

## **The End of Advertising as We Know It**

We had a life-changing stroke of luck in the Bradley household a couple of months ago: we won a 42" plasma HD television in a lottery. That was the stroke of luck. The life-changing bit was that, as first-time owners of a HDTV, we decided to leverage our good fortune by subscribing to the HD cable channels and, in the process, getting a new cable box with integral PVR.

I don't know how we managed to live without this new set-up. Not only does HDTV live up to its billing (we now refer to the non-HD channels as 'Blur-o-Vision'), but the real breakthrough is in mastering the PVR so that we now never watch a single commercial. Consequently, we have rediscovered the pleasures of television. Great for us, but bad for the key stakeholders, i.e. advertisers and media owners, as the economic model of the medium heads for the abyss when PVRs become ubiquitous.

This model, in which the medium and its content is paid for by sellers, as long as the medium assembles and delivers a large group of buyers, has a long history. It first achieved its modern form in 1835 when James Gordon Bennett founded the New York Herald, a scandal-filled rag designed solely to attract the teeming masses to read countless advertisements for Benjamin Brandreth's Universal Vegetable Pills, the first patent medicine mega-brand.

This concept has persisted ever since, but surely it has now exceeded its 'Best Before' date. I am convinced that the television medium is reaching a tipping point where the 30-second ad itself could be doomed. Which would be ironic, as it sprang from the loins of an equally cataclysmic tipping point in the 1950s.

Prior to then, most broadcast advertising came in the form of corporate brands sponsoring entire shows, when the likes of Kraft Television Theatre and I Love Lucy, sponsored by Philip Morris, held sway.

The final straw for show sponsorship was the shocking revelation that hit quiz show The \$64,000 Question and others like it, were rigged. The risk to a sponsor's credibility was just too great to take if this is what could happen; especially as the sponsor of one of the worst culprits – the show “21” – had been directing some of the rigging to remove an aesthetically-challenged, but seemingly invincible champion.

So the outcome was that in an effort to mitigate risk for the sponsors, who were already heading for the exits, the main channels ceased selling entire shows and decided to parcel up their airtime into 30 second segments, selling each to a different company.

This unintentionally changed the economic model of broadcast advertising. The availability of such short time spans at much lower costs made it economical to focus each message slot on an individual brand, rather than a corporate entity. Hence the promotion of the corporate brand disappeared into obscurity and companies fell over themselves to turn previously undistinguished products into brands. Cadbury up until that point had only ever advertised four brands; five years later it was advertising seventeen. 30-second ads led to the primacy of the product brand.

As the wheel turns once again, advertisers will soon flee the television medium whose viewers no longer watch 30-second ads. But television is still the best medium the world has ever seen, when not cluttered up with countless 30-second ads, and it could still

work for umbrella or corporate brands through the original idea of show or franchise sponsorship.

Brands such as Dove are already transforming themselves from bars of soap into total body solutions. However, apart from the Campaignforrealbeauty (which for me is tainted by the offputting whiff of corporate hypocrisy) today's Dove brand is still churning out its fair share of 30-second ads for some product variant or other, each being watched by fewer and fewer people who PVR them into the ether. Such brands are ideally placed through their scale to lead the charge into a brave new world and have their own program, or, in this digital age, perhaps their own channel, where the content is the advertisement.

I hope they do, because otherwise, the other brands with sufficient breadth and scale to change the model are retailers, and if they figure it out, then the era of manufacturer product brands, which I contend is a historical anomaly, could end sooner than we think.