that is the product of the editorial department, as opposed to something created by advertisers.

ADCULT

How do TV executives look at television? We know they want to make money, but how do they do that? What’s the purpose of TV?

TV is described as bait to get people to watch commercials.

TV is in the business of selling audiences to advertisers.

If TV was a sandwich, the meat for viewers is the programming, whereas—for TV executives—the meat is the commercials.

Who is its primary customers?

Advertisers.

One one hand: Roger King, in charge of syndication for *Wheel of Fortune*, *Jeopardy* etc.: is quoted saying: “The people are the boss. We listen to the audience, see what they want, and try to accommodate them.”

But where does the money come from?

Money comes from advertisers, not viewers. Unlike magazines, there are no subscribers.

Twitchell writes that the only gatekeepers of TV are the advertising agencies. What does he mean by that? What are gatekeepers?

Gatekeepers are the people who decide what gets on the air.

LETTERMAN

***Nightline* has higher ratings than *David Letterman*. So why did ABC want David Letterman to replace *Nightline*?**

- *Nightline* is serious and serious is riskier for advertisers. Since it’s a news show, it could do reports of people dying of cancer, car crashes. Advertisers don’t know what they’re getting — whereas Letterman is “fun.”
- Letterman audience is younger
 - Why young valuable:
 - a) early adopters / trend setting

- b) If you get 'em young, you can sell them over a lifetime
- c) Youth are heavier consumers of particular products that rely heavily on late-night TV advertising: beer, movies.
- d) Hard for advertisers to reach, so anytime they have a chance they go for it

In the history of television, the *Nightline* episode was not unusual.

Popular TV shows are often cancelled for having the “wrong” audience:

- *Gunsmoke* (old and too rural) and *Beverly Hillbillies* (also poor)
- Financial news shows have low ratings but are profitable because they reach an affluent audience.

Similar with newspapers: a large-circulation papers tend to be unprofitable if readers are politically radical, poor, or working class.

HOW TO TELL IF YOU'RE A 'DETAILS' READER

After discussing this article, hand students pages from the Maxim Magazine media kit, which you can download on the website. Talk to students about why the media kit includes stats on home ownership, grooming, and internet use among readers. On the page marked “2002 Rates,” note how the advertising price is cheaper when companies buy multiple ads due to “economies of scale.” Regarding the Editorial Calendar, ask students: How would Maxim benefit from having a fitness issue? A music issue? What types of advertising might it attract with these themes?

How do magazines make money?

Magazines exist to deliver audience to advertisers.

Who are magazine publisher's primary customers?

Not readers, advertisers.

This is complicated by the fact that in order to please customers (advertisers), they also have to please audience

Which medium is the most reliant on advertisers?

TV/Newspapers/Magazines/Internet?

TV, radio and free publications are the most reliant

- 95 - 100% TV revenue from advertising and marketing
- 80% newspapers revenue from advertising and marketing
- over 50% magazines revenue from advertising and marketing
 - a) with magazines, the purchasing price is sort of a "qualifying fee" that assures the readers is interested
 - b) This is why certain niche pubs have free circulation

Exceptions: books are largely unreliant on advertising; films and video games are less reliant on advertising than TV and print media but are subsidizing costs with product placements and other marketing.

What are media kits?

Packages, created by the advertising dept. at magazines, to convince businesses to advertise with them.

Anyone here subscribe to a magazine? Have you ever filled out a reader surveys in there? Why do you think they ask all those questions?

They use that information to solicit advertising.

Why do these magazines brag about such things?

Because if they convince companies that their readers buy lots of stuff, then those companies will be more likely to advertise.

Why would Interview include this in media kit: 63% of Interview readers say “I have more self-confidence and style than most people my age”; 92% love to experience new and different things ?

Show students a copy of Advertising Age and briefly discuss the role of a “media buyer”:

Advertising Age is a trade magazine, meaning it is read by people who work in the advertising trade. There are many types of jobs in advertising, and one of those jobs is the media buyer. The media buyer’s job, on any given ad campaign, is to figure out which outlets (TV networks, magazines, websites, etc.) to advertise in. For example, if the media buyer is given \$5 million budget for a new Clearasil campaign, she might choose to spend \$3 million on MTV commercials, \$1 million on “American Idol,” and \$1 million on magazines like Cosmogirl! and Seventeen Magazine.

If you are a magazine publisher, you want to get companies to advertise in your magazine, and the way to do that is through the media buyer. Magazine publishers want to convince media buyers to advertise with them, so they advertise in *Advertising Age* because a lot of media buyers read it.

SLIDESHOW (download this on the website)

Show students sample trade advertisements and ask them to decipher.

VH1

What’s going on here? VH1 is saying that its audience buys a lot of internet gear, uses financial planners, goes to movies.

History channel x 2

Notice that there's nothing about history or programming here; the ad is entirely about the audience.

Second History Channel ad: What are they saying here? Not only is the audience male, but it's totally devoted to the History Channel.

Which would you rather advertise in: a cable channel that viewers flock to, or one that people don't even recognize? Why would this be important for advertisers?

Advertisers sell their audiences to advertisers in the same way that TV networks do.

Redbook

Ad from the mid-1950s; shows not much has changed. Redbook used to be a youth magazine. Note that there's nothing here about *Redbook* and what an interesting magazine it is. It's all about young adults and why it's important to "brand" them ("get 'em while they're young").

Nickelodeon

Similar to *Redbook*. Why are these kids shown driving cars?

When Nickelodeon created this ad, who do you think they were trying to reach? What kind of advertisers/companies? (Car, because they spend a lot on TV)

Nickelodeon is essentially saying, "Companies who sell products for kids aren't the only ones who should advertise with us—Automobile companies should too, because kids influence adult purchases.

Nickelodeon "owns" 50% of kids 2-11 watching commercial TV.

GRP = Gross Rating Points (ratings)

AARP

= American Association of Retired People. It's a group of magazines targeted to seniors.

Why "unfaithful"? What might they be talking about? Ever heard the term "brand loyalty"? What do you think that means?

The ad is saying that it's a myth that seniors don't try new products; Seniors often have a lot of money

Again: AARP is not selling its publications, it's selling its audience

Playboy