

Advertising in the 21st Century



Changes in Advertising

- For most of the 20th century, advertising was limited to print ads, direct mail, radio and tv ads.



- Since the invention of computers, smartphones and social media, advertising has changed a lot.



Today, ads are everywhere and built into in nearly all of American culture.

Changes in Advertising

- Advertising spending in the U.S. has exploded in the last 30-40 years:
 - \$190 million in 1974
 - \$240.7 billion in 2019
- That means companies are spending roughly \$730 on ads each year for every man, woman and child in the United States.



US Total Media Ad Spending Share, by Media, 2014-2020

% of total

	2014	2015	2016	2017	2018	2019	2020
TV*	39.1%	37.7%	36.8%	35.8%	34.8%	33.7%	32.9%
Digital	28.3%	32.6%	35.8%	38.4%	40.8%	43.1%	44.9%
—Mobile	10.9%	17.3%	22.7%	26.2%	28.8%	31.0%	32.9%
Print	17.4%	15.4%	13.9%	12.9%	12.2%	11.6%	11.1%
—Newspapers**	9.1%	8.0%	7.2%	6.6%	6.1%	5.7%	5.5%
—Magazines**	8.3%	7.4%	6.8%	6.4%	6.1%	5.8%	5.6%
Radio***	8.4%	7.8%	7.4%	7.0%	6.7%	6.4%	6.1%
Out-of-home	4.0%	4.0%	3.9%	3.8%	3.7%	3.5%	3.4%
Directories**	2.8%	2.5%	2.2%	2.0%	1.9%	1.7%	1.6%

Note: *excludes digital; **print only, excludes digital; ***excludes off-air radio & digital

Source: eMarketer, March 2016

205439

www.eMarketer.com

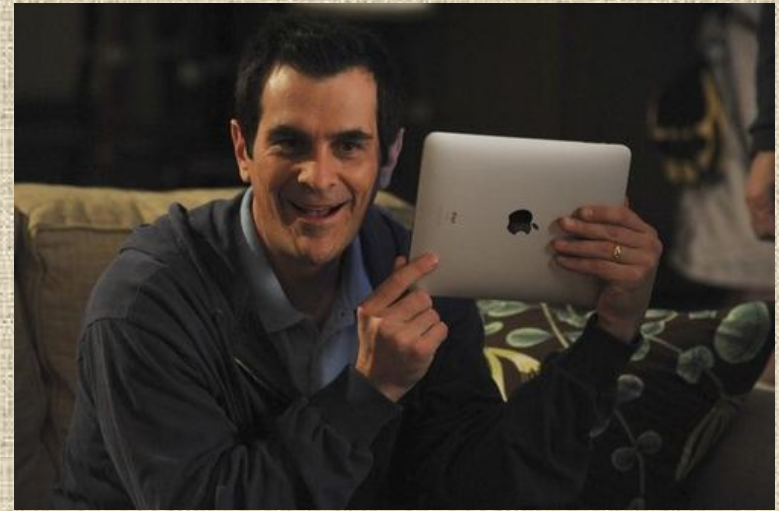
- What changes do you notice in advertising spending?
 - Where is MORE money going?
 - Where is LESS money going?

21st Century Advertising



- In recent years, skyrocketing advertising budgets have led to so many ads that it is harder & harder to get customers' attention.

21st Century Advertising



In this ad-cluttered world, companies have to be more aggressive and sneaky than ever before.

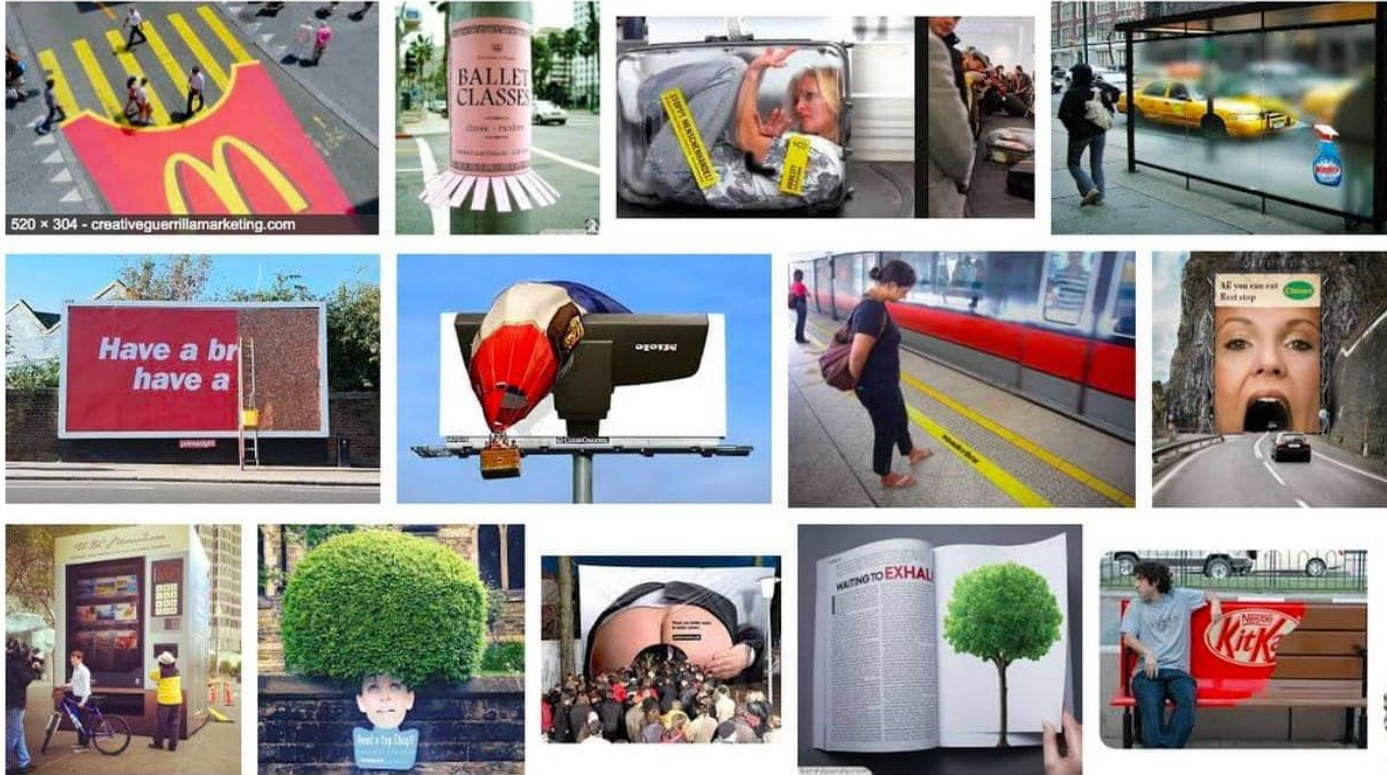


This is one way to advertise, right?

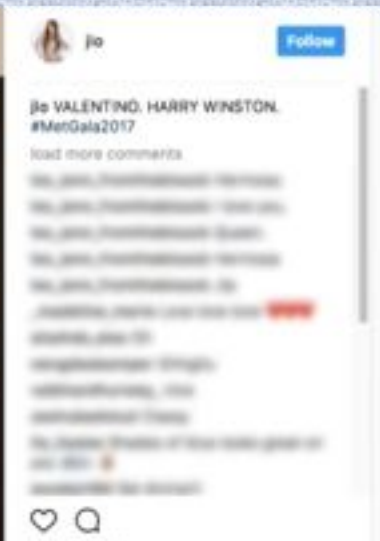


Think about it, where do
you see ads today?

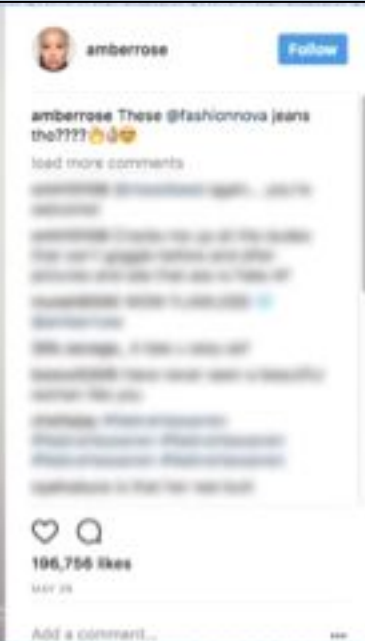
Stealth Advertising



A type of advertisement where the customer isn't aware that they are being advertised to OR an ad that is disguised as something else or place in a setting where we don't expect to see an ad.



What does Stealth Advertising look like on IG?



Not so natural looking, right? Very much an ad in disguise...



- And also, totally NOT legal.
- Technically it's illegal to advertise a product without mentioning that it's an ad or that they are being paid to promote it.
- In spite of these rules, celebrities advertising to/at us all the time!

The Kardashians – Repeat Offenders



Kourtney & Khloe Kardashian - Instagram post showing them chowing down on Popeye's chicken – notice the ideal product placement or all that realistic in terms of their eating habits!

“The Kardashian/Jenner sisters are masterful marketers who are making millions of dollars from companies willing to turn a blind eye to the women’s misleading and deceptive social media marketing practices...”

Kylie Jenner and Fashion Nova

Original



URL: https://www.instagram.com/p/BOhIX_IBeIn/

Edited



URL: https://www.instagram.com/p/BOhIX_IBeIn/

For the record, editing a post after you post it with #ad is NOT full “disclosure” according to the FTC.

Product Placement



Product Placement

(Also known as “brand casting,” “product integration,” or “contextualized commerce”)



- What is it? *A type of advertising where products are placed in tv shows or movies to gain exposure.*
- Advertisers pay more than \$300 million/year to producers and networks to have their products in shows.



Toy Story led to an 800% increase in sales for Mr. Potato Head and a 4000% bump in sales for the Etch-a-Sketch.

Product Placement

- **Why?** Advertisers/networks want to protect themselves from new technologies which make it easier for viewers to record or stream shows and skip the ads.
 - Nearly 90% of people skip the ads when watching recorded shows.
- **To be seen, brands now have to get INSIDE the content.**



- Studies show that many big brands today are spending over 30% of their advertising budget on product placement.
 - Why? 60% of viewers see a product more favorably after seeing it placed in a tv show or movie so our attention/favor is worth the investment for brands.

- As the cost of making shows rises, networks make BIG money from product placement.
 - NBC, for example, asks up to \$25 million from sponsors for “product integration.”







Big Daddy (1999)
Hooters

Ways to Work in an Ad

- Product placement takes many forms:
 - ***Product plugs.*** In the most typical form, marketers pay to have brands appear in shows and on sets.
 - EX: On "American Idol," contestants relax on red couches in the Coca-Cola "Red Room."
 - ***Plot placements.*** This calls for weaving products directly into scripts and plotlines.
 - EX: Audi's partnership with Marvel Studios.





Ways to Work in an Ad

– *Title placements.* When the brand name is in the show's name, it's hard for viewers to miss.

- EX: The Pepsi halftime show at the Super Bowl or a film title like “Harold & Kumar go to White Castle”



– *Ad placements.* Rather than putting their products into shows, some marketers simply provide print ads or posters to decorate sets.



- EX: A Starbucks store appearing in the background of a film or an ad for Fresh Pet on the back of a newspaper in an episode of *Modern Family*.

What do you think of this product placement - authentic? forced?



MODERN FAMILY
New Wednesday 9|8c

PORTAGE, MI — Many of us
laundry!" But for one (Swinn
The Champion family of Law
According to Lainie Champ
dryer. Lainie elaborated, "I f
out the dryer said the I aske
Luckily, the mother of four re
"absolutely slaughtered thoo
floor of the house filled with
She quickly gathered the chil
girl. Auvette arrived at th

#ModernFamily

What do you think of this product placement - authentic? forced?





MOVIECLIPS.COM