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2.1 THE CHANGING FACE OF CONSUMER ADVERTISING AND THE IMPLICATIONS FOR AUDIENCE RESEARCH

My presentation today will be in three parts. First I will review some of the background information on US and worldwide advertising trends which leads me to believe there is a significant relationship between media strategies and the demand for audience research. In the second part of my presentation, I will develop the point that there is a new structural change underway in US advertising planning practices which implies a shift in audience research emphasis. Then, I will finish by briefly touching on how all these trends may be moving in the near future both in the US and in other countries.

Total worldwide advertising spending expressed here in nominal US dollars, has risen dramatically since the end of World War II. In 1950 the US, with less than 10% of the free world's population, accounted for approximately three-quarters of all worldwide advertising expenditures. By 1980 the US share had slipped to approximately 50% but a strong dollar and sluggish overseas economies temporarily interrupted the trend. Now in the last few years, the ultimate pulling away of the spending levels outside the US has reappeared. The point of Table 1 is that advertising worldwide is just beginning to grow and the changes in the near future in Europe and other industrialised parts of the world could be exceptional, especially if the US practices are considered somewhat of a leading barometer of what is ahead in other parts of the world.

The appearance of the TV medium has had a dramatic impact on the way advertisers have planned their media strategies and, not too surprisingly, it has indirectly impacted on broadcast and print audience research practices.

Tom Coffin, recently retired Research Director of The National Broadcasting Company, one of the three large US TV networks, designed and executed a landmark study clearly demonstrating the initial impact of television on

Table 1

**Trends in worldwide expenditures
Nominal US Dollars**

	United States $(millions)	All other countries $(millions)	Total world $(millions)
1950	5,700	1,700	7,400
1960	12,000	6,100	18,100
1970	19,600	15,000	34,600
1980	53,600	56,400	110,000
1987	109,700	95,100	204,800

Table 2

**Trends in television advertising expenditures
Nominal US Dollars**

	United States $(millions)	All other countries $(millions)	Total world $(millions)
1950	0.2	negligible	0.2
1960	1,700	400	2,100
1970	3,600	2,400	6,000
1980	11,500	11,600	23,100
1987	23,900	21,800	45,700

product sales. This study was done at a time when the US had a freeze on the expansion of TV station licenses. As a result, Tom had an ideal laboratory making it possible for him to match sales results in areas with TV advertising compared with those covered by only radio and a print media mix. In those early years the initial impact of TV advertising was outstanding (Table 3).

The arrival of the television medium and its threat to the print media, created an exceptional demand for outstanding new types of audience research. A classic in this regard was the *Saturday Evening Post* sponsorship of the glue spot study technique for measuring ad page exposure and its relationship to favourable attitudes and desire to buy products. The results provided credible evidence that repeat advertisement exposures as provided by the print media were of significant value – repeat exposures were not possible for a single broadcast commercial.

The newspaper industry, with some financial assistance from the paper industry, financed a similar type of exceptional media research. The Newspaper Information Committee, working with researchers from Harvard University, produced a study which clearly illustrated (Figure 1) that awareness and favourable attitude about a brand would slowly move upwards from zero merely as a result of distribution alone, as indicated by the pattern labelled distribution. Seeing it on the shelf, examining the product, or trying it, will get the process going but at a very slow pace. A moderate frequency of newspaper advertising exposures, between eight and nine, moved the awareness and attitude levels up quite sharply but when the newspaper advertising stopped, the levels decayed sharply. On the other hand, an increase in the insertion frequency beyond ten pushed the attitudinal levels up significantly while also materially lowering the decay rate when the ads were discontinued.

These studies, as well as others such as the General Foods Study funded by *Life, Study, Look*, and *Reader's Digest*, all helped to call attention to the variety of different types of communications values offered by all media.

Most of this print research was motivated by the concern about television's threat to other US media. Research of this type will undoubtedly reappear in other parts of the world where commercial TV is just coming on the scene. These types of efforts may also show up again in places where television is maturing and the results of such research are now much more acceptable to the marketers searching for new print alternatives. These studies, back then,

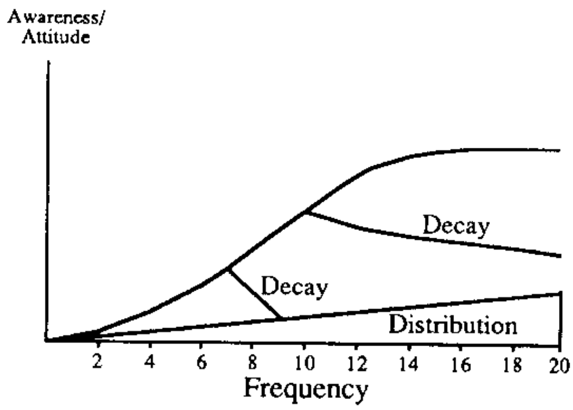
Table 3

Impact of TV in early years
The Hofstra studies

	Sales %
In TV areas	+ 40
In non-TV areas	+ 3

Figure 1

The effects of frequency



Source: Harvard/Newspaper Information Committee also highlighted the need for more scientific procedures for comparing and evaluating different media. In the mid sixies, the ARF offered assistance by providing guidelines to aid better media comparisons (Figure 2).

After extensive study, the technical committee of the Advertising Research Foundation released a booklet which included this model or stepwise procedure for evaluating and comparing media. The report is an orderly set of guidelines for the evaluation process and it strongly stressed the fact that there was little media research available beyond the third stage.

The model was very helpful in explaining the media comparison process. However, the model failed to generate the volume of research effort needed to bridge the gaps between advertising exposure and buyer response. In fact, the model plus computers may be the reason why print media plans tended to be evaluated mainly on the basis of reach and frequency againt prospects with minimum allowance for other criteria or for the limitations of the total audience measurements.

This may appear to be a rather severe indictment of the print media. However, when the most rigorous applications of the full range of considerations was applied, we were rarely able to bridge the gaps between exposure and response. We were not able to be sure that our best thought-through efforts were any better or even as good, as what we would get if we left it up to the numbers. For over two decades, we have been manipulating the same types of data to derive most of our print plans.

The situation has been quite similar for decisions in the use of other media. Basic TV plans are generally developed based on given budgets, a few other fixed requirements, and then finally the gross rating point tonnage measurements (Figure 3).

Figure 2

The ARF model for evaluating media

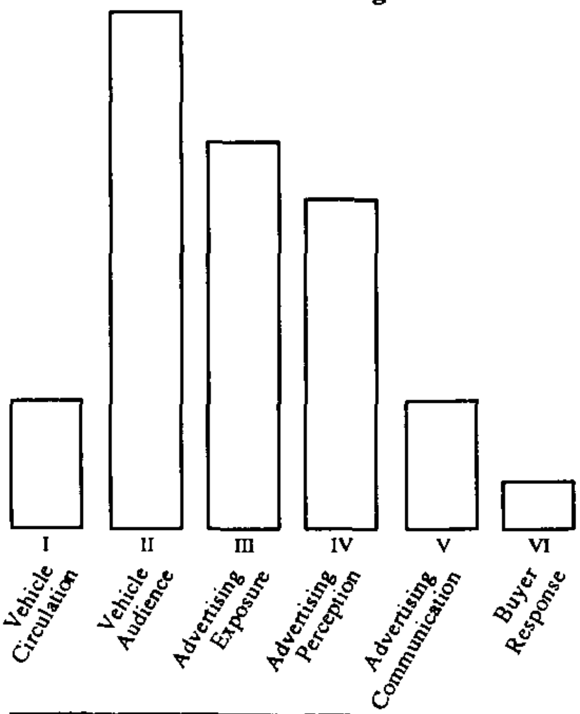
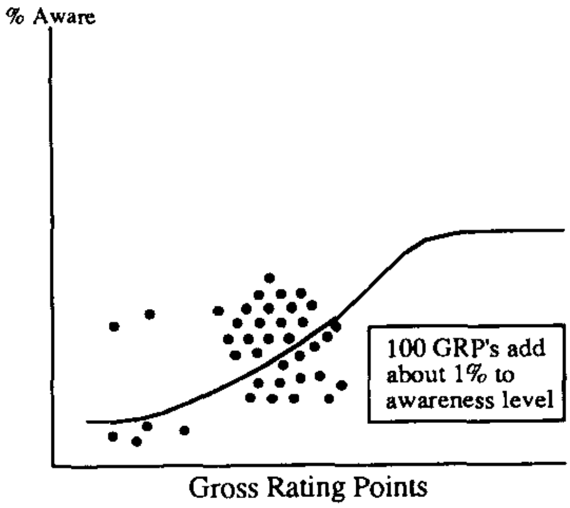


Figure 3

Awareness is a function of ad exposure



Nearly every major television advertiser has used some type of general rule of thumb, or formula, to help determine how much weight is needed at different periods of time. On Figure 3, I have included the statement '100 GRPs add about 1% to awareness level' as an illustration of the type of general rule of thumb that often emerged from such research. However, I have also indicated that there is a great deal of scatter in the observation to which the model has been fitted.

The answers we have in this area are considerably limited in reliability. Nevertheless, television gained a significant share of the ad budgets of many US marketers (Table 4).

By 1987 large US marketers, doing business nationwide, spent more than a quarter of all their ad dollars in the television media. If we examine the mix for the large US package goods advertisers, excluding cigarette, liquor, and industrial product marketers, the share for TV is usually between 50% to 75%.

The share of total advertising by all marketers going to television is now 21.8%. The lower rate of usage among all advertisers is due to the inclusion of the local retail and classified advertisers who depend primarily on the newspaper medium for their advertising programmes.

Table 4

Television's share of US advertising

	National marketers		All marketers	
	1950 %	1987 %	1950 %	1987 %
TV share	3.6	27.8	1.1	21.8
(Total advtg. in millions of dollars)	($3,260)	($60,625)	($5,700)	($109,650)

It might be noted that very few countries in the world have the large land area and geographic population dispersion of the US and consequently, the difference between national and local marketers is blurred. However, in 1992 when many European trade barriers will begin to disappear, we will begin to see the emergence of a new single European consumer market and the appearance of a growing number of pan-European marketers or national marketers in Europe. These events will undoubtedly have an impact on the demand for newer and different types of audience research.

Despite the growth of the television medium over these years, print media advertising did not go into decline (Table 5).

In 1950 US marketers spent less than a half billion dollars in magazine advertising, but despite the exceptional growth in the importance of the TV medium,the magazine advertising revenues were more than five and a half billion dollars in 1987.

Newspaper advertising by national marketers has also grown over the years although its relative importance has slipped a bit. The newspaper medium has maintained its position as the number one medium for local marketers such as department stores, supermarkets, local

Table 5

Growth in major US print advertising (millions of current US $)

	1950 $	1987 $
Consumer magazines	478	5,607
Newspapers (national marketers)	518	3,494
Newspapers (local marketers)	1,552	25,918

Table 6

Average annual growth rates

	1950 to 1960 %	1960 to 1975 %	1975 to 1987 %
Gross national product (GNP)	+5.9	+7.8	+ 9.0
Magazine advertising	+6.6	+3.2	+11.9
Newspaper advertising	+5.9	+5.5	+11.2

banks, and most other local retail establishments. Nevertheless, throughout this span of years there has been a shift in consumer advertising practices and in the research needs of the advertising planners and buyers.

The US experience, which will be duplicated to some extent in different parts of the world, varied throughout the years of TV growth and marketing change (Table 6).

Some of the US experiences have already been replicated in some parts of the world while in many others the transitions are barely underway. Over the longer span, the arrival and growth in the new medium, television, tends to fuel a faster growth in all advertising. The role of advertising in marketing grows in importance and so does the need and importance of both broadcast and print audience research.

Ironically, in the US experience, the most sophisticated and noteworthy print efforts occurred in the first decade of television's appearance. But in these initial years, print advertising grew faster than the US economy and was only marginally affected by the appearance of the television medium. Initially, television in the US made its greatest competitive inroads against the radio medium.

During television's second decade, growing TV prices and TV budget requirements had their greatest impact on the other media as they were funded by the redirection of some portion of traditional print budgets. Hindsight now suggests that the print media might have been better served if they had delayed their most classic research efforts until the mid seventies. Then marketers were desperately searching for information that would guide them in their search for a less expensive alternative to that of the new intrusive TV medium.

Since the mid seventies, all US media have been growing faster than the US economy but during most of these years the audience research has mainly been employed to evaluate alternatives with a single medium and not across media.

Audience research has emphasised quantifiable vehicle dimensions within media ie exposure demographics, product usage and research.

The planners of consumer advertising strategies claim that judgments about impact and consumer response have played a major part in the development of consumer advertising media strategies. But as long as these elements could not be quantified, the process generally evolved into a comparison of the dimensions of alternative media vehicles based primarily on costs.

In the US and in many other industrialised countries, the broadcast and print research have been only marginally influential in the planning and evaluation of total media strategies. This has been adequate in the majority of cases where the media mix percentages were quite stable from year to year but media strategies and their underlying value perception began to shift significantly in the United States in recent years for a number of reasons.

The growth in cable TV subscribers (Table 7) has provided more consumers with a great

Table 7

The growth in cable TV penetration

Year	Cable subscribers (000)	Household penetration %
1980	17,671	22.6
1981	23,219	28.3
1982	29,341	35.0
1983	33,794	40.3
1984	37,291	43.7
1985	39,873	46.2
1986	42,237	48.1
1987	44,971	50.5

many new TV viewing choices. In the 1960's and 1970's the typical US household could tune in to three national network TV channels and one or two non-network independent TV channels. Today, more than half of all US households subscribe to cable systems which provide them with 15 to 20 viewing choices.

The growing number of viewing choices has gradually eroded the ratings of the three major TV networks that had dominated the medium until recent years (Table 8).

For years the three major TV networks captured nearly 90% of all prime time evening television viewing. Advertisers were convinced that their brands would lose sales share if they were not heavily advertised in network programmes. The networks were over-subscribed by advertisers' buyers and network TV rates continuously rose faster than most other prices. Ironically, there was an upsurge in advertising demand in the early years of this decade as many industries were deregulated and competition intensified. Between 1980 and 1985 network TV prime time rates escalated sharply despite their ratings decline and the moderation in the general pace of US inflation (Table 9).

Table 8

Trends in prime time network TV ratings

(Average annual programme rating)

Year	Average rating
1960	17.1
1970	17.0
1980	16.6
1985	14.8
1986	14.6
1987	14.1

Table 9

Rise in network TV rates
(Prime time – annual average)

Year	Price of 30 second commercial $	Increase over previous year %
1980	60,000	+ 8.1
1981	65,000	+ 8.3
1982	72,300	+ 11.2
1983	78,000	+ 7.8
1984	91,000	+ 16.7
1985	91,500	+ 0.5
1986	95,000	+ 3.8
1987	100.000	+ 5.3

Between 1980 and 1984, the general inflation rate in the US economy began to moderate from the double-digit levels of the previous decade that had been brought on by energy shortages. By 1984, the increase in consumer prices over 1983 had moderated to a level of about 4%, but network TV prime time prices continued to soar and in 1984 rose by 16.7% over 1983 levels without including the far higher prices paid for advertising in the summer and winter Olympics. These exceptional increases resulted from overbidding by a host of new marketers including personal computer manufacturers, deregulated airlines and utilities, credit cards, and financial marketers as well as marketers competing intensely for selected segments of the consumer package goods markets.

However, after 1984 the inevitable change in US advertising practices set in with network television experiencing the first inital shock (Table 10).

The high annual growth rates that were characteristic of this medium in the first half of this decade stopped abruptly in 1985 when for the first time since the beginning of the 1960's, network television actually registered a decline in revenues. True, it was after the Olympic year of 1984, but it was an unheard-of occurrence nevertheless.

Advertisers finally were able to rebel against the annual double digit price increases imposed upon them by the networks each year. Alternative TV outlets like the cable networks and the barter syndication ad hoc networks freed marketers from their dependence upon the traditional TV advertising practices.

There was a radical change in the network TV budgeting practices of the large national US marketers in 1985. Those marketers who do business in all cities across the nation embarked on a series of significant changes in the way they produced and marketed their various goods and services. The restructuring of these marketers was highly influenced by the soaring cost of all media and television particular. Ironically, the media price escalations were most extreme at the same point in time when the sluggish trend in corporate profit performance was hastening the inevitable correction of the then existing advertising practices. Finally, these events climaxed as the TV medium matured with expanding commercial options

Table 10

Growth in network TV advertising

Year	Expenditures $ millions	Change %
1980	5,130	+ 11.5
1981	5,540	+ 8.0
1982	6,144	+ 10.9
1983	6,955	+ 13.2
1984	8,318	+ 19.6
1985	8,060	- 3.1
1986	8,342	+ 3.5
1987	8,500	+ 1.9

Table 11

Trend in national ad budgets in the major consumer media*

	$ Millions	% Change over previous year
1984	24,214	+ 17.2
1985	25,385	+ 4.8
1986	26,652	+ 5.0
1987	27,712	+ 4.0

* Magazines, newspapers, radio, and all TV sectors

for buyers and increasing fragmentation in television audience delivery. Television advertising strategies were the first to undergo change but all consumer media soon began to feel the effects of the new switch in US consumer advertising practices (Table 11).

In the last three years the major advertisers, those marketing across the entire nation, sharply modified their budgets in all the major consumer media.

The reasons for these changes have been mentioned but their inevitability is apparent when we examine the trend in slumping profit performance in contrast to soaring advertising expenditures (Table 12).

Advertising expenditure growth, up until 1985, was spurred by new advertising spending by a number of new users of advertising time and space. These included the deregulated airlines and telephone companies as well as many new users of mass media such as financial marketers, computer manufacturers, and others. This exceptional spurt in ad demand helped to escalate media prices even more. Many of the traditional heavy users of advertising found it continuously more difficult to maintain their advertising schedules due to the higher prices and the sluggish pace of their corporate profits. By 1984 ad expenses had risen to extraordinary levels while corporate profits were still below their 1979 levels and in 1985 when profits slumped, ad growth began to moderate.

Table 12

Corporate profits vs ad expenditures 1979 – 1987

	Corporate profits*		Ad expenditures	
	$(billions)	% change	$(millions)	% change
1979	169.2	+ 12.8	48,780	+ 12.6
1980	152.3	- 10.0	53,550	+ 9.8
1981	145.4	- 4.5	60,430	+ 12.8
1982	106.5	- 26.8	66,580	+ 10.2
1983	130.4	+ 22.4	75,850	+ 13.9
1984	146.1	+ 12.0	87,820	+ 15.8
1985	128.1	- 12.3	94,750	+ 7.9
1986	126.8	- 1.0	102,140	+ 7.8
1987	137.8	+ 8.7	109,650	+ 7.4

* After taxes

Table 13

Consumer prices vs media unit prices 1980 – 1987

	Consumer prices	Media unit prices
1980	100	100
1981	110	110
1982	117	122
1983	121	132
1984	126	145
1985	131	156
1986	133	164
1987	138	171

Index 1980 = 100

The growth in advertising expenditures during the decade of the eighties was partly due to many new users that appeared in the media marketplace, but it primarily resulted from the much higher media prices charged by the mass consumer media (Table 13).

Based on the year 1980 as 100, it is evident that media inflation, or the pace of the index of media unit prices, pulled ahead of general US price trends or the trend in US consumer prices.

The over-subscribed TV medium led the upward surge in media prices, but the other mass consumer media also raised their rates at an exceptional pace. The traditional package goods marketers re-examined their basic advertising philosophies since many individual brands could no longer afford to purchase adequate major media schedules.

One of the adjustments undertaken to cope with these conditions was the shortening of

Table 14

Fifteen-second network TV commercials (% of all commercials)

	1985 %	1986 %	1987 %	1988 %
1st Quarter	7.6	18.8	28.5	36.1
2nd Quarter	9.0	20.0	29.4	
3rd Quarter	10.0	20.2	30.0	
4th Quarter	13.7	24.6	35.3	

the length of the average commercial. The slumping demand for TV commercial time forced the television networks to allow advertisers to share the traditional 30 second commercial time among two different brands. Not long after this concession, the networks agreed to sell stand alone 15 second commercial time at half the 30 second rate (Table 14).

A development that got slowly underway in 1985 as a means of maintaining TV schedule affordability has continued to become more prevalent. In daytime dramas and quiz programmes, the 15 second usage level is already approaching the 50% level and 15 second commercials usage continues to grow in all dayparts and for all types of advertisers.

The shift to shorter, less costly, network TV commercials has also been accompanied by a search for other tactics to hold down the cost of advertising programmes. US marketers are re-examining their options across all media and they are applying the same negotiation practices to the print media that they have employed for years with the broadcasters. These changes will inevitably show up in new and different audience research demands. Many of the same forces that have brought about these new developments in the United States will gradually appear in some form and degree in most parts of the world.

These changes in major mass consumer media usage by marketers has been accompanied by some radical changes in the use of many of the more specialised media that in the past have been analysed and used with little or no reference to the major mass media strategies.

The use of coupons (Table 15) gradually grew as many smaller brands turned to this type of special promotion tactic to attract new users and tryers and also in order to clear out backed up stocks and inventory. As competition for consumer markets has intensified, the use of coupons has spread and in some cases it has been funded from traditional media ad budgets or as an extension of ongoing advertising strategies.

While the number of ad pages in magazines has been stagnant and newspaper lineage has been flat or declining, there has been a noticeable growth in the number of pieces of mail sent at third class regular rates. Most of these pieces contain advertising material which is frequently distributed by mail instead of being placed in the magazine or newspaper media (Table 16).

The increased use of mail advertising has also generated new media research requests. The distributers of multi-unit ad pieces through the mail automatically obtain consumer response information and they are looking for similar research for their efforts placed in other media and they are also looking for measures of how combinations of all of these efforts contribute to total response.

Most of the preprint newspaper advertisements are by retailers who prepare the units themselves and use the newspaper for mass distribution (Table 17). The preprints are frequently in colour which is not available in many newspapers and the same preprint units are

Table 15

The growth in the use of coupons

	Billions of coupons	Change % over previous year
1980	90.6	
1981	102.4	+13.0
1982	119.5	+16.7
1983	142.9	+19.6
1984	163.2	+14.2
1985	179.8	+10.1
1986	202.6	+12.7
1987	215.2	+ 6.2

Table 16

Trend in US postal volume (billions of regular third class pieces)

	Billion pieces	Change % over previous year
1980	22.3	
1981	25.4	+13.9
1982	28.2	+11.1
1983	32.5	+15.2
1984	38.8	+19.4
1985	41 3	+ 6.4
1986	45.2	+ 9.4
1987	49.3	+ 9.1

Table 17

Trend in newspaper preprints

	Number in billions	Change over previous year %
1980	27.7	-
1981	28.7	+ 3.5
1982	29.9	+ 4.2
1983	35.7	+ 19.4
1984	41.3	+ 15.7
1985	45.4	+ 9.9
1986	51.5	+ 13.4
1987	56.0	+ 8.7

also sent by mail to key customers not covered by the distributing newspapers.

The shift to preprints was initated as a method for getting out more ads at less cost than would be required if all the material appeared in run-of-paper display space. These practices have cut into the newspaper's ad revenues while also providing the marketers with more direct response type information about their sales and advertising promotions.

Somewhat similar developments have appeared in the magazine medium. Magazine advertisers have been searching for more impressive and dramatic ways to use magazines. In some cases, the magazine insert evolved from a multi-page unit that first appeared in a local newspaper or a national publication such as the *Wall Street Journal.* Now the practice is growing and an expanding number of different advertisers are using a variety of these new and different inserts for a variety of reasons (Table 18).

Table 18

Pages of advertising in magazine inserts

	Magazine insert pages	Change over previous year %
1983	1,937	
1984	4,595	+137.2
1985	5,549	+ 20.8
1986	7,917	+ 42.7
1987	9,874	+ 24.7

They are being used for their economy and for the special impact they can offer for such things as launching a new product, introducing new marketing strategies, and as a highly efficient vehicle for showcasing a range of products under the corporate parent name.

The whole character of the magazine medium has changed considerably in recent years. The advertisers and publications are negotiating intensely and more and more advertising space sales are being packaged at corporate rates and with special discounts. Special arrangements for a variety of different space units and combinations are also on the rise. Advertisers are planning and evaluating the magazines differently than they had in the recent past. Despite the intensifying competitive developments, the number of new magazines continues to proliferate (Figure 6).

Many of the new magazines will fail to be a success, but the number that survive are increasingly fragmenting the reading audiences. This provides the marketer with a continually growing number of target audience options which is another ingredient in the supply and demand price negotiation process.

In addition there are further developments directed at controlling the readerships in public

Figure 6

New consumer magazines (Selected titles)

1986

Cable Choice
Grandparents
PC Companion
Today's Marriage
Home VCR Monthly

Number announced: 143

1987

Divorce
Inside Cycling
Parenting
Sight
Working Women Weekends

Number announced: 184

Table 19

Procter and Gamble media mix (1982 vs 1987)

	1982 (million) $	1987 (million) $
Network TV	391	378
Spot TV	179	238
Magazines	30	80
Newspapers	8	6
Cable TV	7	24
Radio	2	32
Syndication TV	-	49
Total	617	807

places such as the waiting room of doctors and dentists. The media planning process is becoming far more complex as major marketers re-examine most of their previous marketing strategies.

The major marketer of consumer products in the United States is the Procter & Gamble corporation. Between 1982 and 1987 they have repeatedly announced their concern over rising advertising and marketing costs and Table 19 indicates how their advertising strategies have changed over these years.

In 1982 and in previous years, P&G concentrated more than 90% of most brand budgets in the television medium. The TV budgets were divided between national network buys and local over-the-air spot TV purchases. About two-thirds of the TV budget went to the three national TV networks and the remaining third-was spent for local and regional spot ads announcing new products or for special local market support and development effort. The amount spent in the other media were generally for special purposes and most media evaluations were confined to the options or vehicles within a single medium. This was a simple and easy to manage media strategy until over subscribed television prices threatened the basic profit goals of the company.

In 1987 the strategy has clearly changed with the most noticeable shift being in the diminished concentration in the network television sector. No longer does network and spot TV account for over 90% of the mix; television is still high in importance but far more diversified. The shifts in the other secondary media are also noteworthy with magazines rising from $30 million to $80 million while the highly segmented radio medium rose from $2 million to $32 million over these years. Procter & Gamble's planning and evaluation process is much more complex today than it had been in the past.

P&G's willingness to seek new media options and to welcome new media research studies within and between media should contribute to a growing need for a great deal more print and broadcast research. These research needs will cross media lines and they are for a great deal more diverse target audience details than needed in the recent past.

In the United States, the face of consumer advertising has been gradually changing throughout this decade. The television medium has matured and media planning and executions are now much different than they were a few years ago. There were a number factors that eventually lead to these changes.

The maturation of the television medium has been the main reason for the recent shifts in US consumer advertising and indirectly to an emerging need for new types of audience research. Many of these developments and changes should occur, to some degree, in most other countries as the television medium grows to its level of fullest development. The US situation many be summarised as follows:

The US television system had been over-subscribed from it infancy with buying demand exceeding the supply of commercial inventory. Television prices have continuously risen faster than most other prices until many advertisers could not longer afford to use the medium as they had in the past.

Those conditions helped to stimulate the expansion in television commercial availabilities on cable TV channels, new independent TV stations, and through the expansion of mass appeal programming on more stations during more time periods and through the use of shorter commercials.

These expansions resulted in a decline in the ratings of the three dominant television networks and a growth in the availability of smaller, less costly, more sharply targeted audiences due to viewing fragmentation.

The restructuring of many of the most important package goods advertisers occurred simultaneously as the need to control rising television costs became imperative.

All of these events, combined, have resulted in much leaner and meaner media planning and buying practices. Marketers have broadened their options to include both broadcast and print consumer media, as well as couponing, special promotions, the mail, yellow page listings, and a growing number of highly specialised print units and multi-page preprint promotions.

The more complex, integrated, and highly targeted strategies imply the requirement of more complex and detailed audience research.

Print audience research as we know it now, is not likely to change radically overnight, but there will be a growing need for more target audience details for new publications and for the more highly refined market segments. Either samples will be much bigger or adequate numbers of interviews will have to be accumulated over longer periods of time.

The search for the most valid method of measuring the total audience of an average issue of a publication will not end, but the most intense efforts may be separately redirected at the primary and secondary parts of the total. More information and research about public place readership will be required as special publications concentrate on this source for advertising exposure. On the other hand, the growing use of special page units and multi-page inserts will require better information about the disposition and response to these units. I personally believe that the best way to uncover the better total audience methodology is through an improved basic knowledge of all component parts of the print reading phenomenon.

Therefore, I am optimistic about the future for print audience research based on the changing practices in consumer advertising. I also believe that we will see considerably more customised research cutting across not only broadcast and print consumer media but also including the more specialised efforts in mail and other direct response media. Marketers are using all media in combination to shorten and improve the entire marketing response process and they are looking for research to help them in evaluating media in relation to each other and also in combination. I recently received an inquiry from a Harvard University research centre that has been requested to draft a proposal of such a study even to the extent of isolating and identifying the response contribution that might eventually occur through various levels of usage of a new media development called talking yellow pages. The large corporations supporting the Harvard Information Center are looking for more facts about many more media competing for their advertising budgets.

There is no doubt in my mind that many of the things that are happening in the United States will eventually appear in some form in other parts of the world as consumer marketing and consumer advertising become ever more similar on a global basis.

The outlook for advertising is excellent in the US and even more so in the balance of the world. In 1985 the US component of worldwide advertising amounted to $94.8 billion and in the balance of the world $63.3 billion, for a worldwide industry total of $158.1 billion (Table 20).

In 1985 the change in US advertising brought on by the maturation of the television medium became clearly visible and the shift to more highly targeted strategies and tight budgeting across all media set in. Nevertheless, the US advertising industry has continued to outpace the growth in Gross National Product, albeit at a more modest pace than in the past.

Table 20

Worldwide advertising outlook (Billions of $)

	United States	Balance of the world	Total world
1985	94.8	63.3	158.1
1986	102.1	79.9	182.0
1987	109.7	95.1	204.8
1988*	118.8	108.4	227.2
1989*	127.7	119.3	247.0
1990*	140.0	135.0	275.0
2000*	350.0	450.0	800.0

*Forecast

Consumer advertising in the balance of the world has been on the rise since the mid century as a result of expanding television availabilities and growing competition for domestic consumer markets. These upward pressures are likely to continue and become even more stimulative in the decade of the nineties as the TV medium moves from its infancy in many countries and as barriers to cross border markets are eliminated throughout much of Europe.

By the year 2,000, the total worldwide advertising industry will be approaching the trillion dollar mark as it reaches $800 billion with the majority of the expenditures being spent in countries other than the United States.

The changes in consumer advertising have many implications for the American print audience researchers. It is obvious that the maturing of television will heighten the interest in precise detailed audience research for not only the print media but for various combinations of media that are now coming into more common usage.

The changes in other markets around the world are likely to be even more extraordinary and nearly all of the implications for US research changes are likely to be even greater in other countries around the world.

I believe that the future for the global advertising industry is excellent, but the changing face of consumer advertising implies even more excitement and change for audience research entrepreneurs in the remaining years of this century and on into the next.