Chapter 9
Broadcast Media

❖WEB REVIEW QUESTIONS

1. What are the six types of radio stations and how are they different?

- AM/FM: Traditional radio that serve a primarily local market.
- Public radio: Usually an affiliate of National Public Radio (NPR). These stations are considered non-commercial and rely on listener support and corporate sponsorships for funding.
- Cable radio: Uses cable television receiver to deliver static-free music via wire plugged in to cable subscribers' stereos.
- Satellite radio: Delivers your favorite radio stations throughout the United States.
- Low-power FM (LPFM): These nonprofit, noncommercial stations serve a small market, with a reach of three to five miles. The FCC does not allow these stations to carry advertising.
- Web radio: Provides webcasting, which is audio streaming through a Website.

2. What's the difference among network, syndicated, and spot radio advertising?

- Network radio advertising: Radio advertising can be bought from national networks who distribute programming and advertising to their affiliates. Network radio is a group of local affiliates connected to one or more national networks through telephone wires and satellites. Many advertisers view network radio as a viable national advertising medium.
- Spot radio advertising: An advertiser places an advertisement with an individual station rather than through a network. With so many stations available, spot messages can be tailored for particular audiences. Local stations offer flexibility through their willingness to run unusual ads, allow last-minute changes, and negotiate rates.
- Syndicated radio advertising: Program syndication has benefited network radio because it offers advertisers a variety of high-quality, specialized, and usually original program. Syndicated radio is original radio programming playing on a large number of affiliated stations. Advertisers value syndicated programming because of the high level of loyalty of its audience.

3. How is the radio audience measured?

Advertisers considering radio are most concerned with the number of people listening to a particular station at a given time. The typical radio programming day is divided into five segments called **dayparts**.

The 6–10 a.m. segment is called **morning drive time** and it is the period when the most number of listeners are tuned to radio.

The radio industry and independent research firms provide several measures for advertisers, including **coverage**, which is similar to circulation for print media. The most basic measure is the station's coverage. This is simply the number of homes in a geographic area that are able to pick up the station clearly, whether those homes are actually tuned in or not. A better measure is a station or program's **ratings**, which measures the percent of homes actually tuned in to the particular station.

Several major audience-rating services operate in the advertising industry. One, the Arbitron Ratings Company, estimates the size of radio audience for more than 250 markets in the United States. RADAR, owned by Arbitron, deals with both local and network radio.

4. How is radio advertising changing?

New opportunities for audio advertising are showing up in novel new formats. Mini-CDs are being embedded in the lids of soft drink cups at movie theaters and theme parks. Supermarket customers may hear a voice address them from the shelf.

5. What are the five types of programming options found in television and how do they differ?

- Specialty television: The FCC has licensed low-power television (LPTV) to provide programming outlets to minorities and communities that are underserved by full-power stations. LPTV stations have signals that cover a radius of fifteen miles. Homes pull in LPTV signals through special antennas and LPTV carries advertising for local retailers and businesses.

- Pay-per-view: Another type of special television programming delivered by satellite. Usually used for major sporting and music events, commercial customers, such as bars subscribe for live delivery of events without commercials. Some experts predict this business to increase.

- Program syndication: Independent TV and cable stations have grown to fuel the syndication boom. Syndicated programs are television programs purchased by local stations to fill time in open hours. Off-network syndication includes reruns of network shows like *Seinfeld* and *Everybody Loves Raymond*. First-run-syndication programs are purchased from networks by syndication distributors and moved into syndication even as the shows' owners continue to produce new episodes. These shows did not meet the minimal number of episodes for regular syndication.

- Interactive television: An interactive TV set is basically a television with computer capabilities. Interactive television development appears to be taking off, thanks to broadband. Broadband has more capacity to send data and images into a home or business through a cable television wire than the much smaller capacity of a traditional telephone wire or television antenna system.

- High-definition TV (HDTV): HDTV has been slow to build demand but that seems to be changing. A high-definition television is a type of TV set that can playback movie quality, high-resolution images. The station has to broadcast the program in an HDTV format.

- Digital video recorders (DVR): DVRs are expected to have a profound effect on television programming. The DVR system allows users to record favorite TV shows and watch them whenever they like. Users get a TiVo "box" and subscribe to a service that distributes programming. The technology makes it possible to record the programming without the hassles of videotape, letting users pause, view instant replays, and begin watching programs even before the recording has finished. It's known as time-shifting.

  TiVo is a substantial threat to marketers because it allows consumers to skip commercials completely. Advertisers need to decide how to respond.

6. In terms of television advertising, what is the difference among sponsorships, participations, and spot announcements?

- Sponsorships: Advertisers assume the total financial responsibility for producing the program and providing the accompanying commercials.

- Participations**:** Advertisers pay for 10, 15, 20, 30, or 60 seconds of commercial time during one or more programs.

- Spot announcements: Commercials that appear in the breaks between programs, which local affiliates sell to advertisers who want to show their ads locally. Commercials are sold on a station-by-station basis to local, regional, and national advertisers. However, local buyers dominate spot television.

7. How are television audiences measured?

Several independent rating firms periodically sample a portion of the television viewing audience, assess the size and characteristics of the audiences watching specific shows, and then make these data available, for a fee, to advertisers and ad agencies, who use them in their media planning. Currently, A.C. Nielsen dominates this industry. They use an **audiometer** that records when the TV set is used and which station it is tuned to. They also measure using a **viewing diary**, which provides data on who is watching which show.

Television audiences are also measured through ratings, share of audience, and gross ratings points.

8. What are the advantages and disadvantages of advertising on television?

Advantages include the following:

- Pervasiveness
- Cost-Efficiency
- Impact

Disadvantages include the following:

- Production Costs
- Clutter
- Wasted Reach
- Intrusiveness

9. How is television advertising changing?

New forms of television advertising are increasing with sponsorships, product placements, and advertiser-controlled programming. The telecommunication industry and the cable industry are battling over who will control digital TV technology. Digitization will allow information to flow into households just as electricity does today. As a result, tomorrow's viewers may see only what they want to see.

10. What are trailers and how are they used as an advertising form?

Movie theaters, particularly the large chain theaters, sell time at the beginning of their film showings for commercials, called trailers, that are movie previews. Most of these trailers are advertising upcoming films, but some are national commercials for brands or local commercials for local businesses. These ads can be targeted to a certain extent by the nature of the film and the rating. The cost of the trailer is based on the number of theaters showing the spot and their estimated monthly attendance. Generally, the cost of a trailer in a first-run theater is about the same as the cost of a 30-second television spot in prime time.

11. What are the advantages and disadvantages of movie advertising?

Trailers play to a captive audience and the attention level is higher for these ads than for most any other form of commercials.

The captive audience dimension is also the biggest disadvantage as people who have paid for a ticket resent the intrusion.

12. In what other ways might an advertiser reach movie audiences with an advertisement?

Videocassette and DVD distributors are also placing ads before their movies as well as on their cases. Even some billboards are now equipped to run mini-movies and ads electronically. There are also promotional video networks that run programs and commercials.

13. What are the advantages and disadvantages of product placement?

The greatest advantage of product placement is that it demonstrates product use in a natural setting. It's unexpected and catches the audience when their resistance to advertising messages may be dialed down. It's also good for engaging the affections of other stakeholders.

The biggest problem is that the placement may not be noticed. A more serious problem occurs when there is not a match between the product and the movie or its audience. Equally serious is that the success or failure of a movie is not known when the contract for the placement is being negotiated.