

2. Advertising

Advertising or advertising in business is a form of marketing communication used to encourage, persuade, or manipulate an audience (viewers, readers or listeners; sometimes a specific group) to take or continue to take some action. Most commonly, the desired result is to drive consumer behavior with respect to a commercial offering, although political and ideological advertising is also common. This type of work belongs to a category called affective labor.

In Latin, *ad vertere* means "to turn toward." The purpose of advertising may also be to reassure employees or shareholders that a company is viable or successful. Advertising messages are usually paid for by sponsors and viewed via various old media; including mass media such as newspaper, magazines, television advertisement, radio advertisement, outdoor advertising or direct mail; or new media such as blogs, websites or text messages.

Commercial advertisers often seek to generate increased consumption of their products or services through "branding", which involves associating a product name or image with certain qualities in the minds of consumers. Non-commercial advertisers who spend money to advertise items other than a consumer product or service include political parties, interest groups, religious organizations and governmental agencies. Nonprofit organizations may rely on free modes of persuasion, such as a public service announcement (PSA).

Modern advertising was created with the innovative techniques introduced with tobacco advertising in the 1920s, most significantly with the campaigns of Edward Bernays, which is often considered the founder of modern, Madison Avenue advertising.

In 2010, spending on advertising was estimated at \$143 billion in the United States and \$467 billion worldwide.

Internationally, the largest ("big four") advertising conglomerates are Interpublic, Omnicom, Publicis, and WPP.

2.1 History

Egyptians used papyrus to make sales messages and wall posters. Commercial messages and political campaign displays have been found in the ruins of Pompeii and ancient Arabia. Lost and found advertising on papyrus was common in Ancient Greece and Ancient Rome. Wall or rock painting for commercial advertising is another manifestation of an ancient advertising form, which is present to this day in many parts of Asia, Africa, and South America. The tradition of wall painting can be traced back to Indian rock art paintings that date back to 4000 BCE. Out-of-home advertising and billboards are the oldest forms of advertising.

As the towns and cities of the Middle Ages began to grow, and the general populace was unable to read, instead of signs that read "cobbler", "miller", "tailor", or "blacksmith" would use an image associated with their trade such as a boot, a suit, a hat, a clock, a diamond, a horse shoe, a candle or even a bag of flour. Fruits and vegetables were sold in the city square from the backs of carts and wagons and their proprietors used street callers (town criers) to announce their whereabouts for the convenience of the customers.

As education became an apparent need and reading, as well as printing, developed advertising expanded to include handbills. In the 18th century advertisements started to appear in weekly newspapers in England. These early print advertisements were used mainly to promote books and newspapers, which became increasingly affordable with advances in the printing press; and medicines, which were increasingly sought after as disease ravaged Europe. However, false advertising and so-called "quack" advertisements became a problem, which ushered in the regulation of advertising content.

2.2 19th century

Edo period advertising flyer from 1806 for a traditional medicine called Kinseitan

Thomas J. Barratt from London has been called "the father of modern advertising". Working for the Pears Soap company, Barratt created an effective advertising campaign for the company products, which involved the use of targeted slogans, images and phrases. One of his slogans, "'Good morning. Have you used Pears'

soap?" was famous in its day and well into the 20th century. Under Barratt's guidance, Pears Soap became the world's first legally registered brand and is therefore the world's oldest continuously existing brand.

An advertising tactic that he used was to associate the Pears brand with high culture and quality. Most famously, he used the painting Bubbles by John Everett Millais as an advertisement by adding a bar of Pears soap into the foreground. (Millais protested at this alteration of his work, but in vain as Barrat had bought the copyright.) Barratt continued this theme with a series of adverts of well-groomed middle-class children, associating Pears with domestic comfort and aspirations of high society.

Barrat established Pears Annual in 1891 as a spin-off magazine which promoted contemporary illustration and colour printing and in 1897 added the Pears Cyclopedia a one-volume encyclopedia. From the early 20th century Pears was famous for the annual "Miss Pears" competition in which parents entered their children into the high-profile hunt for a young brand ambassador to be used on packaging and in consumer promotions. He recruited scientists and the celebrities of the day to publicly endorse the product. Lillie Langtry, a British music hall singer and stage actress with a famous ivory complexion, received income as the first woman to endorse a commercial product, advertising Pears Soap.

Barratt introduced many of the crucial ideas that lie behind successful advertising and these were widely circulated in his day. He constantly stressed the importance of a strong and exclusive brand image for Pears and of emphasizing the product's availability through saturation campaigns. He also understood the importance of constantly reevaluating the market for changing tastes and mores, stating in 1907 that "tastes change, fashions change, and the advertiser has to change with them. An idea that was effective a generation ago would fall flat, stale, and unprofitable if presented to the public today. Not that the idea of today is always better than the older idea, but it is different - it hits the present taste."

As the economy expanded across the world during the 19th century, advertising grew alongside. In the United States, the success of this advertising format eventually led to the growth of mail-order advertising. In June 1836, French newspaper La Presse was the first to include paid advertising in its pages, allowing

it to lower its price, extend its readership and increase its profitability and the formula was soon copied by all titles. Around 1840, Volney B. Palmer established the roots of the modern day advertising agency in Philadelphia. In 1842 Palmer bought large amounts of space in various newspapers at a discounted rate then resold the space at higher rates to advertisers. The actual ad – the copy, layout, and artwork – was still prepared by the company wishing to advertise; in effect, Palmer was a space broker. The situation changed in the late 19th century when the advertising agency of N.W. Ayer & Son was founded. Ayer and Son offered to plan, create, and execute complete advertising campaigns for its customers. By 1900 the advertising agency had become the focal point of creative planning, and advertising was firmly established as a profession. Around the same time, in France, Charles-Louis Havas extended the services of his news agency, Havas to include advertisement brokerage, making it the first French group to organize. At first, agencies were brokers for advertisement space in newspapers. N. W. Ayer & Son was the first full-service agency to assume responsibility for advertising content. N.W. Ayer opened in 1869, and was located in Philadelphia.

2.3 20th century

Advertising increased dramatically in the United States as industrialization expanded the supply of manufactured products. In order to profit from this higher rate of production, industry needed to recruit workers as consumers of factory products. It did so through the invention of mass marketing designed to influence the population's economic behavior on a larger scale. In the 1910s and 1920s, advertisers in the U.S. adopted the doctrine that human instincts could be targeted and harnessed – "sublimated" into the desire to purchase commodities Edward Bernays, a nephew of Sigmund Freud, became associated with the method and is now often considered the founder of modern advertising.

The tobacco industry was one of the firsts to make use of mass production, with the introduction of the Bonsack machine to roll cigarettes. The Bonsack machine allowed the production of cigarettes for a mass markets, and the tobacco industry needed to match such an increase in supply with the creation of a demand from the masses through advertising. The tobacco companies pioneered the new advertising techniques when they hired Bernays to create positive associations with tobacco smoking.

Advertising was also used as a vehicle for cultural assimilation, encouraging workers to exchange their traditional habits and community structure in favor of a shared "modern" lifestyle. An important tool for influencing immigrant workers was the American Association of Foreign Language Newspapers (AAFLN). The AAFLN was primarily an advertising agency but also gained heavily centralized control over much of the immigrant press.

At the turn of the 20th century, there were few career choices for women in business; however, advertising was one of the few. Since women were responsible for most of the purchasing done in their household, advertisers and agencies recognized the value of women's insight during the creative process. In fact, the first American advertising to use a sexual sell was created by a woman – for a soap product. Although tame by today's standards, the advertisement featured a couple with the message "The skin you love to touch".

On the radio from the 1920s

Advertisement for a live radio broadcast, sponsored by a milk company and published in the Los Angeles Times on May 6, 1930.

In the early 1920s, the first radio stations were established by radio equipment manufacturers and retailers who offered programs in order to sell more radios to consumers. As time passed, many non-profit organizations followed suit in setting up their own radio stations, and included: schools, clubs and civic groups.

When the practice of sponsoring programs was popularized, each individual radio program was usually sponsored by a single business in exchange for a brief mention of the business' name at the beginning and end of the sponsored shows. However, radio station owners soon realized they could earn more money by selling sponsorship rights in small time allocations to multiple businesses throughout their radio station's broadcasts, rather than selling the sponsorship rights to single businesses per show.

Public service advertising in WW2

The advertising techniques used to promote commercial goods and services can be used to inform, educate and motivate the public about non-commercial issues, such as HIV/AIDS, political ideology, energy conservation and deforestation.

Advertising, in its non-commercial guise, is a powerful educational tool capable of reaching and motivating large audiences. "Advertising justifies its existence when used in the public interest – it is much too powerful a tool to use solely for commercial purposes." Attributed to Howard Gossage by David Ogilvy.

Public service advertising, non-commercial advertising, public interest advertising, cause marketing, and social marketing are different terms for (or aspects of) the use of sophisticated advertising and marketing communications techniques (generally associated with commercial enterprise) on behalf of non-commercial, public interest issues and initiatives.

In the United States, the granting of television and radio licenses by the FCC is contingent upon the station broadcasting a certain amount of public service advertising. To meet these requirements, many broadcast stations in America air the bulk of their required public service announcements during the late night or early morning when the smallest percentage of viewers are watching, leaving more day and prime time commercial slots available for high-paying advertisers.

Public service advertising reached its height during World Wars I and II under the direction of more than one government. During WWII President Roosevelt commissioned the creation of The War Advertising Council (now known as the Ad Council) which is the nation's largest developer of PSA campaigns on behalf of government agencies and non-profit organizations, including the longest-running PSA campaign, Smokey Bear.

Commercial television in the 1950s

This practice was carried over to commercial television in the late 1940s and early 1950s. A fierce battle was fought between those seeking to commercialize the radio and people who argued that the radio spectrum should be considered a part of the commons – to be used only non-commercially and for the public good. The United Kingdom pursued a public funding model for the BBC, originally a private company, the British Broadcasting Company, but incorporated as a public body by Royal Charter in 1927. In Canada, advocates like Graham Spry were likewise able to persuade the federal government to adopt a public funding model, creating the Canadian Broadcasting Corporation. However, in the United States, the capitalist model prevailed with the passage of the Communications Act of 1934 which

created the Federal Communications Commission (FCC). However, the U.S. Congress did require commercial broadcasting companies to operate in the "public interest, convenience, and necessity". Public broadcasting now exists in the United States due to the 1967 Public Broadcasting Act which led to the Public Broadcasting Service (PBS) and National Public Radio (NPR).

In the early 1950s, the DuMont Television Network began the modern practice of selling advertisement time to multiple sponsors. Previously, DuMont had trouble finding sponsors for many of their programs and compensated by selling smaller blocks of advertising time to several businesses. This eventually became the standard for the commercial television industry in the United States. However, it was still a common practice to have single sponsor shows, such as The United States Steel Hour. In some instances the sponsors exercised great control over the content of the show – up to and including having one's advertising agency actually writing the show. The single sponsor model is much less prevalent now, a notable exception being the Hallmark Hall of Fame.

Media diversification in the 1960s

In the 1960s, campaigns featuring heavy spending in different mass media channels became more prominent. For example, the Esso Gasoline Company spent hundreds of millions of dollars on a brand awareness campaign built around the simple and alliterative theme Put a Tiger in Your Tank. Psychologist Ernest Dichter and DDB Worldwide copywriter Sandy Sulzer learned that motorists desired both power and play while driving, and chose the tiger as an easy-to-remember symbol to communicate those feelings. The North American and later European campaign featured extensive television and radio and magazine ads, including photos with tiger tails supposedly emerging from car gas tanks, promotional events featuring real tigers, billboards, and in Europe station pump hoses "wrapped in tiger stripes" as well as pop music songs. Tiger imagery can still be seen on the pumps of successor firm ExxonMobil.

Cable television from the 1980s

The late 1980s and early 1990s saw the introduction of cable television and particularly MTV. Pioneering the concept of the music video, MTV ushered in a new type of advertising: the consumer tunes in for the advertising message, rather

than it being a by-product or afterthought. As cable and satellite television became increasingly prevalent, specialty channels emerged, including channels entirely devoted to advertising, such as QVC, Home Shopping Network, and ShopTV Canada.

On the Internet from the 1990s

With the advent of the ad server, marketing through the Internet opened new frontiers for advertisers and contributed to the "dot-com" boom of the 1990s. Entire corporations operated solely on advertising revenue, offering everything from coupons to free Internet access. At the turn of the 20th to 21st century, a number of websites, including the search engine Google, started a change in online advertising by emphasizing contextually relevant ads based on an individual's browsing interests. This has led to a plethora of similar efforts and an increasing trend of interactive advertising.

The share of advertising spending relative to GDP has changed little across large changes in media. For example, in the US in 1925, the main advertising media were newspapers, magazines, signs on streetcars, and outdoor posters. Advertising spending as a share of GDP was about 2.9 percent. By 1998, television and radio had become major advertising media. Nonetheless, advertising spending as a share of GDP was slightly lower – about 2.4 percent.

A recent advertising innovation is "guerrilla marketing", which involves unusual approaches such as staged encounters in public places, giveaways of products such as cars that are covered with brand messages, and interactive advertising where the viewer can respond to become part of the advertising message. Guerrilla advertising is becoming increasingly more popular with a lot of companies. This type of advertising is unpredictable and innovative, which causes consumers to buy the product or idea. This reflects an increasing trend of interactive and "embedded" ads, such as via product placement, having consumers vote through text messages, and various innovations utilizing social network services such as Facebook or Twitter.

The advertising business model has also been adapted in recent years. A new development is media for equity. Here, advertising is not sold, but provided to

start-up companies in return for equity. If the company grows and is sold, media companies receive cash for their shares.

Domain owners (usually those who buy domains as an investment) sometimes "park" their domains and allow advertising companies to place ads on their sites in return for a per-click payment.